

## **Pact for South**

Ladies and Gentlemen,

Let me first introduce myself. You had expected to see here Alderman Dominic Schrijer. Unfortunately, he is unable to be with us today. I am standing in for the Alderman.

I am Ditty Blom, and I am the Program Manager for the Pact for South. The Pact for South is the Netherlands' biggest investment program for a single section of a city. The funding involved, is one billion euros, to be spent over a 10-year period. That's almost one-and-a-half billion dollars. I'd like to briefly discuss this project, its objectives and why it is so special.

For a few days, you're staying in the city of Rotterdam. Rotterdam's claim-to-fame is its gigantic port. The Port of Rotterdam is the biggest port in Europe and the second-biggest port in the world. Equally important, Rotterdam is home to huge oil, chemical and other industries. Those two factors have turned Rotterdam into one of Europe's economic powerhouses.

Rotterdam's cityscape is very much dominated by the New Meuse river. In Dutch, this river is called the Nieuwe Maas. The New Meuse River cuts the city in two halves. As you would expect, the northern part is called North Rotterdam, and the southern part is called South Rotterdam. South Rotterdam is the smaller part: two fifths of the Rotterdammers are living here.

Yesterday, some of you, paid a visit to South Rotterdam.

At first glance, things appear to be just fine there. You can see an area with a great many young dynamic people. You can also see lots of green areas. There is enough space for new housing and new companies. The transport links are excellent. It's easy to get there – by car, public transport or even boat.

However, if you take a closer look at the situation in South Rotterdam, an entirely different picture emerges. This is a part of town where average wages are relatively low. And then I am talking about those who actually hold a job. In South Rotterdam, unemployment is very high.

To make matters worse, many youngsters are leaving school without getting proper qualifications, thereby creating the next generation of jobless people. Here, houses are small and unattractive. South Rotterdam is a place where many residents and entrepreneurs have lost hope for themselves and their children. Those who can, are getting out, and are moving to greener pastures. Most of them are going to North Rotterdam or one of the towns and villages around Rotterdam.

In 2003, a survey was held among thousands of people in the Greater Rotterdam Area. The survey was carried out by the housing co-operatives, which are charged with providing social housing. This survey focused on housing and living conditions.

The findings for South Rotterdam were troubling. Many people in South Rotterdam were unhappy with the environment they were living in. Their criticism was not so much about their own houses, but about the general living conditions and general climate in this area.

They complained about the behavior of the people living in their neighborhood, including anti-social behavior and crime. Residents also complained about the lack of facilities and services on offer. And they complained about the lack of socio-economic opportunity. As they saw it, a sense of doom and gloom had descended on South Rotterdam.

The troubling findings plus other many worrying signals were a clear wakeup call. All the players involved in South Rotterdam decided to join forces in a huge effort to turn the tide. This joint program involves

- four housing cooperatives;
- three city-district governments;
- and the city government itself.

This rejuvenation program for South Rotterdam is called Pact for South. The Dutch name is Pact op Zuid.

The Pact for South project kicked off in the fall of 2006.

The Pact for South is a complementary program: It comes on top of the normal activities carried out by local government and housing cooperatives.

The plan is to invest an extra one billion euros in South Rotterdam over a ten-year period. This money will be used to improve the physical facilities and the whole socio-economic climate here. Of this one billion euros, over eight-hundred-and-seventy million is coming from the housing cooperatives. The remainder is being paid by local and central government.

What is the main objective of the Pact for South?

In a nut-shell, the aim is to lift South Rotterdam, to the same level as the northern part of Rotterdam, which is doing far better. We are talking about all aspects of life, including housing, school performance, employment and income.

To that end, the partners in the Pact for South are investing in

- new and existing housing;
- new and existing schools;
- job creation and promotion of entrepreneurship;
- healthcare facilities; as well as green public areas.

This should give residents and entrepreneurs a strong boost, so that they can discover and develop their talents, finish school, find work, etcetera. In short, the aim is to move them up the social ladder. And once they do, they will hopefully stay in South Rotterdam and give back, to the local community instead of turning their back on it. For that, they need to have good-quality yet affordable housing.

Money is being invested into physical facilities – building-and-improving-housing and public facilities. Other money is being put into the economy, welfare and health, safety, culture and the arts. These investments are taking place at three different levels:

1) The first level is called Strong South.

There are five locations that will play a central role in the development of South Rotterdam, the whole city and even the wider region. These five sites will contribute to the physical and socioeconomic development of South Rotterdam and its surrounding area. They will also strengthen the reputation of South Rotterdam as a dynamic, cutting-edge place.

One example is Stadion Park. This location will be home to a new football stadium, complying with the requirements of a possible World Football Championship in the year 2018. Moreover, the same stadium must also meet the demands made by a possible Olympic Games in the year 2028.

Another facility to be built here is a speed-skating track.

As you may know, the Netherlands is at the heart of global speed skating. Finally... a sports academy will be realized at this site, which will become a magnet for visitors from the Netherlands and abroad. The local benefits will lie in jobs and educational opportunities, as well as the improved reputation of the area.

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2) The second level of investment in South Rotterdam is called Powerful Neighborhoods.

This means that we are investing at neighborhood levels in job training, job creation and healthcare facilities. The objective is

- to reduce the high school-dropout rate;
- to produce better-trained workers;
- to move people into work;
- and to boost the income level in the neighborhoods.

Just one example.

The housing cooperatives are building five large multi-functional centers across South Rotterdam. These multi-functional centers will house not only schools, but also libraries, family-doctor offices and even houses.

On top of that, existing schools will be broadened to include other community facilities such as pre-school and after-school programs and rooms for parents.

3) The third level of investment is called Attractive Neighborhoods.

Current living conditions in South Rotterdam no longer meet the wishes and requirements of existing and future residents. About seventy percent of homes in South Rotterdam consist of postwar social housing. Most of the houses are multi-story buildings, without an elevator. These apartment buildings are surrounded by ample green public space, but this is often badly maintained.

In short, living conditions are far from ideal.

Those who have managed to build-up a career, and want to climb the housing ladder, could not easily find anything in South Rotterdam. To change that situation, the coming years will see the construction of single-family homes with a garden or a roof terrace.

What else?

About 10,000 existing houses will be renovated. The green public areas will be improved. The same goes for other public spaces, such as squares. So it's about creating

- higher-quality housing,
- more attractive public space
- and a more-pleasant social climate.

As I've told you, we and our partners are investing over one billion euros. That sort of money sounds very impressive. But putting lots of money into this project, does not guarantee good results.

What *does* guarantee good results is the involvement and commitment of local residents and entrepreneurs in South Rotterdam. For that reason, all partners in the Pact for South projects are doing their utmost to bring in residents and entrepreneurs in developing and carrying out their plans.

It is the locals who know what the problems are in their street; who know what will work and what won't. They are also the ones who need to follow-through on the projects that have been started by the authorities. To use an athletics term: they will need to take over the baton from the authorities in many cases. We cannot allow the neighborhoods to slide back into a state of neglect and gloom. It's all about sustainable improvements.

I would now like to give you three examples of how closely residents and entrepreneurs are involved in the Pact for South project. I will give you one example for every investment level.

I've been talking about Stadion Park. Well, residents, local-business-people and sports-clubs are very closely involved in this project. They are casting a fresh eye on the plans; discussing them and contributing to them. They can see how important the project is for them and for their children. The public-consultation-evenings are being very well attended. And the input from local people is very

useful. For example, their ideas for creating eighty thousand parking spaces have been incorporated into the plans. Moreover their suggestion to set up a sports academy will become reality.

The second example of strong public involvement concerns the investment level called Strong Neighborhood.

I am talking about an initiative named the Creative Factory. Koos Hanenberg, who is a local businessman, came up with the idea to find a new use for an abandoned grain elevator. The plan is to convert the old building into accommodation for startup-companies – so housing for beginning entrepreneurs.

After all, South Rotterdam has many young people who are keen to start their own small business, but who have a hard time finding affordable space for their companies. The local government and the Vestia housing cooperative have embraced the idea. Some seventy small creative companies are now setting up shop here. In fact there is a long waiting list. For this reason, work has started on creating more budget friendly business space in the vicinity of this building. It's just one example of a local businessman who has gotten the ball rolling!

And now the third example of how the locals have jumped on the band-wagon. This concerns the level of Attractive Neighborhood.

A few years ago, a start was made with providing so-called fix-up houses homes that have fallen into disrepair and require a lot of renovation-work to make them livable again. First-time-buyers have an opportunity to purchase these houses-or-parts of them for very little money. In return they are committing themselves to renovate the house-within-a-year and live-in-it-themselves for a minimum of two years.

The first group of houses has been made available by the local government. And now the housing cooperatives are following-suit and providing a substantial number of these fixer-uppers.

This sounds like an awfully good deal for those climbing the housing ladder. And it is! But keep in mind that the houses not only require a lot of renovation work, but are also located in so-called hot spots. Neighborhoods which are weighed down by many problems. Including rundown housing, high unemployment, crime and anti-social behavior.

At present, we're creating a win-win situation. On the one hand, first-time buyers have a chance to buy houses at rock-bottom prices and can turn them into their dream homes within a year.

On the other hands, the whole street is benefiting from the arrival of these dynamic newcomers. Vacated boarded-up houses are being turned into attractive homes, inhabited by dynamic families.

The fact that this involves owner-occupied housing will also help ensure that these houses are well-maintained and the neighborhood stays clean and tidy.

The community spirit and social cohesion are receiving a strong boost as well. The new arrivals are also demonstrating to existing residents that a more get-up-and-go approach is paying strong dividends. The newcomers are keenly aware of what they are letting themselves in for and are eager to give the local community a push in the right direction. Many of the new residents are well-educated, run their own businesses and are active in the Creative Industry.

I've just given you three examples of how local people including the business community are stepping up-to-the-plate: First: locals contributing ideas for Stadion Park; second: the entrepreneur who has conceived the idea for turning an old building into a multi-tenant industrial building and third the people buying rundown houses and renovating them.

And there are many examples along these lines.

A case in point is the Pendrecht Academy, where local residents are giving advice to politicians-and-officials on how to tackle the problem in their neighborhood. Yet another example are youngsters in the IJsselmonde neighborhood who approach and engage their peers when they are getting into trouble. Then there are eighteen large companies in South Rotterdam, who have offered to provide apprenticeships.

There is so much going on, too much to mention.

In conclusion, I'd like to say this.

If you take-in the whole spectrum of developments in South Rotterdam, this will dispel any lingering pessimism about this part of Rotterdam. Admittedly, all is not well, yet. But on the plus side, many young people are now receiving job training, moving into jobs or starting their own businesses.

Enthusiastic outsiders are moving into owner-occupied housing and giving their new neighborhoods a shot in the arm. Education is improving and new houses are being build. In short, South Rotterdam is shaking off its doom and gloom and is on the up again!

The take-home lesson for everyone is that sustainable urban regeneration is not a bureaucratic process dreamt up by public administrators or public workers from behind their desks. We can only pull this off, if we join forces with all parties involved. And our most important partners in this effort are the local people themselves:

- residents and business people
- young and old
- native Dutch people and immigrants.

Thank you for your time. I wish you a very pleasant and productive stay here in Rotterdam.