2nd Chance – Waking up the "sleeping giants"

Feasibility studies for the reactivation of vacant buildings

2nd Chance partners
_City of Naples, Lead Partner (Italy)
_City of Brussels (Belgium)
_City of Caen (France)
_City of Chemnitz (Germany)
_City of Dubrovnik Development Agency (Croatia)
_City of Gijon (Spain)
_City of Liverpool (UK)
_City of Lublin (Poland)
_City of Maribor (Slovenia)
_Porto Vivo S.R.U. Porto (Portugal)
_University of Genova (Italy)
Thematic Meeting: 2nd Chance – Waking up the "sleeping giants"
Feasibility studies for the reactivation of vacant buildings

Date: 13th October -14th October 2016
Venue: 13th October: Spinning Works, Altchemnitzer Straße 27, 09120 Chemnitz
        14th October: max louis, Schönherrstraße 8, Entrance D, 09113 Chemnitz

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**Objective & Agenda**

The thematic-meeting aims to:

- get to know the target building and good-practices of the hosting city;
- give the ULG of Chemnitz the opportunity to reflect and discuss an issue of their choice with the participants;
- learn and exchange on the main topic of the meeting: Feasibility studies for the reactivation of vacant buildings / check the feasibility of potentials uses and reconversions options;
- learn and exchange on the development of the LAP and ULG involvement.

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**12<sup>th</sup> October 2016**
Arrival of all partners
19.30 Informal get together: dinner at Janssen, Schloßstraße 12, 09111 Chemnitz

**13<sup>th</sup> October 2016: Spinning Works, Alchemnitzer Straße 27, 09120 Chemnitz**

**08:30** Reception: Arrival of partners, registration, coffee

**09:00** Welcome

- **Welcome**
  Börries Butenop, Head of Town-Planning Service  
  Nicola Masella, City of Naples, Lead Partner
- **Introduction** to the agenda of the meeting,  
  Nils Scheffler, 2<sup>nd</sup> Chance Lead Expert  
  Good-practice bingo

**09:30** LAP / ULG partners update session

1. **Awesome stuff!** – Partners tell about interesting activities, approaches and results since last meeting concerning  
   - development of LAP  
   - involvement of ULG / stakeholders in general  
   - generation of ideas for potential uses
2. **Progress made!** – Estimation and feedback of each partner on his progress developing LAP / involving ULG
3. **Counselling time!** – Partners raise challenges & problems asking for hints & tips concerning  
   - development of LAP  
   - involvement of ULG  
   - generation of ideas for potential uses
4. **Summer University, the 2<sup>nd</sup>!** – Partners have the opportunity for any queries concerning LAP-cycle, tools presented and applied and the road map/LAP during the URBACT Summer University
11:30 Chemnitz target building: “Spinning Works” in Altchemnitz
- Visiting target site with information about the former "Spinning Works" in Altchemnitz
  Klaus Hirsch, Owner;
  Patrick Wiederanders, Neighbourhood manager

13:00 Lunch

14:30 Chemnitz URBACT Local Group peer review session
- What has happened so far
- Issues to discuss and reflect with the 2nd Chance partners

16:30 Coffee break and visit of "spinnerei"

17:00 Reflection session
- What worked well during today’s meeting?
- What could be improved for next meeting? What was missing?

17:30 End of day 1

19:00 Dinner
  Ratskeller, Markt 1, 09111 Chemnitz

14th October 2016: max louis, Schönherrstraße 8, Entrance D, 09113 Chemnitz

08:30 Arrival of partners, coffee

09:00 Thematic workshop: Feasibility studies for the reactivation of vacant buildings
  Presentations about “feasibility studies”
  - Feasibility study for the “Schönherrfabrik” (URBAN);
    Grit Stillger, City of Chemnitz, Urban renewal and funding, ULG-member
    Bertram Schultze, MIB Wirkbau Chemnitz GmbH & Co. KG, Baumwollspinnerei Leipzig
  - “Rough checks” in the federal state of Brandenburg;
    Nils Scheffler, Lead Expert of 2nd Chance
  Workshop session
  1. Brainstorming and discussing in smaller working groups
     a. Why do you think a feasibility study can be helpful for the reactivation of a vacant building? What is the purpose/objective of it?
     b. What kind of information should a feasibility study provide to be able to support the reactivation of vacant buildings? What does it allow to understand better?
     c. How do you get this information? How do you elaborate such a feasibility study?
  2. Partner Thinking & Reflection time

11:00 Coffee break
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<thead>
<tr>
<th>Time</th>
<th>Activity</th>
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<tbody>
<tr>
<td>11:30</td>
<td><strong>Good-practice: the reuse of the Schönherrfabrik</strong></td>
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<td></td>
<td>The reactivation process of the Schönherrfabrik, presentation and site visit;</td>
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<td><em>Birgit Eckert, Schönherr WEBA GmbH,</em> of the Schönherrfabrik</td>
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<tr>
<td>12:30</td>
<td><strong>Lunch</strong></td>
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<td>14:00</td>
<td><strong>Further good-practice activities in Chemnitz</strong></td>
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<td>- Annual 4-day festival “Begehungen” at a brownfield site / vacant building to draw attention to the site and demonstrate how the space could be used;</td>
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<td>follower festival &quot;Wolkenkuckucksheim&quot; <em>(cloud cuckoo land)</em></td>
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<td><em>Anatoli Budjko, Luise Grudzsinski, Begehungen e.V.; Benjamin Gruner, Spinnerei e.V.</em></td>
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<td>- &quot;StadtWohnen Chemnitz&quot;: municipal agency, connecting owners of vacant buildings in bad conditions with new users;</td>
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<td><em>Martin Neubert, project manager, Westsächsische Gesellschaft für Stadterneuerung mbH</em></td>
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<td>Speakers and participants reflect how these approaches could be used to reactivate their vacant buildings.</td>
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<td>15:00</td>
<td><strong>Steering group meeting</strong></td>
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<td>- Project and Finance management issues; bi-/trilateral meetings and other issues</td>
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<td><em>Nicola Masella – Roberta Nicchia, City of Naples, Lead Partner; Nils Scheffler, Lead Expert</em></td>
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<td>16:00</td>
<td><strong>Coffee break</strong></td>
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<td>16:30</td>
<td><strong>Reflection session</strong></td>
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<td>- What worked well during the thematic meeting?</td>
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<td>- What could be improved for next meeting? What was missing?</td>
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<td>- Which further information / support do you need to conduct a proper feasibility study for the reuse of your vacant building?</td>
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<td>- What did you discover/learn during the meeting?</td>
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<td>- What will you do next back home? Which idea do you take home and want to apply?</td>
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<td>17:30</td>
<td><strong>End of the meeting</strong></td>
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<td>18:00</td>
<td><strong>Informal farewell</strong></td>
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<td><em>Alternative Housing Project “Kompott”</em></td>
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Feasibility studies for the reactivation of vacant buildings
Summary by Nils Scheffler based on the presentations and workshop results

Feasibility studies are an assessment of the practicality of a proposed project. In terms for the reactivation of the 2\textsuperscript{nd} Chance giant vacant buildings, feasibility studies can be used for different purposes and at different moments in the reactivation process. In general the feasibility study allows understanding better the current situation of the building, the physical and economical adaptability for new uses and its limits as well as comparing different usage and reactivation options for better decision making and sustainable solutions. Further the feasibility study can support the reactivation process i.e. by presenting and discussing the results of a feasibility study with the ULG, so that all stakeholders have the same understanding about the current situation of the building and potential usage options, about requirements for the reuse, etc.

The presentations and workshop concentrated on four main issues, whose results are summarised in this document.

1. Possible objectives of a feasibility study

- To support the activation and/or marketing of the building.
- To evaluate the current situation of the building and get a common understanding with the ULG.
- To define and agree on objectives for the reactivation and reuse of the building with the ULG.
- To document and assess the rehabilitation abilities, reconversion options and which parts are worthiness of preservation: what is to be protected, what can be changed, what are constrains and opportunities.
- To get information about urgent repair needs to prevent further deterioration of the building to gain time for the reactivation and rehabilitation process.
- To understand the history / significance of the building and to use this information for the reactivation process.
- To identify feasible and sustainable uses (usage options) and potential end-uses for the building.
- To asses and communicate potential usages, their rehabilitation costs, their benefits and possible incomes (comparing the possibilities / scenarios): whether it is worth doing for both economic and non-economic reasons.
- To check where in a building a certain use can be established with the least amount of investment or which part of the building can easily be activated for certain uses.
- To get information on adaptation, intervention and (EU) financing possibilities for the building.
2. Possible content of a feasibility study

Depending which objectives are to be achieved with the feasibility study, the content will vary. So it is recommended first to clarify the objectives of the feasibility study and then to define which content and information the feasibility study has to provide to be able to achieve the objectives.

- **Measured survey of the building**
  Ground plans of all floors; essential building-sections, in which the building can be divided; approximate floor space calculation; photographic documentation of the building and of remarkable details (including location).

- **Condition report**
  Highlighting the consequences of the damages for the rehabilitation of the building (parts) incl. a schedule of proposed urgent works and estimation of likely costs; documentation of damage in the measurement plans / urgent repair needs; rehabilitation abilities.

- **Building history and current use**
  Overall information about the building history, former and current use; mapping of the construction and time period of the main building parts; photographic documentation of valuable details, worth of maintaining; urbanistic and preservation framework conditions / requirements.

- **Agreement of a vision and strategic objectives**

- **SWOT – possible uses**
  Assessment of possible usage options fitting to the size, construction and history of the building; multi-criteria grid with (+) and (-) for each option; indication of risks and market opportunities.

- **Estimation of costs and benefits (cost-benefit analysis)**
  Assessment of the financial and non-financial benefits of each of the options, its costs and local acceptability.

- **Conclusion**
  Recommendations of a preferred option and the provision of a more detailed costs and benefits report to support the preferred option (Long-term financial viability and sustainability of the building in relation to the proposed end use).

- **Action Plan**
  Proposed plan of action, next steps and partner responsibilities incl. identification of likely sources of funds for the project

3. Elaboration of the feasibility study

- Commission of an independent organization/consultant, in order to ensure its accuracy and objectivity, and to provide a meaningful analysis of the data. Also a university with its students or civic organizations that are related to the safeguarding of listed / heritage buildings can be of help to develop (parts) of the feasibility study.

- Identification and assessment of possible options for the use of the building, which will form the basis for detailed discussions i.e. together with the ULG. The ULG can be involved in the
definition of possible usage variants to be examined. They also might provide information for the feasibility study, as the owner, city council departments, local authorities can do as well.

- The process can involve a ‘Multi Criteria Analysis’ of the options by looking i.e. at following criteria:
  1. Strategic Contribution – How each option meets the vision and key strategic objectives of the project
  2. Financial Assessment of the Capital Costs, project income and resultant profit or loss generated, shown in a series of development appraisals
  3. Local Acceptability – Assessed through consultation of the options with key stakeholders, including in some instances the public
  4. Deliverability – Based on a comprehensive assessment of the project risks and mitigation measures
  5. Quality – based on the aesthetic impact of the project in terms of urban design
  6. Regeneration Benefits – this would assess both the direct benefits (e.g. jobs, floor space, private and public sector investment, financial gearing, gross value added) and indirect benefits (catalyst, image, amenity).
  7. Sustainability – how sustainable will the project be measured against an agreed set of sustainability criteria.

4. Use of the feasibility studies in the further reactivation process

The documentation of the feasibility study can be used for example for:

- **Activation of the owner**: Document is sent to owner asking if he/she would be willing to reactivate the building based on the feasibility study results. Consultation is offered.

- **Marketing of the building**: If he/she is not willing to reactivate the building, it is tried to convince him/her so sell it. If the owner is interested in selling the building, the feasibility study can be used for marketing activities. It contains relevant information, which can be highly interesting for potential users/investors.

Good-practice examples of feasibility studies

1. Rough checks in the federal state of Brandenburg:  
   https://drive.google.com/open?id=0B8rEL8g2ueoqVzVGSoPOVExxZWM

2. Liverpool City – Feasibility study for the Wellington Rooms:  
   https://drive.google.com/open?id=O8rEL8g2ueoqTDRfSEhWVz1LRdQ

   This publication presents the techniques and issues that should be considered when carrying out assessments/appraisals of projects (checking the feasibility):  
   https://drive.google.com/open?id=O8rEL8g2ueoqU2hMckE5QnYoXxQ
LAP & ULG: Awesome stuff

The 2nd Chance partners have organised different activities since the last meeting in Liverpool to advance in the development of their LAP, to involve their ULG in that process and to generate ideas for potential uses and the reactivation of their target buildings (sites). Some interesting examples have been:

Music events to raise the awareness about the intention to reactivate the target building and animate inhabitants to join the reactivation process

Dubrovnik organised music events to attract people to the target site. During the events they informed about the intention to reactivate the building and to involve the citizens in that process. People were given a “form”, in which they could state their interest in participating in the reactivation process. 70 people demonstrated their interest. 2 people will be directly involved in the ULG. Also particular activities for children had been organised – to attract them and their parents.

Further information:
https://drive.google.com/open?id=oB8rEL8q2ueogNVVfMFVheV9qZHC.

Biennale of Architecture and Urbanism of Caen

Caen organised a biennale of Architecture and Urbanism about the development of the peninsula and the reactivation of the buildings. They organised activities for families like kayak tours to get to know the target site. Also a children city lab was implemented to model how they see the future for the peninsula. To contact the property owners a leaflet was published and sent to them.

“Nuit blanche” to make the people aware of the target building

Brussels used the “Nuit blanche” to open up the building for the people. As “incentive” an art presentation took place.

Further information:
https://drive.google.com/open?id=oB8rEL8q2ueogMFVhOKZnRIZPUWM.

Open call to express interest to join ULG and collect first ideas of potential uses

Naples published an open call via their project website (within the municipal web page) for the expression of interest to join the ULG to develop the vision for the reuse of the target building complex, to be part of the elaboration of the LAP and to experiment temporary uses. The municipality proposed some fields (culture, art, sport, social activities for the neighbourhood, temporary uses) and the associations/enterprises/institutions/informal groups need to express their interest by presenting a project/idea/temporary use related to the building complex. This helped also in getting preliminary ideas for potential uses.
Target-group oriented site visits to the target building complex
Naples organised target group oriented site visits for:
- counselors, technical departments and services of the municipality;
- 200 architecture students and 4 professors of architecture design;
- the public, in particular directed to those who demonstrated interest to join the ULG.
Directly after each site-visit a short survey was organized in order to receive feedback on the spur of the moment about “strengths and weaknesses” of the building complex.

Activities to activate the neighbourhood to take part in the reactivation of the target site
Genoa organised at the target site an information event and parties with karaoke and little swimming pool for children to inform about the reactivation intentions and to discuss it. In addition at the target site a room was opened for the citizens, which can be used to meet and to discuss the reuse of the target site. First meetings have taken place with interested people of the neighbourhood to discuss how to "recycle" the vacant areas and buildings.
Further information: https://drive.google.com/open?id=0B8rEL892ueogTl15xU3lZV5cCxA.

Involvement of the university / students to generate ideas for potential uses for the building
Naples initiated 4 seminars on Architecture Design, taking place at the Faculty of Architecture of the University “Federico II”. Almost 200 students were committed in the re-design of the building complex according to new possible uses.

Several ULGs to involve stakeholders
As Maribor has to different target buildings they have organised a core ULG, in which representatives of the municipality and the city council are present, and for each target site an ULG, in which further stakeholders are involved. For one of the target buildings first meetings with the ULG have taken place to defini problems, map the stakeholders’ interests, brainstorm about expected results and check if further stakeholders should be involved in the ULG. Tools know from the URBACT Summer University were applied.
In addition they approached people from the shopping mall, directly situated next to the target building, to identify needed functions in the area.
Further information: https://drive.google.com/open?id=0B8rEL892ueoqTi1xU3lZVV5cCxA

Activation of cultural activists
Lublin contacted local cultural activists in support of the reactivation of their target building.
Chemnitz’s target building: Spinning Works

The target area is the former “Spinning Works” (Spinnereimaschinenbau) in Altchemnitz, 4.7 ha. It is a private property, bought by the current owner in 2013. He has the intention to develop the target site and bring the buildings back in use; this in a step-by-step process, appropriate to his financial capacities. First rehabilitation works have started for spaces, for which a user/renter has been found.

In the target area there are several industrial and administrative buildings and warehouses starting from 1920ies till mid-1950ies. More than 60% of the buildings space is not in use. Current uses, which bring revenues, are commercial and service uses as Vietnamese retail market, laser-tag game area, architectural office, storage space, etc. For these uses just smaller investments were necessary by the owner. A part of the open space is used for leisure and night life activities. New users are gained so far via a website about the property by the owner and people that are asking for space at the city administration and are sent to the owner of the target site.

The main building (1-4; #2 under monument protection) has 4-6 floors and 28,000 m² of total floor area. The buildings 5-11 are mainly warehouses of 1-2 floors and 8,000 m² of total floor area. Altogether approx. 36,000 m². All buildings are in need of refurbishment. There are barely heating or sanitation facilities in the buildings.

The former owner did not invest in the property for over a decade. This increased the rehabilitation need. A complete refurbishment of all buildings would require a high amount of funding. As there is so much vacant space, which can not easily be filled up, and there are many vacant buildings in the city, it is difficult to attain revenues from rents in order to finance the refurbishment. In addition the entrance to this large property is limited to one access point.

The target area could provide space for a variety of commercial and cultural uses, for example for independent contractors, self-employed workers, university spin-offs, cultural, art and night life activities.

Further the reactivation of the target area could be used to link the area with its surrounding, in particular with the very close by technical university and its students houses. The refurbishment would also improve considerably the town- and streetscape and preserve the historic and cultural heritage of the property as an exceptional example of this era.

The city has developed a development concept for the Altchemnitz neighbourhood, in which the target area is situated. In this concept the revitalisation of the former industrial estate Altchemnitz has a high priority. In addition a neighbourhood manager for Altchemnitz was appointed.
Good-practices in Chemnitz

Schönherrfabrik
The “Schönherr Factory” was a former giant vacant complex. This complex has been revitalised through temporary uses and supportive actions by the municipality, having today a vital mix of uses with more than 130 companies: http://www.schoenherrfabrik.de; use google for translation. For further information the 2 presentations on the google drive: https://drive.google.com/open?id=OB8rEL8g2ueoqS2xUkkxWkpY28 https://drive.google.com/open?id=OB8rEL8g2ueoqMmdkYzlsZm4yd28

StadtWohnen Chemnitz
Agentur StadtWohnen Chemnitz (Chemnitz CityLiving Agency) was founded in 2012 (http://www.stadtwohnen-chemnitz.de; use google for translation). It is a private company (2 employers), owner by the city. Its task is to reactivate historical buildings (~ 800 m², 6-8 apartments) in the city centre that are vacant and derelict by

- connecting property owners with new users or potentials buyers,
- initiating grass roots housing projects and connect them with the (new) property owner,
- checking for funding opportunities / tax incentives for the rehabilitation of the buildings, trying to convince the owner to rehabilitate or to sell the building,
- publish the buildings on own website and German wide real estate selling websites (i.e. www.immobilien scout24.de/).

Since 2012 140 buildings are in monitoring, 50 buildings could be sold so far and 25 have been rehabilitated. This in a difficult real estate market situation. Further information: https://drive.google.com/open?id=OB8rEL8g2ueoqU2pSNkNZd1HYTQ.

Arts & Culture festivals
The non-profit organisation Begehungen e. V., working on a voluntary basis, is a yearly, independent arts and culture festival dedicated to the promotion of emerging artists. The festival always takes place at a brownfield site / vacant building to draw the attention to the site and demonstrate how the space could be used, triggering sometimes a discussion about the further use of the area. Usually more than 3.000 visitors come to the festival, partly to see the artists, partly to see and explore the building site. The festival has a good media coverage. For further information: http://www.begehungen-chemnitz.de/index_en.html

Since 2015 there is also an arts, performance, music festival every year in the Spinning Works (target building) under the name Wolkenkukusheim (Cloud Cuckoo Land). The artists relate to the history of the premises, its buildings, the city and its people. Studios and exhibition space for the artists is provided within the building.
Alternative Housing Project “Kompott”

After the vacation of an occupied building, the former occupiers were offered by the city four vacant buildings in a block with about 3,200 m² for their use (in 2010). The buildings were in bad conditions. In the beginning they could use the buildings for free. After first rehabilitations actions were done by the people that lived in the building, financially supported by the national research program "Experimental Housing and Urban Development" in the research field "Youth animated vacancy" with 120.000 €, they bought the buildings from the city. In the financing of the building they have been supported by the apartment-house syndicate, which supports a self-organized living – solidarity-based economy (Mietshäuser Syndikat; for further information: https://www.syndikat.org/en/).

Today, the alternative housing and cultural project for the reuse of the buildings is called "Kompott" (http://kompott.cc/). It provides space for collaborative housing and cultural projects like a reading café with regular movie nights, readings and discussions; studios and artist’s (work)shops and exhibitions; a for-free store for retro couture and an event space with a welfare kitchen, table-tennis and DJ-workshop and a community garden.

The project finance itself, the rehabilitation and maintenance of the building, by asking for a (low) rent of the people that live and use the building and by rending the event space.
Lessons learnt from the Chemnitz meeting & ideas to take back home

- Temporary / intermediate uses can be very important for reviving abandoned spaces. Legal possibilities have to be investigated.
- To "test" potential uses.
- Heritage days/ Industrial culture days or exhibitions to draw the attention to the target building.
- To think about the former identity and the contemporary one of the place for the inhabitants.
- Feasibility studies as a tool for the reactivation of historic buildings and the possibility of "rough checks". And to involve the ULG in the elaboration of the feasibility study.
- Tips on marketing the place (why and to whom); open marketing-area of opportunities; to use the history of the site for the marketing.
- Possible maintenance cost solution e.g. fee in the amount of 6 month maintenance costs.
- The example of reusing the Schönherrfabrik gave new ideas of reactivation with surprising low cost investments.
- The successful work of the Agentur StadtWohnen Chemnitz (Chemnitz CityLiving Agency) for the reactivation of historical buildings.
- There are no unique answers regarding policies and actions for the reactivation of vacant buildings due to the specific situations in each city.
- The different approaches of the cities to develop their LAP.
- Connect LAP with national / EU operational programs.
- The importance to have a good relationship with the property owner (and other involved stakeholders).
- To include decision-makers and potential users in the ULG.
- Idea for next ULG meeting: 1. To use the problem tree to get a large spectrum of causes and negative consequences; 2. To have a debate over the short-term/long-term objectives and the way they could answer to the negative consequences; 3. To identify functions and potential uses by balancing the constraints (costs, responsibilities, etc.) and the recipients of the reactivation of the building; 4. To lead the stakeholders to position their role in the process of the reactivation.
- Ideas for a future public consultation and an online consultation.
- Tips for 2 workshops at the same time and then combining them at the end.