

# STRATEGY OF MANAGEMENT OF CULTURAL HERITAGE THROUGH THE USE OF CCIs

TRANSNATIONAL RECOMMENDATION PAPER  
D.T3.3.3. DOCUMENT



**Interreg**  
CENTRAL EUROPE



**Forget Heritage**

European Union  
European Regional  
Development Fund





## **FORGET HERITAGE**

This document is the summary of Forget Heritage project's activities, validated through pilot actions, implemented and coordinated by the Forget Heritage partnership.

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## 1. INTRODUCTION

The main objective of the Forget Heritage project was to identify innovative, replicable, and sustainable public-private cooperation management models for abandoned cultural heritage buildings and to give these historical sites added value by setting up cultural and creative companies.

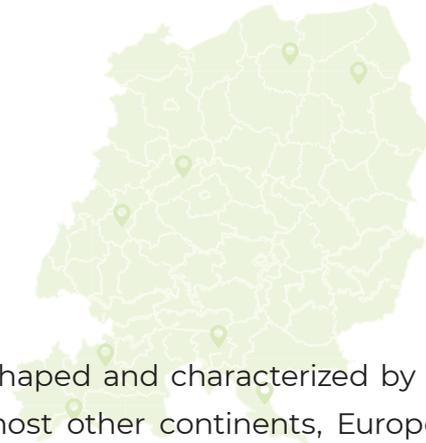
The Forget Heritage project has tried to answer the following question: how can we unleash the hidden potential of cultural heritage for improving people's quality of life and at the same time create new opportunities and offer additional information about management to the cultural and creative sector? After 42 months, the answer to the question raised at the beginning of the project is elaborated in the present (D.T3.3.3) Strategy of Management of Cultural Heritage through the use of CCIs (Transnational Recommendation Paper). The document is defining the orientations of activities that are planned, implemented, and coordinated by the local/regional/national governments (as the essential stakeholders) in the scope of protection and use of historic resources through the use of Cultural and Creative Industries (CCIs). The strategy contains strategic orientations, as well as recommendations on activities and investments to ensure the sustainability of the re-use of heritage buildings with the use of CCIs.

The content of the strategy is based on the lessons learned during the implementation of the pilot actions, information acquired through Transnational evaluation report on pilot actions (D.T3.3.2), the Transnational peer review (D.T3.3.1), the Management manual (D.T1.3.1), Policy handbook (D.T1.3.1), Ex-post evaluation report on transnational model implemented locally (D.T2.3.6), personal communication with pilot managers, project partners and policy-makers. The strategy will be endorsed by the local policy-makers in order to ensure its long-term sustainability.





## 2. CHALLENGES AND SOLUTIONS



European urban and rural areas are strongly shaped and characterized by its cultural heritage. Different perhaps than in most other continents, Europe's landscape has grown historically, building upon structures and sites that have been passed on from one generation to another for centuries, adapting to changing social, economic, cultural or political circumstances, and people's needs and desires. Cultural heritage is a common good, passed from previous generations as a legacy for those to come, and is a defining feature of Europe. Due to its unique richness and diversity, it is an essential factor in Europe's identity and attractiveness of the continent.

According to the Communication from the Commission "Towards an integrated approach to cultural heritage for Europe" (2014), cultural heritage is a shared resource and a common good. Like other such goods, it can be vulnerable to over-exploitation and under-funding, which can result in neglect, decay and, in some cases, oblivion. Looking after our heritage is, therefore, our common responsibility. While heritage protection is primarily a matter for national, regional, and local authorities, the European Union has a role to play in line with the EU Treaties and in respect of the principle of subsidiarity. Europe's cultural heritage embodies our history and identity - the very soul of our continent. More so - it has tremendous economic and social potential; heritage can help us boost employment and business in key sectors while addressing some of the most pressing societal challenges of our time.





According to the Council of Europe European Heritage Strategy for the 21st Century (2017), there is an urgent need to reposition cultural heritage policies, placing them at the heart of an integrated approach focusing on the conservation, protection and promotion of heritage by society as a whole – by both the national authorities and the communities which are the custodians of that heritage – so that everyone, from those most closely involved to those with a more distant connection, can appreciate it and feel a sense of responsibility.

While the need to preserve cultural heritage is widely recognized, the availability of the financial resources to do so is often equally deficient. The economic crisis has in many cases reduced the budgetary allocations for culture in general and heritage conservation in particular. It has also made it more difficult to mobilize private funding sources. There is thus an urgent need to use available resources as efficiently as possible, to assess ways to tap into new funding sources (e.g. private capital, foundations etc.) to find new ways of public-private cooperation. The issue is even more pressing if we go beyond the case of well-established cultural monuments and turn instead to sites which have so far been rather neglected and risk to become irremediably lost unless action is taken soon in order to preserve and restore them. The best way to protect a building is to keep it occupied, even if the use is on a temporary or partial basis. It is inevitable that some historic buildings will struggle to find any use, especially in areas where the property market is weak, and the opportunities for sale or re-use are limited. However, such buildings may become centerpieces of future regeneration. Stories and memories, former pride, and historic lessons linked to historical sites are resources of urban development and regional identity and can be revived, interpreted and transformed into a new life. This new life features the reuse of heritage buildings as hubs for cultural renewal, incubators of social capital and experimental playgrounds for new urban developments. Therefore public support (guidance, management, funding ...) is crucial.





The Cultural Heritage Counts for Europe report (2015) stresses the need for an integrated approach in which the social, cultural, environmental and economic impacts of heritage are fundamentally intertwined. It states that past and current assessment of cultural heritage investments based on the downstream approach does not show the full potential of cultural heritage. In a truly integrated approach towards heritage, the benefits of heritage can be maximised. The report proposes an upstream approach to cultural heritage, whereby traditional economic investment schemes are enhanced with resources from other sectors. This implies introducing non-heritage investment of resources to achieve in parallel non-heritage goals (e.g. social cohesion or reducing unemployment) as well as the safeguarding of cultural heritage assets. Taking full potential of the upstream approach, combined with closer integration of heritage's social, economic, cultural, and environmental impacts implies that cultural heritage becomes a source for sustainable development. Today, new relationships are emerging between cultural heritage and contemporary creation, allowing further scope for creativity and innovation. In accordance with the Faro Framework Convention, the recognition of heritage is conceived as a shared responsibility: heritage is no longer limited to those elements officially recognized as such by the national authorities – the protected heritage – but now includes those elements regarded as heritage by the local population and local authorities. This development prompts new, more participatory and more collaborative management approaches.

The conservation and reuse of cultural heritage require the involvement of multiple actors across different sectors: the public, private, and nongovernment sectors. Their involvement is needed not only to initiate and carry out re-use but also to sustain the heritage place after the intervention (sustainability). The practical methods and mechanisms used to achieve these outcomes have only recently become the subject of theoretical and practical approaches.





Historic buildings are the trademark of numerous (Central) European cities, towns and villages: historic quarters give uniqueness to our cities. They are a living symbol of Europe's rich cultural heritage and reflect society's identity. Due to different reasons (economic, social, historical ...) the most Central Europe cities are characterized by unused heritage buildings that have marked the history of the local community in various ways. This is not only about widely recognized "A list" of cultural heritage buildings, but buildings such as former factories, hospitals, schools, or barracks, which are a backdrop and often invisible to the public eye. Those buildings have shaped the history and life of the local community and continue to be an important part of the cultural identity of these regions. When historic buildings are left vacant they are at a significantly increased risk of damage and decay as well as being a potential blight on their locality.

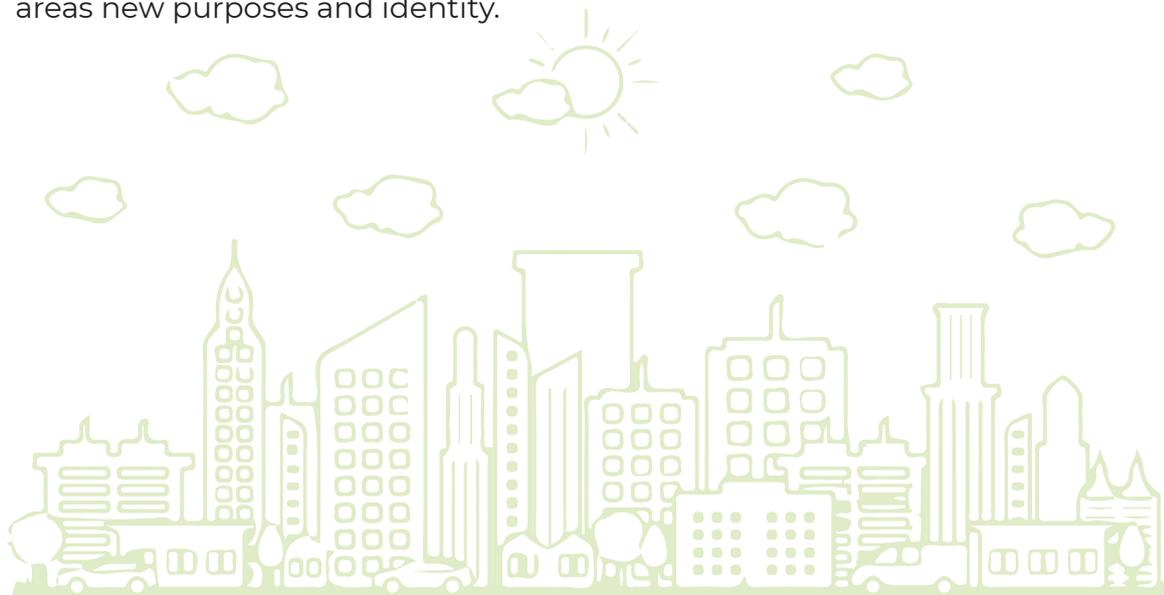
Many cultural heritage buildings are publicly owned and maintained by public funds, but this situation is changing, and increasingly, private and civic associations are in demand. The involvement of the private sector also offers the opportunity to develop concepts that go beyond mere conservation measures. The conversion of buildings, for example, can provide added value and relevance to citizens, creatives and the economy. Nowadays, in many countries, the private sector, civil society institutions, and the government have started to work in partnership to help conserve the cultural heritage and develop it as a socio-economic asset. Critical to the success of re-use of heritage buildings is finding a viable economic use while conserving the heritage value of the building to find equilibrium between development and conservation. The re-use of historical buildings requires an interdisciplinary approach with the involvement of multiple players, not only to initiate and carry out conservation but also to sustain (re-use) the place. It is also widely recognized that re-use needs to be embedded within social, environmental and economic development strategies that include financial mechanisms to encourage and facilitate public-private and third-sector contributions.





In a 2012 policy communication, the Commission invited EU countries, regions and major cities to promote their cultural and creative sectors for creating opportunities and enhancing growth, and in the past few years, an increasing number of EU countries and cities has been developing strategies to fully use the potential of CCIs. In addition to this, cultural and creative industries are strongly dependent on location and feeding on local traditions, and therefore they are especially suitable for the dynamic use of the inward energies of a city and the generation of truly bottom-up development processes. This is why CCIs are increasingly viewed as a key component of local economic development. At the crossroads of art, business and technology, they act as a catalyst and an innovation engine, with benefits that strengthen the broader economy. This is the point where cities and municipalities as the most local forms of the government have a key role. Cities are a privileged terrain because of their dense networks of interacting people, markets and activities. The city as a whole functions as a sort of creative field, in which information flow with special intensity between the diverse units of economic and social activity contained in the urban space.

Central European cities are characterized by a concentration of the cultural and creative sector. The creatives are definitely a group that cities aim to attract; however, they need an affordable and flexible place to work in. The authenticity and character of historic (even if not very old) buildings present an added value for them that is lacking in new ones. CCIs have a significant role to play with a view to help cities and regions to re-invent themselves and give abandoned areas new purposes and identity.





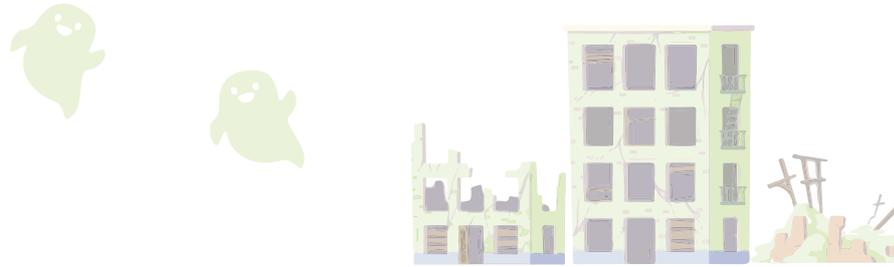
Heritage buildings have been and will be revitalized throughout Europe into areas for trade, commerce, and services, such as museums, cultural and meeting places, kindergartens, and youth clubs. Here the creative and cultural industries are one of the most important players in terms of revitalization as they generate economic growth and innovations. Besides, the cultural and creative industries still have a high demand for working space. The common definition of cultural and creative industries does not exist in Europe. UNESCO defines cultural and creative industries as activities “whose principal purpose is production or reproduction, promotion, distribution or commercialization of goods, services, and activities of a cultural, artistic or heritage-related nature.” According to the Creative Europe Program, cultural and creative sectors are comprised of all sectors whose activities are based on cultural values, or other artistic individual or collective creative expressions. The terms “cultural industries” and “creative industries” are practically interchangeable. The concept of “cultural industries” is more related to cultural heritage and traditional forms of creation, while “creative industries” includes the applied arts practices, innovations, and generating profit and creation of jobs by creating intellectual property. The theatre, visual arts, cinema, TV, radio, music, publishing business, computer games, new media, architecture, design, fashion, and advertising are all part of the cultural and creative industries. According to the A New European Agenda for Culture adopted in 2018, the CCIs in Europe provide more than 12 million full-time jobs, which amounts to 7.5 % of the EU’s workforce, creating approximately EUR 509 billion in value added to GDP.

Since the adoption of the European Agenda for Culture in 2007, a key objective of the European Commission has been to promote Europe as a global hub of creativity and culture, while safeguarding and promoting European cultural diversity.





### 3. FORGET HERITAGE APPROACH



The Forget Heritage project tackles an issue present in most cities characterized by unused historical buildings that have marked the history of the local community in various ways. The functionality of such buildings is often limited and they are turning into urban voids and have a negative impact on surrounding areas. In each city, there are pressures to tear down such buildings and build new residential or business complexes in their place in the name of development. However, there is plenty of evidence that precisely such urban voids have the potential to become the major driver of development in a neighborhood. Not only do blocks of smaller, mixed-age buildings add character and charm to cities, but these areas also provide a foundation for diverse local businesses and innovative startups. Whereas large new buildings provide suitable space for recognized companies that can afford it, older, modest, and unassuming buildings contain economic development engines of their own. The basic idea of the Forget Heritage project was built around Jane Jacobs's dictum: "Old ideas can sometimes use new buildings. New ideas must use old buildings." Innovative ideas of any kind always bear quite a risk in their development stage, no matter how successful they ultimately are. Such ideas always need room for experimentation: room for trial and also room for error.





The main project objective was to promote cooperation among partners' cities in order to identify innovative, replicable and sustainable Private-Public Cooperation management models of the abandoned historical sites (recognized as cultural heritage) by valorizing them through setting up cultural and creative companies. The consortium aims to provide recommendations for other cities on how to enhance the hidden potential of the (cultural) heritage buildings to enhance and improve the working opportunities and managerial skills in cultural and creative industries as well as to influence the quality of life of the citizens. The project partners recognized the need of the creatives for a suitable and inspiring working environment, as well as the importance of various positive externalities (from social to economic), which derive from making revitalized heritage buildings available to the creatives. The Forget Heritage project, therefore, tries to identify such places and provide information and tools to help tap their hidden potential with the use of cultural and creative industries. At the same time, it tries to improve awareness and understanding among both major actors in this process, public administration and the creatives, and together find economically sustainable models, test them, and establish examples that can also serve as an inspiration to other cities.



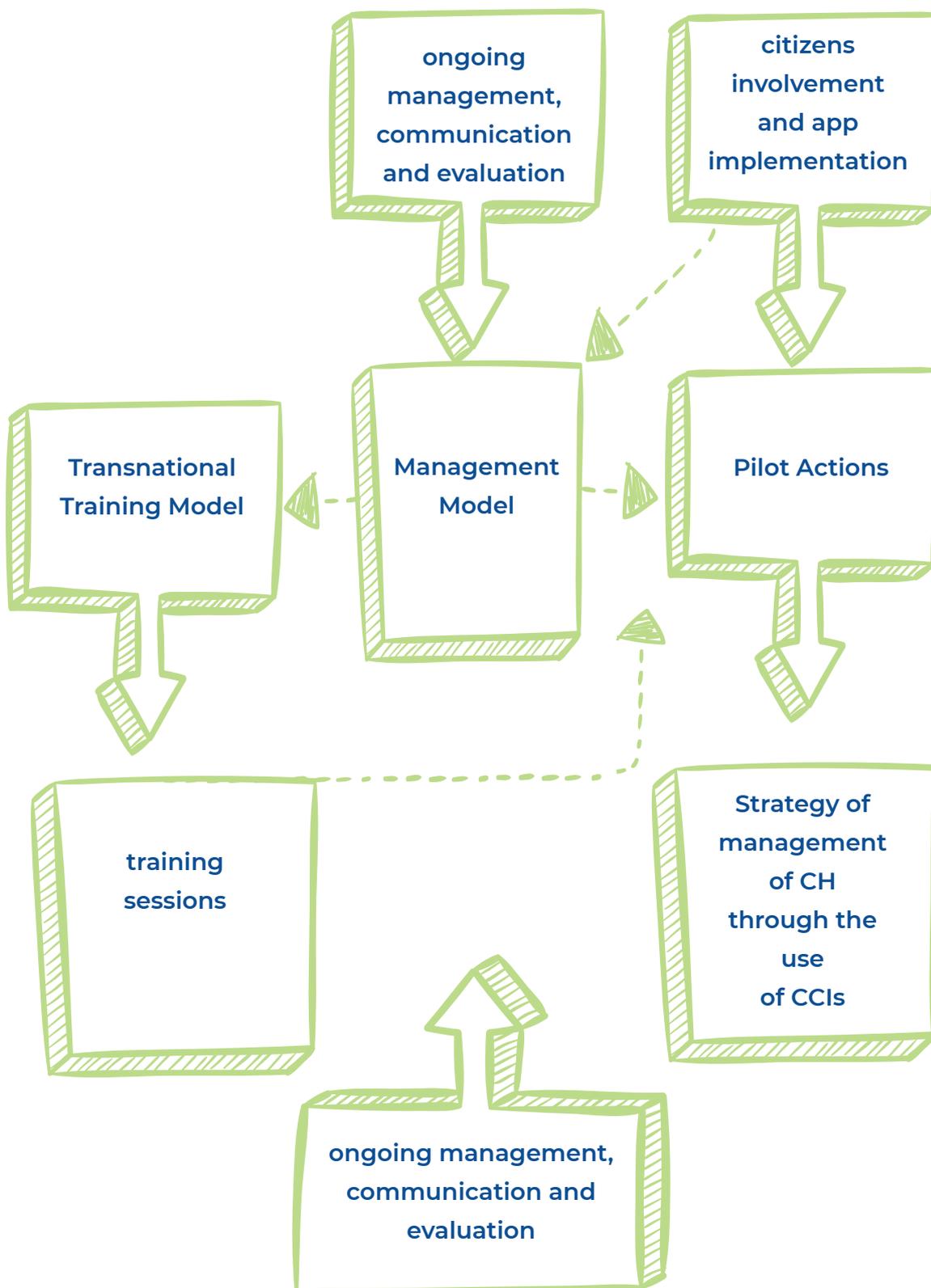


Figure 1:  
Forget Heritage Approach



The information that was gathered within the Forget Heritage project through inclusion of various groups (stakeholders), exchange of experience, tailor-made training programs, and research was tested in eight pilot projects, and recommendations would be transferred to other cities. The pilot projects were very diverse in terms of content and space and therefore enabled to test Forget Heritage management model in different contexts. Every partner city experienced that cultural heritage is a powerful factor in social, economic, environmental, territorial and cultural development through the activities it generates and the policies which underpin it. Therefore, an integrated approach focusing on the conservation, protection, revitalization, and promotion of heritage at a local, regional and national level was needed. Based on knowledge and experiences gained in the project, recommendations on activities and investments to ensure the sustainability of cultural sites management with the use of CCIs were prepared and presented in the next chapter.





## 4. STRATEGIC ORIENTATIONS AND RECOMMENDATIONS

The European Framework for Action on Cultural Heritage (2019) looks at cultural heritage as a resource for the future, to be safeguarded, enhanced, and promoted, also by encouraging synergies with contemporary creation. It puts people at its heart, stimulating access and engagement and promoting audience development, with a focus on local communities, children and young people, as well as people with disabilities, thereby fostering social inclusion and integration. Sustainability and innovation are central principles underpinning the Framework for Action and its approach to cultural heritage.

The New European Agenda for Culture, adopted by the European Commission in May 2018, recognizes that cities and regions across the EU are at the forefront of culture-led development, as demonstrated by the success of the European Capitals of Culture. Consequently, these urban centers are natural partners for experimentation, anticipating trends and exploring models of social and economic innovation. Also, the New Urban Agenda, which was adopted at the United Nations Conference on Housing and Sustainable Urban Development in 2016 (Habitat III), highlights the role tangible and intangible heritage plays in strengthening social participation and the exercise of citizenship. The agenda also provides for vibrant, sustainable, and inclusive urban economies, building on endogenous potentials, competitive advantages, cultural heritage, and local resources. The New Urban Agenda also calls for the sustaining and supporting of urban economies through the promotion of cultural and creative industries, sustainable tourism, the performing arts, and heritage conservation activities, among others. The agenda calls upon interested parties to support leveraging cultural heritage for sustainable urban development and to recognize its role in stimulating participation and responsibility. In the UNESCO Recommendation on Historic Urban Landscape, cultural heritage is also linked to creativity and development (Gustafsson, 2019).





Even though cultural heritage is certainly a European shared resource, it is at the local level that its features are one of the most important development potentials. The revitalization of historic areas and the safeguarding of cultural heritage can provide significant economic benefits to local production systems, giving a new impulse to economic activities and generating locally-rooted jobs. Cultural heritage creates considerable externalities at local level in terms of image and attractiveness. Furthermore, as cultural heritage helps to distinguish from other towns in the global competition, it is a key asset to brand cities and regions and raise their international outlook with the aim of attracting not only visitors but also talents, businesses, and investments. The promotion and valorization of cultural heritage can be instrumental for the regeneration of areas facing challenges such as de-industrialization, lack of attractiveness and the shift to the new economy. The rich and varied European heritage features great potential to promote lesser-known destinations as well as to develop sustainable cultural tourism.

During the European Year of Cultural Heritage (2018), EU-funded networks, the European Commission, and other relevant stakeholders cooperated to share experiences, discuss challenges and identify quality principles on the re-use of cultural heritage. At the end of 2018, a Declaration on “Adaptive re-use of the built heritage: Preserving and enhancing the values of our built heritage for future generations”(Leeuwarden Declaration) was prepared. The Declaration aims to take stock of lessons learned over the Year (2018) and reflects on good practices supporting quality interventions. Through smart renovation and transformation, heritage sites can find new, mixed or extended uses. As a result, their social, environmental and economic value is increased, while their cultural significance is enhanced.





 **Cultural aspects:** heritage sites are often spatial and social landmarks that characterize the landscape and confer a strong identity on the environment. They create a sense of place and are a major determinant of local and regional identity. By preserving our heritage, adaptive re-use can help to maintain and strengthen people's perceptions of their own traditions and history and provide perspectives for the future, while responding to the needs of multi-ethnic and multi-cultural societies.

 **Social aspects:** by re-opening closed or disused spaces to the public, the adaptive re-use of our built heritage can generate new social dynamics in their surrounding areas and thereby contribute to urban regeneration. These projects offer the opportunity to involve citizens in the shaping of their living environment, resulting in greater sense of place and democracy. In addition, re-used heritage can provide the basis for school and educational programs. Adaptive re-use is, therefore, a key lever for more cohesive territories, both in urban and rural areas.

 **Environmental aspects:** the re-use of our heritage reduces the consumption of construction materials, saves embodied energy, and limits urban sprawl. It often provides the opportunity to undertake a deep energy retrofit, resulting in better-performing, climate-proof, healthier buildings. Moreover, high-quality projects, by their very nature, ensure long-term usability, flexibility, and adaptiveness to future needs. Adaptive re-use contributes, therefore, to the building of more resilient and sustainable cities and the application of circular economy principles in the built environment.

 **Economic aspects:** the re-use of our built heritage can contribute to increasing the attractiveness of areas. On the one hand, quality architecture is a major factor of place branding, generating jobs and growth, notably in the tourism sector. On the other hand, new functions generate new users and situate territories in new economic networks. Re-used heritage sites cease to be isolated places and can act as catalysts within a broader context.



## 4.1 STRATEGIC ORIENTATIONS

The main strategic objective of the re-use of heritage buildings is that they become a resource for economic, social, cultural, and sustainable development in the cities. Therefore, cities need a strategic approach towards cultural heritage valorization (including re-use of heritage buildings), urban regeneration, and CCIs.

The heritage buildings in the city center are often more attractive as heritage buildings that are not located at the central position. If these heritage buildings remain unused and expire because concepts of re-use are missing or are just not implemented, an irretrievable loss occurs. Therefore, it is important to find new meaningful concepts of use. Here, the creative and cultural industries can play a decisive role. They provide new perspectives, know-how, and commitment to revitalize, preserve, and protect such places while still offering enough space for the present and the future to develop. In order to harness the full potential of cultural heritage, new, more flexible, and transparent policies and funding models are needed.

The goal of cooperative cultural heritage revalorization projects is not only to re-use neglected heritage buildings but to fulfill a broader set of goals: provide affordable space for creative initiatives and crafts, conduct future urban experiments or improve the socio-cultural liveliness of city districts, to name only a few. In addition to these administrative and bottom-up goals, the aspect of re-use of heritage buildings shows strong potential for generating cultural identity, opportunities for tourism, and inspiration for ideas for modern re-use.





These goals, synthesized with social, cultural and sustainable economic values, constitute the base of the public-private cooperation cultural heritage (buildings) revalorization approach. They imply diverse models of usage leading to vibrant, lively and open formats that could unlock latent social and cultural capital and strengthen the ability to transform a city.

During the elaboration of strategic orientations, the following questions should be answered:





## PHASE 1: STATE OF THE ART MAPPING

Mapping is a process for systematically identifying a community's cultural assets that enables a better understanding of the local cultural and creative ecosystem. It also helps to recognize the more intangible elements of a community's identity and sense of place. Thus, state of the art analysis can be useful for advocating change: it can inform policy development, attract funding and resources, and be instrumental in the adoption of new approaches to local development.

State of the art mapping consists of two interrelated activities:

- Heritage buildings mapping.
- Cultural and creative industries mapping.

Heritage buildings mapping includes mapping of heritage buildings that are empty or new usage is needed (adaptive re-use). At least the following data is needed: location, site/building, ownership, links to the neighborhood, original uses, existing content and users, existing management, state of state of conservation photos.

If the heritage buildings or sites are owned by the local administration, it is easier to collect data needed. Nevertheless, it is very useful to have a register of empty privately owned heritage buildings at the city level. In order to make such register web-tools could be used. As part of the Forget Heritage project webapp "OffSpaces" has been developed. It is a non-profit detector tool and information platform and interface for European creatives searching for proper vacant spaces. It is developed to provide information on space needs, to strengthen cultural and creative operators, to protect cultural heritage, to help citizens, administrations and private owners to find forms of cooperation.





Cultural and creative industries mapping includes statistical analysis of the main organisations (enterprises, NGOs, public and private institutes, self-entrepreneurs) based on pre-defined definition of CCI (definition of sectors), identification of leading intermediaries, identification of policy-related topics (policy-makers, funding schemes at the local, regional, national and EU level), identification of creative hubs (co-working places, incubators, accelerators ...), availability of educational and training programmes, analysis of main barriers ... Cultural and creative industries mapping should be done as a mix of desk research and workshops and/or interviews with key political stakeholders and civic leaders; representatives of local cultural institutions/organizations; artists and cultural practitioners; stakeholders from informal, independent cultural groups; tourism and heritage stakeholders; the local chamber of commerce; business organizations, and key individuals with a stake in the growth and reputation of the town.

## PHASE 2: STRATEGIC GUIDELINES

There are many different strategic documents at the local and regional level as a city development plan, local/regional cultural strategy, sustainable urban development strategy (especially in the period 2014-2020), and other city development plans. Cultural heritage is an essential part of local spatial plans. Cultural heritage could be included in strategic documents via two different approaches:

- Integrated into local strategic documents. It will then become an integral part of the city development strategy in terms of social, cultural and economic development principles. Cultural heritage can be of relevance also in terms of local environment protection plans or local tourism development strategies, tourism master plan ... The mentioned inclusion of cultural heritage in local development processes enables effectuating the integrative function of cultural heritage management while creating conditions for synergic effects it is supposed to have in a certain territory.

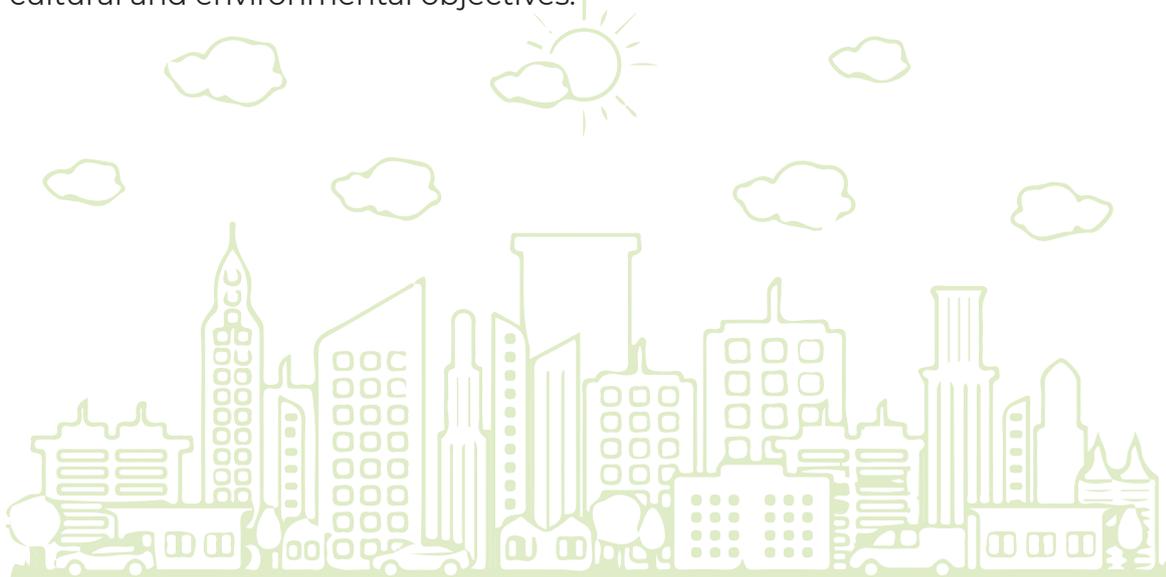




- Elaboration of a separate local strategic document: cultural heritage management strategy of the city. The document should go beyond heritage protection and restoration aims – it should support the development of the city, strengthen its identity and image, making them more attractive, improve the living conditions of its citizens, raise the attractiveness of the city as a tourist product. The cultural heritage management strategy of the city is a programming document; therefore it does not provide specific solutions. The strategy specifies, however, a mission, a vision, activities, analyses, strategic and specific objectives, and tasks. Specific data preparation, analyses, organizational solutions, and plan preparation fall within the scope of the implementation of the strategy (Action plan). Re-use of unused cultural heritage buildings should be an essential part of the strategy. It sets the framework for cooperation between various sectors such as CCIs, tourism, education, science, and the private sector.

If elaboration of the local cultural heritage management strategy is politically not feasible, a separate strategic document on the re-use of unused (cultural) heritage buildings should be prepared to combine at least the following dimensions: heritage protection, urban regeneration, cultural development, spatial development, support to CCIs, public-private cooperation.

It is important that the re-use of heritage buildings through the use of CCIs is always based on a strategic approach in order to achieve economic, social, cultural and environmental objectives.





## PHASE 3: REGENERATION OF URBAN AREAS AND RE-USE OF HERITAGE BUILDINGS

There are different economic, social, cultural, and environmental benefits of re-using heritage buildings, but different approaches could be chosen:

- Regeneration of urban areas.
- Re-use of single heritage-buildings.

The study “Cultural Heritage Counts for Europe” notes that built heritage has been recognized as a ‘source of socio-economic development through urban regeneration’ since the late 1970s. However, this was rather linked to physical conservation. Only in 1990s the definition of what heritage is and entails expanded, placing new emphasis on intangible heritage and resulting in a more holistic understanding of the historic urban environment. Economic benefits can originate from a wide range of factors and may manifest as jobs and businesses supported by the need for repair and maintenance of historic features/buildings, the impact on property values following the refurbishment of historic areas and the attractiveness of historic cities as a location for businesses, particularly the creative and cultural sectors. All these factors help to support economic competitiveness. Cultural heritage also enhances quality of life, helping to make a location more attractive as a place to live and work, and also creating a powerful sense of civic pride and identity.





The majority of experts and local authorities are aware of the limitations of traditional policies towards cultural heritage whose main focus was on the protection of heritage buildings. This approach is not enough to really make noticeable changes in the city, because the impact of these projects on the city attractiveness, economy, social cohesion and quality of life was very low. There are different approaches used in theory and practice as heritage-led regeneration, culture-led regeneration, and creative-led regeneration.

Most European cities have already clearly understood the importance of cultural and creative activities in their re-development.

For more than a decade, a number of European cities have successfully “used” them as a decisive part of their urban regeneration initiatives. (Bilbao, Frankfurt, Glasgow, and many others). As a result of urban regeneration schemes very positive results were achieved as: creating employment, attracting more visitors, boosting the tourism sector, stimulating town centre footfall, boosting local business, stimulating and supporting creative sector growth, enhancing the area’s image, helping it attract skilled people and business investment, developing the skills, knowledge and confidence of residents, enhancing community cohesion and pride, supporting enhanced resident health, bringing enjoyment for residents. On the other hand, some negative externalities such as gentrification happened as a result of urban regeneration, which in some cases even cause massive civil unrest, protests, and violence as residents fight for their right to remain a part of the urban fabric and inhabit urban space (case of Berlin). It is vital to take into account that cultural activities cannot be reduced to instruments for the improvement of the attractiveness of cities.





They can play a key role in the building of more sustainable local communities: enhancement of people's self-esteem and sense of belonging to the city and development of creativity within the local community, especially among the most deprived.

Individual buildings can be less important than the overall ambiance of the area. In other words, the whole public realm is greater than the sum of the parts. Areas with historic buildings, which individually may not be of particular architectural or historic merit, provide just the sort of environment that can form the basis of sustained urban regeneration. According to the Heritage Works publication (2017), buildings and other heritage assets come in many different shapes and sizes and the way in which they have been used in regeneration projects varies enormously, from large area-based initiatives to single building projects. While there is no standard project or project approach, there are a number of stages that most development schemes will go through over time as they come to fruition. In general any urban regeneration program needs:

- Detailed analysis of the current cultural heritage and urban situation.
- Development of a cultural heritage-led urban development strategy.
- Identification and evaluation of priority heritage-led urban interventions through feasibility studies.
- The joint collection of new uses for heritage rehabilitation projects.





The same is true for re-use of a single heritage building, where detailed analysis of the situation of the heritage building and the neighborhood, strategic view, feasibility study, and new use (content, program, management, financing) is needed.

From the organizational point of view, both approaches request:



- Community-based set-up of a vertical and horizontal governance system.
- Thorough preparation of the development process.
- Capacity building of the team in charge.

Large heritage-led or culture-led regeneration programs are very demanding and request strategic leadership, time and considerable financing funds, including private funds. Therefore, based on experiences of the Forget Heritage project we propose to start with the re-use of single buildings, because single demonstration projects could be a nucleus of urban regeneration and because CCIs have a high demand for working space. It is very important, that revitalization of the single heritage building is part of the economic, social, and environmental development strategies at the local/regional/national level. Nevertheless, this approach should not replace the urban regeneration approach, because re-use of the single heritage building is useful for building community support in the early stages of urban regeneration, but it does not secure long-term sustainability of the wider urban area. This goal requires a more comprehensive approach to planning and financial policy in order to be successful in the long term.





The leadership role of local (city) public administration is needed, because the local government is a major funder of culture and understands local needs, making it well placed to coordinate and deliver outcomes around culture and regeneration.

In general, the re-use of the heritage building consists of the following steps:

1. Acquiring the asset (if it is not in public ownership).
2. Project initiation: consultation with stakeholders (FH Guidelines for citizen involvement in the historical sites), consultation with the authorities (cultural heritage protection authorities, development agencies, regional/national authorities ...).
3. Concept development (ex-ante assessment).
4. Project preparation (project documents).
5. Implementation (including renovation activities, equipment purchasing, tender for the site manager, elaboration of the project implementation plan).
6. Operation and management.

The financing sources of the heritage buildings' re-use depend on the national organization of a country. In centralized countries, the national budget is the most important source, whereas federal states are more likely to attribute such funding responsibilities and decision power to the regional or local level.





At the same time, the more local the funding source, the better it may cater to specific local needs and preferences. The national, regional, and local funding capabilities are very often correlated with the economic conditions and wellbeing; accordingly, the less developed a given nation, region, or local level is, the less funding resources it will generally be able to allocate to heritage preservation and re-use. On the other hand, in less-developed countries, cohesion policy is an essential source of financing of projects related to cultural heritage protection and valorization. In many cases the management and re-use of heritage buildings, particularly those in a poor state, is complex and even in Anglo-Saxon countries cannot be achieved through the traditional commercial property development market. Given the growing popularity of public-private partnerships (PPP) and their implementation in a variety of sectors, it is likely that they will increasingly be seen as a means of achieving conservation and valorization outcomes. The public sector wants to provide the larger community with access to the cultural significance or identity-building role of the assets, with the subsequent promise that such access will catalyze wider social, cultural, and economic development. Private sector parties view the historic site or building as a real estate asset that can generate revenue from new or enhanced uses (hotels, office buildings, apartments), therefore, the use of the PPP approach in the re-use of heritage buildings through the use of CCIs is extremely rare in continental Europe. Nevertheless, the role of the third sector is crucial in the development and implementation of regeneration projects. The third sector is described as non-profit, nongovernment, social, and community-based institutions, and it may also include people living near a heritage site.

Even if the investment support may come from national or EU sources, the coverage of operation and maintenance (O&M) costs will most frequently move “downwards” to regional or local sources.





## PHASE 4: SUPPORT TO CULTURAL AND CREATIVE INDUSTRIES



It is important, that the support of the local (city) government does not stop at the regeneration of urban areas and re-use of heritage buildings (Phase 3). There are at least two reasons for that:

- The funding of the investment cost represents only one part of the overall funding need for re-use of the heritage buildings. The larger part over time are the regular operating and maintenance (O&M) costs; unfortunately, these tend to be too often forgotten at the outset, perhaps also because the funding sources and the donors may be different for the investment and the O&M costs. It is also essential to co-finance the content of the revitalized heritage buildings because cultural and creative activities are not self-financing in the short and very often also in the long term, especially if they provide services that are in public interest.
- CCIs need adequate support due to their contribution to the development of the city. Cities are essential to the development of creative ecosystems fostering new economic activities and emerging industries. Whilst innovation has been traditionally led by the industry, and cities are increasingly experimenting with new ways to attract creative talents and unleash CCIs' capacity to innovate. Many cities and regions are developing new tools and facilities to foster the development of CCIs. Development strategies focused on CCIs are also instrumental in creating positive economic impacts at the local level. The promotion of creative entrepreneurship offers an important stimulus to the emergence of new economic activities thus generating new employment opportunities and growth. In addition, the presence of a vital CCIs sector can play an important role in attracting private investments to support culture-related policies.





Adequate (comprehensive) framework conditions and policy measures cannot solve all the challenges of CCIs on their own; however, their presence can significantly accelerate the development of CCIs. There is no generic (“one-size-fits-all approach”) in terms of the CCIs promotion that has to be applied. What works in one region/city does not necessarily work in another one, as myriads of contextual factors (including historical, economic, demographic, cultural, and other developments) determine the success of the applied policy measures and framework conditions set.

The goals and activities of CCIs support at the local/regional level are presented in the next table.



Goals	Activities to implement the goals
<p><b>Improving the business environment for developing CCIs at the local (city) level</b></p>	<p><b>Mapping and studying the potential of CCIs:</b> Understanding of the specific characteristics of the CCIs at the local and regional level: their strengths, weaknesses, key enablers and overall development trends in all sub-sectors.</p> <p><b>Improved institutional framework:</b> Linking different stakeholders from the public administration, the business community, education sector, CCIs (professional associations, creatives), and non-governmental sector together to create an integrated strategy for the CCIs.</p> <p><b>Awareness-raising and promotion about the potential of CCIs in boosting socio-economic development:</b> seminars; awards; discussions; web portal(s); promotion materials also in cooperation with other industries; disseminating results of mapping.</p>





### Competitive CCIs

**Capacity building (training):** training of creatives on business skills, project management, digital skills, IPR; mentoring; training of public officials.

**Improved access to finance:** Grants (result-oriented); new financial instruments (microcredits), vouchers.

**Supporting physical infrastructure and creative business incubation:** Developing physical infrastructure and regeneration of places; financial support for creative incubators and co-working places (management costs, subsidizing renting, systematic financing).

### To accelerate spill-over effects of CCIs to other sectors, including public administration

**Networking:** Establishing networks, web platforms (based on the value chain approach).

**Pilot projects in the public sector for stimulation of social innovations:** Project grants; public procurement; match-making events.

Adapted from: OMC Expert Group on Cultural and Creative Industries, 2012: Policy Handbook on How to strategically use the EU support programs, including Structural Funds, to foster the potential of culture for local, regional and national development and the spill-over effects on the wider economy?



## 4.2 RECOMMENDATIONS

Based on the pilot testing of the innovative, replicable and sustainable PPC management model of the heritage buildings re-use through the use of CCIs, developed within the Forget Heritage project, the following recommendations for the local governments as well as the responsible project managers, dealing with similar revitalization projects in other cities, were developed.

### GENERAL

- There is a strong economic case for regenerating historic buildings. The benefits relate not only to the individual building but also to the wider area and community. There are economic, social, cultural and environmental benefits for city, CCIs and citizens.
- Pilot projects are very recommended for the cities as experimental sites, before deciding to go into larger-scale projects. Since the main purpose of the pilot projects is testing, this means that the process also allows certain failures and mistakes, which are an important part of the learning process and enable the cities to avoid bigger mistakes in the future.
- It is important to understand context, character, and identity of the heritage building and its neighborhood.
- Use public sector investment as a catalyst for wider regeneration.
- Critical to the success of regeneration is finding a viable economic use that can support initial refurbishment, provide the city with a reasonable (social) return on their investment, and which generates sufficient income to partially/fully ensure the long-term operation and maintenance of the building.





- Work in Partnership: Recognise the respective roles of the public, private and community sectors. The public sector should provide leadership.
- Involve the community and key stakeholders in decision making: Early consultation with stakeholders enables adequate project development and also provides stakeholders with a good understanding of the project objectives, activities, and time-schedule.
- Think and act strategically.
- Reducing risk can be achieved by an appropriate planning policy of the project – reflecting both regeneration and heritage objectives.
- Ensure specialist skills and capacity.
- Monitor results and quantify environmental, social and economic benefits.
- Community involvement – young people crucial to success and sustainability.
- It is important to think ahead and plan for the long-term management of the heritage asset from the outset.
- Cultural activities and the creative industries are a strategic resource and a driving force for urban regeneration.
- Urban regeneration is as individual as the places in which it happens. It depends on context and circumstance, an assessment of the opportunity, and existing resources.





## PROJECT IMPLEMENTATION



- Based on the experiences with the Forget Heritage project pilot actions, the time planned for the implementation of pilot actions should be at least one and a half year (e.g. 3 – 6 months for the preparation phase, 1 year for the implementation and 2-3 months for the follow up).
- The external environment needs to be analyzed before the beginning of the pilot projects, as it sets a frame (favorable or unfavorable), within which the pilots must operate. It is essential not only to try and make the most of any favorable external factors but also to know how to adapt to any negative factors or perhaps even find an opportunity in them.
- Involve all the key stakeholders in the whole process from the very beginning and permanently build the community during the implementation. The organization of open events and exhibitions is very useful to attract new stakeholders and increase the interest of citizens.
- Build trust with the stakeholders and community by stable and constant actions and presence and by retaining honest and open relationships also when encountering unpredicted challenges or difficulties. A strong community is prepared to offer its help in times of need, and this can, in turn, even enhance the relationship.
- A joint vision and objectives should always serve as guidance. If the vision and objectives are not developed well and in cooperation with all major stakeholders at the beginning, this will cause problems at later stages.
- At the initial development stages, the visions can be subject to significant changes. While this can cause many difficulties, it is very important throughout the whole process to stay open and sensitive to the environment changes, citizens' needs, and different stakeholders, and revise the purpose/vision from time to time accordingly, while making sure that it is clearly communicated.





- Project objectives should be in line with the business plan. Objectives should be regularly checked and changed if needed.
- Narrow the diversity of the offered services/products/activities down at least at the beginning and pay big attention to the quality of the initially offered program. Regularly acquire feedback on the offer, and revise the activities from time to time.
- At least part of the activities needs to be revenue-generating, in order to finance other activities of the pilot site, or/and additional private and public funds should be found (mainly through the participation to call for proposals).
- If possible, enable the consultation of external experts (for financial planning, business model development, promotion, etc.) in order to enhance the skills and capacity of the project managers and CCIs.
- Events could be carried out through co-production mechanisms with private parties, where only the costs of operating the space are covered by the public administration.
- Funds for marketing activities and advertising campaigns are needed in order to reach indicators set in the implementation plans (business plans).
- Public administration and project managers should take into account that different processes required for the revitalization of the place could take longer than expected, which should be taken into account in the planning process.





- Public administration and project managers should take into account that different processes required for the revitalization of the place could take longer than expected, which should be taken into account in the planning process.
- The Management Manual, prepared within the FH project, presents a useful starting point for the cities and project managers dealing with cultural heritage valorization through setting up CCIs in different contexts. The tools, proposed in the Management manual are, of course, only an example. Other similar tools can be used, depending on the situation and tailored to the specific needs of the project managers.
- A good and long-term partnership between the local authorities (different departments) and project managers is crucial. Firstly, this can prove more than helpful when facing certain existing unfavourable conditions. Secondly, a good relationship with different authorities and their personal involvement can also help to achieve certain positive changes in the external environment (e.g. change of legislation, preparation of strategies ...).
- Based on Pilot Managers' feedback it is crucial and beneficial for all of them to exchange their experiences, share day-to-day managerial issues and recommend some practices that work well, but also those which do not. They can learn from each other in several fields of work. Therefore, it is important that pilot managers and public administration share their experiences with the representatives of similar projects.





## PUBLIC-PRIVATE COOPERATION



- It is very important whom you choose as the pilot manager – a professional, flexible and creative team with a very good network of stakeholders/ various target groups.
- Public administration should support the activities of the pilot managers. There is a need of the public owner to co-finance the equipment and investment.
- Good communication is key. To bridge the gap between the public and private sector, it is important to have daily/weekly communication and a realistic view of the project implementation. The gap between the private and the public sector is due to different working mechanisms, so there is a need to share everyday problems with each other to solve them more quickly in the future. Sharing of the vision/objectives content/project implementation and trust between the public administration and the pilot managers are crucial during the start-up of the pilot activity. There is a need for flexibility on both sides. Pilot managers need the support and guidance of the public administration in the starting phase and during the implementation of the pilot action, without restricting their freedom of decision making. The roles should be clearly defined in the beginning. Nevertheless, the private and public partner should have regular face-to-face communication and regularly discuss the vision, objectives, and activities of the project during the project implementation in order to avoid the mismatch of their objectives along the way. It is advisable to set rules/procedures how to solve problems and deal with a crisis.
- On the side of the public partner, an interdepartmental team is needed. Besides the project manager, officials from other departments (e.g. investment, economic, cultural, social, PR ...) who are co-engaged in implementation are very important.





- The biggest challenge is overcoming the rigid organizational structure of the city administration. Public officials need to jointly and interdisciplinary implement the project for several years. This requires training, political support and agile city administration.
- On the side of the pilot managers, the employment of at least two persons would be very beneficial: one for managerial & administrative tasks and another one for the program & all related issues. In this case, there would be less stress, timely actions, even better programs/services/products as each person could focus on his/her own priorities (not multitasking all the time in such different fields of work). To reach the above, the public sector (owners of the buildings) should provide financial means for staff costs, and the private sector (CCI operators) should provide the means for programs.
- It is very helpful if pilot managers have experiences in collaboration with the public administration and knowledge of legislation and public policies and strategies. If not, we recommend that they assign someone who is able to carry out a mediation role, and also improve their own knowledge on this topic. The Policy Handbook (D.T1.4.1), which is one of the deliverables of the Forget Heritage project, can be a good starting point. Besides that, every PM should know all the strategic documents, relevant for the pilot project (local/regional/national).
- Every place, every city, every project has different framework conditions. What works in one city will not necessarily work in the other city. There is no „one-size-fits-all“ approach.
- The inclusion of policymakers is crucial for the development of PPC projects in the future. Without a strategic approach towards PPC projects, the success of bigger projects is questionable.





## 5. CONCLUSIONS

The Strategy provides a framework for the preparation of strategic documents at the regional and local levels. It sets out strategic orientations and recommendations to make re-use heritage buildings through the use of CCI to promote economic, social, cultural and environmental development in the cities and regions. The strategy is not prepared for partner cities only, but it could be used in other (Central) European cities and regions as well.



