Policy creators and planners at different administrative levels adopt decisions regarding distribution of social activities in space. Many political decisions influence decisions in other sectors, the latter being related to launching activities in a particular place or extension thereof. The regional political framework of Latvia is formed by important long term documents of the European Union (EU), namely, the strategy “Europe 2020”, and the European Union Territorial Agenda 2020 which are international agreements on important principles facilitating territorial development. The researchers of the European Spatial Planning Observation Network have started to pay more attention to investigation of new theories and concepts, including territorial attractiveness. The concept “territorial attractiveness” here refers also to such notions as regional attractiveness, place attractiveness and city attractiveness.

The city and regional attractiveness has come up high on the agenda of urban policy planners across the European countries. Attractiveness of cities and regions is defined as a key issue to maintain and strengthen their competitiveness in the era of global competition and knowledge-based economies. Each territory has specific combination of factors ensuring its attractiveness and each territory can focus, in its development, on the strengths (social, economic, cultural, natural diversity) and competitive advantages in comparison with other cities. Depending on the attractiveness factors of the territory, it is necessary to choose strategies for increasing the territorial attractiveness. Therefore, to perform an analysis of attractiveness and to identify the most important attractiveness factors of the cities in Latgale region, twelve criteria of attractiveness have been selected.

The aim of the research is to explore the importance and future perspectives of the city attractiveness in Latgale region and the way it could become an element of spatial strategies to contribute to balanced development of Latgale region. Three tasks have been set within the framework of the research: to investigate the theoretical aspects of territorial attractiveness; to identify the most important factors of city attractiveness for the residents of Latgale; to set up the spatial strategies’ priorities of the cities located in Latgale region to enhance their attractiveness.

As a result of the research it was concluded that the most essential factors of city attractiveness for the residents of Latgale region are: (1) the quality and availability of state and municipal services; (2) the quality and availability of publicly controlled services (energy and water supply, et al.); (3) material welfare, employment and safety; (4) the quality and availability of health care services; (5) culture and leisure time activities. Other significant factors are the quality and opportunities of education, safety, the ecological quality, public transport, et al.

Keywords: territorial attractiveness, city attractiveness, spatial strategies, regional policy, regional development.

Introduction

In the recent academic and the EU discussions on regional development and policy the territorial assets and spatial qualities have increasingly been regarded as factors of attraction of economic activities and, consequently, as important features of local development strategies. However, the capacity and potential of cities and regions to attract population is unexplored.

The documents on the regional policy of Latvia determine that for enhancing polycentric development it is especially important to sustain the medium-sized and small cities which, as prescribed by the planning and political documents of the state, are distinguished as the centres of development of national, regional and municipal-scale importance (The Parliament of the Republic of Latvia, 2010). Since 2007 the European Union programmes’ funding is available to municipalities in Latvia, within the framework of which measures of developing territorial attractiveness are facilitated. At the same time municipalities are experiencing the lack of research which could serve as a base for evaluation of the attractiveness of a particular place and elaboration of spatial strategies for improving it. This article represents the results of a research the aim of which was to theoretically justify and practically examine the opportunities of applying the concept of attractiveness to explore the importance and future perspectives of the city attractiveness in Latgale region and the way it could become an element of the spatial strategies to contribute to balanced development of Latgale region. Three tasks have been set within the framework of the research:

• to investigate the theoretical aspects of territorial attractiveness;
• to identify the city attractiveness factors which are the most important for the residents of Latgale;
• to set up the priorities for spatial strategies regarding the cities of Latgale region to enhance their attractiveness.
The object of the research – territorial attractiveness in the context of regional development.

The subject of the research – city attractiveness factors for the residents of cities and towns of Latgale region.

The novelty of the research is that it is the first time in Latvia when a research of spatial planning is made, regarded as a tool for improving cities' attractiveness for residents, considering the case of Latgale region.

The research is performed within the framework of the RHEI ESF project Nr.2009/0227/IDP/1.1.1.2.0/09/APIA/VIAA/071 “Linguo-Cultural and Socio-Economic Aspects of Territorial Identity in the Development of the Region of Latgale”.

The methods of the research – theoretical analysis of scientific literature, comparative analysis, survey, factor analysis.

Theoretical aspects of territorial attractiveness

Territorial attractiveness (considered also as city attractiveness, regional attractiveness and place attractiveness) is a nowadays created concept the aim of which is to solve long-term regional development problems by new means. Its importance in academic studies and work of national, regional and local governments has grown during the recent years. There is no single definition of territorial attractiveness or assessment methodology in academic literature; the criteria and factors affecting attractiveness for distinct types of territories and target groups are interpreted variously, and the necessity to consider the regional differences is there emphasized.

The empirical assessment of the attractiveness of cities and regions is addressed in two main ways: through the measurement of the most important aspects of a city's or region's factor endowments and by evaluation of the outcome of these endowments in terms of the actual economic performance (Servillo L., Atkinson R. and Russo A., 2011). Clark T.N. (2000) describes the need for making cities more attractive not only for companies, but also for people, since human resources are an important factor for companies. He argues that city attractiveness strategies must be related to policies aimed to enhance the quality of life of inhabitants by improving the local economy.

Serrano A. (2003) defines “attractiveness” as a local authorities’ competence for direct investment. Attractiveness represents an effort to reinvent or redesign cities in terms of their resources and institutions to obtain better economic conditions for their citizens. He argued, that it is not just a matter of marketing the place in a different way, but it also represents a new mentality among the individuals in the place, and how social, political, economic and environmental factors are linked together to enhance the competitiveness of cities within the development context.

Van den Berg L. and Braun E. (1999) provided a more complete definition of city attractiveness: “Cities aspire to become and remain attractive places for (potential) residents, business and visitors. In this process, cities „invent” their own marketing strategies, discovering that the marketing of a city or region is not as straightforward as many people think”.

Research in the field of city attractiveness is provided also by Van den Berg L. and Braun E. (1999), Begg I. (1999), Van den Berg L., Van der Meer J., and Otgaar A. H. J. (2007), Braun E. (2008), Sinkiene J. and Kromalcas S. (2010), Niedomysl T. (2010), Ezmale S. and Litavniec L. (2011), Russo, A., Smith, I., Servillo, L., Madsen, B. and Otgaar, A. (2011) not only emphasizing the significance of attractiveness, but also indicating criteria which characterize it. Van den Berg L., Van der Meer J. and Otgaar A. H. J. (2007) list criteria which, on their opinion, reveals city attractiveness from the point of view of inhabitants (housing in a clean and safe environment, employment and its various opportunities, provision of high-level education, cultural, health care, shopping and other services), entrepreneurs/investors (the quality, availability and cost of real estate, tax environment, conforming offer of labour force, the presence of a supplier and customer, qualitative living environment and services provided) and tourists (accommodation facilities, access to entertainment and restaurants, public transport and other amenities attractive to visitors). Servillo L., Atkinson R. and Russo A. (2011) are developing the notion „attractiveness” on the basis of an overview of theoretical approaches seeking to identify the places’ capacity to „attract”, and the impact it has (positive or negative) on places. The authors argued, that attractiveness of places involves three main aspects: (1) the asset side of the attractiveness of a place and its different characteristics (territorial capital); (2) different potential users for whom attractiveness should be measured; (3) the way such assets are mobilized by governmental and non-governmental organizations and institutional actors (Servillo L., Atkinson R. and Russo A., 2011).

In the recent academic and the European Union (EU) debates on regional economic development and territorial policy place assets and spatial qualities have increasingly been understood as factors for attracting economic agents and, consequently, as important features for local development strategies (Servillo L., Atkinson R. and Russo A., 2011). Regional development and spatial policy of the EU faced the challenge of developing a common understanding of the concept of attractiveness. Implementation of the project “Attractiveness of European Regions and Cities for Residents and Visitors” within the framework of ESPON (European Spatial Planning Observation Network) has been started. The main areas of the project research are: (1) identification of the key factors of the attractiveness of European regions and cities for residents and visitors and the analysis of the extent to which these factors influence regions’/cities’ economic development; (2) distribution of attractiveness factors across Europe; (3) the analysis of the role of sectors and trends contributing to attractiveness of regions and cities e.g.

Servillo L., Atkinson R. and Russo A. (2011) argued that spatial and non-spatial policies, particularly those of the EU, may have a significant role in enhancing the attractiveness of places and regions by changing endogenous factors (determined mostly by geographical, cultural, institutional and historical factors) and producing shifts related to the relative positioning of regions.

Cities play the key role in Europe’s territorial development. The significance of cities with regard to regional development is testified by political and strategic documents – the strategy “Europe 2020” (EC, 2010), the Leipzig Charter (EC, 2007),
the European Union Territorial Agenda 2020 (EC, 2011) and others, as well as academic studies. Academic literature and practical researches increasingly often present a concept of an “attractive city”. Attractiveness is now linked to economic growth to provide a broader framework for the analysis of the process during which cities will reach higher standards of their inhabitants’ life quality. Therefore it is important to understand what creates the attractiveness of cities and regions for residents.

**Investigation of the most important factors of city attractiveness for the residents of Latgale region**

Latgale region was chosen as a pilot region for studying the aspects of city attractiveness from the business perspective and reflection of competitiveness factors and criteria through development planning documents. Latgale region is of particular interest not only because it is the poorest region in Latvia, but also because it was the first region in Latvia working actively on the regional policy after harnessing the EU pre-accession funds (Adams N., Ezmale S. and Paalzow A., 2006).

Latgale region is situated in the Eastern part of Latvia, bordering with Russia, Lithuania and Belarus. The average number of regular inhabitants of Latgale region in 2010 was 337,398 people or 24.7 thousand (6.9%) less than it was five years before. This fall is the biggest among the regions of Latvia (SRDA, 2011). The natural growth of population was -10.2 per 1,000 inhabitants, considered to be the lowest rate in the country. The long-term migration saldo in 2010 was negative (-1,310), being the second highest indicator in Latvia. Krisjane Z. and Bauls A. (2011) ascertain that nearly every fourth Latvian emigrant comes from Latgale - in 2008 Latgale was the region indicating the most intensive emigration abroad for work (22.8%). The decrease of inhabitants – the result of natural migration – being twice faster than in Latvia on average and the negative long-term migration saldo are the reasons why in Latgale region the number of inhabitants is falling the most substantially. In the Long-Term Development Strategy for Latgale Region it is emphasized that in the future 75% of the inhabitants of Latgale will live in the region’s cities, therefore a well-organized city is a prerequisite of regional development (LPR, 2010). Thereby within the framework of the RHEI ESF project “Linguo-Cultural and Socio-Economic Aspects of Territorial Identity in the Development of the Region of Latgale” (TILRA) an investigation of the attractiveness aspects of the cities and towns in Latgale region was carried out.

There are 14 cities and towns situated in Latgale region. According to the data as of 01.01.2012, provided by the Office of Citizenship and Migration Affairs, they are resided by 193,359 people or 57% of inhabitants of Latgale region (in Latvia – 68%). Two development centres of national importance – the cities Daugavpils (101,057 inhabitants) and Rezekne (33,936 inhabitants) are located in Latgale region, apart from the five development centres of regional importance – Kraslava (9,857), Ludza (9,380), Livani (8,663), Balvi (7,738), Preili (7,734), and 6 centres of municipality importance - Dagda (2,447), Vilaka (1,719), Vilani (3,360), Zilupe (1,730), Iluksste (2,809) and Subate (743).

On the basis of the empirical studies analysis 12 criteria were developed for evaluation of the city attractiveness in Latgale region from the residents’ viewpoint (see Table 1).

Essential are people’s subjective conceptions of what influences the origination of attractive city environment in a particular city, as well as their subjective assessment of different aspects of life quality and satisfaction with various spheres of life. In their turn, the objective indicators reveal overall information and the evaluation of the situation regarding city attractiveness.

Within the framework of the TILRA Project during the period 2010–2011 inhabitants of all Latgale region cities (2,060 respondents) were surveyed to obtain information for qualitative assessment of the cities’ attractiveness criteria and to elaborate particular measures for the city development strategy and increasing competitiveness in the future. The questions of the survey were formulated according to the criteria listed in the Table 1, providing several questions for each of the criteria. The reached selection volume allows to create a representative set of data about Latgale region. Within the framework of the survey of the Latgale region cities’ inhabitants (2010) their opinion on such aspects of city attractiveness and life quality as the material position, work and employment perspectives, education, safety and security, ecological quality, health, social care, culture, leisure time, sports, social participation, public transportation, the quality and availability of services, trade services et al. was asked (RHEI, 2010). There was found out the inhabitants’ satisfaction with the living conditions in the cities and the assessment of their attractiveness. In total, 81 question of the survey was answered and information about 252 variables or indications was obtained; however, for the analysis 108 variables were taken characterizing the 12 criteria of city attractiveness viewed in the Table 1.

62.3% of the respondents were completely or rather satisfied with living in Latgale region cities, and only 24.5% of them were rather or completely dissatisfied. 79% of the respondents considered their city as a very or rather attractive while 14.7% of inhabitants assessed it as rather unattractive or unattractive. The highest number of respondents assessing their city as attractive or rather attractive was typical to such cities as Zilupe (96.8%), Balvi (94.7%) and Livani (93.1%), while the highest number of inhabitants considering their city as rather unattractive or unattractive was common to the cities Karsava (37.7%), Vilani (32.1%) and Rezekne (21.4%).

Myer (1987) states that inhabitants of different regions are distinct from each other, and the factors influencing their perception of the living standards also vary. Investigating the Latgale region inhabitants’ vision of a city’s attractiveness factors, the method of factor analysis was applied for processing the data obtained by the survey. To gather information about the most significant Latgale region’s city attractiveness factors which affect the overall assessment of the city attractiveness from a viewpoint of respondents, 108 indications characterizing the city attractiveness criteria were analyzed. Applying the method of factor analysis combining the abovementioned indications, five most significant factors or conditions which characterize the attractiveness of a city from the inhabitants’ viewpoint were outlined. As a result of data processing the KMO of sampling adequacy constitutes 0.770 indicating that the adequacy of the constituent summary
The listed groups characterize the most significant factors of the city attractiveness in Latgale region from the respondents’ point of view. The city, if it meets the needs of every particular resident and his/her family members, is regarded as attractive by the target group. Therefore, the interconnection between the newly crystallized factors and the assessment of the respondents’ satisfaction with the living conditions in the city was further investigated. By the method of correlation analysis it was calculated that there exist a connection between satisfaction with the living conditions in the city and the following groups of factors (statistically significant with 99% probability):

1) Material welfare, employment and safety/security ($r = 0.227$);
2) Culture and opportunities of leisure time activities ($r = 0.278$).

### Table 1. The city attractiveness evaluation criteria and their characteristic indicators from a viewpoint of residents

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Objective indicators</th>
<th>Subjective indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability and mobility</td>
<td>Information on public (routes, frequency) and private (the number) transportation</td>
<td>The evaluation of the public transportation quality and availability</td>
</tr>
<tr>
<td>Economic development, employment and material welfare of inhabitants</td>
<td>Statistic information about inhabitants (the number, demographic and educational indicators et al.), employment and unemployment indicators</td>
<td>Satisfaction with the living conditions in a city, willing to change the place of residence, the assessment of the personal material position, satisfaction with job et al.</td>
</tr>
<tr>
<td>The quality and availability of health care services</td>
<td>Out-patient and stationary medical institutions (the number of institutions, medical staff and patients, beds, et al.)</td>
<td>Satisfaction with the quality of medical services, their availability The physical condition assessment</td>
</tr>
<tr>
<td>The quality and availability of social care services</td>
<td>Information about the modes and the number of recipients of social care services, the social care budget</td>
<td>Satisfaction with the quality and availability of social care services</td>
</tr>
<tr>
<td>The quality and availability of educational services</td>
<td>Information about the number of education institutions, teaching staff and children/students, the number of interest education institutions, the offered services, et al.</td>
<td>Satisfaction with the quality and availability of education and interest education</td>
</tr>
<tr>
<td>The quality and availability of culture, sport and recreation services</td>
<td>Information about the number of cultural and recreation places, amateur groups, museums, libraries, sports institutions, visitors/participants, the organized events, et al.</td>
<td>Satisfaction with the quality and availability of culture, recreation and sports, the opportunities of leisure time activities</td>
</tr>
<tr>
<td>Ecological quality</td>
<td>Information about the air quality, potential polluted areas, the quality of drinking water, et al.</td>
<td>Satisfaction with the ecological conditions in the city, the quality of drinking water, et al.</td>
</tr>
<tr>
<td>Participation in diversificating the community’s social life</td>
<td>Information about non-governmental organizations and interest clubs, the social activity of inhabitants</td>
<td>Inhabitants’ participation and willing to get involved in social activities</td>
</tr>
<tr>
<td>The quality and availability of administrative services provided by the state and municipality</td>
<td>Information on the types and costs of administrative services</td>
<td>Satisfaction with the quality and availability of administrative services</td>
</tr>
<tr>
<td>The quality and availability of shopping services</td>
<td>Information about the number and types of shopping establishments</td>
<td>Satisfaction with the quality and availability of the rendered services</td>
</tr>
<tr>
<td>The quality and availability of housing</td>
<td>Information about the dwelling space, accommodations, et al.</td>
<td>Satisfaction with the quality and availability of housing</td>
</tr>
<tr>
<td>The quality and availability of physical safety and security</td>
<td>Information about the number of crimes, fire and car accidents</td>
<td>Satisfaction with safety and security (on the street, at home, in the city)</td>
</tr>
</tbody>
</table>

The performed analysis leads to the conclusion that the two main factors influencing the assessment of the city attractiveness in Latgale region from the inhabitants’ viewpoint, are: (1) material welfare, employment and safety/security, and (2) culture and opportunities of leisure time activities.

Priorities of spatial strategies of Latgale region cities for enhancing their attractiveness

Consequently, on the basis of the performed analysis, another analysis was realized to find out if the identified attractiveness factors regarded as the most significant by the inhabitants of Latgale region are reflected in the in-force municipal spatial planning documents (see Table 2).

Table 2. The identified attractiveness factors reflected in the municipal spatial planning documents

<table>
<thead>
<tr>
<th>No.</th>
<th>Factors</th>
<th>DP</th>
<th>TP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The quality and availability of state and municipal services</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>2.</td>
<td>The quality and availability of publicly controlled services (energy and water supply, et al.)</td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>3.</td>
<td>Material welfare, employment and safety/security</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>4.</td>
<td>The quality and availability of health care services</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>5.</td>
<td>Cultural events and opportunities of leisure time activities</td>
<td>8</td>
<td>11</td>
</tr>
</tbody>
</table>

DP – development plan, TP – territorial plan

The source: Ezmale (2011)

It was concluded that in the beginning of 2010 only 9 out of the 14 evaluated Latgale region cities had elaborated development programmes and 13 territorial plans which were in force. In the development programmes all the five significant factors of city attractiveness were analyzed, however, such aspect of the third factor as material welfare was viewed only in 2 development programmes. In their turn, particular cities had not analyzed all the attractiveness factors in their territorial plans.

The Law on Planning of Territorial Development (introduced on December 1, 2011) modifies the system of territorial development planning documents at various planning levels in Latvia. The law determines that henceforth the development programme of the local government and the territorial plan must correspond with a common long-term development strategy, as well as that local governments and planning regions must elaborate or update their sustainable development strategies and development programmes until December 31, 2013 so that they would meet the requirements of the Law. Thus, during the next few years the local governments of Latgale region will be performing the updating of spatial planning documents. It gives municipalities an opportunity to elaborate the municipal spatial planning documentation aimed at the improvement of their attractiveness for the residents.

The regional spatial development documents determine the directions of how different territories and places will be developed in the future in the context of their strategic objectives, as well as there is defined a framework for creation and enhancement of connections between different places and areas in and outside the region. Referring to the investigation results the author suggests to additionally define the principles and directions of development for advancement of various sectors in relation to spatial questions, thus providing an intersectoral approach. Cities intercompete to attract new businesses and industries, inhabitants, tourists and visitors. The author holds a view that planning of spatial development should be oriented to target groups with regard to the needs and preferences of each groups, thus facilitating the attractiveness of the city (see Picture 1).

Analyzing the results of the survey of Latgale region cities’ inhabitants it was concluded that material welfare, employment and safety/security are important factors, closely related to such issues as competitiveness and attractiveness from a viewpoint of entrepreneurs. In the research on competitiveness factors of Latgale region (Ezmale S. and Litavniene L., 2011) it was stated that entrepreneurs consider the local entrepreneurship environment, the inhabitants’ life quality, as well as technical infrastructure and real estate to be the most significant attractiveness factors. Territories and places intercompete to attract new businesses and industries. To become attractive for entrepreneurs, the territory should be easily accessible providing a sufficient offer of real estate, favourable local tax environment and normative requirements, qualitative technical infrastructure, as well as conforming offer of labour force and quality. The aspects of life quality and safety are not less important.

To make territories and places of Latgale region attractive to their inhabitants as a target group, they should meet the needs of every single inhabitant and his/her family members, provide an attractive living environment and adequate quality of life. Though, the visitors of Latgale region cities consider to be attractive such factors as costs and accommodation opportunities, entertainment and restaurants, public transport and other amenities.

The performed analysis leads to the conclusion that the Latgale region cities’ spatial planning documents should more focus on such attractiveness factors listed by inhabitants as (1) the quality and availability of state and municipal services; (2) the quality and availability of publicly controlled services (energy and water supply, et al.); (3) material welfare, employment and safety/security; (4) the quality and availability of health care services; (5) culture and leisure time activities. Thus it would strengthen the importance of spatial planning with regard to enhancement of the city attractiveness in Latgale region.

Significant aspects are also high-quality cultural and social environment, restaurants, bars, cafés and attractive shopping establishments, supplemented by high-quality physical environment, i.e., preserved and well-maintained buildings of cultural heritage, modern architecture, road surfacing, publicly available space and parks, as well as pedestrian zones.

The listed factors should be taken into account during the process of spatial planning to provide spatial development oriented to the needs of target groups. The major importance in this context is the capacity of local governments to mobilize the territorial attractiveness capital (Russo, A., Smith, I., Servillo, L., Madsen, B. and Otgaar, A., 2011).
Conclusions

In the recent academic and the European Union (EU) debates on regional economic development and territorial policy place assets and spatial qualities have increasingly been understood as factors for attracting economic agents and, consequently, as important features for local development strategies.

The performed analysis discovers the perspectives of application of the city attractiveness concept for facilitating the city attractiveness in Latgale region.

Considering the results of the research the author suggests to define the principles and directions of development for advancement of various sectors in relation to spatial questions, thus providing an intersectoral approach. The planning of spatial development should be target group-oriented (inhabitants, businesses, visitors) considering their needs and preferences, thus enhancing the attractiveness of the city.

As a result of the research it was concluded that the most essential attractiveness factors of Latgale region cities from the residents’ viewpoint are: (1) the quality and availability of state and municipal services; (2) the quality and availability of publicly controlled services (energy and water supply, et al.); (3) material welfare, employment and safety/security; (4) the quality and availability of health care services; (5) culture and opportunities of leisure time activities. Other important factors are the quality and availability of education, safety and security, ecological quality, public transportation et al.

Studying the most significant factors of city attractiveness indicated by various target groups, local governments can adopt decisions related to the set of the most effective strategies and measures for enhancing the attractiveness of the cities. Such measures are necessary for prevention of inhabitants’ outflow to other regions and countries, thus facilitating stabilization of the demographic situation and motivating inhabitants to come back to their native country.

Figure 1. Spatial strategies for territorial attractiveness

References


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