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Interreg Europe



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BROWNFIELD AND VACANCY MANAGEMENT AS A RESILIENCE FACTOR FOR UPPER AUSTRIA AS A BUSINESS LOCATION

ACTION PLAN for Upper Austria: To be implemented and monitored from August 2022 – July 2023

Austrian Partner

Project Partner: Business Upper Austria –
Wirtschaftsagentur GmbH



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Website

<https://www.interregeurope.eu/foundation/>

Managing Authority

Upper Austrian Provincial Government
Department for Economy – Directorate
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Rural Development



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INTRODUCTION

FOUNDATION is an Interreg Europe funded SME Competitiveness project that brings together nine partners in a consortium led by Munster Technological University from 1/08/2019 to 31/07/2023. Presently, across Europe, public bodies are pressed by an increasing need to provide preparatory support to the economic ecosystem in advance of the closure of anchor firms in their region which act as significant employers. The impacts of a closure of course go beyond direct employees and ripple, wave like throughout the regional services sector and economy. Management of such anticipated structural change requires proactive renewal of business approaches and policy supports. Regions are encouraged to introduce pilot projects based on their own strengths and to provide appropriate business supports for the re-alignment of the regional industrial base. This proactive approach by regional stakeholders is critical to building the resilience of these regions and enabling them to adapt to change.

The importance of SMEs and start-ups to the regional economy is widely recognised in terms of the provision of employment, contribution to GDP, driving innovation and supporting regional resilience. It is imperative that the relevant regional stakeholders keep informed, inspired and equipped to provide the appropriate SME and start-up supports, particularly in regions anticipating structural change.

FOUNDATION links its project partners to develop Regional Action Plans. It is imperative that industry players, business support organisations and policy makers understand how their ecosystems work and when faced with shocks (firm closures) to collaboratively develop alternative growth and employment through supportive policies and programmes to boost SME competitiveness. Key project activities included the exchange of experience and learning through interregional events (4 workshops, 4 seminars and 9 study visits).

Foundation Project Partners



DESCRIPTION OF THE INITIAL SITUATION IN UPPER AUSTRIA

The Interreg Europe project Foundation aims to prepare regions for the expected structural change. International crises as well as long-term developments such as globalisation, urbanisation and digitalisation require rapid and targeted action.

The action plan to be drawn up in the course of the project serves to further develop the location in a resilient and sustainable manner. This requires proactive action by all actors involved in the (economic) space. Renewal of business approaches and political support must be prepared in order to be able to react quickly and effectively to changing circumstances.

Sustainable, resilient location development is characterised in particular by the best possible and versatile use of existing structures and the creation of new structures and framework conditions that are conducive to resilient location development.

This Action Plan concentrates on the topic of brownfield and vacancy management. Priority is given to approaches for the revitalisation of existing business structures and vacant properties.

By reusing existing areas and cubic volumes, valuable real estate values can be preserved and at the same time land consumption and soil sealing can be reduced. Efficient brownfield and vacancy management thus not only makes a valuable contribution to nature and climate protection, but also increases the resilience of Upper Austria as a business location.

Brownfields and vacancies

As a strong economic region, Upper Austria has a high density of commercial and industrial enterprises in various sectors and sizes, distributed throughout the entire province. Despite the highly diversified economic structure and the current good economic situation, there is always a latent danger of an increase in commercial and industrial brownfields, which must be dealt with quickly and in a targeted manner.

In the definition, "commercial and industrial brownfields" are primarily understood to be former production and storage areas of different economic sectors, as well as unused commercial areas of crafts or trade. This includes paved manipulation areas as well as company buildings. Somewhat confusingly, the term "brownfield" has recently also been used more and more frequently for dedicated but undeveloped residential building plots (without building obligation).

In Upper Austria, in 2021 the FH Upper Austria and business upper Austria surveyed those commercial properties that - regardless of the state of construction - have been vacant for at least 3 years or are currently only used for commercial purposes up to a maximum of one third of the property's usable floor space (based on the derelict buildings or manipulation areas on the site). A total of 296 properties were surveyed.

A second problem area, which has been increasing in explosiveness for years and is leading to ever stronger tendencies towards desolation in the town and city centres, is the vacancy of commercial space (retail, gastronomy, service and office space) and flats. Triggered by the high density of retail space in predominantly peripheral locations as well as the strong changes in society's leisure and consumer behaviour - keyword online retail - more and more traditional retail companies are coming under pressure and ultimately going out of business. Gastronomy and service businesses (e.g.: post

office and banks) are also increasingly withdrawing from the town centres, leaving behind vacant properties.

The term "vacancies" is used in particular to describe business premises (retail, gastronomy, services) in ground floor zones as well as office and residential space on upper floors, mostly located in inner villages or inner cities. Increasingly, the term "vacancy" is also used for abandoned single-family houses. In Upper Austria there are currently an estimated 1,700 vacant commercial premises (source: CIMA Beratung + Management, 2021).

Due to the enormous importance for the (economic) revitalisation of the town and city centres, the topic of "vacancy management" as well as "brownfield management" should find its way into the Action Plan. However, a differentiated discussion is imperative!

Location resilience

Resilience describes the ability to adapt or return to equilibrium after external shocks such as economic crises or natural disasters, but also the ability to adapt to longer-term developments such as urbanisation and globalisation. Another definition describes resilience as "the capacity of a system to absorb disturbances and to reorganise itself in phases of change in such a way that essential structures and functions are preserved".

Despite increasing interest in the concept of (regional) economic resilience, there is no literature that attempts to measure resilience using a concrete metric, such as a resilience index. In principle, however, the faster the system (the site, the region or the building) can fulfil its functions again, the higher its resilience.

Depending on the previous use of the brownfield or empty space, the original performance of the site can be restored by reactivating it. However, if a completely new use is sought (for example, from industry to housing), one cannot necessarily speak of resilience.

As was determined in the Industrial and Commercial Brownfield Survey 2021 of the Upper Austrian University of Applied Sciences, almost 40% of the sites have been lying fallow for more than 10 years (approx. 20% with unknown duration), which means that 40% of the brownfield sites are not resilient. On the other hand, Upper Austria is consistently resilient in the area of industrial brownfields; in contrast, there is weak resilience in vacant (inner-city) buildings, which often had retail or gastronomy as their previous use.

In any case, good brownfield and vacancy management is an important factor in increasing the resilience of the location. One of the main concerns of the presented "Actions" is to show practical approaches for targeted support in these areas.

Strategic substructure

Compared to the rest of Europe, Upper Austria has always been considered a country with high land consumption, high soil sealing and liberal spatial planning. Triggered by the global climate crisis, the issue of spatial planning has gained new priority in recent years. Findings that land is irretrievable, that places should grow more inwards instead of outwards, and that revitalising vacant cubatures makes sense in more than one way, are increasingly being taken seriously. Both nationwide recommendations and regional planning legislation clearly aim to push and promote the revitalisation of brownfields and vacant lots more strongly in the future.

ÖROK recommendations

As an institution for the coordination of spatial planning and regional development at the national level, jointly supported by the federal government, the federal states and the cities and municipalities, ÖROK develops strategies and recommendations for future spatial planning policy. The current ÖREK 2030 has the motto "Space for Change" and includes a 10-programme. The following overarching basic principles have been formulated:

- Austria's spatial development must be climate-compatible and sustainable, oriented towards the common good and equitable.
- Spatial resources must be used sparingly and carefully and social and spatial cohesion must be strengthened.
- Our economic areas must be developed in a climate-friendly and sustainable manner, and vertical and horizontal governance must be further developed.

Specifically, on the subject of "brownfields and vacancies", ÖROK sets the following objective: "The pressure of building land on open spaces is to be reduced through increased use of vacant buildings and brownfields (incl. commercial and industrial brownfields) as well as through high-quality redensification in settlement areas. The following instruments are to be used more intensively:

- Vacancy management: Within the framework of a continuous (inter-) municipal vacancy management, suitable foundations are to be created or measures such as motivation and information campaigns are to be applied as a contribution to mobilisation.
- Vacancy tax: The legal possibilities of a vacancy tax should be examined with regard to effects and feasibility.
- Legal and financial measures: The liability risk for property purchasers should be reduced and rapid planning security should be created through accelerated processes for determining contamination. Pilot projects based on regional and sector-specific cooperation models should contribute to the promotion of brownfield recycling.

GENERAL FOUNDATION PROJECT INFORMATION

Project: FOUNDATION

Partner Organisation: Business Upper Austria – OÖ Wirtschaftsagentur GmbH

Other partner organisations involved: Municipality of Reggio Emilia

Country: Austria

NUTS2 region: Upper Austria

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POLICY CONTEXT IN AUSTRIA

The Action Plan Aims to Impact:

- Investment for Growth and Jobs Programme
- European Territorial Cooperation Programme
- Other regional development policy instruments

Name of the policy instrument addressed: #upperREGION2030 – Upper Austria’s Spatial Development Strategy

The initial policy instrument identified to be addressed in Upper Austria for the FOUNDATION project was the Austrian Operational programme “Sustainable Growth and jobs 2014-2020 – Austria’s structural funds programme” (OP) During the life span of the Foundation project the 2014-2020 OP closed and the Austrian Operational Programme 2021-2027 has not been published and is still under development.

For these reasons it has been impossible to impact the original 2014-2020 OP or subsequent OP. Therefore, the decision was taken to move to influence another regional development policy instrument named #upperREGION2030.

#upperREGION2030 reflects key elements of #upperVISION2030, the economic and research strategy of the province of Upper Austria. It helps to meet the challenges of the location in a contemporary manner and describes the overriding goals for the economic development of Upper Austria. The development of products, services and technologies and their rapid implementation in economic applications requires the interaction of business, research and the public sector. In order to develop these potentials, the actors require space and area - the framework for the development of these is provided by the Upper Austrian spatial planning strategy #upperREGION2030, as an instrument of regional development policy. As the following diagram shows, the content of the ÖROK recommendations is also largely reflected in the Upper Austrian Spatial Development Strategy.

Performance strategies

- Meet the challenges of the future together
- Grow inwards
- Shaping a sustainable business and labour location

Targets

- Develop settlements in a land-saving manner and primarily inwards, strengthening the quality and function of town and city centres
- Stop urban sprawl and implement resilient settlement development to minimise energy consumption, mobility costs and follow-up costs for the public sector

Measures

- Strengthening the awareness of the potential of vacant spaces in the context of village and urban renewal
- Support 2 pilot projects for the mobilisation of vacant, redensified and brownfield sites as a basis for "best practice" examples
- Encourage internal over external development by activating building land reserves, vacant and brownfield sites
- Creation of further incentives for municipalities and owners to activate and re-use vacant and brownfield sites (conversion, redevelopment and redensification)
- Support pilot residential construction projects for internal development, redensification and brownfield recycling (e.g. adding storeys)

In particular, the guiding strategy "Making the business and labour location fit for the future", the goal "Stopping urban sprawl and implying resilient settlement development" as well as the measure "Creating further incentives for municipalities and owners for the activation and re-use of vacant and brownfield sites" provide a solid strategic foundation for the present Action Plan.

Impact on Policy

The Upper Austrian spatial planning strategy #upperREGION2030 www.land-oberoesterreich.gv.at/files/publikationen/upper_region_2020.pdf consists of five core strategies dealing with the impact of spatial planning on topics like future trends, climate change or new mobility.

The envisaged and later described actions have an important impact on this policy instrument. Within the current policy instrument two major aspects, which are an outcome of our interregional learnings, are missing. By improving and modification of the policy instrument these aspects will be addressed in the future and lead to additional new objectives:

- 1) The importance of fostering awareness and communication: this will lead to an add on of new objectives and goals in the current document and the implementation of new projects. Especially action 1 will address this issue.
- 2) Action 2 tackles the missing process management to breakdown the policy intention from the strategic level to the municipal level with clear operational tasks and responsibilities. Due to that activity the way the policy is implemented will be improved. Action 2 is intended to serve as a practical tool for implementing the measures laid down in the strategy.

Both activities will lead to a stronger commitment of the regional stakeholders to the adapted policy instrument and lead to a much higher awareness.

ACTION 1 – AWARENESS “BRACHEN IM BILD”

BACKGROUND TO ACTION 1

Based on the learnings of our best practice example Emilia Romagna, it was obvious that it is vital to create awareness among a large group of stakeholders and to enhance the importance of the topic of revitalizing brownfields to strengthen the resilience of the entire region. One very interesting learning experience was the photo exhibition at Reggiane Innovation Park, where you could connect with the building's past. It was impressive to see the journey this area made and still does. Inspired by this documentary of the sites history we learned that this area meant a great deal to the citizens of Reggio Emilia. It was a city in a city where during different times it provided working places for the region and now due to the transformation into an innovation park it continues to do so. We also learned that former workers and relatives from former workers who visited the innovation park many times showed their inner identification towards the “city in a city” and gladly told about their relationship with this place but also how glad they are, that this place is being renewed. From this we learned that also such simple actions like captivating the remaining buildings and writing about what they were used for can be used as a strong trigger to motivate people in supporting the reusing of brownfields.

THE ACTION

To improve awareness along company owners that need more space to develop their activities, we want to draw more attention to industrial and commercial brownfields in our province and show what - hidden - treasures Upper Austria has to offer.

We would address and select three photographers in a call for entries by the Prague Photo School and each is given the opportunity to stage two fallow, industrial and commercial plants in Upper Austria. The photo artists will illustrate the past and so also highlight the potential that brownfield sites in our province can offer to the economy, investors, communities and tourism.

The photographers would be chosen by an expert honorary jury consisting of members of the state government, Business Upper Austria, the Upper Austrian Future Academy and the University of Applied Sciences.

PLAYERS INVOLVED

Initiator: Business Upper Austria

Business Upper Austria is the Upper Austrian government's location agency. We are an innovation driver and the first contact partner for companies in Austria and abroad to whom we offer customised solutions for their investment and innovation projects. We help steer economic and research policy.

Prague Photo School Austria

The Prague Photo School was founded in 1995 by Dr. Vaclav Vlasek and Prof. Jan Smok, following the example of the Prague Photo School in Prague. For 25 years, the Prague Photo School in Austria has been training photography enthusiasts of all ages and professions from the entire German-speaking region.

The Prague Photo School was responsible for the call for fotos, the organisation of the jury session for the selection of the photographers as well as the support and supervision of the chosen photographers during the project.

Photographers

Yet to be decided.

Jury

- State of Upper Austria
- Business Upper Austria
- Upper Austrian Future Academy
- University of Applied Sciences of Upper Austria

TIMEFRAME

September 2022: Tender launch for photographers

October 2022: Selection of photographers

October 2022: Workshop with photographers

October 2022 – December 2020: photographing

January 2023: Editing and presentation

February 2023: Jury Session

February 2023 – May 2023: Editing of photobook and Website and print of Website

COSTS

Cooperation with Prague Photo School: EUR 15,000 (photographers fee, copyright, workshops, organization)

Photo book: EUR 8,000

FUNDING SOURCES

The project is completely funded through the Upper Region Policy / Upper Vision Policy of Upper Austria. Business Upper Austria.

ACTION 2 – SUPPORT – CREATION OF A RE-USE GUIDE

BACKGROUND TO ACTION 2

After extensive discussions and one very detailed interview with the Reggiane Innovation Park responsables, it became clear, that a strategy developed with the local stakeholders and cooperation between public sector and business operators was a crucial factor for the success of the revitalisation project. Based on this example, the need for a common strategy of all actors was recognised, and as a result, the idea of a re-use guide was developed, which includes exactly this approach. The brownfield activation of the Reggiane Innovation Park shows that it is possible and feasible to initiate a successful process through the cooperation of all actors. The strategy for sustainable land use is prescribed by the Upper Austrian Spatial Planning Act and the #upperregion2030 strategy, the implementation of which requires further specification, similar to the "Urban Redevelopment Plan" from Reggio Emilia. The need for an after-use guide arises from the assumption that those responsible in the region rarely have a complete overview of strategic goals, necessary measures, organisational challenges or helpful subsidies. This is where the after-use guide should come in and provide detailed information.

Furthermore, the Action Plan is intended to help break down the spatial planning strategy from the provincial level towards implementation at the municipal level. The re-use guide is intended to serve as a practical tool for implementing the measures laid down in the strategy.

THE ACTION

Action 2 comprises the creation and implementation of an after-use guide at the community or property level. The following contents are included in this re-use guide: Technical aspects for the re-use of vacancies, approaches and models for finding ideas for revitalisation, involvement of necessary actors, concept development, process support, all prepared in a user-friendly manner.

The guide is mainly intended for those responsible in the municipalities or real estate owners, as they must be the initiators of project developments, similar to the example from Italy, and are also the first contact persons in the area of infrastructure development.

The guide includes precise "step-by-step" instructions as well as the presentation of selected projects that have already been successfully implemented in the field of brownfield revitalisation and vacancy revitalisation in town centres.

PLAYERS INVOLVED

CIMA: Preparation of the guide

Business Upper Austria: client, participation in the development and implementation of the guide, evaluation

Universal application of the guideline - for municipalities, project developers, investors

Experts related to the construction industry on a voluntary base

TIMEFRAME

The preparation of the after-use guide will take place in parallel with the preparation of the Action Plan and will be completed in May 2023, with dissemination and implementation starting thereafter.

COSTS

5,000 Euro

FUNDING SOURCES

The project is completely funded through the Upper Region Policy / Upper Vision Policy of Upper Austria. Business Upper Austria.

ENDORSEMENT OF THE ACTION PLAN

Business Upper Austria – OÖ Wirtschaftsagentur GmbH and the Upper Austrian Provincial Government Department for Economy – Directorate for Regional Planning, Economic and Rural Development hereby agree to support and promote the implementation (and where appropriate implement) the actions detailed above.

The undersigned confirm that they have the required authority of their organisations to do so and that the required authorisation process in each organisation has been duly carried out.

Name and Job Title: Mr Klaus Oberreiter, Head of Policy & Location Strategy, Business Upper Austria – OÖ Wirtschaftsagentur GmbH

Signature:



Date:

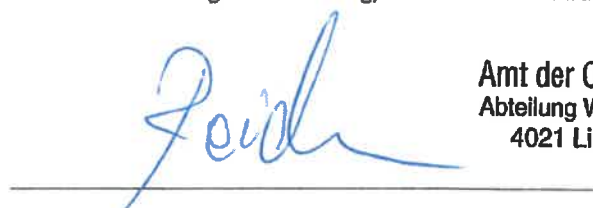


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Stamp of the Organisation:

Name and Job Title: Mr Markus Roider, Head of Department for Economy, Upper Austrian Provincial Government Directorate for Regional Planning, Economic and Rural Development

Signature:



Amt der Oö. Landesregierung
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4021 Linz, Bahnhofplatz 1

Date:

09/06/2022

Stamp of the Organisation: