

CIVIC CROWDFUNDING: A BOTTOM-UP PRACTICE FOR A CONSENSUAL URBAN DEVELOPMENT

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1. Introduction

Cities are actually transforming their governmental, economic, social structures. In this complexity, making right policies to guarantee the social justice and the quality of life is really difficult: there is not only a financial problems, in consequence of international crisis, but also a relational problem between people and local institutions. The public government can't provide by itself to all the utilities and public services for the citizens, and, at the same time, people are losing confidence in the institutions.

In this critic context, planners should be the conjunction between people and government, applying good and effective participation methods. In this way, citizens could achieve the capacity to suggest decisions, strategies, local interventions, and in some limited cases they also could support economically their proposals through the civic crowdfunding. The value of this practice is not only financial: in this way we can improve the social cohesion, the sense of community, encouraging the bottom-up processes of requalification, increasing the social justice level. In this way, minorities are protected and the urban management is more democratic and inclusive.

The role of planners and local governments is fundamental to coordinate and orientate the bottom-up initiatives: citizens' actions could integrate the traditional planning instruments like the participatory budgeting. At last, a very significant contribute can be represented by the IC technologies: there are many crowdfunding web platforms, local or international, and some of this are dedicated to civic projects.

In this perspective, civic crowdfunding could be applied as a valid urban planning practice.

2. Participation processes and bottom-up dynamics in contemporary cities

The complexity and the multiplicity of contemporary European cities require new governance strategies. The public participation to the decision making processes is a fundamental requirement to guarantee the success of the urban projects: we should forget the centralized government idea, and we should adopt a collaborative public-private vision.

The basic principle of civic crowdfunding is not economic, how we could think, but it's a social motivation: citizens who need public spaces or services are starting to make it themselves, because the institutional actors can't or don't want make it. From this point of view, the city is interpreted as a "city house" (Salzano, 1998). In this vision, the collective financing is an important element to increase the sense of identity of an urban community, and to get stronger the feeling of belonging to the place where the citizens live. Without these elements, the management of the city, mainly when there are many critical and conflictual factors, it's very difficult. If the urban institutions don't consider the importance of public sharing about the urban planning, they will fail their politic objectives; the same is for the urbanists, who should adapt the theoretical principles of the discipline to the fluidity and multiplicity of the real city.

This mechanism works if there is a strong and deep motivation from citizens who live in a city, or in a neighborhood: the sense of identity in a limited urban area is more consolidated than in a whole city, especially when we have a very extended city (Leone, 1999).

The neighborhood is the ideal place where we can apply our survey: it's an intermediate space between the private home and the public city, where there is a particular social balance (de Certeau, Giard, Mayol, 1994). In a neighborhood the feeling of belonging is stronger than the inefficiency of public administration: in fact the citizen are ready to make themselves some maintenance activities, to buy some urban furniture (benches, wastebaskets), although they continue to pay taxes.

It's an ethical question, not only economic or politic: the cultural changes in the city lifestyle are also related to the social approach to the urban necessities, no more passive but more active and responsible (Bonafede, Lo Piccolo, 2010a, 2010b, 2011; Lo Piccolo, Thomas, 2009).

The neighborhood is a resistance place: resistance against the extreme globalisation, against the identity's decline (Picone, Schilleci, 2012). It's also a collective place opposed to web community: a material place of relationship, very different from virtual places like social networks. Really, this two relational dimension should be integrated: the ICT could represent an aid to make better the communication between citizens each other or between citizens and public institutions.

The question of communication and confidence between citizens and institutions is essential for the activation of processes bottom-up: when the public institutions don't answer to the citizens' requests and needs, the citizen start to organize themselves to solve the common problems. In many cases the civic administration can't guarantee the necessary interventions because of the lack of economic resources: the international crisis caused a consistent limitation of the public budget for the welfare, but this is only one of the aspects of the crisis. the main consequence is not financial but cultural: the cities are evolving to a new organization model, more inclusive and participative than traditional government. We can't imagine today an urban contest where the citizens don't have right to express their opinion about the public decisions, about the strategy of development, about the valorisation of public spaces and about the services, the shared uses, the social conflict.

Another change of vision is related to the size of the urban projects, and consequently to the relevance that they have in the general economy of the city. The civic crowdfunding is a practice that come from citizens' reaction to the lack of public government: some people raise money to make little reparations or maintenance activities. From a strictly practical point of view, it's clear that involve ordinary citizens and not rich businessmen or supranational funding implies the drastic reduction of the available budget for the interventions. However, this is justified by the great symbolic and social value of the projects realized: making something that citizens have required and the same citizens have financed is truly an achievement of right to public space (Lefebvre, 1968). Actually we are living not only a financial crisis but a cultural, social and ethical crisis, about roles, institutions, political balances. People are becoming conscious of their territories: making a shopping mall instead of an equipped area for free time or for children, a public discharge instead of a public park, are political choices not shared with the urban community. As planners we need to make citizenship before to build city.

In some cases the conflict between citizens and public administration could be overcome by joining forces to work to the same objective: the civic crowdfunding could be integrated with the participatory budgeting.

The participatory budgeting was utilized for the first time in Porto Alegre, Brazil, in the 1989 (Allegretti, 2001), and then was utilized internationally as a valid instrument of civic management. It contributes to increase the sense of civic responsibility and the public participation in decision making process. In this way, a part of the budget of the city can be dedicated to a direct management by citizens: this is really a little part of the whole civic budget, but it's a symbolic alliance between politicians and citizens, and also a public endorsement and contribution to the civic requests.

The idea is very positive but it's difficult to apply in the real contest of the city. Especially in the Italian context, the participatory budgeting has been often replaced by the social budgeting, that is a different thing. In fact the social budgeting is only a public reporting of expenditure incurred by the city for goods and services, made as a final balance and not as a prevision (Viviani, 1999).

Moreover the participatory budgeting isn't regulated by a specific legislation: it's a good practice that depends entirely by the will and the commitment of individual persons.

The frequent result of this situation is therefore that the adoption of the participatory budget also is carried out in modalities arbitrarily set by each municipality. In many cases is never taken into

consideration the idea to let citizens participate directly in the management of municipal funds (Rindone, 2013).

We shouldn't forget that civic crowdfunding initiatives started as a bottom-up practices, to overstep the brake generally imposed by public administrations to grant funds for collective projects: then the civic crowdfunding is often a demonstrative instrument to opposition to the governmental approach to the urban questions.

3. Civic crowdfunding: how it works

The crowdfunding is a collective financing, born in the contest of arts and creative activities: then it has quickly spread in other contexts, like urban politics and planning. In this way, the crowdfunding takes a public finality and became "civic". It works by specific web platforms, where the promoters can public their projects to collect donations from all the world, by various models of funding. There are specific platforms for particular typology of projects: cultural, urban, about school and education, for humanitarian campaigns (for example a campaign for a whole population who need help because of poverty, of war, of an earthquake, and more), or about animals and environmental protection. The crowdfunding platforms works like a social network: the final objective is claim the attention of people, explaining the reasons and the substance of the project, showing also images, schemes, tables, results, analysis and future prospective to application, to finally reach the amount fixed.

In the fig.1 there is an overview about crowdfunding working: it starts from an idea (in the specific case of civic crowdfunding the idea is related to the city), then it's published online in a crowdfunding platform, and finally we can reach three options: goal not reached, goal reached or goal exceeded.



Figure 1. The crowdfunding's working.

Many crowdfunding platforms take a percentage variable according to the type of financing chosen: generally, this percentage is about 4-5% for the typology "fixed funding", and about 9% for the typology "flexible funding". Some platforms are also intermediate typology of financing, to

allow different approaches to the crowdfunding campaign. Generally the donations are collected on a PayPal account, and only in a few cases the campaign promoters can collect the donations on their own bank account or by cash.

The IC technologies and the web platform has really many vantages, but also problems.

The vantages are related with the directness and the immediacy of the communication: web is a virtual global place, where is possible communicate with a great amount of people in a click. The easy language, the utilize of cool pictures, the application of apposite marketing strategy to share the project and to increase its relevance by publicity, could be valid instruments to goal the objective. Another vantage is the transparency: all can visualize the amount raised, the time of the campaign, the information and contacts, and all contributors can get back their donation (in the “fixed funding” model) if the campaign doesn’t reach the goal.

However, this mechanism hides some communication risks: the utilize of a marketing strategy could manipulate the public opinion about the project, but the project should take its origin from a common and shared will. Another problem is the digital divide: many people, especially in our application context (Palermo, Italy), aren't able to use computer or other informatics devices or have really difficulties in this operation; some other people, although are able to use ICT, don’t have confidence in informatics money transfers. There is also a privacy question: people give to the web platform some of their personal data (name, email contact), but if the civic crowdfunding were an institutional funding system they should give all their personal data, because the public institutions can’t receive money from unknown persons. This may generate a privacy problem and an overload of the web platform (an ethical and technical problem).

In the fixed funding model the donations are “blocked” in the donator’s credit card until the fixed amount for the project’s realization is reached: so the money transfer is made only if the campaign ended successfully. This method is more adapt to project specific, when the promoters know the exact amount that is necessary for realize the project.

In the flexible funding model the donations are really made in every case: all the donations are raised, and the crowdfunding campaign is similar to a traditional fundraising campaign. This method is more adapt for social causes or humanitarian projects.

The time of the crowdfunding campaign is a very important factor: a long lasting campaign (some month) could raise more donations, but it will have a slow rhythm, while a short campaign (60 days max) could count on the “emergency effect”, a psychological strategy to induce people to support the cause. Some crowdfunding campaigns could have no time limits, like the fundraising for the humanitarian causes or for the promoting and defending of human rights.

The most important crowdfunding platforms in Italy are “Produzioni dal Basso” (<https://www.produzionidalbasso.com>), Eppela (<http://www.eppela.com/>) and “De Rev” (<https://www.derev.com/it/>), but there are many local projects really interesting like “Laboriusa” (<http://laboriusa.it/>). In the international context the most famous crowdfunding platform are surely Kickstarter (<https://www.kickstarter.com/>), but there are many recent platforms that are working well, like Indiegogo (<https://www.indiegogo.com/>). The projects are organized in several categories, especially in the generic web platform, to facilitate the individuation of the projects more interesting; each project is described by a video presentation, and a narrative text that explain the topic and the story of the initiative. Many projects can include the possibility to give rewards as a thank you sign for the contributors: this system are called “reward-based”, and, how to say Alessio Barollo, is the method more adapt to the Italian context (Barollo, Castrataro, 2013).

rewards or perks should be related with the theme of the project, and should be easy to send through postal services. Alternatively, rewards could be an informatics product (a postcard, a little e-book or similar solutions), to send through e-mail. Rewards are a symbolic thank you, and not a product to sell: the whole crowdfunding system are based on the free donation, there isn’t a commercial finality. This point is very important in relation to the tax governmental system, and in relation to the control of the money flows: in Italy there isn’t a legislation about the crowdfunding (interpreted as a fundraising non-profit activity), so it’s very difficult individuate experiences that follow the same procedure. The only Italian law about crowdfunding is about the equity-based crowdfunding, that is related with the company shares in the business sector: it’s a modality very different from the topic of this paper, so we will not discuss it here.

In this way, the transparency and the honesty of the whole operation (publication of materials, crowdfunding campaign's conduction, money flows through PayPal, collection of users' personal data) are guaranteed only by individuals campaign promoters and by web platforms, without a systematic institutional control. At the same time, open a bank account specifically for this purpose in Italy it's a problem for a cultural association ("cultural" is always non-profit): the bank needs to control in each moment the money flow and must know the identity of the contributors, in order of a strict law against the money laundering. At this moment a cultural association who want start a civic crowdfunding campaign for the installation of some benches in a neighborhood square, for example, must utilize a PayPal account linked to a personal credit card and not to a bank account. Similarly, there isn't an univocal institutional regulation for the methods and the applicative criteria for the participatory budgeting. From an urbanistic point of view, this means that the public participation processes in the Italian urban contexts are severely limited about their application tools: to make really a participation process and to negotiate the choices and the redistribution of the public resources, we need to give people some economic tools to make real the discussion results.

4. A practical civic crowdfunding experience within an urban park in Palermo, Italy

The case of study we want to present in this paper is a practical experience of public participation and civic crowdfunding in the city of Palermo, Italy. We want test a methodology and analyse the results from a technical point of view, to understand if this way could be really a public resource for the city.

We have chosen an urban area where the sense of identity and the feeling of belonging are really strong: the place where we have conducted our project is the Uditore Park. This place has a particular story: it was an abandoned land in the middle of the city. Two years ago a group of citizens, with some university professors, constituted independently an association and claimed the use of this land: they realized a park, whit private donations and the collaboration of many people. Many participants to this action was inhabitants of the neighborhood where is situated the park, that is called "Uditore-Passo di Rigano" (in the 5°district of Palermo). The park is attended by a lot of people, who come from all the neighborhood of Palermo, because it's almost the only urban park (the other parks are more peripheral and don't have enough games for children, sports equipment or space for dogs): but the people who live near the park, in that neighborhood, are the principal supporters of the park, and now identify themselves with this.

We needed a strong community who could represent a good substrate for the participation process, and for the civic crowdfunding campaign, so we have chosen the context of this urban park. We have prepared an ideas collection: we have started by the traditional qualitative methods of social analysis like the interviews (Corbetta, 1999), but then we have needed to adapt the strictly formal methods to a new modality, more flexible and near to behaviours of the people. So we have organized some meetings with the people within the park, according with the Uditore Park Association, in some particular occasions like summer events, to know what typology of services or furniture could be necessary in this place from the point of view of the users.

After this first step, we have prepared a box (fig.2) and a list of categorized options: the box was shaped like a little house, with four colours (each one for one specific category). In each colour section there was a slot to insert a ticket (like a "vote") with an idea, or a wish, for the park. We have prepared the tickets with some options predefined (these options derived from the first survey), related with sport and free time, games, furniture, other (the category "other" was represented by a blank ticket for a free suggest).



Figure 2. The “little house of ideas”. A man choses a ticket to write an option.

We went to the park several times with the box, talking with the people and explaining the project, and then we left the box within the park for about one month. At the last, we have counted all the tickets and we have selected the projects more requested for each category: for the sport and free time the “multipurpose field”, for the games the “seesaw”, for the furniture the “shade structure”.

We didn’t limit to the mathematic count: we have discussed these results in order to technical feasibility and appropriateness, and then we have presented the projects selected to the volunteers of the Uditore Park Association. They told us that was already working to realize a multipurpose field, so finally we have chosen the shade structure as the final project to realize.

At the same time, we have analysed many crowdfunding platforms, to select the platform more adapt to our project. At the last, we have chosen Indiegogo, because is very communicative, has a good graphic style, is very easy to use. The problem is the language (Indiegogo is an American platform, so the instructions are in English, but our supporters are Italians), but we think that the non-verbal (non-written) communication (colours, organization of the elements in the layout of the web page) could be more important than the verbal (written) communication.

We also have learned how PayPal works in this case, relating to a crowdfunding platform: we had to consider also PayPal transfer fees in the total amount we need for realize the project. We have chosen to utilize the PayPal count of the Uditore Park Association.

About the project and the material building of the shade structure, we would like to realize a natural and ecologic structure, similar to the other elements of the park. So we have taken contact with a team of architects who realized the last year a bamboo structure in this park. This team is called LAN (Natural Architecture Laboratory), and this is their website: <http://www.lan-architettura.org/>. The shade structure will be made of wood and Sicilian reed (Arundo Donax): so we will utilize local materials, helping the local economy.

This is the text we have published in the web platform (<https://www.indiegogo.com/projects/viva-l-ombra-al-parco-uditore>):

«Hurray the shade! Imagine a wonderful sunny day with a little bit of free time for a walk or other leisurely outdoor activity, but did you ever consider the practicality of a shade structure?

A shade structure:

- offers comfort for resting and allows you to remain outdoors without suffering from heat exposure;

- provides the perfect relaxing spot ideal for reading, chatting, having a picnic or meeting new people;
- offers a meeting space which promotes the importance of socialisation allowing you to rediscover the value of true sharing.

All of the above and more can be achieved under the shade, a totally ecological open structure which respects the environment and is in harmony with nature. Our aim is to greatly improve the site's context.

Who is the project for and where? Palermo's Uditore Park (Italy) is the ideal place in which our idea can be realised. The park is a shared urban space, a green heart. It is a part of the city which until recently was disused: now it has been returned to the citizens and it's open to social and intercultural exchanges.

A park, made by local people with flowers, large and small cultural miracles, the place where we want to realise a public resource, a shade ecological structure starting from a bottom-up and innovative experience.

The collaboration with a great number of participants has been worthwhile; from all those who wrote on a note a wish, an idea or a dream for the Uditore Park as well as the Park's volunteers and users having their input. Now however the time has arrived to bring our proposals to fruition, and for this we need everybody again, including you!

The project originated from the idea of the working group "Civic Crowdfunding-ideas for the territory", constituted by: Salvatore Abruscato (territorial planner), Floriana Cane (student of architecture), Elena Giannola (architect and PhD in urban and regional planning), Francesco Paolo Riotta (urban planner, masters student of territorial, urban and environmental planning).

Thanks to the collaboration with the Uditore Park Association, we have started the participation process to kick-start the final project being realised. We have produced a collection of ideas in which many people have contributed towards and in the end have selected the shade structure.

The collection of ideas and the relative discussion have been an occasion of confront, dialogue and explain the motivation of each proposal.

The Uditore Park is a space recently returned to the community and is the perfect area for bringing about concrete experiences of urban regeneration and initiatives of environmental protection and enhancement.

A deep sense of community identify and belonging can be most definitely be found here!

The Uditore Park is managed by volunteers who work extremely hard to provide a public service to the city: it's a unique place in Palermo which has great potential.

With this project we can collaborate to utilise it in the best way possible!

Finally we want to say you thank you: you can give a contribution and receive a little gift of thanks in relation to the amount of your donation, such as a special "thank you" note on our Facebook/Twitter page, on our official website and on the project's presentation brochure, or on a special bookmark or digital/printed copy of the project's presentation brochure.

Let's get ready to have our shade structure ready for the summer!

Enjoy our park!»

5. Results

The experience at this moment is in progress: we can express a partial consideration about the process we conducted until now. The traditional participation methods can't be applied directly at the context selected: each region, each city and also each part of one city is different from the others, so with the guide of our technical expertise we had to adapt the traditional survey to the real people, modifying just a little the typology of questions and the modality to present the project in function of the interlocutors (ancient people, children, men or women). Colours and pictures are more expressive than texts, and we had to change our scientific language to explain the project in a way more simple and understandable.

In the precedent steps we had to manage the impetuosity of participants: it was difficult express our identity and our objectives, because in a context where the public administration is lacking, people search other representative entity as of referring points.

We worked in a particular place: it's a public space, but isn't a municipal area (the property of this area is of the Regional Administration); the master plan provides for this area the destination to public offices, but now there is in progress a proposal of variant; many people attend the park, many people identify themselves with the park, but at the same time many people don't care the park and don't respect the environment and the furniture installed in the park area. There are many contradictions.

In the transition from the disciplinary context to the real urban context, we have encountered many difficulties and we have spent a lot of time searching the optimal method, the best combination of elements to claim public attention, explain clearly the project and the objective, be short and incisive, change quickly language and expression modality in function of different people. Building this idea, before than building the structure, was a difficult and long lasting operation.

We found some critical points:

- The time is a strategic factor in this process: there is a conflict between the long time of the participation process, and the necessity to a short time of realization, to give a positive feedback to the participants and to take advantage of the period when the subject is much debated;
- The communication is fundamental, but there is a conflict between the technical language and the friendly language, more understandable but less exact;
- The collaboration with any civic association that takes care of the space selected is not always easy and granted;
- The social identity of the urban area selected for the project should be analyzed before planning a civic crowdfunding campaign;
- The public administration should be involved in the process: so the project could have positive effects related with the confidence between citizens and urban government.

Surely, the choice of the web platform, the application of marketing strategy, the advertising of the initiative, are also important points to consider.

We have organized some promoting events in different part of the city: one in a famous co-working space (and also restaurant) in the historical center of Palermo, others in bookshops, cultural centers, and finally within the park. At the end of the crowdfunding step, if we reach the fixed amount (5.000€), we will organize the building phase with LAN and with some volunteers.

6. Conclusions

The civic crowdfunding could be really a strategic resource for the cities: but to apply this practice should be defined some rules more clearly than now. The role of public administration can't be marginal: public institutions and private citizens should collaborate to make a better quality of urban life. The public-private partnership can't be only interpreted as a compromise between the public administration, who has the power but hasn't the financial resources, and the entrepreneurs, who haven't power and want a part of decisional power through financing the public projects. Actually the other citizens, who have not power and not enough financial resources, are excluded from the decision making process. The civic crowdfunding can be a valid instrument to build social cohesion, social inclusion, civic conscience, but can't be the unique solution. The value of civic crowdfunding is mainly ethical, and social: is fundamental to lay the foundations for a new citizenship, but to realize materially projects and to create public services we need an amount of money that the crowdfunding alone cannot achieve.

This is not only a financial question, but it's also related with legislative aspect of the urban government: the role of the public administration is especially to give rules, because the public administration is the only one urban actor who can legitimize the bottom-up initiatives. In this way, we have to think in a collaborative vision to cross over the conflict: the city is a complex system, where there aren't only citizens and politicians. The city is really a multidimensional world, where there are many balances and dynamics and it's very difficult recognize and control these phenomena. For this reason our engagement as urbanists is to enter in this complexity, analysing the potential usefulness of innovative strategies like the civic crowdfunding. We have to think in a multilevel vision: in the contemporary cities we can achieve our objectives only if we operate in

multiple and integrated ways to a unique target. In a fragmented context we have to fragment our action but not our intention.

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