

# Location Analysis Gabrovo



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CINEMA - DTP327  
Deliverable D.T1.2.2

Final version  
2/2021

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## 1. Purpose of the location analysis

As part of work package 1, CIMA's task is to perform an initial, general location analysis in all CINEMA pilot locations.

The main aspects and objectives of this location analysis can be summarised as following:

- ▶ professional assessment of the economic and urban development structures in the city centres of the 8 pilot locations
- ▶ on-site visits including inspection of the micro pilot locations for creative industries development
- ▶ evaluation of the economic effects and interactions of the creative industry projects on the inner-city structures
- ▶ professional input or comments for the planned pilot model in the creative industries
- ▶ conception of accompanying measures to make inner-city areas more attractive

The site analysis is based on the following insights and results:

- ▶ results of the written surveys by CIMA, CIKE and HDS
- ▶ on-site visit or inspection of the planned micro-location in Gabrovo for pilot model implementation
- ▶ "city check" - economic and urban development on-site analysis of the city centre on the basis of a 23-part catalogue of criteria
- ▶ "trend check" - evaluation of the city centre of Gabrovo on the basis of 24 current trends in consumer- and location marketing, retail, gastronomy and residential sectors

- ▶ meetings with local decision-makers from the city politics and administration of Gabrovo
- ▶ CIMA's many years of experience in the economic and urban development assessment of city centres and corresponding location benchmarks

Due to the overall CINEMA project concept, the financial and time limits, this location analysis is a first orientation guide, but **not a complete** (inner) urban development concept.

The on-site analyses in Gabrovo were conducted by CIMA from **November 23<sup>rd</sup> to 27<sup>th</sup> 2020**.



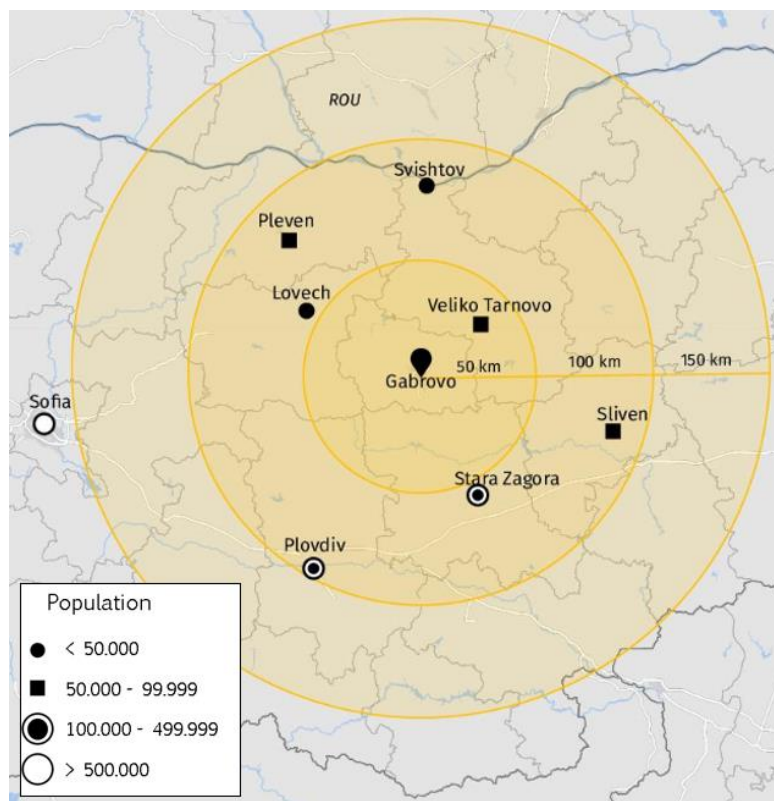
## 2. Facts and figures about Gabrovo

### 2.1. General description

Gabrovo is a city in Bulgaria with 55,656 inhabitants (municipality - 67,561) located in central Bulgaria, at the north slope of the Balkan Mountains, in the valley of the river Jantra. It includes the city of Gabrovo and 134 villages. Its surroundings are predestined for sports and recreational activities.

Gabrovo has a **rich industrial heritage**. On a national (and international) level Gabrovo is well recognized as the **“capital of humour”** with its House of Humor museum and the International Biennale of Humor and Satire in the Arts Biennale. The city is also part of the UNESCO Creative Cities Network.

Another prominent place to visit in Gabrovo is **ETAR** - an open air museum, which keeps artisanal traditions alive in a carefully re-created, historic environment.



Source: www.mapz.com, adapted by CIMA, 2020

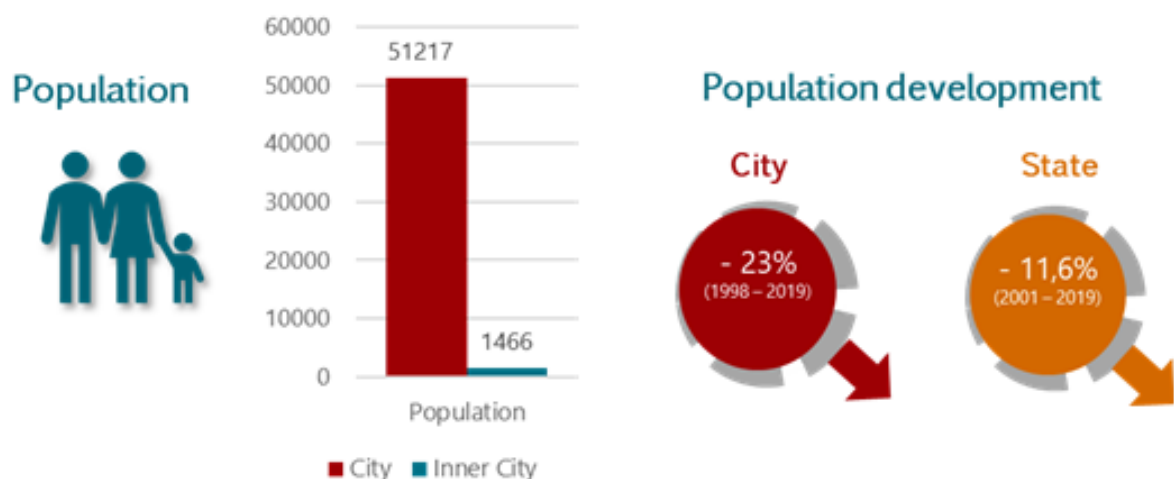
#### Accessibility:

Gabrovo’s central location comes with its merits: it is 200 kms to the capital of Sofia and 140 kms to Plovdiv. The black sea can be reached after 265 kms at the sea port Varna or after 250 kms in Burgas. The Danube ports Ruse (145 kms) and Svishtov (125 kms) are also well reachable.

The main airports in Sofia or Bucharest, Romania, are between 200 kms and 240 kms away.

## 2.2. General location data

### Gabrovo



#### Retail businesses in the city centre



140 retail businesses  
1 shopping centre  
1 farmer market with  
70 traders

about 8.000 m<sup>2</sup> retail space  
30.000 m<sup>2</sup> retail space in the  
outskirts (mainly in shopping centres)

#### Economic data in the municipality

- Ø 572€ private net- income per capita per month (BGR)
- 16.496 employees and 3.568 companies in the city
- 248 companies in the inner- city



#### Tourism in the municipality



152 accommodation facilities  
145 gastronomic and entertainment entities  
101.084 overnight stays in 2019



+11,8% in the last 5 years

#### Average Rent

- Retail stores: Ø 6-18€/m<sup>2</sup>
- Gastronomy: Ø 8-14€/m<sup>2</sup>
- Office space: Ø 5-9€/m<sup>2</sup>
- Living space: Ø 3-6€/m<sup>2</sup>



Sources: National Statistical Institute, Gabrovo Municipality database, Database of Civil Registration and Administrative Assistance Department in Gabrovo Municipality, Regent Real Estate Agency, Unified Tourist Information System, Research of the Institute for Market Economics, [www.worldbank.org](http://www.worldbank.org)

## Expert remarks:

The following expert remarks are made on the basis of this data:

- ▶ The documents provided by the city of Gabrovo not only contained a wealth of very detailed key figures on the socio-demographic and economic situation in the entire city and city centre, but also a lot of additional information. On the basis of this **excellent data material**, CIMA was quickly able to gain a sound insight and overview of the local framework conditions.
- ▶ The **strong population decline** in Gabrovo in the last 20 years (-23 %) and the low birth rate are certainly "late consequences" of the political and economic upheaval at the end of the 1980s and beginning of the 1990s.
- ▶ Despite the existing capacities, the **city centre seems unattractive as a residential location**, as only 2.6 % of the total population is located in the city centre core area.
- ▶ In contrast to many similarly structured and sized cities in southern and south-eastern Europe, the city centre of Gabrovo has a very **dense economic structure** (a total of 248 businesses), whereby the vast **majority of these businesses are small-structured** (few employees, small to medium-sized areas).
- ▶ **56 % of all inner-city businesses** can be assigned to the **retail sector**. In view of the absence of a large city centre shopping mall and the many small-structured businesses, the **inner-city sales area** (8,000 m<sup>2</sup>; around 20% of the total city retail area) can be classified as **adequate**. In the course of the on-site inspections, CIMA gained the impression that the **quality range of the existing businesses is very wide** (high number of discount-oriented businesses with highly improvable shop exterior and interior design as well as a number of shops with contemporary product presentation and clear brand orientation).
- ▶ For many cities, **green and farmers' markets** are attractive places to visit and also **generate important additional footfall for the entire city centre economy**. Despite structural and design deficiencies, both directly at the market and in the

immediate business environment, the market is apparently well received - also due to the high density of traders.

- ▶ The city centre of Gabrovo has a **serious empty space problem**. According to the documents provided and the on-site checks by CIMA, **51 shops are currently not in operation** in the rather small town centre. In addition, a number of larger buildings, some of which are owned by the town (e.g. 2 schools), are vacant.
- ▶ The **rental price ranges** in the city centre of Gabrovo are definitely **at Central European levels**, especially in the categories "gastronomy" and "offices".
- ▶ According to information from the city of Gabrovo, there are around **540 public parking spaces** available in the city centre of Gabrovo. In view of the existing economic structure and the resulting need for parking space (e.g. the local inner-city trade alone requires around 400 parking spaces<sup>1</sup>), the number of parking spaces is - according to expert assessment - to be judged as insufficient.
- ▶ With more than **100,000 overnight stays**, **tourism** in Gabrovo definitely represents an economic significance that should not be underestimated. The **gastronomic density** in the city centre is rated as **satisfactory**.

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<sup>1</sup> Anzahl der Parkflächen für Einzelhandel errechnet sich wie folgt: je 20 m<sup>2</sup> Einzelhandelsverkaufsfläche - 1 Parkplatz; bei rund 8.000 m<sup>2</sup> innerstädtischer Verkaufsfläche in Gabrovo ergibt sich ein Parkplatzbedarf von 400 Stellflächen; zusätzliche Parkplatzbedarfe ergeben sich durch die lokale Innenstadt-Gastronomie (z.B.: je 4-5 Sitzplätze - 1 Parkplatz), Dienstleistungsunternehmen, Mitarbeiter der Innenstadtbetriebe, Innenstadtbewohner, etc.



### 2.3. Economic structure

From handicrafts and small-scale manufactures, like braiding, weaving, furriery, pottery, carpentry, woodcarving and silversmith's and fuller's trade to large-scale industries in the textile, leather and metal sector as well as rubber and plastic products and food processing. In total, **3,568 companies** operate in Gabrovo, with 3 large companies employing more than 500 people and 5 companies employing between 250 and 500 people.

More than **50% of products are exported** on average; the textile and clothing sector exports even 80% of the production and 2/3 of the machinery and equipment production is exported as well. Only the food and beverages production is focused on the domestic market.

Today, Gabrovo has four industrial zones at the outskirts of the city, which are connected by the ring road:

- The **North Industrial Zone (NIZ)** is the biggest zone with about 3,532k square metres, where production and warehousing activities are taking place on mainly privately owned land.
- The **South Industrial Zone (SIZ)** with around 400k square metres has potential for further developments due to the availability of vacant land.
- The **South Industrial Zone East (SIZ-E)** along Yantra river is the oldest industrial zone established in the 19<sup>th</sup> century, where first craft workshops and textile factories were located. Today the 300k sqm area is multi-functional.
- The **South Industrial Zone West (SIZ-W)** is a 645k sqm large zone consisting of a few individual production plots with multifunctional use.

There is also the **Gabrovo/Sevlievo Industrial Zone**, which is shared by the two cities and in constant development.

## 2.4. Town centre marketing and city centre development

The city of Gabrovo does not have a designated Town Centre Marketing organisation. Gabrovo Municipality provides the Annual Programme for Tourism Development in Gabrovo and also maintains the tourist information centre and the official tourist website [www.visit.gabrovo.bg](http://www.visit.gabrovo.bg).

City centre development agendas are also located with the municipality.

Due to a lack of willing people, there is no local business/retailer association.



## 2.5. Creative industries in Gabrovo

On a national level, there are two long-term strategies ([Strategy for the Development of Culture in Bulgaria 2019-2029](#) and the [National Strategy for the Development of Creative Industries in Bulgaria](#)), which are not approved by the government and therefore not implemented. The local strategies of Gabrovo municipality are much more implemented, for example the [Strategy for the Development of Culture in Gabrovo municipality 2014-2024](#) and the [Development of Gabrovo municipality 2014-2020](#), followed by the new plan for 2021-2027.

There are several forms of financial support for the CI in Gabrovo, for example:

- **Culture Programme of Gabrovo municipality**

Established in 2011, the municipality of Gabrovo provides annual funds from the municipal budget. The main goal is to support and enhance the development of cultural initiatives and quality cultural products, to identify original and innovative approaches and solutions in correspondence with the strategic goals of the municipality.

- **Youth Activities Programme of Gabrovo municipality**

The aim is to promote the development of creative competences and initiatives and support youth projects.

- **Gabrovo Innovation Camp**

Started in 2016 as a joint initiative of the Bulgarian President, the President of the Committee of the Regions, the Mayor of Gabrovo and Regional Information Centre Gabrovo, the Gabrovo Innovation Camp was awarded national winner at the European Enterprise Promotion Awards in 2018. Lately, many partners and more than 300 participants worked on 13 different challenges.

➤ **Community Donation Fund Gabrovo**

Established in 2002, its goal is to implement local projects in the region of Gabrovo through donation initiatives in the fields of the improvement of the urban environment, healthcare, education and tourism and by involving citizens and authorities.

Additional to those Gabrovo specific support programmes, there are also the **National Culture Fund by the Ministry of Culture** and the **America for Bulgaria Foundation**.

Besides the financial support, there are also a series of non-financial aids, which the municipality of Gabrovo provides, for example rent reduction, free working equipment at public CI events or rent-free premises for those events.

There are many cultural networks, mostly with the museums in Gabrovo, but the city is also a member of the **UNESCO creative cities network** and the Agenda 21 for Culture and the Creative Tourism Network. There are also several events all year around regarding the CCI sector.

There are currently no local HUBs in Gabrovo, but there is a co-working space/café “**The Library**” at the building of the Technical University library, which combines a place to work, including office equipment and free internet access, with the advantages of fresh food and drinks.

Regarding the business supporting services, the **Gabrovo Chamber of Commerce and Industry** provides various services, for example administrative services, information and consultation as well as training and assistance services. There are also some general administrative services from the **municipality of Gabrovo**. The **Regional Information Centre Gabrovo** provides information on EU-funding opportunities.

Currently, there are 14 cultural institutes, about 25 NGO’s operating in the creative sector and 25 creative formations in the spheres of folklore, theatre, music and dances. Apart from crafts, which are predominant, the following CI businesses can be outlined (the numbers are approximate): 70 musicians; 30 artists; 5 sculptors; 30 writers; 20-25 actors; 10 choreographers; over 50 businesses in the sphere of media, PR, advertising, publishing, software design (graphic, web, architectural, interior), photography.

Gabrovo also has several art and design schools, like the National Highschool in Applied Arts or the Technical University Gabrovo.

The main results and insights of the questionnaire by PP 3 HDM are:

- Gabrovo is known as a **cultural** and **creative city** and especially for its **craftsmanship**
- the CI are **not really visible** and therefore have little impact on the daily life in Gabrovo and also little collaborations with other industries
- the start-up scene could be better established and there could be a more structured approach towards engaging and activating the potential of entrepreneurship and creativity
- the Technical University in Gabrovo is seen as a huge potential, if the quality of education and the reputation are improved
- the presence of the CI is mostly visible during the cultural events, otherwise, they are not very present



### 3. “City check” results

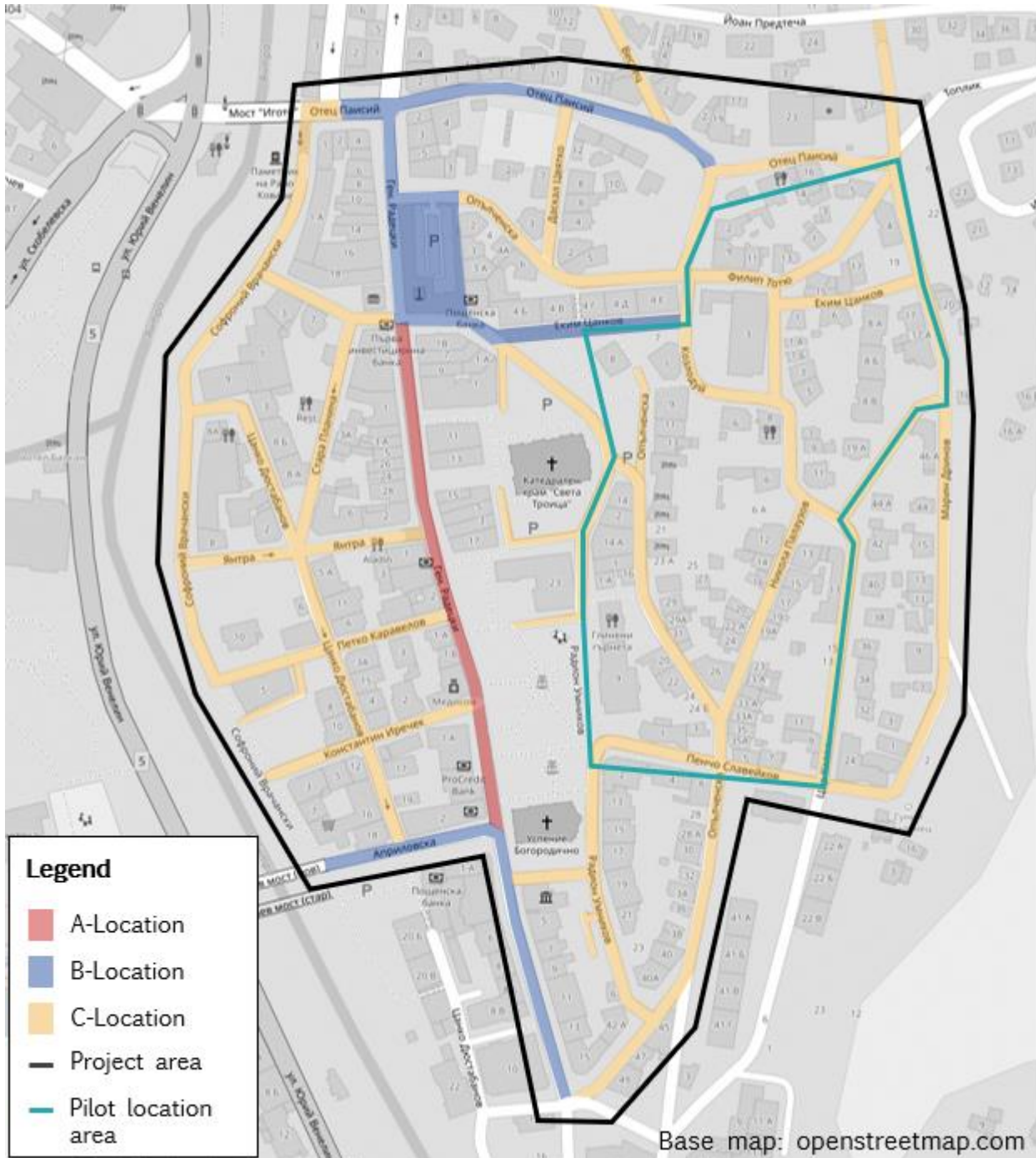
On the following pages you will find the main technical findings of the city check in Gabrovo, which took place from 23<sup>rd</sup> to 27<sup>th</sup> of November 2020. The city check was done by foot on the basis of 23 urbanistic, property and transport criteria.

#### 3.1. Classification of the inner city areas

In a first step, the streets, alleys and squares of the city centre were examined according to the individual property-economic location qualities.

CIMA follows the classification criteria of the real estate industry and divides the city centre of Gabrovo into the following three location qualities:

location qualities in city centres	description
1A	<ul style="list-style-type: none"> <li>▶ main shopping area of the city centre</li> <li>▶ high pedestrian flow</li> <li>▶ continuous use of the buildings at ground level as commercial space</li> <li>▶ diversified mix of retail trade, gastronomy and personal services enterprises</li> </ul>
1B	<ul style="list-style-type: none"> <li>▶ significantly lower pedestrian flow</li> <li>▶ visible gaps of business-oriented ground floor use</li> </ul>
1C	<ul style="list-style-type: none"> <li>▶ low pedestrian flow</li> <li>▶ frequently accumulation of empty spaces</li> <li>▶ usually presence of retail companies with special product ranges and high percentage of repeat clients</li> </ul>



Source: openstreetmap.com, adapted by CIMA (2021)

The project area includes the inner-city area of Gabrovo between the two main bridges **“Igotu bridge”** and **“Baew bridge/Ulica Aprilovska”** at the river **Jantra** in the west, with **“Ulica Otez Paisij”** in the north, **“Ulica Marin Drinov”** in the east and the junction between **“Ulica Georgi Bocharov”**, **“Ulica Nikolaevska”** and **“Ulica Opalchenska”** in the south. Within this main project area, there is also the pilot location area of district 6, marked in green.

Gabrovo is a regional centre with a lot of functionalities: besides the administrative services, people come here to get supplies, go to the doctors, get education, enjoy culture or lunch. Nevertheless, the **quality of stay** could be **improved**.

The retail branch mix and presentation and the gastronomic offer could be also attracted; the cultural offer is quite good.

Some main developments of streets, squares and entire quarters are needed, including house facades and courtyards.

Also, the sign posting and parking system should be improved.

Overall, Gabrovo gives the impression of a **well frequented, lively** city centre which fulfils vital functions. The historic district 6, which shows the potential of becoming a special gem in Gabrovo, will be developed by the pilot location project.



The **main pedestrian zone “ulica General Radetski”** and the square “ploschad 1-vi Maj 1876” represent the bustling heart of the city. The pedestrian zone is an approx. 600 to 700 metres long stretch connecting the main square in the north with “ulica Nikolaevska” in the south, where the “Interactive Museum of Industry” is located. The church “Uspenie Bogorodichno” and the small park of “Sankt Petka” are also situated right at “ulica General Radetski”. This boulevard-like street is rated a 1A location with a diversified branch mix and some empty spaces (some of which are marketable). The mix consists mainly of small-scaled to medium-sized retail shops and some service providers, the gastronomy (few cafés and fast food shops) is under-represented and of rather low quality. They have very few outdoor areas, which are also of low quality (cheap plastic chairs, partly dirty and old). The presentation of the shops is slightly better than in the rest of city centre area, but still not optimal with overloaded shop windows. The main sectors are fashion, mobile



shops and some bakeries. The retail mix on “ulica General Radetski” is probably the best in the city.



The ambience of this part of the city centre is okay. There are some renewable and/or dirty street lamps, phone booths and drain covers. The cleanliness is okay; the surface is made of clinker and stone tiles. The buildings with 1 or 2 floors are mostly renovated and originate from the 19<sup>th</sup> to the 20<sup>th</sup> century.

There is a small part of “**ulica General Radetski**”, which is located between “ploschad 1-vi Maj 1876” and “ulica Otets Paisij” and is accessible for traffic. This small stretch is flanked by 2 to 3 storey buildings from the 19<sup>th</sup> century, to post-war buildings and modern premises with mostly small retail shops on the ground floors (which use very bold and conspicuous advertising, mostly discount-oriented). The branch mix includes some jewellery/watches, glass/ceramics, sportswear, fashion etc. Some empty spaces are visible as well. Taxis are stationed along the street on one side. There are pavements on both sides of the street.

The square “**ploschad 1-vi Maj 1876**” is mainly used as a short-term parking area. The landmark - a clock-tower- is well preserved and has a small fountain on one side. There are two trees as well, but otherwise no greenery, no sitting-possibilities or other means of conscious design. There are some old street lights; the surface is made of concrete and concrete clinker. The buildings and shops are like described in the second part of “ulica General Radetski”, but there is also a medium sized supermarket called “CBA Central Halls” at the east-side of the square as well as some small service providers around the square.



“**Ulica Pencho Slaveykov**” marks the southern boarder of district 6, which is the pilot location. It is mainly a residential road with the pizzeria “Tempo” as main point of attraction. The buildings are in average condition and date back to the 50ies to 70ies, but there are also some newer ones. There are also some pensions/B&Bs, but in general the area is not suitable for a stronger economic use.

Three “main” roads lead through district 6: “**ulica Tsar Kaloyan**”, “**ulica Nikola Palauzov**” and “**ulica Opalchenska**”. The district is defined in the east by “ulica Marin Drinov”, some smaller streets run through the district, which is characterised by some older buildings. Different pensions/B&Bs/apartments etc. can be found here next to some restaurants and bars. More details regarding district 6 or the pilot location can be found in chapter 4.

In the north, district 6 borders with “ulica Otets Paisij”, where the main market of Gabrovo is located and in the west with “**ploschad 10-ti yuli**”, where the tourist information and the “Museum Dechkova Kashta” is located. There is also a church, some restaurants and some smaller service providers as well as a small park with sitting possibilities and (empty) flower pots.



“**ulica Daskal Tsvyatko**” is a small connecting street from “ulica Opalchenska” to “**ulica Otets Paisij**” and therefore the main market. The market currently consists of about 70

market stalls, which have tarp roofs on an iron rack. The stalls are of a “make-shift” appearance. CIMA was informed, that this market area will be under reconstruction soon. The stalls, which offer mainly fresh produce and some packed goods) have also attracted a conglomeration of shops in the food, as well as non-food (mainly fashion and drug stores) sector. There are also some small fast food as well as coffee to go shops. Most of the shops in this area are rather discount-oriented and have a very diversified product range.



The surface, pavements, lighting system etc. will also be developed at the same time as the market. The buildings surrounding the area are partly quite devastated and in urgent need of renovation or demolition. There is a significant amount of empty spaces. Currently, the existing parking area is being renovated. At this point in time, the market area can be rated a 1B location, primarily due to the high footfall, but the rating will rise or fall with the future development of the area (quarter development).



“**Ulica Tsanko Dyustabanov**” is a parallel street to the main pedestrian zone of “ulica General Radetski”. It is characterised by many empty spaces and deteriorating buildings and facades. Many empty spaces are not marketable in the current state. There are some service providers, like insurance brokers, financial providers/bank institutes etc. The street is accessible by car, there are some customer parking lots between the buildings, otherwise there is not much parking space. There are (partly quite narrow) pavements on

both sides of the street, the lighting system is okay as well as the cleanliness. This is a 1C location. From here, there is access to the river bank, which has some gastronomic entities, sitting areas and playgrounds for children.



“**Ulica Nikolaevska**” is a very long street starting at the junction with “ulica General Radetski” and “ulica Aprilovska” at the church “Uspenie Bogorodichno” and leading southwards away from the city centre. The “Interactive Museum of Industry” as well as the “Regional Historic Museum Gabrovo” are located on this street. This two-way street has pavements on both sides as well as parking lots along the street. The stretch which CIMA visited (till “ulica Tsanko Dyustabanov”) was characterised by bank institutes, some food stores/supermarkets as well as small shops with fashion, mobile phones, decoration and sports wear. There is some basic lighting, the surface is mainly ok and the street is surrounded by 2 to 4 storey buildings, which partly need to be renovated. There are some empty spaces, which are marketable under certain conditions. There is no greenery or city furniture. The cleanliness is okay. This part of “ulica Nikolaevska” is considered a weak 1B location.



### 3.2. Assessment of the inner city quality

Based on the criteria set, CIMA assesses the inner-city qualities in the following way:

“city check” criteria	description
city greening	▶ “islands” of greenery, trees
illumination design	▶ partly illumination design in the inner-city areas ▶ street lamps and some illumination of buildings at night
city furniture	▶ some benches, but could be more (evaluation was during winter)
cleanliness	▶ the central inner-city areas of Gabrovo are very clean ▶ decreasing cleanliness in the side streets
surface design	▶ different surfaces, like clinker, stone tiles, asphalt and cobblestone
house facades	▶ some houses in the inner-city area need to be renovated, but good condition in the pedestrian zone
barrier free design	▶ partly barrier free ▶ some buildings are not barrier free
pavement width	▶ in general good, in some side streets partly blocked by obstacles (bins, bicycles, trash, cars etc.)
pedestrian safety	▶ main pedestrian zone “ulica General Radetski” ▶ also relatively safe is district 6
parking facilities	▶ parking primarily along the streets ▶ some small parking areas
traffic and signposting	▶ no guiding system for parking ▶ hardly any signposting
usability for events	▶ difficult, eventually along the river bank or in the pedestrian area or around the church “Sveta Troitsa”/ “ploschad 10-ti yuli”, if it is closed for traffic

A final evaluation of the urban development structures of inner-city area shows the following result:

	1	2	3	4	5
overall impression of the city centre ambience			●		
quality and density of retail trade			●		
quality and density of gastronomy				●	
cleanliness			●		
city greening			●		
illumination design			●		
surface design & condition		●			
presence and condition of monuments		●			
house facades and building conditions			●		
density and condition of traffic/signposting			●		

(evaluation by school notes: 1 = very good; 5 = very bad)



### 3.3. Trend check

City centres are - similar to companies - in a multifaceted competition for customers, tourists, investments in private and public infrastructures and projects, as well as companies willing to settle, and much more. Naturally, these inner-city economic areas are also subject to different developments. With regard to the most efficient and sustainable active location marketing and empty space management possible, this chapter of the location analysis highlights the most important current and future 24 European trends relevant to small and medium sized city centres. For the responsible decision makers in Gabrovo this “trend check” should be a quick and general orientation aid how “trendy” the city centre is.

Gabrovo's trend affinity is assessed using a simple traffic light system:

“trend check” colour	description
	<ul style="list-style-type: none"> <li>▶ no “trend affinity”</li> <li>▶ (still no trend approaches visible)</li> </ul>
	<ul style="list-style-type: none"> <li>▶ moderate “trend affinity”</li> <li>▶ first trend approaches visible</li> </ul>
	<ul style="list-style-type: none"> <li>▶ high “trend affinity”</li> <li>▶ city centre is right on trend</li> </ul>



location trends	trend affinity		
<b>Trend 1 - Shopping experience</b> The city as a networked experience shopping location (shopping, culture, gastronomy, services) with emotional stimulation		Yellow	Red
<b>Trend 2 - Service as a chance to distinguish yourself</b> Clear profiling of inner city retail via top service and specialist advice			Red
<b>Trend 3 - New city centre affine target groups</b> Addressing new inner city target groups such as LOHAS, DINKs, silver surfers, etc.			Red
<b>Trend 4 - Multi- &amp; cross-channel</b> Online and offline multi- and cross-channel strategies of local companies are considered a major competitive advantage of city centres		Yellow	
<b>Trend 5 - New retail city formats</b> e.g.: convenience-shops (products to go) and sustainability-shops (e.g.: repairshops)		Yellow	Red
<b>Trend 6 - Worlds of food enjoyment</b> High quality specialist suppliers in the food sector in combination with tastings		Yellow	Red
<b>Trend 7 - owner-managed flagships</b> High-quality, interesting products combined with lifestyle and/or feel-good concepts			Red
<b>Trend 8 - Digitalisation of sales areas</b> Digital technologies and "location based services" determine shop concepts			Red
<b>Trend 9 - Investment boom for city hotels</b> New city hotel concepts contribute to the offer mix of a city or city centre		Yellow	Red
<b>Trend 10 - Alternative accommodation concepts</b> e.g.: albergo diffuso for subsequent use of vacant residential and business units			Red
<b>Trend 11 - Experience and theme gastronomy</b> Food as an experience by involving the guests in the preparation as well as special catering locations			Red
<b>Trend 12 - Urban gastronomy concepts</b> Various food concepts such as. Infinite food, spiritual food, etc. reflect the lifestyles of various inner city centre target groups			Red
<b>Trend 13 - Day Tourism - Positioning</b> Clear, day-tourist positioning of city centres as a strategy for additional absorption of purchasing power		Yellow	
<b>Trend 14 - Leisure structures in the inner city</b> Sports and leisure infrastructures are returning to the city centres such as motor parks, amusement arcades, cinemas, etc.			Red
<b>Trend 15 - Local quality labels</b> Local quality labels strengthen competitiveness and help SMEs to position themselves			Red
<b>Trend 16 - Co-working</b> Alternative vacancy utilisation through co-working spaces and (ideally) simultaneous promotion of the creative industries		Yellow	
<b>Trend 17 - Educational institution as impulse generator</b> Schools, nursery schools and universities are increasingly returning to the city centres	Green		
<b>Trend 18 - "one stop shop"- town centre marketing</b> A professionalised town centre marketing with integration of location, tourism and cultural marketing agendas			Red
<b>Trend 19 - Cultural sites as "landmarks"</b> Architecturally sophisticated event locations or museums become inner-city magnet points	Green		



location trends	trend affinity		
<b>Trend 20 - Image-shaping events</b> The city as a stage or playground for new events in the leisure and cultural sector			
<b>Trend 21 - Media libraries</b> Increased development of municipal libraries in the digital field as a multifunctional educational centre			
<b>Trend 22 - Digital city paths</b> Communicating urban history and culture through "virtual" circular routes			
<b>Trend 23 - Innovative forms of inner-city living</b> New inner-city housing forms for different target groups such as: temporary housing, micro-apartments, modern heritage			
<b>Trend 24 - Attractive "start up" scene</b> The city centre as attractive location for young company founders			

## Further comments

There is **huge potential** regarding the topic shopping experience and retail: an increase of quality in shop and shop window design, service and presentation as well as marketing and innovation would be first starting points. A good gastronomic offer usually accompanies a good shopping experience.

There was also a discussion about new city hotels and alternative accommodation concepts, but only 25% of tourists actually stay in Gabrovo and no longer than 1 night. The average stay of tourists in town is between 2.5 and 4 hours.

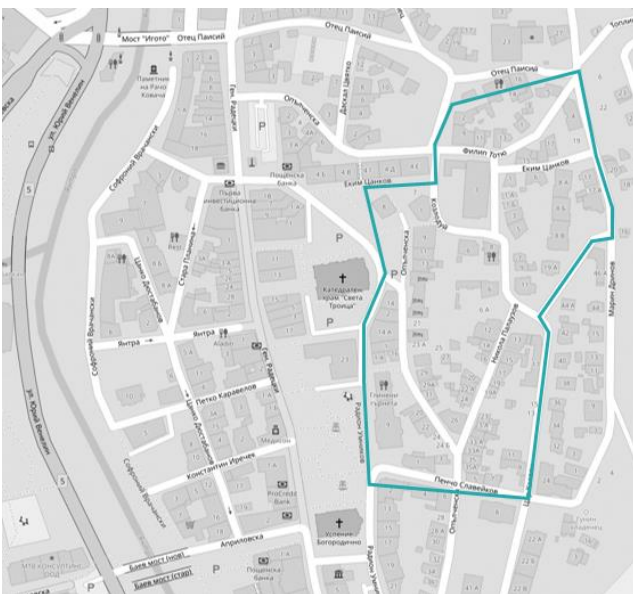
Gabrovo is strong in the cultural sector with numerous museums and landmarks as well as cultural events, like the craft fair in Etar Museum, the carnival, Biennale or Innovation camp. There are also first attempts of digital city paths, with the museums as main drivers behind this project.

Gabrovo also fosters a young start-up scene and has launched a start-up competition in cooperation with Thun (CH), whose winner "darvenitsa" is still successful today with his design furniture company. There are also events to push start-ups, like the Gabrovo Innovation Camp.

## 4. The Pilot location/project - remarks and comments

As part of the CINEMA project, Gabrovo is focusing on a local pilot project in the field of revitalisation of the inner-city core locations through retail and other smaller businesses.

### 4.1. The pilot location “District 6”



The pilot location in Gabrovo is the designated district 6, which consists of a majority of historic buildings. The building structure ranges from well restored to completely devastated and in danger of collapsing. The building material consists of wood, stone, mortar and iron. The streets and alleys are narrow and have primarily cobblestone and stone surface. There are numerous empty spaces (from former shops to entire buildings) in this area, but also

some contemporary gastronomy and many B&Bs/pensions/apartments. There is also a certain percentage of residents living there.

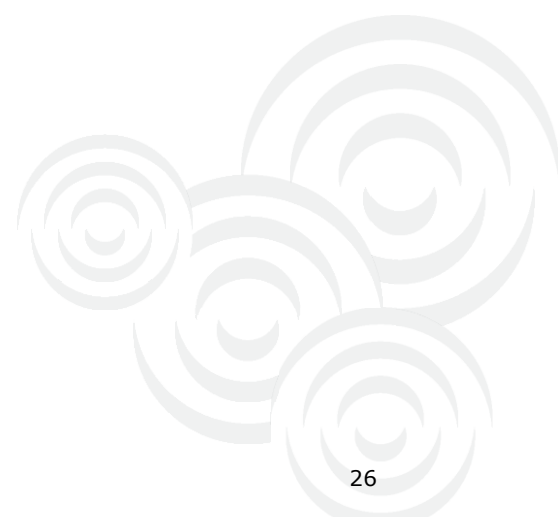


The former green school building called “**Palauzovoto**” has a surface area 686 m<sup>2</sup> and a 1,231 m<sup>2</sup> yard area. There are a few parking lots directly in front of the building. It is surrounded by living quarters as well as a few tourist accommodations and small restaurants.



At the boarder of district 6 on “ploschad 10-ti yuli” lies the second **former school building “Radion Umnikov”**, built in 1891 and annexed with a new construction in 1911 (585 m<sup>2</sup>). The orange two-storey building, which is located opposite the church “Sveta Troitsa” and close to the tourist information, has direct access to public street parking and is directly connected to the main pedestrian zone “Ulica General Radetski” via a small passage.

Both buildings are owned by the municipality of Gabrovo and could probably also be used for settlement of new businesses, beside further empty spaces in the district 6-area.



## 4.2. Frame conditions and success factors

During the on-site talks with representatives of the city of Gabrovo and Studio Komplekt, CIMA was able to establish that although there are basic ideas for a pilot project in District 6, no detailed or concrete plans or areas have been worked out yet.

The results of the creative industries survey in Gabrovo (PP 3 HDM) show that the local creative industries sector is still very weakly structured and that there is little local and regional start-up potential.

Based on these survey results, the local structures in the entire city centre or narrower project area (District 6), the discussions on site as well as the professional assessment of CIMA, the following project premises are proposed for the successful and sustainable implementation of the pilot projects:

- ▶ **Holistic approach to revitalisation that includes the entire city centre**

Due to the large number of vacant spaces and the improvable diversification of the economic and sectoral mix, a holistic approach to revitalisation should be considered for the entire city centre (= not only focus on trade, but also address gastronomy, personal service companies, (art) craft businesses and, if necessary, also companies with an exclusively B2B orientation).

- ▶ **Thematic focus in District 6**

If appropriate (empty) spaces or adaptable properties are available in District 6, the proposed revitalisation measures in this project area could be tailored towards a special thematic focus (see next subchapter).

- ▶ **Well-founded real estate potential analysis with subsequent active counselling of the house owners**

In the course of the pilot project implementation, a solid real estate potential analysis or real estate master plan for the entire city centre should be prepared as a first step. This master plan should be carried out with the involvement of all interested house owners, or the house owners who are willing to cooperate should be actively advised on how to make their properties more attractive (e.g.:

development of realistic reutilisations, pointing out possible structural-architectural improvements in the respective properties, financing advice, assistance in marketing the property or finding new tenants). The aim should be not only to revitalise the existing empty commercial spaces at ground level, but also to consider new uses or optimised lettings on the upper floors, especially in the "residential" sector.

► **Development of a local promotion and support network**

The (economic) attraction of the city centre is not only a duty by the local authorities of Gabrovo. Based on the project experience in other European city centres CIMA recommends to set up a broad network of local and regional institutions (e.g.: local banks, insurance companies, property investment companies, real estate agencies, Chamber of Commerce, etc.) which help and support the attraction of the city centre.

► **Activation of existing businesses for further development**

The "endogenous" development and creative potential of the existing businesses in the city centre of Gabrovo should be increasingly promoted by the pilot project. For example, targeted "franchise" advice or a local "innovation prize" could be used to create opportunities for existing businesses to expand their operations on the site or to occupy an additional area with a new concept.

► **Location marketing as a "permanent task"**

Practice shows that the revitalisation of inner-city core areas through new settlements is not a time-limited project, but a permanent task. The pilot project in Gabrovo can therefore be seen as a "starting signal" for long-term location marketing. CIMA also recommends the installation of a professional location and/or Town Centre Marketing structure with a full-time employee (see also Chapter 5).

### 4.3. Concrete contents of the pilot model

Based on the project premises postulated under point 4.2, CIMA recommends the following content orientation of the pilot model in District 6:

content	description
core idea	<ul style="list-style-type: none"> <li>▶ Development of a "centre for modern handicraft and property planning services" in a building to be adapted in District 6.</li> </ul>
Project description	<ul style="list-style-type: none"> <li>▶ This "centre for modern handicraft and property planning services" should be designed as a kind of competence centre for different handicraft services (e.g.: carpenters, tilers, stove fitters, plumbers, electricians, ....) as well as planning services (e.g.: architects, structural engineers, garden designers, energy efficiency consultants, etc.) "under one roof".</li> <li>▶ In this "centre for modern handicraft and property planning services", no production activities take place, but it serves as a contact, advice and information point for interested customers, has offices or co-working spaces for the planners (creative economy component) and should also include a large showroom/exhibition space for products and products of the craftsmen cooperating in this competence centre. Additional components could include seminars, workshops and, if necessary, a small café.</li> </ul>
Property requirements	<ul style="list-style-type: none"> <li>▶ The requirements for the property to be adapted are:           <ul style="list-style-type: none"> <li>- object with at least 1 floor</li> <li>- at ground level: central customer counter as well as exhibition space for products, craftsmen's products; possibly a small gastronomic unit; ideal space requirement of around 200-250 m<sup>2</sup></li> <li>- 1st floor: offices for property planning service providers, seminar room, 1-2 meeting rooms; approx. 150 - 200 m<sup>2</sup></li> </ul> </li> </ul>

<p><b>Project initiation responsibility</b></p>	<ul style="list-style-type: none"> <li>▶ This "centre for modern handicraft and property planning services" is supposed to be implemented within the framework of the CINEMA pilot project by the city of Gabrovo and Studio Komplekt.</li> <li>- the content is designed and prepared for implementation</li> <li>- a potential analysis is carried out in the city and region with appropriate craftsmen and planners</li> <li>- various objects will be subjected to a utilisation analysis</li> <li>- cooperation agreements between the interested craftsmen/planners will be worked out</li> </ul>
<p><b>Project implementation</b></p>	<ul style="list-style-type: none"> <li>▶ The technical and investment-specific implementation should primarily be the responsibility of those private craft enterprises/planners who are interested in this project.</li> </ul>
<p><b>Typical approach</b></p>	<ul style="list-style-type: none"> <li>▶ The following typical approach is proposed:           <ul style="list-style-type: none"> <li>Step 1: analysis of the existing potential of craftsmen and property planning service companies in the city and surrounding area of Gabrovo</li> <li>Step 2: clarification of the basic interest of these companies in the project or concrete requirements and expectations</li> <li>Step 3: analysis of possible locations in District 6 on the basis of a catalogue of criteria and pre-selection of an object</li> <li>Step 4: conduct a feasibility study</li> </ul> </li> </ul>

Step 5: based on the results of the feasibility study - initiation of implementation steps

As a further measure to increase the density of businesses in the entire city centre and reduce empty spaces, it is proposed to initiate a new type of location business competition developed by CIMA. This innovative location revitalisation measure could proceed in Gabrovo as follows:

content	description
general aims	<ul style="list-style-type: none"> <li>▶ supra-regional <b>marketing</b> of the inner-city of Gabrovo as <b>worthwhile</b> and <b>interesting investment hot spot</b> and economic zone</li> <li>▶ realisation of <b>concrete settlements</b> of new businesses</li> <li>▶ <b>individualisation</b> of the <b>business mix</b> through new store concepts</li> <li>▶ <b>dynamisation</b> of the <b>inner-city landlords</b></li> </ul>
contrast to conventional local support models	<ul style="list-style-type: none"> <li>▶ <b>concrete assistance</b> of young entrepreneurs in the <b>development phase</b> of their business idea</li> <li>▶ support with <b>benefits</b> which young entrepreneurs <b>cannot afford</b> in the beginning of their businesses</li> <li>▶ support of <b>marketable, realistic</b> and <b>viable</b> business concepts</li> <li>▶ <b>broad network</b> of local and regional cooperation partners</li> <li>▶ <b>implementation support</b>, especially in the phase of searching suitable premises</li> </ul>
target groups	<ul style="list-style-type: none"> <li>▶ young entrepreneurs and business founders</li> <li>▶ existing SMEs with new, innovative business concepts</li> </ul>
business focus	<ul style="list-style-type: none"> <li>▶ retail trade</li> </ul>



	<ul style="list-style-type: none"> <li>▶ handcraft with focus on „urban manufacturers “</li> <li>▶ gastronomy</li> <li>▶ consumer-oriented service companies</li> </ul>
supports	<p>e.g.:</p> <ul style="list-style-type: none"> <li>▶ provision of „business coaches“ within the founding and starting phase</li> <li>▶ IT-, marketing and media starting package</li> <li>▶ bank and insurance benefits/services</li> <li>▶ tax consulting and law consulting services</li> <li>▶ business location support</li> <li>▶ mobility packages (e.g.: e-car, cargo bicycle, ...)</li> <li>▶ „craftsman bonus“ - if the business founder uses the services of local craftsmen companies</li> <li>▶ etc.</li> </ul>
number of supports	<ul style="list-style-type: none"> <li>▶ up to 5 business concepts</li> </ul>
“business coaches”	<ul style="list-style-type: none"> <li>▶ local business consultants who advise the chosen concepts during development and starting phase</li> <li>▶ usually one to three specific consultants who provide their know how and experience to the new business founder</li> <li>▶ the consulting services should be provided in a scaled manner (i.e. 80h for prize winner number 1, 60h for prize winner number 2 and so on...)</li> </ul>
marketing services	<ul style="list-style-type: none"> <li>▶ a local/regional advertising agency should undertake the marketing services of the rewarded prize winners</li> <li>▶ like the consulting services the marketing services should also be provided in a scaled manner</li> </ul>

	<ul style="list-style-type: none"> <li>▶ the selection of the regarding marketing services (e.g. strategic brand positioning, corporate design, form layout etc.) is dedicated to the prize winners</li> </ul>
network partners	<ul style="list-style-type: none"> <li>▶ e.g. - bank, insurance company, chamber of commerce, job center, tax accountants, lawyers, local IT-service providers, city administration, exhibition and congress organiser, local craft businesses, energy provider, etc.</li> </ul>
application period	<ul style="list-style-type: none"> <li>▶ at least a six months period of time for handing in the demanded documents</li> <li>▶ pre-structured or pre-determined application documents (download via project-landing page)</li> </ul>
cost elements	<p><b>preparation phase</b></p> <ul style="list-style-type: none"> <li>▶ conception- and implementation costs for „project“-components (information leaflet, application document, landing page)</li> <li>▶ as the case may be: costs for advertising media, PR-actions and further advertising measures for targeted commercialization of the project</li> <li>▶ project management costs</li> </ul> <p><b>costs of implementation</b></p> <ul style="list-style-type: none"> <li>▶ „business coach“ costs</li> </ul>
cost elements	<ul style="list-style-type: none"> <li>▶ marketing service costs</li> <li>▶ PR- and media package expenses</li> </ul>

Since CIMA already has a great deal of experience in handling such projects, the following schedule is proposed for this local pilot project:

step	description	duration
1	▶ starting workshop with „core descion group“ in Gabrovo to fix the project-frame conditions	1 day
2	▶ clarification and definition of the concept	1 week
3	<ul style="list-style-type: none"> <li>▶ search of local and regional network partners</li> <li>▶ search of suitable business coaches and advertising agency</li> <li>▶ establishing contact with interested owners of empty spaces and checking the suitability of the empty space</li> </ul>	2-3 months
4	▶ selection of the marketing agency and design of the marketing related to the location business competition	1-2 months
5	<ul style="list-style-type: none"> <li>▶ start of the application period for company founders and existing companies</li> <li>▶ marketing activities to promote the location business competition by the city of Gabrovo and network partners</li> <li>▶ advice for interested candidates</li> </ul>	6 months
6	<ul style="list-style-type: none"> <li>▶ evaluation of all incoming concepts</li> <li>▶ jury meeting and awarding of places 1-5</li> <li>▶ awarding ceremony for the best 5 concepts</li> </ul>	1 month
7	▶ implementation of the awarded winner concepts	normally 6-12 months

## 5. Further measures and proposals for the city centre

A sustainable economic revitalisation of a city centre represents a concentrated development process over several years and is usually based on a combination of different real estate, urban planning and organisational measures.

To support the pilot project, CIMA recommends the following additional accompanying measures.

further measures	description
<b>Establishment of a local inner-city association of entrepreneurs</b>	<p>An essential step towards the necessary bundling of forces for sustainable inner-city development lies in the establishment of a local entrepreneurs' association. The aim is to set up an association with as many members as possible, which together with the city of Gabrovo implements projects and measures to make the inner city more attractive or supports a possible city marketing unit.</p>
<b>qualification measures for the inner-city economy</b>	<p>The "city check" results have also shown, among other things, that there is considerable potential for improvement in the area of product presentation, window displays and shop design at many local retail businesses in the city centre.</p> <p>CIMA proposes to launch seminars and workshops in the field of shop visualisation and design for local businesses under the project title "city academy Gabrovo".</p>

further measures	description
<p>Installation of a professional location marketing unit</p>	<p>Similar to many other European cities, it seems to make sense for Gabrovo to install a professional location marketing unit, which should focus on active location marketing and vacant space management tasks.</p> <p>Ideally, this unit should represent a joint body between the city authorities and the local business community (see "Establishment of a local inner-city association of entrepreneurs").</p>
<p>holistic "market quarter" development</p>	<p>Green markets and farmers' markets are important frequency drivers and points of attraction for many city centres.</p> <p>CIMA was able to get a first impression of the permanent farmer market in the city centre during the on-site visit and found that the market offers a wide range of suppliers and fresh food products.</p> <p>To further increase the attractiveness of the whole market area, CIMA suggests the following measures:</p> <ul style="list-style-type: none"> <li>- a modern weather protection</li> <li>- uniform, easy-to-clean market stalls</li> <li>- property check and start of an advise programme for house owners and businesses around the farmers market (in order to improve the visualization of the shops and increase the whole property quality)</li> </ul> <p>Reference example - partially covered market place in Celje (Slovenia)</p>



Source: [publicspace.org](http://publicspace.org)

