### • FINANSE I PRAWO FINANSOWE •

• Journal of Finance and Financial Law •

grudzień/December 2023 • vol. 4(40): 105-130

### CIVIC BUDGET AND ITS ROLE IN THE PROCESS OF URBAN RECONSTRUCTION - A CASE STUDY OF THE CITY OF LODZ

Magdalena Ślebocka<sup>\*</sup> Artur Kilanowski<sup>\*\*</sup>



https://doi.org/10.18778/2391-6478.4.40.06

#### CIVIC BUDGET AND ITS ROLE IN THE PROCESS OF URBAN RECONSTRUCTION - A CASE STUDY OF THE CITY OF LODZ

#### Abstract

The purpose of the article/hypothesis: The aim of the article is to assess the role and importance of the civic budget in a broader processes of reconstruction of the degraded urban fabric in the period 2016–2023. The article poses a research hypothesis that the civic budget, as an advanced form of social participation not limited to information or public consultation, is a tool supporting the implementation of revitalization processes undertaken in the civic budget support revitalization processes? 2) What types of projects submitted as part of the civic budget are included in revitalization measures? 3) How is the tool that the civic budget is in revitalization perceived by stakeholders and initiators of these processes?

**Methodology:** The research involved a literature review and an analysis of numerical data and information on revitalization projects that can be found in the civic budget of Lodz. The study also used an original survey questionnaire conducted among the residents.

**Results of the research:** It was found that the civic budget in Lodz contributed to the implementation of a number of revitalization projects. The high civic awareness of the residents and their knowledge of the needs of their surroundings make it possible to implement these projects in areas where the condition of the urban fabric is critical. Thanks to the civic budget, the city's residents have had and continue to have an opportunity to make changes in their immediate environment. They can realize the most important investments from the point of view of local needs.

Keywords: revitalization, public participation, civic budget. JEL Class: H61, H72, H76.

 <sup>\*</sup> Ph.D., Faculty of Economics and Sociology, University of Lodz, e-mail: <u>magdalena.slebocka@uni.lodz.pl</u>, <u>https://orcid.org/0000-0003-1957-3717</u>
 \*\* Msc, Faculty of Economics and Sociology, University of Lodz, e-mail: <u>artur.kilanowski@uni.lodz.pl</u>,

https://orcid.org/0000-0001-5537-5203

#### INTRODUCTION

One of the fundamental challenges facing modern cities is the reconstruction of a degraded urban fabric. Run-down city centers not only have a negative impact on the economy, deterring or discouraging potential investors, but also adversely affect the residents themselves. In order to prevent this, city authorities use revitalization processes as a remedy to the above problems, using various tools and methods to finance them. One of them is the civic budget.

Łódź is at the forefront of Polish cities in undertaken revitalization projects. A wide-ranging and effective revitalization process is strongly correlated with social consultations (Ślebocka, 2021: 171–172), and consequently also with the concept of social participation. It is pointed out that in the process of shaping public spaces, social participation understood as the participation of various entities, including the local community, in its creation is gaining in importance (Rzeńca and Sobol, 2018: 206). This is made possible by the civic budget, which has been in operation for 11 years in Łódź (www1). Thanks to the possibility to submit proposals for the realisation of investments, the residents not only gained the opportunity to indicate those areas which, in their opinion, required increased attention from the city authorities, but also got the chance to implement their own ideas having a real impact on the image of the environment in which they live. They were also given an instrument to express their preferences for the direction in which the city's development should take.

The aim of the study is to assess the role and significance of the civic budget in the broadly understood processes of reconstruction of the degraded urban fabric in the years 2016–2023. The article poses a research hypothesis that the civic budget, as an advanced form of social participation not limited to information or public consultation, is a tool supporting the implementation of the revitalization processes undertaken in the city.

The research questions posed by the authors were helpful in verifying the proposed hypothesis:

- Whether and how the civic budget supports revitalization processes?,
- What types of projects submitted as part of the civic budget are included in revitalization measures?,
- How the stakeholders of the revitalization process perceive the civic budget tool in revitalization?.

In order to verify the research hypothesis and the objective formulated in this way, the article is divided into three parts: a review of the literature on social participation, civic budgeting and revitalization, where the focus is on issues relating to social participation, with particular emphasis on its role in the process of housing the degraded urban fabric, and the research methods and conclusions applied.

The above study was based on: an analysis of numerical data, a review of literature and information on revitalization projects that can be found in the civic budget and the authors' survey questionnaire conducted among residents<sup>1</sup>.

# 1. CITIZENS' BUDGET AS A CIVIC TOOL - ESSENCE AND BENEFITS OF PUBLIC PARTICIPATION

The concept and idea of civic participation are relatively new (Noworól, 2020: 16; Wójcicki, 2020: 169), although the idea itself is thousands of years old. Greek philosophers, including Plato, recognized the natural inclination in every individual to function within organized state structures (Kalisiak-Medelska, 2015: 72). Aristotle, on the other hand, saw the creation of the Greek city-states of the polis as the most important aspect of civil society. According to the philosopher, a man cannot live outside the *polis*, for it is only in its conditions that their social nature is externalized, and according to Aristotle's conception, every man acts in their own interest and to satisfy their own needs, while at the same time also acting for the benefit of the wider collective (Kalisiak-Medelska, 2015: 72). That is a citizen who places the good of the state above the good of the individual, hence Aristotle's demand for them is to be active and to interact with other individuals (judging and ruling). While acting in their own interests, in satisfying their needs, people also act for the benefit of the wider community, and the good of individuals becomes the good of the whole community (Szczap, 2006: 41). The above considerations of the ancient erudites on society and social participation have been the starting point for further considerations in modern times. In 1992, the World Bank put forward

a definition of civil society that combines the ideals held by the ancient philosophers with the conditions of the modern world. According to it, civil society is a society that identifies with groups or organizations (formal or informal) that, as an entity independent of state structures, postulates diverse social interests (www2). It is also worth drawing attention, when considering the institution of civil society, to the so-called Copenhagen criteria, which a country applying for membership of the European Union is obliged to meet. These standards determine whether a society can be considered civil. They include the following requirements (Czyż, 2007: 180):

- the sovereign in a state should be the people exercising power direct or indirect,
- the elected authority should act on the basis of established law,

<sup>&</sup>lt;sup>1</sup> The survey questionnaire was conducted within the framework of the #eksocgrant 2021 project, titled. Harnessing social potential in urban revitalization on the example of provincial cities, funded by the Dean's reserve at the Faculty of Economics and Sociology of the University of Lodz.

- there are institutions guaranteeing the protection of human rights and civil liberties,
- citizens are guaranteed an opportunity to participate in their society.

This means that civil society should be a natural element of any democratic state governed by the rule of law, in which citizens can co-determine governance processes in public administration. And the most widespread tool to activate civil society is the civic budget. The concept of participation is identified with the active participation of the residents of a given area in the decision-making process concerning the most important issues for the community. This participation is voluntary, and by definition aims to manage issues directly affecting the community (Leśniewska-Napierała, 2019: 77). Citizen involvement in local affairs can take place in three areas (Gralak, 2018: 154–156):

- the basic area, where citizens are informed by the local authorities and citizen participation is passive in nature. In Poland, information is the responsibility of local authorities and is an important aspect of building trust and links between local government and residents. It is implemented through announcements on the municipality's website, in the Public Information Bulletin or on notice boards,
- the consultation process, whereby residents express their opinion and enter into dialogue with the municipality on a reciprocal basis. Before taking a decision, the municipality should agree on it with the residents, using the tools of debates, surveys and consultation meetings,
- the participation of residents in the decision-making process. This is the most important area from the point of view of civil society, and civic budgeting and local initiatives are key tools in this area.

To be effective, participation through a civic budget should fulfil a number of basic principles (Kalisiak-Mędelska, 2015: 279–280):

- documenting the process all civic activities such as meetings, reports or proposals should be meticulously documented. In addition, every participant should be guaranteed the right to inspect the documentation,
- representativeness and equality each resident has equal rights to participate in the participation process,
- the principle of good faith this implies pure intentions when carrying out civic activities. They must not be used for political manipulation, while all disputes and conflicts should be resolved according to agreed standards,
- the principle of partnership all parties involved in the process hope to be treated seriously and fairly by the local authority. No disrespect or hostility from the administration is allowed,
- legality all participants in the process, especially the local government bodies, should act within the limits of established law,

- the principle of fairness – all parties in the process should present transparent and reliable positions, opinions and proposals.

Public participation that meets the above principles can bring a number of benefits to the local community. First and foremost, in the context of public affairs management, the participation of residents leads to an increase in the effectiveness of undertakings. Thanks to consultations with residents, the local government has the opportunity to create proposals and solutions to problems occurring within a particular community, taking into account the interests of individual social groups. In addition, the activities carried out by the municipality become more comprehensible for the residents, and thus mutual trust and understanding increase in the local authority's relations with its residents (Szaranowicz-Kusz, 2014: 3). Decisions reached through public participation prove to be more accurate and more easily accepted by the local community (Turowski, 2020: 76-77). In addition, participation increases citizens' awareness of their responsibilities and rights, and makes it possible to identify priorities more precisely and allocate resources more efficiently (Szaranowicz-Kusz, 2014: 3). A sense of influence among citizens on their immediate environment mobilizes them to further contribute to the local community and leads to their internal integration (Bieńkowska, 1996: 57– 58).

These benefits of public participation are the same as the advantages of using a civic budgeting tool. It is defined as an institution that is a process of democratic decision-making by the residents of a local authority on the objectives of spending the local public budget (Burchard-Dziubińska, 2016: 237; Dworakowska, 2014: 65; Niklewicz, 2014: 103; Kębłowski, 2013: 8). It disseminates the idea of effective governance among residents, improves their relationship with local government and fosters transparency in public finances through citizen control of spending (Michalska-Żyła and Brzeziński, 2017: 209–210).

The civic budget as a planning tool has become increasingly popular in recent years, playing an important role in shaping local government and democracy in Poland. As an institution, it can ensure, among other things, better management of the budget of a local government unit, transparency, integration of the local community, greater identification of residents with their place of residence or a higher level of education of residents. At the same time, the budget requires further legal and social analyses, as it carries the risk of a number of problems (Błaszak, 2019: 206). In order for the implementation of the budget in a given area to bring satisfactory benefits, it is necessary to eliminate the unreflective, i.e. not taking into account local conditions, introduction of civic budgeting models, as well as to change the merely informative nature of the so-called public consultations, which indirectly translates into a still low level of attendance at meetings (Jasiecki, 2015: 114). Another problem is the lack of full knowledge of residents about local problems, as well as conflicts of interest between residents and local

authorities, who prefer to see the former only and at most in an advisory role (Pytlik, 2017: 121). The above problems belong to the group of the most fundamental negligence which determines that the civic budget in Poland cannot bring maximum benefits. It should not be forgotten that the creation of an effective municipal financial strategy and policy depends first and foremost on an informed and active civil society.

In the long term, a joint dialogue between the authorities and residents is crucial, and adequate regulation of the functioning of the process is important for the further development of the civic budget in Poland. The tasks submitted as part of the civic budget are diverse. They include tasks involving the modernisation and development of urban infrastructure, the so-called 'hard projects', but also projects of a social, educational and cultural nature, commonly referred to as 'soft projects' (Brzeziński, 2021: 47; Ślebocka, 2022: 771). Thus, the civic budget is not only, large investments and above all, small changes.

It is important to initiate this process not only by local authorities, but above all from the bottom up by the residents themselves. In this way, they will be able to see in the civic budget an effective tool for carrying out pro-social changes at various levels, including in the reconstruction of the degraded urban fabric. Due to the fact that social participation is a prerequisite for the revitalization process (Hołuj and Legutko-Kobus, 2018: 93–94), the civic budget seems to be a good tool that will enable broad cooperation between the residents and the local authorities in the revitalization aspect.

#### 2. SOCIAL ASPECT OF REVITALIZATION

The need to implement revitalization stems first and foremost from many years of neglect during the period of real socialism, which resulted in the accumulation of various problems negatively affecting local communities in many Polish cities (Sikorski, 2010: 331). Districts which were intensively developed in the past, are now, due to the loss of their industrial value and degraded buildings, becoming unattractive and non-functional areas both for city dwellers and for visiting tourists and investors. As a consequence, this causes a decline in property values, the relocation of economic activities to suburban zones and a decline in the standard of living of the residents of the degraded part of the city. For this reason, revitalization programs are gaining popularity, especially those that are purposeful and consciously initiated processes aimed not only at 'bringing life' to non-functional areas, but also at achieving spatial and functional changes in degraded areas that will contribute to their economic, social and cultural development, to establishing spatial order, and to improving the aesthetics and functionality of these areas (Parysek, 2016: 20).

According to the provisions of the Act on Revitalization, revitalization should be perceived as a process of leading degraded areas out of crisis, of a comprehensive character, which takes place as a result of integrated actions for the benefit of the local community, space and economy, territorially concentrated, conducted by revitalization stakeholders on the basis of a commune revitalization program (Journal of Laws of 2015, item 1777). This definition holistically includes all important elements of the process related to the rehabilitation of a degraded urban fabric. It also provides a starting point for further scientific research. Representatives of various scientific disciplines attempt to define this concept. Hence, depending on the scientific discipline represented by the authors, one may notice a stronger emphasis on economic, social or spatial values (Ślebocka, 2022: 766-767). The common denominator is the interdisciplinary character of revitalization processes. According to the definition formulated by G.J. Ashworth revitalization is a process of creating new life, and referring to the functioning of cities or urban areas – a process with a clear emphasis on economic functions (Ashworth, 1991: 5). Other authors describe revitalization as the long-term transformation of degraded areas in the spheres of (Kopeć, 2011: 7–8):

- spatial (infrastructural urban changes), economic (investments),
- social and cultural (activation of residents, territorial identity),
- ecological (environmental rehabilitation).

The initiators of transformations are usually local authorities, who prepare program solutions and implement – to a limited extent – their own investment tasks, giving an impulse for further transformations. As a result of the implemented activities, areas lose the features of crisis areas and gain the features of expansive areas, joining the process of balancing urban development. It is also emphasized that revitalization affects not only the regenerated area, but the whole city, increasing its investment or tourist attractiveness and giving benefits to entrepreneurs and residents also outside the revitalized area (Markowski, 2007: 319–324).

Definitions of revitalization, although different, are united by a concern for all major spheres of urban life. Comprehensive, sequential actions, connected to each other in a logical cause-and-effect sequence, make it possible to realize the overriding objective of revitalization, which is to "bring life back to" dilapidated, degraded areas.

The literature on the subject lists a number of fundamental objectives that are served by revitalization processes (Kopeć, 2011: 13–14):

- spatial objectives, influenced by the shaping of spatial order or changing the image of degraded areas by introducing new architectural elements,
- social objectives, focusing on the assessment of the level and quality of life, the public service system, the cultural heritage and the measures taken to protect it,

- environmental objectives, which consist in eliminating the negative impacts of brownfield sites, extending greenfield sites or reducing the consumption of new uninvested land through the reuse of brownfield sites,
- economic objectives, which analyze e.g. the increase in business income, tax revenue, unemployment rate, municipal infrastructure,
- urban-architectural objectives, directly linked to the implementation of renovation, modernization or revalorization of architectural ensembles (Ziora, 2016: 106).

In order to realize the above objectives, revitalization activities should include (www3):

- hard investments, strictly concerning infrastructure and urban development, which comprise:
  - elimination of architectural barriers allowing people with disabilities to use common space,
  - renovation and modernization of degraded multi-family buildings in the metropolitan area,
  - renovation of historic buildings in the metropolitan area, including conservation and restoration works;
- soft investments, focusing on the social and economic sphere, which comprise:
  - economic activation of the revitalized area through the creation of new and improvement of existing conditions for business activity,
  - increase in tourist attractiveness through promotion of the city's unique buildings on a national scale,
  - increase in the level of satisfaction with life in the metropolitan area,
  - reduction of social exclusion, achieved by promoting and building desirable patterns of behavior and educational and informational activities aimed at increasing civic awareness and belonging to the area,
  - o increasing investment attractiveness, as well as
  - increase in social awareness and sense of empowerment in determining the direction of planned projects.

Generalizing the above considerations, it can be concluded that revitalization remains one of the key aspects of city management and occupies an important position in strategic and budgetary planning in cities in Poland. Relevant normative acts emphasize the importance of revitalization processes and give them legal legitimacy. As a result, revitalization activities can be better coordinated and more effective. Various planning, legal and organizational as well as economic tools are used in this process (Hajdys and Ślebocka, 2021: 42), and one of them is undoubtedly the civic budget. In recent years, the civic budget has increasingly been used as a tool in the development of urban public space. This is evidenced by the fact that a number of micro-investment projects have been implemented through this instrument: cycle paths as well as playgrounds car parks, pavements, etc. (Bernat, 2019: 33).

In order for a project submitted as part of the civic budget to be implemented as a revitalization project it must meet the following conditions (Ślebocka, 2022: 772):

- be located in an area identified in the Commune Revitalization Program as a degraded area subject to corrective measures,
- must concern one of the activities identified as revitalization projects, such as, for example, road infrastructure projects involving pavements, playgrounds, sports areas (including school playing fields), heritage and culture, urban greenery in the scope of revitalization activities carried out within parks, backyards and city squares, riverside areas and areas by ponds and allotment gardens,
- must result from the needs of the residents of degraded areas and be submitted by them for revitalization.

In summary, the revitalization process is an extremely complex undertaking, even with the existence of favorable legal regulations and funding sources. In order for revitalization to be considered effective, it should permanently improve the living conditions and image of revitalized areas, increase the safety prevailing in them and provide adequate conditions for public participation in the rehabilitation of degraded space (Nowak et al., 2012: 36). Therefore, planned and structured revitalization activities supported by the civic budget procedure give hope for full use of the potential of all parties in this process.

#### 3. CIVIC BUDGET IN REVITALIZATION PROJECTS IN ŁÓDŹ

Due to the convergence of goals and objectives, local government units decide to use the civic budget as a tool to support the revitalization process. The civic budget is a tool that activates local society, which, when deciding on the spending of money, implements one of the basic principles underlying the planning of revitalization measures, namely social participation. This is also the case of the city of Łódź, recognized as a leader in civic budgeting and social participation. The city is at the forefront of cities with the highest turnout when it comes to the civic budget<sup>2</sup> (Table1), and it is currently in its 11th edition.

<sup>&</sup>lt;sup>2</sup> The turnout in Lodz makes the city a leader in civic budgeting. In 2018, 16,40% of the total population of Lodz cast their vote for projects in the civic budget. Wroclaw came second with 10,76%,

	Specification			
Edition	Total projects submitted	Total accepted for implementation	Number of people voting in the civic budget	
2016/2017	1 572	1 188	224 203	
2017/2018	1 131	730	134 522	
2018/2019	1 295	837	113 490	
2019/2020	1 027	984	154 745	
2020/2021	868	601	69 014	
2021/2022	1 097	984	145 564	
2022/2023	947	238	175 166	
2023/2024	799	-	-	

Table 1. Projects submitted and implemented in the 2016–2023edition of the civic budget in Łódź

Source: www4 and www5.

The city still manages to maintain a high level of interest in this initiative. This is evidenced not only by a number of projects submitted, which is gradually increasing, but also by a number of people taking part in the voting. Only in 2020 there was a significant drop in the number of projects submitted under the civic budget. It is linked to the onset of the COVID-19 pandemic, which literally "stopped the world in its tracks". Local governments, due to the restrictions introduced, abandoned, among other things, public consultations and information meetings, presentations of projects put to the vote, and the traditional voting stage. They tried to eliminate the activities which required direct contact with the residents (www6).

Although the proposed projects under the civic budget do not limit the creativity of the residents (the only requirement they should meet is the compliance with Polish law and the feasibility of estimating the costs), in spite of such possibilities, the ideas submitted under it usually concern the implementation of typical external investments, e.g. sports infrastructure, playgrounds, revitalization of green areas. This is also the case of projects submitted in the city center district, whose area coincides with the area subject to revitalization measures (Table 2).

followed by Gdansk with 10,50%. Further down the list were Poznań with 10,31%, Warsaw with 5,11% and Cracow with 4,52% (Citizens' budget in Polish cities, 2019: 3).

	Specification			
Edition	Planned civic budget	Planned civic budget for projects accepted for implementation in the Łódź Śródmieście district	Budget allocated to microprojects of revi- talization character in the Łódź Śródmieście district	
2013/2014	20 000 000	2 997 418	2 932 700	
2014/2015	40 000 000	5 999 000	5 453 000	
2015/2016	40 000 000	5 993 251	4 915 605	
2016/2017	40 000 000	1 430 000	1 360 000	
2017/2018	40 000 000	2 390 000	1 906 763	
2018/2019	40 000 000	2 370 000	936 640	
2019/2020	49 870 000	3 843 000	1 921 880	
2020/2021	19 400 000	1 214 000	1 142 400	
2021/2022	26 000 000	1 302 000	1 079 240	
2022/2023	26 200 000	1 311 000	1 035 000	

 Table 2. Value of revitalization microprojects implemented as part of the civic budget during the 9th edition (in PLN)

Source: www4 and www5.

The budget allocated to micro revitalization measures implemented in the inner city represented on average 5 % of the total civic budget in the period under review. This confirms that the civic budget significantly supports revitalization processes in the city. Thanks to the procedure, residents can submit and select projects that make a significant contribution to improving the city.

Residents of a given area have the best knowledge of the condition of the urban infrastructure and public facilities, thanks to which they are able to identify revitalization areas and propose actions aimed at lifting them out of crisis and restoring (or giving) their functionality. Such projects require the involvement of capital, which is provided, among others, by the civic budget. Due to the limited pool of funds, the scale of revitalization measures implemented through the civic budget is far from those implemented directly from the city budget. In recent years, the city has allocated hundreds of millions of zlotys to revitalization measures. Graph 1 presents data on the funds that the City of Łódź had at its disposal under the civic budget.

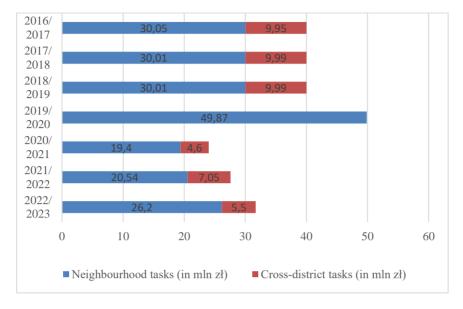


Chart 1. Funds allocated to the civic budget in Łódź in 2016-2022 in PLN million

Source: www4 and www5.

As can be seen in Chart 1, the city of Łódź, when deciding on the civic budget, divides it into two pools of funds, which relate to neighborhood or supra-neighborhood tasks. Łódź allocated the largest amount for the implementation of civic initiatives in the 2019/2020 edition – PLN 49,870,000, which also corresponds to the largest number of accepted projects. A similar situation can be observed in the 2020/2021 edition, where PLN 24,000,000, the smallest of the analyzed periods, corresponds to the smallest number of projects accepted for voting. In the 2022/2023 edition, the residents of Łódź decided to allocate PLN 31,700,000. In the analyzed years 2016–2022, the civic budget enabled revitalization projects worth a total of more than PLN 220 million to be implemented. Many schools, roads, parks and public infrastructure elements were renovated and revitalized. This demonstrates the significant impact of the civic budget tool.

In order to examine the level of activation of Łódź citizens in the socio-political life of the city, their opinion on revitalization measures and also to learn about the position of the citizens on the management of the city, a questionnaire survey was conducted on a group of 180 Łódź citizens. The sample was representative in terms of age, according to the distribution for the city. The survey was conducted using research techniques: CAWI – through the Opinion Research Panel, CATI.

In order to supplement the responses obtained, a survey questionnaire was additionally sent out via the Microsoft Forms tool. In this study 50 randomly selected residents of Łódź participated in this survey.

Both questionnaires were divided into three parts. The first contained questions focusing on the general assessment of the economic situation of the city. The respondents had an opportunity to evaluate the management of public funds by the City Council in recent years, to indicate the most needed investments that should be carried out in Łódź. The second part of the survey concerned the evaluation of revitalization processes. The last, third part of the questionnaire referred directly to the civic budget in the City of Łódź and its impact on revitalization activities in the city. The respondents evaluated, among other things, the voting system of the procedure, pointed to elements of the process that need improvement and evaluated the budget as a tool for the implementation of revitalization processes.

In the section on evaluation of the city, respondents were asked to assess the disposal of public funds by the City Council in recent years. The chart below shows residents' assessment of officials' actions in terms of the management of public funds.

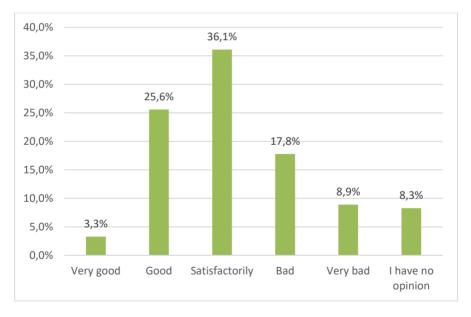


Chart 2. Assessment of the way public funds are managed in Łódź

Source: own compilation based on the results of a survey conducted among the residents of Łódź in connection with the implementation of a research grant at the Faculty of Economics and Sociology, University of Łódź, entitled "Revitalization of the City of Łódź. Use of social potential in revitalization on the example of provincial cities".

As many as 36,1% of respondents rated as satisfactory the way the City Council has managed public funds in recent years. Good evaluation is indicated by 25,6% of respondents, very good by 3,3%. The sum of positive ratings is 65,0%. The way the City Hall manages public funds is rated poorly by 17,8%, while assessed as very bad by 8,9%. The sum of negative evaluations amounts to 26,7%. 8,3% of respondents abstained from answering. This shows a positive perception of the way public funds are managed.

In the next question, respondents were asked to identify the city's most important assets.

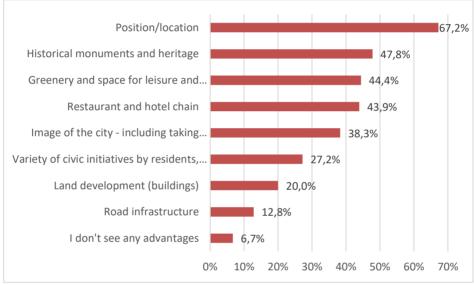


Chart 3. The most important assets of Lodz as indicated by respondents

Source: own compilation based on the results of a survey conducted among the residents of Łódź in connection with the implementation of a research grant at the Faculty of Economics and Sociology, University of Łódź, entitled "Revitalization of the City of Łódź. Use of social potential in revitalization on the example of provincial cities".

Among the city's assets presented to respondents, the most frequently indicated by 67,2% of respondents – was position, location. In the second place with 47,8% of indications were monuments and historical heritage. Greenery and space for leisure and recreation are considered by 44,4% as the third most important asset. 43,9% of respondents indicate the gastronomic and hotel network. 38,3% point at the image of the city, along with measures taken to improve it. 27,2% mention the variety of civic initiatives undertaken by residents, associations, 20,0% land use (buildings), and road infrastructure 12,8% of city residents. The assets are not noticed by only 6,7% of respondents.

The next question concerned the aspects that respondents indicate needing improvement in the city (Chart 4).

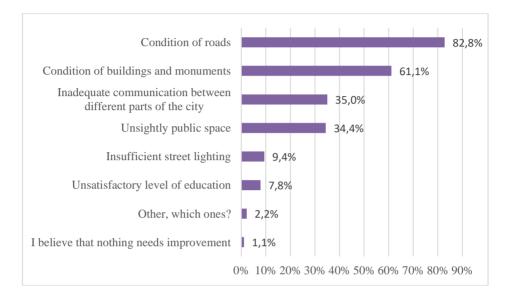


Chart 4. Areas of the city according to respondents that need improvement

Source: own compilation based on the results of a survey conducted among the residents of Łódź in connection with the implementation of a research grant at the Faculty of Economics and Sociology, University of Łódź, entitled "Revitalization of the City of Łódź. Use of social potential in revitalization on the example of provincial cities".

Almost all of the respondents pointed to the condition of roads as an aspect in need of improvement. As many as 61,1% of respondents also indicated the poor condition of public buildings, housing and historical monuments. It is in these areas that the city has been working on improving them for a long time, for example, the construction of the WZ route and revitalization programs (www7). A total of 69,4% of respondents pointed to inadequate communication between different parts of the city and unsightly public space. In the area of public transportation there were many reforms, including in 2017 (www8), but shortly after their implementation there was much criticism from residents (www9). In their opinion, individual bus and streetcar lines should remain unchanged. What's more, as a result of carrying out many repairs at the same time, about 30% of the streetcar traction is out of service. There are also reservations about ticket fares, which increased significantly in 2022.

The next question referred to investments that could improve the quality of life in the city. These were open-ended questions, in which respondents were asked to:

- indicate the investments that should be carried out in the coming years in Lodz,
- indicate the investments made in recent years that were, in their opinion, most needed,
- specify investments which, in their opinion, were the most unnecessary (least needed).

Within the first category of investments, i.e. those concerning the future, the respondents pointed primarily to:

- revitalization of tenements,
- renovation of roads and old neglected buildings,
- demolition of old tenements,
- improving the functioning of public transportation.

In turn, as the most needed investments made in recent years respondents indicated:

- revitalization of tenements due to the improvement of poor housing standards,
- renovation of roads,
- renovation of the Center, tenements and the Factory Station,
- reconstruction of railroad stations and construction of subways,
- renovation of overpasses in the streets of Przybyszewskiego and Dąbrowskiego.

In the context of the least needed investments they mentioned:

- construction of the WZ route,
- narrowing of roads and elimination of parking spaces in the center,
- the fountain in front of the Grand Theater,
- reconstruction of Dabrowski Square,
- bicycle paths.

The second part of the survey consisted of questions about revitalization processes. The first question sought to discern whether residents had heard of the revitalization term. The vast majority, 92,2% of respondents, gave an affirmative answer. As many as 40,6% of respondents can name the area undergoing recovery activities in the city. In another question, residents were asked to rate the state of the city's infrastructure. Half of them rated it mediocre, while on average one in three respondents rated the condition as bad. Only 16% of respondents rated the state of the city's infrastructure well. This confirms that residents are aware of the level of degraded urban fabric. In the next question, respondents were asked whether they noticed the impact of revitalization efforts on their immediate surroundings. Almost half (48%) answered an the affirmative way, while one in five respondents expressed the opposite opinion. Significantly, as many as 32% of the respondents were unable to clearly state whether they had noticed such an impact in their immediate surroundings. In the next question, respondents were asked to rate their level of satisfaction with the city's revitalization efforts (Chart 5).

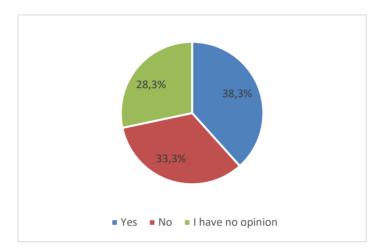


Chart 5: Level of satisfaction with revitalization projects undertaken in the city

Source: own compilation based on the results of a survey conducted among the residents of Łódź in connection with the implementation of a research grant at the Faculty of Economics and Sociology, University of Łódź, entitled "Revitalization of the City of Łódź. Use of social potential in revitalization on the example of provincial cities".

More than half of the respondents have a negative or no opinion on the revitalization efforts underway.

The last question in the second part of the survey asked respondents to rate the relevance of revitalization projects to the city of Lodz, where 1 meant low relevance to the city and 5 meant very high. Nearly half of Lodz residents (48%) considered this relevance to be medium, giving it a value of 3. However, the other half described it as very high or high (30% and 18% each, respectively). No respondent was of the opinion that revitalization projects are of low importance to the city. This shows that a sizable portion of Lodz residents are aware of the importance of revitalization processes in building the city's image and improving its overall appearance.

The last, third part of the survey consisted of questions devoted strictly to the civic budget. The first question was aimed at discerning the civic awareness of Łódź residents, i.e. whether they had ever heard of a civic budget. All respondents answered in the affirmative, which testifies to a very broad information message through various communication channels. For this reason, in the next question the respondents were asked to mark all the communication opportunities that provided them with information about the civic budget (Chart 6).

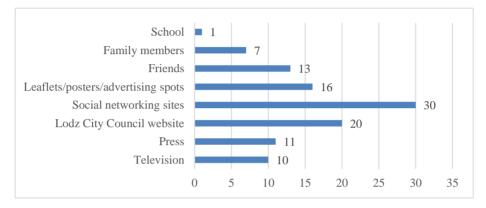


Chart 6. Sources of information about citizen budgeting

Source: own compilation based on the results of a supplementary survey of Lodz residents.

Social networking sites and the Lodz City Hall website played their informational role best, receiving 30 and 20 indications each, respectively. Flyers and advertising spots, friends, as well as television and newspapers also played a significant role in the information campaign. This choice of respondents testifies to good promotion of the civic budget on the Internet and with the help of leaflets and advertising spots.

Subsequent questions concerned participation in the civic budget procedure. As many as 72% of respondents declared their participation in previous editions of the civic budget. Among this group were also those who participated both as a voter and a project proponent (4% of respondents). The vast majority of respondents participated in voting via the Internet (81,8% of responses), while the rest participated in a stationary manner (18,2%). Next, respondents were asked to evaluate the civic budget voting system. The vast majority of people (61,2%) gave a positive assessment of the voting procedure. However, a sizable number of people had no opinion on the matter (32,7%), while a small number of respondents (6,1%) evaluated the voting system negatively. The question also included an opportunity to justify their assessment. Respondents point to the convenience of

finding a voting site and the transparency of the voting system. They rate the voting process itself as easy and intuitive, in line with democratic principles.

The next question asked about residents' participation in informational meetings on the civic budget. Unfortunately, the results showed that only 16% of respondents attended such meetings. This is quite worrisome, as the meetings often address important issues concerning both the procedure itself and projects in a given neighborhood. Lack of participation in the meetings may result in ignorance about the projects being implemented and submitted in a given district. On the other hand, the visibility of the efforts of applicants, organizations, schools or other institutions to promote projects submitted in the Civic Budget looks better. About two-thirds of the respondents noticed such activities, which indicates effective promotion of submitted projects. Another question, in turn, checked whether respondents had noticed the implementation of a Civic Budget project in their area of residence. As many as 64% of respondents answered in the affirmative, which testifies a the high level of perceptiveness of residents and their interest in local affairs. Unfortunately, nearly a quarter of respondents were unable to give a clear answer. This may be due to the lack of participation in information meetings on the civic budget taking place in the neighborhood. As for the residents' assessment of the project implemented in their area, the majority (53,2%) gave a good evaluation of its implementation. On average, 19,1% of respondents rated the implementation, while nearly 24% had no opinion on the matter.

What was important from the point of view of verifying the research hypothesis was the answer to the question on the evaluation of the civic budget as a tool that actively supports the revitalization process in the city. An affirmative answer was given by 76,7% of the survey participants. 8,3% had an opposing opinion, while 15% did not have an educated opinion on the subject. Such results, however, prove that residents believe that revitalization projects can be implemented thanks to the civic budget. They perceive their participation in ongoing projects and their impact on their immediate surroundings.

The next question asked respondents to answer whether among the submitted/implemented civic projects one could identify those related to revitalization (e.g., regarding the renovation of monuments, public facilities, parks).

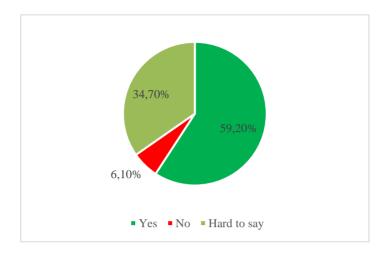


Chart 7. Percentage of respondents who can identify projects for revitalization activities among the total projects in the civic budget

Source: own compilation based on the results of a supplementary survey of Lodz residents.

The high percentage of affirmative answers confirms the noticeable share of revitalization projects among all submitted ones. This is also confirmed by an analysis of previous editions of the civic budget, in which many millions of zlotys were allocated for revitalization projects implemented.

Those who recognize the civic budget as a tool to support revitalization activities indicated categories of projects that could also be considered to support revitalization activities. Respondents had seven categories to choose from and they could indicate any number they wanted:

- revitalization of backyards, gardens and city squares,
- renovation of playgrounds and sports fields,
- revitalization of parks and green spaces,
- transportation projects (especially road infrastructure, sidewalks),
- reconstruction and restoration of monuments,
- thermal modernization,
- environmental education and training.

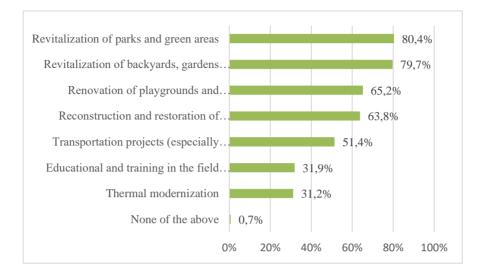


Chart 8. Revitalization projects classified according to respondents' opinions as activities that are part of revitalization efforts

Source: own compilation based on the results of a survey conducted among the residents of Łódź in connection with the implementation of a research grant at the Faculty of Economics and Sociology, University of Łódź, entitled "Revitalization of the City of Łódź. Use of social potential in revitalization on the example of provincial cities".

As many as 80,4% of respondents indicated the revitalization of parks and green spaces, 79,7% marked the revitalization of backyards, gardens and city squares. 65,2% pointed at renewed playgrounds and playgrounds, 63,8% reconstructed and restored monuments, 51,4% indicated transportation projects (especially road infrastructure, sidewalks), 31,9% environmental education and training projects, and 31,2% thermal modernization projects. Only 0,7% of those questioned felt that none of the proposed categories of projects could be classified as an activity that fits into revitalization efforts.

In summary, the survey made it possible to isolate and examine the opinions of residents regarding the city management, revitalization activities and the civic budget procedure. They identified both well-developed areas of the city and those in need of improvement. Some of the problems mentioned by respondents, both in terms of the poor state of the urban fabric and needed investments, are sometimes raised during public debates. Indeed, the processes of city management in many issues need to be improved, however, when it comes to the civic budget, it should be emphasized that it is a relatively new tool that is constantly being improved. Moreover, it is part of the revitalization processes by implementing projects that improve the overall appearance of the city or the condition of the roads. Respondents recognize the impact of these activities on their neighborhoods and agree that revitalization projects are possible as a result of the civic budget procedure.

#### CONCLUSIONS

Revitalization is one of the key tasks undertaken by the local government. Revitalization projects that are based on participation and public involvement are more likely to have lasting effects, as the community has a greater interest in maintaining and developing its environment. Obviously, the civic budget appears precisely as an effective civic tool.

Based on the analysis, it can be concluded that the civic budget has contributed to the implementation of a number of revitalization projects. The high civic awareness of residents and their knowledge of the needs of the environment makes it possible to implement these projects in areas where the condition of the urban fabric is critical. Thanks to the civic budget, city residents have an opportunity to make changes in their immediate environment. They can implement the most important investments from the point of view of local needs. In 2016–2021, it can be noted that a significant part of the submitted and implemented projects were related to the improvement of road infrastructure, the renovation of parks, schools and other public space facilities. Among the implemented projects were items that were not included in the Municipal Revitalization Program of the City of Lodz (www10). One example is the construction of brine graduation towers in parks in the city (www11). The themes of the submitted projects show the importance and significance of revitalization processes for the city's residents and confirm the usefulness of the civic budget in their implementation.

A significant number of residents consider the civic budget to be a helpful tool in the implementation of revitalization processes. The vast majority of respondents also considered the revitalization activities carried out by the city important. The high proportion of people participating in the voting procedure testifies to the high level of public participation in the city, and the selection of projects to be implemented testifies to how important revitalization is for residents.

However, there is a dissonance between the opinion of respondents and the institutions involved in the implementation and control of the execution of the civic budget. According to the opinion of experts, the civic budget, as a new tool in financial management, requires numerous amendments, especially in the aspect of the voting procedure itself, as well as the pool of funds available under it (www12). Undoubtedly, however, it is a tool through which citizens decide the direction of spending public funds. The example of Lodz shows that residents are aware of the state of the urban infrastructure and are willing to choose through the

budget procedure those investments that, in their opinion, will contribute to improving the aesthetics and quality of life in degraded areas.

In conclusion, although the civic budget is commonly used as a tool in the implementation of revitalization projects, the question should be asked whether it really should be. Doesn't the implementation of this instrument for the reconstruction of the degraded urban fabric distort the very idea of the civic budget? It should be borne in mind that revitalization is a set of activities, directed at leading out the state of crisis from given areas of the city initiated and largely financed by the city. The civic budget, on the other hand, is an instrument that residents simply deserve. Providing them with complete autonomy and freedom in shaping its scope is indispensable and officials definitely should not interfere with this.

#### DISCLOSURE STATEMENT

The authors report no conflicts of interest.

#### BIBLIOGRAPHY

- Ashworth G.J. (1991), *Heritage Planning: Conservation as The Management of Urban Change*, Geo Press.
- Bernat S. (2019), Budżet obywatelski jako narzędzie kształtowania krajobrazu na przykladzie miast uzdrowiskowych, Prace Komisji Krajobrazu Kulturowego, No. 41(1).
- Bieńkowska D. (1996), Regionalne zróżnicowanie aktywności obywatelskiej, [w:] Partycypacja obywatelska w życiu społeczności lokalnej. Stan, bariery, rekomendacje, red. G. Prawelska-Skrzypek, Fundacja Międzynarodowe Centrum Rozwoju Demokracji.
- Błaszak M. (2019), *Budżet obywatelski w Polsce i dylematy z nim związane*, Ruch Prawniczy, Ekonomiczny i Socjologiczny.
- Brzeziński K. (2021), Budżet obywatelski jako mechanizm społecznego wytwarzania przestrzeni miejskiej, Przegląd Socjologiczny, 70(4).
- Burchard-Dziubińska M. (2016), Budżet obywatelski jako narzędzie realizacji rozwoju zrównoważonego na poziomie lokalnym – przykład Łodzi, Studia i Prace Wydziału Nauk Ekonomicznych i Zarządzania Uniwersytetu Szczecińskiego.
- Citizens' budget in Polish cities (2019), https://www.miasto2077.pl/wp-content/uploads/2019/03/Raport-Budz%CC%87ety-Obywatelskie-w-polskich-miastach.pdf [Accessed:15.10.2023].
- Czyż K. (2007), Społeczeństwo obywatelskie jako wyznacznik państwa demokratycznego, Zeszyty naukowe zakładu europeistyki Wyższej Szkoły Informatyki i Zarządzania w Rzeszowie, nr 3.
- Dworakowska M. (2014), *Rola i znaczenie budżetu partycypacyjnego w rozwoju społeczeństwa obywatelskiego*, [w:] J. Osiński, J.Z. Popławska (red.), Oblicza społeczeństwa obywatelskiego – Państwo. Gospodarka. Świat, Warszawa: SGH,

- Gralak K. (2018), *Partycypacja społeczna i jej znaczenie w rozwoju turystyki*, Zeszyty Naukowe, Turystyka i Rekreacja, nr 21.
- Hajdys D., Ślebocka M. (2021), Rewitalizacja miast we współpracy z podmiotem prywatnym w formule partnerstwa publiczno-prywatnego, Kraków-Legionowo: edu-Libri.
- Hołuj D., Legutko-Kobus P. (2018), *Partycypacja jako element rewitalizacji (przykłady miast z województwa małopolskiego i mazowieckiego)*, Zeszyty Naukowe Uniwersytetu Ekonomicznego w Katowicach, nr 365.
- Jasiecki K. (2015), *Problemy partycypacji społecznej w Polsce i ich wpływ na politykę publiczną*, Studia z Polityki Publicznej, nr 3(7).
- Kalisiak-Mędelska M. (2015), Partycypacja społeczna na poziomie lokalnym jako wymiar decentralizacji administracji publicznej w Polsce, Łódź: Wydawnictwo Uniwersytetu Łódzkiego.
- Kębłowski W. (2013), Budżet partycypacyjny, Krótka instrukcja obsługi, Instytut Obywatelski, Warszawa.
- Kopeć M. (2011), Finansowanie projektów rewitalizacyjnych, Warszawa: C.H. Beck
- Leśniewska-Napierała K. (2019), Budżet obywatelski jako nowy instrument partycypacji społecznej na obszarach wiejskich w Polsce, Studia Obszarów Wiejskich, nr 53.
- Markowski T. (2007), *Rynkowe podstawy procesów rewitalizacji miast*, [w:] *Rewitalizacja miast w Polsce. Pierwsze doświadczenia*, red. P. Lorens, Warszawa: Wydawnic-two Urbanista.
- Michalska-Żyła A., Brzeziński K. (2017), *Budżet partycypacyjny jako mechanizm współrządzenia miastem*, Annales Universitatis Mariae Curie-Skłodowska, SECTIO – Politologia, Vol. 24, No 2.
- Noworól K. (2020), *Wyzwania partycypacji w zarządzaniu publicznym*, Monografie i Studia Instytutu Spraw Publicznych Uniwersytetu Jagiellońskiego, Kraków.
- Niklewicz K. (2014), Budżety obywatelskie w kontekście wyborów samorządowych: szansa czy ryzyko?, Kwartalnik Naukowy OAP UW "e-Politikon".
- Nowak S., Szczerbowski M., Franczak A. (2012), Wpływ rewitalizacji na społeczny i turystyczny rozwój obszarów poprzemysłowych województwa śląskiego, [w:] Regionalne i lokalne strategie rozwoju turystyki: materiały i studia, red. S.Nowak, Wydawnictwo AWF w Katowicach.
- Parysek J. (2016), *Rewitalizacja jako problem i zadanie własne polskich samorządów lokalnych*, Rozwój Regionalny i Polityka Regionalna, nr 33.
- Pytlik B. (2017), *Budżet partycypacyjny w Polsce. Ewolucja i dylematy*, Studia z Polityki Publicznej, nr 1(2017).
- Rzeńca A., Sobol A. (2018), Budżet obywatelski jako instrument kształtowania przestrzeni miasta przykład Łodzi i Katowic, Biuletyn Polska Akademia Nauk. Komitet Przestrzennego Zagospodarowania Kraju.
- Szaranowicz-Kusz M. (2014), Budżet partycypacyjny. Jak mieszkańcy mogą współdecydować o budżecie miasta?, Fundacja Pole Dialogu.
- Sikorski D. (2010), Rewitalizacja jako szansa poprawy wizerunku i bezpieczeństwa małego miasta na przykładzie Góry, [w:] Transformacja funkcji miejskich w ośrodkach lokalnych, red. K. Heffner, A. Polko., Wydawnictwo Akademii Ekonomicznej.
- Szczap A. (2006), Koncepcja społeczeństwa obywatelskiego w filozofii społecznej liberalizmu i komunitaryzmu (praca doktorska), Zielona Góra: Uniwersytet Zielonogórski.

- Ślebocka M. (2021), *Społeczny aspekt rewitalizacji studium przypadku miasta Łodzi*, Finanse i Prawo Finansowe, 2(30).
- Ślebocka M. (2022), Revitalization microprojects: how the civic budget supports regeneration activities in cities: the Łódź city case study, Ekonomia i Prawo – Economics and Law, nr 21(4).
- Turowski J. (2000), Socjologia: małe struktury społeczne, Katolicki Uniwersytet Lubelski.
- Wójcicki M. (2020), *Pojęcia, istota i formy partycypacji społecznej w procesie planowania przestrzennego*, Wyzwania partycypacji w zarządzaniu publicznym, Monografie i Studia Instytutu Spraw Publicznych Uniwersytetu Jagiellońskiego.
- Ziora M. (2016), Upadek miasta i polityka odnowy. Studium socjologiczne na przykładzie Bytomia, Studio Noa Ireneusz Olsza.
- Ustawa o rewitalizacji z dnia 9 października 2015 r. (Dz.U. z 2015. Poz.777).
- (www1) https://uml.lodz.pl/aktualnosci/artykul/24-kawalki-miasta-gra-miejska-o-budzecie-obywatelskim-id65905/2023/10/5/ [Accessed: 20.10.2023].
- (www2) https://documents1.worldbank.org/curated/en/604951468739447676/pdf/multipage.pdf [Accessed: 15.10.2023].
- (www3) https://www.planergia.pl/post/dobre-projekty [Accessed: 01.11.2023].
- (www4) https://uml.lodz.pl/budzet-obywatelski/lbo-20212022/ [Accessed: 10.10.2023].
- (www5) https://uml.lodz.pl/budzet-obywatelski/ [Accessed: 10.10.2023].
- (www6) https://bp.partycypacjaobywatelska.pl/wp-content/ [Accessed: 30.09.2023].
- (www7) https://uml.lodz.pl/files/public/user\_upload/Gminny [Accessed: 09.09.2023].
- (www8) https://uml.lodz.pl/aktualnosci/artykul/od-kwietnia [Accessed: 09.09.2023].
- (www9) https://www.transport-publiczny.pl/wiadomosci/lodzka-reforma-komunikacyjna [Accessed: 09.09.2023].
- (www10) https://rewitalizacja.uml.lodz.pl/files/public/ [Accessed: 10.09.2023].
- (www11) https://zzm.lodz.pl/zarzad-zieleni-miejskiej/zielen/parki-i-zielence/teznie-solankowe/ [Accessed: 06.06.2023].
- (www12) https://www.nik.gov.pl/plik/id,21186,vp,23818.pdf [Accessed: 30.07.2023].

## BUDŻET OBYWATELSKI I JEGO ROLA W PROCESIE PRZEBUDOWY MIEJSKIEJ – STUDIUM PRZYPADKU MIASTA ŁÓDŹ

#### Streszczenie

**Cel artykułu/hipoteza:** Celem artykułu jest ocena roli i znaczenia budżetu obywatelskiego w szeroko pojętych procesach odbudowy zdegradowanej tkanki miejskiej w latach 2016–2023. W artykule postawiona została hipoteza badawcza, że budżet obywatelski, jako zaawansowana forma partycypacji społecznej, nieograniczająca się wyłącznie do informowania czy konsultacji społecznych, jest narzędziem wspomagającym realizację podejmowanych w mieście procesów rewitalizacyjnych. Do weryfikacji zaproponowanej hipotezy pomocne stały się postawione pytania badawcze: 1) Czy budżet obywatelski wspomaga procesy rewitalizacji? 2) Jakie rodzaje projektów zgłaszanych w ramach budżetu obywatelskiego wpisują się działania rewitalizacyjne? 3) Jak narzędzie jakim jest budżet obywatelski w rewitalizacji postrzegają interesariusze i inicjatorzy procesu rewitalizacji?

**Metodyka:** Badania dotyczyły przeglądu literatury oraz analizy danych liczbowych i informacji dotyczących projektów rewitalizacyjnych, które można odnaleźć w budżecie obywatelskim Łodzi. W badaniu wykorzystany został także autorski kwestionariusz ankietowy przeprowadzony wśród mieszkańców.

Wyniki/Rezultaty badania: Stwierdzono, że łódzki budżet obywatelski przyczynił się do zrealizowania szeregu projektów rewitalizacyjnych. Wysoka świadomość obywatelska mieszkańców oraz ich znajomość potrzeb otoczenia umożliwia realizację tych projektów w obszarach, gdzie stan tkanki miejskiej jest krytyczny. Dzięki budżetowi obywatelskiemu mieszkańcy miasta mieli i mają możliwość dokonania zmian w swoim najbliższym otoczeniu. Mogą realizować najważniejsze z punktu widzenia potrzeb lokalnych inwestycje.

Słowa kluczowe: rewitalizacja, partycypacja społeczna, budżet obywatelski

JEL Class: H61, H72, H76.

Zakończenie recenzji/ End of review: 07.12.2023 Przyjęto/Accepted: 11.12.2023 Opublikowano/Published: 18.12.2023