

Remo Dalla Longa
Editor



Urban Models and Public-Private Partnership

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Chapter 1

Introduction

Remo Dalla Longa

This book focuses on a recent model of “urban evolution,” which has already been outlined and developed in other volumes (Dalla Longa 2007, 2010). The reference urban model is CoUrbIT (Complex Urban Investment Tools) and is centered on the interconnection of urban functions that need to be redesigned. The boost in redesigning has been generated by globalization. This strong boost in redesigning affects (1) urban models; (2) the different kinds of relationships between public and private sectors in order to face the implosion caused by the rapid change of functions inside urban structures; (3) the new tools required; and (4) the new forms of “drive” required to govern these changes. The recovery of the competitive advantage of the urban systems within the international framework is at the bottom of these variables. One of assumptions states that, during the globalization stage, the most appropriate urban systems are the ones capable of guaranteeing the most competitive margins of their national or subnational reference systems (Normann 2001; Castells and Hall 1994; Castells and Himanen 2002).

The book deals with urban models and from these, it attempts to make a comparison with other parts of the general CoUrbIT’s model. In particular, we will try to compare the rapid change of functions inside the urban structure with the various forms of PPP, the tools used and some types of opening on drivers of change.

Focusing on the exposition on the urban models is quite important for different reasons, the most significant of which is to give substance to urban “restructuring.”

Previously, in another volume (Dalla Longa 2010), we presented some compared cases in which different urban models were described. This volume aims at concentrating on three experiences which, from different perspectives, are able to focus on what has been called the “restructuring” of urban models.

In their essay, Stanghellini and Copiello (•) refer to 15 Italian cases distributed all over national territory very rigorously; they have included the cases within four types of urban models (*Renewal, Redevelopment, Recovery, and “Framework”*).

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Stanghellini and Copiello's discussion excludes those urban models which exert little or no impact on physical aspects (*Regeneration, Revitalization, and Gentrification*).¹ Stanghellini and Copiello are the only authors of that volume who do not deal with the "restructuring" urban model.

Stanghellini and Copiello give priority to the "physical reading" of the urban models, which is not the only possible reading, as already mentioned, but in any case is important and is defined by the criteria stated by CoUrbIT.

Stanghellini and Copiello's contribution is important to better understand, inside a Western country, the meaning of PPP (Public-Private-Partnership) as applied to complex urban interventions, its feasibility, and the relationship between PP (Public-Partnership) and PPP. In addition, there is an awareness that arises that complex urban interventions are more and more connected with the consideration of PPP, despite all the weaknesses, frailties, and application contradictions that this formula may cause. PPP will be a constant future reference for all the urban models as well as a benchmark for redesigning the profile of the modern state. Stanghellini and Copiello also deal with the diversification of the tools used within different cases.

The high number of cases dealt with by Chap. 3 and the attempt to standardize the various experiences according to some variables represent quite a significant contribution. We are therefore faced with some significant profound investigations to better understand both the specificities of the relationship among the individual actors, the dynamics and management formulas.

As mentioned previously, other contributions of the book aim to outline the "restructuring" urban model. In Western urban structure, globalization represents the leading external element. The Eastern European urban systems add global competition to their transformation from a nonmarket condition to a postsocialist setting which, by its very nature, requires all the urban functions (from micro to macro) to be replaced, as they are the same rules that the market provides. Under the term "restructuring," the urban system is enriched with previously nonexistent (or barely existing) market rules. The urban system is, by its very nature, the focus of preexisting rules and forms. The lack of market in Eastern European countries has consolidated functions inside the system, which have turned out to be quite obsolete by their very nature once the market rules have been applied. To participate in the growth of an individual country and, in more general terms, in the more global competition among the different urban systems, a replacement of functions needs to be provided without hesitation. This is what makes urban restructuring so "ruthless" and "dramatically" interesting.

It therefore becomes essential to grant some freedom to the articulation and dynamics of the ongoing function changes. It is often the very detail that outlines the richness of the "restructuring" model and allows one to better recognize the value and the difference of this model as opposed to others that are better known in the Western systems. The uniqueness of the detail also allows an awareness of the consistency and inconsistency with the general CoUrbIT model.

¹See Chap. 2 for the definition of urban models.

The different interpretation of PPP by systems that have transcended from the state-as-owner to rapid privatization – in which subjects are looked for that are capable of supporting this role in a timely and accelerated manner, with all the relevant weaknesses that it entails – becomes itself a sort of investigation within an investigation. The search for a PPP based on a private subject that is still weak or mostly nonexistent somehow seems to identify a kind of “gym” in the urban systems where new forms of partnership between public and private can be applied. PPP is necessary but the actors are missing, especially the private ones, although foreign capital could make up for this void. This is what identifies the PPP paradigm in the Eastern European countries. In Budapest, a double-case example can explain the above-mentioned situation very well; it concerns two central areas of the city: Ferencvaros (Dalla Longa 2007, 2010; Locsmandi 2006) and Erzsebetvaros (Aczel et al. 2009). In the former case, a PPP is possible because the initiative is prior to the privatization of the buildings which were previously confiscated by the State; therefore, there is a presence of a large numbers of the tenants. A PPP between local authorities and business corporations (banks and building enterprises) is therefore made possible for the proper restructuring of buildings, which will later be put back on the market. In this case, the renewal of functions that no longer operate is very much consistent: the individual buildings of a city block are restructured and then sold one by one in accordance with well-defined market rules. Some years later, at Erzsebetvaros, the same type of transaction has become impossible, because the housing property has been privatized and tenants have therefore been replaced with small owners, who themselves have their own interests, needs and different incomes and make it impossible to create a PPP aimed at transforming the buildings that they own.

Locsmandi’ contribution uses Budapest as a benchmark. Different variables and components of the The Hungarian capital’s “restructuring” process are analyzed: (1) the inadequacy of the entire city’s housing and the possibility of abandoning this property in favor of new single houses with private gardens in the suburbs of Budapest – a phenomenon that will be strong in Leipzig and much weaker in Budapest; (2) the transformation of the houses located along the main routes of access to the city; (3) the change caused by retail trade, not so much in terms of consumption but rather of the image of the city and the special use of roads; (4) the collapsing of production units inside the city and the availability of many abandoned areas; (5) the transformation from brownfields into high-status residential areas, the new houses within the city’s restructuring framework; (6) the movement of population inside/outside the city, divided into different groups according to social status, income, culture and employment; (7) the growth and relocation of offices in special city areas (head-quarters) and a check of which previous functions they are now replacing; (8) the development of new consumer centers due to the decline of the retail market, especially in the inner city of Budapest and the rapid growth of shopping centers.

From a general mapping of changes within the city of Budapest, a more detailed micromapping of individual areas (small districts and pilot projects) is then taken into account. The main references are the general inadequacy of housing, the urgent need for function restructuring and the relevant implications for the population, the

Private, the Public, the forms of PPP, the instruments used and the public services called for to preserve the historical functions (Veto!).

The microsurvey is the best method to well identify, explain and set the boundaries of the “urban model,” which represent a richness that can only be described by those who experience the details of such a stage. This is extremely true for the “restructuring” process in which specific aspects can be understood, such as the general elements of the intervention, the need for a deep intervention aimed at introducing the microrules of the market, the difficulty of application, new types of project-oriented creativity and of tools used by the Public and the Private.

It is precisely in the thorough analysis of details, even small details, that the entire complexity and peculiarity of the “restructuring” urban model can be well understood.

In other terms, to be able to enter a building block or an individual building, belonging to large urban systems, and to be capable of understanding what really occurs inside, means to be able to enter the very “molecular” structure of the “restructuring” urban model. The time used for the survey is perfect because it allows us to look back at the very recent past and make the first consistent assessments and, at the same time, to look forward at the present and the future on an informed basis, while allowing to draw significant interpretation maps which would be otherwise difficult to be accomplished.

Leipzig’s contribution (Weidner et al. in this book) refers to the survey on two “micro” interventions. They do not represent two case studies but rather two components of a pilot project in which scenarios and tools are used to operate within the “restructuring.” Even in this case, the quality of the contribution is given by the disassembling and reassembling process of the detail, without any specific reference to the individual building or road, which may seem redundant, especially if the urban model considered is not the “restructuring” model. In this case, it is not because the reference is made to one module, which (once solved, and with some variation) be extended to the remaining parts of the city. This module contains all the restructuring model paradigms.

The implied macro elements in Leipzig are the abandonment of the city by a significant amount of the population and the consequent abandonment of the building property inside the city. Such a phenomenon is very popular in Eastern European cities. In this case, the work performed by Weidmer et al. on micro “restructuring” elements aims at replacing functions that no longer work in micro areas, which have been abandoned by the population.

In the experience of former Eastern Germany, Leipzig presented itself as a city of interest: a strongly growing city and very much dynamic before World War II (it was considered one of the most dynamic cities in Germany). The city experienced transformation at the time of DDR and there were some strong repercussions with the reunification of Germany, when half of the population abandoned the suburban areas of the cities of the consolidated market and moved to new suburban areas where new houses were built with high standards of quality and comfort, as is typical of other Western German cities. The population is therefore migrating towards new symbols of the market. A good basis to verify the ‘restructuring’ model in detail.

The book is enriched with an upstream choice made by CoUrbIT – creating some pilot projects, especially in Leipzig and Budapest and even if within different frameworks, which are used to organize the micro information of the restructuring urban model. Without strongly clasping onto restricted, micro and detailed elements, the risk would have been that of a too general description of the ongoing changes within large cities. The very essence of the proposed model would have been lost.

The pilot projects represent a conscious choice and an original method used by CoUrbIT to establish the general reference model. Locsmandi deals with the unique nature of the pilot project after coping with all the general changes that occurred in Budapest and, consistently with the adopted style, the pilot projects result in being vaster than those used for Leipzig.

In addition to their academic background, all the authors were chosen because they are proactive within the respective urban models.

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Chapter 2

Urban Models

Remo Dalla Longa

Not all urban phenomena have something in common; they may differ by type or economic and social function. This is the reason why a type-grouping of the type of replacement and redesign of the economic and social functions is necessary: this implication describes and defines the different phenomena of urban revision. We have to privilege the homogeneities of the events, and around this formalize an urban description and consistent terms.

The current projects of urban transformation are often described with different terms but, as a matter of fact, these terms are synonymous (*Renewal, Redevelopment, Regeneration, etc.*).

Starting from the main references used while debating the urban policies or implementing the processes and the projects for the “city redevelopment,” a first effort has been made to distinguish the different terms and to verify both the sustainability and the utility of a taxonomy among the different interventions.

Whenever we debate issues concerning changes inside the city and the territory, we face a series of initiatives whose defining terms always start with the prefix “re.” Generally speaking, this means that the creation of a policy for the city fundamentally implies new thinking, different interpretation and new assumptions, i.e., a new process of (re)designing which refers to something that already exists (or which used to exist in the past).

The differences pertain to: the (implicit or explicit) indication of “what causes the problem,” the materials used in the construction of the answer (the “types” of policies adopted), the purposes and, in some cases, the range of intervention and the application field.

An additional element, which is typical of all interventions, is the obsolescence of economic, social and physical urban functions or of a combination of them all. As a first step, the intervention consists in redesigning the obsolete functions and changing them into new functions; but sometimes it is a “tout court” replacement

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which requires the new functions to be consistent with new needs. The expansion of the markets and the growing competitiveness among the various territories requires either the elimination of the obsolescence or the replacement of the old with the new.

However, specific terminology needs to be identified to both describe the different urban phenomena (models) and carry out a first check on the original culture of the term. Eight different terms (models) have therefore been listed:

- (1) *Renewal*
- (2) *Redevelopment*
- (3) *Regeneration*
- (4) *Recovery*
- (5) *Revitalization*
- (6) *Framework*
- (7) *Gentrification*
- (8) *Restructuring*¹

In some cases, some overlapping occurs between two terms, e.g., between (1) *Renewal* and (2) *Redevelopment*, or (2) *Redevelopment*, and (3) *Regeneration*; in some other cases the model represents a specification of another (e.g., “(6) *Framework*” compared with (1) *Renewal* and the separation partially helps the exposition and seems partially suitable for the culture of business administration). The terms and “models” used have a direct reference to the culture to which they have been employed but, at the same time, are somehow independent as to allow an understanding and systematization of the various urban phenomena and therefore make the debate more complete. This is not an easy process because in literature also, authors sometimes interchange terms; however, some “philology” may be reconstructed and may serve as a correct interpretation. Also, these terms come from a community trade language used in financing and trade regulations fields, in addition to being improved and perfected using North American terminology. European cities and built-up urban areas are also quite different. English cities are morphologically different from Italian cities; the term urban (1) *Renewal* for example is different whether applied to the London Docks or to similar Italian models, if only because of the different influences that the land owners exert. In the whole of London, about a dozen freehold estates – English aristocracy – control a large portion of the urban territory (Burdett 2006) and affect area developers significantly, as shown in the Canary Wharf area, which cannot take place in Turin except in Fiat areas or, as occurred in Milan, within Bicocca-Pirelli areas (Dalla Longa 2010). The French suburbs (banlieus) are different from the Italian suburbs and are somehow more dramatically related to the very allocation of emigrants from former colonies. The urban integration of immigrants is also different. These phenomena often define the contents of specific programs and contribute to standardizing terms which, in turn, become universal because of community acceleration.

¹In the following text (Chap. 2) the model’s name will be anticipated by a number. This will permit making a comparison more easier.

2.1 General Idea of Urban Models

In literature, “Urban Models” have their own specific position. They refer to rudimentary theories of a rationalist type; one of their main objectives consisted of being vehicles of policy development (Batty 1981). Some simplified theories were extrapolated from the phenomena; through mathematics and computer models, they were validated and simulated. A large gap, however, does always exist between the simplified theoretical representation and the real phenomena. Nearly 30 years ago, Foot (1981) pointed out that some books explain the models with simple hypothetical examples, whereas others use advanced mathematics. Neither case emphasizes the realistic application of the models themselves.

Theory simplification and simulation have concerned urban contexts such as (a) population; (b) employment; (c) housing; (d) land use; (e) transport; (f) travel; (g) industrial and services logistics (Alberti 2008). Different policies have been implemented around these models and have concerned transport, wide territorial planning, zoning, new towns, industrial and housing settlements.

The models and policies of the 1960s and 1970s are taken as references but in the 1980s and 1990s these models entered a state of crisis; the setting and dealing with the “Urban Models” (Albeverio et al. 2007) entered a state of crisis; also, tools such as cost and benefits analysis and investment evaluation were revised. The widely shared opinion is that these models are based on simple space interactions and do not cope systematically with urban and environmental processes (Alberti 2008). We therefore face a “crisis” of linear regression models (Lowry 1964), because by their very nature, the urban systems contain countless and differentiated variables, even if some hierarchy and some evolution of interconnected variables may somehow exist. This is also the axiom contained in this book (urban models) and in another related book (Dalla Longa 2010).

The principles of diversified variables are difficult to codify and collocate contributions of different nature. Deakin et al. (2007) deal with the development of “Urban Models” as focused on nonlinear dynamics: this marks the introduction of the “catastrophes’ theory” and “chaos.” In other words, the city need not be seen in a balanced shape, as it occurred instead in urban models of the 1960s and 1970s (Mitchell 2007). According to the updated reassessment of the models, a number of authors predict that urban models of the 1960s and 1970s will be revived (Rabino 2007; Herold et al. 2007). Equally clear, other urban systems and technologies theorists emphasize the role played by technology in the transformation of urban models as undisputable and incontrovertible (Castells and Susser 2003); ultimately, this leaves a void in all the theoretical evolution of urban models.

A separate discussion can be carried out on urban models related to the land use in the city. There has been an evolution since the studies of the Chicago School on human ecology. We are referring to the sociological development of Park and Burgess (1925) who conceptualized the city into concentric zones through empirical works in Chicago. It is most evident that there is a concentrate of sociological elements (ethnic groups, social and racial categories, social aspects, conditions of housing and settlements). The aspects of interest regarding these studies are the

following: the empirical research on a city that determines the mapping of the urban model; the study of a city within a defined timeframe (1920); the creation of an “ideal and typical” model, where no one expects each city to be a perfect example of the theory; the nonpresumption that this can be a true representation of reality. For the first time, the city has been divided into mapped categories. There are different developmental stages that refer to the School of Chicago. Kearsley (1983) enriches and completes the categories with the introduction of already tested functions (or sectors), such as the CBD (Central Business District), which is broken down into different nodes of activity. Other areas are also introduced, such as the area of gentrification, the manufacturing district and the industrial site. Other more function-related breakdowns of the city areas are referred to by Harris and Ullman (1945): the multiple-nuclei of urban.² There are other city subdivisions such as “zones” (a typical one is that of a medium-size British city; Mann 1965); social classes and ethnic groups (White 1987). The functions within the city are reassigned to land use, where they are further split into subcategories (Dunning and Morgan 2003).

The CoUrbIT model, to which the discussion that follows relates to originates from the assumption of a structural change due to the phenomenon of globalization, even if it differentiates from the economic and social functions of the city (Dalla Longa 2010). Not only are the urban models affected by such a situation, but also it has implications for new forms of PPP, and eventually the tools and drivers. The differentiation occurring from the impact of globalization and, subsequently, the obsolescence depends on the size of the city, the urban structure and the collocation within the network system.

Different contributions have been provided in regard to the theory of the global-city function as well as the representation and consideration of the urban models. In the analysis performed on different cities and specifically in London, Hutton (2008) points out that a new form of reproduction of commercial business space linked to “global city functions” is under way; in this regard, there is a reference made to the “*Canary Wharf*.” Robinson (2006) calls the theory that all cities are undergoing a radical reassessment or a discontinuation of past “structures” into question. King’s theory (1990) is brought into question when he affirmed that all cities today are world cities (or globalized cities): a theory that, according to Robinson, has not yet been proven and there is no evidence for poorer, marginal and structurally irrelevant cities. They received very little attention in this approach. Buck (2002) made a list of the new global-city functions of London.

A real evolution of discontinuity in respect to the “urban model” is characterized by the “global city model.” Mainly, it is Sassen (2001, 2002, 2009) who systemizes the new theoretical reference. The principle is that there is a reinterpretation of what has been processed and developed for the “Urban Models” over time; there is an acknowledgement of the difference between types of cities (e.g., between international – Florence and Venice – and global cities). The global city is determined through a variety of functions, related mainly to finance, complex services, and

²(a) Central business district; (b) Wholesale, light manufacturing; (c) Low-class residential; (d) Medium-class residential; (e) High-class residential; (f) Heavy manufacturing; (g) Outlying business district; (h) Residential suburb; (i) Industrial suburb.

“global market places.” The main concept is strongly underlined that the global city model belongs to a special and new historic phase and represents a clean break from the past. This is something different from the “world city” (Friedmann and Goetz 1982), which does not involve such discontinuing elements. There is also a difference with other settings of globalization as applied to the urban systems, especially with what was stated by a theorist of urban systems and globalization, such as Castells (2000). In one of his publications, which did not strictly focus on cities, Castells emphasized that the new phenomenon caused by globalization and information technology “is a new space of flows” or, as defined by Taylor (2004), a “new spatial logic.” These statements determine the discontinuity of the “Global City Model” in respect to “Urban Models” as defined in Sassen’s exposition. Castells maintains that the global city is not a “place” but rather a network, whereas Sassen believes that the global city represents tangible functions of a network which materializes as a “place” and significantly affects the urban models and policies. The new functions that affect the “place” are complex services, such as: accounting and legal services, public relations, programming, ITC and information and other related services. According to Castells (2000) and Taylor (2004), the “place” does not disappear but becomes defined by its position within “flows.”

With CoUrbIT, priority has been given to the “place” and the replacement of old obsolete functions with new globalization-related functions: therefore the “place” has been privileged on the “space.”

2.2 First Impact with the Terminology Used

The terms used for urban models include some contradictions, the most significant of which refer to: (a) the evolution of the terms themselves over time, which causes them to mean different things; (b) the confused use of the terms occasionally due to some standard theories. The two above mentioned points are further debated in different essays.

There is a substantial difference between European and North American cities and the applied terms themselves sometimes result in different connotations and evolutions.

The very concept of city is therefore called into question because the very composition of the city is rooted into different matrixes. “Globalization,” the most recent element, has been added but cannot negate or dominate the other elements (historical sedimentation, institutions and policy, economics). In regard to English cities, Levis Munford (1961) did state that their identity and composition had originated from the steel, coal, and cotton industries of the first industrial revolution, which is extremely different from Italian or American cities. The enterprises (corporate or company) that were competing with each other, which have a similar company profile and refer to the globalized market, experience fewer contradictions and irregularities than the cities. They quite often end up in having their strategies affected by the various jurisdictions of the United States, Japan, and Europe (Kraakman et al. 2004). This becomes much more evident, occasionally

soaring to exponential levels in the cities, although the competition amongst cities within a global context pushes towards the standardization of techniques, languages and forms. Some of the terms used within the definition of Urban Models precede the globalization phenomenon and therefore are even more heavily focused on the specific and unique nature of the individual cities, where there was little global competition. Bender (2007), however, tends to reduce the “gap” between past and present. Bender specifically and rhetorically questions whether the peculiarity of the city space has been dissolved by globalization: “[I]s not the city and the particularity of the place (and thus urban citizenship and politics) being dissolved by the process of globalization and virtual worlds?” (p 248). His answer is “negative.” In 1890,³ globalization was already present in New York and today it is more widespread and abundant, as shown in the technological and economic evolution of the last two decades. However, the question remains open in regard to terms that draw on different periods of time as well as on cities whose composition and layering have taken place in different ways.

In North American cities, there is a very little difference between the terms (1) *Renewal* and (2) *Redevelopment*. In some cases, the term (2) *Redevelopment* anticipates the term (1) *Renewal* (Gotham 2001) and the reference is initially made to housing. Initially, the term “redevelopment” takes on the hue of racial interventions versus the slum of African Americans or other ethnicities; actions were carried out by dismantling large areas (Schill et al. 1983),⁴ “ad hoc” programs were created and “ad hoc” bodies were established before or immediately after the Second World War. The Urban (1) *Renewal-Act* goes back to 1949 and in 1952 the State of California adopted Community (2) *Redevelopment Law*; (Dardia 1998) and those who mostly benefit from such actions are especially companies related to real estate (Gotham 2001). The interventions do not often take place in suburban areas but rather close to business districts and business areas (Scott 1980), so much so that some North American authors (Monti 1990) stated that “redeveloping” serves mainly to remove obstacles of capital development and also to make use of economic bodies who are supported by the local government. These phenomena are

³New York passed from 79,000 inhabitants in 1800 to 3,000,000 in 1890 with a strong increase in the second half of that century. London in that century passed from 1,000,000 inhabitants to 6,700,000. The increase of N.Y. is 38 times its inhabitants when considering the time, the increase is more concentrated after 1850. Chicago, the third largest city of the USA, increased by 270 times in the 1850s (Gkaeser 2009).

⁴During the 1950s the South End’s housing stock began to deteriorate, and a significant number of structures were abandoned. In the early 1960s, the Boston Redevelopment Authority (BRA) began a massive urban redevelopment program that demolished one-fifth of the neighborhood’s housing stock and displaced 2,000 households. During the mid-1960s, private developers began to invest large sums in areas immediately bordering the South End. The Prudential Center complex of stores, offices, and hotels was built on the neighborhood’s northwest border. At the same time Boston University began to expand vigorously. By the early 1970s the area surrounding the South End had undergone considerable office expansion, culminating in the completion of prestigious buildings (Schill et al. 1983, p. 74).

interconnected with the urbanization and the rapid development of the American economy, which requires its components of the city to be reshaped, with spaces often subdivided by functional components; as far as housing settlements are concerned, quite often of racial or ethnic type, it is no coincidence that the historical ethnic minorities (Afro-Americans) or the very first immigrants (Irish, Italians, etc.) are those who were the most opposed to the (2) *Redevelopment* policies (Wilson 1963). Above all, this refers to the chaos within a context of settlement, which needs to be rationalized after the rapid development that occurred and which, within other contexts, may be compared to the urbanization phenomenon. This is, however, the stage in which the very first forms of PPP that have been experienced in American cities and will later evolve (Finkle and Munkacy 1985).

The other terms [urban: (3) *Regeneration*, (4) *Recovery*, (5) *Revitalization* etc.] are influenced by the city type also. By analyzing urban (3) *Regeneration* in the USA, England, and Europe, Shutt (2000) and Drewe (2000) ascertained the following: (a) very few texts and material can provide a source of information and standardization; (b) in England and the USA, there is a similarity in the use of terms and often have the same organizational formulas (Enterprise zone, born in England and exported to USA), but also different urban references that change according to the applications; (c) the term urban (3) *Regeneration* is not very controversial but rather vague and confusing, because it includes a mixture of public (and private) actions. Based on this, the agencies that are set up in the cities to propose interventions and then measure their efficiency often use empty rhetoric in advertising results and in using indicators to quantify assumed successes (Smith 2007).

When applying the term (3) *Regeneration* to London, Imrie et al. (2009) use and mention minimal categories: this happens when applying the (3) *Regeneration* concept to political categories and to strategies which have been designed to remove urban decline and decay due to social and economic transformation. The term *urban* (3) *Regeneration* therefore implies an integrated perspective of both the problems and the potentialities of the city. Also, other authors do not move away from this approach, according to which “urban (3) *Regeneration*” is the long-lasting resolution of the urban problems caused by the change of (readjustment of functions) the economic, physical, social and environmental conditions of an area (Roberts 2000); or based on another approach, (3) *Regeneration* is the answer to the determining pathologies caused by economic growth: they also affect social functions and inclusions as well as environmental quality where there were exclusions, inefficiencies and loss of quality (Couch 2003). (3) *Regeneration* is therefore highlighted as the interdisciplinary intervention aimed at removing urban pathologies due to urban “economic” dynamics, which is now soaring as a result of the globalization phenomenon.

In regard to a number of terms (e.g., urban: (3) *Regeneration*, (5) *Revitalization*, (8) *Restructuring*, etc.), a number of application differences occur not only between the USA and Europe, but also among the European nations themselves or even North American cities [in the USA, the urban (3) *Regeneration* is quite different whether applied to Washington, Los Angeles, or New Orleans, i.e., three federal states whose cities have different problems to be resolved and regenerated (Shutt 2000)].

In Europe, Drewe (2000) identified differences in regard to city's morphology as well as political, institutional, regulative and other variables and, finally, in regard to the way urban (3) *Regeneration* has been designed and developed. Especially since the 1990s, Europe has endeavored to standardize the different types of intervention within the various Member States. Many of the terms used, whose origin is of a different type, have therefore become specific community programs (Christiaens et al. 2007) with the issue of dedicated funds. By using the central city areas and Manchester in particular, both as references, Williams (2003) pointed out that "the successful urban (3) *Regeneration* is predominantly dependent on the establishment of appropriate institutional and organizational structures to deliver the necessary vision": general programs, but also a lot of "peculiarity and proactivity."

In Europe and North America, three large classifications are to be considered, inside which the terms referring to urban models are applied differently. The first previously mentioned classification refers to European and North American cities. Within Europe itself, another important classification in application concerns the difference between Western and Eastern European cities (the term (8) *Restructuring* analyzed in this book is a typical example of it). The last classification of the applied terms refers to Western European cities, scattered on the axis connecting Milan and London (Drewe 2000).

An investigation on the very first origin of the terms becomes, in any case, useful.

The term urban (1) *Renewal* is used in Europe to explain the city's transformation after the second World War (Smith 2002), or, in the 1950s, in North American cities, to tackle the housing problems (Couch 2003): the reference was to a segment of the renewal ("slum clearance to urban (1) *Renewal*").

The term urban (2) *Redevelopment* has already been discussed with the only addition here that, according to Vranken et al. (2003), it can only be proposed with private investments or PPP.

The term urban (3) *Regeneration* originates from the postwar city, which comprised crimes and unemployment (Smith 2007); the term marks a discontinuity as well as some forms of evolution (Berry et al. 1993) with a prevalence on physical (3) *Regeneration*, even if it were a mistake to confer such a strong and leading identity to this component (Bartley and Treadwell Shine 2003), which is instead typical of (1) *Renewal*. It was in Britain, between the 1980s and the 1990s, that a strong evolution of the urban regulation took place with the establishment of "ad hoc" agencies and the extension of the intervention to the economy, environment, social and cultural contexts and, in more general terms, to politics (Bianchini and Parkinson 1994; Avery 2007). This is what made Robert and Sykes (2000) state that the most important peculiarity of urban (3) *Regeneration* consists of crossing the borders that often divide different objectives: economical and environmental objectives, the social and cultural measures, complex strategies and the related variables.

The term urban (4) *Recovery* can only be partially used and decoded and must be combined with other terms, such as urban conservation or urban rehabilitation; it refers to the physical aspect of immovable property, infrastructure or a specific part of it. Some overlapping may occur with the term urban (8) *Restructuring*. Urban

(4) *Recovery* (or urban rehabilitation) was especially developed in the second half of the 1980s and 1990s by some community member states. Small interventions are taken into account here; otherwise we may be in the presence of (2) *Redevelopment* or (8) *Restructuring*, which is often carried out in the urban centers (inner cities) through physical rehabilitation (van den Berg et al. 2007), and sometimes financed by the community with special funds and (Mondini and Valle 2007) through the conservation and improvement of the quality of the local environment. These funds are included in the sustainable development programs for the urban context, where the protection of immovable urban property becomes the safeguard of cultural heritage (Camagni et al. 1995). The concept of urban sustainability stems from the consideration that the territory and the urban structure are a poor resource (Curwell et al. 2007). Therefore, whenever a decision needs to be taken for replacing a container which does not fulfill its functions (contents) any more, the market cannot decide what and whether to demolish and rebuild, because the incorporated cultural aspect needs to be also taken into account. It is the result, the map and the memory of complex social interactions, which therefore requires new tools to be used also. On the basis of the all-purpose and multifunctional nature of the territory, Nijkamp and others (Rodenburg and Nijkamp 2007; Nijkamp 1990) have worked out some “ad hoc” tools centered on the value of use and exchange (Harvey 2000) of urban (4) *Recovery*, where the “market” variable is one of the variables which deserves to be considered. From here, the term “sustainable” is applicable to what is being built. The (4) *Recovery* is, in any case, an exclusive physical aspect of the built property and has a consequence on the components of the urban structure dealing with maintenance and conversion (Douglas 2006) (Fig. 2.1).

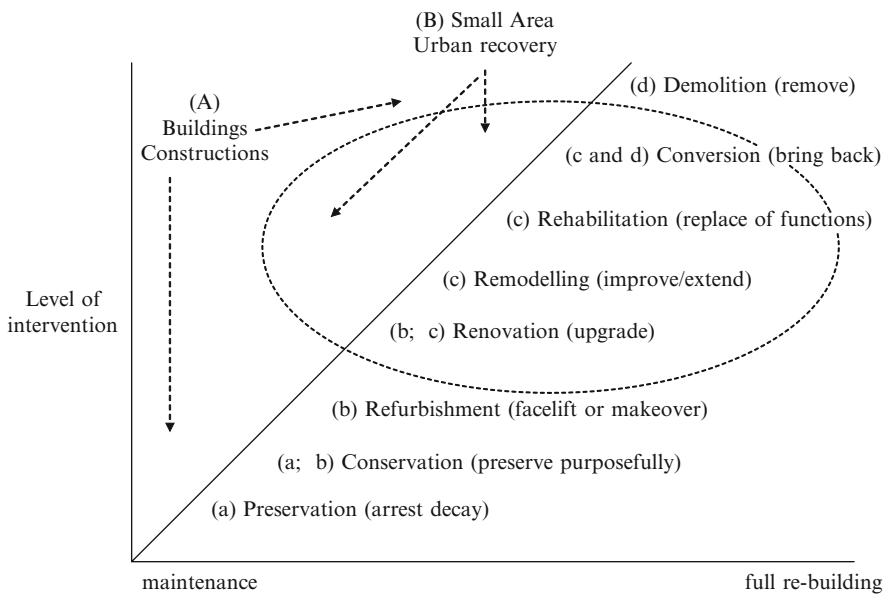


Fig. 2.1 Scale of intervention on real estate asset: Urban (4) *Recovery* and relationship with other physical interventions. Source: reworking by Douglas

The same terms significantly changed their meaning recently.

The term (7) *Gentrification* was used for the first time by Glass in the 1960s to describe a residential replacement that occurred in London: it was a phenomenon whose content was not so perceivable.

According to some authors (Le Galès 2002; Jones and Ward 2002; Weber 2002), the term (2) *Redevelopment* has to be connected with the development of a new elite (Le Galès 2002), the implementation of a new decision-taking network and the creation of new urban business committees (which, in many European cities, look at the Chambers of Commerce as subjects which can redesign the city through the “defeat of the participation”); or (2) *Redevelopment* which as a process leads to new forms of neoliberalism (Jones and Ward 2002). In all the cases, the term (2) *Redevelopment* is the entry which leads to the recent phenomenon of Public–Private–Partnership (PPP).

According to Smith, the term (3) *Regeneration* identifies the action and the policy supporting the full legitimization (acceptance) of “gentrification.” Still, according to Smith and strictly related to the peculiar morphology of English cities, the Tony Blair administration may best advocate the reinvesting in gentrification as urban regeneration. The term (3) *Regeneration* is also the answer of the state to the concept of (1) *Renewal* (Couch 2003). In other words, the form is the (1) *Renewal*, (3) *Regeneration* identifies the policies that attempt to return derelict and vacant land and buildings to beneficial use, i.e., bring abandoned buildings and land back to life.

In international literature, urban (5) *Revitalization* somehow overlaps with urban (3) *Regeneration* and there is no strong distinction between the two terms, if only on the side of “involvement and participation” which are unavoidable aspects of urban (3) *Regeneration*.

Relatively, much was written on urban (5) *Revitalization* in the 1970s and 1980s, even if the term goes back to one a decade earlier (Fessler Vaz and Berenstein Jacques 2006; Shutt 2000). Based on a debate on urban (5) *Revitalization* in Great Britain and the United States (Parkinson and Judd 1998), (5) *Revitalization* has been connected with the welfare state concerning the urban area, i.e., with education, housing, health and general welfare programs. The large difference between American and English cities lies within both welfare and the fiscal and financial autonomy of the city. In the absence of welfare and (5) *Revitalization* programs in the most prosperous American cities, they have extreme levels of wealth and poverty. The widespread poverty confuses urban (5) *Revitalization* with other urban models of ((3) *Regeneration*, (2) *Redevelopment* and (1) *Renewal*). The difference related to fiscal autonomy, as stated above, allows American cities to be more independent in the application of urban (5) *Revitalization* and enables them to work more specifically on individual cases (Pacione 2009), rather than on national programs and subsequently, European Community programs (e.g., urban) as in the English cities, with resource homogenization and the transfer of resources.

Urban (5) *Revitalization* is highly interdisciplinary; it evolves with time and therefore requires a specific method of intervention. Unlike urban (3) *Regeneration* and urban (1) *Renewal* especially, urban (5) *Revitalization* is not of a “long-lasting”

type (Roberts 2000): often, the efficiency of the intervention is deferred to the successful integration of diverse organizations (nonprofit, private and public), which are called upon to operate in a convergent way (Jacobs 2000; Evers 2008). In the 1980s, in the “mature economy” featured in the United States, urban (5) *Revitalization* was dominated by physical (1) *Renewal* and therefore by (1) *Renewal* (Roberts 2000; Couch 1990). Then, it underwent significant evolutions towards other applications, even if some researchers in the United States (Hee and Bae 2007; Downs 1999) tend to demonstrate that the causes leading to devitalization are not strongly connected with (5) *Revitalization* interventions. This is also the reason why the theorists of neoliberalism have their theory supported and confirmed by the globalization–neoliberalism equation when looking at the changes that have occurred in objects around which urban (5) *Revitalization* develops (Gotham and Haubert 2007).

Atkinson and Bridge (2005) use the term (7) *Gentrification* to explain the new colonization of competing global cities. It is the globalization of the cities which reshapes the terms: a sign of strong transformations within the urban structure (Dalla Longa 2010).

(7) *Gentrification* in Europe identifies the phenomenon of private action, even if some “disguised” actions can often be carried out indirectly by public administrations through agencies which are partially public and partially private. “Inclusion,” which is a component of “urban (3) *Regeneration*,” (Couch 2003), can be antithetical to “(7) *Gentrification*,” which is often excluded. In New York, and in other US cities where the decentralized fiscal autonomy is quite strong, exclusion and gentrification may be clearly exerted by the local government. Some social groups are intentionally displaced (replaced): the central part becomes wider and wider and replaces the state of decay. It is about the sought after replacement of social groups that, on one hand, pay low taxes and local duties and, on the other hand, ask for higher welfare expenditure as well as social programs and services. These social groups are replaced with middle-class consumers, capable of strengthening the local economy and increasing taxable income.

The actions carried out by local administrations can be very much direct, such as (a) advertise districts marked by high “gentrification” potentialities; (b) provide tax abatement in some areas to make rehabilitation possible; (c) use community funds to improve public services in selected districts; (d) reduce public services intentionally in some districts to foster decay first and encourage reinvestment afterwards; (e) establish real estate agencies to support displacement actions; and (f) make the connection with central city areas easier through public transport (central business district) (Pacione 2009). These very evident policies spread the concept of liberalism, as applied to big cities and globalization as well, with a direct impact on Europe also (Goodchild 2008). As stated and reported by Wyly and Hammel (2005) in an empirical research, this occurs even if the policies of “neoliberalism” and “gentrification” are quite different for American cities because the cities themselves are very different in terms of morphology, economic and political functions, deindustrialization, coordination of global production, and centers of regional activity. In some models of “urban gentrification,” a close enough relationship

with the intervention of “urban (3) *Regeneration*” has been assumed; this is due to the deindustrialization which globalization has accelerated in some countries, and especially some urban areas. “(3) *Regeneration*” also ends up indirectly removing those social classes that have extensively lost their job in industries (Goodchild 2008). In many cases, this is not a direct but an indirect action which, through the price increase of areas and houses, causes a selectiveness of the inhabitants and risk rendering a rhetorical policy of social inclusion and exclusion, typical of urban (3) *Regeneration* (Jones and Evans 2008).

Also, the term urban (8) *Restructuring* has evolved in literature and has been used to depict a widespread and rooted intervention of urban structure and configuration. After World War II, it was utilized to indicate the drastic reconstruction of both cities and a capitalism focused on production and consumption (Montserrat Degen 2008); Harvey (1990) utilized this to explain the restructuring of the 1980s, when the first phenomena of modern globalization and restructuring of production sectors (heavy industry) started, exerting a strong influence on urban spaces. It is later (but not so clearly) used by some authors as a synonym of other terms (e.g., Pacione 1997); or it is used to explain an “articulated” restructuring of housing (van Beckhoven and van Kempen 2003). It is, however, with Brenner (2004) and others (Brenner and Theodore, 2002; Brenner and Keil, 2006; Roberts 2000) that the term urban (8) *Restructuring* is directly linked to the phenomenon of neoliberalism. Through “globalization” indeed, neoliberal policies start in connection with new forms of global competition and displacement of production activities; with urban (8) *Restructuring*, the metropolitan areas and the cities represent the core of this phenomenon: the restructuring of the capital space and new forms of social exclusion and integration.

The term urban (8) *Restructuring* herein refers to a drastic revision of the city due to the transfer from a “nonmarket” situation to a condition of quick entry into the global market, featured by the microredesigning of either the economic and social relationships and urban structure. The reference is made to postsocialist cities of Eastern Europe. Other authors use urban (8) *Restructuring* when referring to this type of city (Bernt 2009; Schwegler 2008), or to Chinese cities (Ma and Wu 2005).

2.3 Relationship Between the Terms Used with the Original Model

The organization of the book starts with the identification of existing urban models, some of which originate from ongoing urban complexity, whereas others date back to recent times and have since then evolved. The national and community policies have often supported their consolidation and proposed their standardization, even when the city’s morphological variables required different solutions.

Globalization is a new phenomenon of standardization. The competitive advantage among global cities has been introduced and has accelerated the standardization of concepts and application of urban models.

An additional aspect is the life cycle of urban change, which has narrowed temporarily and to which cities have been called upon to conform to.

Urban transformations, through different models, have become a significant aspect of competitive advantage. There is a sort of “dynamic” which ensures that urban models are an important factor of change.

Globalization ensures that urban functions will become obsolete faster than in the past. The idleness of the decision-taker causes a fall in competitive advantage on an average, even if many authors (Brenner and Theodore 2002; Le Galès 2002) think that proactivity can justify new forms of economic and social exclusion of the city. The boost towards the replacement of obsolete urban functions with new ones is the key aspect. This is the reason why the identification of the different types of urban models, their implementation and the subsequent change become a key and significant aspect of urban evolution.

The characteristic derived from the boost given to urban evolution by globalization (Kaufmann et al. 2005)⁵ ensures that the implementation passes towards new forms of relationships between state and market, and through the strict “channel” of Public–Private–Partnership: the application of the models, the rapid obsolescence and the replacement of functions could not otherwise be implemented, also in view of the high costs and the high volume of financial resources required. Today, cities are already a concentrate of public goods which have been gradually supplied over time (Brenner 2004; Scott and Storper 2003) and an addition of other public goods offered at short notice, in response to “strong” obsolescence that would not be supported by the state efficiently. It is not only a question of public expenditure but also of a mixture of interests and objectives that cannot require public intervention only (Dalla Longa 2010). Urban models and PPP are therefore two significant components of the city evolution today and are also key references for the book (Fig. 2.2).

The new tools and the new forms of drivers are very important elements but they are in hierarchical order with the two other central themes of the book, i.e., the combination of urban models, sometimes the global city, with PPP.

The Public–Private–Partnership applied to urban structure, global cities and competitive advantage will make up for the new design of the state in this century, as the “welfare state” had been the reference in the previous century. Profound crises have been foreseen in the state models; new policies, a decline in “ethics” and values, as well as corruption, are all expected. A better understanding of the following shall therefore be required: new evolution “logics,” new forms of interdisciplinary management, new professionals who are ethical and capable of stating the risk in a non short-sighted way, traceability of public resources, implementation

⁵Amin and Thrift (2002) question whether companies rather than cities are globally competitive, unless we consider cities to have their own nearly “organic” life. Scott (1988) and Castells and Himanen (2002) downsize the statement when they say that it is production that moves into the city in opposition to the decentralization policies. Considering this book on its wholeness, it is not relevant to know which element leads to the global city and makes competition a boosting factor for replacement and innovation.

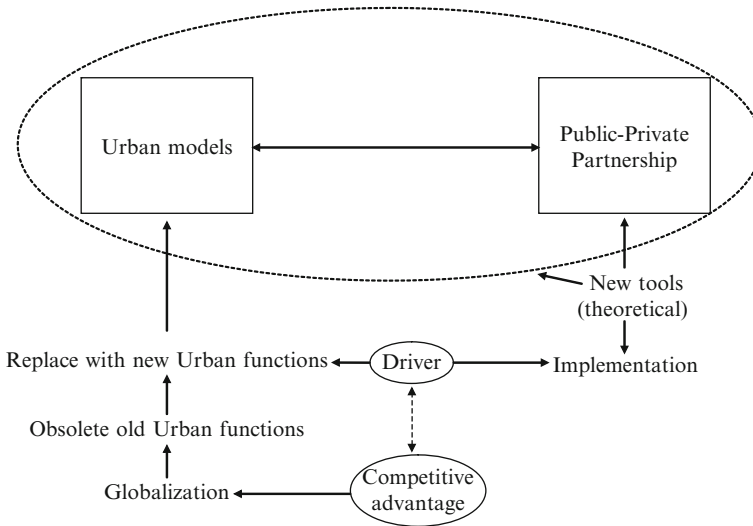


Fig. 2.2 Focus on some elements of the CoUrBIT model (Urban models and Public-Private-Partnership) as developed in this book

of new monitoring and control tools. PPP, applied to urban models and global cities, will therefore undoubtedly be one of the key subjects of the coming future.

From here forth, an attempt to organize the meaning of the terms related to urban models is made, using a nonoverlapping method. The medium and large-sized European cities are mainly referred to, with robust reference made to Italian cities.

The term (1) *Renewal*, used hereafter, is utilized extensively and deeply impacts on the degeneration (obsolescence) of important urban functions that significantly characterize the city or a significant part of the metropolitan area so as to characterize its image. For this reason, the term directly refers to abandoned industrial areas which were as wide and articulated as the metropolitan area was a strategic and mature industrial center; in other cases, it refers to port cities where these functions, in a historical period, were important, or in particular, to central areas to be reconverted. Thanks to its entity, the “(1) *Renewal*” is able to give a new image to the city or at least to a significant part of it; often, this results in the demolition of abandoned industrial buildings or constructions which do not comply with the new functions any longer and involves the *ex novo* construction of new-function fulfilling buildings. The process of demolition can also be partial. It is generally confined to central areas and not suburbs, even if this principle is not an axiom.

If we look at Milan, we currently see no more than three or four large developments which can be classified as (1) *Renewal* models, such as Pirelli-Bicocca, the reutilization of the area of the old exhibition center, Milan Santa Giulia-Montecity and the “city of fashion”: Garibaldi-Repubblica. Two of the previously mentioned areas are not very close to the city center because they are located in abandoned industrial areas in the northern and southern parts of Milan (Fig. 2.3).