Urban Maestro

New governance strategies for Urban Design

Subsidy programme for design competitions

in the Czech Republic (CZ)

Josef Morkus
Ministry of Regional Development
Josef.Morkus@mmr.cz

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This project has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement n° 831704
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1. SUMMARY

The programme “Support for architectural and urban competitions” subsidizes a portion of the costs of prizes in design competitions for public buildings, public spaces and planning documents. This programme is organized and funded by the Czech Ministry of Regional Development and is applied in the whole of the Czech Republic.

The programme was originally prepared by the Spatial Planning Department of the Ministry, albeit now the responsible department for the programme is the National Programmes Administration Department. There is a close cooperation between the ministry and the Czech Chamber of Architects, especially with its working group for competitions.

2. CONTEXT AND ADMINISTRATION

There are several ways to select the author of a building, urban or public space-related project. For smaller projects, the procurer can choose the author directly, but for projects that are more expensive complicated methods are necessary as laid down by law. Typically, there should be a public tender that is either open to anyone or open only to a set amount of invited candidates. There is also the possibility to organize an architectural or urban competition, generally called a design competition, followed by a subsequent tender in which only the best candidates take part. The use of design competitions is not obligatory in the Czech Republic, regardless of the financial or spatial volume or the type of project. On the other hand, the procurer can employ their use in any case where they find it to be a suitable mode.

In 2015, the Ministry of Regional Development asked EEIP, a company that specializes in economic analyses, to study the economic impacts of current architectural practises in the Czech Republic. This analysis was also intended to identify ways to increase the quality of the practices of design and planning. It recommended the use of design competitions, evaluating the economic viability of tenders, and not selecting a supplier solely based on which offered the lowest price. One of the main results of this analysis was the recommendation to increase the use of design competitions.
In 2015, the government also approved the long prepared Architecture and Building Culture Policy of the Czech Republic, which became the most important stimulus to launch the subsidy programme. The Architecture and Building Culture Policy forms a vision and defines the aims and goals targeted to raise the quality of the built environment. These aims are supported by certain measures, of which two are directly linked to design competitions:

- Organize architectural and urban competitions for important public spaces funded from public budgets (responsible: local governments),
- It is recommended to use architectural competitions when preparing major buildings funded from public budgets (responsible: local and regional governments).

Based on a literature review and on the “architecture think tank” held annually, it is evident that architectural and design competitions have a positive impact on the quality of architecture not only in terms of its appearance, but more importantly on its general sustainability over an entire life cycle.

The design competitions provide several benefits compared to other methods of selection for projects and their authors:

- selection based on an idea for a future solution,
- possibility to compare a larger number of designs,
- equal opportunities for participants, including young architects,
- a primary evaluation criterion is quality, not just price,
- can reduce costs associated with the project and its construction,
- cooperation with the expert jury,
- transparent process,
- excellent opportunity to publish and mediate results.

There are of course some drawbacks of this mode compared to other modes of selection, among others:

- it takes more time (on average 3 to 4 months, not including preparation of the competition),
- it is more expensive (additional costs for prizes and organization of the competition),
- it needs more detailed preparation than other modes (which is actually not a drawback),

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3 Architecture Think Tank, in Czech "OTTA – Otevřený Think Tank architektů", is a small conference organized by the Czech Chamber of Architects. There are several topics for each edition of this event, with one of them being architectural competitions. A conference on this topic is held annually, summarizes news in that area in the last year, and discusses possible ideas on its improvement.
Despite these drawbacks, there were no concerns about the increased use of design competitions. Architects are completely free to decide if it is interesting for them to participate in a competition and are not at all obliged to take part in a competition, if they do not agree with its rules. Municipalities who want to organize competitions know about the risks of increased costs, therefore, the Ministry of Regional Development decided to launch this subsidy program. According to the statistics, the estimated costs of a competition are 2 - 2.5% of the total investment costs for the construction, including the costs for awards and rewards, comprising 1 - 2% of the estimated investment costs. These values are also considered indicative in the Competition Order of Czech Chamber of Architects. Costs of the design competition include:

- awards and rewards for competitors,
- reimbursement of invited participants (if there are any),
- reimbursement of costs to jury and experts,
- preparation of competition terms,
- announcement of the competition,
- announcement of competition results, including eventual exhibition,
- penalty fees.

Before launching the program, a detailed study of the status of architectural and urban competitions in the Czech Republic was conducted. While the number of competitions has varied over the years, generally there have been between 20 and 60 competitions organized every year in the Czech Republic, with the number slowly increasing. Based on the data from the above-mentioned EEIP study, the number of competitions held in the Czech Republic is roughly comparable to neighbouring countries but lags significantly behind the European leaders France and Switzerland. If the data is adjusted according to GDP, the Czech Republic is easily comparable to Poland or Hungary, yet is again significantly behind the leaders, which have switched their positions, with Switzerland being the most active. Still, based on the EEIP study data, approximately 2% of public tenders (by value) are procured using a competition.
The analysis of the Ministry of Regional Development revealed that the average value of awards in a competition could range from between 10,000 to 20,000 EUR, with exceptions that range from 570 to 120,000 EUR. The average number of submissions in a competition is 30, but varies significantly from only a few competitors to 410 in the most popular competition. Tomáš Zdvihal has published a thorough analysis of competitions from 1993 to 2019 in the magazine ERA, 2/2020. It revealed that:

- 86% of competitions were organized by public bodies, mostly municipalities (154 municipalities out of 6258 ever organized a competition, 62% of them only once), and only 14% by private bodies,
- 71% of competitions were open, 15% invited,
- 54% were project competitions, the other 46% were looking for ideas,
- 54% competitions were focused on new buildings, 46% on reconstructions.

This analysis also discovered a very positive fact in that 80% of competitions lead to a contract and 95% of these contracts are with the competition winner. From all analysed competitions, 33% were realized, 26% on the way to realization, 28% were not realized, and the state of realization of 13% is unknown. On average, it takes 4.5 years from the beginning of the competition to enter its subject into service, but this value varies significantly from 1.75 to 25 years.

The same analysis also identified the most frequent topics for design competitions in the Czech Republic:

1. Streets, squares (18%)
2. Planning studies, regulatory plans (15%)
3. Cultural and community buildings (10%)
4. Public art, statues, etc. (10%)
5. Offices, public administration (9%)
6. Parks, landscaping (8%)

It is evident that the share of public space, buildings and spatial planning documents is roughly balanced.

Most of the competitions were held in the two largest cities of Prague and Brno, followed by other important cities, yet single competitions were organized even in small towns and villages. The aim of the subsidy programme is to support especially these smaller municipalities with organizing design competitions.
3. THE TOOL / INITIATIVE: DETAILED DESCRIPTION

The works on the subsidy programme started in 2015. After all preparations, the Spatial Planning Department prepared a draft of the subsidy programme and consulted with other departments of the Ministry of Regional Development. Subsequently, consultations were held with the Czech Chamber of Architects and with the Ministry of Finance. Several modifications were made before the final version of the subsidy programme was submitted to the Ministry of Finance, who approved it on 22 August 2018. Following the preceding consultations, the approval process was smooth.

The subsidy programme, besides fulfilling the above-mentioned measures of the Architecture and Building Culture Policy of the Czech Republic, aims to:

- support the quality of buildings and the built environment,
- ensure better modes of selection for architectural and urban works,
- increase the number of architectural and urban competitions in the Czech Republic.

The intention of the support is to encourage a more frequent organization of competitions, especially in municipalities, which would not have considered organizing a competition without the programme.

The subsidy programme is a national subsidy programme, meaning no European funds are used and all resources come from the national budget of the Czech Republic. The programme has been designed for the 2019-2023 period; the first call for submissions was open at the end of 2018 with financing in 2019. The total available budget of the programme is quite low, given that 10 million CZK annually was expected for the programme, but the final yearly allocation is 5 million CZK, which equals approximately 190,000 EUR. The beneficiaries of the programme are solely those municipalities organizing an architectural or urban competition. No private bodies can be beneficiaries, even if they organize a similar competition.

The programme allocates 50% of the money for awards and rewards in the competition from the state budget, with a maximum 400,000 CZK per competition, which equals slightly more than 15,000 EUR. The subsidy limit per competition means that the allocation will not be exhausted by several significant competitions, but more competitions will be supported. If the amount for awards and rewards
The programme financially supports only awards and rewards, because its calculation is described in the Competition Order of Czech Chamber of Architects and therefore is fully transparent. There is no support from the programme for other costs of the competition, like the preparation of competition terms, the reimbursement of costs to jury members and experts, or the exhibition of submitted designs. The reason for this is that the beneficiaries could disproportionately increase the price of these costs to receive more funds from the programme.

The funding from the programme is ex-post funding, which means that at first, the municipality must pay all the costs of awards and rewards in the competition and later, if it fulfils the rules, it is reimbursed by the programme.

The call for submissions in the programme is announced annually in October or November for the following year. Submissions are accepted for approximately three months following the announcement.

The terms of the programme include the following rules:

- The competition must be open to an unlimited amount of candidates. Competitions where only a limited number of invited participants can take part are not supported. The reason is to make the programme as transparent as possible and support the participation of young architects.
- The purpose of the competition must be a project, not only an idea. The programme supports only competitions that lead to real results in the field.
- The competition terms must be approved by the Czech Chamber of Architects, which is responsible for the supervision of design competitions and checks their regularity.
- The competition terms must indicate the estimated cost of the project or the investment costs according to the planning documentation. The reason for this is that according to the competition order, the adequate sum for awards and rewards is calculated based on this data – for spatial planning documentation it is around 10% of the expected value of the documentation, while for buildings, depending on its complexity and expected costs, ranges from 0.05% to 2.25%, with the average being around 1%.
- The subject of the competition is quite broad, as the programme is intended for buildings or public spaces (including reconstructions) funded from public budgets and for concepts for future planning studies, municipal spatial plans or regulatory plans.
Each submitted request for support is evaluated and receives a certain number of points according to a clearly set rubric. These are the following criteria:

- the population of the municipality (the smaller the municipality, the more points it receives),
- monument protection of the area (points for a location in a monument protection area),
- allocated funds for the project (points if the municipality already allocated resources for the project),
- it is the first application by the municipality for the program (points if the municipality has never received support from the programme),
- number of applications in a given call (points for only one or two projects),
- date and time of application (if two or more municipalities receive the same points, the earlier submission is given preference).

If there are submissions for more support than the allocated money in the programme for the concerned year (usually 5 million CZK), the municipalities that fulfilled the criteria and have the highest points receive the support. If the resources are sufficient, all beneficiaries that fulfil the criteria receive the support. Typically, the allocated resources in the program are adjusted to satisfy all municipalities that fulfil the criteria. Non-successful municipalities can request the subsidy in the next call for submissions.

There are generally two people in the Ministry of Regional Development who (besides other activities) administer this programme (due to possibility for substitution/replacement) and one supervisor. The administrators do not interfere at all in the juries of the competitions nor supervise the competitions (that is the role of the Chamber of Architects). The administrators “only” verify the conformity of the submissions to the programme regarding the programme’s terms.
4. RELATIONSHIP WITH FORMAL (REGULATORY) TOOLS

Design competitions are regulated by the Public Procurement Act\(^6\) and architectural and urban competitions are regulated by the Competition Order\(^7\) of the Czech Chamber of Architects. Buildings as well as spatial planning documents are regulated by the Building Act\(^8\) and related decrees and norms. The subsidies are regulated mainly by the Budgetary Rules.\(^9\) Architectural and urban competitions are organized in the framework of the current legislation and the programme has no ambition to modify or supplement the legislation.

The Ministry of Regional Development organized two seminars for potential beneficiaries of the programme. For the next calls for submission, an online format for these seminars will be considered. Clear communication if and in what form will the call for submissions be opened is crucial to the success of the programme.

The programme is not the only supportive tool for design competitions. On its website,\(^10\) the Czech Chamber of Architects presents announced competitions as well as their results, publishes a yearly book summarizing the competitions, publishes guidelines and templates for the organization of competitions, trains professional juries, and provides further support for the organizers of the competitions.

The Ministry of Regional Development also supports the organization of competitions with other tools, especially through awards. It issues the Award of the Ministry for Regional Development for promoting quality construction through architectural competitions within the Czech Architecture Awards. The laureates in recent years included a reconstruction of a pub in a small village or the conversion of a cinema to a multifunctional hall with a café. Other awards issued by the ministry include the award for the best urban project within the Building of the Year Award or the Architect of the Municipality award, which appraises cooperation between architects and self-governments.

An important step to support the quality of projects was made in 2016, when the new Public Procurement Act\(^11\) declared that, for larger architectural and building projects, the procurer cannot select a project solely based on the price criteria.

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\(^6\) https://www.zakonyprolidi.cz/cs/2016-134
\(^7\) https://www.cka.cz/cs/media/prilohy/soutezni-rad.pdf
\(^8\) https://www.zakonyprolidi.cz/cs/2006-183
\(^10\) https://www.cka.cz/cs/souteze
5. ALLIED FINANCIAL MECHANISMS

The tool itself is a financial mechanism intended to support municipalities in promoting better quality in the built environment. As mentioned above, the financial framework for the programme is 5 million CZK per year, which equals approximately 190,000 EUR. In 2019, eight projects (comprising 19% of all design competitions held in the Czech Republic that year) submitted a request for support with a total value of 2,119,000 CZK, which equals approximately 80,000 EUR. The average requested support was 10,000 EUR per project, ranging from 6,200 to 15,000 EUR per project. Five of these projects met the criteria of the programme and therefore 1,345,000 CZK, equalling approximately 51,500 EUR, was paid from the state budget. The allocation for the programme was not fully used, but the requested average amount of support per competition was in line with the expectations, although the total number of submissions and candidates that met the rules was below expectations.

6. CHALLENGES AND OTHER ISSUES

During the preparation of the programme, the most important issue was to allocate time resources for this topic within the Ministry of Regional Development. The main challenge was to analyse properly the needs of the beneficiaries by studying the design competitions from past years. There was not a crucial problem with approving the program, mainly because the overall allocation is low.

Sadly, there is not a common political agreement on the necessity of this programme. For 2020, the call for submissions was not open, partly because there was a need to lower the spending from public budgets, and partly due to the change in the department responsible for the program within the Ministry in 2019. Support for other areas, for example the fight against the bark beetle, was given priority. The main problem probably was not the total amount of money needed for this support, but the time needed to administrate the applications.

There is still a discussion if the call for submissions will be open again in 2021. Mainly the professional community (Czech Chamber of Architects) and part of municipalities support the programme. Hopefully the initiative of the department that was responsible for the initial creation of the programme will be strong enough to convince the decision makers about benefits of this programme.
There were requests to modify the programme and to open it up to a broader spectrum of beneficiaries. Requests for modification, which were not accepted, included:

- opening it to the city districts of larger towns as beneficiaries, not only to municipalities,
- opening it to invited competitions, not only to open competitions,
- opening it to idea competitions, not only to project competitions.

The following modifications to the programme will most likely be accepted:

- opening it to all public infrastructure, not only that funded from public budgets,
- the beneficiary must realize the project within 10 years,
- no bonuses for one or two submissions from one municipality,
- no bonuses for being financially prepared to realize the project,
- no need to submit a paper version.

The programme is completely neutral regarding gender, age, religion and sexuality. It prefers the allocation of resources to areas with cultural value (areas of monumental protection) and prefers smaller municipalities, although it does not exclude other municipalities.

7. KEY INNOVATIONS, SUCCESSES AND IMPACTS

It has been proven that the quality of built environment arises from a project’s quality, and relatively it is believed that competitions support project quality. The key to innovation is a subsidy programme, which supports the organization of architecture and urban competitions. In this case, it is funded by the state, but similar tools could be organized at any governance level or by a non-profit organization.

This case proves that even the slightest level of assistance matters, and that a programme can be successful even with a limited amount of resources (in 2019, the support from the state budget was roughly 50,000 EUR). On the other hand, there is a need to secure enough time resources for the managers of the programme and to ensure that good and timely information on the programme is disseminated, as well as support provided to beneficiaries both on the technical aspects of the programme and on the topic of design competitions in general.
The intention of the programme was to expand the use of competitions, which does not seem to be evidenced from the short period the programme has been implemented for. On the contrary, a definitively positive impact is that the programme has contributed to the discussion on the topic and helped spread the information to a significantly broader audience.

Another expected result was to inspire smaller municipalities to organize their own competitions. In the 2019 call for submissions, three groups of municipalities submitted their projects: two small municipalities of one to two thousand inhabitants, two small cities of around five thousand inhabitants and four larger cities between 16,000 and 75,000 inhabitants. Thus, while small municipalities participated, they were not prevalent. Larger municipalities would presumably organize the competition even without the subsidy programme, but the subsidy could have supported this idea.

An important aspect of the programme is the need to keep it as transparent as possible. In the described case, it means supporting only competitions that allow the participation of any architects or studios or to set clear and exact criteria for the selection of beneficiaries.

8. Examples of implementation

In the 2019 call for submissions, a diverse array of projects applied for the support:

- two community centres,\(^\text{12}\)
- the reconstruction of a cinema,\(^\text{13}\)
- a project for a centre of a municipality,\(^\text{14}\)
- a park by a theatre\(^\text{15}\) and a leisure zone by a river,\(^\text{16}\)
- planning study for a square,\(^\text{17}\)
- and a fountain\(^\text{18}\).

Five of them met the terms of the programme and should be realized in the near future.
Figure 2: HORKÝ, Jan (2019) Reconstruction of a Cinema in Česká Kamenice, received a subsidy from the programme in 2019, Copyright Jan Horký, http://www.atelierhorky.cz/detail/6

Figure 3: City of Česká Kamenice (2019) Photo of current state of the competition site from the Competition Specifications, Copyright City of Česká Kamenice, https://zakazky.ceska-kamenice.cz/document_download_7.html
Figure 4: REFUEL, s.r.o. (2019) Community centre Říčanský mlýn, received a subsidy from the programme in 2019, Copyright Refuel, https://refuelworks.com/work/ricansky-mlyn/

Figure 5: Říčany Municipality (2018) Photo of current state of the competition site from the Competition Specifications, Copyright Říčany Municipality, https://www.e-zakazky.cz/stazenisouboru/8ca8c6b0-d8f0-4bfc-9481-66fd8dce3bec
Figures 6 to 9: Community Centre in Horažďovice (2019), City of Horažďovice; competition was a candidate for a subsidy from the programme in 2019, Source: https://www.horazdovice.cityupgrade.cz/index.php?p=vysledky

Figure 6: Copyright Ondřej Císler (Aoc architekti), Josef Choc, Filip Rašek, Vojtěch Beran, Barbora Lopraisová, Jano Vyšný - 1st prize

Figure 7: Copyright JIKA-CZ s.r.o., Jan Kubát, Linda Boušková, Filip Musálek - 2nd prize

Figure 8: Copyright Norma architekti s.r.o., Jana Moravcová, Petr Bureš, Jan Skoček, Mikuláš Novotný - 4th to 5th prize

Figure 9: Copyright Cara.cz s.r.o., Štěpán Kubiček, Martina Buřičová, Lenka Levičková, Oto Melter, Michal Slyusar - 4th to 5th prize
9. Key lessons and transferability

The subsidy programme for the support of architectural and urban competitions seems to have been welcomed in the Czech Republic, especially by the professional community (architects). It seems to be highly transferable to those countries that want to make use of design competitions more frequently, or simply to those who want to raise awareness of architectural and urban competitions. The tool must respect local conditions and legislation, but the system might work similarly in other countries without serious problems, as the principle is quite simple and is not site-specific.

The recommended approach is to not try to interfere in the design competitions, their processes, or their results, or to modify the way they worked without the subsidy programme. The programme simply focuses on the support of their use and has clearly defined and transparent criteria to assess whether the project should receive a subsidy.

These are the following recommendations for those who would like to transfer the tool to other countries:

1. The terms of the programme should not be too restrictive or difficult. If the terms are too restrictive, the impact of the programme will be lessened. If the terms, requirements and conditions are too difficult, the beneficiaries will not benefit from the programme either.

2. The subsidy programme should be evidence-based. It is necessary to study at least the amount of money spent on awards and rewards as well as the number of competitions held in recent years in order to set real targets. Do not expect revolutionary changes.

3. Co-operation with experts is highly beneficial, as it is prudent to leave the support and supervision of competitions to professionals (chamber of architects) and not interfere in their field of work.

4. Early communication of the subsidy and further support are necessary. It is crucial to share information about the subsidy and its conditions early on, so that any potential beneficiaries can have adequate preparation time. It is also necessary to provide training and other tools, for example awarding those demonstrating good practices.

5. Success depends on the will of individual people. If they are not willing to run and improve the programme, it will quickly disappear.
KEY REFERENCES


URBAN MAESTRO

This paper was drafted as an external contribution to the Coordination and Support Action “URBAN DESIGN GOVERNANCE - Exploring formal and informal means of improving spatial quality in cities across Europe and beyond”, also known as “Urban Maestro”. The Action was funded by European Union’s Horizon 2020 research and innovation programme under grant agreement No. 831704 and implemented from 2019 to 2021 by a consortium comprising the University College London, Brussels Bouwmeester Maître Architecte and UN-Habitat.

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ACKNOWLEDGEMENTS

Principal authors: Josef Morkus, Ministry of Regional Development CZ, Josef.Morkus@mmr.cz

Design and layout: Kidnap Your Designer, Brussels
Brussels Bouwmeester Maître Architecte (BMA)