

MP4 WP2.1
Peer Review of
Model Agreements for
Place-keeping

**Analysis of existing
model agreements**

**Hamburg Steilshoop:
Coordination of cleaning**

REVISED DRAFT

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SUMMARY

This report presents an analysis of an informal model agreement used by the sanitation department Hamburg (*Stadtreinigung Hamburg*), some larger housing companies (GAGFAH GROUP, SAGA GWG, Schiffszimmerer Genossenschaft) and the District Council of Hamburg Wandsbek regarding place-keeping activities in partnership of these stakeholders in the housing estate Steilshoop in Hamburg. The partnership is focussing on joint cleaning and maintenance activities in the most prominent open space of the estate, the central pedestrian zone. These efforts are a first result of the initiative to implement a Neighbourhood Improvement District (NID) in Steilshoop in cooperation of proprietors and the public sector.

Model agreements for place-keeping are understood here in a broad way, not necessarily only as legal written documents signed by a number of parties (formal), but can be also tacit arrangements between parties with a signed contract (informal).

The information for the analysis was collected via interviews with representatives of the participating stakeholders (sanitation department) and direct involvement of the author in the start of the process back in 2007/2008. Analysis of documents and observation on the ground complemented the methods employed in data collection.

The key activity the stakeholders are involved with which include a model agreement in relation to place-keeping is:

- **Coordination of cleaning in the central pedestrian zone:** improvement of street cleaning and maintenance of the western and central parts of the central pedestrian zone in the housing estate covering both publicly owned and privately owned open space. The pedestrian zone is the most prominent open space in the estate.

A model agreement exists for this project and this was analysed (summary table page 9), identifying:

- project description – what is the aim of the project
- purpose of place-keeping agreement
- actors involved in the agreement (e.g. housing companies, district council, sanitation department, NID Steering Committee)
- agreement documents and phases (place-making plan, management plan, monitoring, redress) – within these:
 - how place-keeping is specifically addressed;
 - what is the role of the different actors.

Evaluating this model, a couple of issues which influence (or may influence in the future) the effectiveness of this partnership model were identified. These range from financial to management and attitude-related issues. Need for secure funding and central coordination of activities are some of these issues.

1. INTRODUCTION

This report presents an analysis of a model agreement used by the public sanitation department Hamburg (*Stadtreinigung Hamburg*), some larger housing companies (GAGFAH GROUP, SAGA GWG, Schiffszimmerer Genossenschaft) and the public authority, the District Council of Hamburg Wandsbek regarding joint place-keeping activities in partnership of these stakeholders in the housing estate Steilshoop in Hamburg. These efforts are a first result of the initiative to implement a Neighbourhood Improvement District (NID) in Steilshoop in cooperation of proprietors and the public sector.

This report is intended as a practical tool to allow practitioners easily to understand the key elements of this model agreement. It will thus allow comparison with other types of model agreement and contribute to the peer review of these, as part of WP2 in the transnational MP4 project.

To collect information for this analysis, semi-structured face-to-face interviews were carried out with representatives of the sanitation department (head of the responsible SRH Region East and the project leader). Feedback from other important stakeholders involved in this partnership was collected via personal participation of the author in the development of the model back in 2007/2008 and written statements from the stakeholders. Analysis of documents and personal observation on the ground complemented the methods employed in data collection.

The report covers the following aspects:

- **Organisational context** for the model agreement.
- **Type of activities** which model agreement is used in.
- **Model agreement** – a systematic presentation.
- **Evaluation**, including a brief overview of key ideas & mental models influencing the model agreement, and a SWOT analysis based on stakeholder perceptions.
- Appendices describing some aspects of the **socio-cultural context** and providing further **detail on relevant organisations**.

2. ORGANISATIONAL CONTEXT

Model agreements for place-keeping are understood here in a broad way, not necessarily only as legal written documents signed by a number of parties. Model agreements may range from formal documents to tacit arrangements between parties. It is therefore crucial to understand the context in which each model agreement operates. Relevant aspects of the socio-cultural (and political) context e.g. regarding the NID process in Steilshoop are described in an Appendix 1 at the end of the report. This section focuses on key organizations involved, as explained below.

The public **sanitation department Hamburg SRH (*Stadtreinigung Hamburg*)**¹ is a company owned by the Free and Hanseatic City of Hamburg. SRH has clear responsibilities for citywide street cleaning and waste disposal on a statutory basis (e.g. according to the Hamburg Street Cleaning Law). To change these responsibilities, i.e. to contract another organisation to carry out the street cleaning of publicly owned spaces, the law must be changed. The SRH is organised in five regions covering the whole city – responsible for the housing estate Steilshoop is the SRH Region East.

¹ <http://www.srh.de>

The **GAGFAH GROUP**² is a former public housing provider and with more than 2.100 dwellings the largest proprietor in Steilshoop (one third of the total stock in the estate – see Figure 1). The public company was sold to the US Fortress Investment Group LLC back in 2004. Since October 2006 the GAGFAH GROUP, which owns and manages large housing stock all over Germany (more than 165.000 rented flats), has been a joint stock corporation listed on the stock exchange. GAGFAH GROUP was involved in this model agreement with representatives from the administration and the responsible in-house service company VHB.

The housing association **SAGA GWG**³ is owned by the Free and Hanseatic City of Hamburg. The company owns more than 130.000 rented flats in Hamburg – of which 1.300 flats are located in Steilshoop (approx. more than 20 % of the total stock in the estate – see Figure 1).

The housing cooperative **Allgemeine Deutsche Schiffzimmerer Genossenschaft**⁴ owns a housing stock of over 9.000 flats all over in Hamburg – of which 150 flats are located in Steilshoop. In this process the cooperative is representing all 19 cooperatives with housing stock in Steilshoop – in total more than 1.000 rented flats, approx. 16 % of the total stock in the estate (see Figure 1).

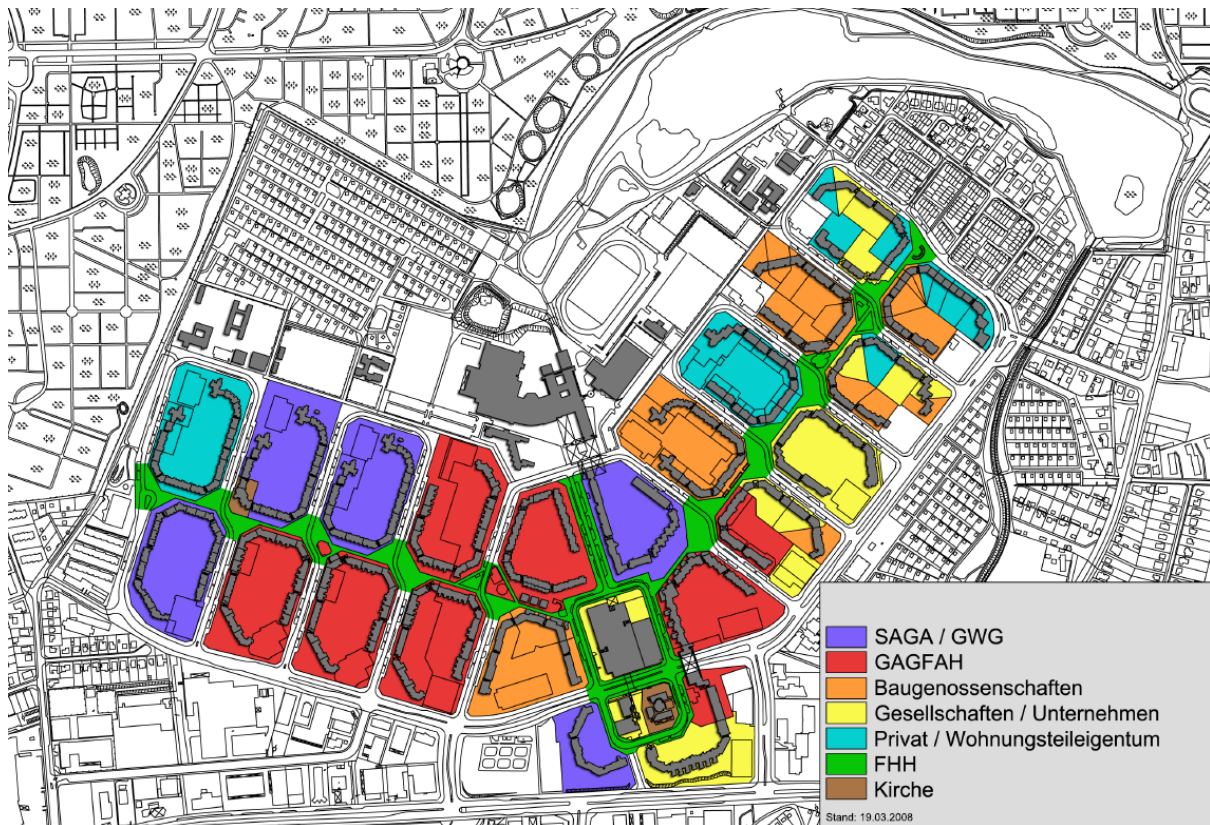


Figure 1 – Property relations in the Steilshoop estate (March 2008 / Ministry of Urban Development and the Environment BSU Hamburg)

The **Shopping Centre Steilshoop Management**⁵ is managing the shopping centre in the heart of the estate with approx. 45 shops as well as flats and office space above the centre and in an adjacent building.

² <http://www.gagfah.de/en/>

³ <http://www.saga-gwg.de>

⁴ <http://www.schiffszimmerer.de/>

⁵ <http://www.ekz-steilshoop.de>

The **District Council of Wandsbek**⁶ is the responsible public authority for Steilshoop. Hamburg is divided into seven administrative districts (Bezirke): Altona, Bergedorf, Eimsbüttel, Hamburg-Mitte, Hamburg-Nord, Harburg and Wandsbek. All of them have the size of large cities (between 117.000 and 410.000 inhabitants) with their own city-centres. Wandsbek is the largest district with almost 410.000 inhabitants. The districts have their own elected parliaments (Bezirksversammlung) and their own administration (Bezirksamt). The level of the districts is comparable with the Municipality or Local Authority in other structures, while the Hamburg Senate is representing the regional Laender-level, i.e. between Federal government and Local Authorities. In many relevant fields of policy the districts are strongly depending on the city-state structures, i.e. the Senate and the Ministries.

The District is responsible for the maintenance of publicly owned open spaces as long as they have no city wide importance.

The **Steering Committee NID Steilshoop** was supporting the described process in the background. The Steering Committee was established in 2007 to organize the process to set up a Neighbourhood Improvement District (NID) in Steilshoop (for detailed information please refer to the MP4 case study report on the NID Steilshoop and see Appendix 1). The Steering Committee consists of representatives from the proprietors (as mentioned above for this model agreement), the District Council, the Ministry of Urban Development and the Environment plus a representative of the community and other stakeholders accompanying the preparation.

3. TYPES OF PROJECT/ACTIVITY

The housing estate of Steilshoop was built between 1969 and 1975. 14,300 inhabitants live in 6,380 dwellings in 21 large concrete perimeter blocks with a shopping centre in the middle of the estate (see figure 2). 75 per cent of the stock was built as subsidised housing with public funding.

Land and property ownership in Steilshoop are heterogeneous. Since 2004 almost one third of the stock is owned by GAGFAH Group meanwhile over 20 % are owned by the public housing association SAGA GWG. The other half of the stock is owned by several housing cooperatives, private housing companies and owner-occupiers (see figure 1). Hence, the estate reflects almost the whole range of property tenure possible in the German housing market.

The analysed model of coordinated cleaning and maintenance of public and private open spaces has a focus on the central pedestrian zone in the estate. The approx. 1,600 metre long central pedestrian zone in Steilshoop is part in public (approx. 60%) and part in private (approx. 40%) ownership. Mismanagement and neglect of many of the public owned spaces in the centre of the estate were striking at the start of the process, due to a lack of public investments over a period of almost 40 years and neglect of some privately owned spaces also.

The vision at the beginning of the process of preparing a formal Neighbourhood Improvement District (NID) was to contract out a mass cleaning operation of the whole area from house to house stretching over all property boundaries to improve place-keeping activities. (In parallel a massive investment for place-making activities to improve and redesign the area was prepared). The idea behind this vision was to organise joint procurement of this service financed by the Local Authority (for the publicly owned spaces)

⁶ <http://www.hamburg.de/bezirk-wandsbek>

and the proprietors (for the private spaces in the pedestrian zone adjacent to private properties). It soon became clear that this approach wouldn't be easy to execute because the responsibilities for the maintenance of this open space are complex and not easy to change. The public sanitation department (Stadtreinigung Hamburg), a company owned by the Free and Hanseatic City of Hamburg, has clear responsibilities for street cleaning and waste disposal on a statutory basis. To change these responsibilities, i.e. to contract another organisation to carry out the street cleaning of publicly owned spaces, the law must be changed. In addition, the proprietors have their own contractors/ inhouse staff for caretaking and gardening the open space adjacent to their properties. Furthermore, some of these service providers have long-running contracts. Hence an area-based partnership is not able to easily and quickly pass the combined responsibilities for place-keeping over to another contractor.

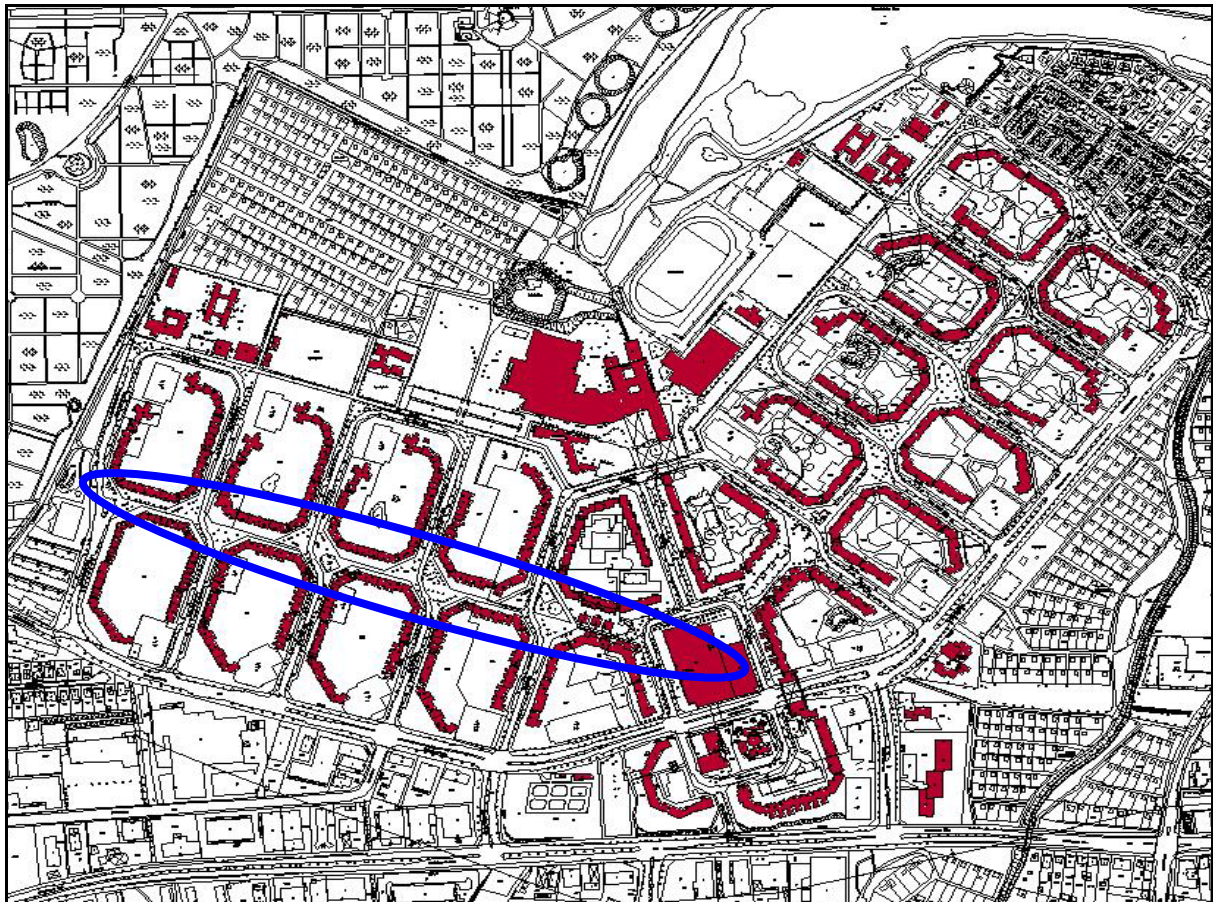


Figure 2 – The Steilshoop Estate: Physical structure – Area of intervention marked in blue (Buildings of the housing estate are marked in red)

After these conditions and regulations were clarified, it was obvious that another strategy was required to improve the situation regarding place keeping in Steilshoop's central open space. This was initiated by the sanitation department to address this complex problem. The NID Steering Committee (proprietors representing approx. 70 % of housing stock in Steilshoop together with District Council and Ministry of Urban Development – working together to prepare a proposal for the implementation of a NID on a statutory basis) requested that the sanitation department begin a coordinated process of cleaning and maintenance of the central pedestrian zone in July 2007. The proprietors and public administration responsible for the District of Wandsbek expressed their willingness to support this process as partners. The aim of this process was a rapid visible improvement of

the situation at no extra cost as this was done as part of normal activities. Spatial focus of the initiative was the western and central part of the central pedestrian zone with the adjacent streets (see figure 2). Due to the fact that property tenure in this part of the estate are less fragmented than in the eastern part. In the eastern part properties are owned by many more smaller housing companies and associations, that means the range of stakeholders involved is broader and more complex.

The declared motivation of the sanitation department was twofold: the opportunity to develop innovative new strategies for coordinated cleaning and maintenance together with the proprietors and the chance to optimise their own service provision without any significant additional costs.

On invitation of the sanitation department a **task force** was made up of partners with responsibilities for the operational work on the ground. Participating partners were the two largest proprietors in the area GAGFAH and SAGA GWG, and the housing cooperative Allgemeine Deutsche Schiffzimmerer Genossenschaft – with members both from the administrative level and the service level. Also included were representatives from the Shopping Centre Management, the District administration for the management of public spaces and the sanitation department itself.

In a **couple of workshops** the task force discussed the following relevant issues for place keeping in Steilshoop:

- clarification of responsibilities,
- definition of interfaces,
- identification of overlaps,
- identification of weaknesses and
- collection of responses to open questions.

The first key finding from the workshop showed that in the past, none of the partners had overall responsibility for providing a clean and tidy central pedestrian zone across all the property boundaries which was due to fragmented responsibilities: each partner focused only on the cleanness of their own plot. The second important finding was the identification of “unidentified” spaces (where property tenure was unclear) and non-existent communication between the partners on the ground. The consequent result of this situation was the longstanding poor appearance of the public space.

The task force developed a **concept** for an improvement of place-keeping activities along the following steps:

1. Clarification of responsibilities (“Who is doing what, when and where?”) and documentation of the results on a map
2. Development of a contact list with contact persons for every plot and every issue regarding place-keeping in the area to promote direct, quick and efficient communication
3. Optimisation of working techniques and methods to improve the delivery of services
4. Coordination of all workflows regarding time and activities to achieve positive synergies and to improve the quality of results, especially in times of intense work on the ground (e.g. autumn, winter and New Year)
5. Achievement of a joint integrated treatment of all plots in the central pedestrian zone

This concept was implemented under the coordination of the sanitation company. For special occasions joint action was arranged and implemented, e.g. for the fall of leaves in autumn or for cleaning up after New Year’s Eve. Parallel to these activities public funding was available through the limited regeneration initiative “Lebenswerte Stadt” in 2007/2008. This funding was an opportunity to financially support the implementation of activities and

small-scale physical improvements in the central pedestrian zone, e.g. seeding of grass, tree cutting and paving repairs in certain parts.

Further improvement of the situation was possible when the Ministry of Urban Development and the Environment granted the temporary employment of a dedicated area-based person from the sanitation company the so called “Kümmerer”. The “Kümmerer” works in the estate providing an active presence in the community five days a week until late afternoon. He is responsible for all activities regarding place keeping beyond the normal routine activities described above. The Kümmerer also acts as a contact person for proprietors and residents and is the main point of contact for the sanitation department. After the end of the limited regeneration initiative “Lebenswerte Stadt” the personell costs for the Kümmerer were covered by the sanitation department, but only until the end of 2010. The future funding of this task is unclear at the moment of writing this report.

The affected proprietors in the central and western part of the pedestrian zone agreed also on an exemplary sponsorship model for certain public green spaces (*Patenschaften*) in the area. Due to the fact that the District Council is not able to deliver a higher standard of maintenance as a result of ongoing cost reduction in the public sector, the proprietors agreed to take responsibility for some parts of the publicly owned open space, such as cutting trees and hedges in consultation with the responsible District Council Management. The sanitation department is responsible for cleaning these parts. Today the sanitation department is even mowing the lawns on public ground, which they usually don't do. And they purchased a dedicated technical equipment for cleaning of jointing in the pavement. This machine could be leased by private stakeholders for use on private ground.

The coordinated action is running up to today in the western and central pedestrian zone. The envisaged extension to the eastern part didn't happen yet because the proprietors didn't discuss and agree on their support yet – due to other relevant topics on their agenda in the Steering Committee for the NID Steilshoop.

4. MODEL AGREEMENTS

The following table presents, in a summarised format, the key elements in the model agreement as well as the process which these form part of.

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Hamburg Steilshoop Model

Purpose of Place-Keeping: informal coordination of cleaning and maintenance of public and private open spaces in the central pedestrian zone of the Steilshoop estate.

Actors		Place-Keeping (management plan)	Monitoring	Redress
Public Sanitation Department Hamburg (SRH)	Initiated process with support from NID SC	Coordination & large manpower input on cleaning activities "on the ground". Payment of "Kuemmerer".	Provided regular updates to NID SC	Not formal nor informal
Housing Companies / Proprietors – private, public & cooperatives		Agreed aims and requested support (work) from their contractors and in-house services. Administrative support & funding.		
Service companies		Responsible for work on the ground, e.g. gardening and cleaning of private open space. Some work on public space on request of the contractors.		
District Council Wandsbek - management of open spaces	Support the process to set up a NID in Steilshoop	Followed the process and supported with information		
Ministry of Urban Development and the Environment (BSU) Hamburg		Funded minor physical improvements (programme "Lebenswerte Stadt" 2007-2008). Paid the Kümmerer for the first two years (2008-2009)		
Neighbourhood Improvement District (NID) Steering Committee (SC)		Supported the whole process and requested initiation of activities	Support, making available the participation of their inhouse or external service deliverers.	Informal via discussion in the NID SC & joint evaluation report for the first 18 months

5. EVALUATION

A series of issues which influence (or may influence in the future) the effectiveness of this partnership models were identified. These range from financial to management and attitude-related issues. Need for secure funding and central coordination of activities are some of these issues.

4.1 Ideas and mental models

Model agreements are forms of organizational co-operation which are based both on the nature and capacity of the organizations involved, and on the expectations that given societies have of such organizations. From this point of view it is important to understand mental models (in the form of traditions, habits, ideas and ideologies) in order to understand organizational arrangements. This subsection describes key ideas and mental models put across by interviewees.

A general obstacle for the development of an informal model agreement like the one described here are the existing **expectations of private stakeholders** that the public sector is solely responsible for the public space: “We pay taxes – the City has to do this job!” or “We don’t want to pay for cleaning of public owned spaces!” There is an understanding of a clear and fixed division of responsibilities and a big expectation regarding the tasks and standards the public authority has to deliver.

Another significant issue is the **need for cultural change**. Proprietors and the public sector can consider one another as opponents, largely because they may not come into contact and have negative attitudes towards, and prejudices against, the other. In such a case, it would take time to tackle these ingrained attitudes to allow all partners to talk to, learn about and exchange knowledge with each other.

The second challenge for the development of joint activities in a border-crossing open space is the **fragmented view on open spaces**. Stakeholders quite often have no broader view on the whole area, but they look only from property line to property line. Responsibilities are shared and divided according to the ownership – meanwhile efficient place-keeping is in need of a broader view on the whole.

A **lack of information and communication** is another underlying challenge for the development of cooperation. One important achievement in the process described was the development of a contact list collecting all responsible persons and institutions regarding place-keeping issues, e.g. all proprietors and their caretakers and service deliverers, all companies responsible for waste collection in the area, all relevant parts of public administration etc. A collection of such information is usually not available and depending on the efforts every single stakeholder is undertaking.

Communication between stakeholders didn’t take place in the past – at least not on a regular basis and not focussed on a joint interest. This led to **misunderstandings and wrong expectations**, e.g. regarding responsibilities, property lines etc.

The responsible **public authority** (District Council) was afraid of additional activities and work caused by such a process like described here. They didn’t expect an improvement but additional work for them. This is caused among others by the decreased funding for the maintenance of open spaces and the attitude that public sector is the best service deliverer for the public open space.

Existing **legislation** – especially regarding the responsibilities of the public sanitation department for the maintenance of publicly owned open spaces – and **running contracts**

with service deliverers, e.g. gardeners, are further restrictions for the development of joint activities in the open space. These circumstances lead to an informal model agreement in Steilshoop because a formal contract was not achievable so quickly and not without formal solutions.

4.2 SWOT Analysis

SWOT analysis	
strengths	weaknesses
<p>Clear and simple model</p> <p>Easy and fast to realise</p> <p>Almost no extra costs for most of the partners (apart from investing time to start the process and to coordinate activities)</p> <p>Personal identification of responsible place-keeping persons on the ground</p> <p>Easy to transfer to other areas</p>	<p>Informal models are based on and depend on voluntary action</p> <p>Depending on individuals and their motivation</p> <p>Depending on personal continuity</p> <p>No options for formal redress to force stakeholders to keep their agreed responsibilities</p>
opportunities	Threats
<p>Established and improved communication between stakeholders might improve further place-keeping activities (and other area based activities) in the neighbourhood</p> <p>Enlargement of action to the whole pedestrian zone on the basis of practical experience</p> <p>Visible results might convince sceptical stakeholders</p>	<p>Further funding of the "Kümmerer" is not guaranteed yet beyond 2010 when SRH is not able to solely fund this anymore</p> <p>Changes of personal might lead to discontinuity and decrease of efforts</p>

In summary the results of these joint place-keeping activities can be described as clearly positive for the situation in the estate. Joint activities by different stakeholders brought about rapid and visible improvements in the open space - not only at critical times, e.g. during autumn or New Year, but all year round.

The optimisation of place-keeping activities was possible more or less without additional costs for the private partners. This was achieved through intense communication and cooperation of the different stakeholders involved, by raising awareness of the general situation and creating a sense of "corporate responsibility". The intense management and coordination efforts of the sanitation company were a key success factor for this model, because they had a leading role and organised the whole process for all partners involved.

The available additional funding from the public sector for minor physical improvements and the payment for the Kümmerer in 2007-2008 was helpful. The Kümmerer was then paid by the sanitation department in 2009 and 2010.

A success-factor for the joint activities was the direct involvement of the responsible personnel, i.e. the people working on the ground (e.g. caretaker, gardener, service companies). The model described was not developed from theory but locally from people's practical experiences in working on the ground. Their knowledge of the daily problems and the requested action was the basis for the development of the model. Their identification with the area and with joint place-keeping was raised as a result of their cooperation. Without the existing NID Steering Committee and their backing of the process the personnel on the ground wouldn't be so active. A prerequisite for the successful implementation was the decision on the management level of the responsible stakeholders, i.e. especially the housing companies.

The District Administration is very passive in this process and more focussing on their restricted budgets and their formal responsibilities for public open spaces. This is showing both a lack of creativity and engagement and flexibility from the public sector.

The responsible project group (or task force) for this model published an **“evaluation report”** to describe and assess the hands on experience. All partners involved (i.e. the sanitation company, the three housing companies and the Shopping Centre) express their satisfaction with the results and their hope for a long-term establishment of this model in Steilshoop. All partners involved, and also the residents from the neighbourhood, express that the conditions of private and public open spaces in the central and western pedestrian zone in the Steilshoop estate were improved. It can therefore be argued that the model is working successfully by the results achieved. Nonetheless continuous communication is required to keep the activities going and to react on occurring problems and new challenges.

The described model is informal at the moment and one of the big issues relates to if and how:

1. a formal agreement is actually achieved when the NID will be implemented; or
2. if not, whether the partnership established will continue intact.

In the past, voluntary or informal agreements and solutions often do not last long-term and cannot be used as the basis for strategic management issues or physical improvements. For this reason, it is argued that the implementation of a formal NID in Steilshoop would help to improve the long term obligation of stakeholders, their joint activities and increase available funding.

Having said this, the importance of informal agreements and procedures should not be under-estimated, as the current place-keeping activities in Steilshoop demonstrate. It is clearly necessary to establish a communication platform where multiple ownership of open space occurs, because the stakeholders usually don't know each other and wouldn't communicate with each other. A coordinated approach is therefore appropriate.

In the event that the NID Steilshoop might not be implemented, it might be possible for the informal arrangement to continue here and elsewhere in Steilshoop as there is the will to do so. However, a long-term informal model with expanded boundaries may be more complicated because there would be more stakeholders involved. While restricting participants in such a process is not desirable, an upper limit of the number of participants might be required in such an informal arrangement.

A lesson learnt from this process is the need for communication to be open and for a clear understanding of the different interests, motives, objectives, abilities and threats involved. A professional organisation which can coordinate and support these stakeholders is helpful if

not even required. In this respect the sanitation department did a very good job in Steilshoop.

Most of the activities carried out in Steilshoop have not required extra funding and have been financed by existing public and private budgets for place-keeping (e.g. street-cleaning and gardening) within the estate. Extra public funds were temporarily available for some physical improvement in the publicly owned parts of the central pedestrian zone. These funds came from the public regeneration initiative “Lebenswerte Stadt” which was in place in 2007/2008. They were mainly used for place-making activities or for one-time action e.g. to clean up a certain neglected space.

The labour costs for the “Kümmerer” from the sanitation department were also temporarily paid for by the City. After that the sanitation department took over the costs in 2009 and 2010 – but no longer until the end of this year. The funding of this important function in the future is not clear yet, indicating that new funding models are required for this job going forward. One possibility would be to use funding for this task from the NID levy once the application for the NID is finalised and the implementation begins, but this is unclear at the moment.

This more or less informal model for more efficient place-keeping through improved coordination of joint activities in a larger open space with heterogeneous ownership can easily be transferred to other areas because the “basis solution” doesn’t require extra costs (apart from the time for communication and coordination invested) or specific legal or funding mechanisms. If the coordinated place-keeping activities shall be supported by a person like the Kümmerer – additional costs will occur and need joint (?) funding.

Based on the positive experience of the Steilshoop case, the sanitation company has explicitly expressed their will to transfer this model not only to the eastern part of the pedestrian zone but also to other neighbourhoods in Hamburg. Nonetheless it has to be said that each neighbourhood will need to put a specific process in place and employ a particular version of the model to solve their specific problems.

References:

Stadtreinigung Hamburg (2009): Projekt Steilshoop: Koordination und Pflege – Erfahrungsbericht (1.7.2007 – 31.12.2008)

Kreutz, Stefan (2010): MP4 Case Study Report NID Steilshoop (2010)

More information on Neighbourhood Improvement Districts available online under:
<http://www.urban-improvement-districts.de/?q=HID/NID/Projekte>

APPENDIX 1: Socio-Cultural Context

The impetus for the described model must be seen against the background of the running pilot project for the implementation of a Neighbourhood Improvement District (NID) in Steilshoop. The area based communication of the large proprietors and their discussion of envisaged joint activities for area improvement gave the impulse to discuss the issue of place-keeping in the central pedestrian zone. The major investment envisaged in the NID Steilshoop is the physical improvement of the central pedestrian zone (complete redesign of the area).

The “threat” of a statutory NID with a compulsory levy for all proprietors as a funding mechanism for joint activities might have been a reason for the pro-active stance taken by the sanitation company. They have to act because the private initiatives BID and NID may be a danger to their responsibilities and tasks.

It's surprising that communication between relevant stakeholders is not a matter of course. Even neighbouring proprietors don't have a regular communication and sometimes even don't know each other. And people working on the ground are quiet often talking about each other (usually in terms of complaints) but not with each other

A joint responsibility for a public space in total does not exist usually. Fragmented responsibilities are common – a wider view on the open space in total is not usual.

The Free and Hanseatic City of Hamburg

The Free and Hanseatic City of Hamburg is Germany's second largest city with almost 1.8 million inhabitants and has a Metropolitan Region with more than 4,3 million inhabitants. As a city-state Hamburg is one of the 16 German Federal States. The parliament of the city state is known as Buergerschaft, the government is the Senate. Head of the Senate and Prime Minister of the city state is the First Mayor. It is he who actually determines the political guidelines. Since 2001 Hamburg is ruled by a christian-democratic government (CDU) after more than 40 years of social-democratic governments. Since 2008 the government is a coalition of CDU and GAL (Green Party).

The government is split into nine Ministries or Departments, each one headed by a Senator. The Ministry for Urban Development and Environmental Affairs is responsible for urban development.



The city is divided into seven districts (Bezirke): Altona, Bergedorf, Eimsbüttel, Hamburg-Mitte, Hamburg-Nord, Harburg and Wandsbek. All of them have the size of large cities (between 117.000 and 407.000 inhabitants). The districts have their own elected parliaments (Bezirksversammlung) and their own administration (Bezirksamt). The level of the districts is comparable with the Municipality or Local Authority in other structures, while the Senate is representing the regional Laender-level, between Federal government and Local Authorities. In many relevant fields of policy the districts are strongly depending on the city-state structures, i.e. Senate and the Ministries.



Since the German reunification and the transformation of Eastern Europe Hamburg is centrally located in Northern Europe with a strong linkage to the states around the Baltic Sea. The formerly strong manufacturing basis of the city (e.g. shipbuilding) had to be transformed to a service-orientated economy over the last years in the process of de-industrialisation. As a reaction to these processes of change

the city of Hamburg decided to grow and to strengthen its role as a metropolis in Northern-Europe - stated in the political Lead-concept: "Metropolis Hamburg - The Growing (or expanding) City" (Wachsende Stadt).

The future prospects of the city refer mainly to economic aspects but to education, environmental and social affairs as well. Further to housing with the aspects of saving resources, creating attractive accommodation for families returning to the city as well as for students and young seniors. Unexploited derelict areas in the harbour and former military areas are currently converted into potentials for the future economic and socio-demographic development. The most prominent example for this strategy is the development of the so-called "Harbour-City" (HafenCity) as an enlargement of the Inner City.

Hamburg is a very green city with lots of water. With an area of 755 square kilometres (seven times the size of Paris and 2½ times that of London) the density of the build up area is fairly low. The largest reach in both east-west as well as in north-south direction is approx. 40 kilometres.

13 per cent of the municipal area is made up of parks, recreation areas and woodlands with lakes, rivers and other bodies of water accounting for a further eight per cent. Beside the Elbe River the Outer Alster lake is the most important water right in the centre of the city. Hamburg boasts 2.302 bridges, more than the total of all bridges that Venice and Amsterdam have to offer.

The Port of Hamburg along the Elbe River, the second largest container port in Europe and seventh in the world, covers an area of 74.4 square kilometres, almost ten per cent of the total area of Hamburg. The port is stretching along the southern banks of the river and recently moving further to the East with the modern container-terminal in Altenwerder.

Hamburg - Facts and Figures: An overview

Socio-demographic

Population of the City of Hamburg	1.771.100
of which under 18 years old (in %)	15,3
of which older than 60 years (in %)	23,9
of which ethnic minorities (in %)	13,8
Population of the Metropolitan Region	4,3 million
Size of Hamburg's total area (square kilometres)	755,2
Size of the Metropolitan Region (square kilometres)	19.801

Housing

Number of households in Hamburg	970.000
of which one-person-households (in %)	49,8 (2007)
of which households with children	18,9 (1999)
Average size of accommodation per person (in square-metres)	37

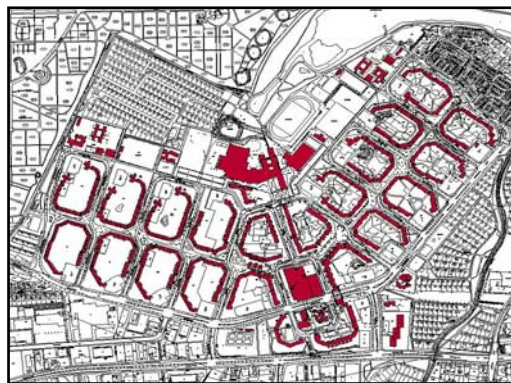
Economy and Labour

Gainfully employed persons in Hamburg	1.114.200
Gainfully employed persons by sector (in %)	
Industrial / Manufacturing	15,2
Trade, transport, hotels and restaurants	29,3
Financial services, letting and leasing, corporate services	27,4
Public and private sector service providers	28,0
Gross Domestic Product GDP (EURO)	89.600.000
Unemployed persons in Hamburg	9 % (April 2009)

Sources: Bureau of Statistics Hamburg and Schleswig Holstein: Facts and Figures 2009

Background information on the Neighbourhood Improvement District (NID) Steilshoop (Innovationsquartier Steilshoop)

A pilot project for the establishment of the first Neighbourhood Improvement District (NID) in Hamburg (and in Europe) has been in progress in the housing estate of Steilshoop since the beginning of 2007.



Steilshoop is a large housing estate that was built between 1969 and 1975. Almost 15.000 inhabitants live in 6,380 dwellings in 21 large concrete building rings with a shopping centre in the middle of the estate. The dwellings are owned by a broad spectrum of proprietors – from private owners to large housing-associations and listed companies (see below). Steilshoop was a formally designated urban regeneration area under Federal Law from 1987 to 1999. In that time, more than €13 Mio. of public funds were invested in the physical improvement of the estate. Nonetheless problems

occurred again a couple of years after the end of the public programme. One of the challenges for a sustainable development of the area is the condition of public spaces in the estate, which is very poor at the moment – especially of the main 1.600 metre long central pedestrian zone (Mittelachse) in the middle of the neighbourhood – and the situation in and around the shopping-centre. An improvement of these spaces needs coordinated joint public and private investments and initiatives to be successful, because the ownership is divided between public and private proprietors (60 % / 40 %). A complete redesign of the central pedestrian zone and a re-organisation of the maintenance structures are in preparation between proprietors and the City at the moment. The redesign (place-making) should be privately and publicly financed (see below).

Ownership structure in Steilshoop		
Proprietor	Number of flats	percentage of the total housing stock in
GAGFAH GROUP	2.128	33,2 %
SAGA GWG	1.326	20,8 %
19 Housing-Cooperatives	1.038	16,3 %
Private Housing Companies and Owner-	approx. 1.900	29,7 %
Total housing stock	6.380	100 %

Property relations in Steilshoop are heterogeneous. A severe change took place in the ownership structure when the largest proprietor, with more than 2,100 dwellings in the estate (i.e. one third of the housing stock), the former public GAGFAH, was sold to the US Fortress Investment Group LLC in mid-2004. Since October 2006, the GAGFAH GROUP with a very large housing stock all over Germany (over 170,000 dwellings) has been a joint stock corporation listed on the stock exchange in Luxembourg. Over 20 per cent of the housing stock in Steilshoop is council housing owned by the communal housing association SAGA GWG. The other half of the stock is owned by several housing cooperatives, private housing companies and owner-occupiers. Hence, the estate reflects almost the whole range of property relations possible in the German housing market.

When a couple of Steilshoop's large proprietors started an initiative for image improvement in 2006, the public administration of Hamburg came in with the idea of creating a NID pilot project concomitant to the NID-legislation, and offered public co-funding for possible activities in the public realm. At the beginning of 2007, a Steering Committee for the NID initiative was set up, including representatives of each of the largest proprietors (altogether representing almost 70 per cent of the local housing stock) including the GAGFAH, the owner of the shopping centre, the responsible district administration from the district of Wandsbek (local authority) and the Ministry of Urban Development and the Environment (Hamburg State level).

The proprietors want an improvement of the open space and the central area of Steilshoop. Because of the property relations (60 % public and 40 % private) and the lacking distinction between public and private spaces, place-making and place-keeping strategies need a coordinated partnership of private and public actors. Until today, the Steering Committee has discussed and prepared concepts for marketing and image improvement, enhanced cleaning and maintenance of adjacent public and private space in the central area of Steilshoop, improved services and security within the area and the future development of the shopping centre. An architectural competition for a complete re-design of the central pedestrian area was partly co-financed from the proprietors in 2007. This major capital improvement is worth approximately €6 Mio.. At the time of writing this case study, the partners are aiming to hand in the formal application for a NID at the end of 2009.

Regarding the proposed tasks for a NID in Steilshoop, it is important to stress that public defaults in the past caused some of the main problems in the area today, especially regarding the mismanagement and neglect of public spaces in the centre of the estate. Combined with the fact of a very low vacancy rate in the estate at the moment, this is

leading to relatively reserved commitment of the involved proprietors regarding the creation of a NID. Hence, Steilshoop will not see a purely private initiative but will need a joint public–private effort to improve the physical qualities of public and private spaces. The development of the NID parallel to the implementation of new public urban funding programmes (Lebenswerte Stadt und Integrierte Stadtteilentwicklung (implemented by MP4 partner Lawaetz Foundation)) is offering a new opportunity for the area development in the estate, with the implementation of a NID as one element of an integrated public–private regeneration strategy.

APPENDIX 2: Partner organisations' information