

## Overview

This paper will try to present the structural change and development of the city of Rheinbach during the past 15 years. As its development was heavily influenced by external circumstances, the first part will make a brief summary of the regional situation. Following this, the paper goes more into detail and explains the concrete developments that took place in the city of Rheinbach. The focus will be on the world-wide most productive creative industry sector - Research and Development (Howkins 2001 p.116). The report will end with some conclusions, showing the interdependencies between regional and local strategies and decisions to promote a creative economy.

### 1. A region in transition

#### *The Bonn City Region*

The Bonn City Region is located at the southern end of the Rhein-Ruhr Metropolitan Area. It includes the Federal City of Bonn, its surrounding Rhein-Sieg District as well as the District of Ahrweiler in the south. The area of 2.000 km<sup>2</sup> is populated with more than one million inhabitants, with Bonn being the biggest city with 300.000+ citizens.

To the north, cities like Cologne and Düsseldorf are within a stone throw away, to the south, the financial center Frankfurt can be found in 150 km distance. Situated along the river Rhine, the area offers diverse settlement structures and landscape atmospheres. Three major international airports are accessible within less than one hour, making the region 'plugged into' world economy.



picture: 1 Location of Bonny City Region  
(<http://www.wohnregion-bonn.de>)

Since the 1970s, the region could record a steady increase in inhabitants, and recent forecasts predict that against the common trends in Germany, Bonn and the region will be able to grow further in the near future.

This development is not something that could have been foreseen 15 years ago, when the region was forced to redefine itself.

#### **Structural Change**

On June 20th 1991, the Germany Parliament decided to transfer the governmental status along with most of its ministries and connected federal agencies and institutions back to Berlin. All of a sudden, the major economic branch of the region was taken away by a governmental decision, resulting in a total loss of approx. 23.000 jobs.

There was a strong need for new development goals to master the structural change of the whole region. To make this happen, only one day after the bane breaking decision, planning professionals along with regional stakeholders and professors gathered together to initiate what today is know as the Regional Association for Development, Planning and Traffic (Regionaler Arbeitskreis Entwicklung, Planung, Verkehr, :rak). Within only a few weeks, this

group worked out a new Leitmotiv and a structural concept for the region. This was based on agreement, meaning that 28 independent municipalities of two different federal states voluntarily agreed on a common development strategy.

### ***Regional Association for Development, Planning and Traffic (:rak)***

The Regional Association for Development, Planning and Traffic is a voluntarily cooperation form, from its very beginning, there was no contract or legal definition of the cooperation. All was build on trust and experience, only in 2001 a cooperation contract was signed by all municipalities, in order to be able to cooperate more deeply together.

The Association is not able to make decisions itself, for this it needs the signatures by the mayors of its municipalities. It is only able to promote concepts and strategies. As these are worked out together already, bringing them into a legal framework afterwards can easily be reached.

Today the trust and common experience enables the region to cooperate on more difficult fields like housing development and retail concepts.

### ***Regional Strategies and Concepts***

From the very first moment it was obvious that only a regional consideration could successfully deal with this structural change. And even though cities had not overwhelmingly cooperated in the past, this situation of fear und uncertainties brought them together.

The two main results of the initial cooperation process, except for bringing the cities closer together, were (Regionaler Arbeitskreis 2005 p.9-12):

#### **1. The spatial strategy to promote a polycentric structure of the region by identifying decentralized concentration as development Leitmotiv**

With Bonn being the central city, the idea was to strengthen the various sub-centers to initiate a stable and decentralized structure within the region. To enable a sustainable development of the region, especially sub-centers along existing infrastructure lines were in focus of development. The aim was to create a working structure within the region as fundament for the municipalities to develop in.

Maybe the best example for this strategy was the location for a new School of Applied Sciences (Fachhochschule Bonn/Rhein-Sieg). This was not placed within the city boundaries of the central city of Bonn, but divided into two parts and built in two sub-central cities, on in Rheinbach, one in Sankt Augustin.

#### **2. The structural 5-pillar-modell**

With the dominating economic branch basically breaking away over night, five structural areas where identified where development efforts should be focused on. The structural "5-pillar-modell" is a regional matching structural-political vision. It is based on five different pillars as common development goals set for the future of the region. The perspectives of possible development have been influenced by already existing potentials and capacities in the region:

- Bonn as a Federal City (with some ministries and agencies remaining in Bonn)
- Bonn as a center for European and international co-operation (Bonn is today home to several UN-Secretaries)
- A region for science and research (with its universities and the newly established

- Center for Advanced European Studies and Research)
- A region of sustainable business and industrial structure (focusing on different branches of economy)
- A model of ecological urban architecture and culture (preserving the diversity of the region)

All project that were defined to promote the structural change had to fit into one of these categories, in order to concentrate development and to make it more powerful.

### **Compensation money and project orientated work**

The strategic concepts made by the Regional Association was adopted by the national government when it decided about the compensation plan for the Bonn City Region to allow a fair treatment. To this concern, the region was granted approx. 1.45 billion Euro of compensation payment. 98 % of this money was strictly bound to concrete measures and projects. This basically reflects the project-orientated cooperation-work by the Regional Association. Money was devoted to the areas of Science, Research, Technology and Education (~800 million Euro), Culture (~50 million Euro), Economic structure (~150 million Euro) and Traffic infrastructure (~250 million Euro).

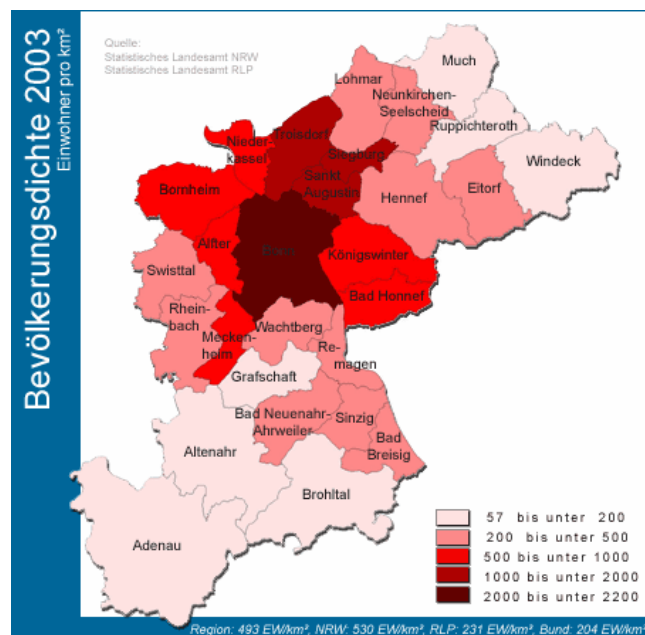
### **"Lucky punch"**

Besides allowing this huge amount of money as compensation, one more decision was made by the government at that time. When it was about to start the process of privatisation in telecommunications, the German government decided to place the follow-up institutions of the ministry of telecommunication and postal services in Bonn. Today, these are well-known as Deutsche Telekom and T-Mobile, Deutsche Post World Net and Postbank, having their headquarters in Bonn. These cooperations not only supply a high number of jobs, they also attract many small service industries to settle down in the area, making telecommunications and logistics the key economic sector of the region. Of course in 1991 nobody could imagine the rapid development and growing importance in these key sectors of future orientated economy as they are today.

### **The Bonn City Region today**

Today, the Bonn City Region presents itself as one of the few booming regions in Germany. The region managed to make the structural change become reality, an steady increase in jobs and inhabitants clearly shows the attractiveness of the area to work and live in. Even though knowing that the quality of life is hard to measure, the availability and diversity of jobs, nature, recreation, education and housing opportunities make the region a good place to live, learn and work.

More than this, all municipalities experienced the positive effects of cooperating in the fields of planning and development. Several projects built trust amongst the cities, so that today cooperation is extending to new levels, dealing with more complex and



picture: 2 Population density 2003  
(<http://www.wohnregion-bonn.de>)

controversial issues.

### ***A creative region - a region of creative economy?***

Considering the key sectors of economy, the region clearly identifies as a creative region. Apart from being creative in the way cooperation and development is managed by the region itself, the telecommunication sector and its service industries working in R&D are part of the creative cluster. Also the universities and high-level research institutions in the region work in the knowledge sector.

The interesting fact is that these cluster is not only concentrated in one city, but well situated across the whole region, including R&D institutions in several sub-centers. One of these sub-centers is the city of Rheinbach, 17 km south-west of Bonn. The next chapter will show how it was possible to change this city of 26.000 inhabitants from a bedroom-city into a flourishing city with a creative economy branch.

## **2. Developing a creative cluster in Rheinbach**

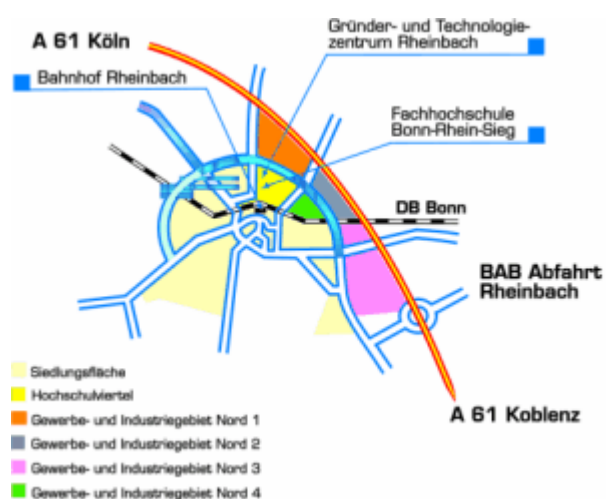
### ***The City of Rheinbach***

Rheinbach is a municipality of approx. 26.000 inhabitants located 17 km south west of Bonn and is part of the Rhein-Sieg District. Several freeways, a train connection (approx. 25 minutes to Bonn) as well as two international airports about one hour driving time away provide an ideal accessibility for Rheinbach. Besides that a highly qualified workforce, easily available and reasonably priced plots and office space, low business taxes and a high quality living environment make Rheinbach today an attractive place for businesses.

Until the early 1990s, the role of Rheinbach could clearly be described by a typical bedroom city. The good accessibility made it possible to work in the central city Bonn and to live in Rheinbach. By then, the city could not present an regionally important economy, the dependency on the regional center Bonn was marked by a huge outgoing commuter traffic. Now, almost 15 years later, the role of the city changed completely.

### ***A new role in and for the region***

When the region was about to develop strategies to promote a structural change, the voice of the city of Rheinbach still had a major influence in the discussions. On the one hand, it always had a strong voice, as many high ranked governmental and federal administration workers had found a place to live in Rheinbach. On the other hand, at a time when the discussion was about to decide where to locate certain developments, the existing traffic infrastructures and the good availability of vacant land for development spoke in favor of choosing Rheinbach as one regional development location.



**picture: 3 Business site Rheinbach**  
(<http://www.wfeg-rheinbach.de>)

Especially the availability of a wide area of centrally located space was one argument no other municipality in the region was able to catch up with. The to be developed Rheinbach

business site has a total area of approximately 150 hectares (370 acres). Amongst these are 40 hectares that are today known as the 'Hochschulviertel'.

### **An area for education and innovation**

The regional discussion about strategies and projects to manage the structural change scheduled two major project to be established within the boundaries of Rheinbach. The development of one branch of the new School for Applied Sciences (Fachhochschule Bonn/Rhein-Sieg, Campus Rheinbach), and second to establish an Innovation and Technology Center (Gründer- und Technologiezentrum, gtz) along with areas for trade, industry and service enterprises.

The plan for the 'Hochschulviertel' - a suitable translation might be 'university-quarter' - enables a compact development with buildings only two to three storeys high. Within this area, the campus of the newly established School for Applied Sciences was realized as well as the building of the Innovation and Technology Center. Besides this, areas of 2.000 to 8.000 square meters with a site coverage factor (SCF) of only 0,6 are available not only for commercial development, but also for residential use. Due to this, today a vivid new neighbourhood with its very own atmosphere and characteristic and various green and open spaces is flourishing.

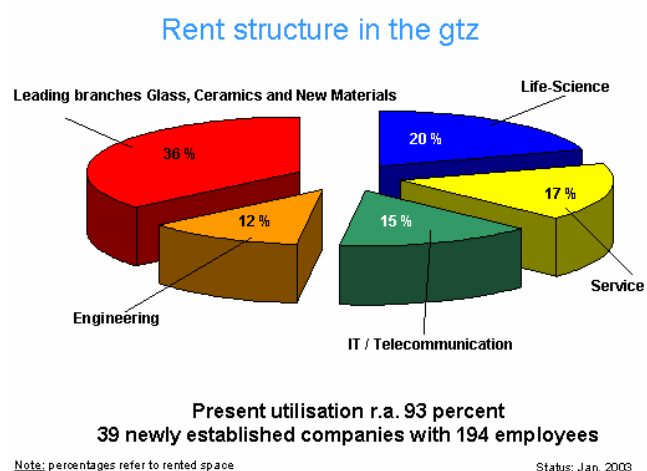
### **From old to new economy**

As mentioned before, at the beginning of the 1990s, the economic structure of Rheinbach was very basic. The only regional important institution was the School for Glas, Ceramics and Design (Staatliches Berufskolleg Glas Keramik Gestaltung des Landes Nordrhein-Westfalen). Just after the end of WW2, many glass manufactures settled down in Rheinbach, creating a cluster in this area. With the growing importance of micro-electronics and computers, this economic branch clearly developed from old industry to a sector of the new economy. Suddenly glass and ceramics became important high-tech materials, with a strong demand on further research and development. These circumstances were actively considered while choosing the core branches for the above mentioned projects.

### **Innovation and Technology Center**

In 1996, the Innovation and Technology Center (gtz) was the first building to be realized in the 'Hochschulviertel'. It is mainly available to innovative founders of new business as a start-up center for business growth, receiving optimal support service on 6.960 square meters of available land, including variable office-space, laboratory and other working facilities.

The rent is subsidized up to 50 percent, and the definition of the leading sectors glass, ceramics and new materials enable synergies with the School for Applied Sciences as well as with the School for Glass, Ceramics and Design.



**picture: 4 Rent Structure gtz 2003**  
**(<http://www.wfeg-rheinbach.de>)**

At present, more than 190 people are working at the Innovation and Technology Center, concluding in an occupation rate that is just over 90%. The service center is offering a wide

variety of services to its businesses, including personal support and help with business plans and administrative issues as well as information about available development grant options.

The Innovation and Technology Center can clearly be identified as a success story. In the past years, many new companies were born out of the businesses that started at the Innovation and Technology Center. Many of them stayed in Rheinbach and built their new offices in the 'Hochschulviertel', underlining the qualities of Rheinbach as a place to work and live.

### ***School for Applied Sciences***

The new School for Applied Sciences, Campus Rheinbach is today home to 1.600 students, teaching different majors in the areas of economics and applied sciences. The project was financed with money from the compensation payments. It is located just opposite the Innovation and Technology Center, with a campus-style architecture and surrounding housing units creating a unique relaxed atmosphere. The train station with access to Bonn and the Region is just 5 walking minutes away, walking towards the commercial city center can be done within less than 10 minutes.

The school itself created additional spaces for start-up businesses, so students are able to continue working in a well-known scientific surrounding of their university to start their business. Furthermore, the university consists of buildings that have a mixed-use of working and residential units.

Choosing applied sciences as one of the majors in education was quite logical, especially to enable networks with the School for Glass, Ceramics and Design as well as with the Innovation and Technology Center's businesses.

### ***An 'awoke' city***

The change from a bedroom city to a place where innovation takes place was realized in less than 15 years, with development still being in progress. Rheinbach today is able to attract small to medium-sized businesses to settle down in its business site. A growing population furthermore shows the attractiveness of the city to live in, the availability of a wide range of education facilities being unrivaled in the region.

One huge advantage to enable such an development is the huge flexibility of the city. The Innovation and Technology Center is able to offer suitable spaces in all development phases of a start-up business. The network within the Center allows synergies to take place. And last not least does the city offer spaces for further development, both in terms of business as well as in terms of housing. Today the newly developed areas prosper, constantly new industries settle down, and the new neighborhood is shaping.

One of the interesting facts is that such a development could successfully take place in a small-sized city. The following conclusions will try to summarize the developments and show interdependencies between regional strategies and local planning.

### **3. Conclusions - what it takes to be successful**

Looking at the circumstances and developments that took place in the Bonn city region could make somebody argue that all of this was only possible because huge amounts of federal money were given to the region. This is of course true to a certain degree, but no development can be reached without investing money. In the same moment, everybody should be aware of the fact that so often money is being spent in wrong ways, numerous

subsidies are given without a strategic vision. Therefore, I would dare to say that the positive development of the region and of course of the city of Rheinbach is based on a wise strategy on where and on what to invest money superior to the pure availability of money.

The basis for this kind of development was created by an actively - and in this case voluntarily - cooperation to find common development goals for the region. Only by agreeing on the common development goals, the region and its municipalities were able to develop in the way they did. In an era of depression, when it was decided to take away capital status, productive cooperation and not unsuitable competition allowed a wise investment of the given money.

The strategy to promote a decentralized, but locally focused development made it possible to initiate clusters, like the example of Rheinbach clearly presents. Reflecting on the decision to develop the new School for Applied Sciences in two sub-centers of the region instead of developing it in Bonn was also based on a comprehensive way of thinking: Bonn basically did not have the spaces to develop additional university areas nor the accompanying infrastructures. Therefore, the city of Rheinbach (and the city of Sankt Augustin, where the other campus of the school was realized) was chosen, having had sufficient spaces and existing regional accessibility to offer. Of course this also contributed to the overall spatial Leitmotiv of decentralized concentration.

Summarizing, these four aspects enabled a creative economy to develop in a sub-center like Rheinbach:

### *1. Breaking down regional strategies to local projects*

Regional strategies cannot pay off without their coordinated implementation in local projects. The developments in Rheinbach perfectly go along with the overall regional vision, making in both work on a local as well as on a regional level.

### *2. Money*

The above described example shows that a common regional vision and strategy was helpful to find suitable areas and projects to devote development subsidies to. As all financially supported projects were in line with the regional strategy, success could be built upon a safe network of projects. Money could be invested wisely without losing it due to unnecessary competition amongst municipalities.

### *3. Availability of flexible development spaces and accessibility*

Availability of land and especially the flexibility in developing spaces were main advantages choosing a smaller city to initiate a creative cluster. As it is well known that creativity cannot be planned nor forecasted, flexible circumstances and opportunities to develop may be one grant for successful development. In the means of flexible availability of office spaces and technical infrastructure, the Innovation and Technology Center is able to incorporate the needs of young and innovative start-up businesses to help them grow. For bigger cities this flexibility might be one of the major threads they have to cope with.

Especially the integrated way of developing a mixed-use area like the Rheinbach business site enables to create an unique places with atmosphere and identity, something the creative economy might just be looking for.

In a wider sense, the existing accessibility of the city of Rheinbach as well as its location close to major economic and cultural hubs like Bonn, Cologne and others are important circumstances.

#### *4. Developing something from something*

"Developing something from something" (Howkins 2001 p.IX) - this term is used to describe the creative process itself. But it can also be adopted to describe a development strategy in spatial planning. The focus on glass, ceramics and new materials in Rheinbach did not come out of nothing, it was built on an already existing branch of economy. To develop something that enable synergies with existing local networks is surely helpful to the overall development.

Altogether these aspects present an integrated and consequent approach to develop spaces for creative industries, far away from the out-dated and almost romantic 'vacant-urban-warehouse-stories', and more down-to-the-earth strategic development planning.

#### References & further information

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<http://www.fh-bonn-rhein-sieg.de> - Homepage School of Applied Sciences Bonn/Rhein-Sieg (Fachhochschule Bonn/Rhein-Sieg).

<http://www.glasfachschule.de> - Homepage School for Glass, Ceramics and Design (Staatliches Berufskolleg Glas Keramik Gestaltung des Landes Nordrhein-Westfalen).