

SPH newsletter

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special

The Romanian city of Iasi is perhaps not one of the top tourist destinations. However, the city is worth a visit and generally a closer look. page 13

background

The 6th conference "Cities of Tomorrow" in Bucharest imparted interesting insights in the development of regional cities in Romania. page 16

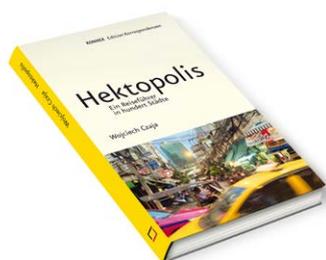
The focus of the 7th Expert Conference about "Smart cities" organised by Institute of the Regions in Europe IRE was on urban mobility. page 19

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DEAR READERS!



Spring finally arrived. Flowers are blossoming, and trees are becoming green again. Nature is on growth. The same is to state with property and investment. A great many of capital is in search of investment opportunities. The investments in other than the conventional office, retail, logistics and residential properties are increasing. As well the secondary cities in CEE/SEE are gaining interest by investors that some years ago were focused only on capital cities.

We visited Iasi in the northeast of Romania, before travelling to Bucharest to take part in the annual conference "Cities of Tomorrow". In discussion has been urban development in Romania and Germany. Urban development, even in some countries more, was also the topic of a conference about „Smart Cities“ with the main focus on urban mobility.

I am always glad about the exchange of experiences on a European level. Also I have read with pleasure a recent press release of the European Commission: The European Commission and the European Investment Fund EIF have launched the Pan-European Venture Capital Funds-of-Funds programme VentureEU to boost investment in innovative startup and scale-up companies across Europe. Backed by EU funding to the tune of EUR 410 million, the six participating funds are aiming to raise up to EUR 2.1 billion of public and private investment. In turn this is expected to trigger an estimated EUR 6.5 billion of new investment in innovative start-up and scale-up companies across Europe.

What did I say about growth in springtime?

Yours,

Andreas Schiller



The first office building of the Nowy Rynek project in Poznan is already under construction. Now construction works for the second one has commenced.

NOWY RYNEK SET TO GROW IN POZNAŃ

Skanska has commenced construction works of the second office building in its Nowy Rynek complex, developed in Poznan in close proximity to both Dworzec Główny railway station and Poznan's Old Town. Ultimately, the area of 3.8 ha will include buildings with various functions, an urban market which will be open to the public, and other areas that will promote recreation and entertainment.

In August 2017, Skanska launched the construction of the first office building with an area of approximately 25,000 square metres of space. The second building will provide almost 12,000 square metres of office space. Its delivery to market is scheduled for Q3 2019.

MOSKOVSKA BUSINESS CENTER IN SOFIA CHANGES HANDS

Avestus Capital Partners, an Irish real estate investment and asset manager, has sold Moskowska Business Center in Sofia. The buyer is a Bulgarian company owned by private investors. The transaction price has not been disclosed. The business centre is an office building in the CBD area, located within several minutes walking distance of state and municipal institutions. It was developed in 2001 and provides approximately 4,500 square metres of lettable space over eight floors, as well as one underground parking level. The British Embassy in Sofia is the key tenant in the building.

ATRIUM SELLS 19 ASSETS IN HUNGARY AND CZECH REPUBLIC

Atrium European Real Estate announced the sale of 18 assets in Hungary and one in the Czech Republic for a combined price of EUR 70 million. The assets have been sold in a number of separate transactions including the completion of the sale of Atrium's stake in a shopping centre in Brno, Czech Republic. The 18 properties in Hungary are representing substantially Atrium's whole Hungarian portfolio and the group intends to dispose of the remaining assets in the country in due course.

SALE OF PROLOGIS PARK HEGYESHALOM

Prologis announced the sale of Prologis Park Hegyeshalom in Hungary to Horvath Rudolf Intertransport Ltd, a Hungarian logistics services provider. The transaction includes a fully leased logistics facility totalling 32,300 square metres and 24 hectares of land. Prologis Park Hegyeshalom is located in the north-western area of Hungary, in "the magic triangle" that comprises the Hungarian, Austrian and Slovak borders. The park has easy motorway access to Bratislava (M15), Vienna and Budapest (M1).

Shopping Center Ogrody
Elblag, Poland



81.336.000 €

Long Term Financing
Arranger and Sole Lender

Warsaw Spire
Warsaw, Poland



370.000.000 €

Long Term Financing
Agent, Arranger
and Co-Lender

Retail Portfolio
Poland



80.000.000 €

Long Term Financing
Co-Arranger and Co-Agent

The Park
Warsaw, Poland



105.000.000 €

Development and
Long Term Financing
Co-Arranger and Co-Lender

Retail & Office Portfolio
Czech Republic



221.698.000 €

Long Term Financing
Agent, Arranger, Co-Lender

CTPark Bor
Czech Republic



176.756.000 €

Long Term Financing
Agent, Co-Arranger/Lender

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AFI City is AFI Europe's first residential project in Romania. The building permit is granted. The first phase will offer 190 apartments.

BUILDING PERMIT FOR AFI CITY IN BUCHAREST

AFI Europe Romania secured a building permit for its first residential project in Romania. AFI City will go up in a number of phases in northwest Bucharest along Bucurestii Noi boulevard. The first phase is scheduled to break ground within the next two months and will include 190 apartments and 228 above-ground parking spots. The apartments will vary in size and partitioning, including double studios, two rooms and three rooms.

HB REAVIS GOES TO ŁÓDŹ

HB Reavis has become the new owner of a plot at 2 Targowa Street in Nowe Centrum Łodzi (The New Centre of Łódź). The plot is located near the Łódź Fabryczna railway station. The 1-hectare plot may be developed with buildings with a total leasable area of approximately 30,000 square metres. There are three listed structures situated on the plot, including an old factory smokestack and a two-storey building which is currently awaiting to be entered into the Provincial Heritage Conservation Office Register. After these buildings are restored, they will have a total of 1,700 square metres of usable space. The price of the plot has not been revealed.

GALCAP EUROPE ACQUIRES SECOND BUILDING IN BUDAPEST

GalCap Europe, a Vienna-based international investment and asset management company, acquired Central Udvar as its second property after the Merkur Palota in Budapest. The purchase was made on behalf of a separate account for a German pension scheme, administered by Institutional Investment Partners. Buyer and seller agreed not to disclose any purchase price details.

Central Udvar mixed-use complex is located in the 7th district close to the metro stations Deák Square and Astoria. It offers 16,780 square metres office, storage and hospitality space with 215 parking places in the underground garage. The office functions are seamlessly complemented by Maverick City Lodge.

AMUNDI BUYS PRAGUE OFFICE

Amundi Asset Management acquired the office building Praha City Center for EUR 64 million from Curzon Capital Partners III (CCP III), a core plus Fund advised by Tristan Capital Partners. Built in 1997, the asset comprises 17,638 square metres of space, including 15,447 square metres of office and 2,191 square metres of retail on the ground floor. Praha City Center is located between Prague 1 and Karlín.

Praha City Center was acquired by CCP III in March 2014 in a partnership with minority co-investor Portland Trust. The Fund has upgraded and improved the building with a capital investment programme over the last three years.



Warsaw Corporate Center was developed in 1997. The office building with retail on the ground floor is located close to Warsaw's Central Station.

RAIFFEISEN IMMOBILIEN ACQUIRED WARSAW CORPORATE CENTER

Raiffeisen Immobilien Kapitalanlage-Gesellschaft has acquired the Warsaw Corporate Center for EUR 27.8 million from Cromwell Property Group. Developed in 1997, the Warsaw Corporate Center is a nine-storey 8,628 square metre office building incorporating ground-floor retail, located in the centre of Warsaw, close to the Marriott Hotel and Central Station.

YIT: CONSTRUCTION START OF RESI PROJECT IN ST. PETERSBURG

YIT began the construction of new apartment buildings in St. Petersburg, close to the city centre in the Primorsky district. This Tarmo project consists of five 11-storey apartment buildings. The value of the first phase of the project including 194 apartments is nearly EUR 15 million. The beginning of the construction project was registered in the first quarter of 2018.

This is the first Tarmo project with so-called "Transformer apartments". Transformer apartments offer residents the possibility to change the floor plan and interior of their apartments according to the planned options. The Tarmo project is located on a 2.4-hectare plot. Playgrounds, a sports field and a parking area for bicycles will be built in a protected courtyard. Tarmo apartments range from small studio apartments and one-room apartments to spacious family apartments.

ERA SHOPPING PARK IN IASI TO BE EXPANDED

Prime Capital and Mas Real Estate, the two shareholders of Era Shopping Park in Iasi are planning to invest EUR 125 million to expand the mall from 41,000 to 100,000 square metres. The co-owners have already submitted all the necessary documentation for the building permit and are hoping to complete the expansion by the end of 2019. Project costs will be covered by their own resources.

CZECH FUND ACQUIRES DUBNICA INDUSTRIAL PARK

The REICO-managed real estate fund CS nemovitostní has acquired Dubnica Industrial Park located near Dubnica nad Vahom in Slovakia. The tire manufacturer Continental is the biggest tenant in the park, occupying more than half of the total space (89,400 square metres) on offer. Other tenants include Kuehne + Nagel, Lidl and Heineken. Dubnica Industrial Park was built in 2016 by Goldbeck for the developer SEE RE One, part of the Invest4SEE group that sold the park to REICO.



REALCONNECT

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In the outskirts of Gliwice, near an existing retail park Outlet Center Silesia will be developed. The opening of the Silesia Outlet is scheduled for Q1 2019.

6B47 STARTED CONSTRUCTION OF OUTLET CENTER IN GLIWICE

6B47 Poland, a subsidiary of 6B47 Real Estate Investors AG, started construction of Outlet Center Silesia in Gliwice. On a total area of 20,000 square metres Outlet Center Silesia will offer 120 shops as well as 950 parking lots. The opening is scheduled for Q1 2019. The outlet centre will be located on the A4 motorway, next to Auchan shopping mall and Leroy Merlin.

EXCHANGE PALACE IN BUDAPEST TO BE REDEVELOPED

Exchange Palace, an iconic building that used to house the Budapest Stock Exchange, is being redeveloped. The property, co-owned by Canadian developer Tippin Corporation and Luxembourg Optimum Fund Management, will offer 22,000 square metres of office and 8,000 square metres of retail space in four wings. The Nador Wing, the first phase of the redevelopment, is scheduled to be delivered by the end of 2019.

GHELAMCO GETS BUILDING PERMIT FOR MIXED-USE PROJECT IN ŁÓDŹ

Ghelamco Poland has obtained a valid building permit for construction of the hotel and office part of the New Center of Łódź project. The scheme will occupy the space between the newly built Łódź Fabryczna train station and the EC1 Centre for Science and Technology. Ultimately, three buildings will be erected as part of the first stage of the development.

The hotel is planned next to the train station, whereas the residential building will be located on the EC1 side. The office building will be constructed in between. The ground floors shall include food amenities and commercial outlets. Construction works are scheduled to start in Q3 or Q4 2018. The scheme was designed by PIG Architekci. The hotel will offer 166 rooms, the office building will provide 18,000 square metres of space, and the residential building will comprise around 70 apartments. The complex will also feature an underground parking space.

FUTUREAL SECURES FINANCING FOR ADVANCE TOWER

Futureal Group secured EUR 34.2 million from K&H Bank to help finance its Advance Tower office scheme, underway along the Váci corridor in Budapest. The complex, valued at EUR 68 million, is going up in two phases. The first phase will offer 11,900 square metres of office space and is set for completion in June. The second phase will feature 8,000 square metres and will be handed over in the second half of 2019.



The Fizz Prague will offer 529 apartments for students. Project developer Karlín Group has now formed a 50:50 joint venture with International Campus to realise the project.

INTERNATIONAL CAMPUS ACQUIRES PROJECT DEVELOPMENT IN PRAGUE

International Campus AG, a specialist in micro-living products, is expanding into the Czech Republic. In a joint venture with the Czech project developer Karlín Group, International Campus has acquired a project development in the Holešovice district of Prague with 529 apartments for students. It has been agreed not to disclose the purchase price. The building that is to become "The Fizz Prague" will have a gross floor area above ground level of 16,529 square metres over eight floors. The opening is planned for the first quarter of 2020.

International Campus and Karlín Group each hold 50 percent in the joint venture. On completion of the property by Karlín Group, International Campus will acquire its partner's share of the joint venture and place the property in a dedicated special fund for institutional investors.

NIAM ACQUIRES ŁÓDŹ OFFICE PROPERTY

Skanska has sold the office building Nowa Fabryczna in Łódź to the real estate fund manager Niam for EUR 52 million. Nowa Fabryczna is located in the New City Center in Łódź, which will combine business, commerce, residential and transport functions. It offers over 22,600 square metres leasable area. It is located opposite the recently completed Łódź Fabryczna train station.

STRABAG BUILDING ANA TOWER IN CENTRAL BUCHAREST

The European-based construction group Strabag SE, through its Romanian subsidiary, has been awarded the contract to build a 110 metres tall office tower in central Bucharest by Ana Tower, a company of Ana Holding. The contract has a value of about EUR 39 million. Completion is scheduled for October 2019. Ana Tower is being built near the Romexpo exhibition centre with a direct connection to the airport via the planned metro line M6. The building will have 28 floors with a total usable space of 40,800 square metres.

IMMOFINANZ SELLS BRNO BUSINESS PARK

Immofinanz has sold the Brno Business Park to the Infond investment fund in a transaction completed in the first half of March. The office complex is made up of four buildings offering a total of 35,000 square metres of gross leasing area. The building has quick access to the D1 (from Prague to Ostrava) and D2 (to Bratislava) motorways. Immofinanz received legal advice in the transaction from bpv Braun Partners, while Infond was advised by Hladky Lega, Knight Frank and Redbaenk.

STAFFING



left: Géza Barabás
right: Manuel Böcher

Géza Barabás leads the S Immo subsidiary in Budapest and hence is responsible for the Hungarian Portfolio Management. Géza Barabás was employed over the last five years at Porreal Ingatlankezelési Kft. as a Managing Director. He also gained experience as Head of Property Management and CFO at First Facility Ingatlankezelő Kft..

Manuel Böcher is the new Head of International Investment at Corpus Sireo Real Estate. The commercial lawyer joins from Deka Immobilien where he spent seven years and was most recently in charge of purchases and sales in Northern Europe. Manuel Böcher has also spent time working at Commerz Real AG.



left: Fulga Dinu
right: Martin Eberhardt

Fulga Dinu was named Country Manager of Immofinanz for Romania and Bulgaria, following the departure of Sorin Visoianu who left the real estate company after an eight-year term. Fulga Dinu previously served as CFO of Iulius Group and was also Country Manager of the German bank Eurohypo.

Martin Eberhardt has been appointed new Managing Director of Corpus Sireo Real Estate responsible for the companies' entire asset and property management business. He will take on his new role on 15 May 2018. He will also take on the role of Managing Director at Swiss Life Kapitalverwaltungsgesellschaft. Martin Eberhardt brings more than 25 years of experience in the real estate industry. In his most recent position, he was Country Manager for Bouwfonds Investment Management Deutschland GmbH in Berlin, a position he took up in 2011. He subsequently took on the role of Managing Director for Client Relations in Hoevelaken for the Dutch parent company. Previously, Martin Eberhardt held several management positions in the real estate segment of Union Investment. Prior to that, his roles included Managing Director at Colliers Grossmann & Berger, an associated company of Hamburger Sparkasse. During his time there, he was in charge of the subsidiary, the asset and property manager GBG Hansegrund. In the corporate real estate segment, Martin Eberhardt worked as Head of the Corporate Real Estate division for a subsidiary of Metro AG (I.T.C. Immobilien Team Consulting) and in property management at Daimler-Benz (debis Immobilienmanagement) as Development Project Manager. Martin Eberhardt holds a degree in business studies. He is a real estate economist EBS and a Fellow of the Royal Institution of Chartered Surveyors FRICS. He is honorary Chairman of the Management Board of RICS Germany and a member of the executive committee of the German Property Federation ZIA. From 1998 to 2005, he was an honorary member of the German and the European Executive Board of the international corporate real estate professional association CoreNet Global.



left: David Hay
right: Marian Herman

David Hay has resigned as CEO of AFI Europe Romania. He will hold this position until AFI Europe will nominate a new CEO for Romania. David Hay joined AFI Europe in March 2006 as Business Development Manager. In January 2009 he was appointed as CEO of AFI Europe Czech Republic and as AFI Europe NV Regional Director for CEE in charge of the company's operations in the Czech Republic, Poland, Germany, Hungary and Latvia. In January 2011 he was appointed as CEO of AFI Europe Romania.

Marian Herman has become the new Chief Executive of HB Reavis Group. He moved into the role from his position as Group Chief Financial Officer and Board Member of HB Reavis. He has been with the company for more than eight years. Marian Herman is succeeding Pavel Trenka who steps down as Chief Executive of HB Reavis Group having fulfilled his five-year term. Pavel Trenka will remain with the company as a Non-Executive Board Director alongside Maarten Hulshoff and Ivan Chrenko, the company's founder.

LETTINGS



VISIONARY, PRAGUE

CZECH REPUBLIC 

The co-working chain Business Link has announced its entry into the Czech market. The company will open its first location in Prague in July of this year. At the Visionary office building located in Prague 7 – Holešovice, the company will offer around 4,700 square metres of co-working space. Visionary office building, developed by Skanska, is currently under construction and will be completed in Q2, 2018. It comprises 22,800 square metres of leasable space.

BROWARY WARSZAWSKIE, WARSAW

POLAND 

L'Oréal Poland will occupy nearly 7,000 square metres in the first office building in Browary Warszawskie. Browary Warszawskie, located between Grzybowska, Wronia and Chłodna streets, is a development of Echo Investment. It will include four office buildings, five residential buildings, over 8,000 square metres for services, restaurants, shops and public spaces.

BUSINESS GARDEN, WARSAW

POLAND 

Zdrofit, a fitness club network, has signed a lease agreement on 1,000 square metres at the Business Garden complex, located on Zwirki i Wigury street in Warsaw. Furthermore, Dassault Systemes, which develops 3D CAD engineering and design software, and Vershold Holding Poland, a provider of comprehensive logistics services and solutions for retailers, signed leases at Business Garden Warsaw. Both companies occupy a total of 1,100 square metres. The Business Garden complex consists of seven office buildings with a total leasable area of 90,000 square metres. Business Garden Warsaw also includes a hotel with more than 200 rooms, a conference centre as well as a restaurant. Owner of the complex is Vastint Poland.

DIAMOND BUSINESS PARK URSUS, WARSAW

POLAND 

Polsoja, a producer and distributor of food products for vegetarians and vegans, has leased 550 square metres of office space at the Diamond Business Park Ursus in Warsaw. The tenant was represented by AXI Immo. The office and warehouse complex, owned by White Star Real Estate, offers 34,000 square metres of space. The property is located in the capital's Ursus district, near the Ursus Północny railway station as well as the Factory outlet centre and 8 kilometres from the city centre.

EQUATOR IV, WARSAW

POLAND 

Equator IV, an office property under construction in the Warsaw district of Ochota, has a new tenant: the professional business service provider Inoffice Group. The new tenant will take up the entire 10th floor with nearly 1,500 square metres of space in the office property owned by Karimpol. The property at 100, Aleje Jerozolimskie will have almost 35 000 square metres of total space including 20,130 square metres of lettable area dedicated to offices and 682 square metres on the ground dedicated to commercial and service outlets as well as a gastronomic offer.

GALERIA MŁOCINY, WARSAW**POLAND** 

A two-storey shop of the Polish Carry chain will be opened in Galeria Młociny in Warsaw's Bielany district. The Polish fashion brand will occupy a total area of nearly 1,900 square metres. Galeria Młociny is a shopping and office centre with a combined leasable area of 81,000 square metres, 71,000 square metres of which is earmarked for retail, entertainment and gastronomy. The complex is currently under construction and planned to be opened in 2019. Investors are Echo Investment (30 per cent shares) and Echo Polska Properties (70 per cent shares).

SPEKTRUM TOWER, WARSAW**POLAND** 

Stratego, an advisory company specializing in acquisition of EU funding and technology financing, will occupy 200 square metres at Warsaw's Spektrum Tower office building. BNP Paribas Real Estate Poland represented the tenant during lease negotiations. Spektrum Tower is a 122-metre skyscraper offering 28,000 square metres of space and 314 parking spots.

WEST STATION II, WARSAW**POLAND** 

Arcadis, a global design and consultancy firm, signed a lease on 1,300 square metres of office space at West Station II in Warsaw. BNP Paribas Real Estate Poland supported Arcadis in the lease negotiation process. West Station, located on Aleje Jerozolimskie, offers a total of 68,500 square metres of office space. The complex, is a joint venture between HB Reavis, PKP S.A. and Xcity Investment. It features two 14-story office buildings and a new railway station building.

ZEBRA TOWER, WARSAW**POLAND** 

Cloudity, a technological company that provides consulting and implementation services for cloud computing, has leased 430 square metres at the Zebra Tower office building in Warsaw. JLL advised Cloudity on the process of negotiating lease terms, while the owner of the building, Union Investment, was represented by Cushman & Wakefield. Zebra Tower offers more than 17,000 square metres on 17 floors.

GALERIA AMBER, KALISZ**POLAND** 

UK brand TK Maxx has leased 2,000 square metres of space at Galeria Amber in Kalisz. The shopping mall was opened in 2014 and offers 35,000 square metres of leasable space. EPP owns and manages the centre.

ZAKOPIANKA RETAIL PARK, KRAKOW**POLAND** 

In Zakopianka retail park, currently owned by EPP, Nexterio will occupy 850 square metres in an historical building. The retail park opened in 1998 following as a result of the adaptation of former Cracow Soda Factory Solvay. Its over 81,000 square metres area host the main building with a shopping mall and Carrefour supermarket, a historical building with 13 retail and service points as well as free-standing large-area stores. The retail park has 86 tenants in total and 2,200 parking spaces.

GREEN HORIZON, ŁÓDŹ**POLAND** 

The anchor tenant at Green Horizon in Łódź, Infosys Poland, has extended the occupied space by additional 2,000 square metres, to a total area of 24,000 square metres. Green Horizon is an office complex of 33,500 square metres gross leasing area, comprising of two seven-floor office buildings. It is situated right next to a major traffic interchange, Rondo Solidarnosci, and in close proximity to the largest campus of the University of Łódź. Owner of Green Horizon is Griffin Premium RE.

ETC SWARZEDZ, SWARZEDZ**POLAND** 

The retail chain Dealz, operating in the United Kingdom, Ireland, France and Spain has begun its expansion in the CEE region. Dealz leased an area of 527 square metres in the shopping mall ETC Swarzedz, owned by Capital Park Group and Akron Group. It will be the brand's first store in Poland. ETC Swarzedz is one of the oldest shopping malls in the Greater Poland region, which has been continuously operating since 1994. The mall underwent a major modernization from July 2016 to October 2017. At present, the modernized ETC Swarzedz mall has a retail area of 20,000 square metres.

OXYGEN, SZCZECIN**POLAND** 

International analytical company Macrobond Financial will move to Szczecin-based office building Oxygen. At the beginning, the company will occupy 680 square metres, with a target to take over 1,700 square metres by 2020. EPP-owned Oxygen is a seven-floor office building that offers over 13,000 square metres of space. It is located near Aleja Wyzwolenia and ulica Malczewskiego crossing, in proximity of Galaxy shopping mall, Radisson Blue hotel, as well as financial institutions and offices. The building has an underground car park with 181 parking spaces.

AFI TECH PARK, BUCHAREST**ROMANIA** 

Two companies leased a total of 1,000 square metres of space at AFI Tech Park, which is currently underway in Bucharest. RTC Proffice Experience, which produces office stationery, leased approximately 650 square metres in AFI Tech Park 1, while Ecovis Romania, a specialized international financial services company, took roughly 350 square metres. The lease process was brokered by Colliers International.

WEST GATE, BUCHAREST**ROMANIA** 

Societe Generale European Business Services expanded its space at West Gate Business Park, by 4,000 square metres to a total of 17,000 square metres. This is the sixth consecutive expansion the company has made at the Bucharest park. The new contract started at the beginning of this year and runs until 2024. West Gate Business Park, located on the western side of Bucharest and owned by Genesis Development, features five office buildings with a total leasable area of 75,000 square metres.

IASI – REGIONAL CENTRE IN THE NORTHEAST OF ROMANIA



Iasi is located in the northeast of Romania among hills, with a lot of green not only in the surroundings but also in the city itself.

Who is travelling to Iasi end of February, is not allowed to complain about chilly weather. But to be delighted by a city also with frost means it has a lot to commend it. In fact, Iasi is not only worth travelling, but also a second look.

Still I remember when I have heard the first time the name of Iasi. That was more than 15 years ago and I had to look up where the city is located. Since then Iasi was mentioned again and again and in different contexts. So I became more and more curious about the city and it was high time to go there and to have a closer look at Iasi.

'Going' is meant only literally, because the best way to reach Iasi is by plane. There are direct flights from Cologne and Munich. The international airport is connecting Iasi with almost 20 other cities including Brussels, London, Paris and Vienna. Last year, the two terminals in Iasi, one for domestic and a second for international flights, have registered 1.15 million passengers. Six years before, in 2012, there was only one air connection from Iasi to Bucharest used by a total of 176,000 passengers.

These figures are self-explanatory. Even though there are Romanian tourists among the passengers and a certain

percentage is of Moldovan origin – the border to the Republic of Moldova is only 25 kilometres away –, the boom the airport experienced since 2012 when Terminal 2 was going into operation is remarkable. In 2015 the Terminal 3 for international flights was added.

Meanwhile the development of air traffic in Iasi is outperforming all capacity forecasts so there are already plans for the next extension of the airport including a new terminal, big enough to accommodate 2.5 million passengers annually. This terminal will be located on the other side of the airfield, opposite to the two existing terminals. Also planned are a



The Library is a prominent example for the architecture of many university buildings.

new control tower, an extension of the apron from 9 to 18 parking stands as well as aircraft maintenance facilities. And in the medium term a cargo terminal is to be developed.

While for the extension plans Iasi Airport is mainly responsible, City and County of Iasi have to take care of the access roads. Currently it is only 8 kilometres from the airport to the city centre, but roads are often small and really suitable neither for much traffic nor trucks. Therefore parallel to the expansion plans for the airport City and Council of Iasi are jointly developing plans to improve the traffic infrastructure.

Generally the airport is the first impression arriving in a city. This impression can be summed up in "not huge, but positive" because short ways and a quick baggage claim are convenient especially when landing late in the evening. And the positive impression continued. Iasi is not a small city but – in contrast to Bucharest – it is structured and divided into smaller sections. Also in Iasi there are to find the apartment

blocks from socialist times, but they are smaller than in Bucharest and many other cities. Furthermore there is enough space between the buildings. A leaflet for a new apartment complex, however, shows clearly that meanwhile the idea to 'maximise the amount of built square metres on a certain plot' has become more common and already the first look proves that the apartments in the lower storeys have no chance to see the sun.

But to continue with the impressions: Surprising was the high amount of green and open landscapes as well as of cultural facilities and institutions and their diversified programmes, an offer, many German cities can only dream of. What was easily to recognize: Iasi is a 'young' city with a high share of young people. Also the frequency of public transport – busses or trams – was impressive. And generally there is to state that Iasi is not a 'poor' city.

But perhaps some facts and figures: Located in the northeast of Romania, Iasi is the centre of the region comprising six counties with 3.8 million inhabitants.

The County of Iasi has approximately 930,000 inhabitants, nearly the half is living in the city and its suburbs. There are to add 56,000 students, not only from Romanian origin, but also from many other countries, because university lectures are given in Romanian, English, German and French as well. Also the study programmes are quite comprehensive. The Alexandru Ioan Cuza University, the oldest university of the country, is made up of 15 faculties – a broad range from biology and chemistry, computer science to (orthodox and catholic) theology. Furthermore Iasi has a Technical University, the George Enescu University of Arts, the Grigore T. Popa University of Medicine and Pharmacy as well as the University of Agricultural Sciences and Veterinary Medicine. There are streets lined with often neo-classical faculty buildings and the respective student apartments in the surrounding.

Given the number of the universities and study programmes education is one of the important economic factors. Others include services, healthcare and pharmaceuticals, automotive and metallurgy. But mainly Iasi has been developed in one of the Romanian centres for IT, software and electronics. All in all nearly 25,000 companies are located in the Iasi region. The biggest employers are Xerox Business Services, Delphi Diesel Systems, Antibiotice and Apavital; the biggest companies by fiscal value are Delphi Diesel Systems, Antibiotice, ArcelorMittal, Conex Distribution and Media Rom Grup.

But size is only one thing. More decisive are the great many of SME's and start-ups contributing to the economic success of Iasi. Mainly for start-ups the universities are a fertile ground. To support especially these SME's and start-ups a technology and science park has been established. Furthermore there is a big industrial park under construction because meanwhile appropriate space for manufacturers is becoming scarce.

Another topic City and County of Iasi are promoting forcefully is logistics. There is



Palas Mall located near the Cultural Palace is bordering the Palace's garden and captivates with its special concept.

not only a logistics park planned but as well an intermodal freight transport centre combining road and railway connections. Even though Iasi is located on the edge of the EU the direct neighbourhood to Ukraine and Moldova is offering potential to benefit from. Here in the border region they are able to change from the smaller European gauge to the broader Russian gauge that is in use not only in Russia but in Ukraine and Moldova as well. Therefore Iasi is an ideal location for becoming a transportation hub for passengers and goods going further to the east.

Another project is Transagropolis, a centre for technology and transfer in agriculture and animal breeding. The aim is to improve the marketing of regional products, to increase productivity and thereby also the economic situation of the farmers. Such a centre suggests itself given the fact that nearly 70 per cent of the 5,476 square kilometres the county of Iasi is comprising are agricultural land. Often the farms are small and not able to afford the necessary machines to increase productivity. In this case co-operatives could be helpful. Currently agricultural produce in Romania is insufficient and the country is depending from imports for adequate supply of its people. In fact, it should be the contrary,

because Romanian fruits and vegetables but meat as well are more tasteful than the standardized EU-food.

But let us continue to stroll around the city: Iasi is a city of churches and monasteries – 101 not only orthodox, but as well Roman-Catholic and Armenian churches are located all over the city. Generally Iasi gives the impression of a well-kept city. Many pictures show how in warmer times of the year the public spaces are changing into huge carpets of flowers. Then also the Botanical Garden, with about 100 hectares one of the largest in Europe, will be worth a visit.

People of Iasi mentioned proudly the shopping centre Palas and advised a visit. It is a development of Lulius Group opened in 2012 and located in the direct neighbourhood of the Cultural Palace. In fact, we are not really fans of shopping malls, but it was a question of politeness to visit the praised shopping centre. And again it was a positive surprise. The interior was different to what we are used. Around a central area, dedicated to cafès and bars, the shops are located. However, there is still enough space left for a great number of local retailers, not part of a chain and offering Romanian products – from fur coats and spirits to cosmetic products and

jewellery. Here was also located a counter of the Romanian airline Blue Air. What was not to expect from outside: the shopping mall stretches out over a long wing ending in an Auchan hypermarket and forming the close of the park behind the Cultural Palace. All in all the building comprises 270,000 square metres. During the warmer seasons the park is a popular meeting point and an event location for open air concerts as well. Therefore a great many of restaurants, cafès and bars are located directly to the park serving also outside. The concept was convincing and in many respects different to the mass of international shopping malls which look like all the same everywhere.

Even though the weather was a bit nasty at the end of February, the impression of Iasi was very positive causing the desire to return during warmer seasons. Different to Bucharest that sometimes can give the impression to be a bit overexcited, Iasi is more down-to-earth and people are very friendly and open-minded against strangers. And when even a Bucharest lady, born and grown up in the capital city, confesses that she would like to live in Iasi, then the city must be quite attractive. The statement tells a lot about the qualities of Iasi and the quality of life there. | **Marianne Schulze**

THE HIDDEN CHAMPIONS OF ROMANIA

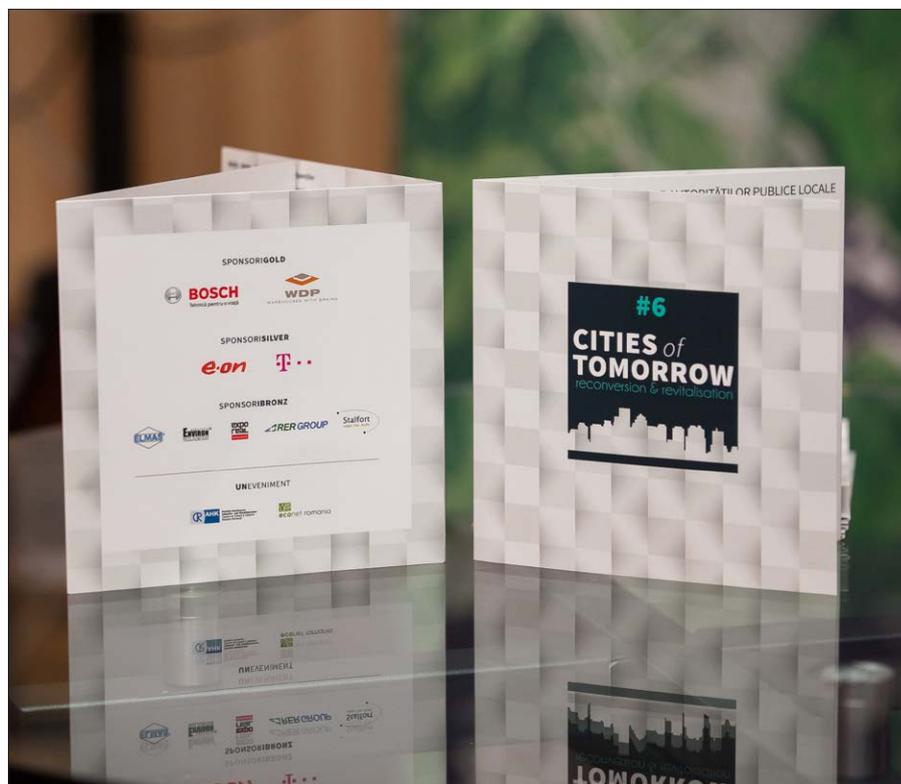
Since long not only the capital city Bucharest is an economic hot spot of Romania. Meanwhile also regional centres are contributing substantially to the economic growth of the country.

Similar to the development we can observe in Poland since long, the Romanian secondary cities have become economic hubs contributing substantially to the economic performance of the country. Whether Cluj-Napoca, Timisoara, Brasov, Craiova, Iasi or Constantia – they all are characterized by dynamic economic growth.

That was one of the essential points in the lecture of Marcel Heroiu, Senior Urban Development Specialist at World Bank and one of the authors of the study "Magnet Cities: Migration and Commuting in Romania". He summarized the results of the study comprising more than 400 pages at the conference "Cities of Tomorrow" meanwhile for the sixth time organised by the German-Romanian Chamber of Industry and Commerce in Bucharest.

The most competitive cities are those that are able to attract people, investments, and tourists. They are forming regional centres and the development spills over also to the surrounding areas. An important indicator for the dynamics of a city is the mobility of people and labour force. The more people a city is able to attract, the more developed is the economic performance.

However, there are distinct differences between industrial centres which receive more commuters – examples are Ploiesti and Pitesti – and cities like Cluj-Napoca or Iasi that are more service driven and receive more migrants. These differences include certain challenges. Basically, manufacturing centres will sooner or later



It was the sixth time the conference "Cities of Tomorrow" took place in Bucharest.

face limits to growth, as salary growth in these sectors cannot outpace the growth in the cost of living in these cities. On the other hand, high value-added services sectors can sustain salary growth more easily and they encourage salary growth in all other sectors too. That is why cities with a strong high value-added services base (usually the larger university centres) are more attractive to migrants.

As positive the development of secondary cities is, as much remains to do. Despite all progress the Romanian secondary cities still have some ways to go before competing on equal footing with secondary cities in the western EU countries. For sustainable economic growth in Romania in general the secondary cities have to be further strengthened by improving their attractiveness.

In this regard transport infrastructure is one of the important topics. Connections between the economic hot spots in the country as well as in the respective city's catchment area need to be improved. Other topics are the modernisation of housing and the redevelopment of the housing stock, the expansion of cultural offers and the development of recreation areas. To remain attractive city administrations have to push these points. Furthermore, investments in education are decisive. It is obvious that the most dynamic cities in Romania are those with more or less prominent universities.

However, the development of regional centres has often a negative impact on the smaller cities. An example is Resita, some 100 kilometres southeast of Timisoara. Once it was an important centre of iron



From the Ruhr Region Hans-Jürgen Best knows about the challenges former industrial centres like Resita have to face.

and steel industry with 124,000 inhabitants at its best times. Of the 9,000 workplaces in the steel industry only ten per cent remained. During many years the city lost inhabitants – in 2011 only 75,000 people remained. For cities like Resita it is difficult to attract investment and to de-

velop a new and sustainable economic structure, to keep mainly younger people in the city, to preserve the identity generating industrial and cultural heritage and to improve the quality of life. Why Resita is mentioned here? The city presented itself among others at the conference: Its Mayor

Ioan Popa will have heard it with pleasure that in the longer term the economic dynamics of the regional centres will have its positive impact also on the smaller cities. However, he does not look like a person who will wait for this. In fact, he is one of those people who want to be one of the drivers in the development of his city.

Especially Resita is a good example for 'Reconversion & Revitalisation', the motto of this year's conference "Cities of Tomorrow". In communist times, here as well as in many other cities in Romania big industrial plants have been allocated more or less in the inner city. Most of them are now lying idle. Who could talk about this topic with more experience than Hans-Jürgen Best, City Director and Head of Planning of the City of Essen in Germany? He did not restrain the examples given to his home city but also included the other cities in the Ruhr Region showing the different ways and possibilities of 'intelligent urbanisation', and which opportunities the industrial sites are offering to cities to generate more quality of life for the citizens.

The workshops in the afternoon are an important part of the conference. Here participants – most of them responsible for a municipality or county – can discuss certain aspects in smaller and more specific groups. This year's workshop topics were 'Energy Efficiency', 'Financing and EU Funds', 'Mobility', 'Circular Economy', 'Tourism', 'Construction Law', 'City Governance/Digitalisation/City Information Platform' and last not least one about the main topic of the conference 'Reconversion & Revitalisation'. Always surprising is the eagerness the participants are discussing challenges and questions.

But mainly it is the exchange of experiences – positives and negatives as well – that makes worth visiting not only the workshops but the conference in general. And exactly this quality of "Cities of Tomorrow" gets around and since years the number of participants is increasing – this year 350 people from all over Romania took part in event. | **Marianne Schulze**

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SMART CITIES: URBAN MOBILITY

An international conference about "Smart Cities" in Salzburg focused the view on mobility. Traffic and its implications are not only a topic for politicians and city administrators, but for investors and developers as well.

We all have an unpleasant feeling regarding the large amount of cars in cities and the respective level of air pollution. Since some time the alternative draft is the concept of the 'smart city'. Some cities like e.g. Vienna are following this way since long and are quite advanced, others are departing for the becoming 'smart', more and more have a Smart City Office or are establishing it. Because climate protection and linked with it energy efficiency are on the top of the agenda of those responsible for the future of cities.

The keynote speeches and panel discussions at the conference headlined "Smart Cities: Challenges and Solutions for Future Mobility in European Cities" and organised by the Institute of the Regions of Europe IRE stretched between the contradictory context of the increasingly inflationary use of the term 'smart city' on the one hand and the still urgent need to react to the traffic overkill. Following former events in Tübingen, Trieste, Ljubljana, Wrocław and other cities the 7th IRE Expert Conference on "Smart Cities" took place in Salzburg, the home city of the Institute.

The common basis was the definition "Smart cities are cities on their way to a post-fossil society by the implementation of state-of-the-art information and communication technologies, by resource-saving technologies and by methods from the field of social sciences." This definition covers the full range of the topic. It is not only about the technical possibilities, mainly the digital collection of data. That can be helpful, but more and more people have an increasingly sceptical view on it.



Traffic is significantly increasing – despite all approaches to solve the problem.

At the start of the conference Franz Schausberger, President of IRE, emphasised the importance of smart cities – not only for the cities themselves but also with regards to the surroundings. Therefore it would be more correct to speak about "smart regions". That is true especially for 'smart mobility' because it is often about the traffic flows from the surroundings into the city and vice versa. In demand is "an approach to solve the problem on a regional level because many conditions and processes of smart cities are linked with the regions".

Furthermore, certain characteristics like the number of inhabitants, geographical location and other criteria – e.g. the share of tourism – can make analogies sometimes easier, sometimes more difficult. Therefore Franz Schausberger cited four main points for the conference but for the work of IRE as well: raising awareness of certain topics, adaption to the individual location, exchange of experiences and contacts, and finally a concrete approach for an individual region.

At the conference experts and participants from different European countries met 'smart' activists from Austria, mainly from the city and state of Salzburg, but from Vienna as well. Since long Vienna is one of the forerunners regarding smart cities. That includes also the EU project "Smarter Together" about future urban development with the main focus on energy efficiency, mobility and the participation of the inhabitants. In the project Vienna works together with Lyon and Munich.

Munich is only some 150 kilometres away from Salzburg, even less the bee-line. But the two cities are very different. In the capital of the State of Bavaria 1.5 million people are living. That is ten times more than in Salzburg. Georg-Friedrich Koppen, Head of Mobility in the Planning Department of the City of Munich, presented the public transport and mobility concepts of the state capital. He pointed out that "Munich achieved the goal to reduce traffic in the city despite the fact that the number of inhabitants increased." The pre-

requisite condition is an “attractive public transport system but as well a traffic reducing planning of the urban structure”. That includes mainly the development of new apartment buildings in the near surrounding of existing public transport stops. And

complemented by bike parking racks, by rental bikes, car sharing and EV charging stations. As measures having a direct impact on the real estate sector Hansjürgen Best mentioned the further increase of ‘mobile stations’ in new development ar-

vitalise vacant buildings in village centres. Therefore the concept of “VillageOffice” is addressing itself not only to companies and municipalities, but as well to real estate developers. Meanwhile more than 50 co-working offices have been established.



In the former post building of the 2,000-inhabitants municipality Lichtensteig in Switzerland co-working offices are planned to be developed.

he added that this requirement is no “new finding” of the discussions about smart cities, but is codified already in the planning regulations of the year 1965.

With about 600,000 inhabitants the city of Essen is definitely smaller than Munich but it is located in the North Rhine-Westphalian Ruhr Region comprising a total of 5.1 million inhabitants. At the IRE conference Hansjürgen Best, City Director and Head of Planning of the City of Essen presented the efforts Essen made to win the European Green Capital Award in 2017. The projects realised included – creating great public attention – the excursion boat *MS innogy* powered by methanol fuelled cells on Essen’s Lake Baldeney, a discounted ‘green ticket’ for bus, trams and trains including an additional offer of car sharing and rental bikes of the organisation metropolradruhr, as well as the extension of certain public traffic stops to so called ‘mobile stations’. These stops have been

covered by a binding land-use plan, the preservation of convenience centres to avoid unnecessary traffic, the reduction of parking lots combined with new buildings and the development of alternative mobility concepts by investors. The latter includes e.g. the commitment to develop parking areas for bikes and electric cars.

A quite extreme approach to the traffic problem in cities was mentioned by Benjamin Szemkus, Director of the Programme Smart City Switzerland. He pointed to the fact that in times of laptop and smart phone it does no longer matter where we are working and presented the initiative “VillageOffice”. To avoid unnecessary commuter flows between the countryside and cities, in the regions and even in villages in Switzerland co-working offices have started to be developed. These co-working spaces do not only lead out of the isolation of home offices. At best the development of co-working space can re-

Furthermore, Benjamin Szemkus emphasised that instead of ‘smart cities’ it would be more reasonable to speak of ‘smart citizens’. Because the direct dialogue between people is much more effective than all kinds of the digital communication. A practical example is that by direct communication car pools are often established – another and simple way to reduce the individual traffic. “Decreed top-down-approaches are not the best choice”, Benjamin Szemkus stated. He also put into perspective another topic: “Technology can offer only certain tools. Therefore it is a wrong conception to equate smart cities with technology.” With this statement Jürgen Best could agree. “The traffic transformation has to start in minds”, he put it in a nutshell.

Also Otto Schwetz, Vice-President of Pro Danube Austria, Member of the Management Board of the Institute for the Danube Region and Central Europe IDM and Head of the Working Group Economy, Tourism and Transport of the Working Community of the Danube Regions and the Council of Danube Cities and Regions, emphasised that the main focus has to be on people. Despite all technical possibilities the digital age is offering, it is not about “gadgets”, but about “social skills”. And he asked: “Which kind of mobility do we really need?”

This fundamental question was not answered in Salzburg. But at least, the Expert Conference was not only about the well known environmentally friendly solutions like e-mobility, bikes and car sharing or about sophisticated traffic control and management systems, but about the fundamental question how to avoid traffic. The answer to this question will not be given by technical solutions but only by a change in people’s minds. | **Andreas Schiller**

FOR YOUR PLANNING

When	What about	Where	For information and registration
27. April 2018	IRE-Expert Conference: Cultural Heritage – Added Value for Regions	Assembly of Autonomous Province of Vojvodina, Novi Sad, Serbia	www.institut-ire.eu
23. – 24. May 2018	RealConnect CEE Property & Investment Fair	Warsaw Expo XXI, Pradzynskiego 12/14, Warsaw, Poland	www.realconnect.pl
18.–20. June 2018	Rebec XI SEE Real Estate Belgrade Exhibition & Conference	Hotel Metropol Palace, Bulevar Kralja Aleksandra 69, Belgrade, Serbia	www.rebec.rs
27.–30. June 2018	ERES 25th Annual Conference	Real Estate & Planning, Henley Business School, University of Reading UK	www.eres.org
20. September 2018	CEE Property Forum Vienna	Imperial Riding School Renaissance Vienna Hotel Ungargasse 60, Vienna, Austria	www.property-forum.eu
8.–10. October 2018	Expo Real International Trade Fair for Property and Investment	Messe München, Munich, Germany	www.exporeal.net

ARTFUL IMPRESSIONS

For many people (not only) in Austria Wojciech Czaja is well known – as journalist, author of books and moderator. His main topics are architecture, urban culture and real estate economy. But as well he is lecturer at the University of Applied Arts in Vienna and at the University of Arts in Linz. He is one of those people able to engage you in a very stimulating talk even short time before midnight and when being even tired to death. Quickly one realises that he is a very attentive watcher and a highly educated person with several interests.

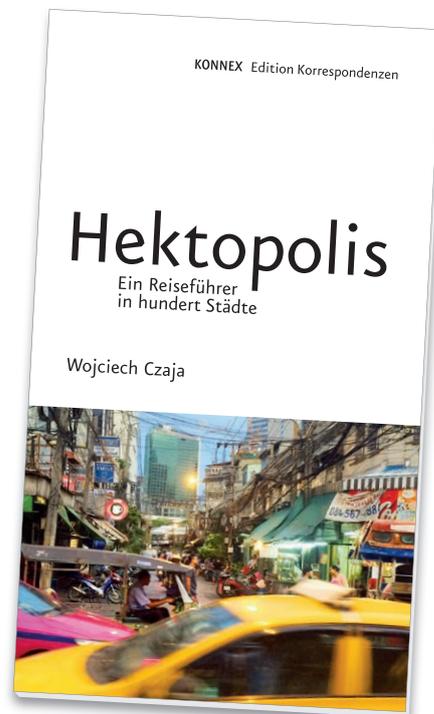
Who is personally acquainted with Wojciech Czaja knows that he is a passionate traveller. He is visiting not only the general top destinations but as well cities and regions of the world far away of the mainstream interest. I still remember when he told about Detroit, the once prosperous industrial city in the US, that lost more of 60 per cent of its inhabitants during the last 60 years with the consequence that more than one third of its buildings are vacant. Also Detroit is not missing in *Hektopolis. Ein Reiseführer in 100 Städte* (*Hektopolis. A travel guide to 100 cities*).

The term 'travel guide' is a bit misleading, because the book is not offering the 'normal' descriptions of tourist highlights, but an impression of a certain moment or situation. Strictly speaking, the book is offering short stories about 100 cities all over the world.

Two pages are dedicated for each city – therefore 'short stories'. There is only named the country, the number of inhabitants and the length of the author's stay in the city. Instead of the general information of a travel guide there is a first-person narrative telling very much about the character of the respective city. To remain with Detroit: Here Wojciech Czaja describes a meeting with the Head of Detroit's *Earthworks Urban Farm and Soup Kitchen* and thereby the situation in Detroit in general. Of course, first of all the reader looks at those cities he himself has already visited. Thereby the literary quality of the stories becomes obvious, but as well the great range of the author's knowledge. He links his city portraits with history, literature, music, arts and culture, but always rather casually and as part of the story. So he never gives the impression of 'teaching' something.

A very sophisticated example for Oradea in Romania: The city's economic boom in the 19th and early 20th century and its today admired heritage is due to many Jewish citizens. The author counteracts and supplements the present times by a Jewish song of the past. Another one is Zadar on the Dalmatian coast: here the city's Sea organ, a real tourist magnet, is linked with Homer's *Odyssey* and the singing Sirens.

The author concedes in the preface that he did some of his notes many years ago.



Wojciech Czaja
Hektopolis
Ein Reiseführer in hundert Städte
215 Seiten
Edition Korrespondenzen, Reto Ziegler,
Vienna 2018
ISBN 978-3-902951-30-4
Price: 20 Euro

In some cases it would have been interesting to know when he visited the respective city. It is not always as easy to conclude as in the case of Moscow. But anyway: reading the book is a real pleasure.

imprint

Editors: Andreas Schiller (V.i.S.d.P.), Marianne Schulze

Layout: Silvia Hög, www.diehogl.at

Frequency of publication: eight times a year

Publishing House: Schiller Publishing House
Unternehmensgesellschaft (haftungsbeschränkt)
Lohplatz 13, D-51465 Bergisch Gladbach

Managing Director: Andreas Schiller

Registered: Amtsgericht Köln, HR: B 68026

UID: DE270670378

T: +49 22 02 989 10 80

E: office@schillerpublishing.de

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