

## NICOSIA, Cyprus

### The walled city of Nicosia

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The project to regenerate part of Nicosia's Taht-el-Kale quarter is being carried out by the municipality of Nicosia, with ERDF support under the OP 'Sustainable development and Competitiveness 2007-2013'. It is located in the south-eastern part of the walled city of Nicosia, an area with long-lasting problems of deprivation and abandonment, exacerbated by its proximity to the buffer zone which runs from east to west and divides the walled city, as well as the whole island, in two. Taht-el-Kale quarter is one of the traditional neighbourhoods within the walled city of Nicosia which is designated under national law as an 'Area of Special Character' and is of great historical and architectural importance for the metropolitan Nicosia area.

The project consists of physical rehabilitation works (upgrading of public spaces, roads, public utility services infrastructure and restoration of façades), so as to improve the quality of life for inhabitants and visitors and stimulate economic activity. It is part of the wider sustainable integrated regeneration strategy for the area and is implemented in relation to a number of social and cultural projects within the framework of the Nicosia Master Plan. In addition, the project works in conjunction with soft actions targeting vulnerable groups living in the area and small enterprises. The overall total cost of the project is €7 million.

The project is being implemented in three phases starting in 2007 and is expected to finish in July 2013. In total 8 000 sq m of roads and 4 500 sq m of pavements will be upgraded, and 150 façades will be restored in accordance with the restoration regulations in force. The project promotes the significance of public space, and is expected to have a multiplier effect, by enhancing the confidence of the private sector to invest in the area, as well as by consolidating the appreciation of local residents for their neighbourhood and thus motivating their further involvement in processes of urban development.

Emphasis has been placed on ameliorating the image and functionality of public space. This is expected to attract new active residents and small businesses. The restoration of façades of privately owned buildings is conceived as a trigger that will motivate the owners to continue the restoration with their own means, supported by the substantial governmental incentives and subsidies for listed buildings.

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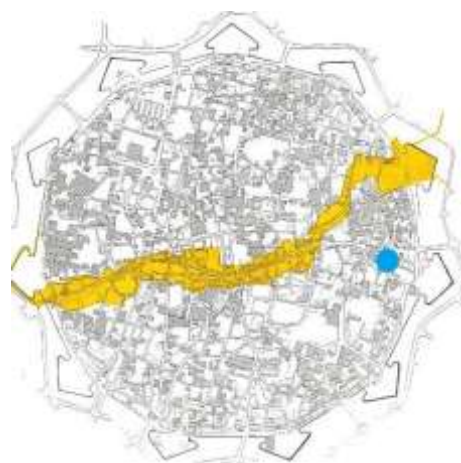
### *The walled city of Nicosia*

The project to regenerate part of Nicosia's Taht-el-Kale quarter is being carried out by the municipality of Nicosia with ERDF support under the OP 'Sustainable development and Competitiveness 2007-2013'. It is located in the south-eastern part of the Venetian walled city, in an area with long-lasting problems of deprivation and abandonment. The project aims to improve the quality of life and stimulate economic development, along with a number of other social or physical projects implemented in the area.

The project exists in a special urban context, characterised by its recent troubled history and the existence of the ceasefire line which runs right through it. The specific EU co-funded project contributes as part of the wider integrated strategy for the conservation and regeneration of the walled city of Nicosia, as it has developed since 1979 within the framework of the bi-communal Nicosia Master Plan (NMP) under the auspices of the United Nations Development Programme (UNDP).

### *A divided inner city*

The quarter of Taht-el-Kale is one of the traditional neighbourhoods of the walled city, situated very near the Green Zone (ceasefire line and buffer zone) that divides the city in two. This buffer zone, which winds through the city of Nicosia and the inner city enclosed by its Venetian fortifications, has divided the neighbourhood into two since the hostilities of 1974.<sup>1</sup> Yet tensions between the two communities and a process of segregation that had been under way since 1963, as well as the existing trend towards suburbanisation, had already resulted in the flight of the local population, and the abandonment and gradual downgrading of the old centre. The subsequent violent division of the city accelerated and intensified these processes.



The Taht-el-Kale quarter, along with the adjacent neighbourhoods of St Kassianos and Chrysaliniotissa, preserve the traditional character of the inner-city neighbourhoods and are of great cultural and social importance. Under the objectives of the Nicosia Master Plan, priority projects have been implemented in the walled city since 1980 with the aim of attracting young residents and new businesses. This aim has not realised its full potential to date.

The shrinking and ageing of the population, the lack (in both quality and quantity) of open and green public spaces, and the reduction of the productive base are some of the most important problems of the area. A number of indicators (such as the reduction in the number of permanent residents and especially of those who are economically active, and the high concentration of economically and socially vulnerable groups) illustrate the deprivation of the area, while the existence of incompatible uses, such as manufacturing and warehousing in the abandoned building stock, is often depicted as a problem. A large percentage of the built environment is dilapidated and buildings of great architectural importance are in very bad condition and stand empty. Moreover, the area lacks basic urban and social infrastructure. Finally, there are major problems of traffic and accessibility, also due to the total dependency on private cars and the underdeveloped public transport system.

The population of Taht-el-Kale, Chrysaliniotissa and St Kassianos dropped from 1 032 in 1982 to 798 in 2001 – a fall of 23%. Despite the various programmes implemented in the area, which managed to reduce the number of empty buildings from 335 in 1982 to 286 in 2001, 24% of the building stock remains empty. Most of the recent population increase, as well as a considerable share of the commercial activity, is due to the settlement of migrants in the broader area, who take advantage of

<sup>1</sup> For more information see: <http://www.un.org/en/peacekeeping/missions/unficyp/background.shtml>

the low rent levels. However, in most cases, the housing conditions of migrants and low-income people are very bad, owing to the dilapidation of buildings and the overcrowding of apartments and houses.

Today, Taht-el-Kale is a mainly residential area with some commercial and other uses along its main thoroughfares. Also, a lot of small manufacturing and warehousing activity, such as carpentry workshops, furniture showrooms, forges and building material warehouses, goes on in the area. These activities are the only productive base of the area's economy and lend it a special vibrant character. However, current land policy does not allow for further expansion of such uses which are incompatible with the strategic choices set out for the area in the Nicosia Master Plan – residential and recreational use – and there is an ongoing process of relocating them in designated industrial zones by giving incentives to the owners.

### ***A legacy of urban development programmes***

Since the division of Nicosia, continuous efforts have been made, for the simultaneous revitalisation of both parts of the walled city and its residential neighbourhoods, anticipating its future unification. The Nicosia Master Plan (NMP) has been a ground-breaking cooperation project between the two municipalities of Nicosia. It has undertaken a series of priority projects aimed at revitalising the traditional residential neighbourhoods, improving the environment, rehabilitating the commercial areas, restoring important monuments, refurbishing and reusing the available building stock, and redesigning public open spaces.

Particular attention was given to the formulation of a preservation and rehabilitation strategy for the historic centre. This has been an ongoing multidimensional process incorporating architectural, planning, social, economic and environmental objectives that constitute an integrated conservation policy for the walled city (Petridou, 2005). It is described as 'urban heritage-based regeneration', adopting cultural tourism and education as the prime movers to stimulate future residential and commercial activity.

Early interventions in the walled city were mainly residential programmes (housing rehabilitation and neighbourhood infrastructure) aiming to support the creation of an enduring local community. Between 1985 and 1990 two important such programmes took place in Taht-el-Kale and Chrysaliniotissa. The project in Taht-el-Kale was part of the national policy for the rehousing of refugees, which also provided an effective solution for the provisional usage of evacuated Turkish Cypriot-owned properties.<sup>2</sup> In Chrysaliniotissa<sup>3</sup> the state acquired through compulsory purchase orders all the abandoned and derelict buildings and empty plots. These programmes are considered successful since they managed to establish a local community and ensured a balance among the income groups that live in the area.

In addition to these, a number of other projects (such as the pedestrianisation of important shopping streets) have been implemented with the aim of enhancing the attractiveness and functionality of the main commercial areas of the walled city. Furthermore, since 1991, the state's *Green Line Regeneration Programme* has funded municipal social infrastructure projects such as youth centres, supported entrepreneurs, and grant-aided the rehabilitation of shops and offices. Since 2001, the UNDP/EU-funded *Partnership for the Future* programme has had a special section for the *Rehabilitation of Old Nicosia*, and has restored and promoted important historical and cultural landmarks.

### ***Boosting an already initiated regeneration process***

Although, in the past four decades, a large number of initiatives have been implemented in the area, the pace of regeneration has been very slow. The main reason for this, according to planning officers, is the limited resources allocated to municipalities and the centralisation of programming

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<sup>2</sup> After the division of the country a process of population exchange took place between the Greek and Turkish Cypriot sides. This created a great number of homeless refugees who had to be housed, but also created a problem regarding the properties that were evacuated on each side. Since then the social housing programmes of the Greek Cypriot government have focussed explicitly on supporting and rehousing the refugees, and a number of housing programmes have been implemented on both sides within the walled city.

<sup>3</sup> This project was part of a twin bi-communal pilot regeneration project in the quarters of Arab Ahmet (northern part) and Chrysaliniotissa (southern part) under the NMP with the support of the UNDP and USAID.

procedures and choices. A further cause is the process of suburbanisation which is still under way in Nicosia and the emergence of new hubs which compete with the old centre – an old centre that is still stigmatised by its proximity to the buffer zone and as such not considered attractive by most of Nicosia's residents.

The EU co-funded projects have significantly contributed to the dynamic of regeneration by giving impetus to specific high-priority projects. More specifically, during the previous funding period (2004-2006), the *Children's Educational Centre* for children living in the walled city and the *Municipal Multifunctional Centre for Contemporary, Social and Cultural Services* in the building of the old people's home at Famagusta Gate were developed. During the current funding period (2007-2013) apart from the *Regeneration of part of Taht-el-Kale Quarter*, EU Structural Funds are supporting the *Regeneration of the area of the old Town Hall*, the *Bus station on Solomou Square* and *Parking in Omirou Avenue* and the flagship project for the *Regeneration of Eleutheria Square*.

The project for the regeneration of part of Taht-el-Kale was conceptualised in continuity and complementarity with previous EU-funded projects located in the intervention area, such as the Multifunctional and Children's Centres, comprising altogether a comprehensive and multi-dimensional urban development programme.

The Municipal Multifunctional Centre provides upgraded social services to vulnerable social groups and has been established as a cultural reference point for the area and the entire city. It provides day care to elderly people, programmes for the work integration of migrants and support to women entering the labour market by providing childcare. Also, it offers language and computer lessons for immigrants (funded by national resources). Moreover, the centre's facilities often host cultural events organised by civil society organisations and NGOs. The Children's Centre promotes the integration of migrants' children through educational, social and cultural programmes. It also hosts exhibitions in cooperation with the Ministry of Education and Culture and has organised several arts and crafts workshops. They are both currently expanding their activities with the support of national and international funds.

### ***Investing in public space as a catalyst for further development***

The regeneration of part of the Taht-el-Kale quarter is financed by Cyprus's *Sustainable Development and Competitiveness 2007-2013* operational programme, under the priority axis *Revitalisation of Urban and Rural Areas*. It is considered as one of the priority investment projects currently under way in the walled city, and includes housing revitalisation, restoration of historic buildings and upgrading of public spaces. The technical team of the NMP Office, consisting of architects, planners, civil engineers, quantity surveyors and financial administration officers, designed the project and are responsible for its implementation and management.

The project promotes the significance of public space, and is expected to have a multiplier effect, by



enhancing the confidence of the private sector to invest in the area, as well as consolidating the appreciation of local residents for their neighbourhood and thus motivating their further involvement in processes of urban development.

The project mainly consists of hard actions of physical upgrading. The works include the restoration of façades and fences of buildings facing the roads; the restoration of buildings of significant architectural value; the redesign of public spaces and roads in order to improve pedestrian accessibility, particularly for disabled people, including lighting and urban equipment; the creation of small public open spaces; the rearrangement of common service infrastructure and upgrading of the sewage system; and new traffic arrangements.

The total budget of the project is €7 million. It is planned and implemented in three phases starting in 2007 and is expected to be completed in July 2013. In total 8 000 m<sup>2</sup> of roads and 4 500 m<sup>2</sup> of



pavements will be upgraded, and 150 façades of privately owned buildings will be restored following the specific restoration regulations applied in the area through the Local Plan provisions.

According to the original project description the goals and expected outcomes of the intervention are:

- To improve the physical and built environment of the neighbourhood through its functional and aesthetic amelioration in order to counter the downgraded image of the area and make it more attractive, aiming at its broader socio-economic regeneration;
- To preserve the area's traditional character and promote its architectural and cultural heritage. In this way the project is expected to act as a catalyst for private initiatives for the rehabilitation and reuse of abandoned buildings. Such private initiatives can be further supported by the substantial governmental incentives and subsidies for listed buildings;
- To create important landmarks of city-wide appeal by redesigning open public spaces (which are very limited in the area) in order to improve the quality of life and strengthen the sense of community and neighbourhood for local residents;
- To facilitate the future development of the area as an important and lively regenerated urban centre in connection with adjacent neighbourhoods and other important social and cultural spaces (Taht-el-Kale mosque, Famagusta Gate, Melina Mercouri cultural centre, Municipal Art Centre and new Town Hall area, Multifunctional Municipal Centre, Museum of Shadow Theatre, old bakery building, etc.), which are also part of the overall plan for the revitalisation of the walled city;
- To mobilise private investment and initiatives for the development of new economic activities, especially third sector initiatives relating to culture and leisure (youth leisure activities, small enterprises compatible with the main residential use of the area, creative sector activities etc.), while also providing new employment opportunities;
- To attract new residents (especially young couples) and economically active social groups, as well as visitors and leisure and touristic activities.

### *Implementing the works*

An informative public presentation of the project by the mayor of Nicosia and the architects of the NMP Office in charge of its design and future implementation was organised, and many local residents attended. What came out of this meeting was a different prioritisation of local problems and needs. Although the residents recognised the positive effects of physical upgrading and amelioration of the city's image, they stressed the need for projects that would address more urgent problems concerning the sustainability of the area and the quality of everyday life. These were related to car traffic, parking, lack of basic infrastructure (such as drainage), lack of urban equipment, rubbish collection and noise from the uncontrolled operation of bars and clubs in residential areas.



**Ammohostou Street**



**Ammohostou Street and  
Taht-el-Kale mosque**



**Ektoros Street**

The implementation of the project has not met any significant problems or obstacles. During the upgrading of roads, pavements and public spaces, difficulties arise with coordinating the utility services (sewage, water, telecommunications, electricity etc.), as well as diverting traffic and managing building sites so as to minimise disturbance. Several technical problems have occurred during the restoration of façades, especially in buildings in really bad condition, and delays are

caused during the excavation of roads when archaeological remains are found and the archaeological heritage agency is called in.

Regarding the restoration of façades, council officials negotiate individually with building owners in order to reach an agreement about the works to be done on their property. Landowners broadly consist of individuals, the church and archbishopric, the municipality and private companies. Overall, the owners' reactions are positive and, apart from small changes and adjustments, the intervention is advancing as foreseen.

The interventions on private property are quite a novel approach for a regeneration project of this kind, since the common practice is that public investments are limited to public spaces and public property. By intervening in the inhabitants' private property, the project contributed to the legitimization and wider acceptance of the whole intervention, since it directly distributed material gains to local residents, landowners and shopkeepers. Also, the fact that no restrictive covenants (e.g. on rent level or sale price) were placed on owners regarding the future use of their property limited objections. Despite some discontent expressed by residents and owners due to the partial restoration of buildings, in the end the amelioration of facades is already an added value for their homes and properties as well as for the image of the public space.

### ***Challenges for sustainability and future impact***

It is quite early to assess the long-term effects of the project in relation to its initial goals and expected outcomes (in terms of mobilisation of private investment, attraction of new residents and new economic activity, employment etc.). Nevertheless, some important challenges are apparent as regards its sustainability and long-term impacts for the neighbourhood and local society. These concerns came out mainly in discussions with end users (residents and shopkeepers) and other experts (planners).

The first issue relates to the sustainability of the regeneration project and its capacity to mobilise private initiative and investment for the continued preservation of the architectural and cultural heritage of the area. It is anticipated that the project will motivate the participating and other property owners to restore (or continue the restoration of) their buildings using their own means, or in some cases taking advantage of the fiscal incentives given by the Ministry of Finance for the rehabilitation of listed buildings (covering up to 50% of the cost up to a certain ceiling). In fact, it seems that the project has prompted an increased interest in rehabilitation subsidies, and a growing number of applications is being made. However there is concern that the 'scenographic' choice – to rehabilitate only façades as if the area were a theatre set – will lead to the rapid deterioration of the repair works, especially in the case of empty dilapidated buildings, but also in the case of low-income owners and residents who do not have the means to complete the restoration.



**Pentadaktilou Street and Ermou Street (to be restored during the 3rd implementation phase)**

The second issue relates to the control of property prices and the possibility of attracting new residents and new uses to the area. The return of past residents or the attraction of new ones, especially young couples, as well as the establishment of new economic and third sector activities in the area, is one of the most fundamental aims of the project. After the implementation of the first phases of the project, a growing interest in the area has been observed. As a local businesswoman said: 'There is an increasing number of people asking to buy or rent in the area, especially people related to the arts, such as architects, artists and craftsmen, who recognise the value of the old city and want to live in this environment. The area attracts mainly prominent people with money. Property values have risen very much in the area.' However, rigidities in the property market related to the fact

that there are no (or very few) properties for sale, together with the high expectations created by the various regeneration projects, have resulted in unreasonably high selling prices (and sometimes rents) for houses and shops, which make the realisation of expected outcomes more difficult.

The final issue relates to the need to balance the various new activities that move into the area, so as to avoid conflicting uses and creating new types of disturbance for residents. A number of end users complained about the reduction in the number of parking places for residents (since wider sidewalks were constructed), but also about the fact that new traffic arrangements do not take into account the increasing need for parking spaces that new cultural and recreational activities produce. Furthermore, residents point out that there are severe problems of noise disturbance from the clubs and bars that are opening in the area. In relation to that, local residents are asking for more radical measures to control car traffic, provide parking spaces and enhance the public transport system. They are also asking for stricter control of the new cultural and entertainment uses settling in the area, since they think that the residential neighbourhoods are already saturated by such uses.

### ***Enhancing the integrated perspective***

The Planning and Managing Authority has acknowledged that the integrated perspective has been quite underdeveloped during the current EU programming period and that the projects funded consisted mainly of basic infrastructure works. The emphasis on hard measures in the operational programmes of the New Member States seems to be quite a common tendency, since emphasis is put on remedying the shortcomings of the basic infrastructure. Furthermore, the quite recently established mechanisms of management and monitoring of EU-funded projects in Cyprus (since 2004) and the relatively small amount of experience, prevents beneficiaries from developing more multidimensional interventions as this would render their implementation more complex.

The projects and programmes that have been implemented so far constitute a valuable legacy for the future regeneration of the area. However they have been functioning mostly as a combination of different projects without much internal coherence, which has limited the impact of the revitalisation process. This is partly due to the limited public resources, the discontinuity and inconsistency of funding opportunities, as well as the need for better cooperation and coordination among the different administration levels involved in urban planning and governance. It is crucial to strengthen the local level by delegating the powers and resources needed to operate multi-sectoral policies (such as social services, housing, integration of migrants), as well as to establish mechanisms ensuring the actual participation of citizens from the early planning stages onwards.

Nonetheless, this weakness has already been noted and is taken into account in the planning of the next funding period. The Intermediate Managing Authority has produced a set of guidelines according to the Europe 2000 strategy, and has invited municipalities to develop projects emphasising their integrated dimension and taking advantage of co-funding possibilities.

### ***Transferring good practice***

The regeneration of part of the Taht-el-Kale quarter is a project dealing both with the preservation of a traditional neighbourhood of great architectural and cultural importance for the city and the pressing need for the economic, environmental and social revitalisation of the area. The intervention is taking place in a particular context which has experienced a violent discontinuity in its urban history, making more complex and multiplying the common problems of inner-city distress. The success of the project is very much linked to its interrelation with previous social and rehabilitation programmes implemented in the area, which are part of the wider strategy for the regeneration of the Nicosia inner city under the Nicosia Master Plan.

National and local planning and managing authorities are careful to conceptualise individual sub-projects as part of a wider strategy and of a vision for the city, which subsequently produces multidimensional outcomes and enhances their social and economic impact. They have developed the capacity to pull together different kinds of plans and match programmes from different levels. This has allowed the development of synergies among projects and programmes, but also the capacity to take advantage of different funding opportunities and direct them towards converging outcomes.

The ERDF support may not have been the initiator of this whole integrated regeneration process, but has contributed crucially by accelerating priority investment projects, such as the regeneration of

Taht-el-Kale, by providing important resources. Furthermore, the mechanisms and framework of the ERDF added value by introducing new considerations into urban development, such as new governance mechanisms, participatory processes and comprehensive multi-sectoral schemes. However, the introduction of new insights and practices is a step by step learning process for all involved. In this sense, the project added to the institutional operational capacity of the Municipal Planning Authority and the managing authorities for the development and implementation of future projects.

The total impact of the project so far has been, according to the beneficiary, much wider than expected. Direct results, such as the improvement of public spaces and the physical environment, are already visible. Evidently, long-term results will show in the long run after the completion of the third and final phase of the project, as well as the completion of other projects in the area directly connected to it. Even so, the project is considered a success in its kind, and similar interventions are advancing in other parts of the walled city with governmental and municipal resources, and in other traditional neighbourhoods of Nicosia with ERDF co-funding.

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AEIDL has been contracted by the European Commission in 2012 in order to provide 50 examples of good practice in urban development supported by the European Regional Development Fund during the 2007-2013 programming period (contract reference 2011.CE.16.0.AT.035). The views expressed by AEIDL remain informal and should not under any circumstance be regarded as the official position of the European Commission.