

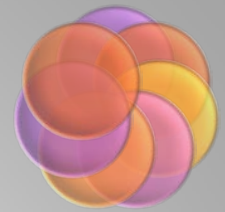
7FP MARIE CURIE IRSES

# OPEN DAYS CLUDs PROJECT

4/5 July Auditorium Calipari  
Consiglio Regionale Della Calabria, Reggio Calabria

A NEW PARADIGM FOR SUSTAINABLE URBAN-RURAL  
REGENERATION: CLUDs (COMMERCIAL LOCAL URBAN  
DISTRICTS)





**Object:** proposing a new paradigm for sustainable urban-rural management, capable to integrate social, economic and environmental goals by capturing stakeholders' interests from the regional context, and to operationalise it through a new sustainable urban-rural management tool, called Commercial Local Urban District.

## Tracks



a new vision of the european space perspective

clusters and territorial networks

incorporating territorial milieu into current urban regeneration tools

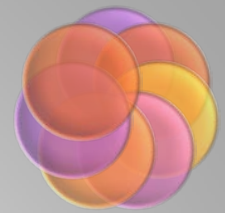
from empirical evidence to model structure

The project aims to introduce the territorial milieu concept into current urban management tools, such as Business Improvement Districts, and to turn it into an additional asset to further increase sustainability for the competitive urban-rural platform, also building on the Cluster theory concept.

The main hypothesis is that the development of a socio-economic territorial network can act as driver for sustainable urban regeneration and rural areas competitiveness, by involving producers and sellers in targeted urban-rural areas, also acting on food chains.

Further researches could test the proposed tool. Potential impacts of it can be foreseen in the current European Commission regional programs.





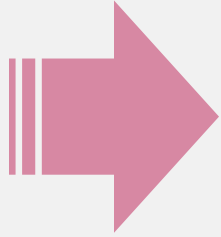
## a new vision of the european space perspective

Cities acquired an important role within the reform process of cohesion policy that took place in order to build up operational programme for 2007-2013 period (Hubner, 2000).

It is reasonable to argue that by introducing a strong urban regional programmes, particularly in the Italian context which struggles to integrate spatial planning and economic policy, acquired the spatial dimension thanks to the introduction of the urban dimension as resources of the regional development (Bevilacqua, 2007)

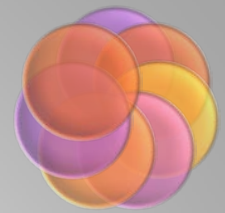
The rationale of this important change is based on the choice to introduce competitiveness within the new Agenda of LDCs (less development countries) development policy after a strong debate on the reform of cohesion policy from 2000-2006 to 2007-2013 programming period.

Tracks



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A NEW VISION OF THE  
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## a new vision of the european space perspective

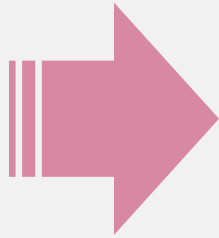
The urban dimension becomes fundamental in order to give to cohesion policy a competitive implication besides its specific redistributive character.

The spatial control of the programming acquires a logical and functional importance.

The competitiveness, as a reinforcing factor of development policies has become a very important aspect in programming European funds in order to make effectiveness the public expenditure.

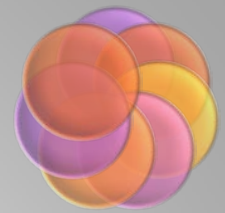
The call back of urban dimension into regional development policy represents a significant element of the strategic reform of cohesion policy by a more competitive push that only the cities are able to give: the urban dimension of the development is the concept area to give a strategic frame to future programming documents.

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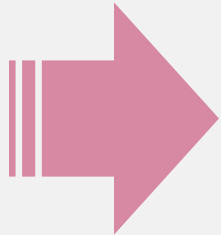


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# a new vision of the european space perspective

The reform of cohesion policy starts from the city, recognizing the urban dimension as the driving to develop from “convergence” condition to “competitiveness” condition.

The spatial dimension marks the public action, defines the public choice and adapts the interventions. The TEN networks and the transnational corridors figure out new scenarios of territorial unity.

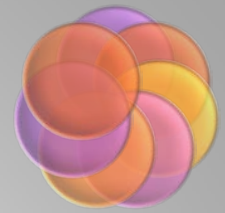
The city as node of urban European network exploits the new development potentials to reach information, people and goods' flows.



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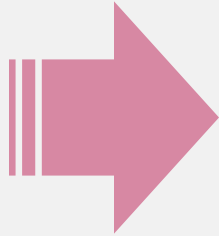






## a new vision of the european space perspective

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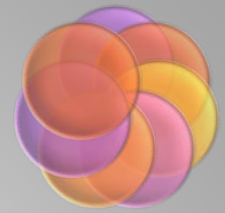
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Nevertheless, the reform of cohesion policy tries to translate the fundamental concept of polycentrism that the ESDP has defined to introduce the European diversity as a richness into globalization process:

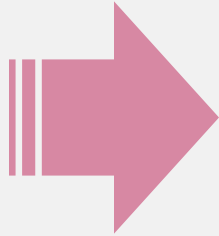
it is necessary to compete into new markets shaped by globalization with a diversified supply of innovative services, but in the same time the supply should be centred.

The service concentration figures the new geography of urban system.





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By contrast, an evolution of rural development approach within European policies occurs as well. The globalization effects the rural condition from backwardness to source of economic growth.

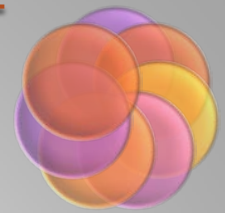
The new frontiers of biotechnologies, applied genetics, mechanic and information management of economic-rural resources have changed the rural territorial context into a fruitful space of innovation.

The change has played an important and structural role to modify the concept of rural space and social rural conditions. (Trillo, 2007)

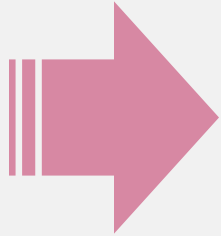


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# a new vision of the european space perspective

Despite different program tools, to manage financial resources at regional level, have been development by European Commission to keep separate urban development from rural ones, other European framework program have investigate the relationship between urban and rural.

First of all, the research programme ESPON 2000-2006 produced a study on "ESPON 1.1.2, Urban-rural relations in Europe".

The main result of the above study is the overcome of a dichotomy vision between urban and rural space. The reasons stay in the change of the use of rural spaces towards a hybrid model called rurbanisation. (Bengs, 2006)

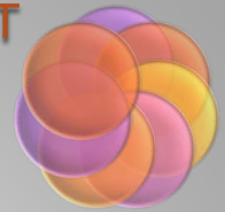
Urban competitiveness integrated with rural-urban relationship characterises the European space as a new perspective to shape development scenarios towards sustainable economic growth.



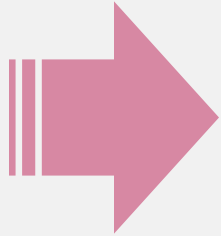
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# a new vision of the european space perspective

A way to explore the challenges that urban competitiveness combined with rural-urban relationship suggest is the rationale of the CLUDs model.

The CLUDs model strengthens the challenges towards a new paradigm for sustainable urban-rural regeneration.

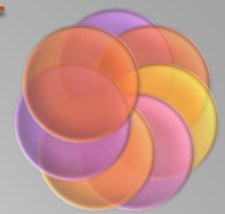
The rationale of CLUD as new urban integrated management tool establishes its principles by rethinking to the Cluster Analysis and its current role to make urban plans and projects.

The objective is to define a new urban-rural taxonomy, innovative in the attempt to put together the features related to urban clustering with territorial milieu ones.



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# clusters and territorial networks

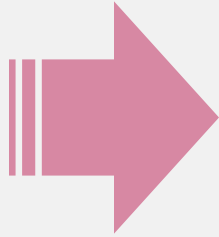
Urban clustering, Cluster development (or cluster initiative or economic clustering) is the economic development of business clusters.

Clusters in themselves are not a completely new concept. As early as 1890, Alfred Marshall introduced the notion of industrial districts, highlighting the benefits of economic activities being concentrated in a small area. In the late 1970s, the Italian economist Giacomo Becattini picked up on the idea, applying it to the industrial organization of Northern Italy.

Porter (1990) defined clusters as follows: “geographic concentrations of interconnected companies, specialised suppliers, service providers, and associated institutions in a particular field that are present in a nation or region. Clusters arise because they increase the productivity with which companies can compete”.

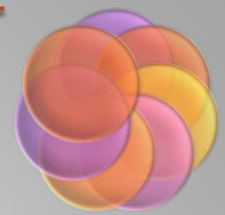


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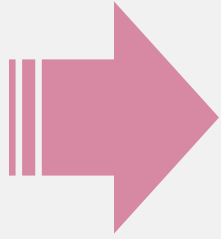


**CLUSTERS AND TERRITORIAL NETWORKS: SETTING THE CONTEXT FOR A NEW SUSTAINABLE URBAN MANAGEMENT PARADIGM**





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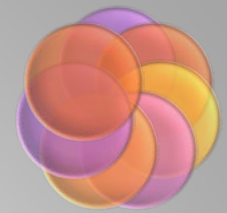
# clusters and territorial networks

In more recent time, at European level a new perspective on urban clusters is emerging, as demonstrated by the following definition: “Urban cluster (are) critical mass of companies, public bodies and research institutions working in the same area of knowledge and coming together to fulfill common projects” (Pique 2009).

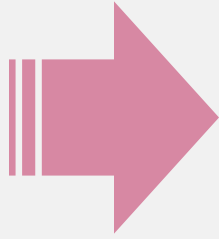
In terms of spatial implementation of the city cluster development and its potential impact on the territorial network, this theory supported a knowledge-led new approach in city competitiveness, by re-considering the city as place for innovation and by experimenting through urban clusters the creation of productive systems specialized in a network of goods and services. Consequently, urban form can be regarded as resulting from the interaction between demand and supply of people, information and goods mobility.



**CLUSTERS AND  
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# clusters and territorial networks

Globalization processes together with informationalization (Hall 2001) caused a strong change in localization choices of productive activities: the advanced economies acquired more power because of their capacity of producing information and manipulating it rather than supplying material goods (Castells 1989 and 1996).

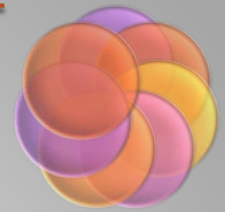
Thus, urban boundaries are becoming fuzzier and cities generate new markets, i.e. the knowledge market where knowledge workers operate through agreements, negotiations, deals according to a new image of city: more attractive as a whole, more fragmented inside it.

In this context, the paper seeks to conceptualise new urban management tools able to produce “sustainable” competitiveness, by acting on the territory as a whole, in order to build also on the sense of identity underpinned in the territorial milieu drawing from the Cluster concept.

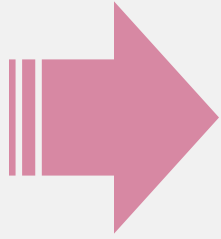


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# clusters and territorial networks

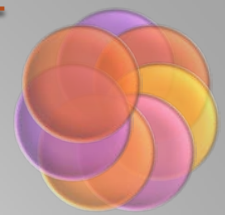
According to Dematteis (1994), the milieu represents a sort of evolution of the environmental and physical concept of territory, capable to capture the institutional thickness and the complex social networks, thus allowing us to better apply the concept of sustainability as interaction among environmental, social and economic factors.

As a matter of facts, Governa (1998: 89) further specifies that milieu "represents at the same time the local and territorial foundation of a specific collective identity, but also the whole of development endogenous potentials".

In so doing, the paper aspires to fill the gap in Clusters literature, which highlights a lack of studies in the field of applicability of the cluster theory "to the experience of peripheral regions" (Cumbers and MacKinnon 2006: xiv).







# clusters and territorial networks

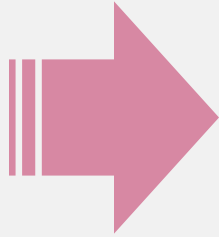
As a matter of facts, Cluster analysis in our hypothesis should incorporate the territorial milieu concept, by activating a network of local stakeholders from both the urban and the rural context and building on the identity of the territory, also taking advantage from a place-branding approach (Ashworth 2008), rather than focusing either on peripheral or on central regions.

In order to operationalise this theoretical assumption, we suggest to experiment a new urban management tool, that we call CLUD in order to emphasise the role of targeted and concentrated areas inside urban contexts (thus, UD as Urban Districts) as potential catalyst of competitive mechanisms, which should be locally bound (thus, L as Local) also by acting on the short commercial nets (thus, C as Commercial). CLUDs aspire to resist better to the globalisation displacement effects, which often affect urban commercial areas looking similar all around the world, featured by the same globalised brands.

Gentrification processes affect not only residents, but also retailers, with the same devastating effects on local identity: small traditional retailers, often better linked to the local producers' short chain, are often expelled by emerging competitive corporation brands, which homogenise tastes and habits, thus contributing to reduce the stock of cultural (bio-)diversity across Europe.

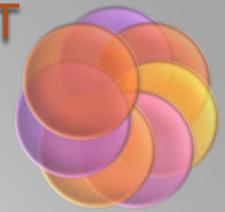


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**CLUSTERS AND TERRITORIAL NETWORKS: SETTING THE CONTEXT FOR A NEW SUSTAINABLE URBAN MANAGEMENT PARADIGM**



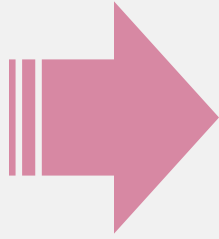


# incorporating territorial milieu into current urban regeneration tools

Urban regeneration is a key topic in urban planning, since the great urban renewal and urban regeneration US projects (Wagner et al. 2005) came to fore. In the '90s it massively interested both the Italian planning culture, with the integrated programs experience (Avarello 2000 and Ricci 2000), and the UK context, culminating in the experience of the Social Exclusion Unit (Tiesdell and Allmendinger).

Despite of this continuity, great changes happened in the theoretical background of planning practice in regeneration and its conceptual paradigms evolved by the time. A milestone in turning the deterministic approach mirrored by the models from the '60 into a new one, is represented by key-ideas on identity and participation from Jacobs (1961) and Davidoff (1965). In the following years, regeneration models based on Public-Private Partnership mechanisms flourished, by emphasising not only the financial opportunities of private investors, but also the further opportunities achievable thanks to a private-led approach.

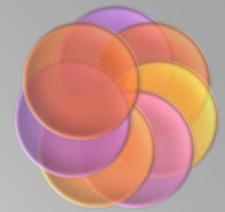
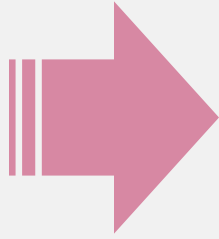
Tracks



ENHANCING  
SUSTAINABILITY BY  
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REGENERATION TOOLS

SERVICE SUPPLY

TERRITORIAL MILIEU

**Tracks**

## incorporating territorial milieu into current urban regeneration tools

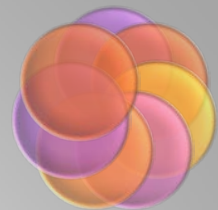
Business Improvement Districts (BIDs) are a very well known and investigated model, which demonstrated potential to cope with declining urban centres.

First BIDs date back to the '60 in the US: they are private institutions aimed to provide supplemental services in underserved urban areas (Lloyd 2003; Billings and Leland 2009). In the '90 BIDs were transferred to the UK, in order to support Town Centre Management strategies (Cook 2008), and furthermore adopted internationally. Today 1.000 BIDs circa exist in the world (Dawkins 2007: 79).

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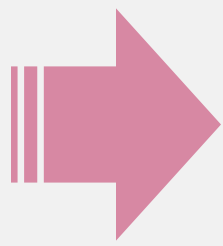




# OPEN DAYS CLUDs PROJECT



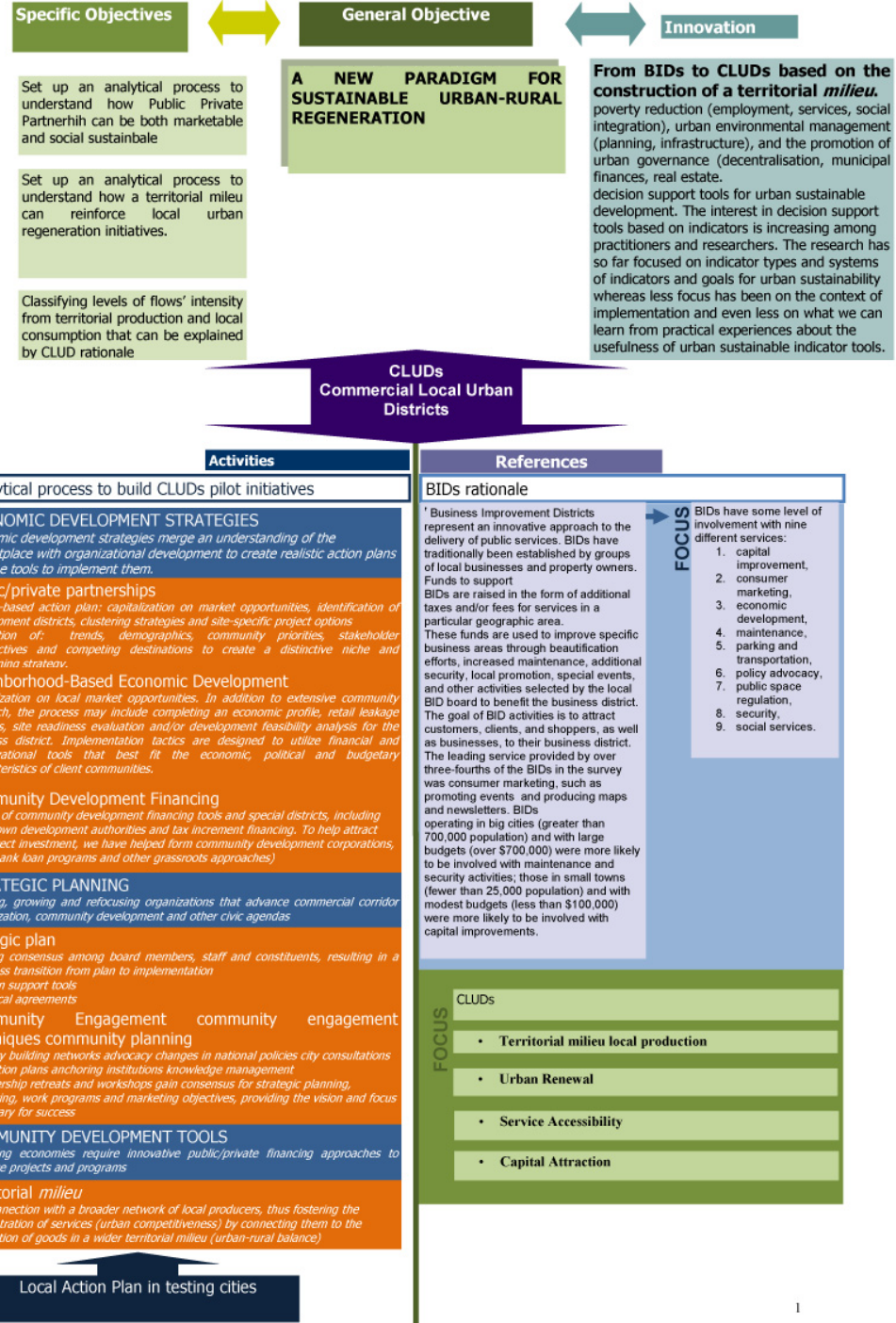
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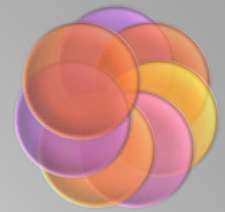


## ENHANCING SUSTAINABILITY BY INCORPORATING TERRITORIAL MILIEU INTO CURRENT URBAN REGENERATION TOOLS

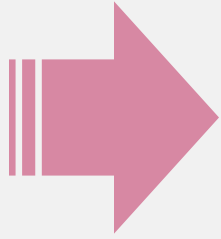
## SERVICE SUPPLY

## TERRITORIAL MILIEU





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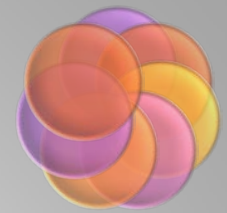
# incorporating territorial milieu into current urban regeneration tools

The goal of this paper is to push the body of knowledge forward, by combining the private-led approach still underpinned in the majority of current urban regeneration tools, such as BIDs, with sustainability. In terms of urban management, the new suggested tools, named CLUDs, are designated areas, reflecting the rationale of Economic Opportunity Zones, in which local authorities deliver integrated packages of services, aimed to foster investments and entrepreneurship, ranging from subsidies for investors to public investments for upgrading premises, and from training schemes for specific groups to consulting/ coaching for local entrepreneurs. The rationale of the CLUD is to provide critical mass to targeted urban areas through the connection with a broader network of local producers, thus fostering the concentration of services (urban competitiveness) by connecting them to the production of goods in the wider territorial milieu (urban-rural balance).

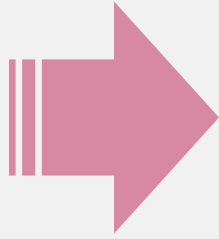
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## incorporating territorial milieu into current urban regeneration tools

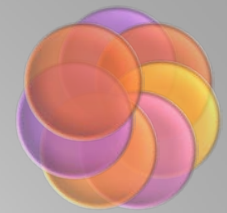
The conceptual hypothesis of the proposed model is based on a different assumption. The innovation of the proposed new tool seeks to moderate the neo-liberal approach still dominating current urban regeneration tools, such as BIDs through the idea of territorial balance.

By re-engineering urban management current tools in terms of governance and by shifting from an urban-centred to a regional-focused perspective, capable to incorporate also the rural network through a cluster approach, the concept of territorial milieu comes to fore as an asset for the sustainable urban platform in order to implement the three essential components of sustainability as follows:

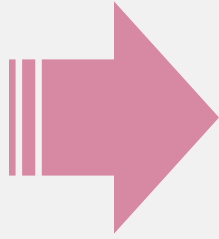


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## incorporating territorial milieu into current urban regeneration tools

environmental component: particularly by reducing transportation costs and by linking the urban logistic to the regeneration process

economic component: particularly by acting on optimization of costs through a shared management, as already happens in BIDs, but also by applying locally-led place branding and place marketing concepts, i.e. by maximizing the potential of the place in terms of image and identity

social component: particularly by emphasizing the identity and participatory features, also by enlarging the involved stakeholders, in order to contrast cultural banalization threats.



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