

K **A CREATIVE CITY**

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**Leveraging creativity
for city competitiveness and
inclusive urban transformation**



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1818, H Street NW,
Washington, DC 20433
Telephone: 202-473-1000
www.worldbank.org

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Leveraging creativity
for city competitiveness and
inclusive urban transformation

A CREATIVE CITY
KYOTO

Victor Mulas
Haruka Miki-Imoto
Vibhu Jain
Shoko Tawara
Michiko Kadono
Jamil Wyne

CONTENTS

Abbreviations	VII
Context and Disclaimer	IX
Executive Summary	X

CHAPTER 1	The Role of Creative Cities in Urban Development	14
	Impact of Creative Cities	20
CHAPTER 2	Kyoto: A Creative City	22
	Creative Industries’ Impact in Kyoto	27
CHAPTER 3	Kyoto’s Creative Communities and Neighborhoods	30
	Emerging Creative Neighborhoods: Kyoto Station Area	35
	Growth and Development of Kyoto Station East Area as a Creative Neighborhood	42
	The Potential Development of Kyoto Station West Area into a Creative Neighborhood	50
CHAPTER 4	The Role of Creative Spaces in the Transformation of Kyoto Station Neighborhoods	58
	Impact of Creative Spaces on the Evolution of Creative Communities in the East and West Areas	62
	Impact of Creative Spaces on the Generation of Creative Neighborhoods	66
CHAPTER 5	Insights for Practitioners	76
	Factors Contributing to the Development of Creative Communities and to Neighborhood Transformation	80
	Key Insights from Kyoto Case for the Development of Creative Cities	84

Appendix	Glossary	178
	Interviews and Presentations	180
	Bibliography	182
	References	185
	Endnotes	187

CATALOG

EAST	94	158	WEST
FabCafe Kyoto	96	160	Kyoto Makers Garage
Ajiki Roji	102	166	KAGANHOTEL
Sauna no Umeyu	108	172	Barbeque Court 339 & Madogiwa Café 339
UNKNOWN Kyoto	114		
Box & Needle	120		
Crafthouse Kyoto	124		
Gallery Main and Lumen Gallery	128		
Gojo Seisakusho	132		
Kaikado Café and Flagship Store	136		
Kyoto Beer Lab	142		
Le Wagon Coding Boot Camp	146		
Walden Woods Kyoto	152		

				VII
Kyoto: A Creative City	<div> <div>Figures</div> <div> <div>1.1</div> <div>Framework for Cities, Culture, and Creativity</div> </div> <div> <div>2.1</div> <div>Kyoto by the Numbers</div> </div> <div> <div>3.1</div> <div>Kyoto's Historical and New Creative Neighborhoods</div> </div> <div> <div>3.2</div> <div>Creative Spaces and Related Public Spaces in Kyoto Station Area</div> </div> <div> <div>3.3</div> <div>Strategic Districts around Kyoto Station and Kyoto City's Government Policies</div> </div> <div> <div>3.4</div> <div>Timeline of Creative Spaces</div> </div> <div> <div>3.5</div> <div>Evolution of Real Estate Prices: Kyoto Station East Area, Central Business District, and Kyoto City Average</div> </div> <div> <div>3.6</div> <div>Evolution of Real Estate Prices: Kyoto Station West Area, Central Business District, and Kyoto City Average</div> </div> <div> <div>4.1</div> <div>Impact of Creative Spaces on Community Creation in Kyoto Station East Area</div> </div> <div> <div>4.2</div> <div>Creative Spaces Community Creation and Interaction in the West Area</div> </div> </div> <div> <div>Boxes</div> <div> <div>3.1</div> <div>DUMBO Neighborhood in New York City: A Case of Urban Transformation by Creative and Entrepreneurial Talent</div> </div> <div> <div>3.2</div> <div>Santa Caterina Market Redevelopment: Catalyzer for Neighborhood Transformation in Barcelona</div> </div> <div> <div>5.1</div> <div>The City's Role in Kyoto's Transformation</div> </div> </div>		<div> <div>Tables</div> <div> <div>3.1</div> <div>Roles of Creative Spaces</div> </div> <div> <div>3.2</div> <div>Kyoto City's Policies Support Creative Neighborhoods and Communities</div> </div> <div> <div>3.3</div> <div>Areas Influencing Transformation of Kyoto East Area into a Creative Neighborhood</div> </div> <div> <div>4.1</div> <div>Creative Spaces Impact Categories</div> </div> <div> <div>4.2</div> <div>Overview of Key Players in Kyoto's Creative Communities</div> </div> <div> <div>5.1</div> <div>Factors Contributing to the Development of Creative Communities and Urban Transformation in Kyoto</div> </div> <div> <div>5.2</div> <div>Timeline of Key Policies and Events on Urban Regeneration, Creative Communities, and Creative Space Making</div> </div> </div> <div> <div>Abbreviations</div> <div> <div>3D</div> <div>three-dimensional form</div> </div> <div> <div>ASTEM</div> <div>Advance Science, Technology and Management Research Institute of Kyoto</div> </div> <div> <div>BBQ 339</div> <div>Barbeque Court 339</div> </div> <div> <div>CBD</div> <div>central business district</div> </div> <div> <div>CCIs</div> <div>Cultural and creative industries</div> </div> <div> <div>CCNJ</div> <div>Creative City Network of Japan</div> </div> <div> <div>CEO</div> <div>Chief Executive Officer</div> </div> <div> <div>DUMBO</div> <div>Down Under the Manhattan Bridge Overpass</div> </div> <div> <div>GDP</div> <div>gross domestic product</div> </div> <div> <div>km²</div> <div>square kilometers</div> </div> <div> <div>KMG</div> <div>Kyoto Makers Garage</div> </div> <div> <div>KRP</div> <div>Kyoto Research Park</div> </div> <div> <div>METI</div> <div>Ministry of Economy, Trade and Industry</div> </div> <div> <div>SMEs</div> <div>small and medium enterprises</div> </div> <div> <div>TDD</div> <div>Technical Deep Dive</div> </div> <div> <div>TDLC</div> <div>Tokyo Development Learning Center</div> </div> <div> <div>UNESCO</div> <div>United Nations Educational, Scientific and Cultural Organization</div> </div> </div>	
VI				

				IX
Kyoto: A Creative City	<h2>Authors and Acknowledgments</h2> <p>This research was developed by a team led by Victor Mulas (Senior Urban Specialist) and composed of Haruka Miki-Imoto (Operations Officer), Vibhu Jain (Urban Consultant), Shoko Tawara (Knowledge Management Analyst), Michiko Kadono (Urban Consultant) and Jamil Wyne (Private Sector Consultant).</p> <p>The report was enriched by the contributions of Kyoto City and its multiple stakeholders, as well as the 10 city delegations that participated in the TDD. We thank Mr. Shoichiro Suzuki, vice mayor of Kyoto; Ms. Noriko Kasuya, director general for Tourism, City of Kyoto; Mr. Tetsuji Yabuta, manager and Mr. Shingo Sugibayashi of Tourism and MICE Office, Industry and Tourism Bureau, City of Kyoto; and officials from General Affairs Section, Agency for Cultural Affairs Relocation Promotion Office, Project Promotion Office, Industry Planning Office, Community-based Business Innovation Office, Tourism and MICE Office, Regional Revitalization and Creation Promotion Office of City of Kyoto, and the staff from City of Kyoto that participated and contributed to the TDD and this report for their continuous support. The team also thanks Mr. Fram Kitagawa and Dr. Masayuki Sasaki for their support and contributions in advancing the thinking and the team looks forward to continuing to work with them. The team gratefully acknowledges peer reviews and inputs from the following World Bank Group colleagues: Masato Miyazaki (Special Representative, Japan), Maitreyi Das (Practice Manager), Ahmed Eiweida (Global Coordinator for Cultural Heritage and Sustainable Tourism), Tomoko Hirai (Senior External Affairs Officer), Koichi Omori (Senior External Affairs Officer), Ayah Mahgoub (Senior Urban Development Specialist), Dmitry Sivaev (Urban Specialist), and Toni Elias (Senior Private Sector Specialist). The team also is deeply appreciative of the peer reviews from and the cooperation of the following UNESCO colleagues: Dorine Dubois (Chief of Executive Office, Culture Sector) and Reiko Yoshida (Program Specialist). Finally, the team would like to thank the following creative establishments in Kyoto for their contributions, knowledge sharing, and support toward this report: Ajiki Roji, Box & Needle, Crafthouse Kyoto, FabCafe Kyoto, Gallery Main and Lumen Gallery, Gojo Seisakusho, MAY Inc., Kaikado, Kyoto Beer Lab, Kyoto Makers Garage, Le Wagon, Sazangakyu Inc., Sauna no Umeyu, UNKNOWN Kyoto, and Walden Woods Café.</p> <p>This case study could not have been completed without generous support from the Government of Japan.</p>		<h2>Context and Disclaimer</h2> <p>This report builds on the findings from the Technical Deep Dive (TDD) “Creative Cities: Case of Kyoto,” organized by the Tokyo Development and Learning Center (TDLC) in partnership with UNESCO and the City of Kyoto in January 2020. The TDD focused on the framework for developing creative cities and the impact that creative industries can have on cities’ spatial, economic, and social development. Using the case of Kyoto in Japan, the TDD highlighted the different components of creative neighborhoods and communities and how to build them.</p> <p>This report uses the case of Kyoto to demonstrate how city planners and the local private sector can collectively build creative communities. It builds on an important conversation on how to leverage creative cities to safeguard inclusive economic development and catalyze urban spaces that enhance economic, urban, and social development. Insights for this report were derived from a literature review along with interviews with practitioners with a focus on creative clusters and spatial transformation. Social inclusion is also a theme that we discuss in the report, though to a lesser degree because of data constraints. Detailed analysis of social and economic history and context of the target neighborhood are not the scope of this case study.</p> <p>The report has helped to inform the forthcoming World Bank–UNESCO Creative Cities Position Paper “Cities, Culture and Creativity: Leveraging Culture and Creativity for Sustainable Urban Development and Inclusive Growth.” In addition, the report will help disseminate some of the key findings from the TDD and contribute to shaping future World Bank interventions focusing on creative cities.</p>	
VIII				

This report provides distilled practical lessons and key insights for policy makers and practitioners interested in applying the concept of creative cities effectively. Using the case of Kyoto, the report analyzes how creative communities and policy action can be leveraged for urban transformation not only at the neighborhood level but also citywide and beyond.

Approximately 60 percent of the world's population will live in urban areas by 2030. This rapid urbanization will bring new opportunities for growth and prosperity—it will also give rise to an increasing number of development challenges. Creative industries, and shaping urban spaces with creative assets, will help spur new approaches to building societies and planning cities that are needed to stimulate—as well as maintain—innovation, efficiency, livability, and inclusivity. When leveraged effectively, creative cities can contribute to three core impact areas:

- **Local economic development:** Today, the creative economy contributes to 6.1 percent of the global economy, representing US\$4.3 trillion. This share is expected to grow as creative activities become further digitalized and technology-intensive, and become part of the growth of the intangible economy and employment creation.
- **Urban transformation:** Creative communities can help drive the transformation of neglected or deteriorated urban spaces—vacated buildings and underutilized plots of land can be repurposed rather than destroyed and rebuilt, revitalizing a city’s social fabric and activating public spaces—thereby improving a city’s image, livability, and productivity.
- **Social inclusion:** Creative expression can support the social, civic, and political empowerment of marginalized groups by fostering a shared sense of culture, as well as a respect for cultural rights and freedom of expression. In addition, creative industries can provide a new source of economic opportunity and re-skilling for local residents.

Kyoto embodies numerous elements of an archetypal creative city. It is home to many UNESCO heritage sites, and its society and economy fuse cultural traditions, creative communities, and global technology trends. The Kyoto City Industrial Strategy Vision emphasizes the need to create new value by utilizing local creative assets such as religion, culture, and academia, and by clustering creative populations within which these assets and institutions work together. In the early 2000s, the landscape of creative industries and talent in the city began to diversify with the eruption of the digital economy. Digital businesses began to emerge in the city by 2010 with the boom of urban technology ecosystems worldwide. New and prominent technology start-ups opened offices in Kyoto's business district, creating a compact start-up ecosystem. This first wave of digital creative talent provided the foundations for the growth of creative communities beyond the technology sector in the city. By 2015, following the global spread of technology and the intangible economy across sectors, and the emergence of the Fab movement, Kyoto started experiencing a new wave of creative industries' entrepreneurship and innovation that was connected to the traditional creative industries and activities of the city.

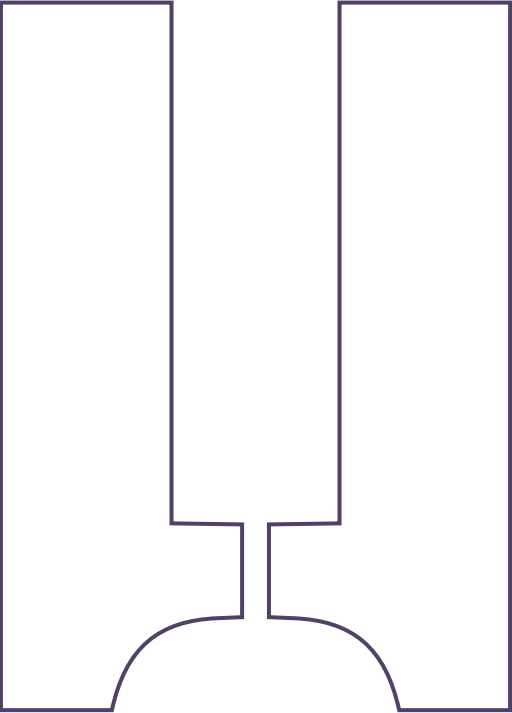
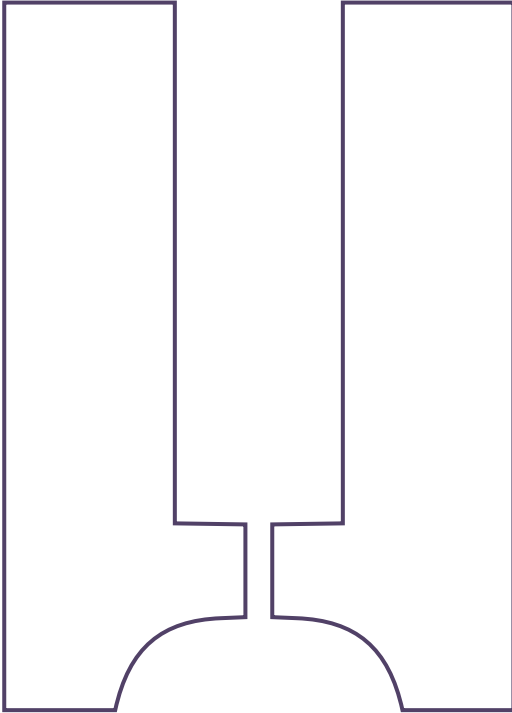
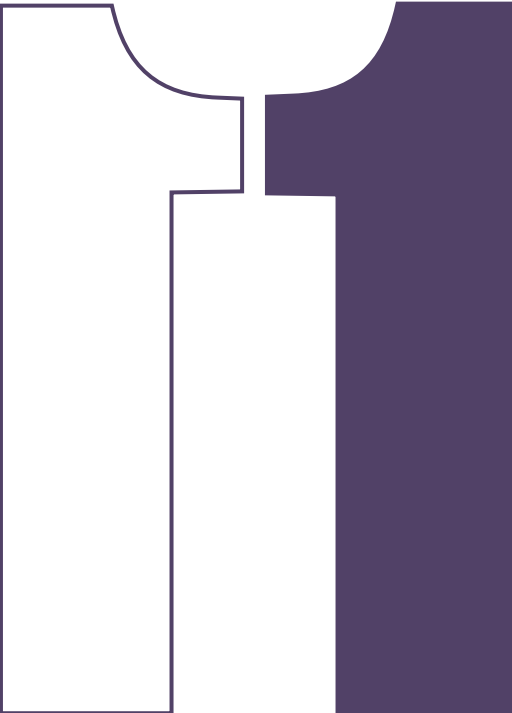
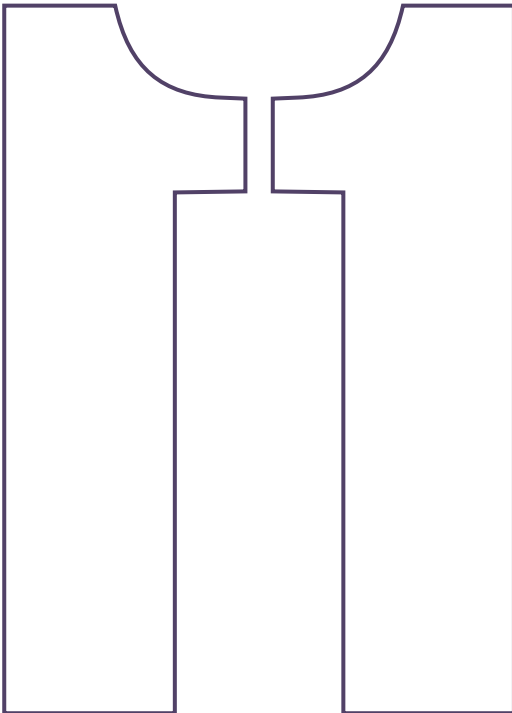
This new wave of creative communities is concentrated in the Kyoto Station area, which comprises two separate neighborhoods—east and west. Though the east area has experienced a wider transformation—with a large established community of creative talent and industries and tangible impact in urban revitalization—the west area is still developing. It is benefiting from the east area's success and from the spread of creative and technology start-up communities to new industries. Kyoto's government has been critical, from setting the conditions and preserving and protecting the creative capital of the city, to actively catalyzing urban revitalization and communities through strategic and targeted interventions. Although the city's approach did not initially follow a set strategy or grand plan in these areas to transform them into creative neighborhoods, the overall vision of the city drove Kyoto city departments to coordinate internally and externally with the organic community, and to leverage policy interventions to support urban revitalization and creative communities. This coordination resulted in amplified and tangible impact. As creative communities developed, the city also incorporated creative communities in its visions and plans for the districts around Kyoto Station.

				XIII
Kyoto: A Creative City	<p>Transformation of Kyoto Station Areas into Creative Neighborhoods</p> <p>As the start-up ecosystem matured in the prominent business area of Kyoto (central business district, CBD), the creative and entrepreneurial talent commenced to flow to the east neighborhood of Kyoto Station. The historical and traditional landscape of the area (with its many traditional machiya houses), together with its more affordable rents and its proximity to the Kyoto Station transportation hub, provided the right conditions to attract this new wave of creative talent. Creative spaces began opening in this area in the early 2000s, becoming prominent after 2014. These creative spaces had a central role in building, growing, and scaling up the creative community, while regenerating old buildings and activating the neighborhood with new, open, and participatory activities. The analysis of the east neighborhood's urban transformation provides key insights into the role and impact of these creative spaces. These players can act as catalyzers (organizations that have an influence on creative people and businesses and can be catalytic drivers of the local creative economy); amplifiers (organizations that leverage traditional arts and culture to create new intangible creative capital by repurposing traditional buildings, cultures, and art forms); or, contributors (organizations that add to the creative assets and bring economic, social, and cultural value to the area). The combination of these roles results in a multiplier effect on creative cities' urban transformation.</p> <p>The influence of creative communities on the east area of Kyoto Station is already visible and tangible. The neighborhood has been organically upgraded with the repurposing of many historical buildings and houses. The area's layout has also diversified, integrating its traditional architecture and personality with new creative styles. This impact can be seen in the real estate prices in the neighborhood, when compared with other city areas (see chapter 3). Although there are many factors impacting real estate prices, the progression of the CBD and the Kyoto Station east area neighborhood suggests that the economic activity generated in these neighborhoods has increased, which in turn has attracted higher economic value activities and residents to those areas.</p> <p>The current stage of the west area is similar to the east area just before it started attracting the new community of creative talent, when rents were attractive to the young entrepreneurs that could not afford the CBD. Now, young creative talent is being drawn to the west area's affordable rents, connectivity through public transportation, and its proximity to the east area. The industrial connection to new expanding technology and creative entrepreneurial activities (technology manufacturing and food-tech), along with the presence of an active catalyzer in the area (Kyoto Makers Garage) with connections to the wider manufacturing and innovation ecosystem, and the presence of an innovative creative and artist-talent community builder (KAGANHOTEL), sets the</p>		<p>initial conditions for the transformation of the area. In addition, the city has been developing key revitalization projects of industrial facilities, providing the grounds for a more livable area and for service-oriented activity. Following the results in the east area, the city has taken a more active role in supporting the creative community beyond those revitalization projects. For example, it has provided support to Kyoto Makers Garage to spur its activities that connect traditional manufacturing companies with new technologies (such as digital fabrication) and creative communities. Today, the evolution and final transformation of the west area is unknown; it will depend on a series of factors to converge, as shown by the east area case.</p> <p>Insights for Practitioners</p> <p>Kyoto's experience in generating creative communities and neighborhoods—both through organic processes and prescriptive policies—highlights lessons learned that can help shape urban development strategies.</p> <ul style="list-style-type: none"> • Local economic development: An important lesson for any city with a rich cultural heritage is to preserve and cultivate its creative and cultural heritage. Kyoto observed a mixture of bottom-up and top-down approaches to building a creative city. In this case, the city government provided an enabling environment while creative spaces accelerated the development of creative communities. This range of approaches demonstrates that various elements can play a crucial role in shaping a creative city. • Urban transformation: Kyoto's government has multiple roles in ensuring that its neighborhoods flourish and attract creative talent. It has also evolved from playing a safeguarding role to that of an active enabler. Any city government can have myriad roles, including protecting the landscape and preserving cultural heritage, improving livability of neighborhoods, taking larger urban regeneration projects when appropriate, engaging residents in the transformation process, and providing strategic support to catalyzers. • Social inclusion: By actively engaging residents in the top-down transformation process, the city addresses residents' needs and provides additional value for them. The city also fosters synergies between creative areas and associated educational centers whose impact is felt beyond the academic sector, especially in urban transformation and generating creative talent. Creative community growth hinges on multisector partnerships, where stakeholders from across industries, and from different verticals within creative cities, can interact. 	
XII				



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The Role of Creative Cities in
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	<div><div></div><div></div><div></div><div></div><div></div></div>		
CHAPTER			
			
Kyoto: A Creative City			
16			

THE ROLE OF CREATIVE CITIES IN URBAN DEVELOPMENT

Approximately 60 percent of the world’s population will live in urban areas by 2030 (United Nations 2018). This rapid urbanization brings new opportunities for growth and prosperity but also it will give rise to an increasing number of development challenges. Poverty, inequality, environmental degradation, and social and spatial fragmentation, among others, could be magnified as urban populations grow. New approaches to building societies and planning cities are needed to stimulate, and to maintain, innovation, efficiency, livability, and inclusivity. Creative industries, and shaping urban spaces with creative assets, can help achieve these outcomes, often serving as the chief or key agents (Giovinazzo, Mercedes, and Williams 2019). As part of the process of activating and leveraging creative communities—the collection of organizations and individuals working in creative industries—as a catalyst for economic growth and city competitiveness, city administrators are working hand in hand with entrepreneurs, artists, and other creative professionals to help design and build creative hubs in the cities, in turn pioneering and systematizing new approaches to urban development (Garcia, Klinger, and Stathoulopoulos 2018).

With the appropriate enabling environment, this new approach could build creative hubs in cities that could become the local economic and social growth engines of the future—providing a new source of city competitiveness by accessing opportunities of the intangible economy in an integrated manner with urban transformation (van der Pol 2007; Haskel and Westlake 2018). A creative cities approach uses creative communities and industries to generate economic competition and dynamism in urban areas. In doing so, city practitioners can leverage available urban assets including public land; public facilities, such as city markets and libraries; and open spaces, such as parks (Florida 2012). These developments can further trigger private-led regeneration, leading to neighborhood-level spatial transformation. The UNESCO 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions—currently ratified by most countries around the world—recognizes the importance and relevance, both cultural and economic, of intangible and contemporary cultural expressions produced by artists and cultural professionals. In fact, cities that have achieved more than US\$20,000 per capita gross domestic product (GDP) have taken concerted actions to move toward higher-value creative services. To maximize this impact, government officials, practitioners, and relevant private and public stakeholders need the necessary tools and frameworks to guide their creative cities strategies.

The framework for cities, culture, and creativity, introduced in the forthcoming World Bank-UNESCO Position Paper “Cities, Culture and Creativity: Leveraging Culture and Creativity for Sustainable Urban Development and Inclusive Growth”, provides a succinct overview of the different players and characteristics that typically make up a creative city environment (figure 1.1). Broadly speaking, a mixture of creative assets, enablers, and specific impact outcomes are common in different creative city models. This framework can help policy makers and other stakeholders conceptualize the different entities that need to be engaged to build and grow creative cities.

Within this report we primarily focus on the second domain of the framework: enabler and articulate the different players that shape Kyoto’s creative community. The Kyoto case study provides a sound overview of the myriad individuals and organizations that contribute to a creative community, as well as how they intertwine and synergize with one another. In addition, though the recent developments in Kyoto’s creative industries have likely generated a range of impact outcomes, the case of the city’s train station, the main focus of this report, is still too young to demonstrate decisive measurable outcomes. As such, examining the different stakeholders involved in this process is most indicative of progress to date as well as future potential.



FIGURE 1.1
Framework for Cities, Culture, and Creativity

Source: World Bank and UNESCO

Impact of Creative Cities

When leveraged effectively, creativity can be a tool, as well as a strategy, for economic and social development. In fact, a growing body of literature on the orange economy, defined as “the production or reproduction, promotion, distribution, or commercialization of goods, services, and activities of content derived from cultural, artistic, or heritage origins” discusses at length the precise types of impact that creative and cultural industries can have (World Bank 2020). In particular, creative cities can contribute to three core impact areas:

1. Local economic growth: Today the creative economy contributes to 6.1 percent of the global economy, representing US\$4.3 trillion (Lorente 2016; UNESCO, n.d.; World Economic Forum 2018). This share is expected to grow as creative activities become further digitalized and technology-intensive, being absorbed in the expansion of the intangible economy. Although it is important to draw a distinction between digital and creative industries, a synergy exists between the two—as more businesses and processes become digitized, there is more potential for them to be scaled and to become more efficient, which will inevitably affect creative industries as well. Similarly, the creative and culture industries contribute roughly 30 million jobs (Ernst & Young 2015).¹ The creative economy is also important for youth employment: in countries including Ghana, Pakistan, Paraguay, Peru, and Uganda, youth account for at least 20 percent of employees in the creative and cultural industries. Creative industries often are connected to tourism; this combination, in turn, creates high – and low-skilled job opportunities. Tourism accounts for one in 10 jobs worldwide and contributes to around 10 percent of global GDP, with cultural heritage sites often serving as the focal points of tourism growth and job creation (Giovinazzo and Williams 2019; WTTC and Oxford Economics 2020). Cultural and creative activities also offer income opportunities to marginalized groups. For example, 34 percent of self-employed females work in the culture sector, and 20 percent of employed youth work in creative and cultural industries (CCIs) (UNESCO 2017). On the downside, creative industries—particularly those connected to tourism—can be substantially affected by economic crises and shocks, such as the ones created by the recent pandemic. How much they are affected varies across different creative industries, with those more integrated in the intangible economy less affected and even growing (for example, the video game industry). However, creative industries have proven to recover quickly after these shocks. For instance, creative industries recovered quickly after the 2008–09 global financial crisis with a growth rate of about 7 percent per year from 2002 to 2015 (Manchin and Stumpo 2014; UNCTAD 2018). As creative industries continue to transition to digital and intangible economy business models, this rebound effect may expand.

2. Urban transformation: Creative communities also can help restore previously neglected or deteriorated urban spaces (Ernst & Young 2015). For example, vacated buildings and underused plots of land can be repurposed rather than destroyed, thereby improving a city’s image, livability, and productivity (OECD 2015). Moreover, creative activities also serve to revitalize the local social fabric and to activate public space, integrating the local community and resulting in vibrant neighborhoods. As such, urban regeneration efforts and policies frequently target either inner-city declining neighborhoods or vacant land parcels (Ernst & Young 2015). In doing so, restored buildings and other real estate can generate new economic activity, and also galvanize further creative activity (UNESCO 2012). This method of revitalizing real estate can also help ensure that phenomena such as gentrification does not hinder social inclusion.

3. Social inclusion: Creative communities serve to restore the social fabric and to reskill the lower-educated population in the area they operate. In particular, when UNESCO examined the performance of orange sectors in 35 low – and middle-income countries, it found that more women than men are involved in creative and culture industries, and other marginalized groups were also prevalent (Hadisi and Snowball 2019). In addition, creative expression can support the social, civic, and political empowerment of marginalized groups by fostering a shared sense of culture and a respect for their cultural rights and freedom of expression (UNESCO 2018). Creative cities often carry a defined identity, rooted in both tangible and intangible cultural practices that encourage feelings of belonging and social cohesion (Council of Europe 1997). For example, by empowering vulnerable or marginalized groups, creative industries can engage a range of citizens, fostering inclusion in the process (UNESCO 2018). By the same token, this sense of inclusion can extend to the firm-level as businesses collect within thematic clusters, thereby promoting a common identity and purpose between entrepreneurs.



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Kyoto:

**A CREATIVE
CITY**

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CHAPTER					
	2	S			
Kyoto: A Creative City	S	S			
24					

KYOTO: A CREATIVE CITY

Kyoto embodies numerous elements of an archetypal creative city. It is home to many UNESCO heritage sites, and its society and economy fuse cultural traditions and its creative communities with global technology trends to shape its modern-day private sector and labor market. Japan itself has embedded creativity within its national policy agenda (Yoshimoto 2003). For example, the Ministry of Economy, Trade and Industry (METI) promotes the creative industries through its “Cool Japan” initiatives and strategies, a variety of initiatives that focus on enabling and disseminating Japanese culture globally (Japan, METI, n.d.). In addition, the Japanese Agency for Cultural Affairs established the Creative City Network of Japan (CCNJ) in 2013 as a platform to promote cooperation and exchange among creative cities in the country and globally. Kyoto is an active member of CCNJ—Kyoto City is a member and in 2020–21 Kyoto city officials serve as the secretariat of CCNJ. Kyoto finds itself at the heart of Japan’s creative culture and it is the country’s cultural capital (Lewis 2016).

The city’s industrial policy also aligns with its creative city vision. The Kyoto City Industrial Strategy Vision (2016–20), the city’s key industrial development policy, emphasizes the need to create new value by utilizing local creative assets such as religion, culture, and academia, and by clustering populations within which these assets and institutions work together (Kyoto Association of Corporate Executives 2018). Similarly, the 3rd Kyoto City Traditional Industry Revitalization Plan 2017–26), focuses on safeguarding traditional industries while simultaneously updating them by infusing them with new technologies and innovative processes. In addition, two future events will substantially augment Kyoto’s creative industry and community. First, Japan’s Agency for Cultural Affairs plans to relocate to Kyoto from Tokyo in 2021. And second, the Tokyo 2020 Olympics and Paralympics (postponed until 2021 because of COVID-19), will deepen global access to Japanese culture, and Kyoto is expected to play a prominent role in it.

FIGURE 2.1
Kyoto by the Numbers

DEMOGRAPHY
& ECONOMY

Size of workforce (2016)
750,000

Area
828 km²

Population
15 million

GDP (2015)
¥6.3 trillion

Main industries
Manufacturing (electrical equipment, transport equipment, precision equipment, textile and chemical industry, traditional industry), real estate, retail, and wholesale.

Number of tourists (2018)
53 million/year

Tourist expenditure
¥1.3 trillion

CREATIVE
HISTORY

Japan's former capital
and the emperor's
residence from
794-1868

World-renowned
TRADITIONAL
ARTS

Also, it is the force behind
the rise of many advanced
technologies and globally
renowned companies.

Kyoto was destroyed
by wars and fires,
but countless temples,
shrines, and other
historically priceless
structures survive
in the city today.

CREATIVE
INDUSTRIES

STRONG
manufacturing
skills & niche
enterprises

16-18%
of all private
enterprises

Kyoto's creative industry accounts for
approximately 16 to 18 percent of all
private enterprises, and employs 10 to
12 percent of all employees in the city.
These companies have their origins
in traditional arts, entertainment, and
cultural industries, fusing local economic
innovation, traditions, and people.

10-12%
of all employees
in the city

Kyoto is aiming
to become a
major technology
cluster, attracting
technology-related
companies to the area
and fostering new
venture businesses.

A well-known
tourist destination
¥1.3 trillion
Tourist revenues
in 2018 (new record high)

Local economic development: Kyoto's creative industry accounts for approximately 16 to 18 percent of all private enterprises, and employs 10 to 12 percent of all employees in the city.² In fact, the percentage of creative enterprises and professionals is higher than the average contribution of any one industry nationally, which stands at 4.4 percent and 3.2 percent for private enterprise and employment contribution, respectively.³ Typically, companies in Kyoto's creative industries have their origins in traditional arts, entertainment, and cultural industries, fusing local economic innovation, traditions, and people. Many companies based in Kyoto evolved from traditional industries to globally renowned companies (such as Nintendo, Kyocera, and Omron, among others). As the creative community in the city has grown, it has attracted diverse skill sets, and the academic institutions in the city have played a significant role. Kyoto is home to several of the finest universities in Japan, including the universities of Kyoto, Ritsumeikan, and Doshisha for sciences and social sciences, and several art schools. About 10 percent of the city's citizens are students, and many of them are international.⁴ Also, many of these universities have strong links to the city's start-up community, which is integrated in the Kansai⁵ ecosystem—the second largest start-up hub in Japan. The city's start-ups also have had a key role in preserving Kyoto's history of craftsmanship and in the evolution of the city's traditional industries into pillars of a modern creative city, most notably through uniting technological innovations and historic cultural practices (Lewis 2016).

In addition, Kyoto is a well-known tourist destination, with the number of tourists visiting increasing in recent years. In 2018, tourism revenues reached approximately ¥1.3 trillion (US\$12.3 billion) and renewed the record high (Kyoto City Industry and Tourism Bureau 2018). And, between 1995 and 2018, the number of tourists to Kyoto increased by more than 15 million (35.34 million to 52.75 million) (Kyoto City Industry and Tourism Bureau 2018).

Also, the local government supports start-ups in the manufacturing and life sciences fields through financing, sales assistance, and incubation. In addition, it supports artists and other creative professionals by providing them with training opportunities, trade fairs, work spaces, and financial support programs.

Creative
Industries'
Impact in Kyoto

Urban transformation: Kyoto City has faced urban challenges common to many Japanese cities, including a shrinking and aging population, and an increasing number of buildings that have been abandoned. An additional challenge to maintaining tradition in the city has been the decrease in the number of machiya⁶ houses, which symbolize Kyoto's history and culture (Twaronite 2016). Kyoto's urban masterplan states its future vision as a "city inheriting its history and tradition and creatively utilizing them" (Eiweida and Okazawa 2018). This plan has led to various initiatives to protect and nurture historical streetscapes and landscapes by setting regulations on height and design and utilizing historical and cultural assets (such as machiya houses) for creative projects. The themes of preservation and of building an urban area that exists in harmony with the local natural environment, to attract local citizens, tourists, and businesses, and in general to stimulate communal activity, is prevalent in Kyoto's urban policies (Kyoto City 2012). The city's masterplan has three priority areas: regenerate the historic city core with traditional religious buildings, preserve the surrounding mountainous areas and other green spaces, and regenerate the urban area (Kyoto City 2012). The city offers a set of urban development tools within the urban planning system, policy and legal framework, and financial schemes to best direct interventions in these three priority areas. In recent years, the city has been active in repurposing public facilities and building new tourist attractions. For example, former Kyoto Central Telephone Company has been transformed into the globally known Ace hotel; and former elementary schools have been transformed into manga museums and social welfare facilities for elderly and vulnerable populations.

Social inclusion: The Higashiyama Artists Placement Service is a nonprofit organization established in 2011 as part of the Creation of Young Artists' Living, Production, and Exhibition Space project, under the 2007 Kyoto Cultural Art City Creation Plan. The organization supports Kyoto-based artists by providing them with studio and exhibition space, affordable housing, and industry networks. In 2017, one objective in the second Kyoto Cultural Art City Creation Plan was to nurture Kyoto's citizens' appreciation of culture and art. To this end, the city created art and cultural projects for the local community, and in doing so promoted social inclusion. In addition, the Machizukuri Otakara Bank system is an initiative that promotes participatory action to solve social issues in collaboration with the city government, initiated through citizen proposals that tackled specific community-level challenges. The program began soliciting proposals for projects in 2014, and the number of registered proposals reached 280 by 2017. Many of the projects involve fusing a social inclusion agenda with art and culture, such as using cafés as workplaces for elderly individuals, revitalizing the local district with art events and workshops, and reusing vacant buildings as welfare facilities.

Examples of creativity, and how it can be used as a tool for development, regeneration, and inclusion are numerous throughout Kyoto's history, as well as its modern-day activity. The case of the area surrounding Kyoto Station, a major transportation and railway hub, is particularly telling of how the city's creative communities are currently taking shape organically, as well as how the local government and private sector are seeking to intentionally replicate this experience to grow these communities. For example, after various financial crises in the past 20 years, the area to the east of the station has experienced an influx of creative talent, which has led to the organic development of its creative community. Now, the city is seeking to replicate this experience in the area to the west of Kyoto Station. In addition to providing an example of how creative communities form, the station's case also offers insight into both organic and intentional approaches to building these communities.

A photograph of a traditional Japanese street in Kyoto. The street is paved with large, irregular stone slabs and features a wide set of stone steps. On the left, there are traditional wooden buildings with tiled roofs and sliding doors. One building has a display of oranges outside. Two women in the foreground are wearing kimonos; one is white with red floral patterns and a red obi, and the other is red and white striped. They are walking down the steps. In the background, two more people in kimonos are walking away. The sky is overcast.

3

Kyoto's

CREATIVE COMMUNITIES

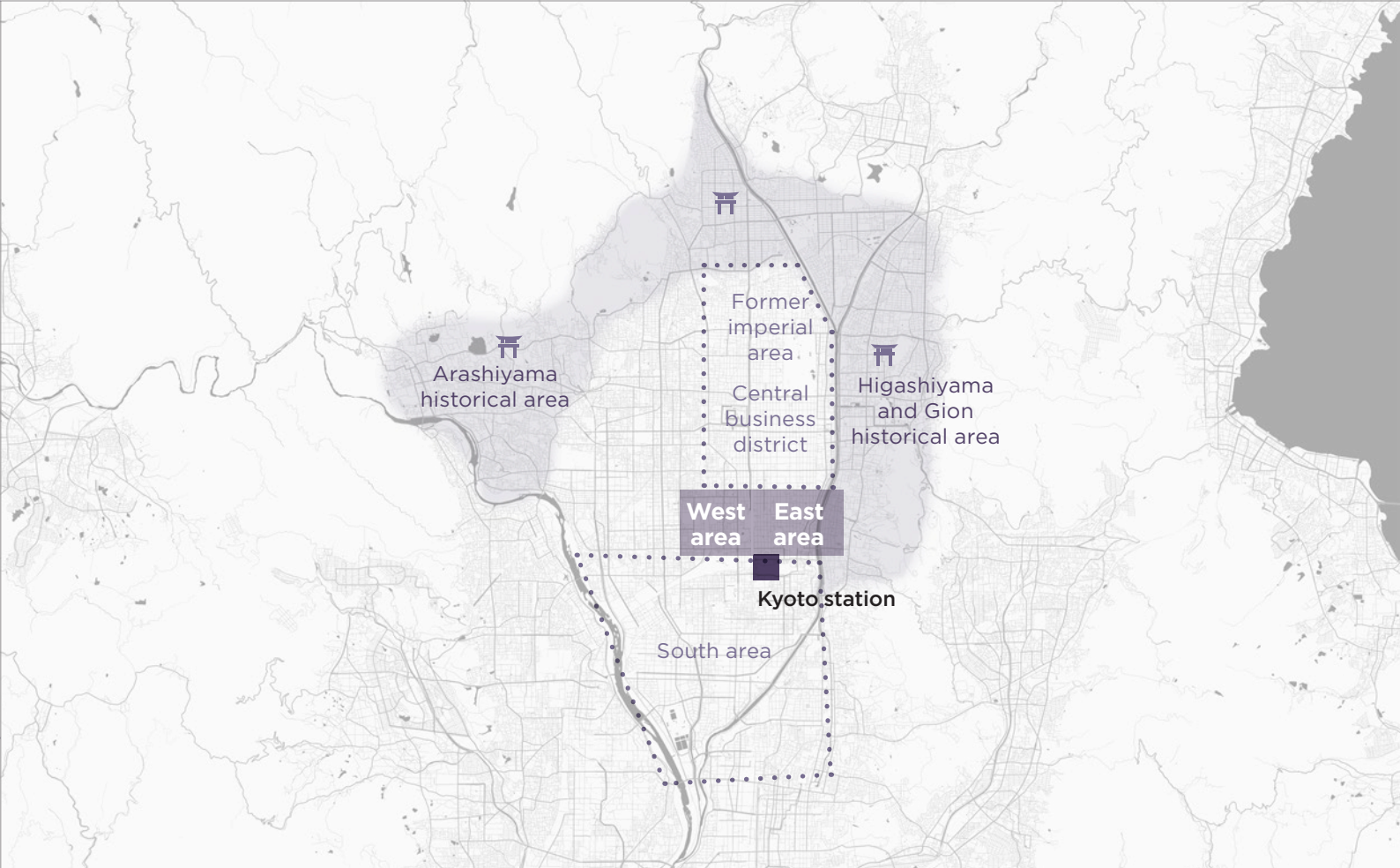
and Neighborhoods



KYOTO'S CREATIVE COMMUNITIES AND NEIGHBORHOODS

Kyoto's traditional industries are the foundation of the city's modern-day creative communities. These industries are spread throughout the city, but they are primarily around historical neighborhoods that are home to clusters of temples and shrines that attract local and foreign visitors (see figure 3.1). In the 1990s and early 2000s, the landscape of creative industries and talent in the city began to diversify with the advent of the digital economy.⁷ Digital businesses began to emerge in the city and by 2010, with the boom of urban technology ecosystems worldwide, new and prominent technology start-ups were opening offices in Kyoto's business district. This early technology start-up ecosystem created the first generation of community spaces (Mulas, Nedayvoda, and Zaatari 2017) based on the coworking model (for example, Impact Hub)⁸ that emerged in many other preeminent urban start-up ecosystems, like New York, Berlin, and London.

FIGURE 3.1
Kyoto's Historical and New Creative Neighborhoods



BOX 3.1
DUMBO NEIGHBORHOOD
IN NEW YORK CITY

A Case of Urban Transformation by
Creative and Entrepreneurial Talent

Kyoto Station’s urban transformation is similar to that of other transformations prompted by the new wave of technology entrepreneurs and creative talent that emerged globally following the Great Recession in 2008–10. One of the most notable examples of these urban transformations happened in New York, a city that went from having very few technology start-ups to becoming the second largest start-up hub in the United States in less than 10 years.

The Kyoto Station area has some of the underlying characteristics of the DUMBO (Down Under the Manhattan Bridge Overpass) neighborhood in New York—a depressed area, buildings with traditional architecture, and easy access to transportation hubs. DUMBO is a prime example of urban transformation driven by a new wave of artists and technology start-ups. Although the cases are different on many levels (for example, DUMBO is part of a global megacity) the case of DUMBO helps illustrate how creative and technology communities have influenced the urban transformation of depressed neighborhoods.

In the early nineteenth century, the area making up today’s DUMBO neighborhood was a manufacturing center and transport hub for steam ferries crisscrossing the East River. The decline of manufacturing in the middle of the twentieth century led many companies and workers to leave the area. However, as early as the 1970s, the neighborhood started to attract artists—the river front warehouses and high lofts were a major attraction to artists priced out of the Manhattan market. In the late 1990s, a new wave of creative talent and technology entrepreneurs started to arrive, but it was not until the 2010s that this group was large enough to radically transform the area into what it is today: the core of the New York technology ecosystem and one of the world’s leading technology and creative hubs.

Today, the DUMBO neighborhood has a thriving art and technology entrepreneurial scene. In addition to numerous art galleries, the area is home to the New York Media Center and the New York Foundation for the Arts. More than 10 Michelin star-rated restaurants and numerous coffee shops and coworking spaces populate the neighborhood. DUMBO also has a vibrant face-to-face social network scene catering to creative and entrepreneurial talent. Events are organized by start-up facilities, special event organizations, and others. The neighborhood hosts numerous incubators, accelerators, and meetup spaces, with constant events taking place. This mix of amenities and events creates an urban vibe that is hard to replicate and attracts creative and entrepreneurial talent. “Today’s innovators thrive on collaborative and inspirational environments. Companies want to locate in places where the local vibe will entice talent and encourage employee retention.”

DUMBO was able to undergo this transformation while maintaining its urban landscape and historical character and architecture. Many of the new spaces are built through adaptive reuse and the preservation of existing historic buildings, mixing new architecture and uses with the historic character of the original spaces. The city granted landmark status to this area in 2007.

Although New York City is home to multiple neighborhoods and industries that demonstrate its creative culture, DUMBO is unique in that it has served as a gathering point for multiple industries and types of professionals, which has led to discernable economic development in the surrounding area. In this regard, the DUMBO case is an example of how creative communities can have a focused impact on specific neighborhoods, which inevitably adds to development outcomes at the city level. Put differently, understanding the value that creative cities bring can be observed at the neighborhood level as well as throughout a metro area more broadly.

Building on this foundation of creative talent and following the global spread of technology and the intangible economy across sectors—including the emergence of the FAB movement—by 2015 Kyoto started experiencing a new wave of creative industries that was connected to the traditional creative industries and activities of the city. These new creative industries were a mix of traditional creative industries, new technologies, and intangible economy business models, resulting in similar ecosystems and urban revitalization dynamics that occur with technology start-up ecosystems (for an example of such dynamics, see box 3.1) (Mulas, Minges, and Applebaum 2015). The Kyoto City has leveraged this phenomenon for urban revitalization, with specific revitalization plans and actions for areas in need of restoration. The following section analyzes the impact of this new wave of creative community formation in Kyoto, which has concentrated in the neighborhoods north of Kyoto Station, specifically its east and west areas.




The new wave of creative communities in the station area has taken place in two neighborhoods: the area east of the station and the area west of the station (see figure 3.1). While the east area has experienced a higher degree of creative community activity—with a large established community of creative talent and industries and tangible impact in urban revitalization—the west area is still developing. Because these two areas are in different stages of development, they provide a sound case study of how creative communities emerge and grow and of their spillover effects on urban revitalization and social inclusion. The east area was first to benefit from the development of the technology start-up community in the central business district (CBD) area, and the search for new creative talent for lower-rental neighborhoods with appropriate conditions; the west area is now benefiting from the east area’s success and from the spread of creative and technology start-up communities to new industries (for example, digital manufacturing, food-tech, etc.), for which the west area is more suited.

Emerging
Creative
Neighborhoods
Kyoto Station Area

The spread and growth of the creative community in each area occurred organically, following a similar pattern experienced by cities across the world (see box 3.1). One of the main growth drivers in these communities are the creative spaces that serve as clusters, connectors, and feeders. These spaces take on different roles that are crucial to every stage of the community’s development. Specifically, the three main roles are that of a catalyzer, amplifier, or contributor (table 3.1).

Understanding the role and the impact of these spaces is critical for developing creative communities in neighborhoods. Figure 3.2 shows the spatial distribution of these spaces in the two Kyoto Station areas and how the creative communities cluster around them, driving the urban revitalization impact in each area while serving as an anchor for creative industries. (See chapter 4 for a detailed analysis of the impact these spaces have on the urban transformation process.)

TABLE 3.1
Roles of Creative Spaces

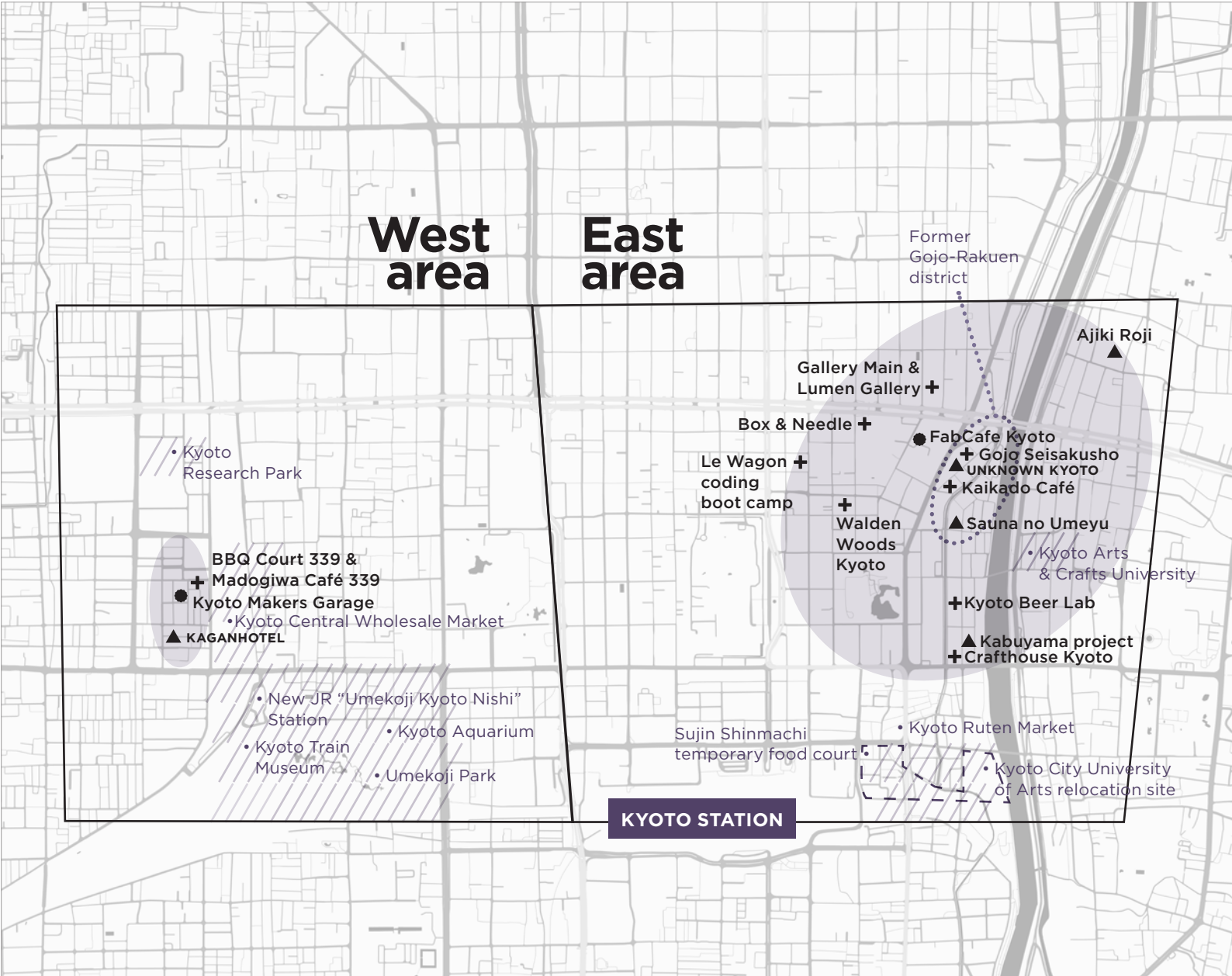
ROLE	DESCRIPTION	EXAMPLE
<div>CATALYZER</div> <div></div>	Catalyzers of the creative community are organizations that have an influence on creative people, businesses, and surroundings. They are trendsetters with catalytic force and can be drivers of the local creative economy, building more inclusive, connected, and collaborative creative communities. These organizations tend to spur innovation and knowledge transfer within creative societies and across other sectors of the economy. Catalyzers play a critical role in the integration of the creative economy with the economy at large.	FabCafe (east area) – page 96 Kyoto Makers Garage (west area) – page 160
<div>AMPLIFIER</div> <div></div>	Amplifiers leverage the traditional arts and culture and create intangible creative capital. Though they may not be leaders in innovation and industry transformations, they are highly invested in modernizing and repurposing traditional buildings and art forms. They also play a key role in building creative communities, bringing together people associated with arts and cultures, and promoting local traditions and cultures. If catalyzers are the fire, then amplifiers are the fuel.	Ajiki Roji (east area) – page 102 KAGANHOTEL (west area) – page 166
<div>CONTRIBUTOR</div> <div></div>	Contributors add to the inventory of creative assets in the area along with economic, social, and cultural value. Their impact may seem insignificant on stand-alone basis but collectively they can have a large influence. In Kyoto, these spaces are shops selling traditional goods and crafts, cafes, coding boot camps, or art galleries. The presence of contributors adds creative character to the area. Most of these spaces’ buildings have undergone repurposing.	Box & Needle (east area) – page 120 Barbeque Court 339 and Madogiwa Café 339 (west area) – page 172

Note: Detailed examples of the roles are provided in chapter 4.
A catalog of these spaces is provided.

FIGURE 3.2
Creative Spaces and Related Public Spaces in Kyoto Station Area

Source: World Bank data.

- Creative Neighborhood
- Public/community regeneration areas/spots



Kyoto’s government has not been a passive actor in these developments. On the contrary, its role has been critical, from setting the conditions and preserving and protecting the creative capital of the city (see chapter 2) to actively catalyzing urban transformation and communities through strategic and targeted interventions. Although the city’s approach did not initially follow a master plan in these areas to transform them into creative neighborhoods, the overall vision of the city has allowed Kyoto city departments to be coordinated internally and externally with the organic community, and it has allowed them to leverage policy interventions to support urban transformation and creative communities. This coordination resulted in amplified and tangible impacts. As creative communities developed, the city incorporated them into its visions and plans for Kyoto Station.

Kyoto City followed a three-pronged approach. First, it created an enabling environment through policies and growth strategies for creative industries, and it created a livable environment for citizens, while safeguarding the traditional culture and landscape of the city. Second, the city government helped to revitalize the east and west areas through strategic interventions and flagship projects such as Kyoto City University of Arts’ relocation, opening of the Umekoji Kyoto Nishi Station, and Umekoji park development. These efforts helped to attract key catalyzers and creative communities. Finally, Kyoto City has started providing targeted support to key catalyzers across sectors and communities, such as Kyoto Makers Garage (KMG).

The city has not consistently deployed all of these policy approaches (see chapter 5 for a timeline of these policies). Though initial support to catalyze urban revitalization is preeminent and mainstreamed, boosting catalyzers is a nascent practice that is just emerging and may not apply throughout the city because it was the initiative of the New Industry Promotion Office, the department supporting start-up ecosystems and not the initiative of the department in charge of the urban revitalization plans.

TABLE 3.2
Kyoto City’s Policies
Support Creative
Neighborhoods
and Communities

APPROACH	POLICY EXAMPLE	IMPACT
FOUNDATIONAL SUPPORTING ROLE	<ul style="list-style-type: none">Kyoto City Industrial Strategy Vision (2016–20)2nd Kyoto Cultural Art City Creation Plan (2017)3rd Kyoto City Traditional Industry Revitalization Plan (2017–26)	Preserves creative and cultural capital, enables and fosters development of creative talent and communities, and provides the guidance for coordination
CATALYZING URBAN REVITALIZATION	<ul style="list-style-type: none">Kyoto City University of Art Relocation Basic Plan (2015)Approach of Kyoto City toward Rehabilitation of Umekoji Park (2019)	Catalyzing urban revitalization by attracting creative communities through accessibility, livability, or new key amenities
BOOSTING CATALYZERS	<ul style="list-style-type: none">Machizukuri Otakara Bank system (funding Kyoto Makers Garage) (see page 29)	Boosting key catalyzers to accelerate their impact on building and growing creative communities

FIGURE 3.3
Strategic Districts
around Kyoto Station
and Kyoto City's
Government Policies

Future vision

Creation of New Vitality
by connecting variety
of colorful local assets.

Local assets

Historical sites, Kyoto Research
Park, Umekoji Park, Central
Market, Train Museum, Aquarium,
Food Museum, Shopping street.

Future vision

Symbolic area of
"Art & Cultural city Kyoto".

Local assets

Historical sites, Nature along
two rivers, Art universities,
Agglomeration of
artists, creators,
and traditional craftsmen.



● Key projects

Note: The geographic boundaries of the
areas of the specific Kyoto city policies
are broader than the areas of focus
of this study depicted in this map.

Future vision

Urban regeneration with
theme of "Art & Culture"
and "Young generation".

Local assets

Nature along two rivers,
Underutilized land.

As the east area developed into a creative neighborhood, and the creative community flowed to the west and the south of the station, Kyoto City's local government took on a more active planning role. The city incorporated creativity, arts, and culture in neighborhood plans for those three areas, creating a collective future vision for the larger Kyoto Station area. This vision would generate a new cultural hub for the city by (a) merging art and cultural activity with industry, (b) creating jobs, (c) increasing the flow of people domestically and internationally, and (d) allowing for the coexistence of art, culture, and the city (Kyoto City 2019a). If this combined vision is fully achieved, it will result in a new large cluster of intangible economy activity in the city that is linked to its traditional creative industry and cultural and heritage traditions (see figure 3.3).



**EAST
NEIGHBORHOOD**

Growth and Development of Kyoto Station East Area

as a Creative Neighborhood

After the economic recession, which was triggered by the 2008 financial crisis and the 2011 Great East Japan earthquake, Kyoto experienced a growth in technology start-ups that was similar to the growth of other urban start-up ecosystems that had emerged across the world at the time. This growth resulted in an increasing number of start-ups in the CBD area. As this ecosystem matured and the economy recovered, rents in the CBD area increased, pushing some of the entrepreneurs and creative professionals to other areas of the city.⁹ The east area of Kyoto Station had the proper characteristics to attract this population. First, it is located not far from the CBD, where the main cluster of mature start-ups and creative communities were located. Second, it had lower land prices and more affordable rents. Third, it had historical appeal with its traditional architecture, cultural heritage, and picturesque streets, which was especially attractive to creative talent. In its history, the east neighborhood hosted several tea houses and geisha houses, some of which remain today. Unique “café architectures” that were built after World War II are creating nostalgic streetscapes and distinctive neighborhoods with strong identity and history.

As the creative community migrated into the neighborhood, local artists and creators began to repurpose the historic and traditional buildings for various uses such as cafés, artist residencies, microbreweries, or guest houses, which gradually helped to form a creative neighborhood (see figure 3.2). Creative spaces began opening in the early 2000s, and they became prominent after 2014, when the process accelerated (see figure 3.4). By 2017, FabCafe—a globally connected community space with strong links to the technology and creative ecosystems—moved from the CBD area to the Gojo area, incentivizing several other artistic cafes to open. By 2019, with the opening of UNKNOWN, the east area had an established community with multiple spaces and clusters of networks reinforcing each other. FabCafe, as the main catalyzer that was supported by three strong amplifiers and numerous major contributors, made the area the “go-to” neighborhood for creative professionals, technologists, and new entrepreneurs in the creative and technology industries.

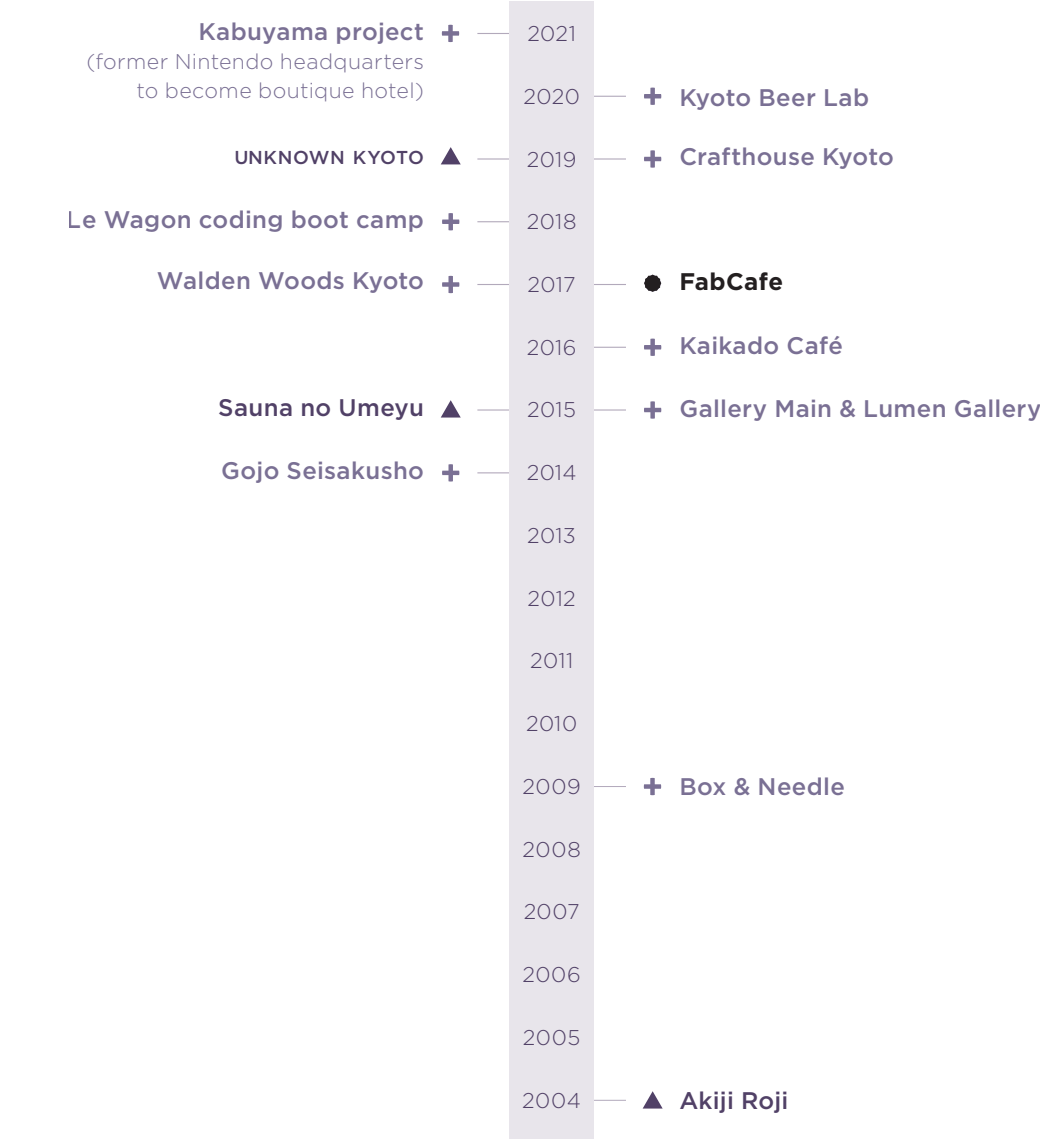
The development of this creative community was supported by Kyoto’s city government. As part of the development plan, the city pursued a catalytic project to relocate the Kyoto City University of the Arts to the south part of the east area. The relocation of the university, along with the opening of the Kyoto Arts and Crafts University Higashiyama campus in 2017, expanded the neighborhood for the incoming creative community, connected it directly to Kyoto Station, and introduced a flagship center of creative talent and knowledge.

Kyoto City University of the Arts is the oldest art university in Japan, dating back to 1880, with art and music as its two main areas of study. Originally, the university had separate campuses; they were combined into a single campus in 1980 when the university moved to the outskirts of the city. To encourage the university to move the campus back to the center of the city, the Kyoto government offered for it to relocate

to a spacious 38,000 m² area in the east neighborhood that at the time was occupied with aged corporate residences. The area selected was strategically located next to the station and directly connected to Higashiyama traditional neighborhood (see Figure 3.3) (Kyoto City 2015). The new campus will have an open design, with transparent work spaces, galleries, and libraries along the street, integrating the university into the neighborhood. The announcement of this decision, together with the opening of the Kyoto Arts and Crafts University Higashiyama campus, reinforces this area as a creative-friendly neighborhood (see timeline of Figure 3.4), which will increase the development of creative talent and new spaces in the area.

FIGURE 3.4
Timeline of Creative Spaces

- Catalyzer
- ▲ Amplifier
- + Contributor



Note: Chapter 4 and the catalog provide additional detail of these spaces and their specific role and impact in the process of developing creative communities and neighborhoods.

These projects are designed to ensure that the universities will integrate with the neighborhood both spatially and socially, which will be beneficial to the universities and will provide tangible value to the local residents and community. The local government involved the residents in project discussions and coupled this project with a parallel relocation plan for affordable housing within close proximity for those economically weaker residents.

In addition, the city developed temporary amenities during the construction period to support the local community and to include it in the creative transformation. This process included creating a food court for local residents, a local marketplace, and a farmers' market. Creative spaces in the area, such as Ajiki Roji and UNKNOWN Kyoto, offer spaces and amenities for budding artists and creators at a nominal fee, thereby nurturing creativity alongside inclusion (see chapter 4 for a discussion on the impact of creative spaces in the generation of creative neighborhoods). The city initiatives and creative spaces activities reinforced each other to naturally integrate residents in the transformation process.

In addition to the university projects, the city's heritage conservation and its promotion of tangible and intangible cultural assets play an essential role in the creative urban regeneration that supports the city's active interventions. Kyoto City has an extensive policy framework for protecting cultural assets and fostering adaptative reuse of traditional architecture (see chapter 2). This policy framework has led to many of the creative spaces, particularly in the Gojo district area, being built through the adaptive reuse of existing architecture (such as traditional machiya houses or cafés). This integration of Kyoto's heritage and creative spaces promotes a sense of belonging to the community, and at the same time modernizes the area by adapting to the contemporary context. This type of organic urban regeneration is unique to Kyoto, and results in a more organic transition of the neighborhood, connecting the old and the new while maintaining the historic streetscape and its charm.

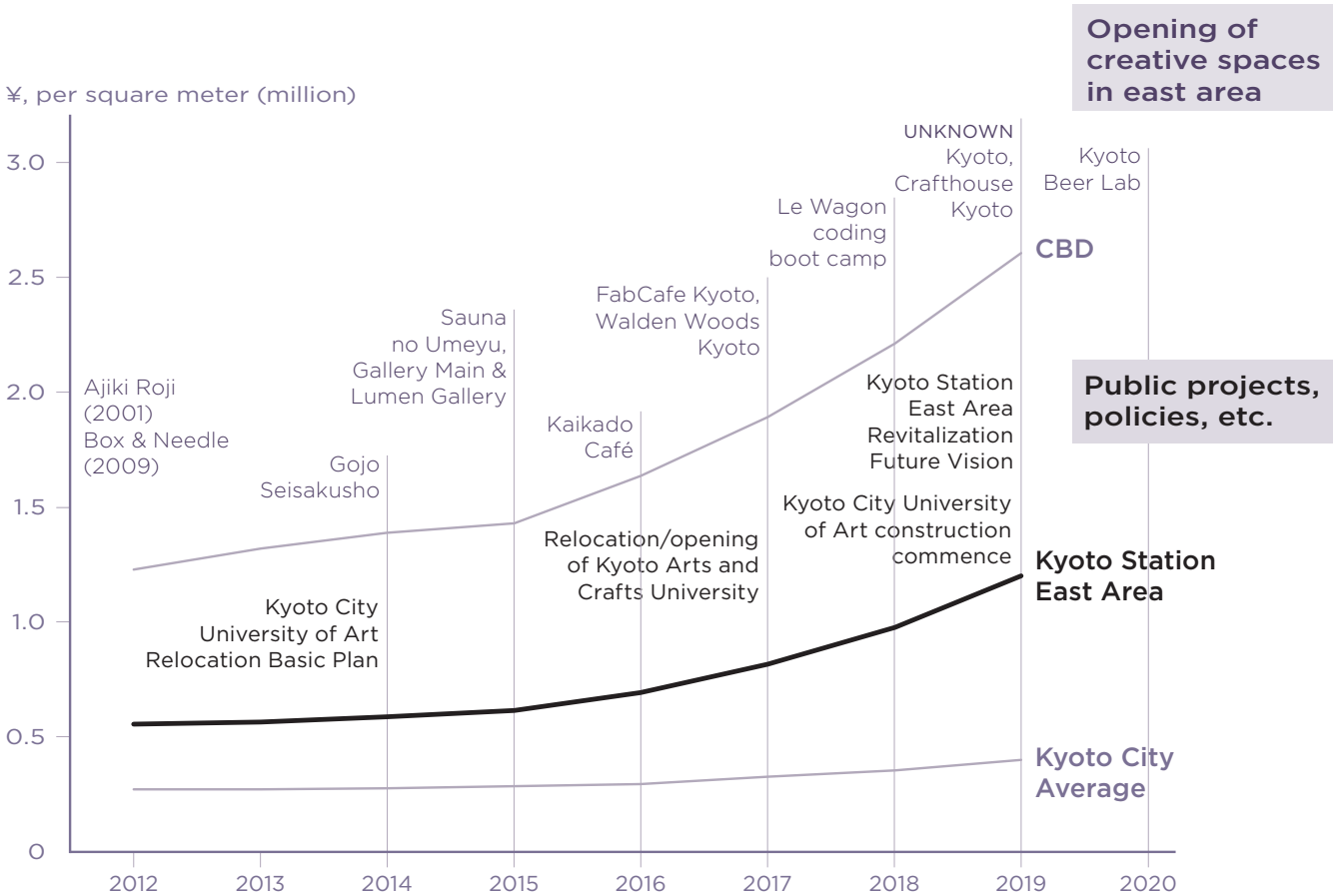
Impact at the neighborhood level

The urban transformation of the east area is ongoing, while the creative community grows at a rapid pace and expands to the west of the area and further south. However, the effects of creative communities are already visible and tangible. The neighborhood has been organically upgraded with many historical buildings and houses being repurposed. There are multiple creative spaces and new related businesses, including new cafés, coworking spaces, and beer gardens, which have created a lively neighborhood. The area's layout has diversified, integrating its traditional architecture and personality with new creative styles. Visible business activity combines existing brick-and-mortar business with new intangible economy activities (supported by the open community spaces, cafés, and coworking spaces).

Although it is difficult to assess the economic impact of the ongoing urban transformation of the east area because of the scarcity of relevant data, an analysis of real estate prices provides insight to the performance of this area compared with other city areas. Since 2010, when the rents in the area were at their lowest, real estate prices have increased 115 percent. Compared with the CBD area, the east is still more attractive in terms of rent—rent is about half that of CBD average rent. Though the CBD has experienced a greater increase in rent (130 percent in CBD versus 115 percent in the east), the pace of increase is very close in these two neighborhoods. Both areas have enjoyed a similar compound annual growth rate of about 12 percent since 2012.¹⁰ When comparing the average real estate prices of the city, the east area and CBD neighborhoods show a substantially greater increase from 2012–19, with a price increase factor of 1.8 times over the city average for the CBD area and a price increase factor of 1.5 times over the city average for the east area (see figure 3.5) (Japan, MLIT 2020).

FIGURE 3.5
Evolution of Real Estate Prices: Kyoto Station East Area, Central Business District, and Kyoto City Average

Source: World Bank data based on Japan Ministry of Land, Infrastructure, Transport and Tourism, Land General Information System database.



Although there are many factors affecting real estate prices, the progression of the CBD and the Kyoto Station east area neighborhoods suggests that the economic activity generated by these neighborhoods (and the jobs available to residents from these neighborhoods) has increased, which in turn is attracting higher economic value activities.

The CBD has seen an influx of technology start-ups and related intangible economy businesses in this area, with a mature ecosystem hosting offices of large successful Japanese unicorn-like valuation companies (that is, start-ups with a valuation of US\$1 billion or more), such as Line, Sansan, or Cyberagent, and global technology accelerators such as Plug and Play (Japan Property Central 2019). These businesses are competitive in the intangible economy and access global markets with network economies of scale, which results in higher and more rapid profitability than with traditional business models. Like the dynamics seen in other urban start-up ecosystems, such as New York, London, or Berlin, the influx of new technology start-ups with intangible business models results in higher real estate prices at the neighborhood level where the ecosystem is more concentrated.

A similar evolution of prices in the Kyoto Station east area suggests that the new economic activity produced by the creative community, which is also connected to the technology start-up ecosystem and intangible business models or a hybrid of these, is also increasing and resulting in high-value businesses and market access. This would be consistent with the nature of creative communities and intangible jobs, including freelancing and entrepreneurship, and the community spaces (such as cafés, coworking spaces) that have populated the area.

The areas influencing the ongoing transformation of the Kyoto Station east area are summarized in table 3.3.

TABLE 3.3
Areas Influencing Transformation of Kyoto East Area into a Creative Neighborhood

AREA OF INFLUENCE	DESCRIPTION
LOCAL ECONOMIC DEVELOPMENT	Increase of intangible economy businesses and employment through technology industries and related creative activities at the neighborhood and city level
URBAN TRANSFORMATION	Regeneration of the neighborhood, preserving historical and cultural heritage architecture and landscape, while activating the social fabric and economic activity of the area and producing a vibrant neighborhood.
SOCIAL COHESION AND INCLUSION	Integrating existing residents in the transformation of the neighborhood and co-creating spaces and amenities that serve existing and new communities, while providing connections for the two communities to organically interact and merge.



**WEST
NEIGHBORHOOD**

The Potential Development of Kyoto Station West Area into a Creative Neighborhood

In contrast with the east area, the west area of Kyoto Station has not developed into a creative neighborhood yet. Although it is experiencing some initial signs of creative activities (for example, exhibitions, events, workshops) and there is a nascent creative community—with a very active catalyzer, KMG, and a notable amplifier, KAGANHOTEL—the area is still an underdeveloped industrial mixed-use neighborhood, where traditional industrial market-related activity and machinery traffic prevail.

The west area is a good example of a neighborhood with the conditions and potential to develop into a creative neighborhood. The development of a creative community in the area is still uncertain and by no means given. Its future development and transformation depend on many factors, some of which can be influenced by the appropriate policies.

The current stage of the west area is similar to the east area when there was more underutilized land and the rents in the east area were attractive to young entrepreneurs and the creative talent that could not afford the CBD. With the east area maturing today, the young creative talent is starting to flow out of it in search of more affordable neighborhoods that appeal to this group’s creativity and community. The west area’s affordable rents, connectivity through public transportation, and closeness to the east area, provide some of the initial conditions to attract a creative community.

As with the east area (Kyoto City 2019a), Kyoto City has developed a revitalization plan for the west area of Kyoto Station, providing a framework to unify the diverse stakeholders of this neighborhood in a participatory manner (Kyoto City 2015b). In addition, the city has been developing key revitalization projects of industrial facilities in the area, to make the area more livable and appropriate for service-oriented activity. In 1989, the city redeveloped a large plot at the north of the neighborhood that had once hosted a gas factory and transformed it into Kyoto Research Park (KRP) with the goal of supporting small and medium enterprises by offering rental office and research spaces, and business support services.¹¹ In 1995, the city redeveloped the former Japan Railways dockyard in the southeast side of the neighborhood and transformed it into Umekoji Park, providing a large green space for the neighborhood. The public park has since been renovated several times—a public-private financed aquarium was added in 2012 and a train museum was added in 2016 (see figure 3.2) (Kyoto City 2019b)

The west area is also home to the Kyoto City central wholesale market, a hub of activity in the neighborhood that includes a constant flow of machinery and industrial carts across the streets. The market has diversified its activity over the years, establishing a sushi market in 2012, the Kyoto Food Culture Museum in 2013, and the KYOCA event space in 2014—expanding the market’s activities beyond food distribution and providing a cultural and event reference for Kyoto’s food culture.

In 2019, Japan Railways opened a new station beside the park, connecting the neighborhood directly to the city’s public transportation network. The new station proved a catalyzer for attracting creative and entrepreneurial talent. Two years earlier, KMG, an active catalyzer for connecting the technology and creative communities of the city and abroad, had opened. Barbeque Court 339 (BBQ 339), a beer hall also opened in 2017, followed by a coworking space Madogiwa Café 339, which opened in 2019. Also a notable amplifier, KAGANHOTEL opened in 2019. These spaces were the first cluster of a nascent creative community in the neighborhood.

BOX 3.2

SANTA CATERINA MARKET REDEVELOPMENT

Catalyzer for Neighborhood Transformation in Barcelona

Established in the late 1840s, Santa Caterina was a thriving market in Barcelona City. However, by the 1990s, the number of food stalls had diminished because of competition from new supermarkets. The Barcelona City Council—understanding the potential of markets in the overall development of the city, given their importance in the city’s architectural, social, and cultural identity—established the Municipal Institute of Barcelona Markets in 1993 to bring the administration, regulation, promotion, and future development of Barcelona’s markets under one body. This action was just the beginning of providing an enabling environment for the redevelopment of markets, which in turn was a catalyzer for Barcelona’s urban regeneration. To encourage economic and social returns, investments were made in the Santa Caterina market including restoration and renovation work, and the development of surrounding public spaces. The reopening of the Santa Caterina market in 2005—with 59 food stalls, a restaurant, supermarket, event space, new public square, and Wi-Fi—has had a positive urban transformational impact on the neighborhood.

On the basis of 2018 data, the market boasts 2.64 million visitors a year. Since its reopening, there have been no additional market stall closures. In the area around the market, new businesses have opened in retail premises that were previously vacant, and the surrounding streets are livelier and better lit, both of which improve safety. The cumulative economic impact of Barcelona’s market redevelopment is tremendous. Barcelona’s markets have a turnover of between US\$1.1 billion and US\$1.25 billion and employ about 7,500 people. They represent 30 to 35 percent of market share of the fresh food sold in Barcelona and 10 percent of the city’s commercial activity overall. In addition, the local community has directly benefited in the form of 59 new low-rent housing units for the elderly, as well as new public space and better waste management

Source: Inter-American Development Bank 2019..

The city has reacted to these organic developments and provided support to the area’s catalyzer, KMG, to spur activities that connect traditional manufacturing companies with new technologies (such as digital fabrication) and creative communities. This strategic support, if successful, could be instrumental in accelerating the growth of the area’s creative community. Although KRP has been operating in isolation—and has not been part of the neighborhood’s economic activity—KMG is connected with KRP and this connection may serve as a link to more integrated activities. In 2020, KRP launched the Open Innovation Club, to foster open innovation with Kyoto corporations, building links between it and the local start-up ecosystem. As the creative community evolves in the neighborhood, this program can serve as another connector between KRP activities and the creative community.

The city’s plans for the area include the rehabilitation of the wholesale market, which could be a catalytic project similar to the university reallocation in the east area (Kyoto City 2015b). Being central to this neighborhood, the market could spur new creative activity related to food and its interaction with technology (such as food-technology), creative industries (such as gourmet food, food culture, etc.), and tourism. The transformation and revitalization of these business models and activities has resulted in significant urban transformational projects across the world, including in cities such as Barcelona, London, and New York (see box 3.2).

Impact at the neighborhood level

The creative communities' influence in the west area of Kyoto Station is limited. Because the area is in the early stages of development, the creative spaces are clustered together, and they are only visible in a specific area of the neighborhood. Despite the early stage of development, the community spaces are drawing creative talent to their coworking spaces, maker spaces, and events. Except for KAGANHOTEL, which provides residences for artists, the other two types of spaces have not yet attracted permanent creative talent. This may change as the community evolves and if the neighborhood integrates further by connecting its strategic assets, particularly KRP and the municipal wholesale market, with the creative and entrepreneurial community (see chapter 4).

In the west area, most of the buildings are primarily functional because of the industrial nature of the area and, therefore, the west has less historical and architectural heritage to preserve. Interestingly enough, the community spaces located in this area have followed the same philosophy as those of the east area, repurposing existing buildings while preserving their key features. KAGANHOTEL was a former corporate residence for employees, BBQ 339 leverages the open space of the warehouse facility it is hosted in, and KMG makes use of the functional open layouts and building endurance to host its digital fabrication equipment and lab facility.

The analysis of real estate prices in the west area confirms the nascent stage of the neighborhood. From 2012–19, while real estate prices increased about 80 percent in the CBD and east of Kyoto Station areas, real estate prices increased about 33 percent in the west area—a smaller increase than even the one experienced by the whole of Kyoto City (46 percent). This difference confirms the continuity of the neighborhood's existing economic activity and real estate dynamics, and explains why the area is not yet attractive to outside stakeholders.

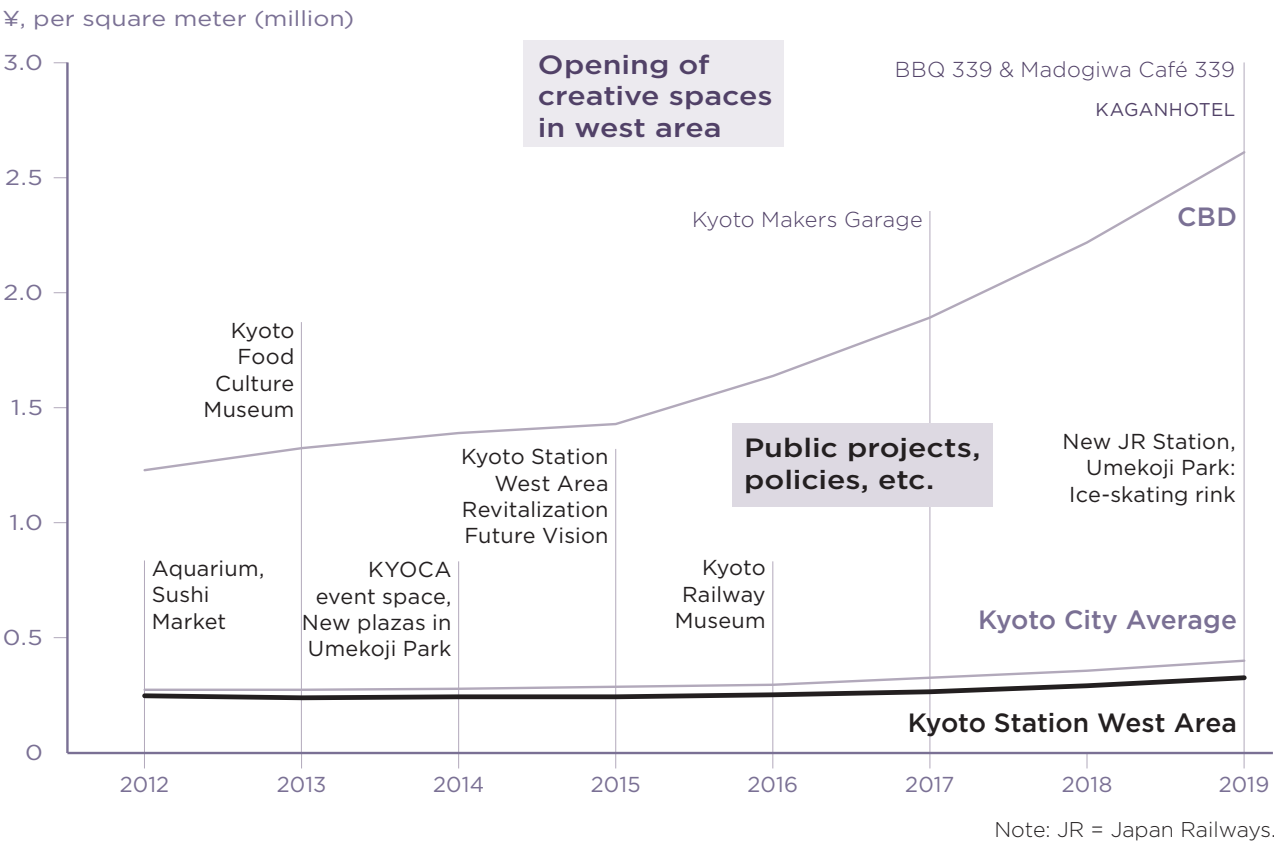


FIGURE 3.6
Evolution of Real Estate Prices
Kyoto Station West Area, Central Business District, and Kyoto City Average

Source: World Bank data based on Japan Ministry of Land, Infrastructure, Transport and Tourism, Land General Information System database.

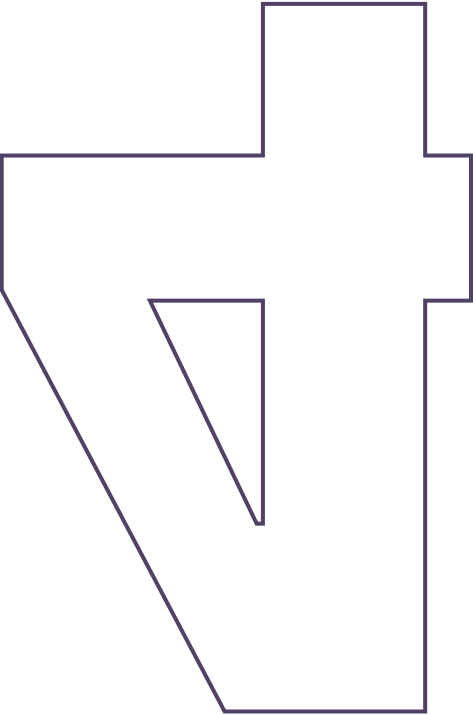


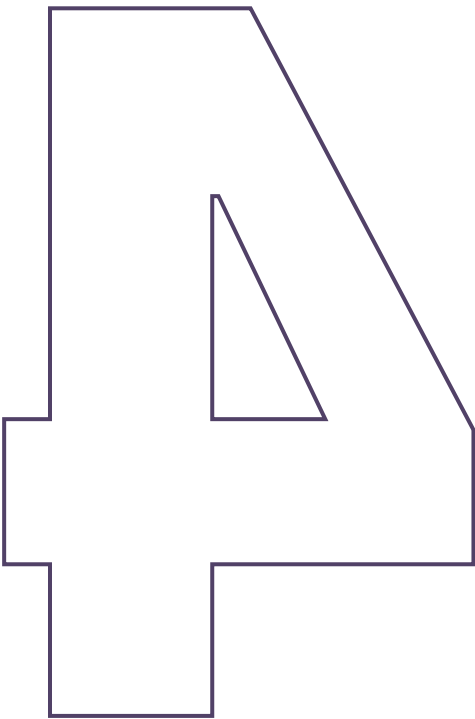
4

The Role of

CREATIVE SPACES

in the Transformation
of Kyoto Station
Neighborhoods



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CHAPTER			
			
Kyoto: A Creative City			
60			

THE ROLE OF CREATIVE SPACES IN THE TRANSFORMATION OF KYOTO STATION NEIGHBORHOODS

Creative spaces play a significant role in the generation of and sustainability of creative neighborhoods. Government and city policy can encourage and support the generation of these creative neighborhoods; but, without the organic development of an existing community, local economic development, urban transformation, and social inclusion effects will not be sustainable. Creative spaces serve as engines for the generation of these organic communities and their growth (Mulas, Nedayvoda, and Zaatari 2017). Understanding how these spaces operate, what conditions they need to grow and prosper, how they cooperate and grow in combination with each other, and how they interact with the urban space and the local residents’ social fabric is crucial for policy makers and practitioners that are interested in supporting creative neighborhoods in their cities.

This chapter provides an overview of the creative spaces that have contributed to the transformation of the Kyoto Station area. Although the transformation process is still ongoing in both the east and west areas, the patterns of and dynamics among these spaces provide insight into how they operate and interact with the transformative process.

This report studies the effect of 15 creative spaces, 13 of which are analyzed thoroughly. These spaces were handpicked on the basis of recommendations from members of the creative community. The spaces are some of the higher-profile organizations in the local community and they play a significant role in building and strengthening it. They bring together the different professions, mindsets, knowledge, and skills that foster community links. Whether they are well-established institutions or newcomers to the community, these creative spaces promote collaboration and networking. A detailed profile and description of each of the spaces is provided in the catalog.

As explained in the previous section, creative spaces operate in three roles: (a) catalyzers, (b) amplifiers, and (c) contributors (see table 3.2 in the previous chapter for a detailed explanation; example profiles of each role are available in the following section). Each of these roles supports, to a different degree, the generation, growth, and expansion of the creative community, with the catalyzer having the largest effect. However, it is when these spaces interact with and build on each other that their impact is greatest. The evolution of creative communities in the east and west areas of the station provides insight into how these spaces interact and the special role that catalyzers play in boosting the growth of these communities.

Impact of
Creative Spaces

on the Evolution of
Creative Communities in
the East and West Areas

As previously discussed, the new wave of creative communities in Kyoto started in the east area of Kyoto Station. Creative spaces appeared as early as 2004 with Ajiki Roji (see the catalog), which at the time served as an isolated enclave for artists in residence. Box & Needle (see the catalog) opened in 2009 and it also operated as an enclave with no community in the neighborhood. After 2011, young entrepreneurs and creative professionals began arriving in the area, and by 2014, the area started to build its community. From 2014–16, the east area had three collaborator spaces catering to creative talent (that is, Gojo Seisakusho, the art galleries, and Kaikado Café) and it had an amplifier, Sauna no Umeyu, which started developing a local creative community through its events and by attracting creative talent from outside the area. Although the community was still nascent and fairly limited during this time, the east area had started to be recognized as an area “to go” to for selective creative-related activities.

It is with this background that FabCafe and Walden Woods Kyoto opened in 2017. FabCafe (see the catalog) acted as a catalyzer and boosted the community from its nascent stage to maturity in less than two years. FabCafe served as a hub and coordinator for others spaces, which had a multiplier effect on the transformation of the area into a creative neighborhood. Walden Woods Kyoto (see the catalog), with its modern design and unique open space, added another creative amenity that confirmed the status of the east area. By 2019, the neighborhood had a new amplifier/catalyzer, UNKNOWN; and an additional collaborator, Le Wagon, an international coding boot camp provider. UNKNOWN and Le Wagon further connected the east area to the technology start-up ecosystem and the international community of entrepreneurs. Subsequently, Crafthouse Kyoto and Kyoto Beer Lab added to the area’s diverse group of collaborators. At this point, the community was already mature and talent began to relocate to cheaper areas west and south of Kyoto Station.

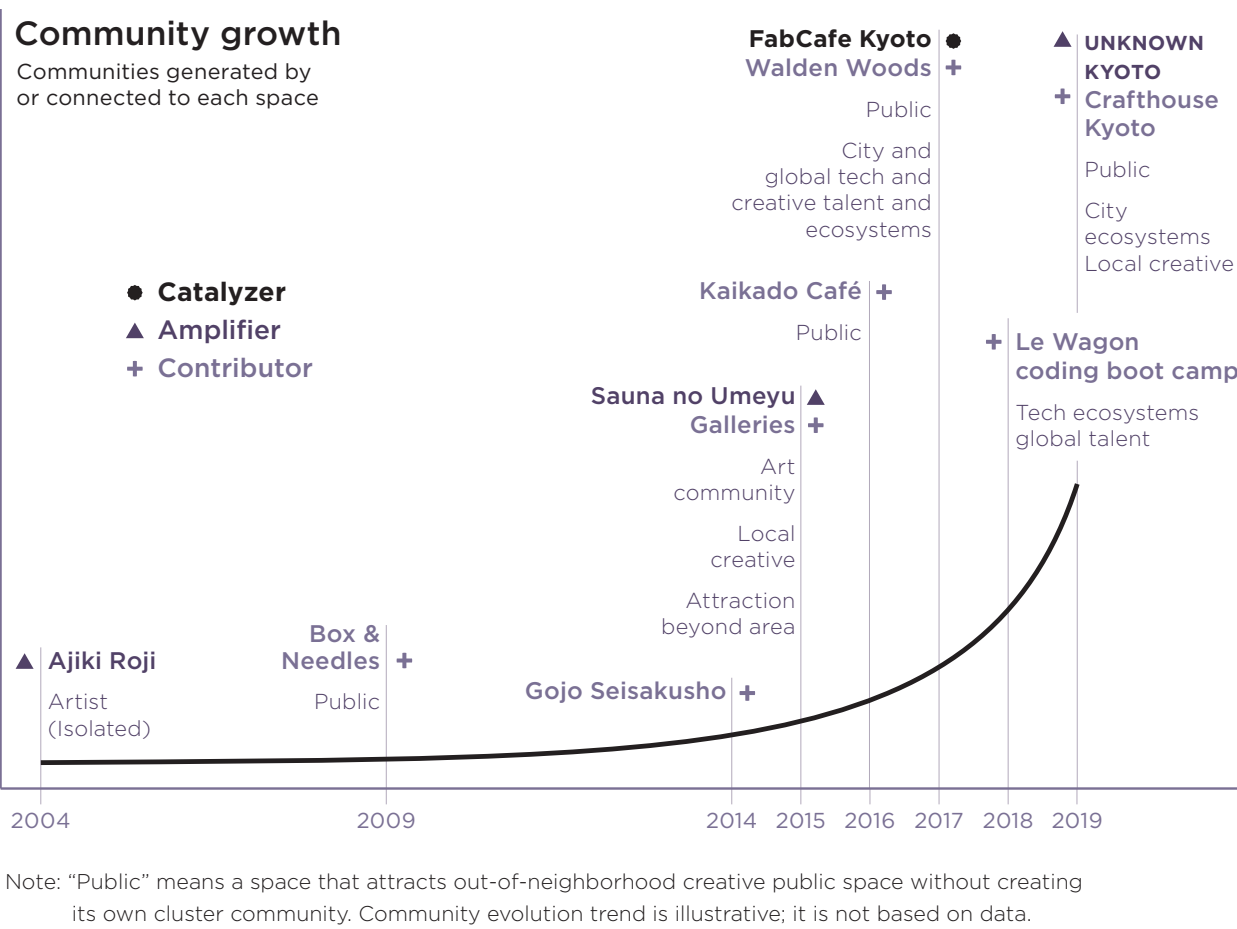


FIGURE 4.1

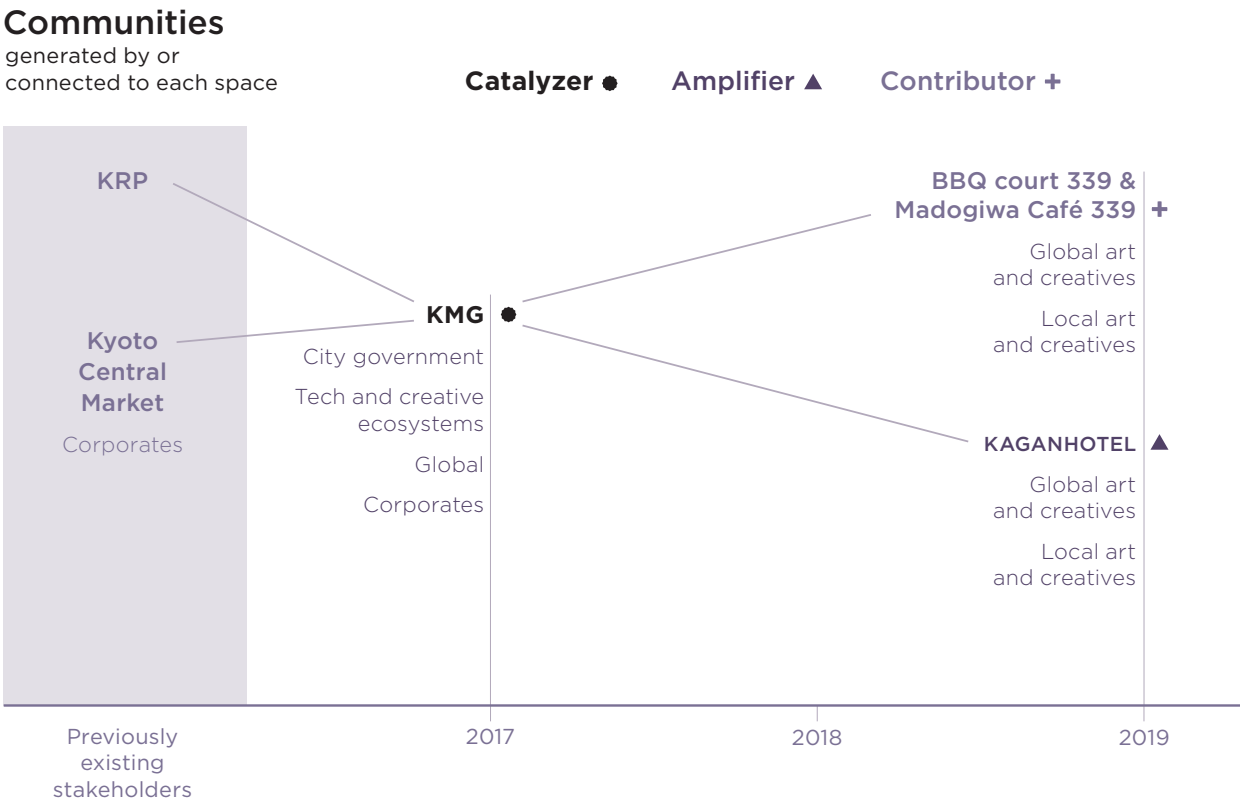
Impact of Creative Spaces
on Community Creation
in Kyoto Station East Area

Source: World Bank data.

Creative spaces in the west area appeared in 2017, when Kyoto Makers Garage (KMG) opened. In contrast to the east area, the west area's first space was a catalyzer, which helped to accelerate the development of the creative community in the neighborhood. As a result, new creative spaces were created including KAGANHOTEL and Madogiwa Café 339 (see appendix), and connections were made with technology and entrepreneurial communities locally, nationally, and internationally. The opening of KMG also strengthened links with the government of Kyoto City and Kyoto Research Park (KRP); KMG served as a conduit for coordinating public policy action in the transformation of the area and the integration of KRP in the neighborhood.

The west's industrial nature makes the area attractive to the community of makers—advanced manufacturing and tech-related entrepreneurs to which KMG caters. The emphasis on manufacturing differentiates this community in the west from the east area. Through its network of corporate manufacturing companies and start-ups, KMG can attract and connect KRP with open innovation activities, helping to integrate entrepreneurial activities in the neighborhood. Similarly, by connecting with the global technology and start-up communities, KMG can help attract the food-tech community and leverage wholesale market activities and its expansion toward innovation. Madogiwa Café 339 also collaborates with KMG, providing space for hosting the community of young entrepreneurs and creative professionals.

KAGANHOTEL also contributes to the community by hosting international and domestic artists in residence and conducting events and exhibitions. Although KAGANHOTEL operates similarly to how Ajiki Roji did in its early stage in the east area, KMG, a catalyzer, likely will integrate into the larger area faster than Ajiki Roji did in the east.



Note: As a catalyzer, KMG coordinates and connects to all spaces of the area, and links the community to the broader city and the global ecosystems that it is a part of.

FIGURE 4.2
**Creative Spaces
Community Creation
and Interaction in
the West Area**

Source: World Bank data.

Impact of Creative Spaces on the Generation of Creative Neighborhoods

In addition to the growth, expansion, and sustainability of the creative community in the neighborhood, creative spaces contribute to the transformation of the urban area in a neighborhood. Following the framework for cities, culture, and creativity (see chapter 1), this impact can be categorized into three areas: (a) local economic development, (b) urban transformation, and (c) social inclusion. Together, these impact categories represent the full range of a sustainable transformation and the integration of the local social fabric during the transformation process.

Table 4.1 summarizes each category of impact.

TABLE 4.1
Creative Spaces
Impact Categories

DOMAIN	IMPACT AREA	DESCRIPTION OF IMPACT
LOCAL ECONOMIC DEVELOPMENT	Support for innovation and industry transformation	Creative spaces can have a two-fold impact on innovation and industry transformation: (a) developing new ventures, products, and artistic processes; and (b) updating products and processes to meet evolving market demands. In addition to centers that offer tools such as 3D printers and laser cutters for testing ideas and developing innovative products, traditional industries of Kyoto that have modified conventional practices to new methodologies for contemporary consumers are also included under this category of impact.
	Skills development	These spaces contribute to the strengthening of skills and knowledge within creative communities and industries. Trainings, boot camps, and mentorship can all help improve productivity in creative industries. This type of impact is also closely linked to the strengthening of the intangible economy, where skills such as design, coding, art, and creation can contribute to the local economy.
	Global access and connections	Global connections can add an element of internationalization to creative communities. Spaces with such linkages can facilitate access to new ideas and opportunities. Moreover, talent and mindsets from abroad can be imported and adapted to the local context in Kyoto. The extent of global networks is also an indication of the scale of impact that creative spaces can have, providing access to global markets to entrepreneurs, businesses, artists, and makers in Kyoto.
	Enhancing intangible creative capital and mindset	These spaces or creative activities are instrumental in shaping culture, and the creative mindset of the artists, makers, and other individuals in the community. Hinging on cultural practices and expressions, knowledge, skills, and know-how, such as performance art, festivals, traditional environmental knowledge, and handicraft, ^a these spaces contribute in strengthening and expanding the sense of culture and creativity in neighborhoods and cities.

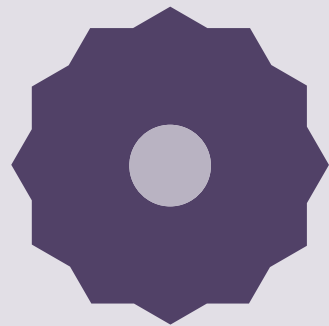
a. UNESCO 2003 Convention, articles 2.1 and 2.2.

DOMAIN	IMPACT AREA	DESCRIPTION OF IMPACT
URBAN TRANSFORMATION	Spatial transformation	These sites trigger the urban regeneration and revitalization of the area or neighborhood by attracting other creative sites or activities. Such sites have a positive influence on the area's image, promoting livability. These spaces affect not only the physical transformation of the area but can also contribute to building a safer and more inclusive environment.
	Adaptive reuse	This category includes the transformation of the building façade and architecture or structural changes to the creative spaces. These spaces modernize some features of the building to adapt to the contemporary context while still maintaining the original characteristics and heritage of the building.
SOCIAL INCLUSION	Creation of social fabric	Creative spaces' processes and activities provide opportunities to disadvantaged populations and local residents. Such activities could include workshops and training that foster skills development, cafes and other communal areas that bring different groups together, coworking spaces that forge professional connections, and residential units that support artists.
	Creation of value for and connection to local residents	Development of activities and events that cater to the needs (for example, local farmers markets, workshops for the elderly population) of the local residents and connect the residents with the new entrepreneurial, creative, and artistic activities in these spaces.

Table 4.3 presents the impact categories that the creative spaces in the east and the west areas have contributed to or have the potential to contribute toward.

TABLE 4.2
Overview of Key
Players in Kyoto's
Creative Communities

AREA	CREATIVE SPACE	FUNCTION	ROLE IN CREATIVE COMMUNITIES	IMPACT DOMAIN		IMPACT DOMAIN					
				Building creative communities	Local economic development	Local economic development			Urban transformation		Social Inclusion
					Innovation/industry transformation	Skills development	Global access & connections	Intangible creative capital & mindset	Spatial transformation	Adaptive reuse	Socially accessible & inclusive
EAST	FabCafe Kyoto	Fab Lab	Catalyzer	●	●	●	●		●	●	●
	Ajiki Roji	Artisan rowhouses	Amplifier	●				●		●	●
	Sauna no Umeyu	Public bath	Amplifier					●	●		●
	UNKNOWN Kyoto	Coworking space	Amplifier	●				●		●	●
	Box & Needle	Traditional crafts	Contributor			●	●	●			●
	Crafthouse Kyoto	Pub/restaurant	Contributor							●	●
	Gallery Main & Lumen Gallery	Gallery	Contributor	●				●		●	
	Gojo Seisakusho	Creative shops	Contributor	●						●	
	Kaikado	Café/tea caddy maker	Contributor					●		●	
	Kyoto Beer Lab	Microbrewery	Contributor		●			●			●
	Le Wagon coding boot camp	Coding	Contributor	●		●	●				●
	Walden Woods Kyoto	Café	Contributor	●			●			●	●
WEST	Kyoto Makers Garage	Fab Lab	Catalyzer	●	●	●	●		●		
	KAGANHOTEL	Hotel	Amplifier	●				●		●	●
	BBQ Court 339 & Madogiwa Café 339	Coworking Space/ Restaurant	Contributor	●				●		●	●



CATALYZERS

Catalyzers of the creative community are organizations that have an influence on creative professionals, businesses, and their surrounding community. These spaces are trendsetters and they could be drivers of the local creative economy, building more inclusive, connected, and collaborative creative communities. In addition, these sites tend to spur innovation and knowledge transfer within creative societies and across other sectors of the economy. Catalyzers play a critical role in the integration of the creative economy with the economy at large.

FABCAFE KYOTO CASE STUDY

554, Motoshigama-cho,
Shimogyoku, Kyoto City,
Kyoto, Japan
600-8119

Year founded: 2017

FabCafe Kyoto is a part of the Fab Café network across 11 locations in the world, which are inspired and associated with the Fab Labs (fabrication laboratory) network. It is a creators and makers cafe, where members can manufacture prototypes with 3D printers and laser cutters. In doing so, it enables the design and fabrication of new products by providing access to state-of-the-art digital machinery and tools.

fabcafe.com/kyoto

Background: Working on the principles of “Design Globally, Make Locally,” FabCafes are a gathering point for creators and makers, built to support the design and fabrication of new products. Currently, there are 11 such cafes in seven countries (as of 2019) and Kyoto FabCafe is one of them.¹² Through the global networks of FabCafes and the communities behind them, FabCafe Kyoto aims to bring impactful creative changes by fostering local creative communities. FabCafe is a space for events and displays and acts as a showroom and café. This space is a popular center of innovation following the concept of “digital monozukuri,” which promotes making new products out of old things and methodologies, and fosters the creative community by providing access to digital machinery and tools that are needed for designing and fabricating new products.

Role in Kyoto’s creative community: Sheer scale and international branding and the network of FabCafes make this space a catalyzer, no matter the location. This space not only supports urban regeneration and helps in making local connections but also it leverages its international network for global learning, outreach, and market accessibility. FabCafe provides access to various digital tools and machinery to the maker community supporting creativity and innovation. Trainings through workshops that are provided at FabCafe add to skills development and support the growth of the creative community. The organization also organizes lectures, seminars, meetups, and knowledge events, which further helps not only in learning but also in connecting with industry experts and developing networks within the creative communities.

Impact on Kyoto’s creative community: FabCafe is an important creative community space in the area, attracting makers and artists to jointly collaborate, brainstorm, or just hang out together.

IMPACT DOMAIN	HOW THE IMPACT TAKES PLACE
---------------	----------------------------

BUILDING CREATIVE COMMUNITIES	
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- | | |
|---|--|
| <ul style="list-style-type: none">• With 10,000 annual visitors, this space is a hub for the local creative community where makers and innovators can connect with industries for promotion of their start-ups or any other collaboration. The FabCafe also offers a coworking space.• The FabCafe holds more than 100 events a year on themes of creation and technology. | |
|---|--|

LOCAL ECONOMIC DEVELOPMENT	
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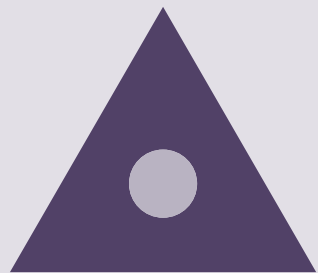
- | | |
|--|---|
| Support innovation,
industry transformation | <ul style="list-style-type: none">• Plays a critical role in introducing “digital monozukuri” or digital manufacturing. It promotes the making of “old things in a new way” by leveraging the various machines and tools available.• Go-to space for budding and established makers for accessing the latest manufacturing tools and machinery for a nominal service fee.• On average, the center generates 500 creative ideas and inspirations annually. |
| Skill development | <ul style="list-style-type: none">• Training provided at the café helps build makers’ skillsets.• Offers an environment, professional staff, and tools to the students and professionals to learn new skills and fabricate their ideas. |
| Global access and
connections | <ul style="list-style-type: none">• Leverages local and global networks to support the makers community in designing and developing new products.• Can support international launch events for companies.• Curates in-store sales strategies, with workshops, and conducts research in local markets including test marketing and community building. |

URBAN TRANSFORMATION	
-----------------------------	--

- | | |
|------------------------|---|
| Spatial transformation | <ul style="list-style-type: none">• Aims to develop the area into a place that is a combination of new and old, traditions and reforms, and digital and analogue. Since its inception, this space has had a positive influence on revitalizing the surrounding areas of the neighborhood.• The Gojo area has recently flourished as a creative spot in Kyoto, and FabCafe has played a significant role in this process.• After FabCafe was founded in 2017, other creative sites, such as Le Wagon coding boot camp and UNKNOWN Kyoto, were established in the next two years. |
| Aadaptive reuse | <ul style="list-style-type: none">• The space itself is a renovated 110-year-old wooden building, retaining the characteristics of the Gojo area it is located in. |

SOCIAL INCLUSION	
-------------------------	--

- | | |
|---|--|
| Creation of social fabric | <ul style="list-style-type: none">• The site has a café where tourists and locals gather for food and drinks and have an opportunity to witness and interact with makers and artists.• Welcomes people that are not associated with creative industry as much as it welcomes artists and creators, expanding their impact to local residents.• Events from various communities are held weekly. Talk events to share ideas and projects, meetups to make creative friends, workshops to experience the essence of manufacturing, and exhibition planning by upcoming creators. |
| Creation of value
for and connection
to local residents | |
| | |



AMPLIFIERS

Amplifiers leverage traditional arts and culture and also create intangible creative capital. Although they may not be leaders in innovation and industry transformations, they are highly invested in modernizing and repurposing the traditional buildings, cultures, and art forms. They also play a key role in building creative communities, bringing together people associated with arts and cultures, and promoting local traditions and cultures. If the catalyzers are the fire, then amplifiers are the fuel.

KAGANHOTEL CASE STUDY

99 Sujakuhozochō,
Shimogyō-ku, Kyoto City,
Kyoto, Japan
600-8846

Year founded: 2019

KAGANHOTEL is a community-based art facility that combines a hotel, long-term stay (artist-in-residency), a shared atelier/work-space area, and gallery.

kaganhotel.com

Background: Founded in 2019, KAGANHOTEL is a multiuse art facility that combines short-term stay (hotel), long-term stay (artist-in-residence), atelier/work studios for artists, and a gallery space. KAGANHOTEL is conveniently located—it’s just a two-minute train ride from Kyoto Station. The facility targets young local artists as well as artists from abroad.

Role in Kyoto’s creative community: As the newest creative amenity in the area, KAGANHOTEL adds flare to this area, which is largely known for the wholesale market. It adds fuel to the growing creative community built by players such as Kyoto Makers Garage and Barbeque Court 339 and Madogiwa Café 339. Art hotels in Kyoto are gaining momentum, but this is the first such hotel in this area, creating buzz and attracting diverse creators to the area.

Impact on Kyoto’s creative community: Being the first art hotel of this neighborhood, this space has created a trend for such hotels. Looking at the utility and advantage of such a space, creative communities are leveraging it well, which in turn makes these communities larger and diverse.

IMPACT DOMAIN

HOW THE IMPACT TAKES PLACE

BUILDING CREATIVE COMMUNITIES

- KAGANHOTEL is an art haven that brings together artists with potential patrons.

LOCAL ECONOMIC DEVELOPMENT

Enhancing intangible
creative capital
and mindset

- With accommodation facilities that cater to both long and short-term stay, it can serve as a gateway for artists looking to pursue their artistic endeavors in Kyoto.

URBAN TRANSFORMATION

Adaptive reuse

- The original building is a 45-year-old former dormitory and warehouse of the wholesale market, converted into a modern hotel. The concept was to repurpose underutilized and old buildings to achieve a more productive usage of them.
- Compared with the hotel’s interior, which is simple in its design, the surrounding area is busy with its narrow streets filled with food businesses supporting the wholesale market.

SOCIAL INCLUSION

Creation of social fabric
Creation of value
for and connection
to local residents

- KAGANHOTEL is one of the first art hotels in the west area and it attracts artists from all over. With its affordable pricing and accessible location, it is popular among young artists and foreigners.
- Promotion of social inclusion is enhanced because of the affordable stay packages offered to the budding artists and other tourists, alike. KAGANHOTEL also reaches out to the local community by offering stay packages that are exclusively for Kyoto citizens. Social inclusion is also promoted by opening the gallery and exhibition to everyone and not just the artists.



CONTRIBUTORS

Contributors add to the inventory of creative assets in a given area along with economic, social, and cultural value. They may seem insignificant in their impact if considered as an independent entity, but by operating in conjunction with other contributors they can have a large influence. In the case of Kyoto, these spaces are either shops selling traditional goods and crafts, cafés, coding boot camps, or art galleries.

BOX & NEEDLE CASE STUDY

Jimukinoueda bldg. 3F-303, 21
Sakaicho, Shimogyoku, Kyoto City,
Kyoto, Japan
600-8191

Year founded: 2009

Store for handmade paper and paper-based products created by a long-established [100+ years] paper machine manufacturer in Kyoto. Operated by Marushige Paper Container, a long-established paper box store founded in 1919, with a workshop in Yamashina, this store was established in 2009 based on a concept of “boxes worth keeping.”

boxandneedle.com/kyoto.html

Background: Box & Needle creates, sells, and promotes Kyoto’s traditional art of handmade papermaking and paper-based products. Leveraging this traditional art of Japan, the center also trains people in the art of paper and box making. It imports paper from more than 17 countries and sells it to local and tourist clients in Kyoto.

Role in Kyoto’s creative community: Traditionally a paper merchant, founder Ms. Keiko Onishi has collected papers from all over Japan and the world and changed the company’s operating model to be more interactive and develop a community facility with monthly workshops that attract creative community members. With an aim of revamping the traditional art of papermaking, this space is a go-to place in Kyoto for any paper or paper-related products.

Impact on Kyoto’s creative community: This creative space is reviving the traditional art of papermaking in Kyoto, specifically through providing training and skills development.

IMPACT DOMAIN

HOW THE IMPACT TAKES PLACE

LOCAL ECONOMIC DEVELOPMENT

Skill development	<ul style="list-style-type: none">Through the workshops, Box & Needle provides training on the art and skills of papermaking to interested members of the community.
Global access and connections	<ul style="list-style-type: none">Leveraging the craft of papermaking, this center exposes the creative community to different cultures, styles, and types of papers in Japan and across the globe.
Enhancing intangible creative capital and mindset	<ul style="list-style-type: none">Box & Needle endorses the art of papermaking and related craft and is supporting the revival of the traditional but dying art of papermaking in Kyoto, hence promoting the cultural heritage of the city.



5

Insights for
PRACTITIONERS

For city practitioners, Kyoto's experience in generating creative communities and neighborhoods—both through organic processes and prescriptive policies—highlights a series of important learnings that can help shape urban development strategies. Though the Kyoto case is unique and demonstrates only one city's story, it can indeed illuminate several insights to city practitioners. Creative communities and neighborhoods develop over a continuous process, demonstrated through Kyoto's government, as well as its private sector and civil society's consistent efforts to build creative communities and capital. Although there is no master plan, there is a process that can be observed and emulated.

This chapter is divided in two parts. First, it describes the factors that are present in Kyoto's development of creative communities and neighborhoods. Second, it provides key insights that the Kyoto case provides for city practitioners and policy makers interested in supporting and promoting creative cities models.

**Factors
Contributing
to the Development
of Creative Communities
and to Neighborhood
Transformation**

**Creative enabling
environment and the
city’s unifying vision**

Five factors helped to form creative communities in Kyoto: (a) a creative enabling environment and unifying vision; (b) creative capital; (c) creative talent and globally connected catalyzers; (d) organically driven community development; and (e) integration of local residents.

Kyoto has nurtured a creative environment, leveraging both the national government framework for creative industries and talent, and its history, traditions, and cultural heritage. As early as 1978, it had already declared itself as a city open to the free exchange of world culture and it had commenced in developing creative urban planning policies. More importantly, Kyoto prioritized the preservation of local landscapes and structures in the city’s vision, the neighborhood transformation and regeneration plans, and the strategic and targeted policy interventions and projects. Even without an explicit neighborhood plan, the different policy actions contributed to the common goal through this overarching vision. This implicit coordination became explicit as the community grew, transforming the east area neighborhood through the Kyoto Station East Area Revitalization Future Vision, and the entire area (including the west and south areas) through the Regional Future Vision.

The city’s vision not only serves to coordinate policy action, but also to preserve and nurture the city’s intangible creative capital (see next factor) and to generate a shared mindset in its citizens and stakeholders for understanding and appreciating creativity, art, culture, and heritage preservation.

Creative capital

A city’s creative capital can come in the form of natural and cultural heritage, as well as its traditions. In Kyoto’s case, its shrines, museums, parks, rivers, artisans, and local markets, as well as its history, tradition, craftsmanship, and the creative and cultural mindset of its citizens are all examples of its creative capital.

Kyoto mobilized this tangible and intangible creative capital through targeted and strategic actions of renovation, regeneration, and promotion of these assets, and the use of these assets as meeting points for communities. The city’s policy of preservation of its historical buildings, and its traditional architectural urban layout unified this mobilization of creative capital. Kyoto Station is in close proximity to famous traditional sites, including the Higashi Honganji and Nishi Honganji temples, Sanju-sangen do, and the Kyoto national museum. Kyoto’s traditional machiya houses are also located in the area and serve as centers for artists. These and other creative spaces make active use of historical buildings and machiya-style architecture, connecting with the city’s cultural heritage while bringing new technologies to traditional creative processes and businesses.

Kyoto has a large pool of creative talent, derived from both its traditions and traditional industries, as well as from its start-up ecosystem. The presence of strong universities in the city serves as a constant flow of new potential creative talent, from both in and outside of Japan. The city is home to Kyoto University—one of the top universities in Japan—and many others. Moreover, Kyoto is home to prestigious specialized arts universities, including the Kyoto City University of Arts and the Kyoto Arts and Craft University.

This mix of creative talent, encompassing traditional and cultural industries, with new young entrepreneurial and international talent, provided Kyoto with a strong base to develop a creative community catering to the intangible economy. More importantly, it was from this pool of established and new creative talent that the city generated the creative spaces that grew and expanded its creative community. Specific players, such as local creative businesses and creative professionals, undertake projects that expand the creative community and creative capital’s reach. FabCafe Kyoto and Kyoto Makers Garage (KMG) are two examples of how catalyzers attracted creative talent and other creative spaces to these areas. In addition, key individuals are introducing innovation to traditional crafts and skills. For example, Mr. Masataka Hosoo from the weaving company HOSOO, used modern technology to transform the traditional weaving company, thereby serving as a catalyst in the transformation of traditional arts and crafts businesses in Kyoto and their connection to the new technology and creative entrepreneurial ecosystem.¹³

These catalyzers and individuals are globally connected, bringing strong connections to knowledge and talent nationally and globally. These connections to multiple ecosystems were instrumental in the rapid expansion of the east area following the establishment of FabCafe in the neighborhood and instrumental in the activation of the west area through KMG.

**Creative talent
and strong globally
connected catalyzers**

Organically driven community development

The previous three factors collectively facilitated the organic development of the creative community. Kyoto City did not follow a top-down approach through a master plan to transform the neighborhood. Instead, it provided the enabling environment and vision while it preserved and nurtured the city’s creative capital and talent. The transformation of the area to the east of the station was supported through strategic projects (such as the relocation of the Kyoto City University of Arts), but it was inherently a grassroots and community-driven development. This natural process resulted in strong local support, sustainability of the transformation of the areas as creative neighborhoods, and the introduction and absorption of these new intangible business models into local industries.

In the east area of the station, creative talent from the CBD and other areas came together and started forming a local community. Creative professionals that lived and worked together began forming a cluster. This clustering fostered a closely knit community that also had a tangible impact by contributing to the neighborhood’s urban regeneration. As it organically developed, this nascent community attracted and involved local residents, and visitors, to take part in creative activities, which nurtured creativity in the wider audience and also contributed to a more participatory and livelier creative neighborhood. Globally connected creative spaces such as FabCafe and KMG expanded their local communities by linking the local network to the wider city ecosystem, traditional and new arts and craft, the manufacturing and technology industry, and global networks of talent and knowledge.

Integration of local residents

Creative talent and spaces naturally work with local residents, providing activities and catering to the local needs as part of their programing. For instance, FabCafe’s activities are open to local residents, with specific events catering to the local community. The preservation and adaptive reuse practice allowed for this integration process to occur organically as the community developed and transformed the east area of Kyoto Station. In the west, the industrial nature of the area resulted in the connection of diverse existing stakeholders such as Kyoto Research Park (KRP), the local market, and local industrial and food warehouses and businesses.

Kyoto city government also follows a participatory process for its interventions. The strategic actions in the west and east areas followed that process, which also engaged with local residents (for example, Kyoto City University of Arts relocation or Umekoji Park rehabilitation). Moreover, the city introduced specific projects during the transformation process to cater to local residents’ needs. For instance, in the east area, the Kyoto City University of Arts relocation process created a food court and a local market following a dialogue with local residents.

In addition, the city paired this participatory process with specific actions to provide affordable housing to local residents as they relocated from the university area. These housing initiatives help maintain the neighborhood’s social fabric, avoiding the potential negative impact of the increase of rent prices in the area for existing residents.

Creative enabling environment and the city's unifying vision	Kyoto City policies <ul style="list-style-type: none">• Declaration of Kyoto as a City open to the Free Exchange of World Cultures (1978)• Kyoto City upper plans to emphasize on “art and cultural city Kyoto”• Regional future visions—Kyoto Station area—east, west and southeast			
	East Area Revitalization Future Vision Symbolic area of “art & cultural city Kyoto”		West Area Revitalization Future Vision Creation of new vitality	
Creative capital	Historical sites, nature along two rivers, two art universities, agglomeration of artists, creators, traditional craftsmen, etc.		Historical sites, Kyoto Research Park (KRP), Umekoji Park, Central Market, Train Museum, Aquarium, Food Museum, Shopping street, etc.	
Creative talent and strong globally connected catalyzers	Creative talents: Talent from traditional industries, start-up ecosystem, and new potential creative talent from various universities in Kyoto such as Kyoto University, Kyoto City University of Arts, Kyoto Arts and Crafts University Globally connected catalyzers in the creative community (FabCafe, KMG, etc.): Attracted creative talent and other creative spaces into the area			
Organically-driven community development	Public projects <ul style="list-style-type: none">• Relocation of Kyoto City University of Arts• Opening of Higashiyama campus, Kyoto Arts and Crafts University	East area creative neighborhood Creative professionals forming a closely-knit cluster (around former Gojo Rakuen area)	Public projects <ul style="list-style-type: none">• Umekoji Park rehabilitation• Central Market rehabilitation• New JR station	West area creative neighborhood (development in progress)
Integration of local residents	Participatory dialogue with local residents by the government <ul style="list-style-type: none">• Temporary food court• Food market• Affordable housing plans	Open to local residents <ul style="list-style-type: none">• Providing activities• Catering to local community	Participatory dialogue with local residents by the government <ul style="list-style-type: none">• Umekoji Park rehabilitation• Central wholesale market rehabilitation	Connection with KRP, local market, food warehouses, etc.

TABLE 5.1
Factors Contributing to the Development of Creative Communities and Urban Transformation in Kyoto

Source: World Bank data based on city and creative spaces information.

Key Insights from Kyoto Case for the Development of Creative Cities

The following are key insights for urban practitioners and policy makers interested in supporting and developing creative cities. They are organized around the aforementioned impact areas: local economic development, urban transformation, and social inclusion.

Local Economic Development

- **Preserve and cultivate the creative and cultural heritage capital.** Kyoto has the wealth of tangible and intangible creative capital, including creative buildings and structures and cultural practices and skills, such as performance art, festivals, traditional environmental knowledge, and handicraft. Kyoto City actively protected and preserved these assets, which were instrumental in the development and expansion of creative spaces and communities. It also generated a common creative mindset among stakeholders, aligning the city government, the private sector, the creative and entrepreneurial community, and local residents.
- **Know and interact with the catalyzers.** A catalyzer influences creative people, businesses, and their general surroundings by triggering and accelerating the development of spaces and buildings in creative communities. This role could be played by single or multiple players simultaneously. In Kyoto's case, creative enterprises, universities, individuals, and urban projects have been the catalyzing agents so far. Therefore, creative communities are not just the sum of each creative space, but an outcome of changing mindsets and business practices, brought about by catalyzers who act as drivers of change. When catalyzers and city governments interact, they can align strategic city projects with the community's priorities, which accelerates the transformation process. This is the case in the west area, which featured coordination around the wholesale market expansion plans, the KRP open innovation program, and KMG manufacturing and the food-technology community development.
- **Become an enabler.** For creative communities to grow, creative and cultural heritage capital is not enough. An enabling environment is also needed. In Kyoto, public authorities and the private sector played this role by forming conducive policies, making investments, and developing real estate. Kyoto's local government, operating in partnership with the local community, initiated a series of city-level strategies over the years to help boost the competitiveness of select industries. In addition, the city created the Kyoto Station East Area Revitalization Plan, which helped to provide top-down guidance for creative city planning. As the creative community expanded and urban transformation took hold in the east area, Kyoto expanded the scope of creative neighborhood action with the future vision of the greater Kyoto Station area.

- **No one solution fits all, and a variety of approaches are needed.** In the Kyoto case, we observe a mixture of bottom-up and top-down approaches to building a creative city. These two approaches often intertwine and synergize—Kyoto's longstanding history as a hub for artisanal activity attracted, as well as supported, creative communities, while the government provided tailwind throughout. Kyoto's story is one of organic movements wherein artists, entrepreneurs, artisans, and other members of creative communities gradually formed the city's creative fabric. They benefitted from operating in an enabling environment, allowing their communities to take root. From there, they began to build upon local heritage and traditions—Kyoto's creative capital. Catalyzers then played a pioneering role in actively creating creative industries. Ultimately, these efforts culminated in the creation of creative communities, comprised of myriad actors and organizations.
- **Roles of local government in urban transformation evolve from playing a safeguarding role to that of an enabler.** Kyoto's case indicates that the local government's role may evolve over time, adjusting to complement and provide tailwind to creative neighborhoods and communities as they develop.
- **Ensure participation and create value for residents.** By actively engaging residents in a top-down process, the local government can address residents' needs and provide additional value for them. In the east area, participatory processes helped develop new services and amenities to cater to local needs. Leveraging the city's shared culture, creative spaces also generated services for the residents, providing a bottom-up, organic integration of the new community.
- **Foster synergies between creative areas and academic institutions.** Universities and other educational institutions play a multitude of roles in creative cities and their impact is felt beyond academia. Universities are key providers of local talent, which means local businesses benefit directly from current and graduating students as they enter the labor market. Simultaneously, universities can have a ripple effect by expanding the impact of creative cities. In the Kyoto case, we see directly how opening a new campus for the Kyoto City University of the Arts and the Kyoto Arts and Craft University could have a catalytic affect beyond the academic sector itself. Though faculty and students will benefit from the updated infrastructure, the surrounding community will also benefit from accessing new public spaces that the campus will provide. The university also has plans to use these spaces to feature the work of local artists and musicians, extending its impact. The local government also offers ways for elderly residents to engage in artistic and community activities through the "residential area improvement project" subsidy program, wherein the government restores housing units and provides them to residents at a more affordable rate.
- **Creative community growth hinges on multisector partnerships.** Whether players in the creative industry were driving initiatives from the grassroots level, or the city government was building urban strategies, stakeholders from across industries, and from different verticals within creative cities, were engaged. In Kyoto, the station area is home to a range of different organizations that have helped the region to become more dynamic, inclusive, and livable, demonstrating how a spectrum of partnerships is necessary to build these communities.

Urban Transformation

Social Inclusion

ACTION 1

Safeguarding the local environment. Local government often plays a role of safeguarding and preserving the cultural heritage. In Kyoto, the city has laid in place a series of regulations to coordinate the local landscape and heights of structures, and has established other pieces of legislation to preserve cultural heritage.

ACTION 2

Finding appropriate creative embryos. Local government identifies the areas with the creative embryos, and the city’s role transforms over the years to gradually become an enabling body that builds livability in the targeted neighborhoods, and in the process helps establish the creative class (Florida 2013).

ACTION 3

Improve livability of neighborhoods. Local government makes small investments to increase the sustainability and livability of spaces (for example, water-front regeneration projects, greenery and park restoration, bridge and neighborhood-level street beautification, restoration of schools and repurposing the spaces for creators’ use). In Kyoto, these efforts include regenerating former railroad yards into large parks and museums, smaller public amenity improvements, and the repurposing of available public assets.

ACTION 4

Take larger urban regeneration projects when appropriate. Local government is well positioned to lead larger-scale urban regeneration projects. The creative neighborhoods can thrive without this action. Smaller and bottom-up interventions, including brown-field and public-space regeneration, can also catalyze urban transformation in the neighborhood. In the Kyoto east area, the Kyoto City University of Arts relocation project is an example of a large-scale government-led initiative. In the west area, the city leveraged different smaller interventions with other large-scale initiatives.

ACTION 5

Engage local residents in the transformation process. Engaging local residents in the neighborhood revitalization vision and plans, and in catalytic urban regeneration projects, ensures buy-in and sustainability of the process while also integrating the new community into the existing one. Kyoto City’s citizen engagement in the neighborhood’s plans and projects allowed for a constructive transformation of the east area and for the integration of the Kyoto City University of Arts’ new facility in the local community and culture.

ACTION 6

Provide strategic support to catalyzers. Supporting catalyzers can boost community development, particularly in its early stages as it attracts creative and entrepreneurial talent. As seen by the city government-KMG coordination in the west area, active support and coordination also allows for higher synergies between top-down (such as a catalytic urban regeneration project) and bottom-up approaches (such as catalyzers organic development of the neighborhood creative community).

BOX 5.1

THE CITY’S ROLE
in Kyoto's Transformation

TABLE 5.2
Timeline of Key Policies and Events on Urban
Regeneration, Creative Communities, and
Creative Space Making (continue next page)

WEST						EAST		
PUBLIC URBAN REGENERATION INITIATIVE <small>(including private sector partnership projects)</small>	LOCAL COMMUNITY- RELATED MOVEMENT	ORGANICALLY DRIVEN CREATIVE SPACES		GOVERNMENT PLAN <small>(Kyoto City)</small>	REGIONAL PLAN <small>(Kyoto Station Area)</small>	ORGANICALLY DRIVEN CREATIVE SPACES	LOCAL COMMUNITY- RELATED MOVEMENT	PUBLIC URBAN REGENERATION INITIATIVE <small>(including private sector partnership projects)</small>
Kyoto Research Park (KRP)			2001	Kyoto Super-Techno City Plan—Kyoto manufacturing creation vision				
			2002					
			2003					
			2004			Ajiki Roji		
			2005	Ordinance on Kyoto City Traditional Industry Revitalization Promotion				
			2006	Ordinance on Kyoto Cultural Art City Creation				
			2007	Kyoto Cultural Art City Creation Plan				
			2008					
			2009			Box & Needle	Committee to discuss the future of Sujin district	
			2010					
			2011	New Value Creative City; Kyoto Vision				

Source: World Bank data
based on Kyoto City and
creative spaces information.

Community
involvement → KYOTO CITY
UNIVERSITY OF
ART RELOCATION
(see next page)

TABLE 5.2 | Timeline of Key Policies and Events on Urban Regeneration, Creative Communities, and Creative Space Making

WEST			GOVERNMENT PLAN (Kyoto City)	REGIONAL PLAN (Kyoto Station Area)	EAST		
PUBLIC URBAN REGENERATION INITIATIVE <small>(including private sector partnership projects)</small>	LOCAL COMMUNITY-RELATED MOVEMENT	ORGANICALLY DRIVEN CREATIVE SPACES			ORGANICALLY DRIVEN CREATIVE SPACES	LOCAL COMMUNITY-RELATED MOVEMENT	PUBLIC URBAN REGENERATION INITIATIVE <small>(including private sector partnership projects)</small>
Umekoji Park: Aquarium, Central Market: Sushi market						(see previous page)	
Central Market: Kyoto Food Culture museum opens					2013	Formation of Creative neighborhood	Community involvement → Proposal for University of Art relocation to Sujin district (Uni to Govt)
Central Market: Event space KYOCA, Umekoji Park: two new plazas					2014	Gojo Seisakusho	Announcement by Kyoto City about University of Art relocation to Sujin district
Community involvement ↑	Umekoji district urban regeneration committee →				2015	Sauna no Umeyu, Gallery Main & Lumen Gallery	Kyoto City University of Art Relocation Basic Plan
Umekoji Park: Kyoto Railway Museum	Indirect influence: flow of people, image of the district, government vision... →	Creative neighborhood in making	Kyoto Cultural Power Project 2016-20/Agency of Cultural Affairs will relocated to Kyoto		2016	Kaikado Café	Indirect influence: flow of people, image of the district, government vision... ← →
		Kyoto Makers Garage			2017	FabCafé Kyoto, Walden Woods Kyoto	Higashiyama Campus, Kyoto Arts and Crafts University
			2 nd Kyoto Cultural Art City Creation Plan, 3 rd Kyoto City Traditional Industry Revitalization Promotion Plan		2018	Le Wagon Coding Boot Camp, Kyoto Beer Lab	Sujin-Shinmachi food court
Umekoji Park: Ice-skating rink	Direct/ Indirect influence: flow of people, image of the district, government vision... →	KAGANHOTEL, BBQ Court 339 & Madogiwa Café 339			2019	UNKNOWN Kyoto, Crafthouse Kyoto	Kyoto Ruten Market ← Bridging Community →
New JR train Station ←			Kyoto Station East Area Future Vision		2020		Kyoto City University of Art construction
					2021	Kabuyama project	
					2022		
					2023		Kyoto City University of Art plans to open

Kyoto: A Creative City

KYOTO CITY UNIVERSITY OF ART RELOCATION

Source: World Bank data based on Kyoto City and creative spaces information.

CATALOG

Creative Spaces
supporting Kyoto station’s
creative communities

EAST OF KYOTO STATION

▲ Ajiki Roji
102

+ Gallery Main &
Lumen Gallery
128

+ Box & Needle
120

● FabCafe
Kyoto
96

+ Le Wagon
coding boot camp
146

+ Gojo Seisakusho 132
▲ UNKNOWN KYOTO
114

+ Kaikado Café &
Flagship Store
136

+ Walden
Woods
Kyoto
152

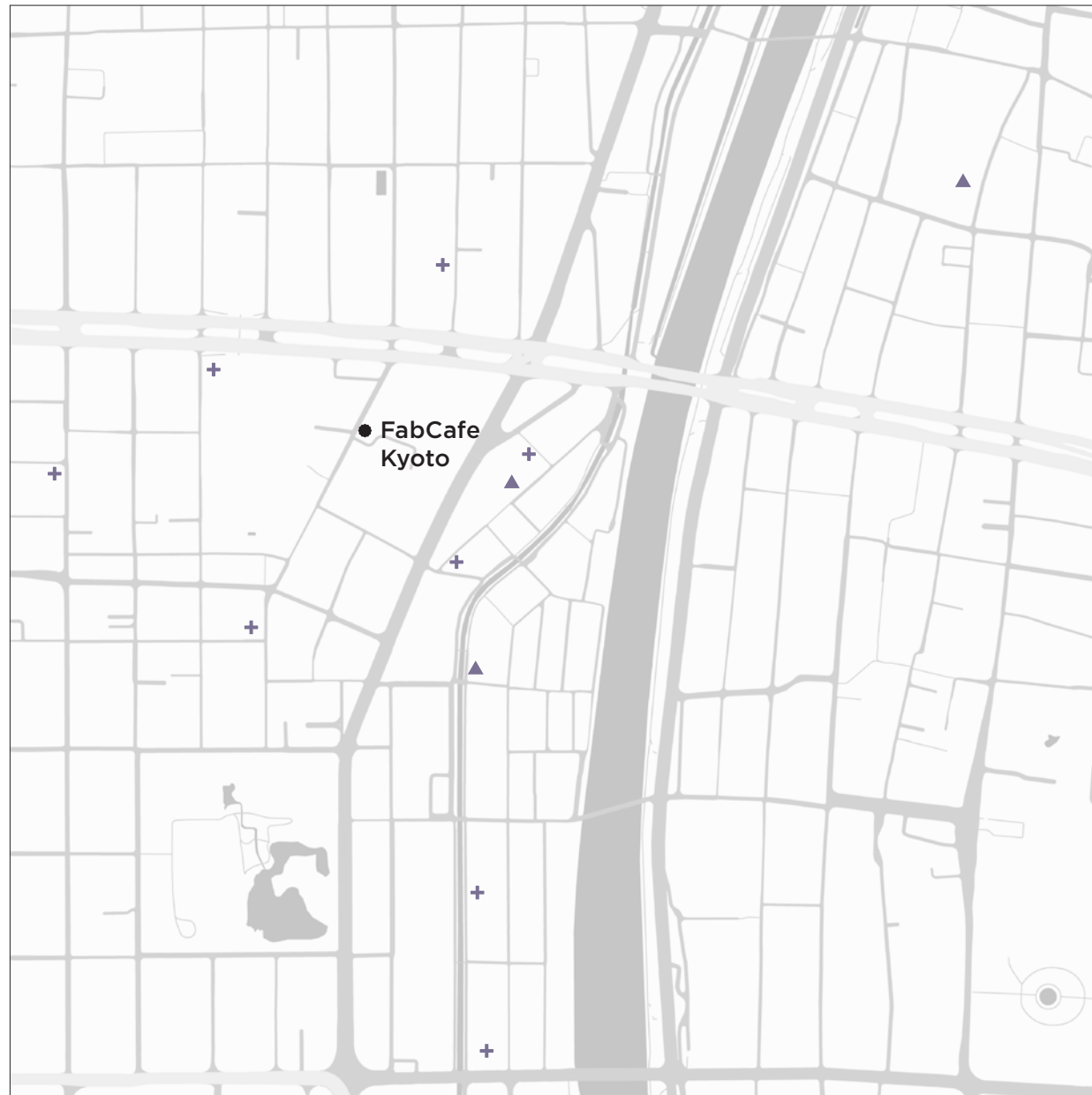
▲ Sauna
no Umeyu
108

+ Kyoto
Beer Lab
142

+ Crafthouse
Kyoto
124



FABCAFE KYOTO



Year of Founding

2017

554, Motoshiogamacho, Shimogyoku,
Kyoto City, Kyoto, 600-8119, Japan

Role

CATALYZER

fabcafe.com/kyoto

Impact

- Building creative communities
- Local economic development
 - » Supports innovation and industry transformation
 - » Skills development
 - » Global access and connections
- Urban transformation
 - » Spatial transformation
 - » Adaptive reuse
- Social inclusion

Description

FabCafe Kyoto is a part of the FabCafe network across 11 locations in the world, which are inspired by and associated with the Fab Labs (fabrication laboratory) network. It is a creators and makers cafe, where members can manufacture prototypes with 3D printers and laser cutters. It enables the design and fabrication of new products by providing access to state-of-the-art digital machinery and tools. Kotaro Iwaoka, a member of Fab Lab Japan since its founding, proposed the FabCafe plan to the creative community operator Loftwork and cofounded FabCafe Kyoto. Since its launch, FabCafe has been serving as a gateway to creation and innovation—it is visited by makers and creators everyday while allowing anyone to casually participate.

Working on the principles of “Design Globally, Make Locally,” FabCafes are a gathering point for creators and makers, built to support the design and fabrication of new products. Through the global network of FabCafes and the communities behind them, FabCafe Kyoto aims to bring impactful creative changes by fostering local creative communities. FabCafe is a space for events and displays and acts as a showroom and café. The space is a popular center of innovation following the concept of “digital monozukuri,” which promotes making new products out of old things and methodologies.

Role: Catalyzer

Sheer scale and international branding and the network of FabCafes makes this space a natural catalyzer, no matter its location. This space not only supports urban regeneration and helps in making local connections but also it leverages its international network for global learning, outreach, and market accessibility. Trainings through workshops provided at FabCafe add to skill development and promote the growth of a creative community. FabCafe organizes many lectures, seminars, meetups, and knowledge events; not only do these events provide learning opportunities but also they provide connections with industry experts and opportunities to develop networks within the creative communities. As a café, this space allows artists, students, and creative people to gather, interact freely, co-work, and collaborate.



Impact

FabCafe is an important creative community space in the area, attracting makers and artists to jointly collaborate, brainstorm, or just hang out together.

BUILDING CREATIVE COMMUNITIES

With 10,000 annual visitors, this space is helping the creative community expand. In addition, FabCafe is a place for business promotion and acceleration—in this space, industry experts can pick talent and ideas, and the artists, makers, and innovators can connect with the industries for the promotion of their ideas and projects. FabCafe offers a creative coworking space and provides access to the internet and power supply for free.

At meetups and events—FabCafe Kyoto holds more than 100 events a year—or in the café space of FabCafe, artists, researchers, craftsmen, and creators interact, collaborate, co-work, and brainstorm on creative ideas.

LOCAL ECONOMIC DEVELOPMENT

Supports innovation and industry transformation

FabCafe plays a critical role in introducing “digital monozukuri” or digital manufacturing. It promotes the making of “old things in a new way” by leveraging the various machines and tools available. FabCafe is a go-to space for budding and established makers for accessing the latest manufacturing tools and machinery for a nominal service fee. On average, FabCafe Kyoto generates 500 creative ideas and inspirations annually. Not only does this space support creativity and innovations but at times it also co-creates with the makers.

Skill development

Training provided at the café aids in enhancing the skills and honing the talent of makers, which in turn provides access to new economic opportunities for local artists and creative talent. FabCafe’s environment, professional staff, and tools allow students and professionals to learn new skills and to fabricate their ideas.

FabCafe, the catalyzer of the creative community, promotes development and connections between the creative spaces. Located in the east area, FabCafe has a positive influence in connecting spaces in the east area; and, with its vast networks, its influence spreads beyond the east area and has triggered creative development in the west and surrounding areas.

FabCafe leverages its local and global networks to support the makers community in designing and developing new products. Businesses that are interested in expanding into overseas markets but find it difficult to make a sudden, large investment can make use of the space and local creative FabCafe communities. The local FabCafe team can support an internationally held kick-off event, including interviews with local creative professionals and exhibitions. FabCafe can also curate interesting in-store sales strategies, with workshops, and conduct research in local markets including test marketing and community building.

FabCafe promotes the important connection between traditional cultural heritage and new technologies, locally and globally. This connection leads to positive influence on creative capital and the promotion of cultural heritage.

FabCafe acted as a catalyzer and boosted the community from its nascent stage to maturity in less than two years. FabCafe served as a hub and coordinator for other spaces, which had a multiplier effect on the transformation of the area into a creative neighborhood. The FabCafe space is a renovated 120-year-old wooden building that retains the characteristics of the Gojo area it is located in. With its presence, FabCafe aims to develop the area into a place that is a combination of old and new, traditions and reforms, and analogue and digital. Since inception, this space has positively influenced the revitalization of the surrounding areas of the neighborhood. The Gojo area has recently flourished as a creative spot in Kyoto, and FabCafe has had a significant role to play in that. Other creative sites, such as Le Wagon coding boot camp and UNKNOWN Kyoto, have been established since the founding of FabCafe in 2017.

As the name suggests, this site has a café where tourists and locals gather for food and drinks and have the opportunity to witness and interact with makers and artists. FabCafe welcomes people that are not associated with creative industry as much as it welcomes artists and creators. The FabCafe space encourages the intermingling and integrating of local residents with the creative community.

Global access and connections

URBAN TRANSFORMATION

Spatial transformation and adaptive reuse

SOCIAL INCLUSION



AJIKI ROJI

野中 智史

PICARO EIS

torico.camera

Artist
in
Residence

駐輪場は奥にあります
敷地内は降りてお入り下さい

evo-see

すずめ家

モチメ キリエ

とことこ



Year of Founding

2004

2-284, Yamashirocho, Matsubara sagaru,
Daikokuchodori, Higashiyamaku,
Kyoto City, Kyoto, 605-0831, Japan

Role

AMPLIFIER

ajikiroji.com

Impact

- Building creative communities
- Local economic development
 - » Enhancing intangible creative capital and mindset
- Urban transformation
 - » Adaptive reuse
- Social inclusion

Description

Ajiki Roji is a Kyoto-based co-living artist community in 14 renovated machiya houses¹⁴.

In 2004, the founder, Ms. Hiroko Ajiki, decided to renovate 14 old machiya houses that have been in her family for generations, and to rent them out to young artists from across Japan. Thus started “Ajiki Roji (Alley),” a niche community of young artists who use these machiya houses as their home, work studio, and shop.

Ms. Ajiki was born to a family of traditional paper merchants in the Higashiyama ward of Kyoto. She aspired to be an artist in her youth, but later decided to prioritize marriage and family life. She founded Ajiki Roji (Ajiki Alley) to support young artists in Kyoto, living out the dream of her youth through these artists. She is called “mother” by her residents because she is not only the landlady, but also often brings food, holds community tea ceremony classes, and provides support in the artists’ daily lives. As “mother,” landlady, and fervent advocate, Ms. Ajiki is an iconic enabler of the Kyoto creative community.

Artists from across Japan apply to live in Ajiki Roji, and the artists undergo a rigorous selection process by Ms. Ajiki. The artists are mostly young (in their 20s and 30s), with various artistic endeavors including crafts, design, and culinary arts. The renovated machiya houses provide an affordable space that is used both as a residence and a work studio. Young artists can live in Ajiki Roji until they become successful enough to “leave the nest” and rent larger homes and studios.

Though small in scale (limited to the 14 machiya houses in the alley), Ajiki Roji is a symbolic player in the creative community. It is an amplifier of the creative community in that it serves as a point of entry for young artists to the creative community of Kyoto. Though Ajiki Roji is a niche community, it is still embedded within the historical context of Kyoto. The Ajiki Roji story follows the Kyoto narrative of the harmonious balance between tradition and new creativity being a driving force in the building of creative communities. Instead of being seen as “new” or “foreign,” Ajiki Roji is viewed as a gateway for artists to partake in a community that retains the heritage and culture of Kyoto.

Role: Amplifier



Impact

BUILDING CREATIVE COMMUNITIES

By living in this alley, the artists form a common identity and niche community, which is especially valuable for artists who come from outside Kyoto. The artists who “graduate” from Ajiki Roji will continue to carry the Ajiki Roji identity with them as they move on to pursue their artistic endeavors elsewhere. This group of artists, though small in number, is a critical asset because Ajiki alumni become active in and integrated into the larger creative community.

LOCAL ECONOMIC DEVELOPMENT

Enhancing Intangible Creative Capital and Mindset

In addition to serving as the landlady for the artists, “mother” supports her young artist residents by providing advice and promoting their work to the media and potential patrons. Her goal is to empower the artists so that they can graduate. There are regular community activities such as monthly green-tea ceremony lessons because mother believes it is important to learn Japanese etiquette and discipline. Though Ajiki Roji is a niche community, the screening process used by Ms. Ajiki ensures that Ajiki Roji remains a quality contributor to the creative community.

URBAN TRANSFORMATION

Adaptive Reuse

The renovated houses are examples of a trend in Kyoto to repurpose underutilized homes and buildings for more productive use, while still retaining cultural appeal. The traditional machiya houses of Ajiki Roji have been in Ms. Ajiki’s family for more than 120 years and were vacant for many years before Ajiki Roji was founded. The houses underwent extensive renovation to be reborn as an art alley tucked away in a quiet neighborhood in Kyoto. This renovation produced new lines of business in the intangible economy, and held onto Kyoto’s rich history and deep-rooted tradition.

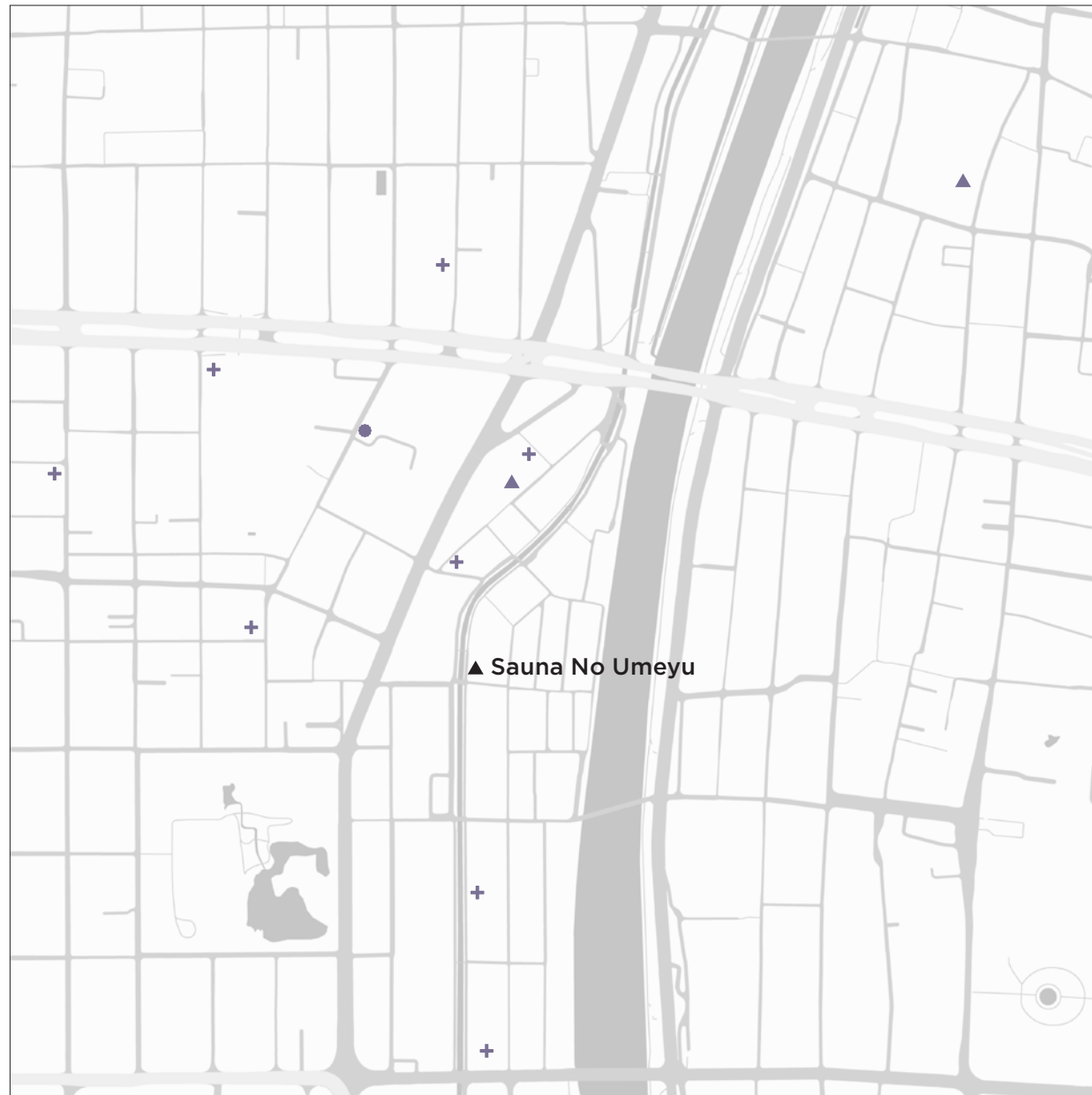
SOCIAL INCLUSION

Social inclusion is exemplary at Ajiki Roji, and testifies to the role of creative industry in promoting social inclusion. Ajiki welcomes people from all strata, especially budding artists and creators. It offers them space and other amenities for them to grow as artists at a nominal fee. By teaching the residents how to embrace the local traditions, practices, and lifestyle, Ajiki is transferring intangible creative and cultural talent to them, and thereby integrating them into the local culture. In this way, there is a seamless introduction of new artists from various backgrounds in the local community.



SAUNA NO UMEYU





Year of Founding

2015

175 Iwatakicho, Shimogyoku,
Kyoto City, Kyoto, 600-8115, Japan

Role

AMPLIFIER

twitter.com/umeyu_rakuen

Impact

- Local economic development
 - » Enhancing intangible creative capital and mindset
- Urban transformation
 - » Spatial transformation
- Social inclusion

Description

Sauna no Umeyu is an 80-year-old public bathhouse located in a former area of Gojo. Sanjiro Minato, the manager, was an avid lover of the public bathhouse (or sento) as a student. When he learned that the sauna at which he had worked during his student days was going out of business, he decided to take over the sento and transform it. Under his leadership, the space is flourishing; it attracts tourists and “Instagrammers” from all over the country and from overseas.

This public bath is a perfect example of integrating old traditional culture or art with new ideas and business models. Though the space has added many new elements, such as concerts, it retains the original fabric and underlying traditions of sento culture.

The space acts as a magnet, drawing creative talent to visit the neighborhood. The array of events organized, including concerts, musical shows, and karaoke give a cool vibe to this otherwise traditional bathhouse. The vibrancy of the space is appealing to the creatives and hipster crowd. However, at the same time, many local residents visit it for public bathing, an age-old traditional community activity. Japan’s “onsen” or public bathing culture continues to be very popular and locals avail this service at Sauna no Umeyu on a regular basis. The creative nature of the space and its activities encourage interaction between locals and creatives at the sauna.

Role: Amplifier

Sauna no Umeyu is not a typical sento or bathing place in Kyoto. This space retains the traditional cultural concept of bathing and it offers additional entertainment mechanisms, such as music festivals, karaoke, and other events that attract more people. Its character has affected and influenced the development around it and this space has had an amplifying impact on urban regeneration of the neighborhood.



Impact

LOCAL ECONOMIC DEVELOPMENT

Enhancing intangible creative capital and mindset

Traditionally, sauna baths have been the hubs for relaxation, communication, and socializing in the community. Sauna no Umeyu aims to improve on this concept with its additional efforts of organizing music and other events, and in doing so, attracting creative communities and the hipster crowd.

URBAN TRANSFORMATION

Spatial transformation

This bath is in an underutilized area, but by retaining the culture of bathing and packaging it to tourists and locals in a modern way it has changed the dynamics of the area. It now attracts developments in the neighborhood that cater to creative communities. This space strengthens the local social fabric and creates vibrant activities for local residents and creative talents. The bath is a highlight spot in the area and in Kyoto City, and it is leveraged by planners and developers to encourage urban revitalization.

SOCIAL INCLUSION

Sauna no Umeyu's clients come from everywhere and especially from the neighboring affordable housing. The bath welcomes many foreign tourists and locals alike and acts as a melting pot—local residents avail themselves of the traditional public bathing service and creative talents and hipsters enjoy the add-on activities like concerts and musicals while dwelling in the culture and tradition of Japan.





UNKNOWN KYOTO



Year of Founding

2019

55-1, Hiraicho, Shimogyoku,
Kyoto City, Kyoto, 600-8118, Japan

Role

AMPLIFIER

unknown.kyoto

Impact

- Building creative communities
- Local economic development
 - » Enhancing intangible creative capital and mindset
- Urban transformation
 - » Adaptive reuse
- Social inclusion

Description

Tucked away in the narrow alleys of the former traditional district of Gojo is UNKNOWN Kyoto, two traditional machiya houses renovated and converted into a multiuse facility comprising a coworking space (Work), a restaurant (Eat), and a hostel (Stay). The transformation of Kyoto's cityscapes in recent years has been gaining momentum with the rapid increase of inbound tourists, and with this transformation many traditional machiya houses are being converted into hostels. However, these stand-alone facilities tend to attract short-term visitors who use the facility as accommodation only, often spending the daytime in tourist areas and spending little time in the Gojo area. UNKNOWN Kyoto positions itself as a changemaker of this trend, providing a platform for both visitors and residents to have a deeper engagement with the Gojo area.

UNKNOWN Kyoto is a collaborative venture by three companies, each contributing to the philosophy behind UNKNOWN Kyoto. Hachise Co. Ltd. is a Kyoto-based real estate company specializing in the renovation and transformation of Kyoto's traditional assets such as machiya houses, adding to the property value while also creating community assets out of vacant or underutilized buildings. OND Inc. promotes the concept of "real estate as a form of entertainment," It is a Kyoto-based real estate company that operates online platforms to introduce Kyoto real estate. ENJOYWORKS is a Kamakura-based company emphasizing bottom-up approaches to urban development. In 2018, ENJOYWORKS launched Japan's first small-scale real estate joint enterprise to develop "Hello! RENOVATION," which specializes in utilizing vacant or underutilized areas.

UNKNOWN Kyoto stays true to the common theme of the creative spaces of Kyoto in that it is promoting urban transformation by introducing a new concept into the area in an organic way while still being embedded in the traditions of the area.



Role: Amplifier

Although UNKNOWN Kyoto is not one of the first movers of the creative community of this area, it plays an important role going forward in organic, community-driven growth of the Gojo area. Each of the operational pillars of UNKNOWN (Eat, Work, Stay) attracts a mixed community fostering deeper engagement with the neighborhood and spurring bottom-up development of the area. Co-creation is at the heart of UNKNOWN, with three companies coming together to build this community-oriented facility. The renovation fee was partly funded by an eight-month crowdfunding campaign, in which the contributors became stakeholders in community and area development. UNKNOWN Kyoto is one of the main coworking spaces in this area, providing a space for new start-ups and creators to grow their business, generating new businesses in the area. UNKNOWN Kyoto engages a diverse audience with its coworking spaces, attracting new talent and synergies and promoting group conversations about the “the future of our city.”

UNKNOWN Kyoto promotes urban transformation of the neighborhood by introducing new creative and commercial activities to the area. At its peak, this district was home to more than 150 tearooms and pleasure houses. Although traditional Kyoto machiya houses are often characterized by simple design with vertical wooden panels, the machiya houses of the Gojo area were adorned with tiles and glass, giving a distinct flavor to the area. Instead of the Japanese “scrap and build” design, the producers of UNKNOWN Kyoto built the facility with the motto of “to renovate, but to change as little as possible.” The producers used the distinctive street railings of this area as part of the design of the facade facing the street, promoting livability of the area while also providing a sense of familiarity and nostalgia.

URBAN TRANSFORMATION

Adaptive Reuse

Like Ajiki Roji, this site also allows social inclusion by offering space and amenities to the budding artists and helping them be a part of the creative community of Kyoto. Being an affordable boarding and lodging unit amid the creative area of Kyoto, it facilitates the inclusion of new artists in the creative community. With its services, UNKNOWN Kyoto also helps in integrating the newcomers to the creative industry of Kyoto. UNKNOWN Kyoto is also active in the local community, participating in a neighborhood-level festival event, as well as being a member of the monthly volunteer cleaning crew of Takase River (hosted by the neighborhood association).

SOCIAL INCLUSION

Impact BUILDING CREATIVE COMMUNITIES

UNKNOWN is a community space for various stakeholders to come together for discussion events and meetups to reinvent the neighborhood image. The multipurpose nature of UNKNOWN brings together different types of people to the area, including start-ups/creators, tourists, residents, and local business owners. It is a forward-looking creative space that will continue to grow and mold along with the changing culture of the district.

LOCAL ECONOMIC DEVELOPMENT

Enhancing Intangible Creative Capital and Mindset

The renovated machiya adds a flare to the Gojo area, giving it a “creative vibe”; it also connects the Kyoto traditions and historical culture intangible with the new creative community operating in the intangible economy. The hotel section of UNKNOWN attracts a foreign community of artists and creative talent that come to Kyoto to learn about Japanese art and culture. Furthermore, UNKNOWN Kyoto’s proximity to the relocated Kyoto City University of Art and other creative actors will further attract creative talents to the area with potential to generate a “chemical reaction” to spur further synergies among creative actors. The opening of UNKNOWN Kyoto is not an end in itself, but a means to strengthening the discussions on “machizukuri” or city development



BOX & NEEDLE





Year of Founding

2009

Jimukinoueda bldg. 3F-303, 21 Sakaicho,
Shimogyoku, Kyoto City, Kyoto, 600-8191,
Japan

Role

CONTRIBUTOR

boxandneedle.com

Impact

- Local economic development
 - » Skills development
 - » Global access and connections
 - » Enhancing intangible creative capital and mindset
- Social inclusion

Description

Box & Needle creates, sells, and promotes Kyoto's traditional art of handmade papermaking and paper-based products set by a long-established [100+ years] paper machine manufacturer in Kyoto. It imports paper from more than 17 countries and sells that paper and paper products to local and tourist clients in Kyoto. Leveraging this traditional art of Kyoto, the center also trains people in the art of paper and box making.

The store is run by Marushige Paper Container, a long-established paper box store founded in 1919, with a workshop in Yamashina. In 2009 Ms. Keiko Onishi founded Box & Needle on the basis of the concept of "boxes worth keeping." Instead of a space that produces only disposable boxes, she wanted to build a workshop space where people can create boxes that can be appreciated and reused as a household or decorative item.

Role Catalyzer

Traditionally a paper merchant, founder Ms. Keiko Onishi decided to collect papers from all over Japan and the world; she changed the operation model to be interactive and provided monthly workshops to attract creative community members. Having revamped the traditional art of papermaking, this space is now a go-to place in Kyoto for any paper or paper-related products.

Impact

LOCAL ECONOMIC DEVELOPMENT

Skill development

Through workshops, Box & Needle imparts training on the art and skills of papermaking to interested members of the community.

Leveraging the craft of papermaking, the center provides creatives in Kyoto and Japan with access to different types of paper material available worldwide. In that sense, the space exposes the creative community to different cultures, styles, and types of papers in not just Japan but globally.

Global access and connections

By endorsing the art of papermaking and related craft and supporting the revival of the traditional art of papermaking in Kyoto, Box & Needle is promoting the cultural heritage of the city. The store connects a historical traditional product to a new way of doing business. The space aligns the art of papermaking with growth of the intangible economy and adds vibrancy to the creative activities in the area.

Enhancing intangible creative capital and mindset

Box & Needle also offers a café space, which is used as coworking space by makers, artists, and creatives. Because it is open to all, the space promotes social inclusion and provides access to students and workers, creatives and other professionals, young and old people, alike.

SOCIAL INCLUSION



CRAFTHOUSE KYOTO





Year of Founding

2019

211 Omiyacho, Shimogyoku,
Kyoto City, Kyoto, 600-8138, Japan

Role

CONTRIBUTOR

crafthousekyoto.com

Impact

- Urban transformation
» Adaptive reuse
- Social inclusion

Description

Crafthouse Kyoto is a restaurant/pub with the concept of “craft beer, coffee, and music.” Set in an innovatively restored 100-year-old Kyoto machiya townhouse, its philosophy is to combine the spirit of Kyoto with a unique setting to give customers an unforgettable experience. Its craft beer is carefully selected from more than 50 breweries across Japan, and it also boasts about its quality coffee and expertly crafted food, using only the best local, seasonal produce. The owner, Mr. Takumi Shiraishi, is originally from Kyoto; he traveled and lived around the world before coming back to his hometown with the goal of “creating a community connected to the world” (Hachise Park Secretariat 2020). Crafhhouse is a gathering place for local residents, for those in Kyoto for business, and for discerning travelers.

Crafthouse Kyoto, a restored machiya townhouse, is a unique place for creatives, travelers, and local residents to gather and connect.

Role:
Contributor

Impact

URBAN
TRANSFORMATION

Adaptive Reuse

SOCIAL INCLUSION

As the owner of Crafhhouse Kyoto envisioned, Crafhhouse is a place to “connect” with creatives and local residents, as well as with foreign tourists and music lovers.



GALLERY MAIN & LUMEN GALLERY





Year of Founding

2015

543 Shimourokogatacho, Gojo agaru,
Fuyachodori, Shimogyoku,
Kyoto City, Kyoto, 600-8059, Japan

Role

CONTRIBUTOR

gallerymain.com
lumen-gallery.com

Impact

- Building creative communities
- Local economic development
 - » Enhancing intangible creative capital and mindset
- Urban transformation
 - » Adaptive reuse

Description

Gallery Main and Lumen Gallery are two galleries housed in a renovated former warehouse. The galleries were among the pioneers of the creative movement, moving into the area in search of larger spaces with affordable rent. The galleries maintain a low-key profile and do not interfere with the local streetscape and activity of the neighborhood, thereby promoting urban transformation in an unobtrusive way. Gallery Main is an art gallery space, mainly featuring photo exhibitions. The motto of the gallery is “starting a conversation”—creating a space to bring people together and form new synergies. Lumen Gallery is a film gallery featuring works ranging from animations, to dramas, to documentaries. All works share a common feature in that they are all produced by individual or small units of artists and videographers, creating new opportunities for local creative talent and thereby signaling that area as an avant-garde creative hub.

Role: Contributor

Gallery Main and Lumen Gallery, tucked away in a residential neighborhood, add to the inventory of creative assets in the area. Lumen Gallery features films by young, individual artists (as opposed to large production companies); therefore, it serves as a conduit for promoting local and young artists' work and facilitating social participation through art

Impact

BUILDING CREATIVE COMMUNITIES & LOCAL ECONOMIC DEVELOPMENT

Enhancing intangible creative capital and mindset

URBAN TRANSFORMATION

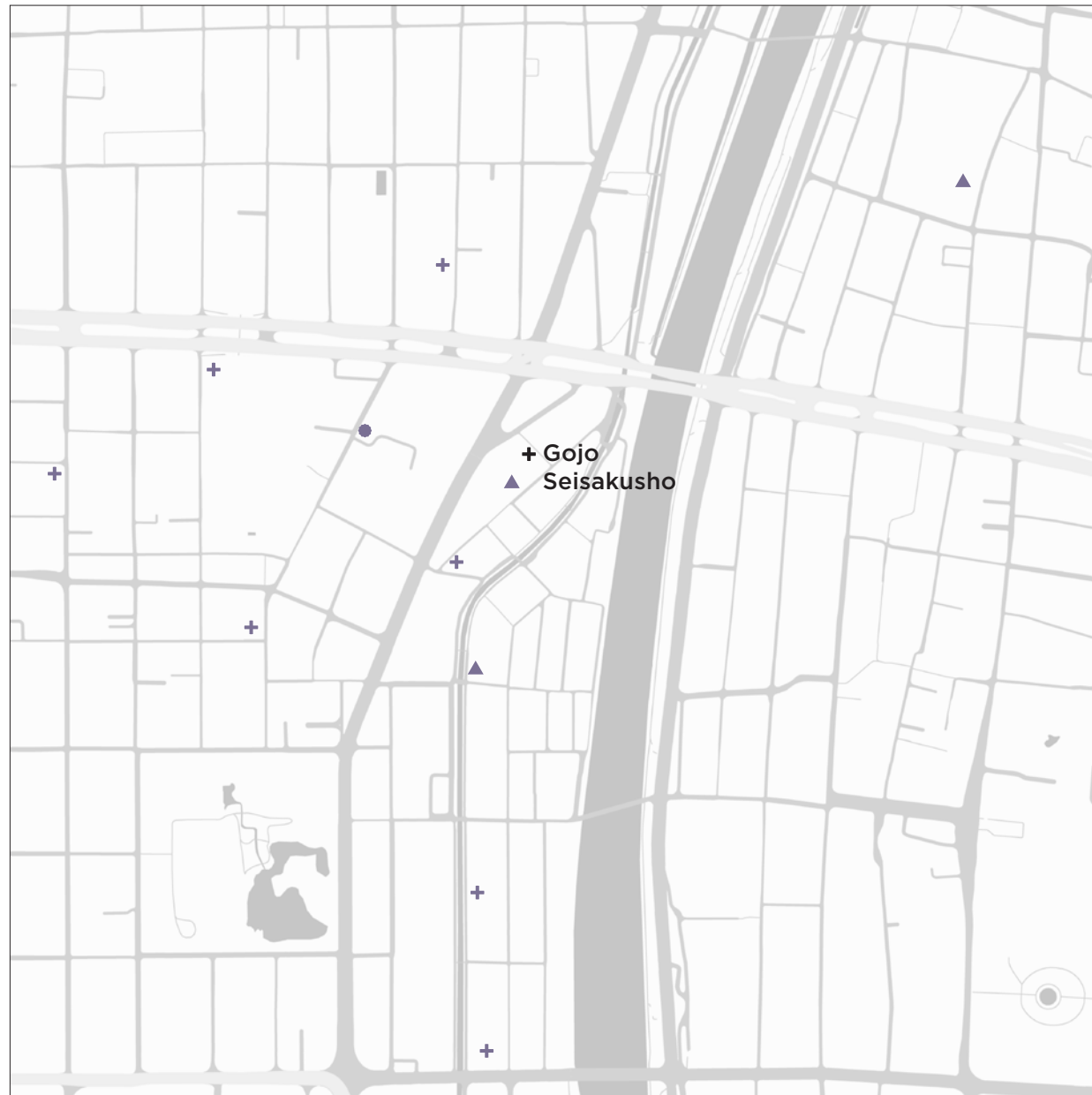
Adaptive Reuse

Instead of focusing on art for the masses, Gallery Main and Lumen Gallery provide a space geared toward intimate conversations, where visitors can connect not just with the artwork, but with each other. The twin galleries, located within the same building, allow visitors to appreciate two forms of art (photography and film) at the same time. The galleries promote the works of local talent, as well as attract new creative talents into the neighborhood.

Gallery Main and Lumen Gallery are significant creative assets that have a transformational impact on the neighborhood by creating a new business activity that brings a new flow of people through their gallery events. The building housing Gallery Main and Lumen Gallery is an 80-year-old former warehouse building. Though the building has been renovated as a gallery and event space, the building still holds much of the original features, including the wooden stairs and hallways.



**GOJO
SEISAKUSHO**



Year of Founding

2014

19 Hiraicho, Shimogyoku,
Kyoto City, Kyoto, 600-8118, Japan

Role

CONTRIBUTOR

[facebook.com/
GojoSeisakusho](https://www.facebook.com/GojoSeisakusho)

Impact

- Building creative communities
- Urban transformation
 - » Adaptive reuse

Description

Gojo Seisakusho (Gojo Factory) houses a collection of creative shops and small businesses. The retro-chic building stands out from neighboring buildings with its distinct coloring and stained-glass windows. Currently, each room of the building is home to creative businesses including a graphic design store, a jewelry store, a ponzu (Japanese citrus sauce) store, a cat food store, and a record store and bar. Decorated with modern taste, the first floor is a bar serving local craft beer, and the second floor is a record shop, with records available both for purchase and for listening while you have a drink in the bar downstairs. Many of the shops focus on the creation of customized, tailored, unique products rather than focusing on mass production.

Role: Contributor

Though Gojo Seisakusho was not founded with the greater creative community in mind, co-locating creative start-ups plays an important role in attracting other creators and creative start-ups to the neighborhood. Similar to the role played by Kaikado, it inspires other start-ups and business owners to pursue their creative endeavors in this area.

Impact

BUILDING CREATIVE COMMUNITY

The facility was founded in 2014 by a group of creators who all knew one another, forming a small community. New tenants are not chosen by the building's management company, but by the current members. Gojo Seisakusho is a one-stop shop for creative businesses that promotes interaction and communication among visitors (including artists, shoppers, and creators). The diversity of creative businesses housed under one roof fosters the development of creative synergies. It is one of the businesses that contributes to the critical mass of the creative community and signals the area as a creative hub.

Similar to the preservation of machiya, this classic, retro-chic building still holds much of the qualities of the original building, including the round stained-glass windows, one of the main characteristics of the facility. Visitors get the feeling that they are visiting a home because they must take off their shoes and wear slippers to enter the building. But one step inside Hachi Record Shop and Bar takes you into a world different from the classic, vintage feel of the building's exterior. Gojo Seisakusho contributes to urban transformation by generating new commercial activities that attract creative talent and art appreciators to the neighborhood.

URBAN TRANSFORMATION

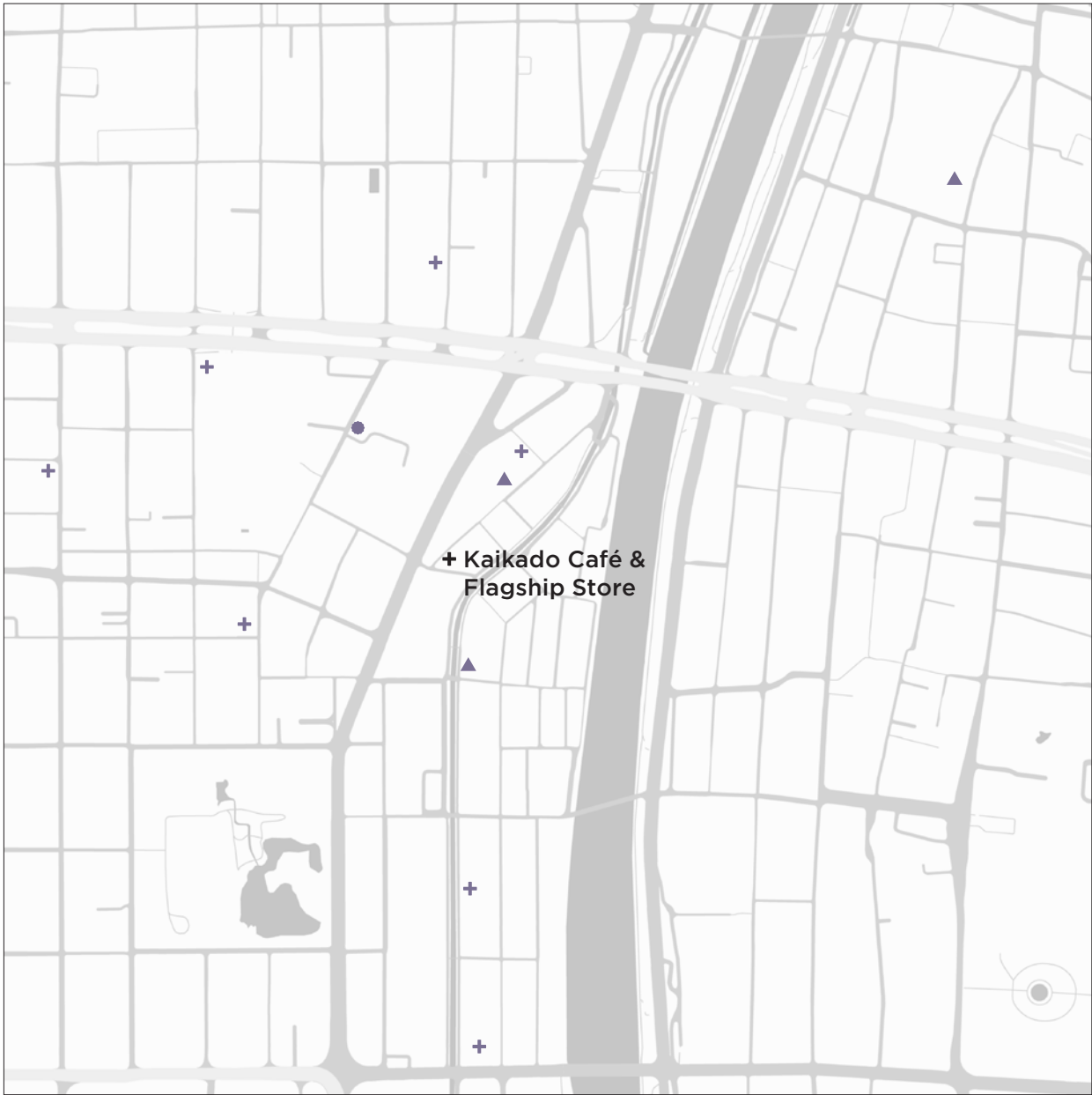
Adaptive Reuse

GOJO SEISAKUSHO





KAİKADO CAFÉ & FLAGSHIP STORE



Year of Founding

2010 (store)

84-1 Umeminatocho,
Shimogyoku,
Kyoto City, Kyoto,
600-8127, Japan

2016 (café)

352 Sumiyoshicho,
Shichijo agaru,
Kawaramachidori,
Shimogyoku,
Kyoto City, Kyoto,
600-8143, Japan

Role

AMPLIFIER

kaikado.jp/english

Impact

- Local economic development
 - » Enhancing intangible creative capital and mindset
- Urban transformation
 - » Adaptive reuse

Description

Kaikado has been making chazutsu (tinplate cannister for tea leaves) since 1875 and has continued its business in the same place since its founding. To this day, Kaikado remains one of the historical landmarks of the area. Each tea caddie is made by hand, using the same techniques for more than 140 years. These high-quality, air-tight containers keep the tea leaves safe from moisture and humidity. Appreciated for both its functionality and beauty, the chazutsu changes colors with age and use, letting the users enjoy different colorings over time.

Kaikado went through transformational change under the leadership of Mr. Takahiro Yagi, the sixth generation owner of Kaikado. Mr. Yagi was once told by his father that taking over the family business may prove difficult in the face of declining demand for chazutsu. To address this challenge, Mr. Yagi tweaked the chazutsu into a more versatile household item, with a chic modern look that was not out of place when used in a modern-style kitchen. His expanded vision of the chazutsu was the key to bringing the Kaikado brand global, as well as the key to achieving expanded sales channels in the domestic market.

In 2016, Kaikado collaborated with a Danish design firm to produce Kaikado Café, a 90-year-old vacant city tram warehouse renovated into a modern café located a short walk from Kaikado's factory and flagship store. At Kaikado Café, visitors can enjoy traditional products of Kaikado in a modern café setting, along with tea and baked goods from local bakeries.

Mr. Yagi is also a member of the Go-On Project, a collaborative effort by six young leaders of traditional businesses in Kyoto, working on joint projects and initiatives to promote Kyoto's traditional industries by adding a modern twist to traditional techniques and products.

Role: Amplifier

As one of the oldest businesses in the area, Kaikado plays an important role in the creative community by being a role model exemplifying that it is possible for traditional industries to expand globally and regain competitiveness. Kaikado showcases a success model in the “Kyoto way”: creating new business lines by leveraging new technologies and partnerships, but with the techniques and values still very much embedded in the traditional ways. The fact that Kaikado, one of the most historical institutions of the area, jumped on the bandwagon of the creative movement of the neighborhood by opening Kaikado Café in 2016 sent a strong signal of transformation as a creative neighborhood. By locating the café and the store in the same area, Kaikado adds to the new creative assets of the neighborhood, attracting creative talent and signaling the area as a creative hub. Kaikado Café, with its modern design, attracts not only new creative talent, but also visitors that are interested in engaging with modern design in the context of Kyoto’s heritage and traditions. Kaikado promotes a transformation of mindset, setting an example for other traditional businesses to be open to change and to understand that competitiveness does not need to come at the cost of diminished historical values and traditions.

Kaikado’s technique of making chazutsu by hand has been passed down from generation to generation for more than 140 years. Such techniques from traditional industries form the base of Kyoto’s intangible creative capital, in which knowledge, skills, and know-how are passed down through generations as part of the legacy of the city’s cultural heritage. And this intangible creative capital became the seed for innovation, growing and evolving traditional industries into pillars of modern creative society. Under the leadership of Mr. Yagi, Kaikado repurposed the chazutsu to hold items other than tea leaves so that it can be appreciated by a wider, global audience. To explore new cross-roads between modern technology and traditional art, he collaborated with companies such as Panasonic to codevelop the “Kyo-zutsu,” a handheld wireless speaker inside a chazutsu, enabling users to feel the music through the vibrations of the sounds against the chazutsu when held in the palm of their hands. Such initiatives, which integrate traditional craft with frontier technology, are examples of strengthened linkages between creative industries and other sectors of the economy that drive the opening of new industries and increase the competitiveness of Kyoto.

The Kaikado flagship store opened in 2010 by renovating a former workshop area and converting it into a modern, chic space. In 2016, Kaikado worked with a Danish designer to renovate a nearby vacant city tram warehouse into Kaikado Café. Kaikado Café gives visitors a chance to see, use, and appreciate many Kaikado items in a casual, modern café setting. The café serves as a space for people to come together, breathing new life into this non-tourist area of Kyoto. It is yet another example of how traditional industries are leveraging their intangible creative capital to expand the way in which people can interact with traditional crafts and products. Strategically positioned on the main road, the café catches the attention of passersby and it is an important symbol of the growing creative community of this area. The commercial activity generated by the close proximity of Kaikado Café to the Kaikado flagship store attracts a flow of people that can immerse in both the traditional and modern elements of Kaikado.

Impact

LOCAL ECONOMIC DEVELOPMENT

Enhancing Intangible Creative Capital and Mindset

URBAN TRANSFORMATION

Adaptive Reuse



KYOTO BEER LAB





Year of Founding

2018

201-3 Juzenjicho, Shimogyoku, Kyoto City,
Kyoto, 600-8137, Japan

Role

CONTRIBUTOR

kyotobeerlab.jp

Impact

- Local economic development
 - » Supports innovation and industry transformation
 - » Enhancing intangible creative capital and mindset
- Social inclusion

Description

Kyoto Beer Lab, tucked away on the shores of the Takase River, is a cozy, nano-sized brewpub that produces a fresh and creative world craft beer in a classic Kyoto setting.

Its specialty craft beer, Cha-Beer (tea beer), is infused with tea that is grown in Wazuka, one of Japan's oldest tea towns; the tea is known throughout Japan as "the espresso of teas." Cha-Beer was developed through the passion of Mr. Muragishi, the owner, who has been involved in the revitalization of the Wazuka area for the past eight years. With the help of local tea farmers, and with the mission to support the continuation and growth of this historic tea production, he developed the tea-infused beer, blending traditional tea culture with modern brewing.

Tom Ainsworth, an Australian national, joined the journey as a co-owner after meeting Muragishi during one gig when they both lived in Shiga prefecture, as they are both musicians. Not surprising, music is also key to the identity of Kyoto Beer Lab. Once a month it hosts an all-day DJ event (*Japan Times* 2020). But the best thing about Kyoto Beer Lab—besides the beer, food, and music—is that it fits seamlessly into the neighborhood.

Kyoto Beer Lab plays an important role in attracting and connecting local creators, foreign visitors, local musicians, and other local residents in the neighborhood with the creative mindset. It inspires customers with creativity and at the same time promotes Kyoto's traditional tea culture—but with an innovative modern twist.

Role:
Contributor

Impact

LOCAL ECONOMIC
DEVELOPMENT

Supports innovation and
industry transformation

Enhances intangible
creative capital
and mindset

Kyoto Beer Lab's endeavor in developing Cha-Beer was the first of its kind and, therefore, it is an innovation within the craft beer industry as well as in the tea production industry, which has an impact on the local economy.

Because one of Kyoto Beer Lab's goals is to revitalize the Wazuka area and support its traditional tea production, the beer lab serves as a place to promote and build awareness for traditional tea culture. Also, the owner chose to use the character from "Chojuinbutsugiga" as its logo, to strengthen the image and connect it with Kyoto's cultural heritage. "Chojuinbutsugiga" is a famous set of historical drawings of anthropomorphic animals, sometimes credited as the first manga, and it is owned by Kosanji temple in Kyoto, which is also known to have the oldest tea farm in Japan (Sharing Kyoto 2020).

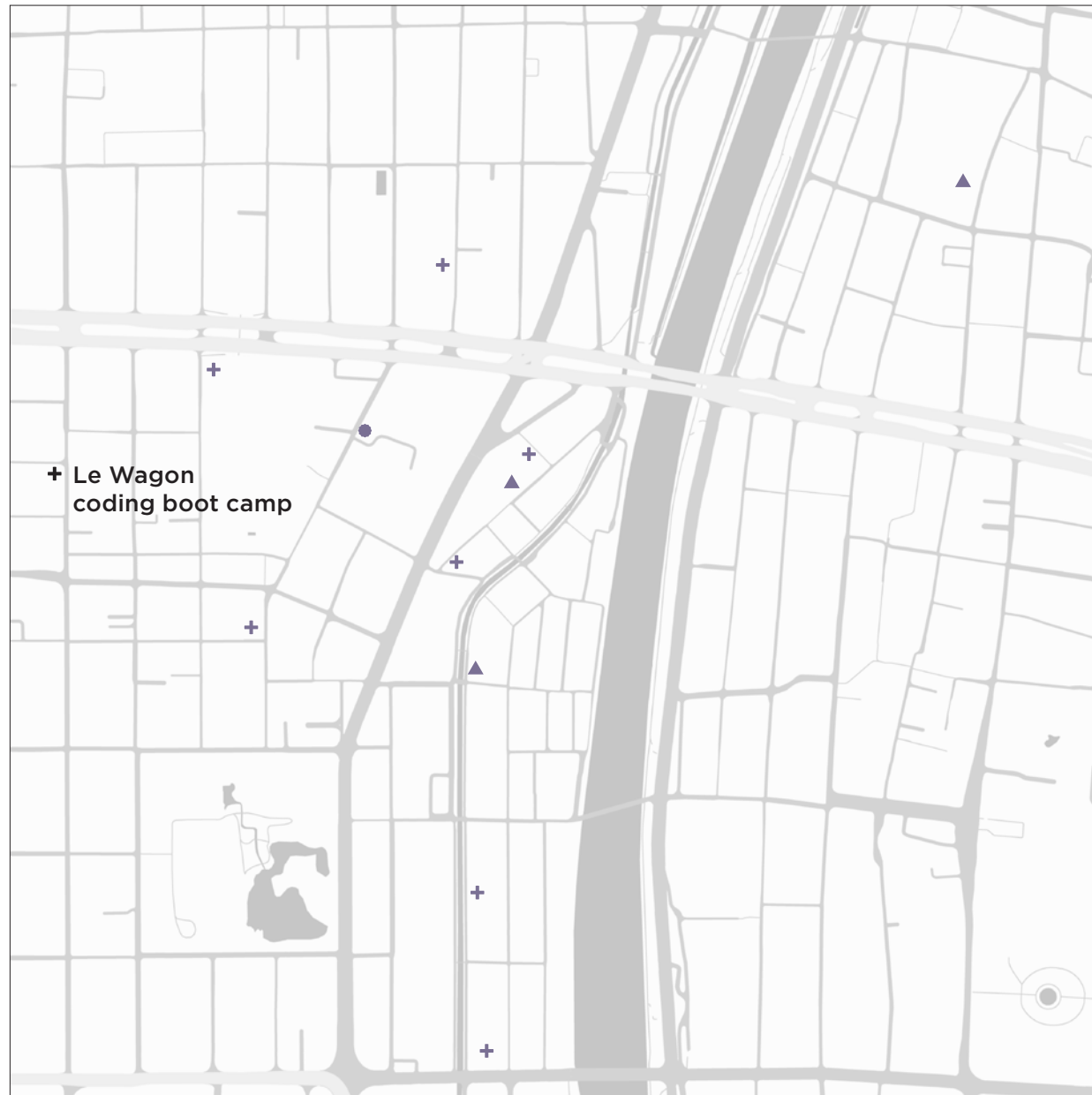
Kyoto Beer Lab is well integrated in the local community: it attracts local creatives as well as foreigners visiting Kyoto, and its music offerings help create a creative scene in the neighborhood.

SOCIAL INCLUSION



LE WAGON CODING BOOT CAMP





Year of Founding

2018

529 Izumicho, Shimogyoku,
Kyoto City, Kyoto, 600-8188, Japan

Role

CONTRIBUTOR

lewagon.com/kyoto

Impact

- Building creative communities
- Local economic development
 - » Skills development
 - » Global access and connections
- Social inclusion

Description

Le Wagon coding boot camp in Kyoto trains people in coding and is one of 38 centers worldwide. It brings global knowledge on coding to makers, students, start-ups, and entrepreneurs in Kyoto, providing them opportunities for international connections. Sylvain Pierre is the cofounder of Le Wagon in Japan. He is a catalyzer for the local coding community and is a community advocate for teaching programming and product development fundamentals to beginners.

Le Wagon coding boot camp teaches coding to makers, technicians, artists, students, and entrepreneurs. By learning this skill, they are more digitally sound, which helps them in advancing their creative careers. With its global connections, this coding boot camp supports creative communities in Kyoto with international knowledge and networks. Furthermore, Le Wagon has been actively collaborating with other creative spaces in the neighborhood, such as FabCafe and Kyoto Makers Garage (KMG), to organize skill training and network events to bring the creative community together and amplify the network effects. Le Wagon is housed within a creative facility called “Community Lab N5.5,” a community lab for monozukuri (the art of making things), which brings together a coworking space with a small gallery space. The building is a traditional kyo-machiya building that was formerly used as a dormitory for Buddhist nuns. The facility has not been completely renovated—the members of Community Lab N5.5 continue to work on fixing up the kyo-machiya house as a community project.

Role:
Contributor

Le Wagon is a significant contributor to the creative community in the space of coding and digital technology. It provides training in and promotes the technological aspect of creativity and hence plays a major role. Though it may not accelerate creative businesses, Le Wagon supports them by offering technical skills, training, and knowledge.





Impact

BUILDING CREATIVE COMMUNITY

Le Wagon organizes events at its center and in collaboration with other creative spaces, such as FabCafe and KMG, bringing the creative community together, and further supporting it with linkages and networks. For instance, Le Wagon organizes skill training workshops, or “demo day” events, in partnership with FabCafe that leverage Le Wagon’s expertise in coding and design and the space and network of FabCafe. Through such collaborations, Le Wagon is contributing to building a dynamic creative community and, therefore, amplifying the network effects.

LOCAL ECONOMIC DEVELOPMENT

Skill development

A very critical impact of Le Wagon on Kyoto’s creative community growth is the promotion of digital literacy through skill development and training. It supports creative community by teaching coding, which helps students in modernizing and marketing their products and ideas. In a nutshell, it brings technical skills to creative people, which helps them access opportunities in the intangible economy. Le Wagon’s coding boot camp helps connect creatives to the local technology ecosystem, which in turn helps build and grow creative community.

Global Access and Connections

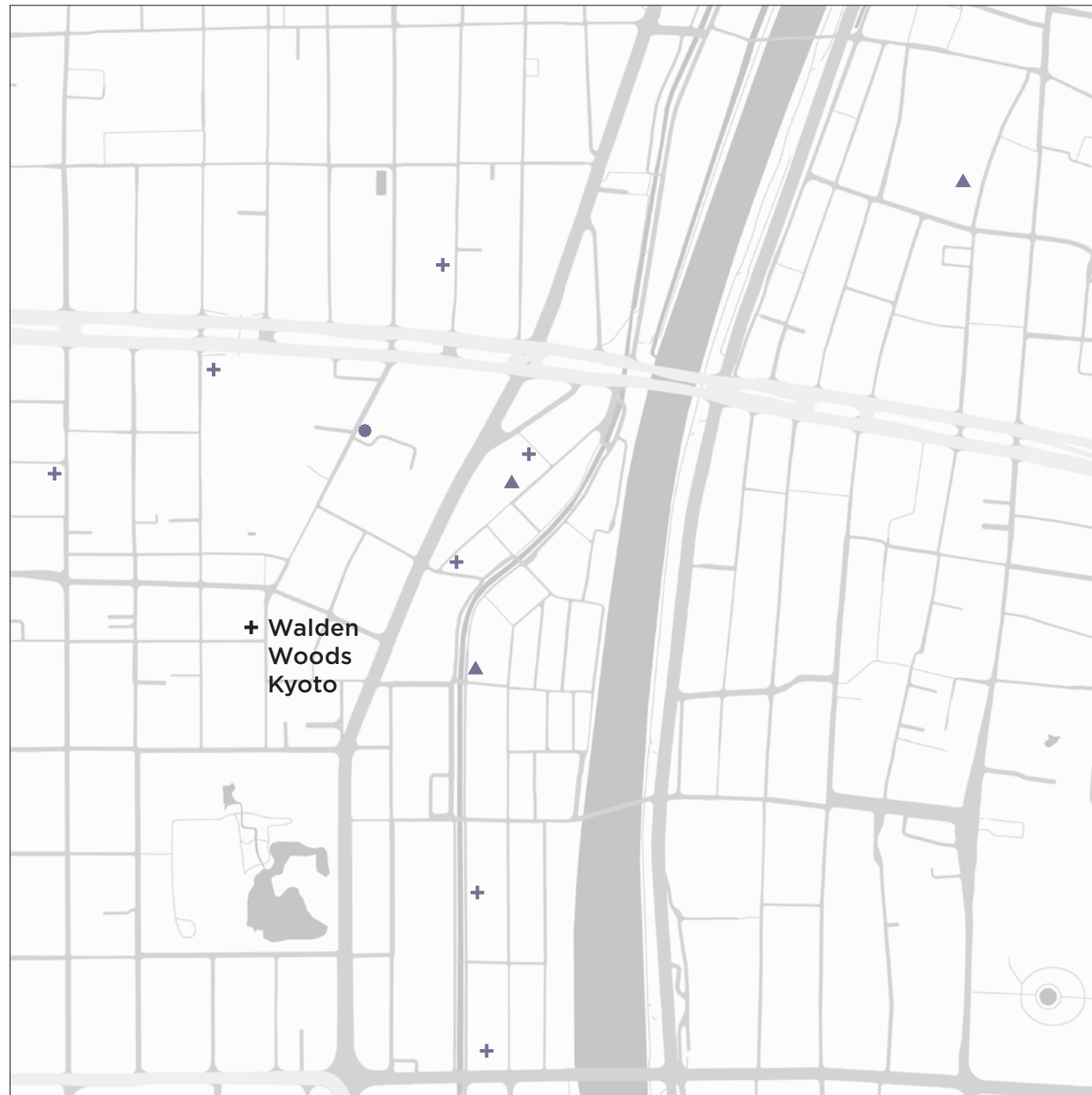
With most of its lessons in English, Le Wagon Kyoto attracts many foreign students and makers (almost 75 to 80 percent of the students are foreigners), building a global creative community that allows a vibrant exchange of knowledge. With its international connections through 38 campuses worldwide (including teachers, industry experts, and established businesses), it passively supports makers and start-ups with collaborations and business networking.

SOCIAL INCLUSION

Coding boot camp offers knowledge and skills to anyone aiming to learn coding and to be creative. It does not exclude anyone; it offers a platform to anyone who wants to learn to be a part of the creative community. The small gallery space of Community Lab N5.5 promotes creative community building and social inclusion by attracting new groups of people. The gallery provides a space for artists to feature their works and, thereby, contribute to the vibrant, creative neighborhood.



**WALDEN
WOODS
KYOTO**



Year of Founding

2017

508-1 Sakaecho, Shimogyoku, Kyoto City,
Kyoto, 600-8194, Japan

Role

CONTRIBUTOR

eng.walden-woods.com

Impact

- Building creative communities
- Local economic development
 - » Global access and connections
- Urban transformation
 - » Adaptive reuse
- Social inclusion

Description

On December 14, 2017, Walden Woods Kyoto opened near Higashi Honganji Temple in Kyoto. Walden Woods is a renovated Western-style house that was built in 1912 and made into a café. The building faces south, which is unique to Kyoto, which was built on a grid.

Yuji Nishimura founded the café, which was designed by Seiichiro Shimamura. Nishimura has immense experience in the restaurant industry; the designer was born in Japan but is a Paris-based fashion designer.

Walden Woods is one of the most popular spots for Instagram photos in Kyoto. It was designed as a “hidden gem in the woods” and it is located off the main road in a secluded location. The space attracts hipster crowds, thinkers, innovators, students, and artists who are looking for quiet and artistic spaces. The shop interior is based on the “White Forest in Walden,” and the space itself is like artwork. The design of the café— there is no furniture, just continuous spaces—promotes freedom and openness and allows for easy interactions. Walden Woods Kyoto attracts much social media buzz to the area.

The café sells its own brand of organic teas and coffee. The café also uses a vintage coffee roasting machine that was purchased in Europe. It was made by Probat, a company that has been in business for 150 years. The space claims to offer a coffee experience from the 1870s with its vintage coffee roasting machine. In addition, the use of lamps, tableware, trays, and other features with a nature theme, and the use of French vintage and old military items, contributes to the space’s Walden forest “feel.”

Walden Woods’ creative business model, combined with its barrier-free creative space, caters to the new generation of creative talent, both local and foreign. The space is particularly popular among the creative foreign community in Kyoto. Walden Woods, along with the other spaces and creative offerings in Kyoto, makes the area different and attractive to this specific group of people.



Role:
Contributor

Walden Woods in Kyoto is not a regular café. Offering homegrown teas and coffees to its customers, it is a platform to initiate conversations. Interactions are facilitated by its barrier-free design. Though the café does not intentionally promote creative communities, in a distant sense it does, and, therefore, it contributes to building the creative communities.

Impact
BUILDING CREATIVE
COMMUNITIES

Walden Woods Kyoto is the highlight spot of the area, where locals and tourists gather for not just a gourmet experience but also an artistic experience. The impact of the space can be seen in the innovations, ideas, and developing hardware and products in neighboring sites, such as FabCafe. Though the space passively influences the building of creative communities and passively facilitates networking, its impact is nonetheless significant. Walden Woods Kyoto is a platform for creative people to gather, exchange ideas, and interact freely in the barrier-free space.

Interestingly, it attracts Kyoto's new wave of creative talent that includes the foreign community. Creative people in this community (such as those affiliated with the university or professionals) are attracted to Kyoto for various learning experiences, including the strong Japanese cultural and heritage traditions.

This space, with its Western style and Japanese design elements, and its gourmet coffee and tea experiences, connects foreigners and Japanese locals. It provides global connections and networks to the Japanese creatives in this space.

The site is a renovated Western-style house that was built in 1912 and made into a café. The design of this café building retains the architectural elements of the West and Japan. For example, there are four windows, which mimic the image of a Western-style building. The building faces the south, which is unique in Kyoto because it was built on a grid; bright sunlight illuminates the white outer walls of the café. The design of the space is based on the concept of Thoreau's "white Walden woods."

Because Walden Woods Kyoto is a barrier-free site, it allows interaction between people of all walks of life. People from different communities, with different job profiles, of different gender, and with creative or noncreative backgrounds gather at the café and interact freely. Also, tourists are frequently drawn to this space because it is very popular on social media.

LOCAL ECONOMIC
DEVELOPMENT

Global access
and connections

URBAN
TRANSFORMATION

Adaptive reuse

SOCIAL INCLUSION





WEST OF KYOTO STATION

Kyoto Makers Garage ● 162

BBQ Court 339 &
+ Madogiwa Café 339
172

▲ KAGANHOTEL
166



CNC Router Parts
PRO4848 4' x 4' CNC Router Kit

CNC Router Parts社のPRO4848 CNCルーターは、4ft x 4ft (約122 cm x 122 cm) の大きな面積を備えた切削加工機です。木材、合板、プラスチックなど、厚さ約20mmまでの素材を切断することができます。プロ級のCNCルーターを使う事で、家具などを簡単に作ることが出来ます。

KYOTO
MAKERS
GARAGE



Description

Kyoto Makers Garage (KMG) is a space for creation and innovation, supporting makers, students, and start-ups in sharing knowledge and developing new ideas. KMG facilitates innovation by providing the latest machinery and tools and training for enhancing technology and machinery skills.

Monozukuri Ventures (formerly Makers Boot Camp), a hardware venture capital firm, created KMG as a venture capital investment, with an aim to bridge the gap between idea and product, supporting local and international start-ups. This fabrication space is a collaboration with the Kyoto city government; Kyoto Research Park (KRP), a regional development catalyst; and the Advance Science, Technology and Management Research Institute of Kyoto (ASTEM).

Mr. Narimasa Makino is the founder of KMG and CEO of Monozukuri Ventures and he is the man behind the vision for fostering growth of the creative community in Kyoto. Makino started to work for Future Venture Capital in 2005, where he gained experience in private equity. He worked as an incubation manager at ASTEM in Kyoto and joined SunBridge to run GVH Osaka; he invested in start-ups as a member of SunBridge Startups LLP. Drawing from his experience in venture capital investments and innovative, creative businesses, Makino started Monozukuri Ventures, an acceleration program for hardware start-ups in 2015 and set the "MBC Shisaku Fund I" for hardware start-up in 2017. These programs gave birth to KMG, which is one of the creative ventures of Mr. Makino.

Creative spaces in the west area appeared in 2017, when KMG opened. In contrast to the east area, the west area's first space was a catalyzer, which helped to accelerate the development of the creative community in the neighborhood. As a result, new creative spaces were created, including KAGANHOTEL and Madogiwa

Café 339, and the area built links with technology and entrepreneurial communities locally, nationally, and internationally. KMG also strengthened linkages with Kyoto city government and KRP, serving as a conduit for coordinating public policy action in the transformation of the area and the integration of KRP in the neighborhood.

KMG is situated in an industrial neighborhood near the city's central food market. The makerspace is a modular space equipped with a small selection of machines including 3D printers, a CNC milling machine, and a laser cutter. The space provides a unique, relaxed atmosphere where makers are encouraged to experiment, create, and collaborate. This space fosters the concept of "monozukuri," meaning production or making of new things in Japanese. KMG synthesizes technological prowess, know-how, and the spirit of Japan's manufacturing practices with new innovative ideas and the old and traditional art forms to give them a new meaning. The business model basically includes connecting traditional manufacturing small and medium enterprises (SMEs) in Kyoto with international businesses and start-ups. For example, Monozukuri Ventures' monthly meetups are hosted at KMG, and are called "Monozukuri Hub" public events. The intent is to enable makers, experts, entrepreneurs, or investors from all industries to share experiences and knowledge about the latest trends in hardware start-ups and to foster open innovation between start-ups and traditional manufacturing companies. KMG is also the cosponsor of "Monozukuri Hardware Cup"—one of the region's leading start-up pitch events in English that connects Japanese companies with international stakeholders.

By offering modern and state-of the-art tools and machineries to the makers and students, KMG supports innovation and new ideas, allows new products to be tested, and aids in modernizing existing and traditional products and ideas.



Year of Founding

2017

73-1 Sujakuhozochō, Shimogyōku,
Kyoto City, Kyoto, 600-8846, Japan

Role

CATALYZER

kyotomakersgarage.com

Impact

- Building creative communities
- Local economic development
 - » Supports innovation and industry transformation
 - » Skills development
- Urban transformation
 - » Spatial transformation



Role: Catalyzer

It would be safe to say that Mr. Narimasa Makino, the founder of KMG, is the catalyzer, more so than KMG as a space itself. Although KMG is creating the necessary impacts to be a catalyzer, it is Mr. Makino's vision, his commitment to the creative growth of Kyoto, and his networks and influencing power in the creative industries that are shaping the creative communities of Kyoto. As the CEO of Monozukuri Ventures, he runs many companies and brands that are accelerating creative industries; KMG is the front runner of his efforts. KMG has been successful in not just supporting innovation, skill development, and business acceleration, but also it has played a key role in urban revitalization and developing global connections.

One of the main impacts of KMG is the development of the "Monozukuri" network. The regular Monozukuri Hub meetups bring together local and international entrepreneurs with community members. KMG helps start-ups connect with industry experts and brands for collaboration and business development. These efforts are creating a new way of doing business and new ways of working in creative communities.

KMG functions as a creative hub and a center for supporting innovation. Ideas and products are fabricated, manufactured, and tested in this space, using KMG's machineries and tools. KMG also synthesizes traditional industries of Kyoto with new technologies, by which it transforms mindsets and acts as a platform for change. By working with the monozukuri supply chain of SMEs and introducing new 3D printing techniques and start-up business models, this space is fostering innovation and industry transformation. Venture capital investments, such as KMG, make the innovation agenda stronger by investing in local start-ups. KMG is ultimately striving to help cultivate a diverse and inclusive community of makers and entrepreneurs within the budding Kyoto start-up ecosystem.

Through training and events, KMG supports makers, students, and start-ups in developing new skills and accessing local and global knowledge.

Fostering the concept of "monozukuri," KMG's business model connects traditional manufacturing SMEs in Kyoto with international businesses and start-ups. Mr. Makino champions many such start-ups and innovative business models, including KMG, and leverages all of them to develop global connections and networks.

As a large contributor and catalyzer of Kyoto's creative industry, KMG has a significant impact on revitalization of the neighborhood. KMG was the first creative space in this market district; its arrival triggered the development of creative spaces around it and changed the demographics and space utilization in the west area. From the onset, KMG intended to play an important role in urban transformation by influencing and attracting similar businesses and developing creative communities and bringing in new crowds.

Impact

BUILDING CREATIVE COMMUNITIES

LOCAL ECONOMIC DEVELOPMENT

Support for Innovation and industry transformation

Skill development

Global access and connections

URBAN TRANSFORMATION

Spatial transformation



KAGANHOTEL



Description

Founded in 2019, KAGANHOTEL is a hotel and a residence that provides co-living space for artists including a studio space and an exhibition gallery. Located a short train ride from Kyoto Station, KAGANHOTEL attracts international creative talent to the neighborhood.

KAGANHOTEL was founded by MAY Inc., a Kyoto-based business focused on real estate finance and creative community creation through the revitalization of unused or underutilized properties. MAY Inc. was founded by Tomoki Ohgisawa and Toshiyo Kusakabe soon after they graduated from school. MAY Inc. is involved in real estate planning and operation, as well as in the creation of websites, events, and publications focusing on revitalizing vacant properties into community spaces.

Role: Amplifier

As the newest creative amenity in the area, KAGANHOTEL adds a flare to this area, which is largely known for the wholesale market. It adds fuel to the growing creative community built by players such as Kyoto Makers Garage and Barbeque Court 339 and Madogiwa Café 339. Art hotels in Kyoto are gaining momentum, but this is the first such hotel in this neighborhood, creating buzz and attracting diverse creators to the area.



Year of Founding

2019

99 Sujakuhozochō, Shimogyō-ku,
Kyoto City, Kyoto, 600-8846, Japan

Role

AMPLIFIER

kaganhotel.com

Impact

- Building creative communities
- Local economic development
 - » Enhancing intangible creative capital and mindsets
- Urban transformation
 - » Adaptive reuse
- Social inclusion



Impact

BUILDING CREATIVE COMMUNITY

KAGANHOTEL introduces a new concept to the area. It is an art haven that not only attracts artists but also brings together artists with art lovers and potential patrons. With accommodation facilities that cater to both long - and short-term stay, it can serve as a gateway for artists looking to pursue their artistic endeavors in Kyoto. It ignites engagement by bringing together diverse populations, including short-term visitors from Japan and abroad.

LOCAL ECONOMIC DEVELOPMENT

Enhancing intangible creative capital and mindset

KAGANHOTEL plays a similar role to the role Ajiki Roji plays in the east side of Kyoto Station. It is promoting a niche community of artists that are learning about the intangible cultural heritage and creative assets of Kyoto by immersing in the city. The co-living of artists promotes a strong bond, but in a way that does not impose on the “neighborhood feel” of this industrial area. KAGANHOTEL also contributes to the strengthening of the neighborhood-level creative community by collaborating with other creative spaces in the area and offering stay packages that include a week-long membership at Kyoto Makers Garage as well as enjoying a meal at Barbeque Court 339 (BBQ 339).

The original building is a 45-year-old former company dormitory¹⁵ and warehouse of the wholesale market. The building was renovated into a hotel with a modern taste, but it maintains the original exterior architecture thereby it does not disrupt the streetscapes of the area. Compared with the hotel's interior, which is simple in its design, the surrounding area is busy with its narrow streets filled with food businesses supporting the wholesale market. KAGANHOTEL contributes to urban transformation by attracting a new flow of people to the area. As a company dormitory and warehouse, this facility was only accessed by employees of the market. Now, with a co-living space and exhibition space with events, KAGANHOTEL is drawing in new flows of people and adding vibrancy to the neighborhood.

KAGANHOTEL is one of the first art hotels in Kyoto attracting artists from all over. With its affordable pricing and accessible location, it is popular among young artists and foreigners. Kyoto attracts a large foreign community with its many universities and strong culture and traditions. Artists from around the world visit Kyoto to learn about Japanese traditions and creativity. KAGANHOTEL is an entryway for such international artists and creators to immerse themselves in the creative community of Kyoto. Promotion of social inclusion is enhanced by the stay packages offered by KAGANHOTEL; long-term stay options are also available, making the place more affordable to the budding creators.

URBAN TRANSFORMATION

Adaptive reuse

SOCIAL INCLUSION





**BARBEQUE
COURT 339** &
**MADOGIWA
CAFÉ 339**

BBQ
コート 339

OPEN 11:00 CLOSE 22:00
お一人様(3時間) 1000円
子ども(3才以上) 500円
お肉セット バラエティ 1500円
お肉セット カルミア 2500円
海鮮セット 伊勢の幸 2500円

本日はお越しいただき
誠にありがとうございます
ごゆっくり

Description

Coworking space and barbeque (BBQ) restaurant located just outside the Kyoto City Central Wholesale Market. Operated by 339 (Sazangakyu Inc.), a local Kyoto-based company with the mission of bringing “Kyoto’s kitchen to the world.” Madogiwa Café 339 is a small coworking space created in joint collaboration with other creative agents in the area such as Kyoto Makers Garage and PiPPA (a share bike service).

The Kyoto City Central Wholesale Market was the first central wholesale market established in Japan in 1925. Located next to this market is Barbeque Court 339 and Madogiwa Café 339. They are operated by Sazangakyu (339) Inc., a Kyoto-based company with the mission of bringing “Kyoto’s kitchen to the world.” Strategically placed abutting the market, this barbeque (BBQ) area serves food directly from the market. 339 also arranges tours of the surrounding area, giving an insider’s perspective to the best local markets of the area.

Role: Contributor

Since its founding in 2015, 339 Inc. has been a trend setter, attracting niche creative talent relating to food. The company adds elements of engagement and community building to the wholesale market area. It leverages the footfall of the market, allowing people to engage with the market outside of the conventional seller/buyer relationship by providing a gastronomical experience for its visitors. In addition, it provides a coworking space, restaurants, and small food tours of the area, creating a deeper engagement with the market and the area.



Year of Founding

2017 (BBQ Court 339)

2019 (Madogiwa Café 339)

74 Sujakuhozochō, Shimogyō-ku, Kyoto City, Kyoto, 600-8846, Japan

Role

CONTRIBUTOR

bbq.339.co.jp

Impact

- Building creative communities
- Local economic development
 - » Enhancing intangible creative capital and mindsets
- Urban transformation
 - » Adaptive reuse
- Social inclusion

Impact

BUILDING CREATIVE
COMMUNITY &
LOCAL ECONOMIC
DEVELOPMENT

Enhancing Intangible
Creative Capital
and Mindset

Through 339, the market is connected to the community, and the world. In collaboration with Kyoto Makers Garage (KMG) and PIPPA (a share bike service), 339 started Madogiwa Café 339, a café style coworking space. Decorated with antique furniture, the café/coworking space aims to attract more people to the area, including the growing makers community that visits KMG. The PIPPA docking station located outside of the café allows for increased accessibility to the facility. This contributes to the diversification of the area, attracting people that are in fields outside of the wholesale operations of the market.

The operations of 339 provide a different angle from the top-down development initiatives of the area including the renovation of Umekoji Park, the building of a new train station, and the opening of a railway museum. Complementary to this, companies such as 339 contribute a more bottom-up approach to the recharacterization of the market area.

URBAN
TRANSFORMATION

Adaptive Reuse

The space housing Barbeque Court 339 (BBQ 339) and Madogiwa Café 339 was formerly a warehouse for an ice dealer of the wholesale market. BBQ 339 and Madogiwa Café 339 transformed this warehouse into facilities that promote interaction and give the area a community vibe. Instead of tearing down the warehouse and rebuilding from scratch, the 339 facilities kept the former structure of the warehouse, making it easier for these facilities to blend in with the market and its surroundings. This design feature gives a sense that this area is “more than just a market”; that it is a space where people can stay, interact, and create something new. The effect of this is urban transformation, drawing in a new flow of people and retaining creative talent as the people become engaged in neighboring facilities such as KMG and KAGANHOTEL.

SOCIAL INCLUSION

Being in the vicinity of KMG and its offshoot, 339 attracts makers and artists looking for coworking space; but it also attracts others that just want to grab a bite to eat or a drink. Unlike KMG, this place is open to all—makers and not makers—by offering coworking space and other services.

GLOSSARY

ACCELERATOR: A space that provides later-stage start-ups with access to mentorship and a larger network to further develop their business ideas over an intensive and limited time frame of a few weeks to months.

AMPLIFIER: Individuals and organizations that leverage the traditional arts and culture and create intangible creative capital.

BOOT CAMP: An immersive and technical training program focused on up-to-date trends in technology, entrepreneurship, coding and design, and professional skills development.

CATALYZER: Catalyzers in a creative community are individuals and organizations that have an influence on creative people, businesses, and surroundings, helping to drive the local creative economy, and to build more inclusive, connected, and collaborative creative communities.

COMMUNITY SPACE: A space that is designed to be inclusive of all members of a community, often providing learning activities and a space to recreate and exchange ideas.

CONTRIBUTOR: Contributors add to the inventory of creative assets in an area, and also enhance economic, social, and cultural value. The presence of contributors adds creative character to a given area and creative community.

COWORKING SPACE: A membership-based work space that allows diverse groups of independent creative professionals and individuals that work remotely to work in a shared setting.

CREATIVE CAPITAL: Intrinsic assets—such as organizations, buildings, spaces, and traditions—that help to create creative communities and cities.

CREATIVE CITY: A city that incorporates a culture of creativity in urban planning and in solutions to urban problems.

CREATIVE COMMUNITY: A collection of professionals, organizations, and urban spaces that are supporting the creative industries in a given area.

CREATIVITY: The formulation of new ideas and the application of these ideas to produce original works of art and cultural products, functional creations, scientific inventions, and technology.

CREATIVE PLACEMAKING: An approach focused on the power of culture and creativity to transform the life of a local community through creative ways that make a neighbourhood attractive for people to live, work, and enjoy life.

FAB LAB: A space that specializes in digital fabrication (a type of manufacturing that uses computer-controlled machines) and includes a range of additive manufacturing technologies, with 3D printing being the most common.

HUB: An effective focal point and generator of activity for a given sector. It applies to spaces, regions, and networks.

INCUBATOR: A space designed for early-stage start-ups that provides a shared space as well as access to mentors and a variety of services (for example, business literacy programs, market research, marketing assistance, business coaching, and so on).

INNOVATION: Developing new ideas that have practical and useful aspects, and that have been tested and found to work in the real world. It can have economic and social effects that remain in the long term. Creativity and innovation are interrelated.

INTANGIBLE CULTURAL HERITAGE: Knowledge, skills, and know-how, such as performance art, festivals, traditional environmental knowledge, and handicraft, passed down through the generations in communities that recognize them as “part of their cultural heritage” (UNESCO 2003).¹⁶

INTANGIBLE ECONOMY: An economy system comprised of assets that are not physical in nature, such as a brand, trademark, patent, or copyright.

MAKER SPACE: A space for creative production in art, science, and engineering where people of all ages and career paths integrate digital and physical technologies to learn technical skills and create new products.

ORANGE ECONOMY: The orange economy covers a wide range of cultural domains: art, crafts, films, cultural heritage, video games, fashion, and music. The production or reproduction, promotion, distribution, or commercialization of goods, services, and activities of content derived from cultural, artistic, or heritage origins.

SPATIAL TRANSFORMATION: The process of changing the distribution of people and activities in spaces of various scales.

URBAN TRANSFORMATION: Regeneration process that preserves historical and cultural heritage architecture and landscape, while activating the social fabric and economic activity.

INTERVIEWS AND PRESENTATIONS

The sources of this report include in-person interviews with Kyoto policy makers, city officials, and key stakeholders, as well as presentations and findings conducted and produced during the Technical Deep Dive on Creative Cites (January 2020), including the insights derived from the discussions among policy makers, experts, and practitioners presenting and participating in the Technical Deep Dive. These sources were complemented with desk research, for which the references and sources are listed below.

The following Japanese government and city policy makers and stakeholders were interviewed for this report (Titles/positions are as of January 2020.):

- **Yukihiro Goto**, Policy Coordination and Policy Research Group, Secretariat of Headquarters for Vitalizing Regional Cultures, Agency for Cultural Affairs, Government of Japan
 - **Akie Hoshino**, Policy Coordination and Policy Research Group, Secretariat of Headquarters for Vitalizing Regional Cultures, Agency for Cultural Affairs, Government of Japan
 - **Masataka Hosoo**, Executive Managing Director, Hosoo Corporation
 - **Noriko Kasuya**, Director General for Tourism, City of Kyoto

“Kyoto City’s Vision and Initiatives to Form a City of Creation and Improve its Urban Competitiveness.”
Presentation made on 28 Jan 2020.

 - **Takashi Kawaguchi**, New Industry Promotion Office, Industry and Tourism Bureau, City of Kyoto
 - **Kosuke Kinoshita**, Fab Director, FabCafe Kyoto

“FabCafe Kyoto.”
Presentation made on 29 Jan 2020.
- **Isao Kitabayashi**, CEO/Coordinator, Cos Kyoto Co.,Ltd.

“Design Week Kyoto: Empowering Creativity in Kyoto Through Diverse Interaction.”
Presentation made on 30 Jan 2020.

 - **Fram Kitagawa**, Art Director/Chairman, Art Front Gallery

“Art Opens Up Local Possibilities.”
Presentation made on 28 Jan 2020.

- **Narimasa Makino**, CEO/Co-Founder, Monozukuri Ventures (Kyoto Makers Garage)

“Monozukuri Ventures: We Make Hardware Startups Together.”
Presentation made on 30 Jan 2020.

 - **Masayuki Sasaki**, Professor, Doshisha University
 - **Tetsuji Yabuta**, Manager, Tourism and MICE Office, Industry and Tourism Bureau, City of Kyoto

The following additional in-person and telephone interviews were conducted to compile the information regarding the creative spaces featured in this report (Titles/positions are as of January 2020.):

- **Hiroko Ajiki**, Mother, Ajiki Roji
 - **Ajiki Roji**. Presentation made on 29 Jan 2020.
 - **Toshiko Asai**, Founder, Impact Hub Kyoto
 - **Noriyuki Futagami**, VP, Monozukuri Ventures (Kyoto Makers Garage)
 - **Daiki Itou**, Food and Beverage Manager, UNKNOWN Kyoto
 - **Hidetaka Kakefuda**, Artist/Graphic Designer, Moonlite Graphics, Gojo Seisakusho
 - **Satoko Kikuchi**, Manager, UNKNOWN Kyoto
 - **Junya Kondo**, CEO, OND Inc. (UNKNOWN Kyoto)
- **Eri Mabuchi**, Kaikado
 - **Takayuki Minakuchi**, R Real Estate
 - **Yuki Nakazawa**, Owner, Gallery Main
 - **Tomoki Ohgisawa**, Co-founder, MAY Inc.

“Possibilities in City Margins, KAGANHOTEL.”
Presentation made on 30 Jan 2020.

 - **Daisuke Uematsu**, Operation Manager, Ygion
 - **Takaya Umeda**, Manager, Walden Woods Kyoto
 - **Kaori Usui**, Box & Needle
 - **Takahiro Yagi**, CEO, Kaikado

In addition to the experts listed above, this report leveraged the presentations and insights from the discussions in the TDD from the following experts (Titles/positions are as of January 2020.):

- **Yuji Akimoto**, Museum Director, Tokyo University of the Arts

“21st Century Museum of Contemporary Art, Kanazawa and Cultural Administration in Kanazawa.”
Presentation made on 28 Jan 2020.

 - **Kazuhiko Asakawa**, Store Manager, Japan Traditional Crafts Aoyama Square
 - **Harriet Deacon**, Visiting Fellow, Coventry University

“CREATIVE CITIES Leveraging Creativity and Culture for Urban Development and Inclusive Growth”
Presentation made on 27 Jan 2020.

- **Hiroaki Hasegawa**, Deputy Director, Security Export Control Administration Division, Trade Control Department, Ministry of Economy, Trade, and Industry, Government of Japan

“Cool Japan Policy.” Presentation made on 27 Jan 2020.

 - **Kaori Ichida**, Chief in charge of Kyoto City University of Arts, Administration and Finance Bureau, City of Kyoto
 - **Yuhei Kanaizuka**, Chief of the 2nd Project Promotion Section, General Planning Bureau, City of Kyoto

“Revitalization of the East Area and West Area of Kyoto Station, and Relocation of the Kyoto City University of Arts.”
Presentation made on 29 Jan 2020.

 - **Sangbum Kim**, Professor/Senior Researcher, University of Seoul
 - **Makiko Kuraishi**, Creative Director, Dentsu Inc.

“Welcome to engawa Kyoto.”
Presentation made on 29 Jan 2020.
- **Taro Matsuura**, Chief of New Industry Planning Section, Industry and Tourism Bureau, City of Kyoto

“Start-up Assistance in Kyoto.”
Presentation made on 29 Jan 2020.

 - **Aiko Miyamoto**, Assistant Manager, Japan Traditional Crafts Aoyama Square

“Traditional Crafts of Japan.”
Presentation made on 27 Jan 2020.

- **Hirokazu Nagata**, Deputy Director of Design and Creative Center Kobe

“Outline of the Activities at KIITO.”
Presentation made on 28 Jan 2020.

- **Masashi Ohgishi**, Chief of Industry Policy Section, Industry and Tourism Bureau, City of Kyoto

“Overview of Kyoto and Its Efforts for Economic Development.”
Presentation made on 30 Jan 2020.

 - **Dong Hoon Shin**, Project Advisor, Seoul Urban Solutions Agency, Korea

“Digital Media City (DMC), Seoul, Korea.”
Presentation made on 28 Jan 2020.

- **Hisahiro Sugiura**, Director General, Agency for Cultural Affairs, Government of Japan

“Efforts for Creative Cities in Japan.”
Presentation made on 27 Jan 2020.

 - **Shoichiro Suzuki**, Vice Mayor, City of Kyoto
 - **Charlotte Waelde**, Professor, Coventry University, United Kingdom

“CREATIVE CITIES Leveraging Creativity and Culture for Urban Development and Inclusive Growth”,
Presentation made on 27 Jan 2020.

 - **Tsuyoshi Yamada**, Head, Tadahonya

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- 1

The estimate of cultural and creative employment for each region relies on national statistics, market research, other existing statistics such as the World Intellectual Property Organization (WIPO), industry reports, and interviews with approximately 150 stakeholders. It included paid employment and self-employment. The estimate is based on 2013 statistics. The study focuses on 11 sectors: advertising, architecture, visual arts, performing arts, TV, radio, music, books, gaming, movies, and newspapers and magazines.
- 2

Authors’ calculations based on national economic census data 2009, 2014, and 2019, Statistics Bureau of Japan.
- 3

Authors’ calculations based on national economic census data 2009, 2014, and 2019, Statistics Bureau of Japan.
- 4

Authors’ calculations based on national economic census data 2009, 2014, and 2019, Statistics Bureau of Japan.
- 5

Kansai is a southern-central region in Japan’s main island Honshu and it includes the prefectures of Mie, Nara, Wakayama, Kyoto, and Osaka, among others.
- 6

Machiya is a general term referring to traditional low-rise workplace-cum-dwelling townhouses in Japan. The typical Kyoto machiya (Kyo-machiya) is a long wooden townhouse with narrow street frontage, stretching deep into the city block and often containing a small courtyard garden. Kyoto City has proactively supported machiya revitalization and reuse, including the Kyo-machiya Revitalization Plan (2000), Ordinance on the Preservation of Kyo-machiya (2017), and most recently, the Kyo-machiya Conservation and Promotion Plan (2019).
- 7

See, for instance [http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP\(2019\)16&docLanguage=En](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=ECO/WKP(2019)16&docLanguage=En); <https://link.springer.com/content/pdf/10.1057/elmr.2011.8.pdf>.
- 8

In over 100 locations, across five continents and more than 50 countries, Impact Hub provides a global network of creators and change-makers. Impact Hub Kyoto plays a unique role as a convener of creative communities, serving as the glue of the creative ecosystem in Kyoto by connecting the various neighborhood-level creative communities into a citywide ecosystem through events and networking opportunities (<https://kyoto.impacthub.net/en/>).
- 9

Verified through comparing locations provided in directory of creative industry companies by Kyoto Chamber of Commerce and Industry in 2013 (<http://www.kyoto-creative.jp/en/>) and our listings of creative spaces in the report, and through the interviews with them.
- 10

We chose the 2012-19 period for this analysis because 2012 is the year when the effects from the flow of creative talent and entrepreneurs started to impact the east area, following the recovery after the 2011 earthquake. To confirm this trend, we analyzed the larger period of 2008-19, since 2008 is the year of the Great Recession that resulted in the emergence of urban start-ups ecosystems. The same trend results are confirmed over this larger period of time. The compound annual growth rate (CAGR) of rent prices since 2008 is around 5.5 percent and the overall increase is about 80 percent for both neighborhoods. For Kyoto City average rent prices, The CAGR during this period is 2.6 percent and the overall increase is 46 percent. The CBD and east area rents increased over the city average by a factor of 0.7x during the 2008-19 period.
- 11

For more information see the Kyoto Research Park website https://www.krp.co.jp/english/basic_facts/.
- 12

For more information, see *What Do You Fab?* <https://fabcafe.com>.

- 13 Another example is the *Go-On Project*, a group comprising of six young leaders/CEOs of traditional businesses in Kyoto, working on joint projects and initiatives to promote Kyoto's traditional industries by adding a modern twist to traditional techniques and products (<https://www.go-on-project.com/>).
- 14 Machiya is a general term referring to traditional low-rise workplace-cum-dwelling townhouses in Japan. The typical Kyoto machiya (Kyo-machiya) is a long wooden townhouse with narrow street frontage, stretching deep into the city block and often containing a small courtyard garden. Kyoto City has proactively supported machiya revitalization and reuse, including the Kyo-machiya Revitalization Plan (2000), Ordinance on the Preservation of Kyo-machiya (2017), and most recently, the Kyo-machiya Conservation and Promotion Plan (2019).
- 15 Company dormitories are corporate-owned housing leased at a subsidized rate to employees. Company dormitories were common in Japan after World War II, but less so after the economic bubble burst in the 1990s. Corporate dormitories often catered to young, unmarried workers who preferred subsidized rents and a social space to interact with fellow coworkers.
- 16 Safeguarding in the context of UNESCO conventions and this report is defined differently than safeguards in a World Bank operational context. In this report, it refers to preserving and enabling cultural heritage.

