REDEVELOPMENT OF INDUSTRIAL PROPERTIES IN HELSINGBORG, SWEDEN: FROM THE MUNICIPAL PERSPECTIVE

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ABSTRACT

The structure and purpose of urban areas varies over time. For 50-100 years ago it was often desired to have closeness between the city centre and adjacent industries and infrastructure, e.g. the harbour and railways. Today these land areas are coveted for housing and commercial interests. In the beginning of the 21st century the municipality of Helsingborg in the southern part of Sweden decided to convert the south industrial harbour area in Helsingborg into housing and offices. The purpose of this paper is to elucidate the factors that can influence future relationships between various stakeholders in urban redevelopment projects, special attention will be given to efforts made in early stages of how to manage and organise the project from an overarching vision into an action plan for project implementation. Interviews with participants in the project management team for the development of the H+ area in Helsingborg and with involved municipal officials lead to mapping the expectations for the future development. Partial results shows that open communication between involved stakeholders and public officials give a good base for participation and engagement. Transparency and goal definition along the project planning characterise a well performed property development process. Thus, creating an interest by developers to invest and establishes a baseline for stakeholder management in forthcoming phases of the project.

KEYWORDS: Property Development, Urban Planning, Project Management, Relationships

INTRODUCTION

Cities of today are often segregated considering both aspects of economy and immigration (Andersson, 1999). Sweden is not an exception, but in a global perspective Swedish cities are less sharply divided along the socioeconomic dimension. The Swedish housing policy focus first and foremost on counteracting socioeconomic segregation (Bolt, 2009). The ethnic segregation seems as a consequence of poor integration on the labour market with results of socioeconomic divided cities. The aim of Swedish authorities is to achieve a social mix in

neighbourhoods with a variety of housing solutions, and not only for distressed neighbourhoods (Bolt, 2009). Andersson (1999) claims that improving the living conditions and accessibility to strategic resources for people residing in certain areas is necessary but it not the only measure in order to achieve an undivided city. The undivided city is an alluring mirage, but though urban development the gap between the reality and the mirage can be reduced. Although, it may appear as though land use changes and development takes place automatically in a city it requires a public support and approval from city planning officials in order for such change to take place (Nallathiga, 2010). Similarly, to stimulate urban redevelopment, policy-makers must address the economic problems and fears faced by land-owners, who are major stakeholders for achieving success (Hayek et al., 2010). Adams et al. (2001) divide landowners into active and passive. Active landowners are those who develop their own land, enter into joint venture development or make their land available for others to develop. Passive landowners take no particular steps to market or develop their land, even though they may intend to do so in the distant future. There is a delicate balance between public activities, for instance, the control of land use and the right of landowners to develop land according to their own wishes (Larsson, 1997).

How the structure, purpose and socioeconomic status of urban areas varies over time and how this change affects housing policies is a relevant area to study. For 50-100 years ago it was often desired to have closeness between the city centre and adjacent industries and infrastructure, e.g. the harbour and railways. Today these land areas are often coveted for housing and commercial interests and due high development costs often built with expensive solutions with little room for a social mix.

Renewal of the city has to, according to Hulsbergen and Stouten (2001), be anchored in the urban environment and neighbourhood problems have to been solved before a socioeconomics change can be possible. Residents and local entrepreneurs are important stakeholders in this process. By allowing the public to be a part of the planning process a link is created between the built environment and public concerns (Clark, et.al, 2010). According to Meen and Andrew (2004) a social mix can be achieved, in communities, through planning decisions. Graaf and Dewulf (2010) pointed out three characteristics of urban planning, analysing internal and external environments, stakeholders' participation and implementation. Internal environment can be controlled and influenced by the organisation. The external environment cannot be controlled, instead to deal with it the organisation has to reduce the level of uncertainty. Stakeholder participation and networking is needed to ensure effective implementation of plans. Implementation is about finding solutions and practical alternatives in urban planning policies, although urban policy is about achieving changes that will benefit localities, this goal probably will not be fulfilled if people cannot voice their needs or take action to effect change on their own (Seyong-Kyu 2001). To ensure stakeholder participation, especially by stakeholders from an external environment, various analysis and mapping techniques are available (e.g. Olander and Landin, 2005, Bourne and Walker, 2005, Olander, 2007).

The purpose of this paper is to elucidate the factors that can influence future relationships between various stakeholders in urban redevelopment projects, special attention will be given to study efforts made in early stages of how to manage and organise the project from an overarching vision into an action plan for project implementation. In this sense every project has several outputs, a product or a service delivered for internal or external customer and project knowledge which is related to the outcome (Kasvi, et. al, 2003). A project is temporally limited and the people involved and the lessons learned are dispersed when the

project ends. People often even change during the course of the project. Sometimes it may be hard to find people that have been involved in the project from the beginning. In combination with employee empowerment and information decentralisation Kavi, et al. (2003) states that knowledge will be fragmented with loss of organisational learning as a result. Thus there is a need to study how knowledge within an organisation is transferred from project to project, not at least when it comes to communicating with stakeholders, in an internal as well as external environment. How a project is organised is one relevant factor in order to achieve a successful stakeholder management process (Olander and Landin, 2008). No actor in the development process pursues strategies, interests and actions entirely on their own, to a greater or lesser extent, the performance of each actor is linked to that of others and is set within a broader structural context (Adams et al. 2001). All participants in an urban development process must be able to make informed decisions about their costs and benefits (Hayek et al. 2010). For the urban renaissance to be sustainable it is going to be necessary to ensure that as many stakeholders as possible is involved in its performance and that its benefits are more widely distributed (Ward, 2003).

The information in the research presented here is acquired from four interviews during the winter of 2010. Two of the interview respondents are working at the municipal office of Helsingborg, one of them as development director and the other one as city planning manager. The other two of the interviews belong to the project organisation responsible for the development area H+ in the south city centre, which today is a large extent an industrial area. The representatives from the project organisation were the project manger and the project coordinator. The project is currently in its early stages working with the depth layout plan. In the early stages there is uncertainty as to how the project will be affected by external factors such as stakeholder influence. However, there is the clear possibility in this stage for various stakeholders to affect project outcomes (Olander et al. 2010), which can enable project managers to find effective solutions to specific problem raised by stakeholders. During the course of the project this opportunity will gradually decrease. Thus, the aim with the interviews was to visualise the forthcoming views and structure of the development process for the current project. The interviews are limited to officials at the municipality of Helsingborg in order to provide a picture of their vision of the development process for the project and their vision for the future outcome of the development. Despite their limited financial resources, municipalities can foster local support by creating a common vision for an area and can create a demand for reusing sites by helping the public understand the benefits (Hayek et al. 2010).

REDEVELOPMENT OF THE SOUTH HARBOUR IN HELSINGBORG (H+)

Helsingborg is a city placed in the expansive Öresund region (the south-west of Sweden and eastern Denmark). Helsingborg is a segregated city with a clear division between the north and the south parts of the city centre. Around the millennium shift the first thoughts about H+ arose. It is an extensive project with an area about one million square meters, which is similar with 140 soccer fields, situated south of the ferry terminal in the city centre of Helsingborg. During the same time the municipality of Helsingborg began the project, 'South of change'. The Project 'South of change' began in year 2001 with the purpose of making the south part of the city centre of Helsingborg more attractive in close dialogue with the city residents. During this dialogue a vision was created of linking the city with the water in the south parts of the city centre. Ten years earlier had the railway in the north part of the city been buried in a tunnel and the result was a success for the urban development in these areas.

In the Swedish planning process, the municipalities have, by law, significant control of land development within their boundaries. It is the municipalities that exclusively decide which property developments to approve and can with a development agreement control the outcome of such developments. Additionally, vague national rules and legislations concerning the planning process add to the uncertainty perceived by property developers (Riksdagens revisorer 2001, Olander and Landin 2008). The risk is that the municipality uses its advantage in the process to force the developer into an unbalanced development agreement (Kalbro 2002) that adds costs to the property development project.

Up-coming ideas for urban development in the city of Helsingborg
During the second half of 19th century the city became industrialized with the result of a population growth and around the year 1900 the city had 24 670 inhabitants. This created a need of workers housing. The earlier undeveloped area south of the city centre had rapidly grown to become a neighbourhood for the working class, often overcrowded and with low standards. These workers largely worked in the new industrial area, the South harbour. The north part of the city was now to a large extent the living area for the wealthy citizens with a higher socioeconomic status. Today this segregation has to some extent persisted and clearly defines the city of Helsingborg from a socioeconomic perspective.

The current redevelopment named H+, stands for more than just changing the structure of the buildings and activities in them. The name stands for urban renewal with the purpose of connecting the north and south part into one city and thus builds off segregation. H+ can be compared with an integration project, by physical changes as well as by creating a psychological change among the city residents. The intent is to raise the image of the south part of the city and by overcoming both the physical as well as psychological barriers between the north and the south part. Although the municipality adopts a variety of methods, they see the physical changes as a way to speed up the process of achieving these goals. The results from the project 'South in change' has become the basis for the H+ vision, which is, that everyone should feel welcome, the area will offer housing, businesses, trades, leisure activities and meeting points.

During the year 2006 the city council made a decision to begin the planning process for the H+ area. Two years later the process took a new direction after a structured competition for the design of the area. The results from the competition have formed the basis for the later work of planning the redevelopment of the area. Before the juridical process concerning the planning of the H+ area there has been an extensive process of understanding the value creating capacity of the development project from a number of various stakeholder perspectives. It is during these periods' ideas, models and visions that later on will form the base for the performance of the planning process in terms of efficiency, cost and time.

Today the municipality owns 60 % of the properties in the area and the other 40 % is owned by business practitioners and developers. It is a clear trend that developers buy properties in the H+ area with expectations of future developments. The harbour area is built of infill lots and no one today knows the degree of the impurity and the extent of cleaning-up that is needed before any new development can start. First after this analysis is ended the clean-up process can begin. Another condition that has to be solved before the development of the H+ area can begin is the railway south of the city. Today the railway build a barrier between the south harbour area and the south parts of the city centre. A necessary prerequisite for the success of the H+ development is the construction of a railway tunnel to overcome this barrier. The development area is divided into seven smaller parts and the expansion scheme

between these parts is important for the attractiveness of them. An organic city growth will tried to be obtained and the construction process will start in the most attractive parts of the development area. A mixed urban fit is sought with a variety of housing, tenancy and ownership solutions together with variety of trades and businesses. The university is already located in the H+ area which is of strategic importance for the future of the H+ development, further the municipality hope that the university will be a help in improving the attitude of city residents towards the future H+ development. The construction of the railway tunnel is calculated to begin in 2012 and first after the tunnel is completed the development above the ground can take place. The first stage is calculated to 2016 and the whole H+ area will be completed in year 2035.

Project organisation
For the municipality to manage this type of large-scale urban redevelopment project, a separate project organisation has been formed with the purpose of managing the whole redevelopment project, including the construction of the railway tunnel. The project organisation is directly subordinate the municipal board as an independent department. One reason for the choice of project organisation is that the municipality's permanent urban planning department can maintain focus on other development projects in the city parallel to the H+ development. Otherwise, there is a risk that the majority of their efforts will focus on the largest project, in this case the H+ development. The project organisation´s tasks are stakeholder management, time planning and cost control while the urban planning administration stands for the juridical process in consultation with the project organisation. When a project organisation is established it is important not to create parallel organisations, everyone needs to know which tasks the different organisations have responsibility for. To avoid parallel organisation, in this case, workshops are organised once a year. During these workshops the previous year will be evaluated and the coming year´s work planned for. This approach is considered to be inspiring and developing for the ones involved in the project as well as a critical success factor for the project. However, at the end of day the outcome will largely depend upon the persons involved in the project.

Visions
The survival and development of the city of Helsingborg is one of the core values in the development process of H+. The municipality sees the development of the H+ area as self-preservation. Through the development of the H+ area, important values are created for the city and its residents. The city will attract new inhabitants and businesses and improve the academic and cultural image of the city. The values for the city residents are a more attractive city to live in addition to a participative urban redevelopment process with input from a variety of stakeholders. A significant driving force for the redevelopment is to decrease social and physical barriers and thus reduce the segregation between the north and south parts of the city centre. Through the development an opportunity for city growth opened-up, and the municipal also hope to increasing the number citizens with academic degrees, which is today below the average level in Sweden.

Communications
One important task for the H+ project organisation is the communication with the city to raise the awareness among its residents and businesses. The project organisation use different channels to reach out. Everything from social networks, competitions for children and students, exhibitions and a coffee shop in the area to attract visitors is conducted. The communication goals are both to attract future contractors and residents. Communication is core task in the project, dialogue and interaction with the city created the first vision for the

development and the communication will permeate the H+ project until the last contractor leave the area in year 2035. Completed stakeholder analysis shows that 60 % of the city residents knows and are positive to the city development of the H+ area. However, in the forthcoming implementation of the development project there will be a need for further stakeholder analysis on various levels of the project, in order to achieve a good base in the decision-making process.

DISCUSSION

Helsingborg is a city where the difference between the north and the south part of the city centre is strong and clearly defined by perceived socioeconomic status; this creates a mental line that strongly affects the city resident's image of the attractiveness inherited of different parts of the city. It will not become easy to change this image, but the redevelopment of the south part will be a good beginning in this process. Helsingborg is an attractive city but to make the city to become one united city which it is not today will raise the attraction even more. Also to change the city from a worker city to a more mixed city with both contractors and academic life will attract a larger public. Replacing industrial areas by the waterfront and replacing them with attractive housing and businesses is one step in this direction.

The idea about the redevelopment of the H+ area came originally from the residents in the south part of the city. The municipality and the project organisation claims that this is a project raised from the city residents and this atmosphere should influence the project during the whole process. The H+ project is a long going process there both informal and formal ideas have elaborated and been processed with the final aim to becoming an asset for the city and its residents. In accordance with arguments from Meen and Andrew (2004) and Graaf and Dewulf (2010), redevelopment of urban areas can be used as tool for attitude change. Here is H+ an example where the municipality of Helsingborg is trying to achieve this goal.

To maximise the outcome of the H+ redevelopment the municipality use the city residents' thoughts and ideas as a relevant input. This idea is in line with the thoughts of Clark, et.al (2010) about involving the population to arise an interest by the public for their own city. Seyong-Kyu (2001) highlights the importance for people to raise their voices to achieve changes in the urban environment. In the end if the city residents' are not satisfied with the outcome of an urban redevelopment the project cannot counts as successful. Olander and Landin (2005), Bourne and Walker (2005) and Olander (2007) mention various analysis and mapping techniques which can be useful to ensure that the city residents and the city businesses interests are taken in account throughout the redevelopment process and like Ward (2003) point out a high participation from the external stakeholders is of weight to ensure a successful outcome. They are the ones who in the future will be active and enjoy the redevelopment area so by embracing their opinions it can create the future value for the H+ area.

The municipality of Helsingborg has for a long period worked out a strategy to obtain the best possible outcome of the H+ project. The project carry so much more than just a redevelopment of an earlier industrial area. This project also represents the city´s future and survival. The project organisation responsible for the H+ development was formed to create a clear focus on project outcomes by coordinating questions raised by stakeholders, time schedules and cost control. To create an independent project organisation send signals to the surrounding environment that the project is relevant and important. By creating an

independent project organisation keeps, according to Kasvi, et. al., (2003), the knowledge alive and will enable opportunities for knowledge transfer between project stages throughout the life of the project. An urban redevelopment of this scale is an ongoing process for a long period in time and the people involved may change several times during this period. However, by implementing the project with a consistent organisation the possibility of knowledge stay in the organisation and hopefully enable knowledge transfer for forthcoming urban redevelopment projects, thus increasing the value of project outcomes and experiences. Kavi et al. (2003) also argues that the project result never can be better than the project team members. This emphasise the importance for the municipality to create a leading project organisation that has the ability to create interest and involvement both among the city residents and forthcoming property developers.

Today the redevelopment of the H+ area is in an early stage. Next step in the research will become to explore the developers point of view with the project and which the confidence they have. Are they already today making planes to be a part of the development and which are their visions with the H+ area? It is up to the future to show if the project organisation produces a successful process and also if the redevelopment of the H+ area will counts as successful. Relevant factors to study in the ongoing development process are the level of transparency and how the project organisation will succeed to create an interest by different stakeholders.

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