

## Revitalization as an Instrument of Local Development in Poland

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*Abstract: The paper presents a concept of treating revitalization (or urban regeneration) as one of the instruments of local development. The authors' researches on developmental issues disclose information and communication technologies as the driving force for the institutional change, enhancing public participation in the local management of development. The nature of the local development vehicle consists in participatory governance. The revitalization of dysfunctional areas or districts can be an important element of such a process. During the year 2015, the Polish State adopted important regulations strengthening the social dimension of revitalization. However, the desk research and the consulting work conducted by the authors discloses that managerial instruments implemented under those regulations are not sufficient for stimulating the broader way of the development, limiting themselves to finding funds for local social policy.*

*Keywords: Revitalization, Local development, Instruments of territorial management, Public policy, Poland*

### Introduction

The paper presents a reflection on the process of revitalization in the context of the author's own experience<sup>1</sup> and the analysis of regulations introduced by the new Bill of Revitalization, known as the Bill, from the year 2015. The Bill has entirely changed the way that revitalization is understood and managed in the process of local development. Taking under consideration: (1) the author's concept of what local development is, (2) rules and instruments of urban regeneration processes in Western Europe, the author deliberates on new managerial tools, showing not only the opportunities, but also – the deficits of current Polish regulations.

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<sup>1</sup> The Author, since 2004, with his own company, has prepared (as expert and manager) many revitalization programs for, e.g.: Krakow, Częstochowa, Rzeszow, Bielsko-Biala, Jaworzno, Chrzanow, and others.

## 1 Territorial Development at a Local Scale

Local development, according to previous publications of the author, is the process of steering territorial change, which – stimulating causative forces, such as: entrepreneurship, competitiveness and cooperation – leads to a new configuration of elements of the territorial system. This new configuration better conditions governing activities, i.e. more effectively and efficiently. The nature of the new arrangements involves:

- Growth of complexity, diversity and flexibility of sub-systems, increasing their adaptable abilities,
- Increase of abilities for self-regulation of subsystems,
- Enhancement of creativity and pro-activity (innovation) of subsystems,
- Adjustment of the dynamics of continuous and incremental change, according to the environmental conditions,
- Intensification of reciprocal relations and contact with milieu, thru communication, exchange of goods and values and controlled expansion (Noworól, 2007, pp. 26–29).

The important element of such a broad understanding of development processes is the detection of the importance of an institutional dimension. J. Hausner indicated “...the development is the institutional transformation...” (Hausner, 2013, p. 61). It’s worth alighting on that institutional dimension of development, because just the nature of institutional change forms the background for perturbations and traps, which remain in the center of the present statement. The first decades of the 21<sup>st</sup> century carry an important change of the institutional order, triggered by the popularization of information and communication technologies (ICT). The influence of those phenomena is widely disclosed in literature (Castels, 2011; Dawson, 2008). It is worth impressing on us that in the era of popularization of social media (like Facebook) practices characterizing the information society have become more important. Processes like: despatialization, demassification, decentralization, denationalization, disintermediation and disaggregation, described by J.S. Brown and P. Duguid, are constantly present in people’s lives (Brown & Duguid, 2000, p. 22, 2001, p. 45). Especially disintermediation, consisting of the elimination of intermediaries and the ease of reaching the sources of the information, creates new opportunities for establishing relations between organizations that form different sectors (public, private, NGO) and between organizations and freelancers/individuals, who can become equivalent partners for organizations. This situation is favorable to the forming of partnership type relations, and also – a peculiar alienation of public bodies, formally responsible for territorial development. R.A.W. Rhodes has perceived that phenomenon already during the last decade of the 20th century. He has underlined that development of ICT produces the growth of the importance of self-organizing,

inter-organizational networks. Within that still evolving reality, the governance should take account of organizations from outside of the public domain, and breaking boundaries among the different spheres: public, private and social. R.A.W. Rhodes prefigured that such phenomena would lead to game type interactions, based on trust and social capital, and controlled by rules negotiated by participants of the network. It means – major independence from the state (Rhodes, 1997, p. 53). It conduces to the institutional change of the management of development, as – apart from public authorities – there are new decision-making bodies within this process. So territorial development is influenced by the hybrid, i.e. 2-3 sectors, partnerships, set in different places of multilevel governing networks (Noworól, 2013b). This organizational disaggregation of management of development, built on contractual interactions instead of hierarchical schemes, can constitute – in the opinion of the author – the causative mechanism of territorial development. At the same time, disaggregation implies the change of the role of the state, being an upholder of the institutional order (Stankiewicz, 2012, p. 182).

## **2 Revitalization as the Local Growth Engine**

During the year 2015, Polish Parliament (Sejm) adopted the Bill of Revitalization (Dz.U. 2015, 1777, with later amendments). The Bill has changed the way revitalization is treated by public as well as private bodies. According to the Bill, revitalization is the process of moving degraded urban areas out of the recessionary state. This process should be led in a complex way, thru the integrated activities undertaken in the favor of local community, spatial order and economy. Activities should be territorially concentrated, and conducted by the stakeholders of revitalization, based on the revitalization program. This definition properly reflects the essence of public intervention in urban areas, found as recessionary.

Revitalization became the subject of public discourse in Poland after integration with the European Union. In the year 2004, the prospects of financing urban regeneration projects started the vast interest in revitalization. Polish self-governments launched the process of programming and implementing regeneration projects. However, it was done in an imperfect way, as local governments treated revitalization more as an additional source of funds, justifying the infrastructure improvements with certain socio-economic deficits of the area or district.

As a result, a successful revitalization was observed in the case of the renewal of public places or public infrastructure, dedicated to the entire cities. Many interesting, well known in Poland, projects have really improved – in a way – the quality of life. However, those interventions only remotely have relevance to what should be of most importance – the quality of life in the recessionary areas or

districts, featured by the social problems and marginalization. Such a situation had continued till the year 2015, when an important qualitative change – based on the Western Europe experience – had happened. Finally, Poland has learned from those countries, which started during the 1970s, a system of urban regeneration directed to improve the quality of life in the neglected quarters (Bryx & Jadach-Sepiolo, 2009; Guzik, 2009; Noworól, 1991; Skalski, 2009).

As a matter of fact, the core of revitalization is a set of public interventions concentrated on solving social problems and – at the same time – on improving economic conditions as well as the quality of urban spaces. Revitalization, as an element of the process of re-urbanization (Paelinck & Klaassen, 1979) poses a challenge for public authorities, especially in the areas of the juxtaposition of many negative phenomena. There should be a transition from separate activities, correcting the image of public places (urban regeneration of market squares, parks) or eliminating deficits in the municipal infrastructure, to integrated undertakings, focused on the areas with different problems, usually burdened by social ones. Revitalization should show the way that problems can be solved or reduced.

Management of revitalization, as an instrument of local development, should take under consideration elements – listed above – characterizing the notion of development. Then, it is worth indicating the features of such a desired local system of management of revitalization.

1. Treating revitalization in the context of the growth of complexity, diversity, and flexibility of the management system, demands the creation of backgrounds for inter-organizational cooperation comprised of: public authorities, entrepreneurs (real estate owners) and other partners. That process should include relevant types of public bodies, of different managerial levels, provided their activities are oriented to improve the recessionary state of local communities. The experiences of Western countries demonstrate that the key element of animation of neglected districts should include organizations of civil society, such as:

- Social organizations concentrated on aid, education, or social work,
- Organizations supporting local business development and entrepreneurship,
- Non-formalized groups of citizens,
- Local leaders,
- Non-governmental organizations oriented on intersectional and inter-organizational cooperation, like “cooperation networks”, “partnerships for development”, etc.

This process is connected with the disaggregation of structures and systems of management of revitalization. The relevant organizational tool is, the so-called “operator of revitalization” acting outside the structures of public administration.

Another important element is a decentralization of managerial processes, thru using so-called “local offices”, “local centers”, located within “difficult” areas and facilitating contacts between inhabitants and managers of revitalization with constructive dialogue.

2. In respect to the next determinant of local development, being enhancing the ability to self-regulate, the managerial tool consists of decentralization and taking advantage of subsidiarity in public governance. It is related to the popularization of the model of leadership management. Such an approach relies on public confidence and the legal arrangements of the participation of the community in decision-making processes, relevant to revitalization. These new spheres of dialogue should use at least three forms of social participation:

- Information, as the broad facilitation and sharing of knowledge concerning local matters,
- Consultation, as a process of reciprocal flow of information between authorities and habitants,
- Full participation, as a process consisting in the common structure of the future of the districts by authorities and habitants.

Processes of self-regulation and decentralization should use cooperation networks of various types, partnerships: public-public, public-social and public-private, and also a support system for the procurement of financial, pro-development sources.

3. The enhancement of innovation, drawn upon social pro-activeness, should consist in making linkages between strategic management and revitalization, understood as a set of integrated activities, oriented to deal with various branches or sectors. Besides the bonding of practices from socio-economic and land use planning, it is worth bringing to mind:

- Proliferation of innovative forms of architectural and urban design with the participation of inhabitants,
- Social innovations, being the form of creation and implementation of new ideas (products, services, action models) in order to satisfy social needs and to establish new social relations, based on cooperation. (Daszkiewicz, 2015, p. 1411)].

An innovative approach may also consist in creating complex financial schemes for revitalization projects, including European Union funds or private sources generated by local, regional and national stakeholders. Another element of management of revitalization is a promotion of new enterprising and prototype solutions. The key challenge in the domain of innovation is finding the formula of harmonious integration of two types of activities: the elimination of social exclusion and the stimulation of local economic growth.

4. The adaptation of the dynamics of change in the management of revitalization is linked to an open and flexible approach to the modeling of public administrative structures in relation to external operator of revitalization and other stakeholders. It is all about adapting the way a process of revitalization is managed in respect to the changing needs and expectations of inhabitants, but also – of a progression of people's understanding what the whole process means for inhabitants and local real estate owners.

5. The above mentioned methods of management of revitalization require a new attitude of governing bodies consisting of an interdisciplinary approach and multilevel cooperation of theoreticians, analysts, and finally – authorities and practitioners implementing goals and concepts of the recessionary area's renewal. The key features of such cooperation are the openness and willingness to learn. An interdisciplinary knowledge, so important in animating the processes of local development, is the precondition for effective implementation of revitalization [see also: Noworól, 2010 ].

In summary, the types of activities, listed above, can potentially set revitalization in the heart of the development process' animation, thru the desired institutional change, and in consequence – proliferation of the prototype solution, created with local society.

### **3 Revitalization in the Light of Current Policy of Polish State**

During the year 2015, two key legal documents related to revitalization were adopted:

- The Bill of Revitalization of October 9<sup>th</sup>, 2015 (Dz.U. 2015, poz. 1777 with later amendments) – called – the Bill, and
- Guidelines of the Minister of Development in the field of revitalization in the operational programs for the years 2014-2020 (Minister Rozwoju, 2016)]<sup>2</sup>, called – the Guidelines.

Regarding the means of local development stimulation, it's worth indicating the following regulations, induced by the Bill, and also – by the Guidelines:

- The arrangement, that the preparation, the coordination, and the creation of conditions to conduct the revitalization, as well as its implementation in the scope of local community competences, constitute the legal

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2 Pierwsza wersja Wytycznych pochodzi z 3.7.2015 i była regulacją Ministra Infrastruktury i Rozwoju.

assignment of local self-government. It means that a gmina (a local community) takes managerial control and responsibility of the revitalization. Such a solution excludes the way that revitalization is usually conducted in Western countries, where the operator / manager of revitalization is an entity situated outside of public administration, or a fiduciary corporation.

- The formation of the institution of the “revitalization committee” is – in theory – the forum of cooperation and dialogue of the stakeholder with community authorities in order to prepare, execute, and evaluate the revitalization. However, the Bill sets a rule that the committee should act as an opinion maker and consulting body for the mayor. In such a position, the committee has a mediocre role in the process of community participation. Unfortunately, reducing the role of the committee to opinion making will limit opportunities to fulfill duties as a social co-manager of the process. The city (community) council in no way is obliged to follow the revitalization committee’s views or beliefs.
- The role of social consultations has been increased in both quoted documents. The Bill regulates the consultation process in great detail, indicating its duration, scope of possible forms and the way of announcing and reporting. The Guidelines underline the reasonability of the implementation of instruments of full social participation, beyond consultations. On one side, it’s a step in right direction, enforcing municipal officials to gain new competences and to implement the inhabitants’ participation in the decision making process. However, the Bill enormously formalizes the consultation process, which by its nature, should be characterized by certain flexibility, resulting from local patterning. This formalization induces officials to adopt mock solutions, only apparently open to public dialogue, but in fact – limited to follow the letter of regulation and not its deeper meaning. So, many officials in public administration are focused on proving that regulations are correctly implemented, without thinking of the real effectiveness of consultation type activities.
- The Bill features many regulations oriented to increase the effectiveness of revitalization. It concerns the real estate policy of local government, (preemption), taxes, rents in municipal houses and options for the co-financing of social municipal tenement houses. The Bill introduces two new instruments of revitalization in the shape of the special zone of revitalization and the land use plan of revitalization. The document regulates, in detail, situations demanding transfers of inhabitants during revitalization. These are necessary regulations, strengthening the position of the local government towards landlords, who frequently disrupt the processes of revitalization. Current observations of implementation of the Bill, and the author’s own experience in preparation of the revitalization

programs, disclose that local authorities do not demonstrate the will to use those new solutions. Local politicians are afraid of broadening their legal competences because of possible conflicts with influential inhabitants or a possible rise of public expenditures (e.g. for preparation of land use plans). That precaution may limit the effectiveness of revitalization and threaten the formation of a sustainable means of moving degraded areas out of the recessionary state. The only stable way of thinking done by public authorities remains the search for European Union financial support.

- The Bill imposes a necessity to conduct revitalization based on a communal revitalization program, described in detail in both new documents. Again, the preparation of this program becomes more the art of filling the legal expectations than a stimulus for development. On the other hand, in long run, those regulations can enhance local authority competences for solving social problems, but it demands a change of people's attitudes and the organizational culture of public entities.

## **Conclusions**

In conclusion it is necessary to claim that the programming and implementation of revitalization has recently come to Poland in a new phase, which – despite the presented objections – should be considered as favorable to social groups living in recessionary areas. Unfortunately, there is a risk, that the current legal status of revitalization, taking into consideration the organizational culture of Polish self-governments, may conflict with intentions of the lawmaker – as a temporary process, insufficiently stimulating local development. Even if the revitalization is still treated by public administration as a way to gain European financial sources, it becomes an important element of the social policy of the state and local self-governments. It's a pity that the legal instruments of the management of revitalization, in parallel with administrative culture, create so many constraints for the deep engagement of people in the depicted process. It is important to convince inhabitants that the success of revitalization would result from integration of social activities with economic and environmental issues. This can be done uniquely through public dialogue and deliberation. The real challenge is managing local policy, and simultaneously working with local communities on both creating support for marginalized groups and preparing the means for economic development of districts. Without the latter, revitalization as an instrument of development and the legal assignment of the gmina, risks being only a legislative measure for gaining financial support, rather than being an important developmental tool.

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