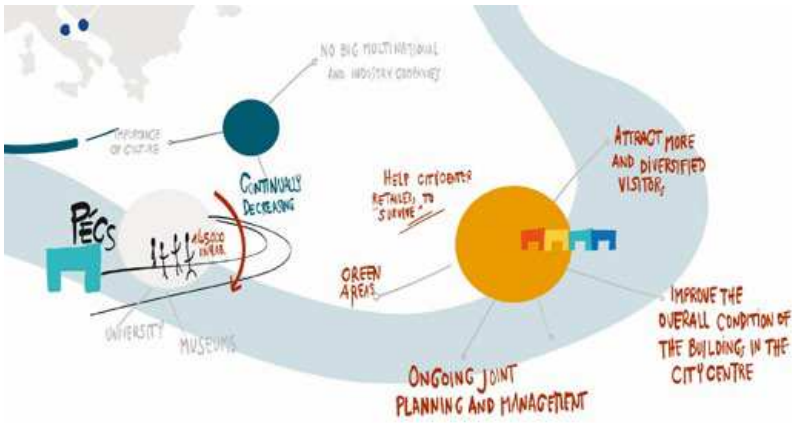




# PÉCS CITY - CENTRE REVITALISATION URBACT RETAILINK INTEGRATED ACTION PLAN



## 1 - THE PROJECT

This Integrated Action plan was developed as part of the URBACT Retailink project and reflects the outcome of the regular consultations with the Local Action Group and the learning from the International Networking Events.

### OUR VISION

Pécs URBACT Retailink team’s vision is that Pécs city centre will be packed with people, both citizens, university students from different countries and regions as well as tourists. People won’t only walk around in the city centre and sit in the benches of Széchenyi square but will also shop around in the stores and eat and drink in bars and restaurants located in the city centre. Visitors will stay longer and both citizens and tourists will spend more money in the city-centre than they do nowadays.

All the buildings in the city centre will have been renovated and the beauty of the historic centre will stand out for all to see. The centre of Pécs will not have any vacant stores anymore or big business fluctuation. Storeowners and renters will increase their turnover and thus will be satisfied with the new situation.

### THE CONTEXT

Pécs is the fifth largest city of Hungary and is around 2000 years old. The capital of Baranya County is famous for its history and culture, its World Heritage site, the Zsolnay ceramics and the Turkish ruins and was Europe’s Cultural Capital in 2010.

The population of Pécs (145.000 inhabitants today) is continually decreasing. The share of the older

population is increasing, as the younger generations, especially those who graduated from the university, leave the city. The biggest employer of Pécs is the University, with 6.000 employees and almost 20.000 active students, both Hungarians as well as international students.

Overall tourism in Hungary is on the rise: however, in Pécs the number of tourists is stagnating at around 114.000 visitors per year and about 224.000 nights in hotels and motels. Other comparable Hungarian cities, like Szeged, Miskolc or Eger have growing numbers of total tourist nights spent in the city, year after year.

A Municipality-owned company, the Pécs Real Estate Company owns and rents approximately 50% of the city centre real estate and has strong influence on the city centre real estate business development. The other 50% of the inner city real estate is in the hands of private property owners.

Both based on the perception on everyday people walking around in the city-centre as well as according to the Pécs Real Estate Company, the situation in the city centre has changed positively in the last two years. For example, there are less vacant shops in the pedestrians-only area and based on the numbers received from the Pécs Real Estate Company, the rate of the occupied buildings went up from 69% (January 2016) to 77% (December 2017).



## 2 - THE PLAN

There are four main objectives that the city wants to achieve in the future to build on the latest positive data:

**First:** Higher levels of footfall in the city centre to result in increased levels of area business turnover. Pécs wants, first of all, attract more people to the city centre and get them to stay longer using the area for different activities, including shopping, and consequently, which will thus lead to higher levels of spending in the city centre shops, bars and restaurants and leisure activities.

**Second:** Enhance the image of the downtown area by improving the overall condition of its buildings. By upgrading the city centre, real estate the municipality wants to attract new tenants to move in, and as a consequence promote a diversity of uses, including dwelling.

**Third:** Offer more assistance to inner-city retailers by organizing trainings for the shop assistants as well as the shop managers. They want to help city-centre shops by joint marketing and sales promotions and by starting a website that gathers the information about all the inner-city bars, shops, etc, so they can promote themselves via a common platform.

**Finally:** Provide the bases for a permanent and sustainable team to manage the city centre and work for the creation of a City Centre Management structure.

These objectives are briefly described in continuation:

### **Objective 1: Increase footfall and drive sales in the city centre**

The project will invest time and resources to increase the number of tourists and improve the area attractiveness to pull both Pécs citizens residing in other districts and university students. Some measures have already begun, to be further developed along the project implementation period, namely:

- **Activity 1:** Pécs RetailLink team has started working with local tourist agents to design a local tourism strategy. Though the work is still in progress as of this writing, the city has put together all the right kind of different companies managing touristic attractions to develop a single integrated plan for strengthening the touristic sector.
- **Activity 2:** This one is about facilitating mobility to the city centre. Pécs is currently working on an urban plan that aims to improve the connectivity of different parts of the city. Pécs Urban Development Company, the RetailLink coordinator, is coordinating an e-bike project and different bike route projects to connect the city centre with other important parts of the city, such as the Zsolnay District, the University Campuses, etc. via different means of transport.
- **Activity 3:** As part of the promotional strategy to attract public interest, the project team has agreed with the local weekly magazine to start a new column about the inner city happenings and to promote bars, shops, and other businesses in the area. They have already produced and published a first article: 'That's why we like the city centre!' to explain why people should come and visit the city centre and discover the things that can be found there.



### **EZÉRT SZERETIK A BELVÁROST – NEXT STEP COFFEE**

...Pár éve lehetetlen volt jó kávé inni Pécsen, mára azonban fantasztikus újhullámos és hagyományos olasz kávé kínáló egységek nyíltak a belvároson innen és túl. Két fiatal pécsj, régóta...

- **Activity 4:** Finally, another set of actions to keep visitors in the area is the organisation of events and festivals. Pécs RetailLink project team invited the company organizing events and festivals in Pécs (Zsolnay Heritage Company) to the local support groups meetings to discuss with store owners on the design and calendar of events and festivals within the inner city area in a way that it facilitates their participation and contributes to generating more vitality to the whole area.

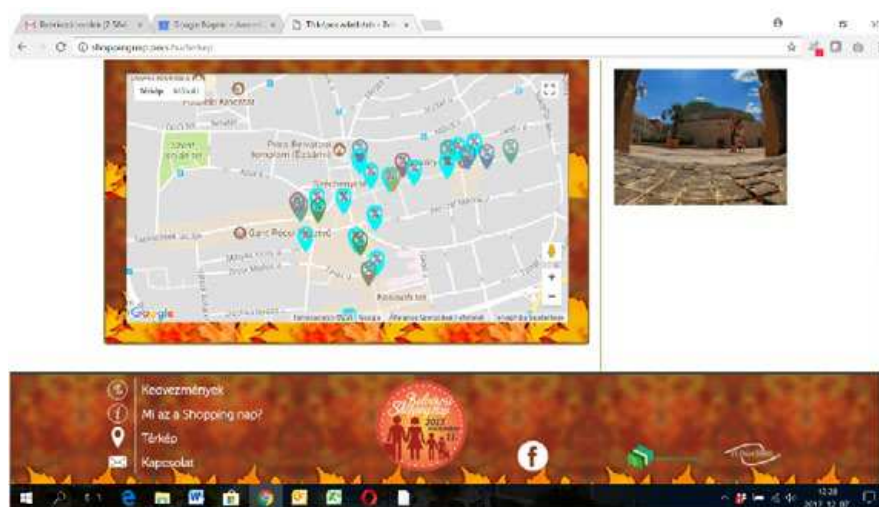
## **Objective 2- Enhance the image of the overall condition of the buildings in the city-centre in Pécs**

Pécs Real Estate Company, Pécs Urban Development company and the City of Pécs are working on different projects to improve the look and feel of the city centre. Pécs Real Estate Company is mainly working on the renovation of the shopping-zone. Pécs Urban Development Company is working on a project to re-open a long-closed museum and to improve the visitor-experience in connection with the World Heritage Site. The municipality is working on a green project, so they'll be planting trees and flowers in the city centre.

- **Action 1:** Pécs RetailLink project team has invited the tutors from the University of Pécs Faculty of Engineering to work together with the Pécs Real Estate Company on finding the solutions to the technical issues in the city centre buildings, where needed.
- **Action 2:** Pécs RetailLink project team has initiated talks between Pécs Real Estate Company and Pécs Development Company to search together for EU funds for the structural renovations.
- **Activity 3:** Pécs Real Estate Company offers discount rental fees for those retailers, who rent out properties in bad conditions and renovate them. The discount the tenant gets from the Pécs Real Estate Company equals the cost of the renovation works paid by the tenant.
- **Activity 4:** As part of the 'Green Gate Project', Ferencesek Street and Jókai Square - both located in the city centre - will be refurbished. The pavement will be renovated and new trees will be planted in order to improve the aesthetics of the street.

## **Objective 3: Offer more support to city-centre retailers**

- **Activity 1:** Organize trainings for city-centre retailers and their shop-assistants to help their everyday work. Marketing trainings, communication training, problem-solving training, etc.
- **Activity 2:** To attract people's attention to the stores, Pécs RetailLink Project Team is negotiating with Pécs Real Estate Company, as the owner of most of the inner-city properties, to support its tenants by conducting joint city-centre sales and marketing activities, as city centre shopping days.



- **Activity 3:** As the owner of most of the inner-city properties, Pécs Real-Estate Company should help its tenants marketing activities with a 'City centre website' and City centre social media campaign, where all inner-city tenants can include their promotions.

#### **Objective 4: Provide for on-going joint planning and management**

To be able to achieve the previously mentioned objectives, the Pécs RetailLink Team advises to set up a working group to operate Pécs' city centre vision on a permanent basis. Besides the municipality officials and representatives, employees from Pécs Real Estate Company and store renters and owners should be part of it.

- **Activity 1:** To achieve the city-centre vision and the objectives mentioned above, a 'City Centre Management Team' should also be created. The team should work against the goals set in the Integrated Action Plan document and be made up of members from different agents from the city centre: retailers, bar owners, tourism agencies and members from different companies run by the Municipality.

#### **NEXT STEPS**

- Present the Integrated Action Plan to the mayor and vice mayor, Mr. Zsolt Páva and Mr. István Decsi. Deploy Pécs Touristic Strategy among the companies managing the different touristic attractions in Pécs.
- Give more input to the local weekly newspaper to write articles regularly about the city centre.
- Push Pécs Development Company to finalize / finish the e-bike project and get peoples' attention on the possibility of getting into the city centre more easily.
- Push Pécs Real Estate Company to create a website about the city centre stores, keep it up-to-date and connect it with social-media platform.
- Push Zsolnay Heritage Company (responsible for organizing the local festivals) to create the festivals according to the needs of the city centre store-owners.
- Get funds for the renovations in the inner-city.
- Set-up the Pécs City centre Management Team.

#### **Key municipal areas involved**

Mayor, Vice-mayors, Elected, Members of the Parliament, City centre, elected member of the municipality responsible for the city centre, Pécs Real Estate Company.

#### **Resources**

Possible EU funding (Territorial Operative Programme, Economic and innovation Operative Programme).  
Pécs Real-Estate Company marketing budget (The budget is under planning, after April we will know it).  
Zsolnay Heritage Company festival budget. (The budget is under planning, after April we will know it).

Note: No extra costs will be generated if municipality-owned companies work for the joint efforts of the city centre.

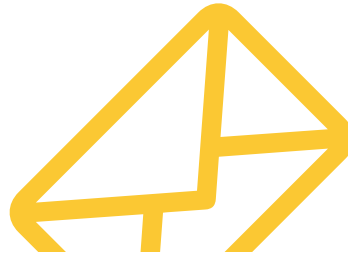
#### **Indicators**

- Occupancy-rate increases. (from current 77% to minimum 82% by the end of 2019)
- Footfall increases in 2017 vs. measurement in 2016.
- The overall condition of the buildings in the city centre improves. The number of renovated buildings in the city-centre increases.



### 3 - CONCLUSION

Setting-up the City Centre Management Team is an important innovation in the city of Pécs, as currently there is no joint effort of different parties to achieve a common strategic goal. The City Centre Management Team will include representatives from both the municipality as well as the private sector to set common goals, design strategies and work jointly to achieve objectives having a common goal – the revitalisation of the retail sector in the city centre .



### 4 - CONTACT INFORMATION

<p><b><u>Pécs City Council</u></b></p> <p><b>Mayor</b> Mr. Zsolt Páva kabinet@ph.pecs.hu</p> <p><b>Vice-mayor</b> Mr. István decsi kabinet@ph.pecs.hu</p> <p><b>Elected Members of the Parliament</b> Mr. Péter Csizi and Mr. Péter Hoppál kabinet@ph.pecs.hu</p>	<p><b><u>RetailLink Project Coordinator</u></b> Pécs Urban Development Company,</p> <p><b>PhD, CEO</b> Péter Merza merza.peter@pvfzrt.hu</p> <p><b>Project manager</b> Márk Hoffbauer hoffbauer.mark@pvfzrt.hu</p>	<p><b><u>Pécs Real Estate Company</u></b></p> <p><b>Head of retail department</b> Csaba Horváth horvath.csaba@pvh.hu</p> <p><b>Project manager</b> Márk Hoffbauer hoffbauer.mark@pvfzrt.hu</p> <hr/> <p><b><u>Communication</u></b> Pécs Municipality, Pécs Communication Company</p> <p><b>Head of marketing</b> Zita Péter Domán zita.doma@pecsma.hu</p>
---	--	--

## 5 - ROADMAP

Objective	Action	Delivery lead/team	Key partners involved	Time	Resources / Assets	Output indicator
<b>Objective 1 - Increase footfall and drive sales in the city centre</b>						
	Create tourism strategy for Pécs	Pécs Communication Company	Pécs Urban Development Company	First draft received	Pécs Communication Company	Approved document
	Create a better connected city centre – e-bike project, e-bus project, bike route projects	Pécs Urban Development Company	Municipality	In progress	EU Funds	Projects closed
	Include a monthly article in the local magazine about the city centre stores, bars, happenings	City centre Management Team	Pécs Communication Company	In progress	No cost	12 articles per year
	Push Zsolnay Heritage Company (responsible for organizing local festivals) to design programs in a way, that supports local stores, bars	City centre Management Team	Zsolnay Heritage Company	2018	Zsolnay Heritage Company festival budget	
	Action plan put together with the representatives of the university to attract university students into the city centre	City centre Management Team	Pécs Real-Estate Company	2018 first half	No cost	
	Pécs Real Estate Company to develop / create the city centre website as well as the social media platform for the inner-city	City centre Management Team	Pécs Real-Estate Company	2018 second half	Pécs Real-Estate Company marketing budget	
<b>Objective 2 - Improve the overall condition of the buildings and the look and feel of the city centre</b>						
	Pécs Real-Estate Company to work with the University of Pécs Faculty of Engineering on assessing the possible easy solutions on property-renovation.	City centre Management Team	Pécs Real-Estate Company	2018	No cost	
	Push Pécs Real-estate Company and Pécs Urban Development Company to work closely together on funding the inner-city renovations.	City centre Management Team	Pécs Urban Development Company and Pécs Real-Estate Company	In progress	EU Funds	
	Pécs Real Estate Company to offer discount rental fees to those companies / retailers, which rent out vacant shops in bad overall condition and renovate them	Pécs Real Estate Company	Retailers	In progress	Retailers budget and Pécs Real Estate Company budget	Signed contracts
	'Green Gate Project' - refurbishing of Ferencsek Street and Jókai square – new pavement and plantation of trees	Pécs Urban Development Company	Pécs Urban Development Company	2018-2019	Available - from the Municipality budgets	
	Urban Development Company to finalize the World Heritage and the Archaeological Museum Project	City centre Management Team	Pécs Urban Development Company	2018-2020	EU Funds	
<b>Objective 3 – Support city centre retailers</b>						
	Organize trainings for city centre retailers and shop-assistants to help their work.	Pécs Real Estate Company	University of Pécs	In progress	Pécs Real Estate Company budget	ongoing
	Organize yearly twice 'City centre shopping days' project – joint marketing and sales promotion for inner-city retailers	Pécs Real Estate Company	Pécs Communication Company	In progress	Pécs Real Estate Company budget	ongoing
	Create the 'City centre website' and the city centre social media pages	Pécs Real Estate Company	Pécs Communication Company	2019	Pécs Real Estate Company budget	
<b>Objective 4 - Ongoing joint planning and management</b>						
	Establishing 'City Centre Management Team' to work against the goals set in this Integrated Action Plan document	City centre retailers	Municipality	2018		