



# Creative Spirits

## Operational Implementation Framework

### Lublin



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## 1. Introduction & Context

Between 2016 and 2019, Lublin participated in the URBACT Implementation Network 'Creative Spirits'. In this network, nine cities from across Europe worked together to improve the implementation of strategies relating to the cultural and creative industries. This document, the Operational Implementation Framework (OIF), is the final local output produced by Lublin. It is intended to provide a framework for future improvements to Lublin's implementation capabilities. It describes the challenges faced during the implementation of Lublin's strategy, Lublin's approach to overcoming them, and the knowledge gained as a result.

It begins with an assessment of Lublin's baseline position regarding the five challenges of implementation. It continues by outlining the implementation plan that Lublin developed from its strategy documents and worked to implement over the course of Creative Spirits. Next, it describes Lublin's attempts to overcome each of the five implementation challenges during this process. Following this, it captures this process in a learning journal that was updated throughout the course of Creative Spirits. Finally, the Synthesis section draws the OIF to a close and makes recommendations for the future of implementation in Lublin.

Lublin is the biggest and fastest developing city in eastern Poland, as well as the capital of the Lubelskie Region. Lublin is the core city of Lublin Functional Area which was established on 10<sup>th</sup> December 2015 with a total area of 1 582 km<sup>2</sup>, consisting of surrounding municipalities.

Lublin is a city that can be proud of its rich history. The first settlement centres were developed around the 6th-7th centuries. At the turn of the 16th and 17th centuries the city experienced great prosperity, being one of the largest trading centres. In the second half of the 19th century, Lublin reached the peak of its economic development, when metal industry factories were built. After World War II Lublin continued to grow,



tripling its population and greatly expanding its area. At the same time, however, the city centre started to lose its trading functions and more and more historical buildings became abandoned. This deprivation process was followed later by social problems, too.

### **Social and economic profile**

Although Lublin is the 9th biggest Polish city in terms of population with over 340,000 inhabitants, the number of residents is decreasing. It was one of the motivating factors for the Municipality to start to deal with local creatives, to demonstrate local people that Lublin is a city where it is worth to start creative enterprises.

Lublin is an academic city. More than 70,000 students, including 6,500 international students from almost 100 countries, are studying at the 9 universities in the city. Every year 20,000 graduates leave the universities. It poses a challenge for the city to keep these freshly graduated young people in the city providing them working opportunities.

Regarding the economic profile of the city, IT/ICT, BPO/SSC, food processing, logistics, automotive industry, machine industry and biotechnology are the most typical sectors. The Municipality has a strong relation with companies, experiences of these cooperation can be useful for supporting the city's creative enterprises.

### **The cultural – creative industry in the local economy**

The cultural-creative industry in Lublin is to be one of the engines of economic development as it is defined in Lublin Development Strategy 2013-2020. The number of enterprises in the city in 2015 was 43 922, out of which 469 can be found in the target area (i.e. the city centre). 50 out of them can be considered as belonging to the creative sector. At the same time, the total number of enterprises operating in the cultural-creative industries in 2015 was 4 035, including technology driven creative enterprises as well as craft and cultural enterprises. More than 100 cultural-creative events are organized in the city a year with the involvement and active participation of local creative enterprises.

### **About the strategy**

Lublin Development Strategy 2013-2020 was approved by a City Council resolution in February 2013 providing a vision of city development. Based on this document several other documents have been prepared: Lublin's Culture Development Strategy 2013 – 2020 was

accepted in November 2013, while Lublin's Integrated Territorial Investment Strategy was adopted by the resolution of the Board of the Lublin Functional Area in March 2015; the Local Revitalization Plan, Lublin's Culture Development Strategy 2013 – 2020, Regional Creative Industries Alliance project, Showcase Revitalization project.

### **The local policy challenge that the city's integrated strategies/action plan address**

The policy challenge is to turn the city centre into a creative district by rehabilitating its less attractive parts as well as the area of the removed bus station and to invite creative enterprises to the area and/or boost existing ones.

During the city visit talking with local creative entrepreneurs some more specific needs and challenges became also visible: the lack of business skills among creatives and the lack of sufficient workplaces for creative enterprises. At the same time, there are lot of empty historical buildings in the area owned by the municipality's company: Council Property Management Office (ZNK). Therefore, there could be an opportunity to provide places for the creatives. Currently, it is not typical that ZNK would offer these empty places for a lower renting fee for local creatives, which is due to the fact that there is a lack of designed mechanism of distribution of these places for creatives.

### **Objectives of the strategy/action plan**

Lublin Development Strategy 2013-2020 describes four directions of development, each having its own goal:

1. OPENNESS - In 2020 Lublin is an open city with convenient transport links to its surroundings and extensive relations with external partners. Lublin of 2020 is culturally open to establish regional and metropolitan bonds.
2. FRIENDLINESS - In 2020 Lublin is both an inhabitant and visitor-friendly city. It offers high quality of life and education as well as diverse forms of leisure activities. Lublin of 2020 creates outstanding conditions to foster creativity of its inhabitants and allows them to actively participate in governing the city.
3. ENTREPRENEURSHIP - In 2020 Lublin is a city with a diverse and flexible economy based on modern services and industries able to face the challenges of the closing decade. Lublin 2020 is an investor-friendly city.

4. ACADEMIC SPIRIT - In 2020 Lublin is an international university centre attracting both Polish and foreign students and professors. Lublin of 2020 is a city where people come not only to study but also to settle down and follow their careers.

#### **The main expected results of the strategy/ action plan**

As a result of the Lublin Development Strategy and the Integrated Territorial Investment Strategy, the city will be a socially, economically and spatially more cohesive area by 2020.

This is in particular due to:

- Affordable spaces within the Old Town and Śródmieście district, attractive and available for the creative businesses
- Supportive environment for creative entrepreneurship
- Investment in the projects will bring the area a regeneration effect
- Increased access to education, labour market improvements, social inclusion and innovation. LFA residents will have equal access to quality education (from elementary level education to secondary education), lifelong learning options and professional qualifications
- LFA will be developed as a socially inclusive area with access to quality employment and
- entrepreneurship
- Effective public transportation system allowing movement within the LFA, enabling the effective communication with the main administrative, scientific and cultural center of Lublin
- Sustainable development through the spatial and social regeneration
- Introduction of e-administration, access to digitized cultural and scientific resources

#### **The area that the strategy/action plan covers**

The Strategy for the Integrated Territorial Investment of Lublin Functional Area covers the city of Lublin and 15 neighboring communities. Regarding the development of the CCI sector the strategy focuses on the core zones of the city centre: the historically determined area (Lubartowska, Świętoduska, Zielona, and Wodopojna Streets), the lower part of the Old Town (Kowalska, Furmańska, Cyrulicza Streets) and Czwartek Hill, lower Lubartowska street, Ruska and Probostwo streets.



## 2. Local assessment of baseline position

The following challenges, learning needs and good practices were identified related to the implementation of the city's strategy in the target area.

### **Ensuring the integrated approach in the delivery of the strategy and their related actions/projects**

In order to ensure the integrated approach in the delivery of the strategy, the Strategy and Investors Assistance Department was established in 2011. The reason for that was no long-term strategy for Lublin, poor relationship with universities and 'Ad-hoc' cooperation with companies. However, the goal of the new department was to change this situation characterized by 'putting out fires' strategy with lack of trust, no written agreements and limited cooperation into ensuring the integrated approach in the delivery of the strategy. In order to achieve that goal, the municipal government of the City of Lublin developed a participation-based strategy for 2013-2020. Additionally, the office started cooperating with businesses and academic institutions, established Academic Relations Division as well as Investor Assistance Division, and established the internal system of exchanging the information within department. Since 2011 the Department is implementing different actions to maintain and enhance this approach. The one of the action is regular meetings with representatives of the several environments such as: entrepreneurs (Entrepreneurship Board), deans and presidents of the universities (Lublin Academic Board), students (Study in Lublin) etc.

Based on this experience, Lublin started its participation in Creative Spirits project with an interest in investigating new methods of tackling this challenge. The situation looks like that Lublin has several documents, projects and people which are related to the Creative Spirits project; these include: Lublin Development Strategy 2013-2020, Integrated Territorial Investments Strategy, Local Revitalization Plan, Lublin's Culture Development Strategy 2013 – 2020, Regional Creative Industries Alliance project, Showcase Revitalization project and revitalization the area adjacent to Lublin castle project.

The challenge thus is to implement these plans and projects in a complementary way, where the "soft" and "hard" departments within the Municipality would work in cooperation. It is quite difficult to organize common work within the municipality for efficient implementation

of integrated projects, like the creative-cultural ones. Thus, the main learning need of Lublin regarding this challenge is to improve coordination between municipal departments.

Although the integrated implementation of the strategy poses a challenge for Lublin, the Municipality has rich experience and good practices in integrated planning gained from the elaboration process of the Lublin Development Strategy where Lublin Development Council, Advisers of the Mayor of the City of Lublin, employees of the Strategy and Investors Assistance Department and other Lublin Municipality departments worked in successful cooperation.

### **Maintaining involvement of local stakeholders and organising decision-making for delivery**

The Municipality has experience of cooperating with creative entrepreneurs, artists, hand craft workers, university authorities and keep them engaged in the development processes of the city. Thus the challenge means rather to allocate resources to integrate diverse stakeholder groups and groups of entrepreneurs.

The URBACT Local Group is designed to represent a huge variety of stakeholders. It consists of city authorities (including district authorities); city departments: Project Development Department, Strategy and Investor Relations Department, Culture Department, Sport and Tourism Department, Municipal Office for Historic Preservation; cultural institutions; representatives of business and handcraft organizations, NGO's; universities; creative entrepreneurs, artists, hand craft workers.

Besides, based on city visit experiences it is recommended for Lublin to engage into the ULG more ZNK, the owner of the empty buildings in the Old Town), to discuss usage of these places by creative: a system for preferential rates for creative sector entrepreneurs should be constructed. Also, the regional representative owning the Centre for Meeting of Cultures should participate in the discussions by being an ULG member. This Centre could serve as a perfect co-working place for start-ups in the sector also based on the fact that it is located quite close to the University quarter.

One of Lublin's best practices is the approach and methodology of the Creative Ones project aiming at searching for niche creative businesses, promoting them (by publication, exhibition, photo shoot and short film), and finally linking them with other actors (citizens and business). Thanks to this project there is a continuous contact and trust between the Municipality and the creatives who were willing to participate in this initiative. In the frame of the project, the Creative Ones Festival is organized annually in order to present and advertise the city's creatives to local inhabitants as well as to a wider audience (investors, tourists). This project could also be considered as a good match between stimulating creative entrepreneurship and local programmes to promote social inclusion.

### **Setting up efficient indicators & monitoring systems to measure performance**

Regarding monitoring CCI, the biggest challenge is to develop reliable and measurable indicators to define the cause and effect of the Municipality's actions. The Lublin Development Strategy uses the following indicators to measure the city's creative-cultural enterprises' operation which can provide an overarching view of the success of the Municipality's actions:

- Quantitative: number of businesses included in the sector of creative industries compared to the total number of businesses; employment in the creative sector compared to total employment
- Qualitative: evaluation of the role of entities included in the sector of creative industries in the context of creating development impulses for the city
- Descriptive: analysis of the operations of the Municipal Office and other institutions in the sphere of support for creative industries.

Lublin has made a start through the Creative Ones project to build up a database of creative entrepreneurs. This could serve as a first step to develop baseline indicators.

## **Moving from strategy to operational action-plan**

Lublin has a coherent and comprehensive strategy (Lublin Development Strategy 2013-2020). The Strategy has four areas of development, which are: openness, friendliness, entrepreneurship and academic sprits. Entrepreneurship is defined into four sections: development of the industry sector, development of service sector, building the entrepreneurship culture and support the CCI sector. The first years of implementing strategy definitely focused on the first two sections. The operational actions plans considered the development only of industry and service sector. In order to move from strategy to operational action plan, the first step was to create the team of qualified people. Secondly, the cooperation with companies as well as academic institutions was organized and formalized. This resulted in knowledge building of team including the information about the students, academia, activities of companies and their needs, problems, and meetings points for cooperation. Preparation of the investment plots and cooperation with local developers was important step towards economic development of the city. The next mile stone was international and domestic promotion of Lublin economic potential.

This operational action plan brought large success in Lublin economic development. During the five years, the unemployment drastically decline. That was the sign that Lublin is ready for tackling the others two sectors – entrepreneurship culture and creative industries. That is the moment when the Creative Spirits project was brought into light. Because the project we are able to move from the strategy into operational action plan regarding the CCI sector. The city is looking for effective ways and best practices to turn it into action effectively. Main challenges in this regard include:

- Assess all public buildings with possibility to be rented for creative entrepreneurs
- Strengthen the cooperation with SMEs in the CCI sector
- Prepare a joint action plan with CCI stakeholders
- Ex ante assessment of local strategic documents, work plans, existing management tools and processes
- Need that the strategy is aligned with the operational activities, which would contribute to the overall process
- Project lean management as well as ensuring the proper order of initiating projects

- Creating good links between diagnose list of the problems and the list of actions that can be done.

Additionally, Lublin is the second city in the world (after Memphis, TN, USA) to have its own Creative Manifesto. In October 2016 during a workshop mentored by Charles Landry, urban activists from Lublin elaborated Lublin Creative Manifesto, which is a unique definition of Lublin's approach towards creativity. Declared ideas point the way to exploit synergies between citizens, business and public administration in order to design the City 3.0. The Manifesto was signed by Charles Landry, an international authority on the use of imagination and creativity in urban change and Krzysztof Żuk, Mayor of the City of Lublin.

### **Enhancing funding of urban policies by exploring financial innovation**

The Project Development Department has ample experience in dealing with European Funds, thus Lublin needs to study best practices from its own previous projects. They can share this knowledge of theirs of applying for European Funds and implementing projects financed by EU Funds with the partnership.

In accordance with the Law on Local Government, the municipality supports measures that aim to decrease unemployment rates, activate the local labour market, promote activities and marketing. These measures should be better utilized for CCI. Lublin would like to learn how to create supporting instruments which will be really helpful for the creative businesses, as well as ensure that funding is dedicated to local creative people. Also, there is a learning need to discover more about innovative funding opportunities like crowd funding and the role a Municipality can play in these processes.



### **3. Outline Implementation Plan and Barriers to Implementation**

Lublin is currently realizing Lublin Development Strategy 2013 – 2020, which is the highest document in hierarchy, regarding the development of the municipality. The Creative Industries Strategy is a part of it. Thus, it is interdependent with sectorial strategies such as: Culture Development Strategy, Tourism Development Strategy and Sport Development Strategy. However, one needs to have in mind that a municipality is the lower level of local governance, above there are regional authorities and national authorities, therefore higher in hierarchy there are Lublin Region Development Strategy 2014 – 2020 and Poland Long-term Development Strategy 2030.

Creative industries include various undertakings whose origin and market value refer to creation, and their output is usually subject to intellectual property law (also in compliance with open source principles). Supporting creative industries in Poland, including Lublin, has only begun. However, the modern society needs the creative industries due to its positive influence on the economy (domestic product, employment and revenues), and indirectly, on the increased quality of life in the city. Developing of creative industries in Lublin needs to be based on its proper potential i.e.: academic spirit, culture, and entrepreneurship. Development of this sector brings advantages to the city, as without extensive expenditure, this creates new jobs, keeps talented graduates, and assists in space revitalization.

#### **Objectives of Implementation Plan:**

1. Supporting the development of a creative industries sector
2. Establishing creative partnerships, clusters of creative enterprises and the system of incubating companies representing creative industries.
3. Supporting the commercialization of creative undertakings
4. Conducting education activities related to development of creativity, entrepreneurship and corporate responsibility.
5. Increasing social awareness of respecting intellectual property rights.

#### **List the actions that Lublin will implement to achieve the objectives of the action plan:**

1. Offering the premises as well as being the knowledge base about premises
2. Increasing the competences
3. Fab lab

#### 4. Microgrants

**The result indicators of the action plan, including their baseline and target values and years:**

1. number of businesses included in the sector of creative industries compared to the total number of businesses (Quantitative indicator; years 2013-2020)
2. employment in the creative sector compared to total employment (Quantitative indicator; years 2013-2020)

**The output indicators of the action plan, including their baseline and target values and years:**

3. Vacancy rate of an available premises in target area (years 2017-2020)
4. Nature / scope of activities of companies presented in target area (years 2017-2020)
5. Life span of supported companies (years 2017-2020)
6. Number of applicants to the number of places for the workshops and other events (years 2018 – 2020).

### Action 1 - Offering the premises as well as being the knowledge base about premises

#### 1.1. Description

This action is a creative engagement actions. The Strategy and Investors Relation Department would like to be the knowledge base (gather information from different departments of the municipality) about the available premises on the target area both public and private owned. Additionally, the Department is responsible for promoting this knowledge among the creatives (one stop shop). Moreover, some abounded premises (public owned) required renovation in order to be suitable for renting, and the Department can renovate some premises. Lastly, assisting the creatives during the process of ranting. The City of Lublin was inspired to do this action by transnational knowledge exchange, especially with Újbuda, and Waterford.

#### 1.2. Outputs

First of all, the output are renovated premises. Secondly, the gathered knowledge in the Strategy and Investors Relation Department. Lastly, the increased awareness of the Lublin Creative District.

It will contribute to the output indicators No. 3 and No. 4.

### 1.3. Link to strategy

The action will contribute to objective No. 1 (Supporting the development of a creative industries sector) and objective No. 4 (Conducting education activities related to development of creativity, entrepreneurship and corporate responsibility.)

### 1.4. Stakeholders

The stakeholders involved are municipality owned companies such as Zarząd Nieruchomości Komunalnych, Lubelskie Przedsiębiorstwo Gospodarki Komunalnej (the owners of the premises), and other private owners on the target area. Additionally, the stakeholders are different departments within the municipality (Gospodarownia Mieniem, Wydział Spraw Mieszkaniowych etc.). The second group of stakeholders are people who are potential tenants such as local entrepreneurs, creatives and NGO's. Besides, the important stakeholders are institutions that work with creative industry such as: Lublin Design Institute, LuCreate Foundation etc.



### 1.5. Work plan & time line

Creating the database of premises (with constant updates). Choosing the right premises for renovation. Making the renovation. And, during all the action, information and promoting the idea among the stakeholder using for that purpose meetings, conferences, study visits etc.

### 1.6. Budget & resources

The gathering information and being the knowledge base for the creatives is no cost activity. Similarly assisting the creatives during the process of ranting, it does not generate any costs. The total budget for renovation is PLN 40 000, which is around EUR 10 000. The budget is planned in an internal budget of the Strategy and Investors Relation Department.

### 1.7 Risk analysis

Political risk – changing the policy for the one where creative industries are not priority sector for Lublin development – very low. Even though, the local election are in November 2018, the Mayor has around 70% of supporters, so most likely there is not going to be any crucial change of the politics.

Difficulty to cooperate with different departments within the municipality – medium/low. To mitigate that risk, the responsible department can push some issues using the power of local authorities.

Low interest from the side of creatives – medium/low. In order to mitigate that risk, it is needed to be constantly in touch with the stakeholder, to create such places which fulfill their needs.

### **1.8. Action readiness**

Ready to go.

## **Action 2 - Increasing the competences**

### **2.1. Description**

This action has some components:

Creative Transformation – the workshop (regarding business development strategy, clients services and internal design) for two entrepreneurs already existing in the target area as a prize in contest for the best business development plan. This action is a local idea contest; it was inspired by transnational knowledge exchange with the city of Ibi.

Creative Lab - the acceleration program/workshop building business competences, aimed to students from artistic faculties, in order to be more competitive on the market. This action is a creative engagement action.

Creative Business Cup (CBC) – Lublin Municipality is a national partner for the CBC; that is why we organize the competition for creative startups, where the prize represent Poland during the Creative Business Cup in Copenhagen. This action is a creative engagement action.

Workshops - increasing the competences workshops for the creatives, as well as students and citizens, who could be inspired and become the creatives in the future. This action is an open public event.

### **2.2. Outputs**

Two entrepreneurs with clear development strategy and renovated internal design.

Around 20 students from artistic faculties with larger business knowledge.

Mobilization of local creative startups as well as presenting new development possibilities for the winner.

Around 60 participants with increased knowledge about creative industries.

It will contribute to the output indicators 3 and 4.

### 2.3. Link to strategy

The action will contribute to objectives No. 1, 3, 4, 5.

### 2.4. Stakeholders

The stakeholders involved are local entrepreneurs, the creatives, universities, and business support organizations such as: Start up Academy, Creative Business Cup, Lublin Design Institute, LuCreate Foundation etc.

### 2.5. Work plan & time line



Announcing the Creative Transformation contest. Promotion of the contest. Running the creative transformation. Promoting the renewed places.

Promoting the Creative Lab workshop. Recruiting the students for the workshop. Conducting the workshop.

Announcing the contest for the best local start up. Promoting the contest. Running the contest. Promoting the winner. Sending the winner to Copenhagen.

Diagnosing the learning needs of creatives. Organizing the workshops. Recurring for the workshop. Conducting the workshop.

### 2.6. Budget & resources

The total budget for that activity is PLN 110 000 (EUR 27 500), including:

- The Creative Transformation: PLN 60 000, which is around EUR 15 000; This action is a local idea contest, so the 1000 euro (4000 PLN) is going to be used from the budget of the Creative Spirits project, line 4 – external expertise. The rest is planned in an internal budget of the Strategy and Investors Relation Department,
- The Creative Lab: PLN 10 000 (EUR 2 500) - internal budget of the Strategy and Investors Relation Department,
- The Creative Business Cup: PLN 10 000 (EUR 2 500), internal budget of the Strategy and Investors Relation Department,
- Workshops: PLN 30 000 (EUR 7 500); One of the workshop is going to be an open public event, that is why 1200 euro (5000 PLN) is going to be used the budget of the Creative Spirits project, line 4 – external expertise. The rest is planned in an internal budget of the Strategy and Investors Relation Department,

## **2.7. Risk analysis**

Political risk – changing the policy for the one where creative industries are No.t priority sector for Lublin development – very low. Even though, the local election are in November 2018, the Mayor has around 70% of supporters, so most likely there is No.t going to be any crucial change of the politics.

Low interest from the side of participants – medium/low. In order to mitigate that risk, it is needed to be constantly in touch with the potential participants/stakeholder, to create such workshop which fulfill their needs.

## **2.8. Action readiness**

Ready to go.

## **Action 3 - Fab lab**

### **3.1. Description**

In one premise, owned by Municipality of 150 sqm, the co-working /fab lab is going to be organized. The operator is going to be a NGO, preferably the social cooperative, which allows to establish the online shop. The operator will be obliged to animate several activities in that place including workshops, show rooms, fashion festival etc. This action is a creative engagement action and it was based on lessons learnt from Waterford.

### **3.2. Outputs**

Establishing the fab-lab in the city, which can be used by the creatives as well as citizens.

It will contribute to the output indicators 3 and 4.

### **3.3. Link to strategy**

The action will contribute to objective No. 2 (Establishing creative partnerships, clusters of creative enterprises and the system of incubating companies representing creative industries).

### **3.4. Stakeholders**

The main stakeholder is the NGO, which is going to be the operator of that co-working place. Additionally, the stakeholders involved are creatives (especially from design branch), local entrepreneurs, and students/citizens.

### 3.5. Work plan & time line

Finding and choosing the premise. Preparing the premise (reNo.vation). AnNo.uncing the contest for operator – NGO. Choosing the NGO. Renting the premise by NGO. Granting the equipment to the NGO. Animating the fab-lab by NGO. Promoting the fab lab.

### 3.6. Budget & resources

The total budget for that activity is PLN 75 000 (EUR 18 500), including the grant for accelerating the fab lab (PLN 35 000, EUR 8 500) and equipment (PLN 40 000, EUR 10 000). This action is planned in an internal budget of the Strategy and Investors Relation Department.

### 3.7. Risk analysis

Political risk – changing the policy for the one where creative industries are No.t priority sector for Lublin development – very low. Even though, the local election are in November 2018, the Mayor has around 70% of supporters, so most likely there is No.t going to be any crucial change of the politics.

Low interest from the side of creatives – medium/low. In order to mitigate that risk, it is needed to be constantly in touch with the stakeholder, to create such place which fulfill their needs.

### 3.8. Action readiness

Ready to go.



## Action 4 - Microgrants

### **4.1. Description**

Providing the micro grants for equipment for the entrepreneurs, startups, creatives and craftsmen operating in the target area. Micro grants will be granted by competitive procedure and should stimulate the development of the business. This action is a creative engagement action.

### **4.2. Outputs**

The end product will be a few creatives who are going to increase their competitiveness due to bought equipment.

It will contribute to the output indicators No. 3 and No. 4.

### **4.3. Link to strategy**

The action will contribute to objectives No. 1, and No. 3.

### **4.4. Stakeholders**

The stakeholders involved are entrepreneurs, startups, creatives and craftsmen, as well as such institutions as universities, NGO's, Lublin Design Institute, LuCreate Foundation.

### **4.5. Work plan & time line**

Establishing the scheme and criteria of the contest. Announcing the contest. Promoting the contest. Selecting the winners. Granting grants.

### **4.6. Budget & resources**

The total budget for that activity is PLN 30 000, which is around EUR 7 500. This action is planned in an internal budget of the Strategy and Investors Relation Department.

### **4.7. Risk analysis**

Political risk – changing the policy for the one where creative industries are No.t priority sector for Lublin development – very low. Even though, the local election are in November 2018, the Mayor has around 70% of supporters, so most likely there is No.t going to be any crucial change of the politics.

Low interest from the side of participants – medium/low. In order to mitigate that risk, it is needed to be constantly in touch with the stakeholder, to create such scheme that fulfill their needs.

### **4.8. Action readiness**

Not ready yet – multiple points of the action need more work and this will still take much time.

## Overview table of the Implementation Plan

OBJECTIVE	RESULT INDICATOR	OUTPUT INDICATOR	ACTIONS	ACTION READINESS	IMPLEMENTATION PROGRESS
As listed in 1.3.	As listed in 1.5.	As listed in 1.5.	From Section 2	From 2.9.	Not started / Ongoing / Completed
<b>Objective 1:</b> Supporting the development of a creative industries sector	<b>Result indicator 1</b> number of businesses included in the sector of creative industries compared to the total number of businesses	<b>Output indicator 3</b> Vacancy rate of an available premises in target area	<b>Action 1</b> Offering the premises as well as being the knowledge base about premises	Ready to go	Ongoing
		<b>Output indicator 4</b> Nature / scope of activities of companies presented in target area			
		<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b> Increasing the competences	Ready to go	Ongoing
		<b>Output indicator 6</b> Number of applicants to the number of places for the workshops and other events			
		<b>Output indicator 4</b> Nature / scope of activities of companies presented in target area	<b>Action 4</b> Microgrants	Not ready yet	Not started
		<b>Output indicator 5</b> Life span of supported companies			

		<b>Output indicator 7</b> Number of supported companies			
	employment in the creative sector compared to total employment	<b>Output indicator 3</b> Vacancy rate of an available premises in target area	<b>Action 1</b> Offering the premises as well as being the knowledge base about premises	Ready to go	Ongoing
		<b>Output indicator 4</b> Nature / scope of activities of companies presented in target area			
		<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b> Increasing the competences	Ready to go	Ongoing
		<b>Output indicator 6</b> Number of applicants to the number of places for the workshops and other events			
		<b>Output indicator 4</b> Nature/scope of activities of companies presented in target area	<b>Action 4</b> Microgrants	Not ready yet	Not started
		<b>Output indicator 5</b> Life span of supported companies			
		<b>Output indicator 7</b> Number of supported companies			
		<b>Objective 2:</b> Establishing creative	<b>Result indicator 1</b> number of businesses included in the	<b>Output indicator 5</b> Life span of supported companies	
		<b>Output indicator 6</b>			

<p>partnerships, clusters of creative enterprises and the system of incubating companies representing creative industries.</p>	sector of creative industries compared to the total number of businesses	<p>Number of applicants to the number of places for the workshops and other events</p> <p><b>Output indicator 7</b></p> <p>Number of supported companies</p>	<p><b>Action 3</b></p> <p>Tex-makers – fab lab</p>	Ready to go	Not started
	<p><b>Result indicator 2</b></p> <p>employment in the creative sector compared to total employment</p>	<p><b>Output indicator 5</b></p> <p>Life span of supported companies</p>	<p><b>Action 3</b></p> <p>Tex-makers – fab lab</p>	Ready to go	Not started
		<p><b>Output indicator 6</b></p> <p>Number of applicants to the number of places for the workshops and other events</p>			
		<p><b>Output indicator 7</b></p> <p>Number of supported companies</p>			
<p><b>Objective 3:</b></p> <p>Supporting the commercialization of creative undertakings</p>	<p><b>Result indicator 1</b></p> <p>number of businesses included in the sector of creative industries compared to the total number of businesses</p>	<p><b>Output indicator 5</b></p> <p>Life span of supported companies</p>	<p><b>Action 2</b></p> <p>Increasing the competences</p>	Ready to go	Ongoing
		<p><b>Output indicator 6</b></p> <p>Number of applicants to the number of places for the workshops and other events</p>			
		<p><b>Output indicator 4</b></p> <p>Nature / scope of activities of companies presented in target area</p>	<p><b>Action 4</b></p> <p>Microgrants</p>	Not ready yet	Not started
		<p><b>Output indicator 5</b></p> <p>Life span of supported companies</p>			
		<p><b>Output indicator 7</b></p>			

		Number of supported companies			
	<b>Result indicator 2</b> employment in the creative sector compared to total employment	<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b> Increasing the competences	Ready to go	Ongoing
		<b>Output indicator 6</b> Number of applicants to the number of places for the workshops and other events			
		<b>Output indicator 4</b> Nature / scope of activities of companies presented in target area	<b>Action 4</b> Microgrants	Not ready yet	Not started
		<b>Output indicator 5</b> Life span of supported companies			
	<b>Output indicator 7</b> Number of supported companies				
<b>Objective 4:</b> Conducting education activities related to development of creativity, entrepreneurship and corporate responsibility.	<b>Result indicator 1</b> number of businesses included in the sector of creative industries compared to the total number of businesses	<b>Output indicator 3</b> Vacancy rate of an available premises in target area	<b>Action 1</b> Offering the premises as well as being the knowledge base about premises	Ready to go	Ongoing
		<b>Output indicator 4</b> Nature / scope of activities of companies presented in target area			
	<b>Result indicator 2</b> employment in the creative sector compared	<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b>		
		<b>Output indicator 6</b>			

	to total employment	Number of applicants to the number of places for the workshops and other events	Offering the premises as well as being the knowledge base about premises	Ready to go	Ongoing
<b>Objective 5:</b> Increasing social awareness of respecting intellectual property rights.	<b>Result indicator 1</b> number of businesses included in the sector of creative industries compared to the total number of businesses	<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b> Increasing the competences	Ready to go	Ongoing
		<b>Output indicator 6</b> Number of applicants to the number of places for the workshops and other events			
	<b>Result indicator 2</b> employment in the creative sector compared to total employment	<b>Output indicator 5</b> Life span of supported companies	<b>Action 2</b> Increasing the competences	Ready to go	Ongoing
		<b>Output indicator 6</b> Number of applicants to the number of places for the workshops and other events			

## 4. Response to the Implementation Challenges

### Ensuring the integrated approach in the delivery of the strategy and its related actions/projects

*How Lublin tried to overcome the challenge?*

In order to overcome the challenge, the several actions and projects was established. In order to better manage the resources – human, financial, and knowledge resources – the proper exchange of information is crucial. It was decided that staff responsible for Creative Spirits project will be also involve in some other projects. The Municipality is realizing few projects concerning the similar area or topics, the challenge was to ensure the integrated approach. The constant meetings with different project teams was one of the answers to the challenge.

*What was the impact of this?*

The implementation plan is balanced between environmental, social and economic actions and results. The plan coordinate the activities in order to tackle all the issues at the designed area. The plan make use of both ERDF and ESF. The actions linked in this way are: exchanging the signboards, renovation the premises, workshops for citizens. The financing of individual actions is linked with local, regional and European Union funds in order to ensure complement the action as well as enhance the overall effect.

The Lublin Creative District is growing (more and more companies) are deciding to set up the company in the target area. The local press is writing about the area and implemented activities quite often. The social awareness is growing.

*What can Lublin do next to improve its performance in this area?*

The better system of exchanging information within Department and between the Departments could improve the performance in this area. Additionally, we could enlarge the working group for strategy by including the greater number of CCI representatives. At the last, but not least, we have learnt that better results are seen when a lot of activities are concerted in small geographical area – few streets, one district. If we are focused on some area, not on some sectors, the results of different activates (such as infrastructure, green areas, premises) are more visible.

## **Maintaining the involvement of local stakeholders and organizing decision-making for delivery**

### *How Lublin tried to overcome the challenge?*

The involvement of stakeholders can be done either by the top down approach (e.g. city office offer some programs), which can sometime not meet the needs of the environment, or by rather bottom up approach where stakeholder brings their ideas and comments to be implemented. In case of Lublin municipality, very often bottom up approach didn't work well, due to fact that stakeholders were bringing the ideas which are not in the scope of activities of the municipalities.

At the beginning we were focusing on activities targeted to CCI stakeholders who are not located on dedicated area yet. By doing this, we were neglecting the stakeholders already present in the target area. City conducted research in order to better diagnose the needs of the stakeholders. Based on that experience, the municipality decided to change the approach and focus on old and new entrepreneurs. If entrepreneurs from the area are also supported they don't feel that it is unfair that only the new ones get financial incentives. It contributes to better atmosphere and cooperation between new and old ones.

Additionally, following the experiences from the previous years, we organized the Local URBACT group based on few very engaged members, who represented the creative ecosystem in Lublin. Their involvement as well as regular active participation was very important in order to ensure the involvement of local stakeholders in decision-making process.

### *What was the impact of this?*

The change to focused on old and new entrepreneurs in the target area, contributes to better atmosphere and cooperation between new and old ones. Numerous actions implemented in the area helped us to trigger greater interest in commercial premises located in the area and as a result some new entrepreneurs were attracted (eg. Piękno Panie Founadtion, Orizon Group dealing with graphic design and MM Create dealing with packages design). Moreover, financial situation of entrepreneurs from the target area has improved. We have also observed that one apparently minor action may result in new initiatives. E.g. Mrs Agata Zienkiewicz who was the winner of the first edition of creative transformations

initiated renovation of shop fronts in her premises, she also started to run workshops for children teaching them how prepare carnival decorations. Organizing numerous initiatives helps us to keep a close bond with the entrepreneurs and thanks to its design better support tools and better disseminate information about city's initiatives.

*What can Lublin do next to improve its performance in this area?*

In order to improve our performance in engaging and maintaining the involvement of local stakeholder, we could emerge the local leader, the person or the group of people who would represent the community of the area as well as he/she would be respected and well known to the community. Ideally, it should be the in bottom up approach.

### **Setting up efficient indicators and monitoring systems to measure performance**

*How Lublin tried to overcome the challenge?*

Municipality of Lublin has have some experience based on Lublin Development Strategy 2013 – 2020 in setting up indicators dedicated for CCI sector in order to measure the performance. The example of such are: number of businesses included in the sector of creative industries compared to the total number of business or employment in the creative sector compared to total employment. However, during the journey we have discovered that such approach is not the most effective one due to the fact that the reports checking such indicators are published after 2 – 3 years after. Such delay cause the lack of availability to current monitoring of the situation. Additionally, such reports are based on the NAICS codes, which is based on declaration of entrepreneurs. However, in the reality is it often the fact that the main scope of entrepreneurs activity is different when stayed in the papers.

We have decided to overcome the challenge by changing the indicator to the one that are easier to verify, and at the same time easier to be collected as such: vacancy rate of an available premises in target area, nature / scope of activities of companies presented in target area, life span of supported companies, number of applicants to the number of places for the workshops and other events and number of supported companies.

*What was the impact of this?*

We are able to almost immediately receive feedback about changing some indicators, for example premise was rented. The objectives are clearly defined in form of output and result indicators. In order to monitor the development there is management information needed from different resources (statistical office, monthly on-site verification, yearly reports). The local stakeholders and end-users are also responsible for collecting the data and passing them to the dedicated team within Municipal Office. The roles and responsibilities related to collecting the data, monitoring and the decision making have been identified and established.

*What can Lublin do next to improve its performance in this area?*

In order to have large view on the CCI sector in Lublin, the indicators should assess the activities performed by the Lublin Municipality. The indicators could include the opinions of the citizens about the CCI sector as well as the activities for CCI sector. Such indicators would be closely related to the quality of life.

### **Moving from strategy to action-plan**

*How Lublin tried to overcome the challenge?*

One of priority areas in the Lublin Development Strategy 2013 – 2020 is entrepreneurship. Among other priority sectors, supporting culture-creative industries is clearly stated. However, at the initial years of strategy implementation, larger effort was put on other sectors of entrepreneurial development, such as developing the industrial and services sector. The challenge of the municipality was that the many different actions in the creative sector were not really coordinated. Additionally, the challenge was to find such ways of supporting the CCI sector, which are legally possible by the municipality, which is the smallest unit of local governance in Poland.

Due to the fact that Lublin decided to participate in the Creative Spirit project, several small actions concerning CCI started to be coordinated by the Strategy and Investor Assistance Department. Moreover, Lublin has found such solutions, which are eligible for municipalities such as offering the city premises, or doing renovations of the premises. Additionally, city

office become the information hub about the possibilities for CCI's offered by the different institution in the city. We have built the real action plan which consist activities, that are possible to be delivered by the municipality.

*What was the impact of this?*

We, as the public authorities at the municipal level, are able to design and introduce such actions in the action plan, that which are not dependent of any other outside factors – like regional policy, national policy or market.

*What can Lublin do next to improve its performance in this area?*

In order to improve the performance in this area, we could obviously allocate larger budget, which could bring the larger scope of the activities. However, the other important innovation for the next time, is to support the already existing companies in the target area in scale-up process. The creative sector is not the easy one for scaling up, that is why the Lublin Municipality could build the proper environment for companies who has potential to growth.

### **Enhancing the funding of urban policies by exploring financial innovation**

*How Lublin tried to overcome the challenge?*

Financing the culture creative industry is not easy task. Since 2016 the City policies has changed towards that sector. Since then, we are looking for appropriate financial instruments, which could be dedicated for creative industries. The challenge for the City was the lack of dedicated funding for CCI, at the beginning of the project.

The financial innovation created by the City of Lublin could be observe in the Creative Transformations project. As it was mentioned before, the Creative Transformation aims to renew the internal of premises in order to support the creatives in the target are, promote them and attract new clients. The concept was based more on giving the hook not a fish. The City designated EUR 4600 for each premise. The owner were obliged in the participation with around 10% contribution. The contribution could be done in material or not material way (for example – your own work).



## Creative Transformations

The second financial innovation can be the our way to encourage the entrepreneurs to rent premises in the target area. The premises are offered to entrepreneur who can renew it according to their needs. Later on, the invested money are returned up to 50 % of month rent with



maximum 3 years. By such financial scheme, the investment expenditures made by the entrepreneurs are covered by the state, the entrepreneurs has the place, which exactly match to their needs and state still has some income due to the fact of renting its property.

### *What was the impact of this?*

During last two years altogether four premises in the target area were included in Creative Transformation project (two per year). Additional two are planned in 2019. From the observation of the creatives, the turnover increased by around 30% after the transformation.

From the second instrument around 20 entrepreneurs decided to rent the place, renovate it and dedicate the expenditure from the rent. As easy we can calculate that 40 premises were rented in last two years.

Social participation and social inclusion of the citizens is crucial. Presented above financial innovation for urban policies, not only funding the city policies, but also give the powers to people untimely become responsible for the future of the target area.

### *What can Lublin do next to improve its performance in this area?*

The lesson learnt by the Lublin Municipality regarding that challenge is to look for the option that already exist 'on the market' or better say are available for the Municipalities. Based on

that knowledge it is possible to create some financial; innovation including the crowdfunding possibilities.

## **5. Learning Journey**

### **Phase I**

Our learning journey had some bumps in the road. However, it was a great one! The first ULG meeting met with large interest. Almost 30 people attended and presented their needs, demands and challenges. However, the majority of them could not be solved neither by Creative Spirit project nor by the Municipality. The original concept of the Lublin Municipality was based on three pillars: premises, small grants, and improvement of soft skills such as: promotion and mentoring.

During Ujbuda and Waterford CSM on the first period of Creative Spirit project (at the turn of 2016 and 2017), Lublin had the opportunity to know the concept of creative district as some condense place where creative entrepreneurs are gathered. The concept presented include the lower renting for these particular target group made by the municipalities.

During the year 2017, we have tried to pass the new law aiming to lower the renting prices in municipal premises for creative entrepreneurs. Unfortunately, such solution did not meet with enthusiasms from the department that is responsible for it. Considering that as well as difficulties to implement that piece of law, Lublin decided to drop that activity. Such actions are not at the scope of activities of the municipality, and we should focused on these resources and possibilities that we are able to influence on. However, at the same time we decided to use these kind of tools that are already existing with adaptation to our currents needs.

### ***June – December 2017***

In the first six months of Phase II of Creative Spirit project we mostly share our own experience from previous years, especially dedicated to the problem of setting up efficient indicators, as well as to the topic of moving from strategy to the action plan. The kick-off meeting of the phase II took place in Lublin which had a master class about the challenge no. 4. Additionally, during the Kaunas CSM, held in December 2017, the representatives of

Lublin had the opportunity to meet with the team responsible for building up the strategy of Kaunas in order to help them to structure the work and share knowledge and experience from the process of creating Lublin Development Strategy 2013 – 2020. From Kaunas, we learnt about the CreArt network, which support the cultural and creative associations to enter into an EU dimension. Lublin is also a part of that network. As a result of that we have tinting the cooperation with Lublin Culture Department. It is also worth to mentioned here that starting point to talk about CCI sector should be an map. The inspiration to create Lublin CCI map come from Kaunas.

Internally, the Lublin Municipality was getting know better about creatives located in Lublin Creative District as well the needs, challenges and altogether the current situation of CCI sector in Lublin. Before, Lublin Municipality was not aware of the scale, scope of activities and issues that important for that social group. As the result of that action, we come up with idea of local contest Creative Transformation and we implemented it.

### ***January – June 2018***

The peer-review meeting in Paris, held in February 2018, resulted with great ideas regaining the new indicators (response to the second challenge - setting up efficient indicators and monitoring systems to measure performance). We have already added the new indicators into our implementation plan. Additionally, after conversation with representatives from Waterford regarding mapping CCI, we coped its methodology and created similar map of creatives in Lublin.

From Ibi workshops (March 2018) we have learned a lot of about crowdfunding possibilities; that the city should be at least the knowledge hub about funding schemes offer by different institution or at the highest level had some fund dedicated for crowdfunding issues. We have started talks about implanting such solution in Lublin. Additionally, CSM in Ibi alerted us the importance of the concentration of the 'creative district'. If these activities are spread on larger area, it is more difficult to obtain the critical mass point.

From Ravenna CSM (May 2018) we learned how important is strong political will and support for such project like building creative district. Additionally, our Italian partners showed us perfect example of coordination between the public authorities and private owners of the plots.

The Sofia CSM (June 2018) was dedicated to the master class about building indicators for monitoring and evaluation proposes in projects related to creative sector. We implemented some of proposed indicators into our action plan. The new indicators are better adjust to results of our actions (we can measure the effects of our activities) and at the same time, they are easy to be verify. Very useful was the knowledge that quite often the statistical data describing CCI sector is available with some delay (for example two years). That is why it is worth to establish such indicators that doesn't required such knowledge. That is why we stopped using the NAICS codes not only by the fact that date are available with 2 – 3 year delay, but also based on the fact that that codes are not suitable for CCI sector. The best example to illustrate it is printing by NAICS code it can equally zero point or publishing and printing books.

### ***July – December 2018***

From Loule CSM (September 2018), we took a lot of inspiring ideas to be implemented in Lublin, such as the Design Lab, pop-up store and the idea of exchanging with the city office professional services (e.g. graphic design) for renting their office space. As a result of from the first inspiration (Design Lab) we opened the *Ładno Pracownia*, the municipal co-working place where everyone can join, do its activity and develop its creative business. The great opening of the space was in October 2018. The two other inspirations will be implemented in near future.

The other implemented actions in this period were second edition of the Creative Transformation, renovation of the premises and exchanging several signboards. Additionally, the CCI mapping was done in form of extensive report "Creative industries sector in Lublin". The research presents the diagnosis of the state of creative industries in Lublin by desk research, quantitative research by CAWI method and qualitative research by FGI method.

During the Waterford CSM (November 2018), Lublin had the opportunity to learn more about Waterford Walls project. It was a trigger to think about our Street Art Festival in order to change a little bit its formula.

### ***January – May 2019***

The last period of Creative Spirits journey is characterized by the legitimize the activities. We build complex offer for CCI sector. Lublin Municipality also took steps into creating the

Culture Creative Industries Development Strategy for Lublin. The basic points have been established. The Strategy will be finalized and voted by the end of this year.

Additionally, the activities implemented by the Department resulted in recognition of the office as a contact point and knowledge base about the premises and conditions of the development inside the Lublin Creative District.

## 6. Synthesis

During the Creative Spirits project we managed to implement several actions - three editions of Creative Transformation, in each two premises took part and improved their imagine, so altogether six entrepreneurs supported, four premises renovated and as a result rented and twenty four signboards exchanged. Additionally, the Lublin Fab lab was created named *Ładno Pracownia* in the municipal premises which is located in the heart of Lublin Creative District. Altogether, around 70 people used the opportunity to raise their competences and participated in the workshops. On the level of documents was created – the map of CCI sector, the extensive report diagnosing the CCI sector in Lublin and basic assumption for CCI strategy. However, Lublin Municipality was not able to manage the microgrants for CCI representatives due to lack of clear procedures how to do it. However, these procedures are under construction now, so the microgrants will be implemented in next years.

There three the most important learnings about the process of implementation:

1. Cooperate with local stakeholders, listen their needs, challenges and problems. It can be summarize as “get out of the building” and find your partners within local stakeholders.
2. Collect the information about the already existing solutions – the tools, and resources – might be spread out in different department or units. Add some missing links between them in order to build coherent and complex offer for your sector. Build the system and the most important promote it.
3. Focus on the solutions and ideas that are in competences of the Municipality; do not try to do things that you cannot do.

However, the biggest lesson learnt is keeping the attention to existing resources. We do not have here in mind only the already existing solution but the already existing entrepreneurs or stakeholders in the area. When we change our policy in order to focus on that group, the

policy started to be much more effective because there was direct link between the activities of the Municipality and the stakeholders.

To sum up, the biggest change Lublin made by the Creative Spirit project was change of the priorities of the policy towards the entrepreneurship. Before Creative Spirit project, the main focus was on the industry and service development. However, starting from 2017 the priority was moved toward creative industry. The well skilled team was created, the offer was build, the programs are offered. The plans for the future include building the creative industries strategy, which will be the part of general Lublin Development Strategy for 2020 – 2030 and implement these new actions.

## 7. Contact

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