



# **Urban Improvement Districts The Hamburg Experience**

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#### Outline of the presentation

- 1. Brief history of Urban Improvement Districts
- 2. The Hamburg Experience
- 3. The Neighbourhood Improvement District Model
- 4. Remarks and Comments





#### 0. Preliminary Remarks

#### **Private Initiatives in Urban Development**

- Private stakeholders = proprietors and landowner
- Increasing importance in Germany
- Part of the Federal Building Code since 2006
- Variety of models from voluntary and informal activities to legal instruments like BIDs + NIDs
- Additional to public funded strategies







#### 1. Brief history of Urban Improvement Districts

- Urban Improvement Districts: Generic term for Business, Housing, Neighbourhood, Multifamily, Residential, Climate etc. Improvement Districts
- North-American Model for private initiatives with self assessment - especially BID
- Original an example for privatist tradition of urban development, a weak public sector and low tax-rates in Anglo-American countries







#### 1. Brief history of Urban Improvement Districts

#### Constitutive features of the UID-model:

- Self-organisation of private stakeholders
   (ie. proprietors in Germany businesspeople in UK);
- Joint financing via an obligatory levy (no free-riders);
- Legally defined area;
- Limited duration (max. 5 years each);
- Broad spectrum of activities possible, e.g. placemaking and place-keeping in the public realm
- Additionally to public sector activities





#### 1. Brief history of Urban Improvement Districts

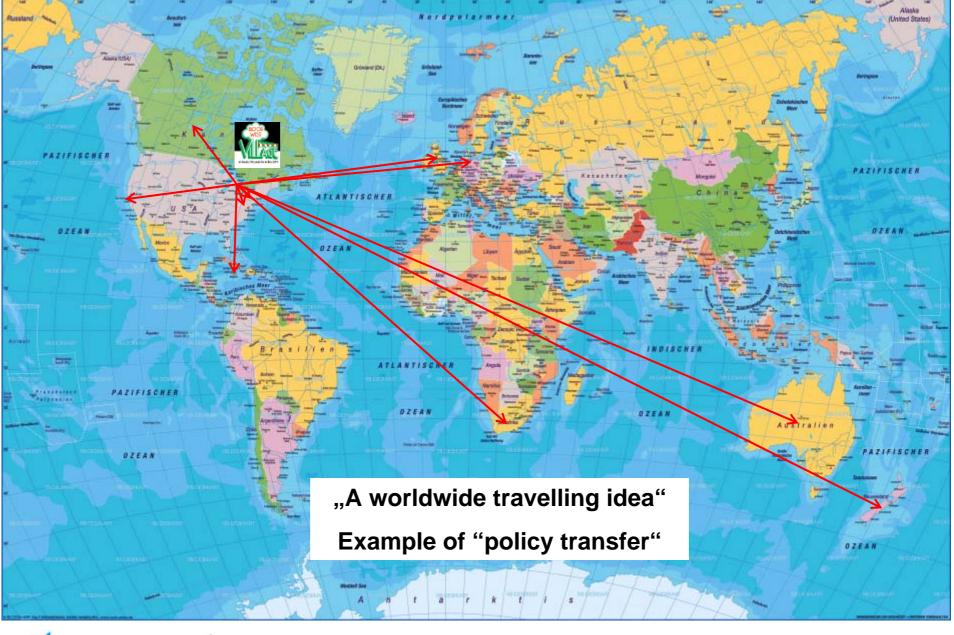
#### Transfer of the UID model to Europe

- Transfer of the BID-model to Europe in the late 1990s
- Legislative models today only in the UK, Ireland and in Germany - Voluntary models in other countries, e.g. The Netherlands
- Transfer of BID-model to residential areas as Neighbourhood (Housing) Improvement Districts 2007 in Hamburg (German Federal State)











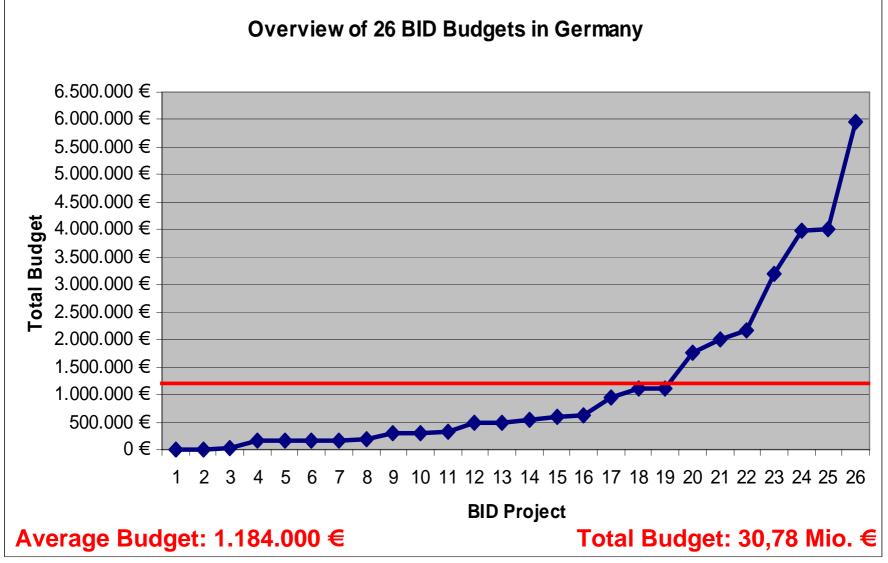




Federal State	Specific UID Legislation	UID-Projects in Implementation
Bremen	BID-Legislation: Bremisches Gesetz zur Stärkung von Einzelhandels- und Dienstleistungszentren (July 2006)	BID Ansgarikirchhof     BID Das Viertel
Hamburg	BID Legislation: Gesetz zur Stärkung der Einzelhandels- und Dienstleistungszentren (GSED) (December 2004 / Amendments in November 2007)	BID Sachsentor Bergedorf 2 BID Neuer Wall 2.0 BID Wandsbek Markt BID Lüneburger Straße Harburg BID Alte Holstenstraße Bergedorf BID Hohe Bleichen Heuberg OXBID BID Tibarg BID Opern Boulevard
Hamburg	HID/NID-Legislation: Gesetz zur Stärkung von Wohnquartieren durch private Initiativen (December 2007)	No HID/NID in implementation yet HID to come in Stellshoop
Hesse	BID-Legislation: Gesetz zur Stärkung von innerstädtischen Geschäftsquartieren (INGE) (January 2006)	<ul> <li>4 BIDs in der Giessener Innenstadt: Seltersweg, Katharinenviertel, Markt- quartier und Theaterpark</li> <li>BID Baunatal</li> <li>BID Offenbach</li> </ul>
North Rhine- Westphalia	BID-Legislation: Gesetz über Immobilien- und Standortgemeinschaften (ISGG) (June 2008)	ISG Haltern am See
Saarland	BID-Legislation: Gesetz zur Schaffung von Bündnissen für Innovation und Dienstleistungen (BIDG) (May 2007)	BID Burbach - Saarbrücken
Schleswig-Holstein	<b>BID-Legislation:</b> Gesetz über die Einrichtung von Partnerschaften zur Attraktivierung von City-, Dienstleistungs- und Tourismusbereichen (PACT) vom (July 2006)	PACT Flensburg (City Centre) PACT Elmshorn PACT Schmuggelstieg (Norderstedt) PACT Rendsburg

Overview: UID-Legislation and Projects in Implementation in Germany Source: Stefan Kreutz / HCU

Budgets of UID-Projects in Germany		
Range of Budget	Project	
less than 10.000 Euro	• PACT Elmshord (3.000 €) • PACT Rendsburg (3.500 €)	
10.000 - 100.000 Euro	• BID Baunatal (40.000 €)	
100.000 – 200.000 Euro	<ul> <li>BID Sachsentor Bergedorf 1 (150.000 €)</li> <li>BID Ansgarikirchhof / Bremen (150.000 €)</li> <li>BID Theaterpark / Gießen (158.000 €)</li> <li>OXBID / Hamburg (172.000 €)</li> <li>PACT Schmuggelstieg /Norderstedt (184.000 €)</li> </ul>	
200.000 – 500.000 Euro	<ul> <li>BID Katharinenviertel / Gießen (303.000 €)</li> <li>BID Alte Holstenstraße Bergedorf (333.000 €)</li> <li>BID Burbach / Saarbrücken (500.000 €)</li> <li>ISG Haltern am See (500.000 €)</li> </ul>	
500.000 – 1.000.000 Euro	• BID Lüneburger Straße Harburg (549.000 €) • BID Sachsentor Bergedorf 2 (600.000 €) • BID Marktquartier / Gießen (624.500 €) • BID Offenbach (950.000 €)	
more than 1.000.000 Euro	<ul> <li>BID Seltersweg / Gießen (1.101.000 €)</li> <li>BID Das Viertel / Bremen (1.100.000 €)</li> <li>BID Tibarg / Hamburg (1.750.000 €)</li> <li>BID Hohe Bleichen Heuberg / HH (2.000.000 €)</li> <li>BID Opern Boulevard (2.175.000 €)</li> <li>BID Neuer Walf 2.0 (3.184.000 €)</li> <li>BID Wandsøek Markt (3.990.000 €)</li> <li>PACT Flenkburg (4.000.000 €)</li> <li>BID Neuer Wall (5.966.000 €)</li> </ul>	



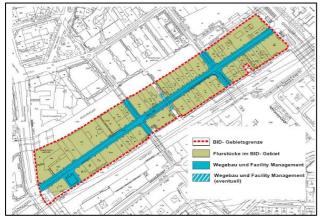
Source: Stefan Kreutz / HCU - April 2011



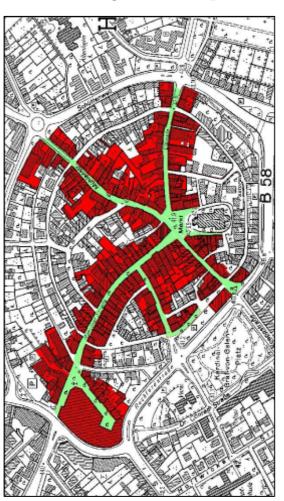


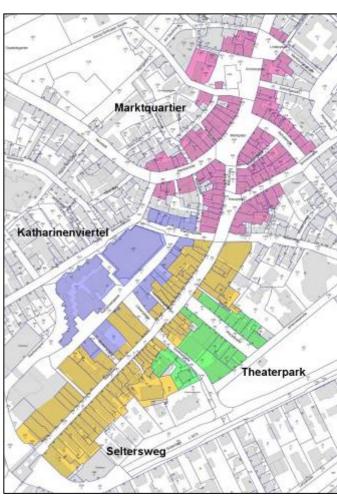


#### BIDs in Germany: Variety of spatial scale







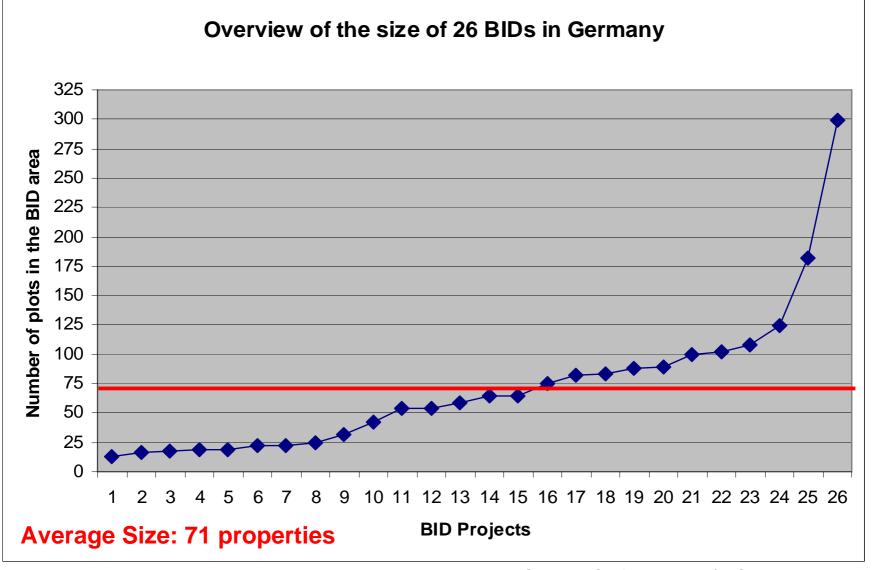


Sources: Project websites online







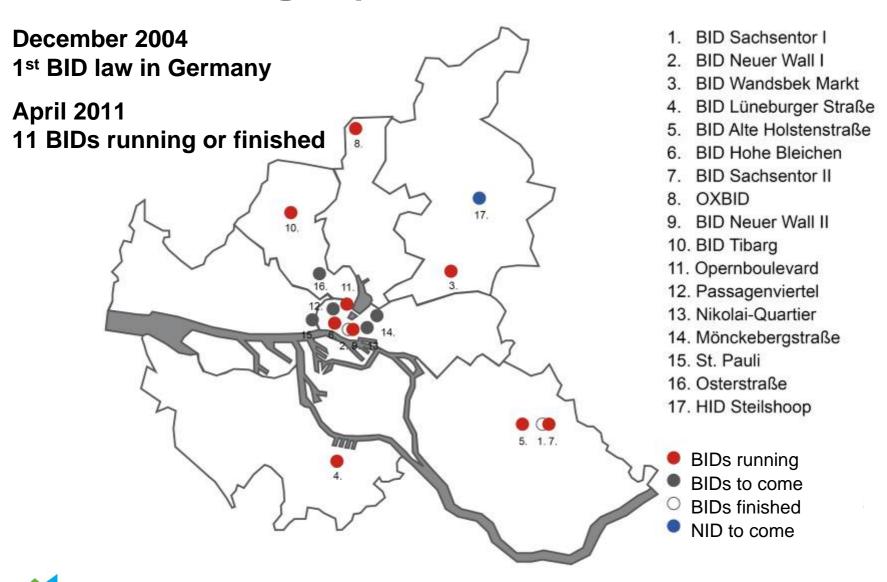


Source: Stefan Kreutz / HCU - April 2011















#### Public standard in the public realm before...



















#### ... and BID standard after redesign









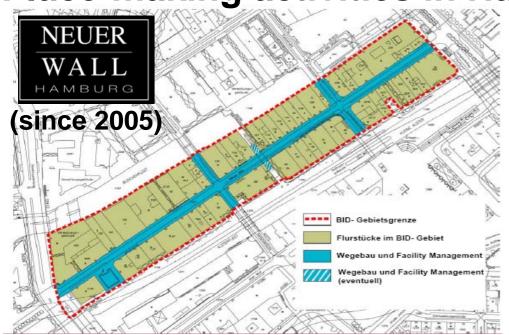












































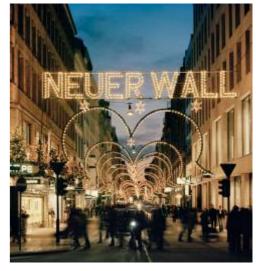




















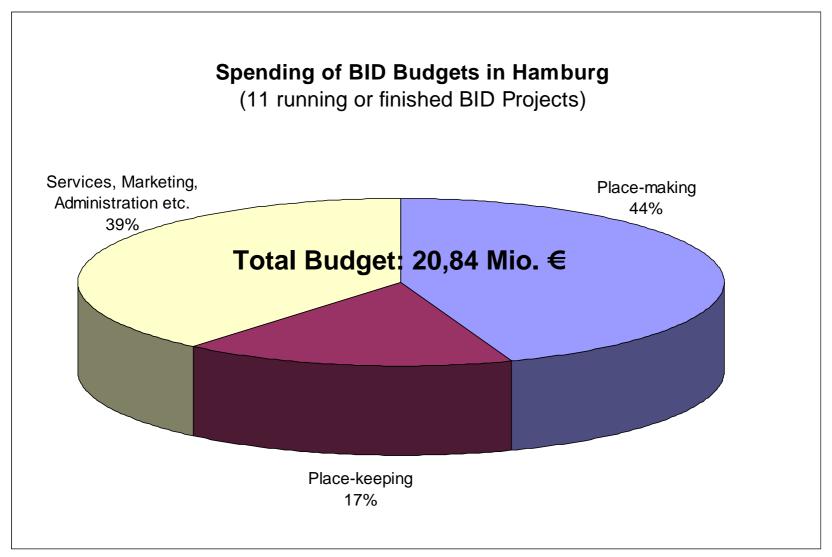


Sources: Project websites online













Source: Stefan Kreutz / HCU – April 2011



## Transfer to residential areas Neighbourhood Improvement Districts

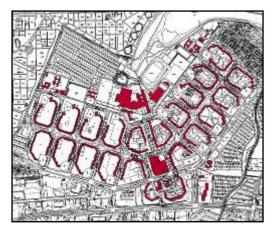
#### **Neighbourhood Improvement Districts**

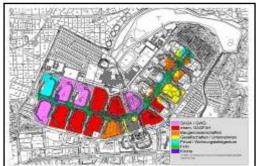
- Transfer of the legislative BID-model to areas with other functions, i.e. residential or mixed-use areas
- Hamburg Law applicable since December 1<sup>st</sup> 2007: New law with only slight amendments (almost 1:1 adoption of the existing BID law)
- Pilot-project for a NID in Steilshoop estate –
   ongoing process since the beginning in early 2007
- NID Steilshoop <u>not</u> formally designated up to today

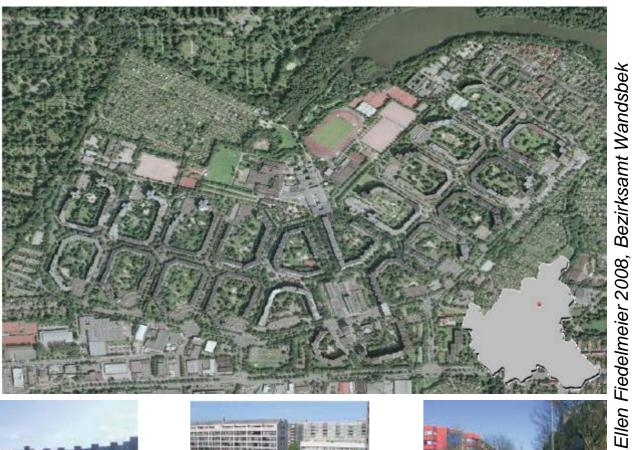


























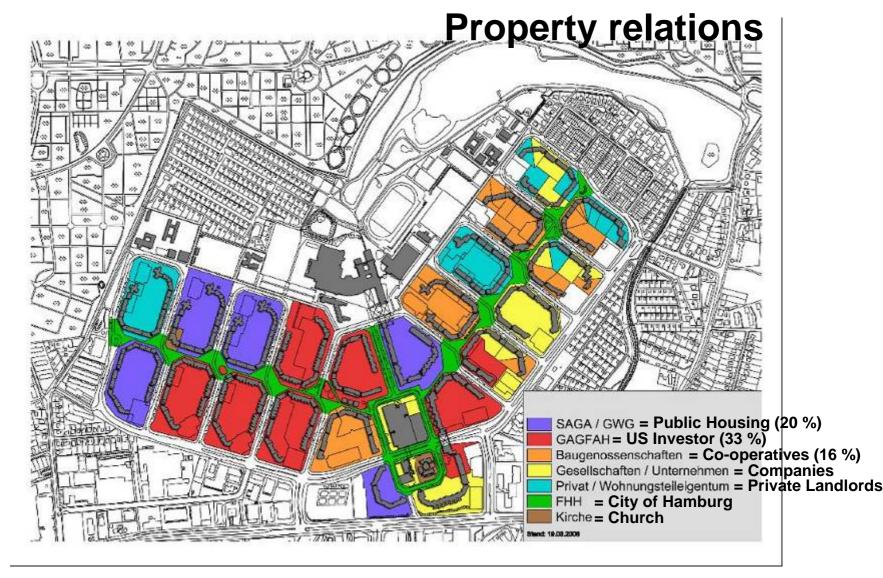
#### Steilshoop: Europe's first NID?

- Housing estate built between 1969 and 1975
- 6.380 dwellings
- 14.300 inhabitants
- Urban renewal programme from 1987 1999: more than 13 million Euros of public funds
- Largest proprietor GAGFAH (2.160 dwellings) sold to US Fortress Investment Group in 2004
- Negative image, declining quality of public spaces, worsening local amenities (shopping centre)





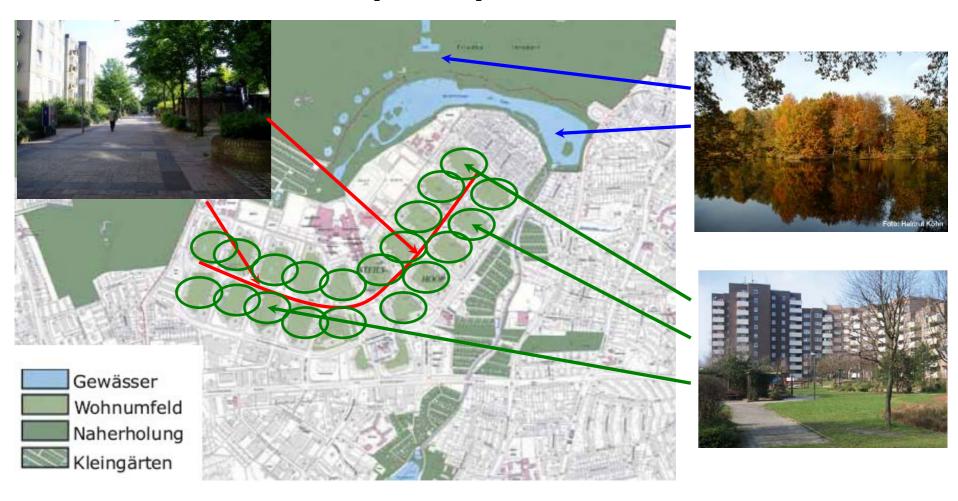








#### Public and Private Open Spaces in the estate









#### The process

- Over 45 meetings of the Steering Committee between March 2007 and April 2011
- 2 large meetings of all proprietors from the estate in January 2009 and February 2011
- Working Groups on several issues, e.g. Redesign of the open space, Improvement of maintenance, Image improvement
- Several Meetings and talks with administration, residents and other partners involved
- Supporting Management active since end of 2007







#### Results of the NID-process in Steilshoop so far

1. Improved area-based communication

- 2. Development of a Business Plan proposal:
- Complete redesign of the central pedestrian zone
- Improved groundskeeping of public and private spaces in the central pedestrian zone
- Joint Marketing and image-campaign
- 3. Calculation of costs and of the NID-leverage approx. 7,5 million Euros investment envisaged
- 4. Improvement of groundskeeping already achieved



#### **Place-making**

- Competition for the redesign of the central pedestrian zone in 2007/08
- Participation process with the community
- Working-Group of proprietors and architects
- Development of a design-concept
- Investment of approx. 5 million € envisaged





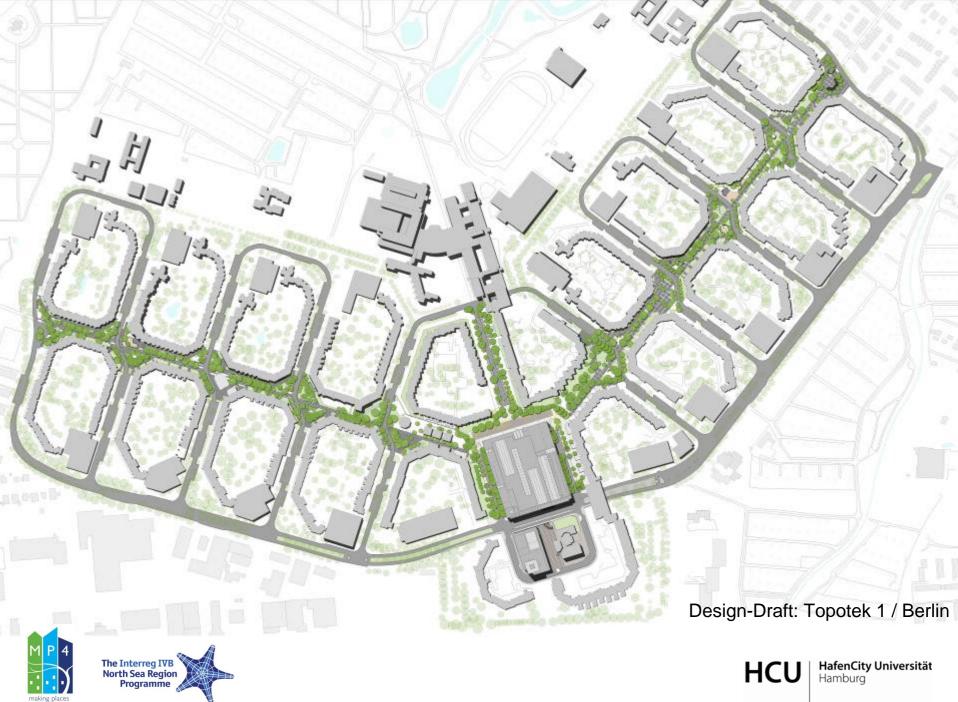








Verfahrensmanagement INQ, Topotek Sources:



#### Place-keeping

- Focus on groundskeeping in the central and western part
- Working-group with all relevant stakeholders
- Clarification of tasks and frequencies
- Improved coordination of groundskeeping
- "Kümmerer" in place
- No extra costs but improved quality!
- Investment of 200.000 € envisaged for NID implementation



Source: Stadtreinigung Hamburg





#### Remarks and Comments

#### 4. Remarks and Comments

#### **Comments on Urban Improvement Districts**

- Enabling collective private initiatives
- Additional instrument in the tool-box of urban regeneration and development – not a substitute
- No influence on private property
- Suitability: UID model is not suitable for every neighbourhood, e.g. not for neglected / deprived areas with inactive and/or poor proprietors
- Urban Improvement Districts need strong and articulate proprietors to be successful







#### 4. Remarks and Comments

#### Comments on joint proprietor activities in general

- Intense organisational support necessary
- Differences between professional real estate companies and "amateur" landlords / owner-occupiers
- Visible small scale activities helpful for a start
- Pooling of activities is leading to saving effects
- Joint activities of private and public stakeholders are especially useful for place-making and place-keeping







#### 4. Remarks and Comments

#### **Concluding remarks**

- Joint proprietor activities in urban development are a fairly new issue in Germany
- Cultural change of attitudes and expectations
- Even small and simple solutions need intense communication and professional organisation
- Area-based communication is important
- Variety of models allows tailor-made solutions from informal cooperation to formalised partnerships











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