

## Economy and Policies

With the end of the Soviet Union, responsibility for urban development and housing construction was handed over to the municipalities and the market. The new situation had severe consequences for the organizational and planning culture. Private and public actors were both suddenly competing for funds and responsibilities. Some private investors pushed for quick turnarounds and sought fast money. The municipalities had to seek new sources of funding, and they had to develop new integrated planning instruments and find methods of cooperation that involve all actors. New players on the scene—whether administrative bodies with guidance and expertise, private investors with money, or NGOs and citizens with grassroots support—could also stimulate various steering mechanisms for large housing estates. What new instruments for planning and managing the housing stock could be observed so far and in what ways have they been successful? Regulating the different interests and finding an appropriate balance between control and freedom is a challenging issue for all post-Soviet cities.

The new situation raises various questions concerning policies and stakeholders. Is privatization a chance or a threat for the transformation process? How can the municipality contribute to socially balanced development? What kind of (appropriate) regulations and controls are needed in order to ensure that sustainable developments remain under the control of the municipality and stimulate private investments? Private investments have to be managed and controlled in such a way that they contribute to the common good—for example, by building affordable housing and creating public spaces. The strengthening of private (nonprofit) entities plays a crucial role in the further development of the settlements. Alternative financing models that reflect the needs of the residents and are less dependent on the interests and demands of the market have to be developed and championed. Lastly, the role of the locally anchored owners of the housing estates has to be clearly defined. Especially vis-à-vis the power and expertise of global corporations. On the one hand, corporations are well equipped to manage the housing space with their

international experience and resources, but there is also a risk that they may overwhelm the interests of the inhabitants.

This chapter presents the perspectives of academics and practitioners from Canada, Germany, Lithuania, and Russia. The authors give insights into the specifics of transformation procedures, discuss the roles of the actors, and also share some of the challenges that can occur in the process.

Rūta Matoniene, senior advisor to the Chief City Architect of the Vilnius City Municipality, presents the efforts that the municipal administration in Vilnius is taking in order to transform its Soviet housing heritage. The resulting “complex transformation” is very challenging due to the hurdles concerning land ownership and management that cause serious delays and increased bureaucracy. The article discusses goals, actions, and organizations in charge of the Lithuanian capital, presenting its success stories and lessons to learn.

Marianna Shkurko and Alexander Mikahilov, researchers at the Higher School of Economics in Moscow, reflect on the transition to the standard neoliberal model of property and attempt to decolonize the idea of property and its division. By analyzing the spatial characteristics and socioeconomic situations in Ulan-Ude, Vorkuta, and Vladivostok, they identify the emergence of hybrid forms of property regimes.

The report by Knut Höller presents observations and projects in housing and urban development in Eastern Europe as seen from the perspective of the NGO Housing Initiative for Eastern Europe (IWO). The general context in Eastern Europe, with the energy transition, efforts to improve energy efficiency in buildings, and the housing market situation is explained. Looking at the housing situation and prospects in Latvia, the article discusses the decarbonization of the building stock, the issue of affordable housing, and IWO’s contribution and commitment to energy efficiency in buildings and affordable housing.

Sasha Tsenkova, professor of planning and international development at the University of Calgary, focuses on the future of postwar housing estates and provides a compelling rationale for the need to mobilize economic and social capital to reinvent these places into vibrant neighborhoods. The report looks at the challenges of transition affecting the housing estates, providing a compelling rationale for more strategic investment in the housing estates and calling for policy and planning strategies to ensure quality of life. The article provides examples from neighborhood improvement programs in which strategic investment in diverse, socially cohesive, and participatory projects play an important role. They showcase how to sustain the vibrancy and vitality of housing estates, making them resilient to crises and attractive places to live.