10.2478/nispa-2022-0017

The Dilapidated Municipal Cultural Property: The Role of NPOs in Its Restoration and Urban Design

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Abstract

Using the example of the Slovak Republic as a post-communist country and its city of Banská Bystrica, this article deals with the dilapidated municipal cultural property which was transferred from the state to the municipalities after the fall of communism in 1989. The long period of disorganization and public administration reforms has left many municipalities with abandoned infrastructures that have not found a new role in the globalized economy. Non-profits often substitute the public sector, especially in the provision of public services where the public sector has a lack of financial and/or organizational capacities and no or very little experience to tackle a specific issue, e.g., handling the abandoned cultural objects that were left to rot. The aim of the article is to investigate the regeneration of the unused property initiated by NPOs. We use retrograde analysis to investigate the impact of social innovation on unused properties. We examine the historical trajectory of individual cases and show what results have been achieved by social innovations. Using multi-case studies and interviews with stakeholders of the non-profits involved, the role of non-profits in the restoration of dilapidated cultural property and its return to use by citizens is

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examined and conclusions are drawn: non-profits bring social innovations in improving the urban design by saving dilapidated historical and cultural objects.

Keywords:
post-communist, dilapidated cultural property, urban design, non-profits, social innovations

1. Introduction

Social innovation is a very popular term these days, used by all sectors (public, private and non-profit). We look at social innovation as a relatively new (in terms of post-communist countries) element of services implemented and provided by non-profits in order to improve their marketing and survive in the competition of other non-profits.

Non-profit organizations very often act as initiators of innovation in public service delivery (Nemec et al., 2015). These innovative NPO initiatives are of particular importance at the present stage of civil society formation in Central and Eastern Europe (CEE). We can observe that NPO activities also intervene where, for various reasons, the public sector fails. In some areas, voluntary efforts appear to be more effective than "government urban regeneration programmes" (Hayek, 1973). Such a case is examined in our article. In a multi-case study from the Slovak Republic and one of its regional cities, Banská Bystrica, we analyze how NPOs have taken the initiative with their activities for the public sector to regenerate unused cultural property. These are dilapidated properties in the municipalities that originally belonged to the state. With the fall of communism, these properties were transferred to municipalities free of charge. However, the newly-created self-government was not able to effectively manage this property at the municipal level and return it to citizens for use. The problem started to be solved only through the initiatives of NPOs and their social innovations. This issue has not yet been sufficiently investigated. There is evidence on the use of citizen participation and non-profit engagement, e.g., in the reconciliation of conserving the built heritage with the speed of urban change in cities of the developing world, using the tools of sustainable design and community participation (Watson & Zetter, 2016), a self-managed cultural space in the historic center of Naples combining the commons through "civic use" with public property and public funding (Kioupkiolis, 2018), citizen participation in public infrastructure provision in rural human settlements in Africa (Njoh, 2011) or the involvement of non-governmental organizations in built heritage conservation in Hong Kong (Hung, 2015). However, these studies either do not deal with the issue of dilapidated cultural property or their focus is not on the CEE. This gave us the motivation to conduct our study in which we

investigate this problem in three cases from Banská Bystrica, a region district city of Slovakia as a post-communist CEE country. The aim of the article is to investigate the regeneration of the unused property initiated by NPOs. The paper is organized in a standard way: the introduction is followed by the theoretical and conceptual framework and the research design. Then, the results are presented, followed by a discussion, and the paper's main results are summarized in the conclusion.

2. Theoretical and conceptual framework

The importance of non-profit organizations has been growing in recent decades, which is reflected in the increase in their number, changes in the way public services are distributed, as well as their benefits to society (Anheier, 2009). Emphasis is placed on their social, economic and political role in society (Murray Svidroňová et al., 2016). Given this fact, the current knowledge of the non-profit sector also pays attention to examining the reasons for the existence of non-profit organizations, which led to the emergence of the theories explaining the existence of the non-profit sector. **The theory of heterogeneity** is one of the most frequently mentioned theories about the origin of and justification for the existence of non-profit organizations. The basis of this theory (Le Grand, 1991; Weisbrod, 1977, 1988, 1989) is the finding of classical economics that the market is not able to supply the necessary amount of public goods, i. e. goods that are available to all people, whether they pay for them or not. In classical economics, this market failure is the main reason for state intervention in the economy (Salamon & Anheier, 1998). According to neoclassical theory, the market is considered to be the most appropriate coordination mechanism, equipped with the ability to optimally allocate resources.

Since the 1970s, neoclassical economists have been considering an apparent paradox: "the presence of nonprofit organizations inside markets driven by the quest for profit" (Laville et al., 2015). Economics literature on the nonprofit sector has continued in the neoclassical tradition, "which examines the raison d'être of organizations in the market economy" (ibid.). Nonprofit organizations (NPOs) or non-governmental organizations are understood as those that do not receive government funding or, if so, only in a limited amount so it does not influence the strategic decision-making, vision and mission of the organizations. As such, NPOs are chiefly explained in terms of their ability to address market failure (Jegers, 2008; Steinberg, 2006). The limitations of this explanation are, however, widely recognized (Steinberg, 2006). Specifically, the market failure explanation does little to include the motivational phenomena, such as ideological commitment, altruism, social values and mission-drivenness, which are critical for the effective operation of the nonprofit sector (Rose-Ackerman, 1996, 2007; Valentinov 2011). Nonprofit organizations are now widely acknowledged as playing a variety of social, economic, and political roles in society. They provide services as well as educate, advocate, and engage people in

civic and social life (Boris & Steuerle, 2006).

The services that NPOs are expected to provide are those that involve some "public" or collective character. Such goods and services are typically difficult to supply through the private market because they are available to everyone regardless of whether they have been paid for, because those in need of them lack resources, or because the services require some special element of trust (Hansmann, 1980; Salamon, 1987). The Third Sector Impact project (2016) showed that "in situations where trusted economic institutions to provide credit or assist with marketing and related roles are unavailable, moreover, nonprofits can also be expected to provide such economic services (e. g., in many developing countries and transition economies). In a number of places, the nonprofit service role is not distinguished sharply from that of government, though in some places, such as CEE (e.g., Hungary, Romania, Slovakia), nonprofits are now expected to be the primary service providers" (Salamon & Sokolowski, 2016). This is in line with **the theory of government/state failures**, which stems from the inability of a government to reflect heterogeneous demand. The democratic political system has a logical tendency to satisfy the majority in particular, namely the median voter, in order to gain voter support and re-election (Hyánek, 2011; Hansmann, 1987). According to this theory, the provision of mixed collective goods to the state becomes relatively homogeneous, because the state provides them mainly to satisfy the preferences of median voters. In this case, all but the median voters are dissatisfied with the government's offer of mixed collective goods. This dissatisfaction creates a demand for goods provided by the non-profit sector. Thus, the theory of heterogeneity implies that non-profit organizations are most active where the population's preferences are most different and where the population is most heterogeneous (Kuvíková et al., 2014).

The simplified logic of the theory of heterogeneity is that first the market fails to provide certain goods, then the state enters, which also fails, but for other reasons, and therefore non-profit organizations are established to meet heterogeneous needs (Krashinsky, 1997, Hyánek, 2011). They work to meet the unsatisfied demand for "forgotten" collective (public) goods as a result of state and market failure. Therefore, space is created for the operation of private non-profit organizations, which can compensate for this failure of the state with their substitution or complementary function, especially in the field of public goods, such as public cultural properties.

Desk research focused on exploring the phenomenon of dilapidated cultural property in CEE countries shows that this problem, although one of the current issues of post-communist CEE countries, has not yet been sufficiently investigated. There is some literature addressing the issue of dilapidated cultural property in CEE countries; e.g., Zarecor (2012) questions what can and should be done in an effort to make the Czech Republic's socialist-era neighborhoods better places to live. But none of the studies mention the role of NPOs in its restoration. Only a few papers have been found that deal with related problems in Slovakia. E.g., Nemec et al. (2015) pointed out the renovation of public spaces in a grant program called PrieStory. The aim of the

program was to involve citizens in improving the environment in which they live and thus increase their participation in public affairs and help create communities. The program operated on a grant basis, where applicants submitted project applications and selected applicants received the necessary training, technical assistance and a financial contribution of up to € 5,000. The program offered participants a procedure that results in the creation or reconstruction of public space (parks, playgrounds, small markets, spaces between residential buildings) with the participation of citizens with a visible positive change. There were 33 redesigned public spaces between the years 2005 and 2011, but none of them dealt with an unused property.

Cole et al. (2020) describe abandoned properties that were turned into cultural centers by using a method of adaptive reuse. This term refers to the process of reusing an existing building for a purpose other than what it was originally built or designed for (Caves, 2004). It could be more profound than just changing retailers. It may completely reorient the original intention of a building for example, converting a deconsecrated church into a home or a factory into a retail space. Cole et al. (2020) mention a few examples. One of them is Banská Štiavnica's train station "Štokovec". The Štokovec cultural center focuses on organizing residencies for contemporary artists in the fine arts and helps with the production and support of new works and publishing books. The center is located in the area of the still functioning train station. This helps mix the public, visitors, and tourists with various artists, which creates a special atmosphere to the space.

Another example is the SPOTs project in Košice. This project saw the reconstruction of seven abandoned heat exchanger stations located in residential housing estate. It needs to be clear that heat exchangers are not a very attractive type of architecture, yet they have found renewed purpose. The project directly supports community life in all city districts. Each renovated heating exchanger has a specific utilization purpose to develop creative ideas, cooperation, and volunteering, e.g., a place for public lectures/art exhibitions; a place for 2 amateur theatre groups; a sports facility for skaters; a community activities center; an exhibition center for young talent and a botanical center with community gardens (Košické kultúrne centrá, n.d.).

In this paper we focus on objects which served as cultural properties in the past. Under communism, it was "the property of everyone and no one". Citizens of municipalities did not have any feeling of ownership of this property. This remnant of the indifferent relationship of citizens to common property has left traces of disinterest in some present-day citizens of municipalities (Dahrendorf, 1990).

Social innovations are innovative activities and services that are stimulated to meet social needs and which are predominantly developed and dispersed through organizations whose objectives are primarily social (Mulgan et al., 2007). Non-profit organizations are better equipped to deliver social innovation than other types of institutions (Anheier et al., 2019). In co-operation with other stakeholders (citizens, private sector, public agencies), this type of social innovation represents a co-creation.

Co-creation seeks a solution for the production and financing of public services through collaboration with different stakeholders. The innovation in the production process is considered as 1) an open process, with the involvement of end-users in the design and development of goods and services and 2) a change of the relationships between involved stakeholders (Voorberg et al., 2015). One of the central elements in the concept of social innovation is the active participation of citizens and grassroots organizations (i. e. NPOs) to produce social outcomes that really matter (Bason, 2010). Participation of citizens in the development and subsequent implementation of an innovation (co-creation) is of great importance in terms of the success of the public service innovation process because they are final consumers of the public service (Borins, 2008; Fuglsang, 2008; Von Hippel, 2007). The role of local self-government in co-creation-based innovations in the fields of welfare and the environment in Slovakia is rather limited; service delivery innovations are predominantly initiated by non-profit organizations or citizens themselves (Nemec et al., 2015, 2019).

As such, the social innovation does not necessarily mean it has to be something new in the sense of bringing a new idea, but it is more a concept that expands and supports the improvement of public service delivery. Moreover, in the post-communist countries such as Slovakia, this type of social innovation is rather new; the regeneration of brownfields and public spaces started around 2005 (Nemec et al., 2015), but the regeneration of cultural properties by NPOs is a quite new phenomenon, starting only 10 years ago. Since these are public cultural properties, the regeneration is very costly, and the role of NPOs is quite unique, long-term. Our research points out innovative ways in which NPOs can solve the challenge with unused properties.

3. Research design

The aim of the paper is to investigate the regeneration of the unused property initiated by NPOs. In order to fulfil this goal, we set the following research question (RQ):

How can social innovations provided by NPOs help to solve the issue of unused properties?

In our research we use the case study method (Stake, 1995; Yin, 2009). We chose three cases from the Slovak regional city of Banská Bystrica. The reasons for choosing cases from the environment of Slovakia and the city of Banská Bystrica were as follows: Slovakia is a typical CEE country, and Banská Bystrica is one of the leaders in the field of social innovations (Murray Svidroňová et al., 2020). The three examined cases were chosen as successful examples of solutions for abandoned, dilapidated properties, and as such they illustrate how social innovation can be effectively used where the public sector fails. Another reason for choosing these three cases is the sustainability of the solution they have brought, all of the co-creation initiatives last at least 10 years. The analysis enables an understanding of the deeper context and reasons why in some cases

the voluntary efforts produced by NPOs are more effective than governmental urban regeneration activities.

Research design is based on qualitative analysis. The key methods are the structured interview method and the case study method (Yin, 2009). In this paper we applied methodology inspired by the international research project "Learning from Innovation in Public Sector Environments". We built on the project inventory of relevant practices in which NPOs are involved. From the inventory we focused on cases in which NPOs were involved in initiatives in the field of culture and dealing with unused buildings at the same time, since these are the focus of our research. We employed a structured interview based on a protocol with representatives of NPOs (statutory representatives, leaders of the initiatives or project managers involved in the initiative from the very beginning). The interviews were conducted in 2020 with the statutory representatives of 3 analyzed NPOs and 18 city residents who use the regenerated buildings' services.

We also used historical evolutionism, representing a qualitative view of the problem under investigation. The ideas of "institutional evolutionism" (Winter & Nelson, 1982) and "path dependence" (North, 2009) are the inspiration for developing the concept of "historical evolutionism". The idea of historical evolutionism makes it possible to clarify the genesis of a problem and its evolution (David, 2007). In this concept we are not only interested in the final state, we are also looking for events that have taken place following the given trajectory from the beginning to the present, i. e. what was the sequence of individual events that preceded the final state. For this we use retrograde analysis, which reveals the trajectory of historically evolving development. Such an approach will make it possible to reveal "embedded history" (David, 2007) in the evolutionary trajectory of the phenomenon under investigation and to explore the influence of "path dependency" (Peters, 1999; North, 2009). Based on this approach, we can then apply a holistic approach (Phillips, 1976) to understand the role of NPOs and why they have become key actors in the regeneration of dilapidated cultural property.

4. Findings

In this section we present cases of initiatives that were initiated by NPOs or an informal group of citizens (civil society). The cases deal with introducing new activity into the portfolio of services: repurposing or revitalization and reconstruction of an unused property in order to provide cultural services in the municipality of Banská Bystrica. When the citizens and leaders of NPOs were asked what the main causes of dilapidated properties were, the answers showed four typical reasons:

1. economic-financial factor – "*The municipalities are underfunded. The priorities*

are then clear. Preference was given to schools, kindergartens and roads" (citizen 2) and "municipalities have no finances, or people able to devote themselves to dilapidated objects, raise finances…" (leader 1).

2. managerial failure factor – "*it could also be planned dilapidation, where the object was allowed to deteriorate to use the argument of uneconomic repair and sold to bidders below cost*" (citizen 15); "*Among the managerial weaknesses of the city we could also include the inability to support independent civic initiatives in the management of similar premises. The city, as the owner, is just a passive partner who quite often complicates the activities to renovate properties, and it should be the exact opposite*" (leader 2); "*The management of municipalities has shown the inability to share, rent or lend on the basis of long-term partnership with the private and third sectors*" (leader 3) and "*Today we see several committed civic cells that have taken responsibility for the buildings in their neighborhood – often despite the resistance of the municipality. I consider the managerial skills of the city management the most important problem or, respectively, their lack of willingness to develop non-profit and non-commercial projects*" (leader 1).

3. lack of know-how – "*This was evident in the initial helplessness, ignorance and inability to deal with the transferred properties*" (citizen 11) and "*insufficient support (passivity) of the innovative activities of NPOs by city management and the inability to support independent civic initiatives – they did not know how to cooperate with the third sector*" (leader 2).

4. remnants of the influence of communism – "*This is something that has been rooted in the consciousness of the people as a remnant of lack of interest in public affairs and unwillingness to control the deterioration … it is one of the main reasons for dilapidation of not only the property of municipalities*" (leader 3).

Based on these answers and identified factors, we can conclude that the state failure theory can be applied here: the public sector has failed (the municipality could not/did not take care of the cultural properties "inherited" from the state), so the NPOs took their role. This is described in the following parts; we examine the historical trajectory of individual cases and show what results have been achieved by social innovations. Based on the interviews we can capture the stories of these initiatives that are not documented elsewhere or otherwise.

4.1 Urban Spot

Urban Spot originated in the then unused and depleted building of an old cinema as a space for large concerts and other events. Its rough character determines the type of culture events organized there. These are mostly of alternative and underground styles. The initiative started with the idea to find a suitable space for a big indoor concert of the legendary rap band ONYX from the USA. "*As the municipality did not have a suitable venue in the center of the town, they offered us a house of culture at the housing*

estate out of the city center, which was totally unacceptable to us. We kept looking for a space and found the former cinema Hviezda (Star) building as a possible alternative. At that time, it had already been sold to a private investor after being declared a non-usable property for the municipality. Before the sale the town invited other institutions to take away whatever they could use from it, as the plan was for the private investor to tear it down and build something new instead" (leader 1). However, this plan did not materialize and the building in private ownership faced further decay, having become frequented by squatters and the homeless. The new tenants had to remove 25 big trucks of waste before installing new electricity and water installations, among other things. The concert went well; it attracted a lot of visitors and was a great success. After two months of continuous work in extreme conditions, the first stage of Urban Spot was finished in cooperation with civic association "OZ EXTREME", friends and volunteers. Apart from the concert, OZ EXTREME as a group of skateboarders wanted to use the space as an indoor U-ramp, and they did so for some time.

The success of the concert was the reason why the initiative went on and kept organizing concerts and other events at the place, while continuously upgrading it. Currently the space is used as an alternative venue to the municipality House of Culture that hosts various events, like concerts, art exhibitions of alternative forms of art and self-expression. They work as an informal group – a tandem of young creative people, without subsidies or grants of any kind. They have worked hard to build their reputation for good service and offers of events, going the extra mile each time to satisfy the visitors, and now they are recognized as a reliable partner and organizer for underground culture. Extra money earned by the events is re-invested into the facility.

Key milestones of the initiative were when OZ EXTREME (the skateboard people) decided to find another facility because the function of the building as a cultural venue proved to be incompatible with the indoor skateboard facility. Then the initiative functioned on a commercial basis for a while, and the two people organizing events shared the profit after paying all the expenses. After two years it became clear though that they needed to retain the profit in order to maintain and repair the facility and improve the services, and since then it has worked like this along with more prudent and principled financial management in relation to the performers and legal requirements of the event organization.

The goal of the initiative was to create a suitable space for cultural events, and the space they reclaimed determined the type of cultural events they can host. In this they proved to be adaptable and flexible but also consistent, so they have built the community that identified with the Urban Spot as a brand for cultural services that met their demand. The Urban Spot has become recognized more widely not so much due to its physical location but mainly for the type of events they promoted and organized, the satisfaction of the visitors and positive references within this subculture also internationally. This good reputation made the initiative financially sustainable, provided that the rent is paid per event as it is currently, i. e. a business approach was adopted; the initiative is fully self-financed.

4.2 Amfiteáter (Open air cinema)

The Civic Association for! the Amphitheater (CAf!A) is a group of enthusiasts from Banska Bystrica and surroundings who voluntarily help the amphitheater to become a vibrant cultural and social place, with an emphasis on sustainability, content diversity and preservation of its genius loci.

CAf!A is a direct continuation of the informal group called "People are connected by art – connecting people is an art", which was established in 2009 in BB during the organization of the "cement art" festival, in the former cement plant. Up to 2013, this group had organized several authentic cultural events dedicated to various artists. They organized the first screening in the amphitheater in the summer of 2011; the intention was to draw attention to a place that has its own value. Originally, they thought they would only organize such summer outdoor screenings, but the local government put the amphitheater on the list of non-usable property, which was only a step away from being demolished or sold. The town considered the amphitheater to be an outdated concept that did not have a future and wanted to get rid of it. They did not believe in the gradual self-help revitalization of the premises, the only possible solution considered by them was a large subsidy and radical redevelopment.

The struggle for the preservation of the amphitheater in BB has gradually become a key activity for this informal group, leading to a series of events: an open call for help, collecting signatures on a petition, art amphitheater, concerts for! the Amphitheater, Week of Urbanism. This led to the founding of the civic association in 2013. At the very beginning, their goal was to buy time to prevent the sale of the amphitheater and to attempt to think up something so the amphitheater could continue as a place. At first, the town did not trust the young people, but they signed a co-operation memorandum with the civic association and asked for the concept of what the civic association would like to do with the amphitheater, including the financial plan. After the concept had been delivered, the town leadership changed their minds and began to trust the civic association. Towards the end of the concept period two applicants for rent unexpectedly appeared – one was very untrustworthy, therefore, the civic association also claimed that it was interested in renting the premises, even though they did not really have the means to finance it. On the basis of legislation, if there were three interested parties, the town had to open a tender for the lease of the amphitheater premises. In the tender only the company KOLOTOČE s. r. o. applied, for whom the civic association expressed its support. A lease contract for 30 years was signed between KOLOTOČE s. r. o. and the municipality of Banska Bystrica, where the company committed itself to revitalizing and operating the amphitheater. So, the company revitalized the premises, and the civic association provides the cultural program: "*The civic association is like a sub-tenant of the company, we do not pay them anything, nor do they pay us, but we help them give sense to the place*" (leader 2).

At the time of its creation, the key motivation was to revive the potential of the place and to save it, nowadays several members of the civic association are part of it

only because of the screenings – i. e. the motivation changed, and it satisfies the needs of self-realization of several members. However, the leader of the initiative continues to take the main revitalization of the premises into consideration, and because the situation with the amphitheater is so stable, he wants to hand the initiative over to others so that he can devote himself to another unused building. The main activity of the Civic Association for! the Amphitheater remains the support of the amphitheater, whether in the form of organizing a summer movie theater or something else.

Concluding remarks of the initiative leader were: "*What is important is the context in which the initiative originated: centers for culture in Banska Bystrica were being closed – the Civic Arts Center, the movie theaters Hviezda and Urpín. In the city there was a lack of space for cultural activities and no outdoor space at all, plus the absence of an outdoor summer movie theater. Therefore, the amphitheater had and has potential, our aim is for the amphitheater to become one of the symbols of the city*" (leader 2).

4.3 Literary bastion

In this case, the main stakeholder – civic association Laputa – was founded in order to create a literary residence house for authors and a literary café and library in the city of Banska Bystrica by renovating the old city bastion, formerly a part of the old city fortification system. The city has leased the building to the OZ Laputa for 30 years for a symbolic 1€/year provided that by 2020 a new culture venue will have been created. OZ Laputa's initial steps were to clean the space and obtain all the necessary technical documentation, archeological research, approvals and fundraising to start with the reconstruction. In 2015, the founders of the Artforum bookshop joined the initiative, and its main objective was reformulated as making Literary bastion a brand and the place where high-quality literature is being created, published and presented, as the old bastion has the genius loci ideal for such literary endeavors. The initiative started to promote literary life in Banska Bystrica, and the Bastion became an integral part of the project on both the symbolic and the material levels. In 2017 they started their publishing activity with their first publication, *The Songbook of Dezo Ursiny*. Since then, the publishing became a strong part of their activities.

The important factors for the initiative were the existence of the culture of participation, a high level of social capital, existing stimuli from the government and cooperation with the other organizations, and above all the enthusiasm of the main actors and the possibility to promote their activities and visions.

As for the building, in the course of its lease the initiative has maintained it and secured most of the technical documentation and approvals necessary for its reconstruction, which is a great service for the municipality. "*The historic building is subject to sights conservation regulations, and as such it is very expensive to obtain all necessary documentation for its reconstruction, and the reconstruction itself will be very costly. At the beginning there was a subsidy from the Ministry of Culture in the Program*

'Let's renew our house'. We get grants from the Ministry's Fund for Art for our publishing activities and events. The building itself does not earn us any money, and it requires considerable investments, but it provides us with a genius loci and gives our initiative a local identity. We keep it alive and prevent its inevitable decay in case it stayed empty and unused. Currently, there is still 15,000€ worth of documentation needed to start the full reconstruction of the bastion into the residence and the café, which will cost another 200,000 €. The fundraising is going on, but this sum is too high for the initiative to co-finance even 5% of it, so the future of the reconstruction is not certain" (leader 3).

By using the historic building for the events and as a symbol for other activities it builds local identity and historic awareness on the part of both the city dwellers and its visitors. Although in the beginning the main aim of the initiative was to reconstruct the object and build a residence for authors, recently the attention has been redirected more on the events and publishing activities under the logo and name of Literary bastion.

Based on the interviews with the statutory representatives and city residents – the service users –, we can point out several key elements that show why the co-creation type of social innovation was successful in these three cases by bringing social and other outcomes.

Table 1.

Outcomes of the co-creations

Outcome	Urban spot	Amfiteáter	Literary Bastion
Customer satisfaction	By involving the citizens as co-designers, their needs were taken into consideration. As volunteers, the citizens played a vital role in the co-creation process (volunteers, know-how). All city residents report increased satisfaction.		
Accountability	The initiative proved to be capable of providing good quality services and generate resources necessary to uphold its commitments and contribute to the improvement of public space and quality of life in the neighborhood; i. e. the NPO has gained on its accountability.	The initiative clarified who is accountable for what part of the initiative – every stakeholder (municipality, company, NPO) has their role defined; the NPO is accountable for the program of the amphitheatre so the place serves its purpose There is also an indirect influence on politicians – the amphitheatre has become a symbol of the city, if any of the councillors wanted to do something with the amphitheatre, it would affect the people in the city – the voters.	There was a very good cooperation with the respective authorities – the municipal office and the sights conservation authority. The initiative as such sustains non-mainstream cultural services that are normally subsidized or paid for by the government for the sake of public interest.
Responsiveness	Created spaces and new services are better able to meet citizen needs. As the events are not subsidized by any external party, they have to attract enough visitors to be paid for. Any profit is retained for the reconstruction purposes or as a reserve for the future.	Created spaces meet citizen needs and criteria better, extending to the community of older people, who go to screenings out of a sense of nostalgia. ("Often we get thanks from elderly people who used to take their dates to the amphitheatre in the past.")	Created spaces and new services are creating new demand for cultural services and respond to the wishes of a specific community of authors and literature lovers.

Trust	Trust towards the organization has increased, both in the eyes of local government and the general public, especially the fans of the respective genres and the neighboring community that appreciates the fact that the building is being taken care of.	Trust in the organization has increased, mostly at the local government level but also from the general public. (Transformation of an informal group into a civil association increased the trustworthiness).	Trust towards the organization has increased, both in the eyes of local government and general public, including private donors.
Visibility	Thanks to the co-creation initiative, the visibility of the NPO has increased. The name of the place has become a well-known brand name for events on a national and international level.	Thanks to the initiative, the visibility of the NPO has increased – interest of several media.	Thanks to the co-creation initiative and the building itself, the visibility of the NPO has increased. The logo of Literary bastion has become a synonym for high-quality literary events regionally.
Monetary benefits	There are none. The events have to pay for themselves, and the rest is invested into the upgrade of the building and services. However, the initiative is sustainable without subsidies or donations, which is positive.	None. So far, it is just about covering the costs (the distribution companies which are paid for the rights to screen movies have a financial benefit, the civic association itself does not).	There are none – the historic building is subject to sights conservation regulations and as such it is very expensive to obtain all necessary documentation for its reconstruction, and the reconstruction itself is very costly.

Source: Authors

5. Discussion

In the discussion we draw conclusions from the examined cases. What the initiatives have in common is their initial and continuing enthusiasm about their projects that was sufficient to generate volunteer work and the support of experts and, to some extent, private companies. This enabled the renovation and up-keep of the previously unused properties which were municipal buildings. Moreover, all the places have become unique and special places for their visitors, either due to their historic (Literary Bastion) or nostalgic value (Amphitheatre). Nostalgia has an advantage over modernity in that historical markers are forever open to reinterpretation. As individuals engage in nostalgic sentiment, a choice-supportive bias will find the positive in the past while minimizing the negative. This means that an investor looking for a nostalgic connection might be willing to overlook negative aspects of that choice, even when there is little economic advantage (Murray Svidroňová et al., 2019). From this point of view, the sentiment can be used for a greater good, although Mommaas (2004) warns that from a short-term perspective blending of interests and sentiments might be considered a good opportunity for urban cultural developments within a "post-modern" urban development regime, but from a long-term perspective, there is the danger that the divergent sentiments and interests start to undermine and constrain each other, in the end resulting in adverse effects, mutual distrust and a standstill of developments.

However, in the analyzed cases after more than 10 years of running the initiatives to preserve the cultural places, only positive effects have been observed so far. Moreover, in the case of the Urban Spot, the initiative is proud of the fact that they have been able to replace the sentiment for the old cinema with a venue with its strong new identity that visitors widely recognize and appreciate. The initiatives were also able to negotiate favorable terms of lease both from the municipalities and private owners, partly due to the fact that the owners find their projects meaningful and worthy of their support.

Another thing the initiatives share is that the local government does not actively support or take interest in their projects even in the cases where their buildings are involved and have a chance of being fully reconstructed. This is in line with the research of Nemec et al. (2015), who point out that initiators of the social innovations are mostly NPOs or citizens themselves; self-governments only partially participate. In the analyzed cases, it seems the local government does not appreciate the added value that these places give to the town by bringing in not only locals but also people from other parts of the country and abroad and providing them with unique cultural experiences enhanced to a great extent by the genius loci of the renewed places.

Needless to say, all the initiatives have been successful in providing attractive services and content so that they found their stable audience. Our research has proven that the activities of NPOs have to result in really valuable services for their beneficiaries and partners in order to achieve long-term sustainability (see, e. g., Austin & Seitanidi, 2012; Svidroňová, 2013 or Porter & Kramer, 2019). It is even better if NPOs are able to be active in such fields of services where they are beneficial to the society as a whole, i. e. they act in public interest, providing public services and yet they manage to stay independent (they are not dependent on public funding; the government cannot influence the activities of the NPOs). Therefore, the activities of NPOs should be able to attract monetary and non-monetary resources, which happened in all three analyzed cases. In one case (Urban Spot), they are able to sustain their activities and the building only from the admission fees they charge at events and do not rely on any subsidies or grants from state or local agencies or other bodies. Non-profits are therefore not only public services but they also advance social innovations, very often offering low cost and sustainable solutions for public problems.

6. Conclusion

After the fall of communism, the post-soviet states attempted to pursue socioeconomic reforms. Municipalities, formerly under the auspices of the state, started to solve a number of new problems independently during the transition to self-government. One of the problems was the transition from state administration to the renewal of self-government. The municipal management had no experience with the new problems.

Issues of high priority were on the daily agenda. Those questions that were not urgent were put aside. In addition to the order of the main priorities, the question of dealing with the transferred ("unnecessary") cultural property has been raised. Due to the managerial failure unused objects began to fall into a state of dilapidation. Moreover, the vast majority of municipalities work under the pressure of limited resources. The financing of these buildings is beyond the financial capacity of municipalities, i. e. municipalities do not have sufficient resources to regenerate and use these buildings. This issue represents a typical "state/government failure" example, where local government had failed and NPOs stepped in with their activities to satisfy the heterogeneous needs by social innovation – co-creation.

Using the interview method, we were able to re-tell and capture the initiatives that are not described or documented anywhere else. The analyzed case studies show that NPO activities can have a significant impact where the public sector fails for various reasons. NPOs took the volunteer initiative and generated initiatives in the repurposing, revitalization and reconstruction of an unused property. The result of these activities is improving the urban design and city landscape as well as the provision of culture services in the city.

Based on the work and outcomes of these initiatives, these could be set as an example of good practice for other non-profit organizations and municipalities on how to cooperate in revitalizing dilapidated properties (or in the case of municipalities at least not to be an obstacle in the co-creation initiative). The limited will of local governments to innovate service delivery modes is connected with a lack of responsibility and accountability (Nemec et al., 2015), but the analyzed cases show that even accountability was increased (at least partially, in one case also local councillors and politicians are held accountable for any future decisions about the amphitheatre). Citizens should change from passive consumers of public services (in this case the public spaces' design and regeneration) to active subjects and participate more, either as members of NPOs or informal groups of civil society.

This study has some limitations. With regard to the specificity of the research subject and the lack of robust data we focused on qualitative analysis. The conclusions drawn do not necessarily have general validity. Nevertheless, we believe that the case of property deterioration will not be significantly different from similar cases of CEE countries. These countries have a similar history, degree of economic and political maturity and basically solve similar social problems. This could be a field for future research – a comparative analysis of several countries, e.g., V4 countries, to map the level of social innovations/co-creations in the field of dilapidated public properties or public spaces.

It has been confirmed that where the public sector fails, the voluntary efforts of NPOs can be more effective than government urban regeneration programs. NPOs have emerged as bearers of social innovation and key players in restoring unused property and bringing it back to use by citizens.

Acknowledgment

This research was funded by the APVV project [APVV-18-0435].

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