

## Commercial Districts and Corporate Planning: an international review

### Descrizione

### Abstract

The literature review aims at representing the different applications of the concept of the Trade District by comparing similar experiences on an international level (North-America, Western Europe, South Africa, Japan).

The framework of the Trade District, globally, is acknowledged in different ways. Thus, this framework is not directly adopted in all the case histories analyzed by this paper. This is acknowledged in Table 1 where the describer is “commercial and economic development model”.

Today, the reflections about the District intend the territory of the District as a sort of protected area. In this perspective, the District becomes a circumscribed area in which transactions are linked through proximity.

Considering that the distributive value is influenced by characteristics acting in a context of variable geometry, e. a. proximity and contiguity, it is necessary to re-thing the District in its whole.

In such a perspective, indeed, the District represents a planning tool able at interpreting the quality of territorial dynamics (cities and societies) also in relation to the digital component.

## Commercial Districts and Corporate Planning: a national and international overview

Starting from 1969, in USA and Canada born the first models of Urban Center Management for the economic planning and the competitiveness of local systems. These tools, also known as Business Improvement Districts (Bid) or as Business Improvement Plans, are initiatives that look favorably at the definition of local Public-

Private-Partnerships aiming at the economic development of SMEs as well as at the infrastructural and social development of cities or specific urban commercial areas.

On one hand, this experience demonstrates that the competitiveness of a territory relies on the quality of local economic activities; on the other hand, it demonstrates that the achievement of a local economic, environmental and social sustainable competitiveness is especially influenced by the ways local players characterize the territory.

Since the '80s, commercial transformations lead to the diffusion of big shopping malls in urban peripheries. Private-led urbanization processes induce relevant adjustment in organizational and logistics level of the commercial distributions, even changing the dispositions included in urbanistic regulation.

Many European cities report that this phenomenon leads to a substantial territorial depletion and claims for the setting up of new regeneration programs for City Centers. Many countries, and above all United Kingdom, start implementing the North American framework.

However, BID application in Europe shows a fundamental difference from the American framework.

In Europe, indeed, the implementation tends to develop a management model thanks to which Business Urban Centers can win the competition with the peri-urban malls, aiming at the revitalization of urban centers with a proximity strategy.

Worldwide, the implementation of strategies for the development of urban commerce is conditioned by evolutionary dynamics of the different territorial, economic, social and legal contexts. These factors influenced the development of different kind of business development frameworks each of them with a different definition. From the City Improvement District (South Africa) to the Town Centre Management (United Kingdom), until the Town Management Organization in Japan.

In order to achieve a better knowledge of the evolution of the “district approach”, different governance tool have been taken into account within the mapping process. This leads us in differentiating the various districts on a set of variables such as:

- 1 - Denomination of district framework with regards to territorial context;
- 2 - Setting -up methodology and management approach;

3 – Intervention Criteria;

4 -Definition of the Framework;

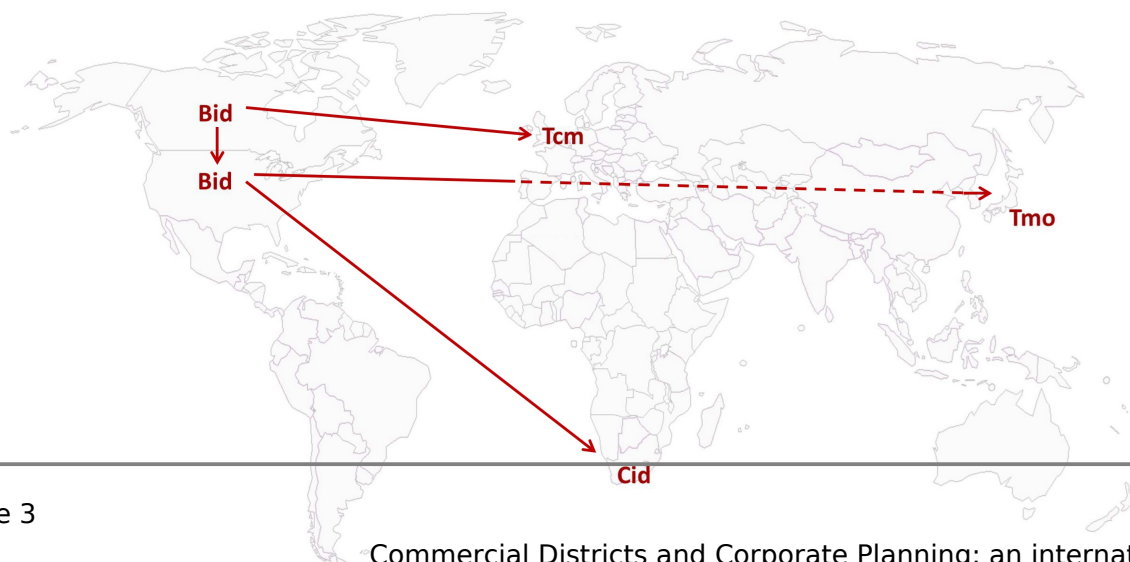
5 – Physical and functional impacts;

6 – Pros and Cons

Based on these variables, the international review shows four main relational models between urban politics and economic-commercial processes. Table 1 defines, for each of these models, a brief description of different variables useful to understand the different corporate planning strategy Corporate planning is a long-term strategic planning tool. Enterprises are used to adopt it in order to maximize selling and revenues and valorizing their internal resources (including real-estate assets). Above all, enterprises use corporate planning aiming at maximizing the opportunities of a specific spatial model.

In the district practice, through cooperation and partnership conditions corporate planning can increase its relevance until affirming its rules on the statutory planning both for financial reasons or for the activity of specific lobbies and groups of interest. This process can assume different characteristics basing on the enterprise strategies, the financial and real-estate asset mix and on the choice spatial model. These factors influence the corporate planning strengthening the competitive aspect.

In next pages different case-studies are reported in order to highlight the different frameworks adopted following territorial characteristics: for North America, Canadian (Ottawa) and USA (Atlanta, New York City); for European context, Uk (Cambridge), Germany (Hamburg), France (Lion) Belgium (Mons), Portugal (Coimbra), Spain (Granada) and Italy (Alba-Bra in Piemonte and Treviglio in Lombardia). South-Africa experience is illustrated with the case of Johannesburg while for the Asian context the paper examines the case of Fukaya (Japan).



## Urban-Commercial Management Framework

Economic-Commercial Development Framework	Geographical Area of Origin	Year	Reference Model	Kind of Urban Planning Practice	Definition	Legal Framework	Management Characteristics	Body of Approval
Business Improvement District (BID)	Nord America		1969	District Governance or Urban-Metropolitan Governance	Local Economy Management Framework: institutional agreement between local legal and economic authority for the development of projects and services for the long-term economic strengthening of a specific geographical area	Not-for-Profit Public-Private Partnership; generally funded by taxes	Usually defined as an enterprises and real-estate owners self-government and self-assessment organization	Federal or Country Government
Town Centre Management	Western Europe		1986 -	Urban Governance	City center management framework: proactive volunteer initiative based upon the realization of a strategic vision concerning the city center in order to improve the attractiveness and the sustainability of the area	Not-for-Profit Public-Private Partnership with taxes.	Usually based upon a volunteer cooperation between local enterprises and local public administrations	Regional or Central Government
City Improvement District	South Africa		1999 BID	District Urban Governance	District framework for the improvement of local economy	Not-for-Profit Public-Private Partnership with taxes.	Usually defined as a self-government and self-assessment organization	Central Government
Town Centre Management	Eastern Asia		1998 BID	District Urban Governance	Local Economy Management Framework: it replicates the central administration typical of shopping Malls. TMOs are called to contribute to the revitalization of the city center by properly managing these areas.	Not-For-Profit Public-Private Partnership	Usually defined as a self-government and self-assessment organization	Central Government

Review of international frameworks related to geographical commercial planning

## 2.1. North America

### Canada (Ottawa)

In Canada, the most important framework is the Business Improvement District, activated since the beginnings of the '70s and that follows the experiences of BIAs (Business Improvement Areas). BIAs are enterprises associations raising funds for the management of specific commercial areas. They are based on the real-estate values of commercial space. Revenues are used to strengthen the neighbor quality of life:

urban security, infrastructure maintenance, urban design, economic development, special events. BIA belongs to a specific geographical area and it is managed by a Board of Directors that works for increasing the neighbor vitality, the vitality of the streets and the revenues of local enterprises.

BIAs are acknowledged by municipal rules and they get resources through compulsory or voluntary funding.

The institution of a BIA is promoted by a local entrepreneurial community with the support of the local public administration. The institution procedure imposes the respect of specific conditions. Most important requisites are related to the application documents. They should demonstrate the concrete need of the constitution of a BIA, the definition of specific goals and strategies, the spatial proposal and the budget.

The application declaration includes the description of the area potential with regards to the economic aspects and the public perception of the area, The application describes also municipal policies (above all the infrastructural policies), the spatial and functional asset, marketing and communication strategies implemented in a sustainable development approach.

A business improvement area is provided with a steering committee and it is constituted with a municipal act. Since the constitution of the BIA, associated companies pay the membership fee on the basis of the real-estate properties included within the area.

Local Administration plays management and control tasks, sometimes assuming a leadership role. Local administration pays assistance to the BIA committee and helping the institution of public consultancy. A local administration representative sits in the steering committee. Municipality approves the annual balance and runs auditing operations and financial controls.

In Ottawa city, the physical-functional constitution of the BIA model started in 1965 and ended in the beginnings of '70s. Today, the district project includes the most important commercial streets of the city and counts on almost 4.000 enterprises varying on dimension and commercial sector. Every BIA is characterized by autonomous personality and acts within the perimeter of a specific urban sector.

*USA (Atlanta - Georgia)*

In the USA the reference model is represented by the Business Improvement District (Bid). Experiences ascribable to the Community Improvement District (Cid) are also present, but they can be interpreted as a derived framework.

The first initiative started in 1975.

Community Improvement District uses private investments for funding public services: sewage systems, roads, bridges, cycle paths, walkways, parks and recreation areas as well as the local public transport system, the urban design and the street furniture.

The main objective of CID is to sustain and to protect the commercial value in a single or in a set of neighborhoods, adopting a district approach.

CIDs could be classified on the basis of their main focus:

- 1 - Competitiveness;
- 2 - Relational Goods and Quality of Life;
- 3 - CIDs constituted aiming at following a defined set of projects.

CIDs are constituted by the Georgian General Assembly following the approval expressed by the municipality or county government.

Legal recognition has State validity. CID is managed by an administrative body, which can collect taxes and duties and run periodical valuation of the district.

Taxes and duties are applied only to non-residential buildings. Revenues are invested only in services and governing structures within the CID Area.

The first CID constituted within the Atlanta Metropolitan Area has been set-up in 1998 by a pool of entrepreneurs in the Cumberland submarket. Today, Atlanta counts 20 districts. In order to improve accessibility and quality of life, improving also the competitiveness of the area, the CID has created a Commuter Trail System, a set of bike and autobus paths realized in cooperation between different districts.

The spatial definition of the district tends to consider the synergies between residential aspects, public offices and proximity services (restaurants, shops, medical laboratories, theatres, and leisure activities).

The experience of the CID generated positive impacts, incrementing the quality of life, property accessibility, and the connections with transport services, creating concrete competitive advantages and contributing to increasing job occupancy.

The valorization of real-estate stock, both for rent and for sale, is interpreted as a social benefit, although, in some cases, it could become a cost for the collectiveness, generating selective and discriminatory processes.

### *USA (New York)*

In New York City, the main model is represented by the Bid, and its first implementation dates 1980.

In its first application, the initiative assumed the form of an “almost-governmental” neighbor organization, funded by the owners of commercial buildings.

The Bid aimed at countering social-economic difficulties deriving from the municipal austerity that, since the fiscal crisis of the '70s, lowered the investment in public expenditure with visible effects on the education system, urban security, public health, and urban maintenance.

Today, the metropolitan area of New York counts 73 Bids and, through the Department of Small Business Services (SBS), it cooperates with local organizations that promote and manage activities and growth.

In the case of New York, the Bid represents a form of a Public-Private-Partnership with flexible governance that allows members (mainly real-estate and businesses owners) to build a collective fund devoted to the management, the development, and the promotion of commercial streets (both singles or integrated).

Members can manage autonomously programs for the physical, economic and social development of the district they belong to. Programs are set of projects that can relate to different aspects of the district life (sanitary facilities, public security, environment, hospitality, public transport, marketing, and promotional activities, capital investments, and so on).

The code of the City defines fundamental requisites for the Bids. These, in their turn, refer to the Neighborhood Development Division (NDD), with the supervision of the Department of Small Business Services.

The setting-up process for the implementation of a Bid counts three main phases: a) planning; b) outreach; c) legislative authorization.

The first phase (planning) is structured by the steering committee of the Bid, in cooperation with the NDD and the SBS.

In this phase, the Steering Committee defines the project and the planning choices and provide buy-in guarantees. It is also committed to communication and public engagement activities.

In the second phase (outreach), the Steering Committee of the Bid submits the constitution act to the SBS, in accordance with the New York State Law.

The submission is approved when it is undersigned by 51% of the real-estate owners of the area. When the submission process does not reach the threshold value, the Steering Committee can organize public meetings in order to persuade non-subscribers, real-estate owners.

When the majority is achieved, the Bid constitution process passes to phase three (legislative authorization).

This phase involves different public bodies, each of them reviews specific aspects of the Bid constitution proposal.

In New York City's experience, BIDs played an additional role with respect to the local public administration, contributing, in different ways, in revitalizing streets and catalyzing specific economic development processes.

Over the years, BIDs created new, more performant additional services, generating positive impacts on the fixed social capital of the neighbors and contributing to the creation of neighbor renewal operations.

The financial backing of the BIDs and their continuities has been granted by an investment fund, collecting the members' investments (and mainly, by the real-estate owners).

In New York City is also active the Grand Central Partnership (GCP) Bid. It is a BID that provides districts with cleaning services, common areas maintenance, urban marketing programs, structural and infrastructural activities, and environment quality improvement operations. GCP BID includes almost 70 streets in the very center of

Midtown Manhattan, and it is funded with special taxes applicated to real-estate properties included in the area.

The perimeter of GCP includes some of the more popular places of interest of New York Cities, counting different activities: from restaurants to small shops. It is a multi-functional initiative that provides citizens with also horticultural display initiative, local business support, and visitor services.

## 2.2 Western Europe

Despite having similar legal and organizational reference points, in Western Europe, the initiatives tend to assume different characteristics (and denominations) based on the differences in planning cultures developed in different countries.



Commercial Planning Framework in Western Europe

*United Kingdom (Cambridge)*

In the UK, the reference model is the BID, here implemented in the Town Centre Management (TCM) legally recognized with national law in 1986.

The Town Centre Management represents a management model for urban centers and for inner cities often characterized by an acknowledged historical and cultural value.

It is a partnership-based management model, oriented to the improvement of the competitive conditions both on a regional and on a national level.

For the development of statutory functions, the partnership uses funds coming from public bodies for the 50-60%, and from real-estate and malls owners, and from other partners of the Board of Directors.

The Board of Directors is composed of malls owners and meagers, University, real-estate agents, police, transport enterprises, hotel, and restaurants owners, large-scale retail trades, traditional dealers.

With prevalent public governance, and with a significative engagement of trade associations, the Town Centre Management realizes multifunctional activities and integrates safeguarding strategies with quality of life improvement operations. For instances, TCM provides additional urban services and furniture, promotes urban renewal operations funding infrastructural interventions and social and economic development programs.

Despite TCM was created as a promotional instrument, its relevance grew and today represents a proactive urban planning subject characterized by the partnership between the public and the private sectors.

In Cambridge, the first objective of the Town Centre Management was to counter the huge development of shopping malls in the peripheral areas of the city.

Created in 1995 by the municipal administration, over the years grew in relevance, and today is a public-private partnership that involves different kinds of stakeholder: the Cambridge City Centre Partnership.

Starting from 2013, the Cambridge Centre Partnership assumed a more local development function, by combining the activities run by the former TCM with marketing and communication strategies and engaging more players active in both

public and private sectors.

### *Germany (Hamburg)*

The substantial difference that the Urban Improvement District shows by the Business Improvement District, is that the former declines the district approach in a residential dimension, promoting physical and functional improvements for every single building included in the area and with the realization of public services (urban security, cleaning services, waste management, civic animation, and promotion). It also provides small businesses and professionals with additional ways to access to the credit system. In this sense, the UID becomes a sort of guarantee institute, expanding in this way the welfare state and promoting the market demand.

These services do not create additional public expenditure, being funded by the Chamber of Commerce and by the main real-estate associations.

More in detail, UID works as a short-term self-taxation mechanism (1 to 5 years) funded by real -estate owners of a specific street (stakeholders).

The activation of an Urban Improvement District requires the subscription of almost of the 15% of the owners of the buildings sited in the area.

UID also shows also asymmetries: only who contribute to the UID have the right to take part in the choice process involving the neighbor, even if the tax is applied to the whole area.

The UID is managed by a specific body (agency, enterprise or single person) that is under the direct control of the local Chamber of Commerce.

The funding is allocated to the Management Body through the fiscal public authority. Part of the funding is dedicated to the UID management, while a minor part it is devoted to the local body. Private revenues fund the purchase of additional services, the realization of infrastructures. The UID and the local authority cooperate under the condition of a specific contract.

In the area UID of Steilshoop, a north-eastern street of Hamburg, the UID designed the pedestrian area, improving the aesthetical quality and the security of the area. Green

Spaces have been created and urban marketing campaigns have been launched generating significative effects on the economic and social status of the area.

### *France (Lion)*

In France, the Bid experience has been implemented through the MCV framework (Management de centre ville). The MCV model is a tool already experienced both in Canada and in the UK, with the aim of promoting an integrated local development, acting on economic, social and cultural dimensions.

Like other forms of BIDs, the MCV is based on a public-private-partnership. With this kind of partnership different stakeholders of the urban center (centre-ville) cooperate for the creation of integrated initiatives related to the retail shops, environment, tourism, cultural activities, residential buildings, and services.

The MCV allows the activation of an articulated governance, that includes, through a specific municipal normative, both public (City Hall and Chambers of Commerce) and private actors (trade associations, traditional dealers, real-estate agencies, banks, national brands).

The MCV is run by a Steering Committee that shows multiple competencies that are defined in the partnership agreement.

The MCV invites consumers and citizens to stay in the city-center by improving commercial quality, public transport, and acting, thanks to private investors, also on a residential dimension. The strategic goal of the MCV is, in fact, the residential dimension of the street, and the residential buildings are considered as the relais of the urban renewal processes.

In 2011, the MCV becomes part of the Schéma de développement commercial (SDUC) of the Lion Great Area. In order to attract new investors and consumers, the action plan works on 5 main dimensions: proximity services valorization of the commercial and artisanal fabric, sustainable development, restoration of commercial buildings and accessibility.

### *Belgium (Mons)*

In 1997, Vallonia region introduces the CGCV model (cellule de gestion den centre-ville) in order to slow down the economic depletion of the central part of numerous Belgian cities. Thee CGCV model derives from the BID framework and the goal is to recreate an equilibrium in the relationships between the city-center and the large-scale retail trade, avoiding the central urban areas depletion both on a structural and a cultural social levels.

The CGCV starts its activities in 1997 with a pilot project focused on the urban area of Mons. In its practical aspects, the CGCV works as an interface between the city operators, the national and international investors, and the rest of the city.

Also, in this case, the management model is a public-private-partnership, acknowledged by the national law as a non-for-profit organization with two main objectives: The first one is creating a favorable environment for the economic and social development of the urban center; the second one is to affirm the main role that urban centers play in the definition of the hierarchies and of the urban networks, strengthening the competitiveness and the investor capability.

In details, Mons' CGCV pursues these objectives using two main instruments: a monitoring system of the city center that analyses pedestrian flows, purchasing profiles, customer satisfaction and so on. The monitoring system allows the management of an urban database providing operators and investors with useful information for the development of private initiatives in the Mons urban center.

A second instrument is a promotional tool and it is finalized in the promotion of specific events and initiatives. Each CGCV is funded by municipal administrations with funding between the 20 and the 40% of the budget. Added to this, the CGCV receives funding by the partners, the membership fees (taxes and or sponsorships, by the Regional Contributes and by the generated revenues.

### *Portugal (Coimbra)*

In Portugal, ProCom and UrbCom programs sustain the modernization of the commercial sector by the valorizing of the urban center and of the commercial district potentialities.

ProCom, started by the central government in 1994, promotes with financial aids the sustainable development of commercial enterprises competitiveness, soliciting the cooperation between private and public sectors in urban city centers.

In 2000, the Portuguese government approved the UrbCom program, which creates commercial urbanistic projects integrating actions for better management of the city centers. The modernization of commercial activities, the development of commerce-related-services, the requalification of public spaces, the promotion of the urban-commercial product and the analysis and the study of commercial density, the neighbor equity, and the territorial development.

Actions are managed by specific associative bodies. ProCom and UrbCom refer to the Bid framework and are funded by the Ministry of Economy, and by the European Union with the European Fund for Regional Development.

Special projects of commercial urban planning are realized in 4 phases. In the first one, Local Bodies and Trade Associations promote and present a feasibility study for the defined area to the General Direction for Trade and National Competition (DGCC). The feasibility study includes objectives and actions of the projects and formalizes the hypotheses about the investment needed, expected revenues and so on.

Following the approval of the DGCC, a complete project proposal is been elaborated: technical team, study methodology, time schedule, and intervention costs. For these projects is proposed the promoter application: SMEs, trade associations, local administrations, etc. Promoters propose single or collective urban and commercial renewal actions following the guidelines of the study.

After the definitive approval of the DGCC and of the IAPNEI (Institute for the improvement of SMEs and of national investment), the special projects related to the commercial and urbanistic renewal are defined for the ProCom and UrbCom program.

Projects can be classified by categories: enterprises modernization, commercial promotion, and animation, professional education, urban renewal.

The city of Coimbra started the ProCom program in 1995. The intervention area includes about 16 streets and 7 open spaces or squares.

102 commercial units participate in the program with a total investment of 7.7 millions of euros, 4 of whom are funded by the State with public and EU funds.

UrbCom program starts in 2000 and it is ongoing in the implementation phase. The phase that is actually on aims at defining the public-private-partnership structures for the usage of the investment and for the management of the interventions.

Main activities are related to the urban lighting system, the urban design, the fire-fighting system, the logistics, and the accessibility for the residents using a magnetic card.

The activities also include the installation of public transport ticket automatic distributors, electronic informative kiosks, and the modernization of the city parking system both on a regulatory and on a signage level. The program already resurfaced all the streets included in the area.

### *Spain (Granada)*

The Centro Comercial Abierto (CCA) is a public-private-partnership model that aims at the management of the commercial and urban equilibria within the urban perimeter. Also, the Centro Comercial Abierto refers to the BID and, as in the case of Coimbra, promotes an integrated vision of the commercial supply within the city: services, culture, and leisure activities, promoting a management approach that integrates public spaces and commercial supply.

CCA could be interpreted as a dynamic retail selling tool managed by traditional dealers in association with the local public administration. The CCA is acknowledged as an organism devoted to the improvement of the commercial attractiveness in a high potential commercial area. In doing so, CCAs establish guidelines, actions and criteria to concretely achieve their statutory goals.

In their competence area, CCAs are in charge of the creation and the maintenance of basic services, the urban space requalification. They also play a regulatory role (for instance, defining informal economic activities).

CCAs are also involved in the realization of marketing and promotional activities, the realization of child-care services, the organization of soup kitchens and the definition of professional integration activities.

The CCA based in Granada has been established in 1998 by 330 representatives of the urban-center commercial trade association. The very first goal of this CCAs was to establish the biggest Urban Commercial Center of the Andalusian Region.

Today, the CCA of Granada works on different levels: it supports members in ordinary and extraordinary management activities (providing them with technical assistance, job occupancy, and personnel selection, information related to public funding opportunities, mobility study and viability information, etc.). It also runs marketing and promotional activities and communication campaigns.

More in detail, the CCA organizes animation events (a.e. fashion shows in order to valorize the textile specialization of the area) and promotional selling. It also produces merchandising objects in order to highlight city branding.

Furthermore, it also provides consumers and visitors with information and tools to make the fruition of the urban center easier (website creation and maintenance, touristic point management, information offices, etc.).

The project is supported by the Provincial Federation of the Chamber of Commerce of Granada, in cooperation with the Confederación Empresarial de Comercio de Andalucía.

The project cooperates with numerous local and extraterritorial bodies, and other public and private subjects (among all the Municipality of Granada, the Andalusian Government, the Albaicìn Foundation, different Credit institutions and the Chamber of Commerce).

*Italy (Alba-Bra, Piemonte; Treviglio, Lombardia)*

In Italy, Commercial Urban District (Distretto Urbano del Commercio - DUC), is a managerial tool whose objective is the territorial valorization. Citizenship, companies and non-profit organization can promote commercial activities as an economic, cultural and social prompt. The DUC of Alba-Bra focuses on a range of territorial areas in which the DUC promotes commercial and non-commercial activities.

The DUC of Treviglio is related to a specific territorial area within the perimeter of the city of Treviglio where it realizes both revitalization and requalification urban and commercial programs and projects.

Both DUCs have as a reference framework the BID and, as in the other cases analyzed, the main aim of the organization is to connect supply and demand, facing the well-known matching issues.

There are many kinds of stakeholder involved in the organizational process: municipalities, cooperative action promoters, commercial enterprises, touristic operators, trade associations.

In both cases, a regional body provides DUCs with funding and realizes a concerted program with citizenship.

Main objectives of the DUCs are approved within a memorandum of understanding. By this memorandum are also defined the norms for the usage of regional funding and the managerial characterization of the DUC in its whole.

Objectives of the Commercial Urban District are: the strengthening of the network model between municipalities and territories; the creation and valorization of cultural identities; the development of territorial marketing; the definition of programs and specific projects for the urban improvement; the prompting of the cooperation among different municipalities; the promotion of self-funded processes and of sustainable self-organization activities.

The Alba-Bra district, born in 2007 aiming at valorizing the commercial and economic fabric of the 77 municipalities involved.

The district area is characterized by a significative territorial homogeneity and the main objectives of the DUC area related with the modernization of the distributive system, the strengthening of a widespread and professional fabric of commercial and retail shops within historic centers of the municipalities involved; the coordination of the commercial urbanistic design among different levels of territorial planning agencies; the creation of a supply system active within the area; the improvement of commercial demography within specific areas in order to develop network relations.

Main areas of intervention include:

- 1 - The realization of a website in order to make commercial agreements easier among the player of the territorial area;
- 2 - The definition of a common set of rules in order to make uniform the procedures of the public trade offices of involved municipalities.
- 3 - The realization of a development plan for the distributive system adjustment;
- 4 - The activation of basic services through neighborhood activities and itinerant temporary shop in order to avoid desertification processes;
- 5 - The institution of a district observatory on productive and commercial activities of the district.

The DUC of Treviglio starts his experience in 2008 as a tool of commercial valorization of the historic center of the municipality. The project involves different stakeholder: public administration, private companies, and enterprises and trade association. A team of external experts supports the DUC for thematic analyses and for the definition of strategic developments.

On a legal level, the case of Treviglio is regulated within the regional dispositions about trade and commercial development and it is funded by the Regione Lombardia with a co-funding intervention within the 2008-2010 Program.

In 2011, the district becomes an association. It works as a cooperative, social platform focusing on environmental quality, accessibility, proximity agricultural production, creative supply-chain, and start-up.

It also realizes projects about communication, promotion and urban renewal and, furthermore, in the promotion of shared management of services, forums, monitoring activities and the usage of social cards.

## 2.3 South-Africa

*SouthAfrica (Johannesburg)*

The South Africa City Improvement District is a public-private partnership focused on an urban geographical area (central district) where real-estate owners provide funding for the realization of adjunctive products and services that are not provided by the public administration.

CID main objective is the manage the public space in order to attract other investors.

Started in 1994, the City Improvement Districts provides the area with security services, cleaning services and territorial marketing.

The constitution of the CID requires a referendum activity starting when the minimum quorum of 25% of real-estate owners is reached. Final approval of the CID requires that 51% of real-estate owners are involved in the CID.

Once approved, 100% of real-estate owners are called at funding the project with a monthly contribution.

As in other cases, the products and services realized by the CID are security services, urban spaces maintenance, sidewalk cleaning services, etc. Furthermore, CID services can include territorial marketing activities and web-based actions.

The first CID in South Africa has been realized in 1994 in the municipality of Johannesburg.

The CID of Johannesburg has to work also on the inheritance of the apartheid whose effects are also visible.

In this sense, the CID of Johannesburg deals with the physical and functional effects (and the political and social ones) of the Apartheid, promoting the inner city as the business leader area.

## **Eastern Asia**

*Japan (Fukaya)*

Following the BID framework, the Japanese government started the Town Management Organization in 1994 aiming at promoting and revitalizing the city center, with a joint effort made by local government and business owners.

TMO is involved in developing and improving local business and urban revitalization. On a managerial level, TMO replicates the centralized management approach of shopping malls, while on a legal level is a not-for-profit association that is monitored and co-managed by the local Chamber of Commerce.

Japanese Law requires a complex procedure for the realization of a TMO.

First, the local government has to realize an urban revitalization program focused on the city center area. When the area is spatially defined, a third-party organization, which aims at becoming a TMO, submit a framework document to local government. The framework document must include the activities that the organization intend to realize within the future district.

Promoters should submit both single and cooperative urban and commercial renewal activities following the revitalization plan realized by the administration.

When the framework document shows sufficient coherence with the revitalization plan and the TMO is approved, the central and local government sustain the TMO in different ways (for instance, by providing TMO with economic subsidies and tax reliefs).

TMO includes citizens, business and retail shops owners, public administrations and trade associations.

The district program tends to coordinate and realize local actions, assuring that the geographical area of the district is managed as a unique commercial center.

The consensus raising is achieved by improving social services, with health-related and job-related activities.

In 2000, the municipality of Fukaya started a design planning process, engaging citizenship and other stakeholders and creating the bases of the public-private-partnership for the revitalization of the city center.

The Project, led by the municipality, becomes a TMO and, in 2003, the process enables the realization of a municipal master plan. The masterplan allows citizenship in starting a civic movement whose aim is to define an urban and commercial shared

development framework.

The aims of the civic movement, included in the masterplan, are the revitalization of historic resources, the improvement of urban environment quality, and the conservation of a compact and non-dispersive urban layout.

The mobility system improves with local-public-transport and the prevision of pedestrian and bike areas within the city center and the environment quality is improved by the realization of green-networks conceived as an integral part of urban design and of ecological areas.

The TMO realizes also resilience activities, taking into account the consequences of climate change.

## Comparisons

The cases analyzed show that district design is an ongoing process in which are identifiable both geographical differences as well as differences in planning-approaches.

Table 2 shows principal variables for the interpretation of the different approaches.

Geographical Context	Reference Framework	Kind of Tool Adopted	Year of Introduction	Public or Private Initiative	Legal Framework	Objective	Management Body
North America							
Canada	-	BIA	1970	Private	Public-Private-Partnership	Services Production	Municipality
USA	-	BID/CID	1975	Private	Public-Private-Partnership	Services Production	Municipality
Western Europe							
UK	BID	TCM	1986	Public	Public-Private-Partnership	Strategic or Service Planning	Steering Committee of the Public-Private-Partnership
Germany	BID	UID	2007	Public	Public-Private-Partnership	Strategic or Service Planning	Chambre of Commerce
France	BID	MCV	1996	Public	Public-Private-Partnership	Strategic or Service Planning	Steering Committee of the Public-Private-Partnership
Belgium	BID	CGCV	1997	Public	Public-Private-Partnership	Strategic or Service Planning	Steering Committee of the Public-Private-Partnership
Portugal	BID	UrbCom	1994	Public	Public-Private-Partnership	Strategic or Service Planning	Municipality

## BID application for geographical context

By analyzing Table 2, it is possible to underline two main approaches:

A – A local economy framework, aiming at the strengthening of the synergies and the competitiveness of local productive fabric;

B – A framework that is more inner-city urban renewal oriented in which the urban planning and urban trade networks play a central role.

Framework A, born in the USA, focuses its efforts on a specific geographical area where it is possible to activate synergies in order to revitalize economic, social and cultural conditions. In this model, the cooperation between private operators (retail shop and real-estate owners) and public administration plays a strategic role. The framework assures the maintenance, the development and the promotion of parts of the city by revitalizing an “extra-fee” competitiveness.

Framework B, born in UK, represents an urban strategy adopted with the aim of revitalizing the city centers through promotional policies focused on the commercial attractiveness of the areas. The project defines a set of commercial activities, of communication campaigns and in the field of leisure activities. Such activities are realized within a non-for-profit private-public-partnership strategy.

Both the frameworks could be interpreted as economic and social valorization tools in an urban context characterized by a decreasing total profit trend.

Furthermore, table 2 allows us to define three main geographical-economic and socio-institutional approaches.

### *1 – North-American and South African Approach*

This model tends to realize urban-commercial patterns within a public-private-partnership based upon economic growth and local development. Programs and services are realized for neighborhood competitiveness improvement. BIDs are flexible tools for the management of specific commercial-urban areas, financially sustained by

the owners of the buildings, for the realization of adjunctive local services.

### *2- Western Europe Approach*

European policies in this domain aim at the revitalization of the renewal of city-areas, also in a macro-territorial approach. In western Europe, the development of local commercial urban planning is coordinated with the city-center management programs. It is an economic-commercial renewal and revitalization approach that is often based upon strong cooperation between the public and the private sector as well as between a commercial and urban planning policy. This kind of commercial planning aims at improving the urban and commercial performances of the city center but it does not try to include the commercial policies with the wider economic processes.

### *3- Japanese Approach*

Japanese Approach is similar to Western Europe one. The strongest difference is that the Japanese approach shows a planning choice that directs the inner city renewal policies through a masterplan strategic transformation. Fukaya is an example of this orientation where the urban commercial approach is declined within a wider territorial project, which is shared with the citizenship. Other cases, as the city of Mitaka, put together the scientific and technological instances with historical, cultural and geographical local resources, using cooperative practices (also including the practice of the business matching) among citizenship, universities and local government.

## **Limits and potentialities**

The review shows how BID north-American experience influenced European, Asian and south-African experiences. All the framework deal with the proximity distribution

through a public-private-partnership approach that re-design the responsibility distribution.

However, during the last 2 or 3 decades, the practices of district governance have shown some weaknesses.

First, the experienced reviews do not seem to pay sufficient attention to innovative approaches (such as business to government, business to business and business to consumer). While they introduce interesting innovation in the built-landscape and in the planning of the city-logistics (as well shown by the case of Atlanta), almost the totality of the districts claim a strong delay in the interpretation of innovative processes (made stronger by the recent financial crisis), with a specific regards to the scientific and technological level.

The crisis of the traditional commercial framework (represented by shopping-mall located in the peripheral areas of the cities) proposes a strong reconsideration of the existing relationship between ICT and territories.

District models analyzed do not seem to take into account the rapid changes happened in the product innovation. This is particularly true both in a distributive and in an interaction perspective.

The review also underlines the lack of a sectorial analysis with regards to the consumption patterns and to the services supply (information, produces and ways of acquisition).

The district framework should be review with regards to the geographical area including wider or post-metropolitan areas.

Territorial perimeters where starting strategical sector-analyses, strategic tools, private-public agreement, and funding agreement aiming at realizing new social cohesion projects and smart renewal (analysis of the consumption patterns, mapping of geo-reference behavior, big-data elaboration and so on).

Italy in this sense is committed with the identification of three distinct development pattern in commercial and urban planning.

The first one concerns a macro-vision about the urban commercial sector and it aims at catalyzing the resources for the coordination of competitive economic development of the municipal (or inter-municipal) territory.

The second one shows similarities with the BID framework (as in the case of the Lombardy DUC). This kind of approach pays more attention to the analysis of the urban street as it is identified as a catchment area where distributive activities are represented by commercial shops.

The third and more recent development pattern recalls the SmartDuc realized in Apulia and the new revitalization economic activities processes dealing with the definition of innovative urban scenarios connected with the big digital flows.

Japan shows a district approach that is oriented to the setting-up of innovative ideas incubators thanks to which citizens and industrial or commercial entrepreneur can participate in the territorial planning phases.

In this sense, an idea incubator could become an interesting tool for the urban and territorial renewal, giving back to the city the role of strategic center of the district.

Finally, great weakness of all the district approaches is represented by the possibility they have to activate discriminatory processes generating significative differences in the space-time distribution of the total net benefits.

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## **Campi meta**