

There are three main criteria for these sorts of projects succeeding; the last is that these projects need funding and they often struggle to find it.

THE BUSINESS OF TEMPORARY USE

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creative industries fund NL

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The aim of this research is to inform better commissioning of temporary use projects... to help those initiating or running temporary use projects to establish sustainable funding and business models, and to identify potential sources of funding both at the start of their project and in the longer term.

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Temporary use is regularly advanced as having huge potential for transforming our cities and dealing with the problems of vacant property, but will be unable to realise this potential without better financial models to support it.

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All these projects require an inordinate amount of effort to make them happen. This is probably more off-putting to a developer than funding.

Menno Rosier Culture Scout for Rotterdam Centre **38**

Our role is to connect and inform people about what's happening around them, so they can work with in the local community and the spaces that are available.

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Alex Hearn Wembley Programme Investment Team, London Borough of Brent **44**

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Maurice Specht Project initiator, Leeszaal Rotterdam West

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Austin Kronig and Justin Mast Cultural Development Director and Programme Director, Practice Space

We're looking for projects that are pricking and scratching...at relevant issues in Detroit...So, tackling food systems, education, crime. These are things that are Detroit's biggest failures, but therefore also the biggest opportunities to do things differently.

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INTRODUCTION

This research looks at how bottom up regeneration projects can be funded. These projects often make use of vacant properties in the form of temporary tenancies until a permanent tenant can be found, although in practice, that temporary use might last for a number of years, to the extent where it eventually becomes a permanent tenancy.

Temporary use of vacant buildings and sites is becoming both more popular and more professionalised. These sorts of tenancies are increasingly being seen by property owners as a beneficial interim measure until they can find a permanent tenant and that they are gaining acceptance as planning tools by both urbanists and municipalities. There is a large amount of vacant property suitable for this sort of occupation, catalogued by Vacant NL in the Netherlands, and a growing number of organisations seeking to match empty properties with potential users in other countries around Europe. The scale of the vacancy problem, together with the ambition to put these properties to beneficial use, means that temporary use of vacant buildings is likely to become more widespread still.

The study Urban Tactics, which laid the ground work for this work, showed the difficulty of funding many of these projects, preventing many from reaching their full potential. It had looked at a number of international case studies of temporary use projects to determine the criteria for their being successful. 'Success' was defined minimally, to mean a temporary use project that actually happened. What this study found was that there were three main criteria for these sorts of projects succeeding:

- they needed high level political support, to help with the compromises that are inevitably needed for projects that don't quite fit within existing regulations and permissions frameworks;
- they often, though not always, needed the help of a brokering institution, who had the knowledge and established relationships necessary to create the sense of trust to allow these projects to go ahead. This might be an organisation such as an arts festival, or an organisation working to bring together landlords with vacant property and those looking for low cost space;
- the last thing that these projects needed was funding and they often struggled to find it. Although this was a greater problem for cultural and social projects than those with a greater emphasis on commercial aspects, even the purely

commercial projects found funding challenging.

In many cases, especially where a property is large or the tenancy is a relatively long one, the funding and support needed to make these projects successful are underestimated. Giving someone the use of a piece of land or a building at a nominal rent, is considered (correctly) to be a major investment in temporary use on the part of the property owner. What is often overlooked however, is the money and resources which are needed to make use of this property. The costs of doing a temporary project are often considerable and while it would be unreasonable to expect that it should be funded at the same rate as a permanent project, the costs, particularly in terms of professional time to make them happen can be high.

This problem of funding temporary use is becoming more urgent as this way of working becomes more popular. It is regularly advanced as having huge potential for transforming our cities and dealing with the problems of vacant property, but will be unable to realise this potential without better financial models to support it. Where there have been some successful and very impressive long term temporary use projects, these have relied on the incredible tenacity and talents of exceptional individuals, together with a huge amount of work done for free. The barriers to implementing temporary use projects are simply too high for them to become as widespread as their advocates would like.

This research looks at the funding and business models that could support these projects, from the different perspectives of the project initiator, the landlord, municipality and other key stakeholders, to try and find some more effective and sustainable ways of funding these projects in the future. It covers both commercial and non-commercial projects, although the case studies focus mostly on projects in the social and cultural sector, since these are seen as being more challenging, financially speaking. Many of the lessons from these projects are also relevant to more commercial ones however, and the conclusions and best practice guides cover both more and less-commercial projects.

The aim of this research

The aim of this research is to inform better commissioning of temporary use projects, by groups such as property owners, municipalities and urban designers and to help those initiating or running temporary use projects to establish sustainable funding

This study analyses the financial records of these projects to reveal the nuances of their stories. It transforms the spreadsheets into infographics that tell a more subtle, and ultimately more informative, story than the interviews alone – they make the investments and risks, failures and successes of these projects starkly visible.

Finally, a disclaimer - not all temporary projects require funding

and business models, and to identify potential sources of funding both at the start of their project and in the longer term.

The structure of this book

This book looks in detail at a series of temporary use projects and looks at them from the perspectives of the different key stakeholders. The first part of this brings together a series of interviews with municipalities, housing associations and property developers, key stakeholders in temporary use projects, whether as the owner of the vacant property, or as key funding and permission giving bodies, in the case of the municipality. It looks at how these groups view temporary use projects, what they see as the advantages and disadvantages, and based on their experience, how they could be done better.

The second part brings the perspectives of a series of project initiators to the fore. It does this in a different way from the standard interviews or text narratives that tell the story of a project, although it does this as well. Instead, it analyses the financial records of these projects to reveal the nuances of their stories. It transforms the spreadsheets into infographics that tell a more subtle, and ultimately more informative, story than the interviews alone – they make the investments and risks, failures and successes of these projects starkly visible. The interviews themselves provide context for these figures, fleshing out the challenges faced and how they

were overcome, as well as their achievements and how they were arrived at.

Finally, a pair of interviews look at some alternative funding strategies: crowdfunding the built environment from Bouwaandeed; while Peter Scholten, who developed a model for measuring Social Return on Investment, argues that what the cultural sector actually needs is to discover market research and marketing.

Not all temporary projects require funding

Finally, a disclaimer - not all temporary projects require funding. Vacant property can provide space for people who just want to try something out in their spare time and don't necessarily want or need funding to do it. It can provide a cheap way to test a business idea, or launch a business. The process of trying to obtain funding itself can also be costly and time consuming and may, ironically, interfere with successfully realising a project. However, it is considered here that a significant proportion of temporary projects do require funding and struggle to find it. This problem is particularly urgent at a time when temporary use is beginning to be seen as a mainstream tool for planning cities. If temporary projects are to become more widespread and successful, then viable strategies need to be developed to address the funding gap that they currently face.

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A series of interviews with property owners, developers, housing associations and developers on the advantages and disadvantages of temporary use projects and some ways that they could be done better.

INTERVIEWS



London Pleasure Gardens, Newham, 2012, diamond geezer

Clive Dutton

Executive director for regeneration and inward investment, London borough of Newham

The Meanwhile London competition for Newham council aimed to create opportunities for fast regeneration in the borough. Regeneration can often take a long time, for a variety of reasons, and whilst it's happening, everybody seems to have a blind spot for unused or under-used land in cities. Why not bring these sites into beneficial use? Whether it is economic, community, environmental, cultural, artistic or a combination of these. Why not use them as part of a marketing strategy for the area? In an age of austerity we should use excess capacity and encourage more sustainable and pragmatic approaches.

There is a lot of land in east London which is in public ownership where the council can take the lead and initiate temporary use projects. There are also a lot of development opportunities in the borough - private developers on private land and public/private land being assembled and we want to encourage those developers to use the excess capacity which land awaiting development represents. We wanted to give a lead and encourage them, through

the example projects that we did and the lessons we learnt from all that.

Using sites that are vacant, awaiting development

The vacant sites that were used for Meanwhile London in the Royal Docks, have been unused for 50 years - since the docks closed. Whilst there is now some momentum for permanent uses that will take place there, there will still be a period where they lie fallow. Some of the sites, like Royal Albert Docks and Silvertown Quays, are so big that they will be developed in phases. Even though development is committed, there will still be opportunities for meanwhile use in later phases of the project before they are needed for construction. Making temporary use of sites before development is so obvious, but no one has done it before with any degree of regularity or as part of a strategy.

Royal Docks, East London

There is some focus on the Royal Docks because of its latent economic potential: the growing airport, the Excel [exhibition

Making temporary use of sites before development is so obvious, but no one has done it before with any degree of regularity or as part of a strategy.



London Pleasure Gardens, Newham, 2012, Rosie Rogers

London Pleasure Gardens Project Overview

Project type

Commercial, outdoor event space

Location

Royal Docklands, London, UK

Direct stakeholders

Government body: Newham Council
Tenants: London Pleasure Gardens Ltd.
Property owner: London Development Agency (LDA)

Project length

5 month lease, ended August 2013
after 2 months

Property size

60,000m² (external)

Funding

£3m commercial loan from Newham council
Discounted land
Profit from sales

centre], putting the Royal Albert Docks and Silvertown Quays on the market and luring in Siemens and the cable car [which connects Newham to Greenwich, across the river]. They were chosen as the site for Meanwhile London to raise the profile of the area in an interesting and quirky way that resonated with the young, diverse and creative demographic of the area and at the edge of parts of east London. The project was done whilst new economic strategies, political connections and endorsements were being established and as a result, potential developers were showing interest. There were still dots that needed to be connected west of the site before opportunities began to saturate the area and the next phase of development regeneration began. The land was also all in public ownership.

Inspiration was drawn from the Site Life Campaign in Manchester by Tom Bloxham [chairman of the property developer, Urban Splash]. The idea for London was to work with Giles Barry, the editor of Property Week, and the Meanwhile London competition

was launched in November 2010. The rules were really pretty loose, really, and we wanted people to be ambitious in their proposals: "Economic, social, environmental, cultural, artistic ideas – can you start within 12 months? You only may be there for 2-3 years." The winners would get free land, or heavily discounted land. This gave the entrants confidence that the council were serious about the project.

When the competition was launched there were 55 or so entries, some of which were outstanding and appeared more viable. Boris Johnson announced the winners at MIPIM in March 2011 with the intention that the rest of 2011 was used to put the flesh on the bones of proposals, get planning permission if it was needed, negotiate licences etc. The council encouraged those who didn't win to cross-fertilise their ideas with the winners and we helped facilitate this. This led to other projects including WakeUp Docklands, a wakeboarding centre at the Royal Victoria.

Although the GLA was in support of the project, it took much longer than anyone envisaged for them to assign a licence. There was no certainty throughout the process about when it would be concluded and London Pleasure Gardens lost credibility with their commercial backers.

The cost issue didn't necessarily have to be a problem. There was a long delay getting the licence...Had they had a longer time to test and to have more events the outcome may have been very different.

London Pleasure Gardens

The company behind London Pleasure Gardens had experience with festivals and events, but the events they were involved in previously were quite often on a much more modest scale, with a quick start-up and only lasting 2-3 days. The challenge for Meanwhile London was that they had to take over an entire site and run it for five months or so. It was a different scale and duration altogether. So, a lesson that was learnt was , 'can consortia organisations, can they step up in all regards from successes, on a relatively modest scale, through to something that is on a different scale and duration altogether?' It's a big challenge, is the conclusion.

In addition, time was needed to test the projects. London Pleasure Gardens needed a licence to operate on GLA [Greater London Authority] land and although the GLA was in support of the project, it took much longer than anyone envisaged for them to assign a licence. There was no certainty throughout the process about when it would be concluded and so London Pleasure Gardens lost credibility with their commercial backers. By 2012 some of the commercial backers decided to follow other investment opportunities that were more certain, something there was no shortage of in that year. As a result the council took the view that they would need to take a more prominent role if the project was going to happen before and throughout the Olympic games. After thorough debates about the support that should be given and the risk evaluated, they decided that they should give a commercial loan of £3m, repayable with interest, to London Pleasure Gardens. It was a commercial loan but an enabling one. We also came to an agreement that we would take a degree of over-reach on profit if the concept was taken elsewhere in the world over the next 10 years.

The council envisaged London Pleasure Gardens serving partly as an overflow from the Excel and to absorb some of the crowds travelling through the borough for the Olympics – this was something that would be encouraged by the ODA [Olympic Delivery Authority], LOCOG [London Organising Committee of the Olympic and Paralympic Games], GLA and TFL [Transport for London]. It was also intended to provide a point of interest that would bring people down to use the southern branch of the DLR [Docklands Light Railway], offering an alternative to the northern DLR line. The ODA even paid to put up a pontoon bridge to connect the two. However, by the time the Pleasure Gardens got access to the site, they had to spend £1m on making the former derelict site safe.

Before the Olympics began, there was one big event, which was for about 40,000 people over two days, then Bloc [the electronic music festival] which was the first commercial one and didn't go well at all and then there was the BT Africa stage, which was a success. Once the Olympic games began, the intention was that tens of thousands people would be coming from the Olympic park to the Pleasure Gardens. However, in the first three days of the Games, LOCOG didn't direct or encourage anybody to take the secondary route across to the site so there were only hundreds of people visiting. The lack of income through Bloc and in the early stages of the Games meant that it all tipped over very quickly.

There was a queue of creditors and not enough income coming in, so the company went into administration.

Estimation of the resources required at the beginning

[AK - Do you think that people underestimated the amount of money that would be needed in order to make use of these sorts of sites, given the size, for example?]

I think the enormity of what they were taking on only became apparent to them, and through them, to us, the deeper and deeper you went into the project. The £3m was spent – there was the dome that was built on there, ground works that had to be done, security. It's a vast site in terms of making sure it's secure on all sides. The cost issue didn't necessarily have to be a problem. There was a long delay getting the licence. [Bad weather also delayed construction on site.] Had they had a longer time to test and to have more events the outcome may have been very different. There is now the question of what to do with the site. The council and the administrator are talking to people who are likely to take on the site and use the remainder of the planning and licence period.

The tenant's investment

[AK - It's a very big investment, personally, for those people who are doing the temporary use projects]

They have to do it with eyes wide-open and they have to have business plans that are very, very robust and that are resilient. There were issues relating to how realistic some of the business plans were and the extent to which they relied on the prediction that during the Olympics there would be significant numbers of people spilling out of stations in east London and taking walking routes to the Olympic park. They intended to benefit from these people passing by their sites. However, the public transport system actually worked such that people went elsewhere in London and so, contrary to predictions, projects like Fluid and Caravanserai had very few people passing by over the period of the Olympics. There was a very low footfall past the Fluid site and they didn't survive. There is now a proposition that Groundwork will inherit the site with the planning permission and the licences and do a variant on what Fluid was doing there. As with the Pleasure Gardens, there is the potential for somebody else to step in a do a variation on the initial project.

It is very important for these projects to be an asset and of interest to the local community. That's where they should start, and then if you also attract people from a distance that's a bonus. You should be wary if it's done the other way round then and there isn't a connection with the local community from the outset. The Caravanserai are progressively making more of those local connections. They're still on site and they're still trying to make it work.

Coordination of relevant departments in the council

There were people committed from the council just to support these projects, whether it was through legal or financial support,

Where we can help is having this practical, pragmatic approach to assets – like land and property - and the way in which we use our statutory responsibilities pro-actively.

planning, safety or licensing. There was great enthusiasm within the council for these projects and cross-departmental and cross-disciplinary working, particularly on the Pleasure Gardens. Everyone wanted to make it work because the concept was great. There are very few public organisations that would have had the courage to do what Newham council did. It was a risk, but it was a risk worth taking. The character of deprivation that we're dealing with in Newham requires us to leave no stone unturned, to do things that might make a difference and maybe in the short or long-term, along that journey, if it leads to an improvement in the quality of life of the people in some way, then we must try that.

Further temporary use projects in East London

A lot has been learnt from Meanwhile London and the commitment to the initial goals has not diminished. The Legacy Corporation for the Olympic park is now looking at the potential of meanwhile uses and variants of what happened for Meanwhile London. Lend Lease, a big Australian developer who have permission for 4m square feet of commercial space wrapping the Westfield shopping centre, are exploring the role of meanwhile whilst they develop in phases. The developers LandProp [owned by IKEA] who are developing Strand East did a meanwhile tower with LED lights on it and a restaurant at the base that gave a distinct identity for their site. The sorts of things that people previously wouldn't have done because of the cost, people are now doing to create interest in a destination.

How the municipality might support temporary use

There are a variety of ways that council or government might support meanwhile use projects. The government are now discussing certain uses in certain sorts of buildings not needing planning permission for a couple of years. This needs to be done with caution when you consider the examples in Newham that didn't go to plan. The rigour, within reason, of testing a scheme through planning systems is important as long as the

administrative processes are dealt with expeditiously. The checks and balances, such as community consultations, would actually enhance a project.

There might have been a time in the past where Local Authorities would have the resources to actually seed fund or invest. More often than not that just won't happen any more because of all the public-sector cuts that are coming up. Where we can help is having this practical, pragmatic approach to assets – like land and property - and the way in which we use our statutory responsibilities pro-actively. The role involves promoting projects and giving them council backing which gives a degree of confidence to commercial or corporate investors who could potentially fund projects as part of corporate-social responsibility. If a lot of companies, particularly big blue-chip corporate companies, became more aware of these concepts it may positively affect how they root their funding in terms of priorities.

More should be done to promote temporary-use and to encourage people in influential positions in the public/private sector, in combination, to consider it just as part of the everyday make-up of what we do in urban regeneration. It shouldn't be the exception, it should be the rule. Why wouldn't you say, "This is land, lot of it in public ownership, isn't there a duty of care to maximise the community benefit of that land?" providing the risk is measured and it's carried out in a responsible way. And it's providing some kind of community, economic or environmental benefit. Why wouldn't you want to do that? People should be given confidence through lessons learned practically. Maybe future projects will achieve these things more successfully than some of these earlier ones because they have learnt their lessons. I think it's absolutely the way to go.



Schieblock, Rotterdam, 2013, Raban Haaijk

Gabor Everraert

Project leader, Stadsontwikkeling [city development], Rotterdam municipality

Temporary use projects are becoming a more interesting field because housing associations, municipalities and provinces are seeing the success of some creative building projects and they want to implement their own. To be successful, they need to work with a good team, with a good vision and have a good feel for their finances. Some people still think that you just need to put a project somewhere and then it's finished, but you have to think about how it will be incorporated into an area. Long-term plans for the future need to incorporate temporary-use plans.

At the moment, nobody really has a mandate to oversee temporary-use projects for the whole of Rotterdam and integrate them. There are about 10 people in the city who have a bit more knowledge about them. The municipality should be taking on a role where they help parties who see the potential in a site or building and assisting with things like building permits or land exploitation. They did this for the Schieblock. They shouldn't be seeking out good vacant locations themselves because it sends out the wrong signals - that there's a budget for it from the municipality and that there are no rules. The municipality shouldn't be the front runner but should be supporting from the side, guiding the people doing these projects away from making obvious mistakes. Too much involvement from the municipality means that policy is involved and these projects can do without that.

The Schieblock

The Schieblock became available for temporary-use because the

recession delayed the owner's plan to demolish the building and construct a larger amount of floor space. This coincided with a proposition from CODUM to take on the building for five years, rent it from the owner and then sub-let the building to a network of tenants, meaning that they carry the financial risk. The Schieblock was a remarkable opportunity because it is in a fantastic location - on the edge of the inner city at one of the main entry points but vacant and in terrible condition. It was a gift. All that needed to be done was to support the enthusiastic parties and for the municipality to respond to the market and be a bit flexible.

Three years ago the municipality had a number of vacant office buildings in the city block on the Schiecade, [which includes the Schieblock], which, like the Schieblock itself, were of poor quality and below market standard. The structure was okay but there were problems with things like the insulation, which had deteriorated over time and the lifts were old. CODUM stripped the building back to the concrete. Because of the scale and state of the building the tenants paid a really low rent and the owner was paid only a nominal sum.

The role of the municipality

There is a lot of vacant property in the Netherlands. This means that incentives can be provided to encourage a certain type of end user in particular areas. For example, in the Schiecentrale building [in the west of the city], the municipality provided incentives for media companies to rent space there. Now that the rent has been established at a rate that conforms to the local market, it can be seen how hard it is to lure specific communities to a place and keep them there. Sometimes what it shows is that there



Schieblock ground floor, Rotterdam, 2013, Raban Haaijk



Schieblock Werkhotel, Rotterdam, 2011, Morten Arstad

Schieblock Project Overview

Project type

Commercial, office, workshop, bar and club space,

Location

Schiekade, Rotterdam, NL

Direct stakeholders

Government body: Rotterdam municipality
Tenants: CODUM
Property owner: Private owner

Project length

3-5 years lease, commenced 2009

Property size

12,000m² (internal)

Funding

€200,000 loan from municipality
Own capital
Profit from rental income

was not necessarily a demand for them to be there in the first place. The Schieblock is such a success because it has become a place where things are happening of their own accord. Although some tenants are leaving, it remains an exciting and unplanned place. The municipality didn't provide incentives for any type of occupants.

CODUM chose to refurbish the Schieblock in one go and put in facilities (internet, security etc) themselves. There are some models where buildings have been refurbished incrementally over time but CODUM decided against this. Their financial model was based on three to five year usage of the building and that they would not pay rent until a year into their tenancy because they were making an investment in the property. Because they wouldn't have 100% occupancy in the first months, they asked the municipality for a loan of E200,000 which they were granted out of the economics department budget for supporting creative industries. The loan has to be repaid within 5 years (starting after 2) which gives them time to build a strong enough network of tenants and income.

It was necessary for the municipality to provide the loan because no company or bank would. They didn't own the building or have insurance and so couldn't get a mortgage and a normal loan from a bank would have had very high interest rates. The decision to give the loan was only made after detailed conversations with CODUM where other avenues of investment and market solutions were explored. The municipality saw that without their input the project wouldn't happen. The budget to support the Schieblock luckily fit the budget that was available from the municipality for creative industries for that year. That budget has now been reduced to zero. CODUM suggested that the repaid E200,000 loan be used to create a fund that could support future similar initiatives, but unfortunately it will be absorbed into the municipality's general fund. The Schieblock model works well because, once repaid, the E200,000 loan can be used elsewhere, even if it's worth less due to inflation and lower rates.

The investment that has been put into the Schieblock is not enough to allow for long-term occupancy. These projects usually just focus investment on the inside – a paint job and installing internet – and then they're ready to go. In this case, some work

The municipality should be taking on a role where they help parties who see the potential in a site or building and assisting with things like building permits or land exploitation.

It was necessary for the municipality to provide the loan because no company or bank would. They didn't own the building or have insurance and so couldn't get a mortgage and a normal loan from a bank would have had very high interest rates.

was done on the façade at the request of the Alderman, but this is exceptional. It's important to remain critical and it has to be kept in mind that the Schieblock is only intended to last for five years. It could easily last for 10 or 15 years, but then it will end and the building should be refurbished to be more like Schiecentrale which will last for much longer.

The Schieblock tenancy

The arrangement with the owner of the Schieblock is flexible. They are a developer and have stipulated in the contract that with one month's notice they can get rid of the temporary-use, tear the building down and redevelop. This allows them to respond quickly if they get a tenant who wants to rent the office space. E1.3m has been invested in the temporary-use of the space and if the building is torn down tomorrow this will be lost, so there is a risk to CODUM. The agreement only works because everybody has confidence in each other and all parties are aware of how bad the market is. Even if someone willing to rent the office space turned up tomorrow, it would take three years to confirm the plans because there are no building plans yet and several things need to happen before future development can take place. The project has already been there for three years and it looks like it could easily stay there for seven to ten. After five years, they will be making a profit and it will become a great investment. It always seemed very unlikely that the project would have to end before five years so an exit strategy wasn't really thought through.

There has now been additional investment of E4m in the Schieblock and immediately surrounding area because of the Stadsinitiatief (City Initiative). The level of investment coupled with the buzz around the project could potentially mean that it becomes quite difficult to kick out the temporary-use occupants. However, firm legal contracts have been signed to ensure that this doesn't become a problem. These contracts exist between the municipality and the developer, stating that the block is a development area in the city centre, and between CODUM and the developer, stating that the developer can commence with the new towers when they want. There is still a division between developers and creative

pioneers within the city. However, on this project there is a shared vision and based on this they have done some first class place-making. The developers aren't yet thinking about higher rent in the future but are happy with the result because it has encouraged more people to visit the site.

Relationship between temporary and long term

[AK - The Schieblock has helped prove that certain uses can exist on that site and that there's demand for certain things', and they're able to do all of this bottom up. It seems like there's a big problem where that meets the top down?]

The Schieblock offers a particular atmosphere that is valuable for the area. The developer has learned from it, and the new plan they've made incorporates all those uses, but still for a totally different, you could say, income level. So [the Schieblock team] are building the city now and it's really freestyle; on the other hand the developer makes a whole flashy programme for totally different people, but if you see it on paper, it looks the same. The bestemmingsplan [master plan] which gives us the tools to try to create the perfect environment, only says housing, office, retail, outcome, but which group you attract with that is impossible for us to say. If you go to a bar where there are only office people, it's a totally different atmosphere than the bar in the Schieblock now, but to us on paper it says 'bar'. So it's really difficult to use that tool to stipulate that it should be a 'party neighbourhood' or an area for 'yuppies'. To the municipality, the Schieblock bar on paper is simply described as a bar. It is difficult for the municipality to use it as a model for the wider city because what is particular about it doesn't fit within the planning categories that the municipality uses.

There is normally a gentrification pattern in cities. Initial buyers will be pushed out at some point, then there will be something different and the initial buyers will move on elsewhere. It is a cycle, part of which lasts for about 20 years, while the full cycle may be more than 50. If the municipality tried to orchestrate this in some way they would always be getting disappointed. In relation to the Schieblock, this means that those who are renting the space now

The arrangement with the owner of the Schieblock is flexible. They are a developer and have stipulated in the contract that with one month's notice they can get rid of the temporary-use, tear the building down and redevelop...The agreement only works because everybody has confidence in each other and all parties are aware of how bad the market is.

I haven't found any temporary use yet where the owner says 'okay, that's brilliant, let's keep it that way', because in most cases the temporary situation will still cost money.

will almost certainly not be the potential tenants when it is finished.

Supporting the creative industries

The creative industry is needed for good cities. Smaller agencies often do not make enough money to pay the rent for an office, but they are very valuable when combined. For example, for every one person in the creative industry one and a half jobs are created. For this reason the municipality had their programme of incentives for this area, but it is difficult for the municipality to understand [this sector's] needs. The creative industry doesn't like standardisation which is very different from the municipality and so they are hard to keep pace with. They will find their own place before we even know it's a place. Often when we make policy on creativity, it's already outdated. The municipality has to be keep listening in order to be supportive and to do less harm. It's not about the municipality deciding on the direction but instead giving quick access to people or networks to support these projects.

The municipality are interested in finding better solutions and models for temporary-use projects. In 2009 they received data from the Centrum voor Onderzoek [Centre for Research] stating that there was a demand for 25,000 square metres of office space for creative industries. The municipality undertook a three year programme and created almost 30,000 square meters of space. After this there was still demand for space, but this demand was borne out of desire for quality not quantity of space. The municipality felt that the problem had become one about 'luxury' and the real problem had been solved and so finished their programme.

Use of vacant buildings under licence

Anti-squat companies like Ad-Hoc don't rent a building from the owner but pay a fee to use it. They have short term agreements where they might use a space for a period and then have to leave. In buildings like these there are a lot of creative people working but they are viewed as vacant property by the municipality and aren't counted in statistics. The municipality doesn't know what's happening in these buildings. In some ways this is good because it means that the prices are even lower, but they are a grey area to the municipality.

Owners' and tenants' inputs

Even though the Schieblock is rented out it is still costing the owner money so logically they are trying to do something to change the situation. I haven't found any temporary use yet where the owner says 'okay, that's brilliant, let's keep it that way', because in most cases the temporary situation will still cost money. You still need technical management of the building, there's still parts and things that can break so you still need facility management, payment of loans. It's really hard to even come up with an exploitation of the building which has the end result of zero. The land of the Schieblock is where the value is, not the buildings, so it's usually better, financially speaking, to demolish the buildings because then there are no government or municipal taxes, there isn't a cost for facility management, loans, maintenance etc. But this in itself poses a problem - turning the sites into parking isn't good for the city structure.

In Marconi Free Zone [an area around the docks in Rotterdam which has been put aside for place-making, free enterprise and pioneering ideas] there are a couple of big companies and artists in sheds who were asked to have their ateliers there to encourage growth. However, financially it is difficult because these tenants don't have a lot of money but are aware of the value they hold in terms of giving the city a good name. There is an ongoing discussion between the tenants, who believe they should be able to use the spaces for free and municipality, who want rent from the properties because it is costing money for them to stay there. It's an unbalanced discussion because between those in the municipality who work in real estate and have to have enough to cover costs and those who work in the cultural department and have difficulty quantifying the value of having an artist in a neighbourhood. Do the municipality pay them or do they have to pay the market rent?



Katshoek, Moritz Bernouilly

Michon van der Salm

Basement project development (formerly of CODUM)

I was previously working for very large real estate development companies and I never understood why they developed proposals based on their own point of view or the city of Rotterdam's point of view. It should be based on the mindset of the people who are willing to use a building or a space. So I was very happy when the financial crisis turned this around: when the finances are good, no one thinks about trying another method of development and what's better use than using buildings that are empty just waiting to be demolished?

CODUM and Delftseplein

Markus and I started the company CODUM in 2008 together. He came from a big financial real estate company, Fortis, here in Rotterdam and had a different perspective on how to reuse buildings. In this era of financial crisis, there was no developer interested in a new building as large as Rotterdam Central District, so we went for that one and started at Delftseplein 36. It was one of our first successes and we found all the tenants for the building

in three weeks, all creative companies that came from our own network.

Schieblock

We had so many people calling us asking if there was space that we started looking for a new building. In December 2009 we spoke to the architects ZUS, who had a contract in the Schieblock for just one year, before they had to move. We said, 'let's join up and let's see what we can do with the Schieblock'. They were curating the biennale [the International Architecture Biennale Rotterdam] there and so we decided to use the biennale as a pilot and as a way to ask the political people if they wanted to join in and create a buzz.

We started the project in summer 2010 and the first tenants came in September so we had a very short amount of time to make it happen. We did the rebuild during the summer. This wasn't easy because it was the holidays and we had to convince all the contractors not to go on holiday. There wasn't enough time to get permits first, so instead I wrote down everything we wanted to do with the building, in particular around the safe use of the building, and the municipality signed it. It wasn't legally binding; it served as a letter of intent and allowed us to start building work. In parallel, I

We didn't have the means to finance the whole building, so we asked everyone, from the tenants to the contractors, to step in with us.

There wasn't enough time to get permits first, so instead I wrote down everything we wanted to do with the building... and the municipality signed it...it served as a letter of intent and allowed us to start building work. In parallel, I applied for the permits.

applied for the permits. When we were finished, the building was checked and we paid for any changes that were necessary. It cost E6,000 extra, which was nothing compared with the size of the whole Schieblock project.

Financing the initial investment

Finances are always a problem because you have to finance the building first and then get the money back from the tenants. We didn't have the means to finance the whole building, so we asked everyone, from the tenants to the contractors, to step in with us. The investment from the tenants was raised through their deposits. Normally deposits are made as a guarantee from the bank. Instead we asked that the tenants pay us three months rent which they would get back if they stopped renting with us. It gave us a big sum of money to pay the contractors upfront. We also asked the owner of the building, LSI, to give us a little bit of money, that we paid back over two and a half years. We paid back all the investments over a bit more than one and a half years with the money we got from the tenants and all the other partners. It took us two and half years to break even on the project financially, which is a very small amount of time.

The municipality gave a loan to pay for the facade, it wasn't subsidised. At the time, in 2010, it was difficult to get loans from banks. They weren't looking at real estate and no bank was going to loan us money if I went in and said, 'I've rented 8,000m2, there are going to be tenants, believe me, and all the contractors are willing to step in with us and take the risk.' Banks want a 100% guarantee and we couldn't give them that. We did the same thing at Delfsplein 36, only that was a slightly easier building and we only had to put in a small amount of money. That money was raised from the tenants and the contractors. Schieblock had a higher investment rate.

We only had a lease for four years which is a short period of time for depreciating the investment for refurbishment, but refurbishment was only putting in walls. We had to invest in changing some of the big floors to smaller spaces. The spaces are rented as they are, these kind of floors and no ceiling, and you make it your own space. We did this for two reasons: we don't want to put in money to refurbish a space and then find it's not the way you want it and also we want you to make it your own space. The tenants in Schieblock paid full rent from the beginning of the contracts. We

couldn't have afforded to give them a free period of rent anyway.

Basement and Katshoek

I left CODUM last year because I had a different mindset to the company and I wanted to put time and effort into my own company [Basement]. Schieblock is temporary and what I am doing here at Katshoek is for permanent use which is what I'm going to do in the future. I want to change not only the building but also the area around it and know that it will be standing for the next 25 or 30 years. We don't know that for sure with the Schieblock. Maybe it will be there for 10 years but times are changing and Schieblock is going to be demolished. The owner of the Schieblock is happy that something is happening there and they have a buzz around the whole area and because they have some income, although they're not really covered.

This building currently has some tenants on the ground floor and OMA on the top floor who were here before I moved in. The complete building is about 20,000m2 and right now more than 12,000m2 is empty. I really love this building, it's designed by Maaskant, one of the famous Dutch architects. I've already been involved with it for one and a half years, during which there was a change of ownership that put me in a position to do something with the building. The owners of this building were happy to do this project because it had been empty for a long time. They're paying around E450,000 every year for the space to be empty space. So I approached them and offered to pay the service costs which changed their position on loss and gives them some income. They get around E15 or E20/m2 from me extra for rent. If they asked for E165/m2 for this building it just isn't going to happen. People are rapidly realising that they can't ask for these higher rents.

Involving the first phase tenants in the redevelopment

We're currently undertaking a two phase plan. Phase one is getting the tenants in and then they will take part in building phase two. For example, Doepel Strijkers architects who are making the plans with me for the whole new building. We took away all the walls to create an open space and let more light in. Some early tenants are making online platforms for large buildings like this with a lot of tenants, to link together tenants and we have graphic designers who are coming on the 1st of August and are doing signage for the building. So the first tenants are helping to build the next phase,

We're currently undertaking a two phase plan. Phase one is getting the tenants in and then they will take part in building phase two.

When these projects end, there are usually a lot of positive things that have been built up including a community of businesses. What happens to this depends on how strong the community is when they stop.

the redevelopment of the building.

We're going to rebuild the whole building in the next phase We want to have glass walls between all the tenants and to have a very large hallway. As we will be rebuilding with the tenants, if they want a basket ball field they can make it. We are also going to have a lab space where we're going to try out new and different materials, that tenants can use. We want to use it to make our own seats, tables and everything else we use in the building. We're also trying to get a large glass company, timber company and aluminium company to move into spaces on the ground floor so that we can create our own small economy and have the material knowledge on site.

Building a community of tenants

The whole concept of the building is based on bringing talent together and allowing talent to grow. We want all the tenants to join forces, for them to help each other, and we use this as one of the criteria for the tenants we accept. If you come in and want to join in with everything and share, then you're a good tenant for us. We are now thinking about the next phase of the redevelopment and that there should be a possibility for all the tenants to have some sort of ownership of this building. We want to buy this building and allow tenants to buy shares so that, in a way, when you pay your rent you're also paying money towards your own future. It also means you're keener to stay in the building and have more of a commitment to it.

The end of a temporary use project

When these projects end, there are usually a lot of positive things that have been built up including a community of businesses. What happens to this depends on how strong the community is when they stop. If it's a very strong community you can look at moving into a new building and you might be able to bring about 70 or

80% of you tenants with you. If it's not strong community then they'll move away. You can see this happening now in Rotterdam as there's so many things going on and loads of tenants are moving on. They usually move because of money: they're looking for a cheaper, better quality location. That's why I'm doing this permanent building. There are so many tenants who are now a little bit tired of moving all the time and they want to get serious. That's what we're trying to do here, to build something that is still here over 10 or 20 years.

Criteria for using vacant buildings

There are many factors that determine if you can have a success in a vacant building. I think there could be successful projects in maybe 40 or 50% of all the empty buildings in Holland right now. The rest aren't easy buildings. Success depends on the financial crisis the owner has, the value of the building, the state of the building, location, and size, is it permanent, is it temporary? It also depends on the mindset in the area where the building is standing. The first step you always have to take it to ask the people living there and entrepreneurs what their vision is. People need to be willing to adopt a part of building, to love it and want to step in. If you're keen enough and you have the right mindset you can financially build everything up around these people. The municipality can help with these projects by helping with the permits process. For the Schieblock they also helped with the loan around cash flow. The only reason we should ask the municipality to spend money on a project is if there is a large impact on the city.



Zeeburgereiland Amsterdam, Amsterdam municipality

Jurgen Hoogendoorn

Advisor at Municipality of Amsterdam

The financial crisis arrived in Amsterdam in 2010, which was quite late compared to other countries and to the rest of the Netherlands. When it did, the Aldermen put a stop to many of the local government's city development projects. In response, some people within the government simply focused on their excel spreadsheets and some, including engineers and those working in spatial/planning departments, focused on the structural issues around what would happen next and hoped that their projects could continue.

Using vacant plots in Amsterdam for projects

In Amsterdam, there are a lot of vacant plots and derelict sites. At a certain point, some local civil servants went to the Aldermen with the idea of addressing these empty plots and with the Aldermen's permission, got a map of the derelict sites. There are also a lot of unemployed architects [in the city]. A lot of them have been doing projects investigating these sites, using tools like Google maps and Google Streetview, with one of the best known being by an office called Temp Architecture. Temp Architecture had already established a network of people outside the local administration

who wanted to take part [in temporary use initiatives]. The civil servants could then use their map to help people within the network that Temp. had established, to use the vacant sites to help provide these initiatives with space.

The process of doing projects on these vacant sites had to involve the public, the public administration and people within the civil service. Each of the [geographical] areas in Amsterdam which are targeted for development, such as the northern IJ-banks and IJburg, has their own management and direction. This was a problem when we wanted to declare sites as derelict because no area wanted to admit that their project hadn't worked well and that the land had deteriorated. As a result, there were problems with getting people to collaborate with the project and it seemed initially as though it wouldn't work.

To resolve this, the project network was expanded, the group was renamed and the civil servants involved began to actively invite people to join. The project network was mostly made up of architects and other people who are quite active in the city, who wanted to take the initiative or add value to the city in some way. The more 'alternative' people were really interested. There were entrepreneurs and former squatters. The massiveness of the

Temporary is "as long as it takes". It allows for a smooth transition between the old and the new, evolution rather than revolution.



Wind n' Wheels, Amsterdam, 2012, Linda van den Dice

Wind n' Wheels Project Overview

Project type

Commercial, outdoor activity space

Location

Zeeburgereiland, Amsterdam, NL

Direct stakeholders

Government body: Amsterdam municipality

Tenants: Rutger Eltink and Guido van Rijn

Property owner: Amsterdam municipality

Project length

No predetermined end point, commences summer 2013

Property size

36,000m² (external)

Funding

Property owner provide land free of charge

public-private network was really convincing for those within the administration who didn't want to collaborate in the beginning.

Mapping the vacant plots

Nevertheless, there was still data missing about vacant plots because there were still members of the civil service who didn't want to be involved. For making the map, we were – in the beginning - given a quote of €70,000 from the Spatial Department. Later they worked together with us, offering their services for free and they made an interactive map which was published on the internet on 1st July 2011, which can still be found on Maps Amsterdam. The research was published incomplete and with a disclaimer (this is an incomplete and sometimes not up-to-date map), something which is never done in the civil service. It wasn't perfect and people corrected it where it was wrong. There was a system for processing this feedback, so that the map became 'self-healing'. It was the first interactive map the Spatial Department had made and within one year it had 10,000 visitors and had sparked around 100 initiatives. Through the will of society, a few people from local government and the local administration, an online map managed

to make all sorts of things happen. After this, there are now more and more interactive maps about building yourself and collective building projects and places.

Types of wasteland in Amsterdam

There are two types of wasteland in Amsterdam: wasteland within the city to the north and in the New West (city neighbourhoods established after World War II); and wasteland in old industrial or harbour districts along the banks of the IJ and totally new areas like IJburg and Zeeburgereiland where fewer people live around the sites. The regeneration projects in the north and New West of the city have had a lot of involvement from housing associations and the projects that they have done give back to the neighbourhood. They include projects such as urban farming, which work very well as they get people healthy, provide fresh food and encourage community interaction.

The land in old industrial wastelands is often polluted, but this shouldn't be seen as a barrier to development. There are a lot of plants which don't take up the poisons in the ground, plants which

[There] was a problem when we wanted to declare sites as derelict because no area wanted to admit that their project hadn't worked well and that the land had deteriorated.

The research was published incomplete and with a disclaimer...and people corrected it where it was wrong. There was a system for processing this feedback, so that the map became 'self-healing'...within one year it had 10,000 visitors and had sparked around 100 initiatives.

Clean the soil and there is also the possibility to plant everything in pots. Most ideas for these sorts of vacant sites and buildings are to do with things like urban farming, bars, music and event venues, city beaches and festivals. The scale of these plots of land is often a greater problem than pollution is. That means that if there is a group of people who want to do something on the land it should be encouraged.

The Zeeburgereiland project

The initiatives that were sparked by the map highlighted the inability of the municipality's 'top down' planning system to cope with initiatives from unusual people with unusual ideas, rather than moneyed entrepreneurs. A project on the Zeeburgereiland [Zeeburger Island] in Amsterdam showed this - the municipality ran a competition where people could submit their ideas, with the prize being a rent-free contract for a 3.6 hectare site. The competition developed after a group called 'Breakland' made an initial proposal for the site. The Alderman wanted to take it up, but thought it was unfair to hand over such a large site in such a way, and without opening it up to competition. The development of the brief was problematic because the Alderman announced the competition without the local administration's knowledge, so that afterwards 32 pages of conditions had to be added to the competition brief.

Despite all these conditions, 29 projects were entered into the competition. The Alderman was particularly concerned to ensure that the project that won would be good for society, but the competition jury selected the winning project based on its having a good business plan. The winning entry was a sports project for land yachting ['Wind 'n' Wheels']. The other problem was that in only selecting one winner, all the other initiatives were thrown away, along with their dedication, the value they wanted to add to the city and any potential profit they could bring. There was also a lack of communication between the project initiative and the organisation - for example there was no email address other than a generic 'info@' address for people to contact the organisation with. The Aldermen has said that the culture within the local administration doesn't help with community initiatives. A new way of working with the people of the city needs to be found.

Costs of leaving the land vacant

Competitions work well in times of economic scarcity: if there's a large demand for these empty sites then a competition is a fair instrument to find the best use for them. But in times of prosperity [when there is less competition for projects] you should be glad if there is anyone who wants to do something/add value. Doing nothing is not an option. The site is diminishing in value and it costs money. There is research which has established that one hectare of derelict land costs in the region of E40,000 to E50,000 a year when you take into account cleaning, security, fencing etc. That seems like quite a high estimate, but there are people within the local administration who believe it could cost around E15,000.

What if some of this money was given to help some of these temporary use initiatives to get off the ground?

New models for developing land

The municipality in Amsterdam are working with the Amsterdam Development Corporation to prepare land for building. The business model for this was previously based on subsidy, the funds for which were mainly raised from building office buildings over the last decades. There are still costs to preparing development land but there's no longer the same income: the municipality funds (called vereveningsfonds) are becoming empty. This business model doesn't work any more. Instead, the municipality are looking for new value models based on the value of people and the planet rather than money. There is a paradigm shift. Temporary is the new permanent, and we need to experiment to find out what works.

During the crisis in the 80s, there weren't vacant sites, there were vacant buildings, and squatters became the temporary solution for this. There were a lot of interesting business models that came out of this squatting. The creative industry and kindergartens are partly founded on what happened at this time. There is a hope that the derelict sites we have now can be used as the testing ground for new business models and that we can discover what does and doesn't work for them. You have to take into account here that for about 30% success you need to have 70% failure - the 'innovation paradox'.

There are themes that new values can be grouped within: the human scale or a small scale perspective; food (urban farming is already mainstream nowadays); energy use and renewable energy, such as solar panels and windmills; climate change and water; specifically how rainwater comes from the rivers and the lakes. However, people are fed up with high level, large scale systems like the government and the financial system. Instead they are reverting to 'do it yourself', just like in the 80s. It's not only the avant garde which is working with this theme, a large part of society is as well. The municipality initiatives to use vacant sites with the Amsterdam Development Corporation have been undertaken with the theme of 'do it yourself' in mind.

Supporting temporary use

Current regulatory and process systems are built on growth, scarcity and money, but some changes are starting to occur within the systems. For example, the time scale for temporary projects on vacant land [in terms of local authority permissions] was originally five years, but this will be extended to ten. This longer time frame takes into consideration programmes such as urban farming that need more time to get established and to make a return.

The municipality are also finding new ways to accommodate alternative city development. For example, the Breakland project

in only selecting one winner, all the other initiatives were thrown away, along with their dedication, the value they wanted to add to the city and any potential profit they could bring.

were keen to look at incremental city development and new ways of handling waste. As a result, the municipality loosened the initially prescriptive planning conditions on the site and instead said just that the site must be 'safe, clean and healthy'. This meant that the municipality had to undergo a mental shift and give up some of their power. Flexibility in these project time scales is possible because a lot of land is owned by the Amsterdam municipality and not by private land owners. It is a sign of the system adapting to the new situation: the old times aren't coming back so change is needed. But these are just minor adaptations, not major structural changes in the Western world and there are doubts as to whether this approach will succeed.

Temporary is "as long as it takes". It's a philosophical view, but one that takes into account that a successful project will take longer than one that fails. It allows for innovation and experimentation. There are some philosophers who are exploring the concept of 'temporary' and that see it as a sign of civilisation, that it is everyone within space and that architecture should be temporary as standard. In a philosophical way, temporary is a smooth word where old thinking can land easier. It allows for a smooth transition between the old and the new, evolution rather than revolution.



BAR, Rotterdam, 2011, Maatschappij Voor Volksgeluk

Armando Sorrentino

Project leader, Woonstad Rotterdam, housing association

West-Kruiskade and the adjoining side streets were previously 'no-go' areas associated with drugs and crime. Existing residents were trying to move out and no one wanted to buy property. Woonstad Rotterdam have undertaken a project to address these issues that focuses on investment in the shopping street. They own about a third of the property in the street and most of the social housing in the neighbourhood, which has proved important in terms of influencing the development of the street and instigating change.

Types of vacancy and temporary use

A key aspect of the project has been to deal with vacant shops along West Kruiskade. Some of these were classified as 'regular vacancies' (vacant properties that had nothing wrong with them) which Woonstad Rotterdam needed to rent as soon as possible to cover costs. However, there were some properties that were intentionally left vacant as their contracts came up, to allow for

Woonstad Rotterdam's development plans. These empty shops offered an opportunity for temporary-use projects to take place: they addressed the negative impact of vacancies and could be used as a way to attract different people to the area. BAR [a temporary bar on West Kruiskade] had this effect. It initially attracted young creative people, who then attracted a wider group which then broadened interest in the other things on offer in the area. It generated publicity and slowly changed the reputation the area had. Studio Zi [a collective of creative professionals with a Chinese background on West Kruiskade] did the same by forming a link with the Maritiem [Maritime] Museum and attracting museum-goers to their studio. BAR and Studio Zi exemplify Woonstad Rotterdam's aim to provide a platform for growth for young, entrepreneurial shop tenants who have a unique selling point.

Property ownership on the street

There are many different property owners on West Kruiskade. For

These empty shops offered an opportunity for temporary-use projects to take place: they addressed the negative impact of vacancies and could be used as a way to attract different people to the area.



BAR, Rotterdam, 2011, Maatschappij Voor Volksgeluk

West-Kruiskade Project Overview

Project type

Retail and horica space, commercial

Location

West-Kruiskade, Rotterdam, NL

Direct stakeholders

Government body: Rotterdam municipality

Tenants: Various

Property owner: Woonstad Rotterdam

Project length

No predetermined end point, commenced early 2010

Property size

Varies (internal)

Funding

Property at a reduced rent

40% subsidy from municipality

Own capital

each building, the shop building usually has one owner, with the person running the shop being the tenant. There is also a huge range of diversity amongst the property owners. On the positive side, this means that there are two potential investors for each shop. However, working with such a wide group of people can be challenging. It took Woonstad Rotterdam a long time to convince people that the project would work and have an impact on the area.

Planning classifications in the Netherlands, and shops

The law about land use in Holland firstly divides things into houses and things that are not houses, then things that are not houses are split into shops and everything that is not a shop. In everything that is not a shop, you can make an agreement for any time period - a month, a hundred years, or anything in between. For the shops it's different. It's thought that if you have a shop, you invest in that shop, you slowly attract your customers to that shop and build up a base and then you need at least a ten year period to get your investment back. Temporary-use of shops is legally enabled by an 'escape' clause in standard shop tenancy agreements. It allows

rental agreements to be terminated within the first 24 months.

Lease terms for the vacant shops

In the long-term, the hope is that the vacant shops on West Kruiskade will benefit from reduced rents for the first year and a half and then develop into businesses that can pay full rent in two to three years. They should play a vital role in making the street into a successful and attractive area. For the shops that were to be redeveloped, Woonstad Rotterdam had temporary-use tenancy agreements for shops lasting a minimum of three months. Some shop leases were extended beyond three months, like BAR which was extended to one year and a half, but it was a challenging process and took time.

Risks for tenants in temporary use

It can be difficult to find tenants who are willing or able to temporarily use a space. The units are not always in good condition and often require renovation. To get them fit for purpose it can cost anything from a couple of hundred euros. The property

Working with such a wide group of people can be challenging. It took Woonstad Rotterdam a long time to convince people that the project would work and have an impact on the area.

itself is given 'in gebruik' [under licence to use] and is for free. The length of tenancy is often short or uncertain, which makes it difficult to determine whether a customer base can be established and whether an investment will be recouped. Woonstad Rotterdam contractually only had to give one month's notice to terminate the tenancy agreement, although we endeavoured to give as much notice as possible. This poses a risk that many of the people considering temporary-use of vacant spaces, who are often start-up companies or creatives, not established entrepreneurs, can't afford to use them.

The role of key stakeholders

There are a number of people in Woonstad Rotterdam involved in the project, from a high level director to 'on-the-ground' people tasked with executing the project. It was planned and developed in a better financial climate which meant it had an allocated budget for a four year period, something which has allowed the project to continue despite the economic downturn. Having a fixed agreement from the outset has reduced friction between those leading the project and the accounts department.

The municipality are highly involved in the project. Stadsontwikkeling [the city development department] initially provided a 40% subsidy, which enabled a lot of activity on the project, for example initial works on building façades or shop fronts. Subsequently, the Stadsontwikkeling and Deelgemeente Centrum [Central Rotterdam sub-municipality] have been responsible for a lot of the 'on-the-ground' ongoing project management, like fixing broken lights or providing policing.

Effect of economic crisis on investment

The project has now being running for three and a half years. Unfortunately the economic crisis struck when the project was gaining momentum and people are now either too scared to invest or can't afford to, which will only change with cooperation from the banks. Banks need to be facilitating growth and enabling investment, something they aren't currently doing. The economic crisis has meant that larger companies are stream-lining and so aren't creating new jobs and so it is up to small to medium sized companies to drive the economy forward. Woonstad Rotterdam are trying to encourage these businesses on West Kruiskade, but they need support from the banks.

Property values

The value of property in the Netherlands has fallen by an average of 18% and is predicted to finally drop by 25%, compared with its pre-crisis value. In a better world, the quality of the surrounding area would directly improve your return, but housing association housing in the Netherlands is highly regulated, so that the environment has little influence on price. Normally you would say, 'make this a nice area where everyone wants to stay and wants to live and the price will go up'. I'm investing now, so I'm not asking any rent, but in 4 years, 5 years, in 10 years, your return will be so many percent higher. Instead, the social housing price is determined by the amount of square metres that the tenant rents, plus the facilities that the housing has [central heating, double glazing, etc]. It's hard for me to make it in hard euros because there's zero coming in.

One means of establishing changing value is the WOZ Waarde (regulated valuation of all property in the Netherlands in order to set taxes), which is re-evaluated every two or three years independently. It can be used to determine changes in property value, even if the actual return on rent hasn't altered. Housing associations that are currently selling property are receiving less and less for it, but it is important for them to do so in order to liquidate funds and finance projects. This process is made extremely difficult as Holland doesn't have a great culture of home ownership (it is lower than many of its neighbouring countries) and banks are not supporting investors. Everyone is in a stalemate.

It can be difficult to find tenants who are willing or able to temporarily use a space. The units are not always in good condition and often require renovation...The length of tenancy is often short or uncertain, which makes it difficult to determine whether a customer base can be established and whether an investment will be recouped.



One of the competition winners, Sober concept store, Sober

Bart Kesselaar

Neighbourhood development manager, Havensteder

Jonker Fransstraat has had a number of empty spaces for several years. There were a number of reasons for this. The rent was previously set higher than the property's market value, and all the while, the value of that property was falling, along with the market. There were also other vacant properties in other parts of the city that posed far more urgent problems for the owners and so Jonker Fransstraat wasn't prioritised. When Havensteder was formed [Havensteder is a merger of former housing associations PWS en Com.wonen], the situation on Jonker Fransstraat and the properties there were reassessed.

Pilot scheme for developing empty properties

The merger coincided with a city-wide discussion between a network of city councils and housing association, called Rotterdamse Voorhoede, about empty properties and how to develop them. This steering group came up with an idea based on making connections between property owners and young entrepreneurs who were looking for cheap property. The group

wanted to pilot the scheme in a few empty spaces and requested some space from Havensteder. The board at Havensteder agreed to commit some vacant property on Jonker Fransstraat for six months at a reduced rent. The space was given on the conditions that the project should have a good business plan and make a positive contribution to the neighbourhood. The steering group were hoping to learn something about the area, help develop it and create long-term value.

The competition was publicised to young entrepreneurs through networks like Jong EBDR. Tussentijd, an organisation created by Stipo and another party from the city-wide network, [to strategically use vacant spaces], primarily undertook this role. Applicants weren't given much guidance and the competition was a very open experiment. There were around 17 applicants to the competition and eight who were chosen to pitch their ideas to an audience of about 50 council and community members. The proposals were evaluated by Tussentijd and Havensteder in terms of their business plans and appropriateness for the neighbourhood. Two winners were selected.

The space was given on the conditions that the project should have a good business plan and make a positive contribution to the neighbourhood.



Jonker Fransstraat shop, Rotterdam, 2012, Tussentijd

Jonker Fransstraat Project Overview

Project type

Commercial, offices

Location

Jonker Fransstraat, Rotterdam, NL

Direct stakeholders

Government body: Rotterdam municipality
Tenants: Various
Property owner: Havensteder

Project length

6 months with a view to long-term contract at commercial rent, commenced summer 2012

Property size

Varies (internal)

Funding

Property at a reduced rent for 6 months

Lease terms for competition winners

The full commercial rent value for the properties was set at E2000 per month, but Havensteder offered a significantly reduced rent to the competition winners. After the six month period, the intention was to reassess the situation and see whether the tenant's business had grown to an extent that would allow them to remain in the space, paying a higher rent. It has now been about four or five months since the two entrepreneurs moved into their units on Jonker Fransstraat. One business has been successful and one hasn't. Havensteder reached an agreement with the successful entrepreneur to set up a normal tenancy contract. The unsuccessful business has left and the unit is now empty again.

Following the Jonker Fransstraat project, Havensteder have undertaken a similar project in Zwaanshals, in a street where there are three empty spaces. Tussentijd have also gone on to successfully employ the same competition model on other

projects and there are now three new parties who want to work with them.

Challenges of these projects

Despite having done these projects a few times now, Havensteder have found the projects very challenging and time consuming. Both have relied on extra support: Tussentijd were involved in Jonker Fransstraat and in Zwaanshals they had an office trainee who could dedicate a lot of time to the project. To do a project like this you need to think about the appropriate type of tenants for the profile of the area and how they fit within the long-term development strategy. These things will differ between sites. It is also very important to have a strong concept for the identity of an area. That makes it obvious to people whether they'll fit in there or not and this helps to attract tenants to your project when there is an abundance of vacant space throughout the city.

To do a project like this you need to think about the appropriate type of tenants for the profile of the area and how they fit within the long-term development strategy...It is also very important to have a strong concept for the identity of an area.



Fresh and Funky, Coolhaven Island, 2013, Tussentijd Rotterdam

Ton de Vent

Project leader, Coolhaven Island, Woonbron Housing Association

Woonbron have around 2000m² of empty space in Coolhaven Eiland [Rotterdam]. There are about 8-10 units, which vary in size between about 60m² to 500m². The large space, of around 500m², was meant to accommodate a big plan for a supermarket development, but this has since been cancelled, because none of the supermarket companies were interested in running it. Woonbron are now looking to let the empty property again.

Up until now, the empty properties have been let for free to a number of institutions. The hope was that the space would be used to create new companies, although this has not always been successful. At the moment there are some anti-squat organisations in these spaces, as well as a décor artist and a theatre company who are using the large space for storage. This storage space doesn't result in much economic activity or business activity in the area. There are also a number of very interesting creative companies and foundations that use shop space, such as 'Scrap' [who collect recycled materials and sell it on for craft and 'up-cycling' projects]. Woonbron can't continue to let out the properties for free however, and will soon start to look for commercial tenants again, so these small organisations will probably need to move out.

Rack-rent scheme for new businesses

Woonbron have had experiences with a number of companies that have succeeded under rack-rent schemes, such as Fresh and Funky, which is now an established company. The housing association have used a rack-rent system with some of their smaller properties. In this system the commercial rent price is determined at the start and then there is a stepped plan, with the tenant starting off on a lower rent and this gradually increasing until it reaches the full rental amount. The rack-rent could step up from 25% – 50% – 75% – 100% or there is even a possibility of a couple of months rent free. Low rent is necessary for creating momentum and means you can put some conditions on what sort of tenant companies you have. This takes place over a certain period of time, perhaps 2-3 years. The business plans of the tenants were also shared with the housing association.

In general, many businesses fail in the first year or so. This is the same for those that benefit from rack-rent schemes: a number of the business that we have worked with were successful and a number failed. Due to the housing association's emphasis on social responsibility, they have sometimes been lenient with start-up tenants and have postponed rental steps, perhaps by a further a year or so. This probably doesn't help the start-up in the end

The housing association has a social mandate but also needs to make money.



Flyer for 'Come and look' day, Tussentijd Rotterdam



'Come and look' day for empty properties, Coolhaven Island, 2013, Tussentijd Rotterdam

though – there's a saying in Dutch that 'a weak doctor makes a weak patient'. It actually helps the entrepreneurs more, if they are held to achieving certain goals. However, if the entrepreneurs can't meet a certain rent level, no matter how modest or severe, within a certain period of time, then they aren't good entrepreneurs. The housing association has found it is important to stay strong and be strict when dealing with tenants and rack-rent arrangements.

Main tenant and sub-tenants model

For Woonbron, the ideal model for renting out spaces to all these small companies, would be to have one person or organisation to deal with, who then takes care of letting the spaces to the start-ups. That main tenant could adopt a bigger unit and take charge of running of the business centre. Their role could include responsibility for rental agreements and income from the property,

which takes these detailed tasks away from the entrepreneurs, allowing them to focus their attention elsewhere. It could be set up such that the main tenant sub-lets to the other, smaller tenants and through this keeps an eye on how they are developing. [It could also allow sub-tenants' lease periods to be shorter.] Standard rental agreements are five years, which aren't really suitable for entrepreneurs who are just starting out.

The housing association can only support a starting-out entrepreneur on the financial side. A housing association cannot run their tenants' businesses for them - the only manner in which we can affect the business is by charging for the square metres that a business uses. Some sort of main tenant could offer a broader range of types of support. This could include advice on negotiating contracts or managing finances, input that may be helpful in developing the business, that a housing association

Due to the housing association's emphasis on social responsibility, they have sometimes been lenient with start-up tenants and have postponed rental steps...This probably doesn't help the start-up in the end though...It actually helps the entrepreneurs more, if they are held to achieving certain goals.

Coolhaven Eiland Project Overview

Project type

Commercial, commercial spaces

Location

Coolhaven Eiland, Rotterdam, NL

Direct stakeholders

Government body: Rotterdam

municipality

Tenants: Various

Property owner: Woonbron Housing

Association

Project length

Varies

Property size

2,000m² (various properties ranging from 60m² to 500m² internal space)

Funding

Property for free or at a reduced rent

The housing association can only support a starting-out entrepreneur on the financial side...the only manner in which we can affect the business is by charging for the square metres that a business uses. Some sort of main tenant could offer a broader range of types of support.

couldn't give. In this model, the main tenant could be a link between the other tenants, forming a united support network that a struggling company could use if they needed to. The main tenant would also provide a contact point for the housing association, so that it's easy to make agreements about how the system should be run.

[Is there a difference between what the housing association would earn from the property in this scenario, and what they would get with a commercial rent?]

There shouldn't be. The main tenant should charge enough in the rack-rent sub-let agreements that means they aren't earning less than a commercial rent over the contract period. They should organise the whole thing and be clever enough to charge the subtenant a reasonable amount and create a concentration of businesses which are starting out. The challenge with this model is finding the main tenant who would then sub-let to start-up tenants.

The housing association view on lower rent models

The housing association has a social mandate but also needs to make money. If projects are proposed for empty spaces that are really good and fit well, such as a community project, there is a bit more leeway with rents. Woonbron are interested in helping to develop small, local economies – examples of this would be micro-businesses who do ironing, provide a laundry service, sell allotment produce, offer babysitting services, provide package delivery services etc. There is room for a lower rent if a project contributes to the development of people in an area, but the housing association wants to see it as a catalyst which will stimulate the business further.



Urban Physic Garden, Southwark, 2011, Xavier Penades

Roger Zogolovitch

Developer, Chairman and Creative Director at Lake Estates

All the temporary use projects that Lake Estates are involved in happen on sites that are awaiting development. We use the projects to better understand the land that we own. Which sounds an odd thing to say because you think; well, surely it's a piece of land, you know it. But it is responding to the lengthy process of development, particularly how we make those pretty critical decisions about the shape of the development that we're making. We use this process to help satisfy ourselves that the proposal is going to be successful. Therefore we use these temporary installations on the site as a test bed. Our contribution to the costs of these projects are funded from our marketing budget.

100 Union Street

At 100 Union Street, the development plan was for a new office building. We've learnt from each of the temporary use projects [Southwark Lido and The Reunion by EXYZT, Urban Physic Garden and The Union Street Urban Orchard by Wayward Plants] that have taken place at 100 Union Street. The experience of each has had a bearing on our development plans for the office building. In particular, these projects highlighted the relationship the site, and the arches to the rear, can have with the street and to the

city and to understand how they can be exploited as part of the public realm. This feedback has allowed us to adjust our original plans and we are now looking at incorporating this into the final office development. We will find some imprint of the temporary installations in the final scheme.

Temporary use for research

In speculative development there is a separation between the developer and the end user; developers don't occupy the space they make. For example, sometimes developments are made for a specific user or and sometimes they are made speculatively. The end users of residential projects are familiar to us. However, the Union Street site was really unusual and could not be understood in the same way. It was important to test the development and establish the clients and end users, informed by these temporary installations. We believe that the character of the development should be grounded in the specifics of the site and strong enough to provide the user with a clear and identifiable building and atmosphere for their workspace.

The planning/regulatory system

The site has been awaiting development for considerable period of time. This has been unavoidable due to the lengthy processes that

We use these temporary installations on the site as a test bed.



Southwark Lido, Southwark, 2008, dodeckahedron

100 Union Street Project Overview

Project type

Commercial, pub, lido and garden

Location

Southwark, London, UK

Direct stakeholders

Government body: Southwark Council

Tenants: EXYZT and Wayward Plants

Property owner: Lake Estates

Project length

2-3 months, took place summer 2008, 2010, 2011 and 2012

Property size

700m² (external and railway arches)

Funding

Funding from property owner/
developer

any development entails: cycles of funding, the process of getting planning permission and so on. The planning system in central London can be 'sclerotic' which is exacerbated by high demand, numerous different stakeholders and the differing attitudes to what is deemed to be 'acceptable development'. The process entails detailed and lengthy negotiations.

The planning system in the UK can constrain temporary use projects such as 100 Union Street, making their implementation disproportionately difficult. The regulatory authorities in this country do not adjust their response relative to the temporary or short time scale of the installation. The Reunion, a rethinking of the public house on the Union Street site, struggled to fit into the complex regulatory framework relating to health and safety regulations and food, drink and music licensing, fire regulations, the safety of the railway.

As a result, we could only get temporary alcohol licensing due to the impact the project would have on the neighbours, which meant that the planned project life was shortened. This made the project quite a burden and the process of developing it was at odds with its more 'joyful' temporary nature. That said, there can be some benefits for projects of this type, namely the Community Investment Loaning Tariff which may offer grants for projects that 'invest' in the community. None of the temporary projects at Union Street were eligible for this, but the projects did fit into existing planning policies that were trying to make better use of the spaces in the railways arches.

Investment necessary for a project to happen

Undertaking temporary use projects, like Lake Estates has with

The planning system in the UK can constrain temporary use projects such as 100 Union Street, making their implementation disproportionately difficult. The regulatory authorities in this country do not adjust their response relative to the temporary or short time scale of the installation.

Lake Estates had a very hands-on involvement with the temporary use project at Union Street... Development in general is not such a hands-on business: you own a site and you provide leases under which other people use your space.

EXYZT, entails a huge effort and investment from both sides. The viability of these projects is undermined as restrictions increase. The Reunion involved three people from Lake Estates: a manager working alongside EXYZT, company director Giles Cherry and company chairman Roger Zogolovitch. This was necessary to ensure that the relationship with other stakeholders, in particular Network Rail - the landlord of the railway arches, was maintained throughout the complex process of developing the project and associated legal issues.

Lake Estates had a very hands-on involvement with the temporary use project at Union Street. That was partly because of a close relationship with EXYZT and a company commitment to support them. As a niche developer, we're led by a wide interest in design and activity in the city. We are also fascinated by how long-term value can be derived from the interest that temporary use projects build up in a site. Development in general is not such a hands-on business: you own a site and you provide leases under which other people use your space. The level of commitment required could mean that other developers wouldn't necessarily find such projects rewarding enough.

Aside from Union Street, Lake Estates commissioned Sky Room by David Kohn Architects, a temporary installation on the roof of one of their buildings on Tooley Street which is now hired out as a venue. This project is now going through the process of taking the initial, temporary consent to more permanent consent.

Animation in the city

As cities get denser and change in more challenging and complex ways, we believe that it is important to try to animate more space. People like animated space and animation in cities should be welcomed. However, the framework of regulations that govern these projects imply that we're frightened of the implications of this, for example noise, increased traffic or people working on site for longer. Animation brings attraction but also an impact on the environment. We need to be more robust and relaxed about our cities. You can't, as they say, make an omelette without breaking an egg.



Skip Gardens, Kings Cross, 2010, 1010uk

Anna Strongman

Senior Projects Director and Development Manager, Argent Group PLC

There have been a range of projects on the King's Cross site over the past five years. There were many reasons for having these sorts of temporary projects on the site. It's a very big site and these projects could help activate it, it also allowed links to be created between different stakeholders. It was about starting to change the way in which King's Cross was perceived.

Types of project at King's Cross

The project type depended on the stage the site was at. At the start, there were a series of residency projects funded by the Arts Council. The artists had a base in Argent's site office and Argent provided management of the projects. The artists were looking at things like how to explain the development and construction process. It was quite a challenging process for both the artists and the developers.

Subsequently, a series of arts projects and events were hosted on

the site. Argent provided in kind support for the projects: venues and facilitation for the projects, but not direct funding. There was no funding available. All these projects require an inordinate amount of effort to make them happen. This is probably more off-putting to a developer than funding.

There was a really magical piece by Sadlers Wells called 'Electric Hotel' which was done in one of the warehouses on site. Another temporary project on the site was the skip garden. Argent has also commissioned their own arts projects, including one by Richard Wentworth and there are some more commercial ventures on the site, such as the Filling Station. The site now has a combination of finished public realm and empty sites. The last project in the warehouses took place last year [in 2012] and it is likely to be the final one.

Issues to consider around temporary use projects

There are a lot of issues to consider when doing projects in these buildings: health and safety requirements; improving accessibility; fire risk assessments; planning permission for anything that goes

All these projects require an inordinate amount of effort to make them happen. This is probably more off-putting to a developer than funding.



Filling Station, 2012, Alexander Barevanis



Pop up Festival of Stories Kings Cross, 2012, Natasha Worswick

on longer than 28 days; and legal issues around transferring responsibility for health and safety to the group carrying out the project. The sort of people who do these temporary projects tend to be self-selecting. That's because you need to have public liability insurance, to know how to get building control permissions, do health and safety and risk assessments etc. Whoever is doing these projects needs to be able to operate under the licence to occupy, which transfers liability from the owner to them.

Local community involvement

The level of local community involvement was dependent on the project. There was a literature festival last year which had really good outreach to local groups. However, it takes a lot of effort to take over a site and it may not fit with the sort of things that the local community would want to do. There was also a dance event on the square in front of Central Saint Martins, but it was quite small so it got a bit lost on such a large space.

The sort of people who do these temporary projects tend to be self-selecting. That's because you need to have public liability insurance, to know how to get building control permissions, do health and safety and risk assessments etc.

Kings Cross Project Overview

Project type

Commercial and non-commercial, various public space uses including urban garden, cultural events and artist residencies

Location

Kings Cross, London, UK

Direct stakeholders

Government body: Camden Council
Tenants: Various
Property owner: King's Cross Central Limited Partnership

Project length

5 years, commenced ?

Property size

270,000m² (internal and external)

Funding

In-kind support from property developer
Own capital

Longer term perspective

Looking at these projects in the longer-term, there needs to be a flexible approach to see what develops. For example, the Filling Station may move to a permanent location within the area. The skip gardens are popular and might stay but it has to work for all parties: they may not want to remain and may want instead to move to another, less finished, site. In the projects that have been done to date, the marketing budget was used to pay for Argent's staff time. There may be further temporary use projects in King's Cross in the longer term, but the funding sources and the motivation for doing them are likely to be different.



Roodkapje, Rotterdam, 2006, hans.griep

Menno Rosier

Culture Scout for Rotterdam Centre

Cultuurscouts [Culture Scouts] is an independent organisation supporting community arts projects in Rotterdam. A bit more than half the funding comes from the city of Rotterdam through the Dienst Kunst en Cultuur (DKC) [Service for Arts and Culture]. That pays half the Cultuurscouts' salaries plus overheads and, together with the city; they outline the organisation's goals. The other half of the funding comes from the local sub-municipalities which have their own local budgets. There are currently eleven Cultuurscouts, working across the fourteen Rotterdam sub-municipalities.

Cultuurscouts offer a support structure for the arts, by providing a network and local knowledge, and try to involve more people in the arts. The idea is to use the arts as a means to stimulate social cohesion and participation. The focus isn't on supporting the running of a space and the Cultuurscouts don't produce or organise their own activities, but support people who want to be active and organise their own. This means preferably bottom-up activity projects that start from people actually living in the neighbourhoods, for example amateur artists who want to do a

local project in the community they're based in.

Our role is to connect and inform people about what's happening around them, so they can work with in the local community and the spaces that are available. Because we work with all the councils in Rotterdam, the Cultuurscouts have a good overview of what is happening across the city and can offer an insight into projects taking place in the different sub-municipalities. The organisation has been running for 10 years and the network they have established and knowledge they have accumulated over this time is fascinating. We have realised that it could be of great use beyond the arts and applied to a much broader setting. Our interaction with entrepreneurs and creative people gives them an insight on what could stimulate the local economy, how to engage with welfare issues etc. We know what is happening on a local social and economic level.

Projects in Rotterdam city centre

The work that we did in Rotterdam city centre was unusual because although there were a lot of vacant spaces in the area,

Our role is to connect and inform people about what's happening around them, so they can work with in the local community and the spaces that are available.

We have realised that [our knowledge] could be of great use beyond the arts and applied to a much broader setting. Our interaction with entrepreneurs and creative people gives them an insight on what could stimulate the local economy, how to engage with welfare issues etc.

there were very few residents in the area (around 30,000). People from the locality might want vacant space, but there were relatively few who wanted shops, while there was a high demand from outside due to the good footfall in the city centre and so high exposure. Using our network, we ran a pilot for using the empty shops, connecting those who wanted to temporarily fill them with creative people who wanted to be in the area and contribute to it. We helped to create partnerships with other people working locally as well as the community and ensured projects engaged with key local issues. We also assisted with finding financing for projects because of the organisation's knowledge of appropriate funding systems. The Cultuurscouts are currently trying to look at their role with regard to empty spaces.

Last year, the Cultuurscouts worked on Hoogstraat, a street in Rotterdam where they were creating an organisation for entrepreneurial shop owners. Cultuurscouts connected the interested parties and as a result there is now a network of people who are involved in trying to make the neighbourhood more attractive. A project we are involved with in Kruiskade happened the other way round; people knew there were spaces to rent and so Cultuurscouts didn't need to make introductions. The shops are owned by a housing corporation who have targets to achieve and so people knew that the owners were flexible and the spaces were easier to move into than if they were privately owned. This led to a lot of pop-up shops which were attempts to add local value. There is now a lot of activity on the street

Support for funding projects

There are different mechanisms for funding these projects. The Cultuurscouts are usually involved at the beginning of a project, to support it as it starts-up, and the involvement is therefore typically short term. We can sometimes help with projects beyond this point by putting project initiators in touch with the right people at the local council but we don't have our own budget and can only offer advice. Cultuurscouts help people understand these systems and funding cycles. It also acts as a 'way-in' for people initiating projects when they are starting out. This is important because those who haven't previously been active in arts often don't know that they are eligible for funding.

Cultuurscouts works bottom-up and chooses to support a wide range of projects with small investments rather than one large project. This was something that was explored by the Renew Newcastle project [finding short and medium term uses for vacant in Newcastle, Australia] which advised spreading investment broadly to a mixture of schemes and in small amounts to experiment with pilot schemes. Nine out of ten schemes won't survive past the initial phase but this way you can try different things and determine what could have a successful and maybe permanent future in an area. There aren't fixed outcomes. With public money there is a pressure to deliver fixed outcomes and a tendency to invest a lot in one big scheme. That doesn't work – it's

better to spread the money across lots of small initiatives.

Funding sources

The Cultuurscouts have been affected by recent council funding cuts. There is still some money available for short term activities and community initiatives, as the council are still focusing on encouraging citizens to be active and initiate their own projects and these budgets have not been affected too badly. Last year there was money from a national programme called 'Cultuurbereik' [culture-ready] which was intended to get more people involved with the arts, but which has since been abolished. There was also a system of small grants from the DKC, which has continued. Cultuurscouts gave advice on how the money should be allocated and as a result it was used for a series of small projects. The maximum that could be applied for was E2,500 and the activities were to cost a maximum of E5,000. The money usually went to those who wanted to be active in the arts or to creative people who want to be active in neighbourhoods, some using spaces temporarily, because this fits in with the government's plan to support community initiatives.

The municipality also gives money for 'bewoners initiatief' [residents' initiatives]; each individual sub-municipality decides how best to use their portion. In Rotterdam centre there is a commission who assess the longevity and long-term effects of a project and whether it will bring something new to neighbourhood. You need at least six different signatures to support a project. Temporary-use projects can find a way in through these schemes by committing to being active within their neighbourhoods.

There's also the possibility of temporary-use projects working through housing corporations. However, this is always difficult as within the organisation there are two departments, one focused on housing and with an interest in social issues and making the neighbourhood better and another which focuses on the commercial spaces and wants to earn money on the rents. They are concerned that if they rent property for free, or less than the market rate, that the value of the property will reduce and they will have problems if there is another party who want to rent the space. There is always a negotiation but at times it has worked well.

Roodkapje's burger place, and their barber's shop and exhibition space were funded through combining commercial space with social and cultural activities.

Conflicting interests in temporary use projects

Everyone has an interest in filling up empty property but everyone does it with their own agenda. Sometimes people will move between cheap vacant spaces in the city, following the lowest rent rather than staying somewhere because they have a commitment to an area. Housing corporations, even if they have an interest in projects that engage the local community, will want to make profit from commercial spaces. They may get rid of creative

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people who are making a commitment to the area so that they can charge higher rents. The local council and sub-municipality also have their own reasons for wanting to fill empty space. There isn't a good city-wide communication strategy between all these parties. No-one has a handle on the bigger picture. There is currently an attempt to draw up a map of the whole city with all the vacant properties and projects, but it hasn't happened yet. It is an incredibly challenging and expensive task because the situation is constantly changing and so records need to be updated – maintaining this sort of database once you have it is incredibly expensive. There are only a few councils who will pay for this, most want targeted and specific information.

Within the municipality there is a focus on the city centre as the priority [for temporary use projects, amongst other things], but within other city-wide organisations there isn't. People need to talk to each other when doing these projects, because if you're reducing rent in one area you will attract people away from another area: local councils become each other's competition. There aren't actually enough creative people and shop owners to fill all the vacant shop spaces in the city. First the council should persuade creative people from other cities to move to Rotterdam and bring them into the city centre whilst considering strategies for using commercial spaces for a variety of uses. With the sub-municipalities disappearing, the multitude of different interested parties with different agendas may reduce and everything may become more centralised. This could mean that there is an opportunity to have more city-wide policy and prioritisation of actions. This would need to be balanced against the risk that

everything becomes very top-down, which isn't appropriate either.

Lack of medium scale in Rotterdam

There are a lot of young people in Rotterdam which brings a lot of potential for future growth. However, many don't have a high income or education and there is no real middle-ground in the city which can offer them training. There's no middle market. It's the same thing in the arts - there are a few well-known high-end institutions that are mostly orientated to the arts and usually receive a lot of subsidies. The city doesn't have much of a market for cultural products and so institutions that sit in the middle haven't developed. Even for those in the creative sector who make a product that they can sell, there isn't much of a market in Rotterdam itself, so there's no need for a shop. As a result there are many vacant spaces in the city in which a big mass of small, temporary initiatives can pop-up and occupy. Problems arise when the pop-up projects develop into something more established because there isn't the market for creative products in Rotterdam to absorb them. This means that many people use Rotterdam as an experimentation ground but eventually have to move elsewhere to earn money. The city is trying to tackle this issue by encouraging students to remain here, persuading families and those with higher incomes to stay in the city and attracting more people who will buy things.



The Volkskrant building, Tim Marringa

Fred Stammeshaus

Project initiator and founder of Urban Resort

Urban Resort Amsterdam was founded six years ago, just a few months before the Volkskrant building project began. Our objectives are to create cheap business space for the creative industry, keep creative talent from both Holland and abroad in the city, contribute to Amsterdam city life and create cultural hot spots. We don't want to be an ordinary real estate organisation that just makes money.

Creative Incubators

From the early 2000s there were a lot of creative people leaving Amsterdam because of all the squats disappearing and so there was a need to create something different. This gave birth to the concept of the 'broedplaatsen', creative incubator spaces, which

was set up by the city councillor Duco Stadig in Amsterdam. He realised that evicting all the squats had consequences in terms of losing a lot of young companies from the city, especially from the creative industries.

For us, the idea is to work together as partners, the landlord and the tenants, to establish something beautiful together. A creative incubator is different from a shared workspace. The place must be something special, a hot spot. In the creative incubators, people don't just rent the space, they also organise events, create cafés and bars, meeting spaces and things like that. The Volkskrant building attracts lots of organisations and individuals who want to rent space because they want to belong to the hot spot. They want it on their CV, even if it's just temporary. We are really very proud of that.

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A group of tenants dividing up their floor in the Volkskrant building, Peter Robinett

The Volkskrant building

The Volkskrant building was owned by a newspaper until 2007, when it was sold off to a housing association. They also owned two buildings across the street which were due for demolition before the Volkskrant building. As a result, they were willing to try see if Urban Resort could use the space to make a creative incubator. We were initially given a five year contract, which after two years, was extended to seven because of the success of the project.

The Volkskrant building is 10,000m², so it was a big building to start with, particularly as at that point Urban Resort had nothing yet in place; we hadn't yet hired any employees or established administrative systems. We had to start from scratch, which was a hell of a job. The building was very poorly maintained when Urban Resort moved in. In particular the gas, electricity and lighting were very old and needed to be replaced. An investment of around E500,000 was needed which was split: the housing corporation put in E100,000; Bureau Broedplaatsen [an organisation which is part of Amsterdam municipality to support the establishment of creative incubator spaces] put in E200,000; and Urban Resort took out a loan from Triodos Bank for E200,000. The loan was secured against the lease of the property, but would not have been given had Urban Resort not received a guarantee from the municipality.

The Volksrant building is made up of a mix of different activities and sizes of space. There are some big spaces for urban dance activities and theatre. About 10 studios have been built in the cellar, mainly by the tenants themselves, but partly by Urban Resort.

Volkskrantgebouw Project Overview

Project type

Commercial, office

Location

Wibautstraat 150, 1091 GR, Amsterdam, NL

Direct stakeholders

Government body: Amsterdam municipality
 Tenant: Urban Resort
 Property owner: Housing association

Project length

6 years

Property size

10,000m²

Funding

€200,000 Municipality
 €100,000 Property owner
 €200,000 Loan
 Profit from rental contracts

Then there are a lot of offices and studios, some conference rooms, a café, a club, bar and restaurant. The Hoogeschool van Amsterdam (HvA) is a tenant so there are hundreds of students.

Rents in the Volkskrant building

There is a difference in rent between different tenants, which is decided based on two factors. Firstly, we ask for more rent from companies, individuals and groups who can afford to pay more. This means that all tenants have to show us their income. Secondly, there is a lot of emphasis on the lower end of the market because there is enormous demand for business space at an affordable price. Bureau Broedplaatsen provided a start-up subsidy which is conditional on 40% of space being rented to tenants from the creative industry who cannot afford a lot for rent. The maximum rent we can ask them for is E59/m²/yr. That's not including service costs or transaction tax (BTW, in the Netherlands). The café/ restaurant/club in the Volkskrant building pays a higher rent. Cafés and bars always pay the highest rent. In the Volkskrant building we started with a low rent, a rack rent model, because it was a very young entrepreneur who wanted to start the restaurant and the club there. He knew that every year he had to pay a little bit more. The rent is still less than would be charged in regular places in the rest of the city.

Selecting tenants

Urban Resort prefers groups of tenants to take over a whole floor. There was time to organise several large meeting markets at the Volkskrant building due to the renovation that needed to be done. Tenants were asked to get to know each other and try to organise

There is a difference in rent between different tenants... Firstly, we ask for more rent from companies, individuals and groups who can afford to pay more... Secondly, there is a lot of emphasis on the lower end of the market.

a whole floor or part of a floor together. It was chaos, but also very funny. Once tenants are organised in floors they take on the cleaning of their own floor and contribute to big events that are held in the Volkskrant. In addition, a lot of tenants hire each other when they need expertise, for example in administration or ITC, which is also part of our concept. It means they profit from the presence of the other companies.

It takes a lot of time to select tenants. Regular landlords just offer space and then you come and you say yes or no. They don't care who your neighbour is or what exactly you do as long as you pay the rent, but that's not how it works with us. That's why we need more people to do the job in the long-term, because we put in so much extra time to do the selection. In addition, because a lot of tenants are starting companies, you get a lot of drop-outs. In the Volkskrant building there were as many as 40/45% drop-outs a year. So we had to fill 40/45% of all the space again. That means that the people who are involved in the selection of new tenants need to spend a lot of time on the process.

Tenants' investment in the space

The first question when a tenant is thinking about investing in their space is how long they can stay there. For something substantial you need a term of five or six years. That's why when we negotiate with real estate owners we negotiate new terms of rent and the total rental period. It's essential for our tenants that they can invest and that there is enough time to depreciate their investments. With one of Urban Resort's creative incubators, we had to negotiate with Amsterdam municipality - they didn't want to give us a contract longer than three years because they were planning to sell the building. In the end Urban Resort agreed on a period of three years, with an option to extend for another three years. However, we also agreed that if we had to move after three years, then the municipality would have to pay back part of Urban Resort's investment, part of the start-up subsidy of the municipality and part of the investments of the tenants. Each year, the money they might have to pay back reduced. If Urban Resort stays for six years the municipality don't have to compensate anything.

Long term plans for the buildings

All of the creative incubator buildings are intended to become something else in five or six years, to be sold off or demolished and turned into housing or offices. The municipality is very

enthusiastic about what Urban Resort Amsterdam is doing, but if they can sell a property then they want to. However, most new building plans are on the shelf at the moment, which means that you're likely to get an extension of your contract. It's not a guarantee but it's expected. Still, it's a pity when projects end. For a year and a half the Volkskrant building has been profitable and the profits have been reinvested in the project or others like it. As a result, Urban Resort always try and get longer term contracts. For the last building that was brought into use, the ACTA, there is a 12 year contract, as there is with another location that was started four years ago.

Volkskrant art hotel (and incubator)

Recently the Volkskrant building has been bought by a private party and is being transformed into an art hotel. This doesn't mean the end of the Volkskrant building as an incubator for the creative industry - part will remain at the back of the building, however it will now only take up 3,000m². Urban Resort will continue with the 3,000m² incubator space on a management fee basis. The restaurant will also remain on the top floor. The Volkskrant building is a very good example of starting with a new concept for an empty building and this leading to a permanent situation, based on regular business.

Long term sustainability of incubators

It's possible that these creative incubator spaces might become more sustainable in the long term. The big problem for Urban Resort and real estate owners is that the value of buildings is too high in the books. Many real estate owners and investors are now decreasing the value of their buildings. This writing off of values means that now you can buy buildings for around E200/m², which is quite cheap. Urban Resort doesn't have this money, but knows private investors who might support us by buying a building and then renting it to us. Buildings have become reasonably cheap and we expect this trend is going to continue for the next few years.

The first question when a tenant is thinking about investing in their space is how long they can stay there. For something substantial you need a term of five or six years.



Pop-Down Square, Wembley, 2012, RCA Student Proposal

Alex Hearn

Wembley Programme Investment Team, London Borough of Brent

[AK - How big is the regeneration area in Wembley and how is temporary use incorporated into that?]

The Wembley growth area includes land around Wembley Stadium and all of the high road. It includes vacant sites [that could be used for temporary use projects] which are mostly clustered around the Stadium and the majority is in the single ownership of Quintain Estates. Quintain Estates are developing the land incrementally and have a long-term programme to build thousands of homes and hundreds of thousands of square feet of commercial space. Once developed, that will become a new part of the city, but this takes time.

There isn't an interim master plan, but Quintain Estates are initiating some of their own interim uses. These are usually commercial agreements to rent the property out for short leases of 10 years. An example is the Power League five-a-side football pitches, which I understand has been a commercial success. The enterprise makes a profit, they pay rent, so it is sustainable. There's a possibility of other temporary sport uses coming, such as Padel Tennis. Cricket would probably also work well here.

We are doing quite a lot of work on Wembley's identity. For years its day to day image has been distorted by mega events at the Stadium or the Arena. We're not trying to come up with an alternative identity - Wembley is about sports and it is about entertainment and massive events - we are just trying to explore ways that those activities can also happen on a more granular scale. People want to locate sports uses in Wembley because it's an international name for sports and we're quite supportive of that.

Intermediary organisation – Meanwhile Space

The council employ Meanwhile Space to take on the intermediary role between landlords and tenants for the Coming Soon Club in Wembley [to facilitate further temporary use projects in currently vacant spaces and sites]. This relationship was established because when the project started, the council didn't know how to find landlords and do property deals with them. In addition, there needs to be a programme for temporary use projects and this will cost money and need to be delivered. This has been necessary in Wembley because to begin with, there wasn't a latent demand from people wanting to take on empty spaces. There needed to be an opportunity, something tangible to hold on to, so that local

The area around the Coming Soon Club was riddled with long term vacant shops about six months ago, whereas now most are filled.



Active Aspirations' dance studio, the winner of the competition, The Coming Soon Club

Pop-Down Square Project Overview

Project type

Non-commercial, outdoor public square and indoor programmable space

Location

Wembley, London, UK

Direct stakeholders

Government body: Brent Council
 Tenants: Various
 Property owner: Quintain Estates
 Intermediary organisation: Meanwhile Space

Project length

5 year lease, commences August 2013

Property size

1,300m² (1,200m² external and 100m² internal)

Funding

Property owner provide land free of charge
 In-kind support from Arup, Metsawood, Pinewood and Sweett Group
 Council provide start-up costs £25,000

people became interested. For the Coming Soon Club, people were matched with empty spaces where they could test out an idea in a low risk environment. This meant that the space needed to be open every day and that there needed to be people coming through the door. Meanwhile Space provided mentoring on how to run a space, how to crystallise a business idea into something tangible, run a website, run social media etc.

Brent council have asked Meanwhile Space to help them come up with a more sustainable model for temporary use. As a result the Council have set up the 'Meanwhile Foundation', with Locality, which used to be known as the Development Trust Association. The Foundation is there for partner organisations (such as local authorities) to join to help make it easier to support and deliver temporary projects. It is a charity and a company so that it can carry tenancies and so takes away property risks from the council and benefits from mandatory business rate relief. It is helping develop a more sustainable model but there is still the need for people to programme space. It isn't just a matter of finding a

space and getting going on it. In Wembley, we found we needed somebody to beat the drum and drag people in for the first year or so until there was a critical mass of interest.

Brent council doesn't own much land in Wembley, so we are using third party property. The owners of the vacant properties are usually keen to get involved in these projects to get their business rates liability taken away. For example, the Coming Soon Club is in a premises that has sat empty since 1987, with the exception of a couple of years. The tenant had a 25 year lease on it and has been paying rent ever since. Now that the Coming Soon Club has taken up use of the space, the project has removed the rates liability for the tenant and the landlord is receiving rent, as well as having had a bit of decorating done in the building. A spin off project from the Coming Soon Club has taken up a six month tenancy in an adjacent property.

The first two years of the Coming Soon Club

The council employ Meanwhile Space to take on the intermediary role between landlords and tenants...when the project started, the council didn't know how to find landlords and do property deals with them.

Money that's required from us, or from another sponsor is a consideration and this is weighed against the value of the scheme. This does not have to be financial value: as long as the project is worthwhile in terms of regenerative benefit the business case can stand up to scrutiny.

In the first year of the Coming Soon Club, the aim was to find one shop space and find temporary tenants for it. The plan in the second year has been to find three shop spaces and do the same. The particular challenge in the second year has been coming up with a business model for using empty space for enterprise. We're working on a business case to deliver co-working space in empty property, that would generate revenue to cover costs.

Rather than being open-ended, the Coming Soon Club/temporary use project has been targeted for particular spaces, locations and activities. It has occupied a prominent designated space with a purpose to increase membership, deliver their mentoring model again, get a new website and to become more than a pop-up shop and instead a movement for gradual change in the area. The area around the Coming Soon Club was riddled with long term vacant shops about six months ago whereas now most are filled. It's difficult to be certain, but I'd like to attribute this to the interest the Coming Soon Club has created.

Focus on vacant shops, rather than vacant sites

Focusing on working in vacant shops and not the big pieces of vacant land around the Stadium to begin with was intentional: the high street is now of value for local people and is helping to make Wembley a bit more focused on being a day-to-day destination as opposed to mainly being about large events that happen 40 times a year. The council didn't want to build a big white elephant but instead build small interesting projects that were about people. When large events take place, you might have 90,000 people that come into Wembley from all over the world and then leave 2 hours later. By starting work at a smaller scale the council wanted to get local people interested in their area and engaging with the change. The hope is that this project will be established by the time Quintain's London Designer Outlet opens towards the end of the year, which will bring millions of people to Wembley who otherwise don't come here. The council intends the temporary use projects to compliment the glitzy development with a rougher, creative edge whilst the smaller projects will benefit from the critical mass of the larger developments.

The role of the council in the regeneration

The council are seeking a variety of benefits from the regeneration project. We've been successful at getting local people into paid jobs, from construction to bar work in building developments, for example in the new Hilton or Stadium. The council don't necessarily support enterprise in the same way or to the same extent. We find there are lots of other people doing that sort of thing, from business training to providing assistance with writing business plans.

We have a position on temporary uses, which is that we will support them if they work. We do want a business case behind them, but that's not necessarily a financial business case. Money that's required from us, or from another sponsor is a consideration

and this is weighed against the value of the scheme. This does not have to be financial value: as long as the project is worthwhile in terms of regenerative benefit the business case can stand up to scrutiny. The council is very keen to concentrate on the fringe of the vacant land around the Stadium, where new meets old, where the shiny meets the scruffy and where people can use the new because it is closer.

Instead, through projects like the Coming Soon Club, people are offered affordable, flexible work space to allow them to either start businesses or move to. This means that the businesses can benefit for a couple of years and then are supported in moving on and establishing themselves elsewhere on commercial terms; it is seen as a more sustainable model without a prolonged subsidy that is just supporting an inherently unviable business. It's also part of building an identity for the place and doing some things more quickly. Something the scale of Wembley will take 30 years to make. Instead of waiting for that, there are lighter, quicker, cheaper things that can happen that will contribute to the long-term and make a visible and valuable change.

Pop-down Square

Quintain Estates have loaned land for 5 years, free of charge, for Pop-down Square [a temporary public space created for Brent Council by First Year RCA Architecture Students, which will then be taken over by a 5 year programme, to be determined through competition] - they see the potential for these projects to add public realm improvements to their investment. The place where the Pop-down Square will be is currently just empty scrub land which has outline planning permission, for something that may be built in five to ten years time. There is a large amount of 'virgin' land with no utilities connections and without some level of capital investment nothing will happen there. The council have made a case for investment, as long as there is a worthwhile return.

For the 'Pop-Down Square' the council are asking people to give ideas about how they want to use it and are giving a longer 5 year lease, so that the ideas can have some longevity and become sustainable. The council are helping with start up costs but people aren't being provided with a salary and they are being asked to programme the space themselves. Through the project, the council have built up a good working relationship with the Royal College of Art and we may be able to work together further in Wembley - for example they may be interested in programming parts of the new civic centre. The project was odd in the sense that there was a competition for the building design with the Royal College of Art, which took place before the end users were established. The brief was set by Brent council and it dealt with some inherent problems of the site - the need for a flexible place that was secure and could deal with the large crowds that would cross it on days when there were events at the Stadium. We now know that there is a demand for performance and rehearsal spaces in the borough which can fit within the spaces being offered for 5 years.

Commercial and arts/community temporary uses

There will always be a struggle to try and close the gap between commercial temporary use projects that have a clear business model and arts and community projects that can bring a huge amount of value to an area, but where that value is not necessarily financial. It is difficult for the council to measure the success of arts based projects. A commercial sports operator will make money if people go along and play football everyday, whereas people often don't pay to look at or contribute to art so it often doesn't make money. It would be great to have a fully sustainable model behind art projects but it's very difficult.

Potential funding sources and business models

There are some vacant sites elsewhere in Brent that the council do own where temporary use projects can reduce inherent property losses. These are sites that the council would otherwise be spending money on, to hoard up the site or paying empty property rates etc. and instead that cost can be diverted as a budget to the temporary use of the property. This way the cost becomes a value and is used to do something that is interesting and useful for local people and helps with the marketing of an area when you're trying to get values to rise. There is a type of business model in this although it's not one that necessarily generates cash.

Meanwhile Space have worked on the business model for the enterprise centre which has reduced the programming costs of the space down to a few thousand pounds a year. This has been done by changing the model from a space that would have been fully programmed and managed from Monday to Friday to something that is supported by another activity such as a cinema or coffee shop. This way the model might even become sustainable or at least make the losses palatable.

The model for the Pop-down Square project

For the competition for the use of Pop-down Square, we are providing a modest grant, but part of the competition requirements are the submission of a revenue business case to ensure that the project keeps going every year without needing further subsidy. The council have asked for a detailed business plan from competition applicants, although we expect that not everyone will provide this and so we will be looking for obvious holes. What we want are outcomes that are beneficial to the local area, for example apprenticeships or day workshops. We're not really expecting to get rent out of it.

Pop Down Square has 1200sqm of outside space and 100sqm internal. People have long proposed ideas for this site and have been put off by the expense of it. The council have taken the view that to get things started they will have to help get them going.

The costs of the council's five year commitment to the project aren't significant when spread over the time period. We do have a regeneration budget as a council, a revenue budget. In the past that money might have been spent on transport assessments and things like that.

The Pop Down Square is being built by a group of 'supporters' who are mostly providing the materials or services in-kind, or at least at cost. This includes the engineering design from Arup, the cross-laminated engineered timber from Metsa Wood, installation by Pinewood and support from the cost consultancy Sweett Group. There is a budget for other contractors, but there is a possibility that some of this could be obtained as an in-kind contribution. There are contractors who may want to help because of the involvement with the Royal College of Art and the media coverage they will be able to extract.

There is no specific exit strategy for the pop-up spaces but there is agreement that these are temporary projects. Quintain Estates have an enormous portfolio in the area and they have made some agreement that they'll help move the Pop Down Square. It's quite a bespoke design so that will be a challenge. There isn't really a plan for the other spaces. It is clear that the spaces are being used temporarily and that they will disappear. However, there is a pipeline of spaces coming up within new buildings from developers that is secured through the planning process for low cost floorspace which could be for the Coming Soon Club or some other interested occupier. Its very early days but we are looking at the possibility of delivering or facilitating some sort of enterprise space. It would likely require a low rent paid to the superior landlord, and may require some level of rates relief and therefore have an effective subsidy. This requires a fully worked up business plan before we make a call on this.

The value of temporary use projects

The word 'meanwhile' is problematic in some ways because it implies that what comes after the project will be better. Essentially it is just property development. In some cases temporary uses are more viable than in others when they are set against the inherent value of a piece of land or the costs associated with bringing it into use. Whether the project is for an unlimited timespan or is short-term, whether it is intended to grow into sustainable businesses or whether only small cosmetic changes are needed to the building, these projects still require some kind of investment to begin with. Pop-down Square could be amazing and really do something for this part of the High Street, really do something for the reputation of Wembley, really deliver some great local benefits to local people, and repair a piece of land that will have just got ever more littered and fly tipped. So it's worth it in the round I think.

There are some vacant sites elsewhere in Brent that the council do own...that [they] would otherwise be spending money on, to hoard up the site or paying empty property rates etc. and instead that cost can be diverted as a budget to the temporary use of the property.

Case studies of six projects - how they were started, are funded and run.

THE BUSINESS OF TEMPORARY USE



Leeszaal, Arjan Scheer

Maurice Specht

Project initiator, Leeszaal Rotterdam West

The Leeszaal was started by myself [Maurice Specht] and Joke van der Zwaard, in reaction to a new policy in Rotterdam that meant that 15 out of 21 libraries were going to be closed - all the small neighbourhood ones. There was a lot of protest and some people were in favour of trying to push to keep the old library open, or recreate it as it was, but with volunteers. The Leeszaal founding group agreed the situation couldn't be changed and decided that we actually didn't want to keep the library because it wasn't that good. We thought it should be something else - a public space where you can meet each other and nothing is expected of you.

Joke and I made a strategy where we would set up a few meetings where we asked people two questions: what would your ideal reading room look like and what are you willing to do? We can all draw up a list of what we want but if nobody does something, it won't happen. We had three of these sessions in the spring last year with local community groups which have very deep roots in the

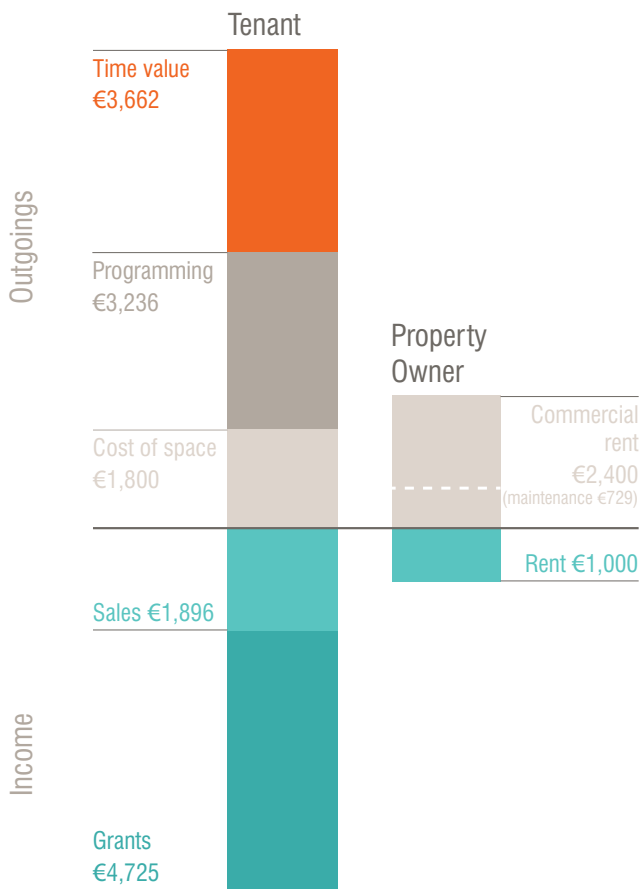
neighbourhood. At these events we tried to unpack all the different ideas that people had: what they thought was necessary, what we needed, people we should contact and what kind of programmes they would like to see happening there. We ended up with five different categories of programme: reading, learning, voorlezen [reading to children or pre-reading], sharing and meeting.

Testing the library idea

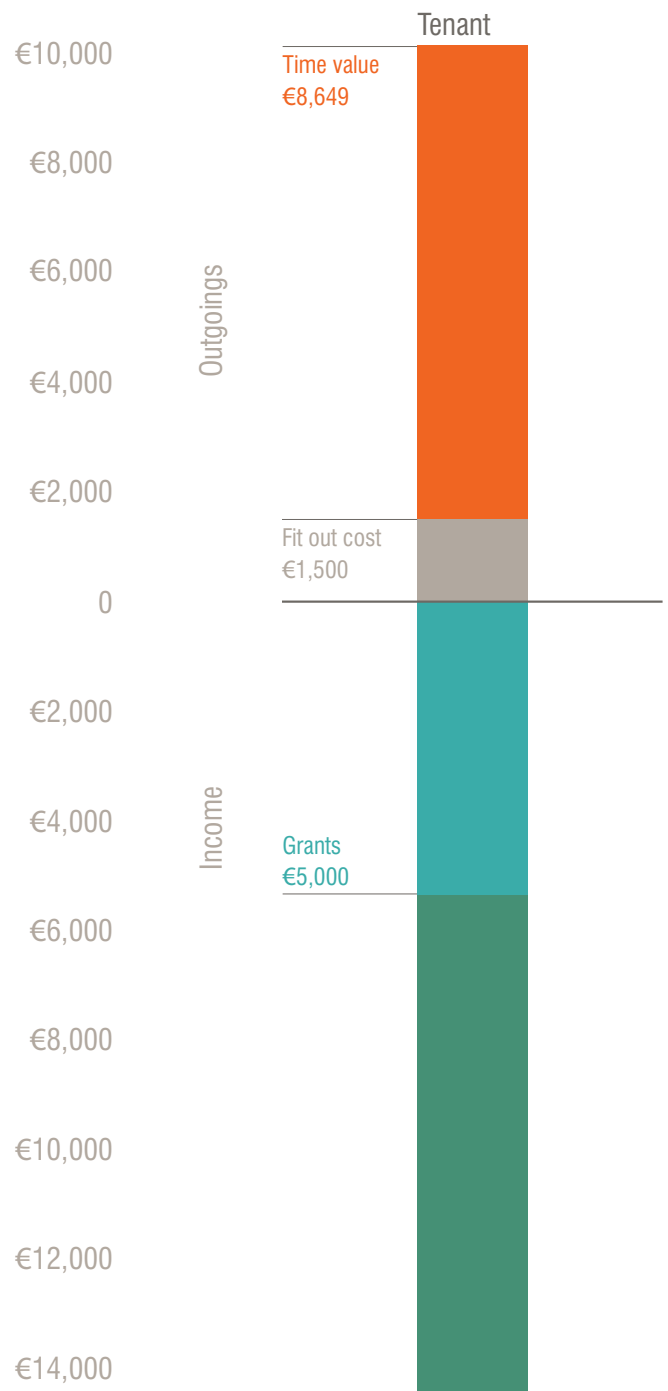
[The festival was run in November 2012, in a former hammam, owned by the housing association. Woonstad Rotterdam]. We started planning the festival in September [2012] We tried to test the library idea by running a five day event, with a different topic for each day. We wanted to see what kind of programme we could organise, to see what people were willing to do and to see if it was possible to set up a library with volunteers. It was open each day from 10am and 10pm with workshops, debates, music, theatre. Between 50 and 70 people worked with us to make it all happen and their roles ranged from organising particular parts of the

We asked people two questions: what would your ideal reading room look like and what are you willing to do? We can all draw up a list of what we want but if nobody does something, it won't happen.

Average monthly outgoings and income



Start-up outgoings and income



programme, to making the website, to converting the hammam to a reading room. To establish the library's collection two weeks before the festival we invited people to bring books every evening between set times and give them to two volunteers. We did a lot to get it all together.

We started planning before we had found the space. Remarkably, before we even had a space for the festival, we had 70% or 80% of the programme already committed. We were confident that we would find a space there was a lot of empty space in the neighbourhood and we had a good network of contacts. We knew a lot of people already, in the neighbourhood, but also people from housing associations, all kinds of official institutions which enabled us to move fast. They knew us, they understood what we

were trying to do and they had confidence that we would be able to pull it off. At some point, somebody from Woonstad called Joke and said that the hammam on Rijnhoutplein was available.

Funding the trial run

We received €3,500 to sort out the festival from a fund for community projects set up by government minister Vogelaar to support these sorts of initiatives in 40 poor neighbourhoods in the Netherlands, of which the Oude Westen was one. We also got €300 or €500 from Cultuurscouts. and €1,000 from Rabobank, a cooperative bank, which had a programme called 'Zet je in voor de buurt' where they invited people to come up with a plan for their neighbourhoods. So we had €5,000 to pay for everything. I don't



Leeszaal, Rotterdam, 2013

Project Overview

Project type

Non-commercial, public space and reading room

Location

Rijnhoutplein, 3014, Rotterdam, NL

Direct stakeholders

Government body: Rotterdam municipality
 Tenant: Maurice Specht and Joke van der Zwaard
 Property owner: Woonstad, housing association

Project length

3 year lease, commenced Jan 2013

Property size

350m² (internal)

Funding

€3,500 municipality grant
 €500 intermediary organisation grant, Cultuurscouts
 €1,000 bank loan, Rabobank
 €50,000 foundation grant, Stichting Doen
 Property initially for free and subsequently at a reduced rent

Website

www.leeszaalrotterdamwest.nl/

actually know if we spent all of it. I guess not, knowing us.

Most of the funding went on the interior decoration. When we got the space, it was just a brown floor with white walls which is nice because normally with an empty space you spend the first two weeks just painting walls white. But given that the space is 350m², a lot had to happen. Some of the work was done by volunteers and we paid some people. We paid Ruud, who did the interior decoration and the whole design, around €500 for three weeks full time, Monday to Friday and probably even in the weekends. I don't know how many hours he put in but if we converted it to an hourly rate it's something like 75 cents an hour. We spent €1,000 on lamps, electricity cords and stuff like that because it's such a huge space. We spent some on drinks, but you get that back when you sell them, the bar always pays for itself.

Getting furniture and books

One of the reasons we started is the idea that there is so much stuff lying dormant in cupboards, not being used. If you put out the word that you're going to use all kinds of idle stuff and put it

to good use, you'll be amazed at what comes out. We put out the word that we needed bookshelves, books, tables, and chairs and people donated furniture.

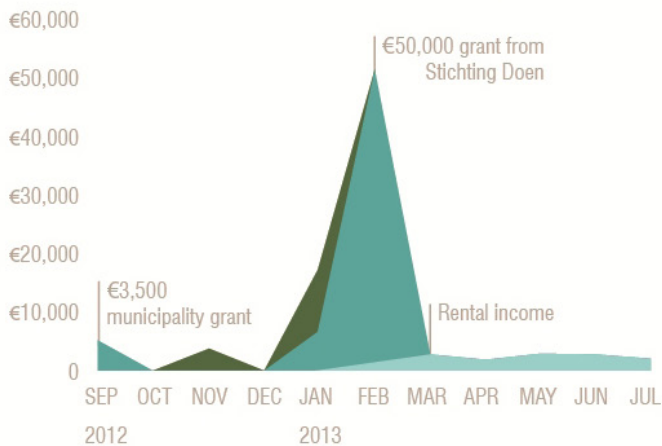
Some things we have, I didn't even know we needed. We have 20-25 small children's chairs from a cellar of a church which has been standing there unused for two, three years. The big tables we have came from another project Joke was involved with. When we reopened [in January] we also got some book shelves from the closing libraries, because the official library didn't know what to do with their stuff either. They either had to put it in a garage somewhere and pay for it or they could give it to us. We also made a deal with Palmeijer, an organisation which does day activities for mentally disabled people, who sell second hand furniture. We borrowed some of their furniture and put a price tag on it so if people wanted to buy it, they could. We got a lot of chairs from them and made €250 during the festival. This was nice on a lot of levels because we didn't have to invest in furniture and they got money from us and probably more exposure. This is the type of

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All the books were donated... People were bringing good books because they would rather their books be given a new life via the Leeszaal than be sold for spare change.

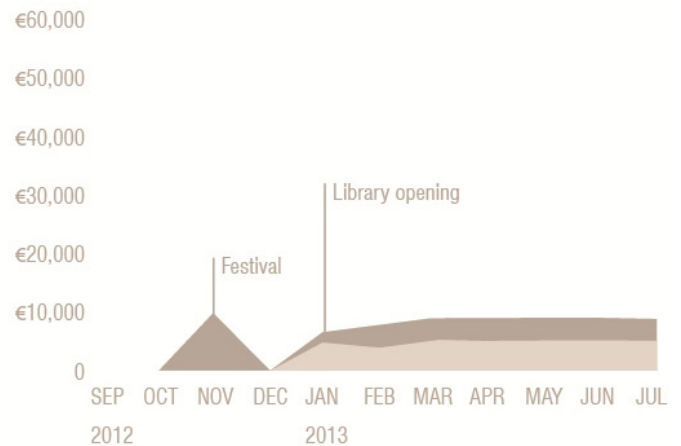
Total Income vs Cash Income

Donations & cash income Grants + income from sales
Income from sales



Total Expenditure vs Cash Expenditure

Time spent + cash expenditure



The project currently runs mainly on grant income, which came all at once at the start of the project. Although the income from renting the space is steady, it doesn't cover the running costs.

relationship we would like to expand.

Similarly, all the books were donated. We were afraid at the beginning that we were going to get everything you can't sell on ebay - that the Leeszaal would be at the bottom of the list, but it turned out not to be the case. People were bringing good books because they would rather their books be given a new life via the Leeszaal than be sold for spare change. During the festival we had 1,000 to 1,500 books and now we have 6,000, maybe more, and we've thrown away around 1,000.

In the beginning we used to take everything because we needed to fill the space but now we're being stricter about the books we accept. We actually need people to take books away now and that's harder. The system is that you can take the books without having to register and you don't have to bring them back if you don't want to. If you really like it, keep it. People find that hard to understand and to accept and they have to get to know you before they're prepared to do it. We only have 200 'special' books where we ask that people bring them back.

The time commitment for the festival

Up until November, Joke and I held eight meetings of two hours and probably did eight more hours of emailing and stuff like that. During November I probably worked the entire month full time on the festival and during the festival week itself [17th – 22nd November] I probably worked 70 hours. Every waking hour was committed to making this festival happen. Both Joke and I turned down other work to do it.

Preparing to do a full time project

From the end of November to the end of January, we spent about five to six days, thinking through what we wanted to do. We decided we wanted to be open 5 days a week, Tuesday to

Saturday, from 10am to 8pm which is 50 hours a week. We also said that we were going to do it with only volunteers which was a big ambition. Before and during the festival we made lists of people's names, email addresses and what they would be willing to do. This gave us a feeling for the resources of people we had available: we had between 100 and 150 people who said they would be willing to do something.

We applied to a fund called 'New Meeting Spaces' at Stichting Doen for funding to continue for a year. We costed the rent, gas and electricity and newspapers. The volunteers are unpaid but we needed money for an education programme our volunteers, for whatever they want to learn. We also needed money for research that we planned to do, based on the Leeszaal on setting up community projects. So we made a budget, filled in the application and sent it off. At the end of February we got the letter saying that it was approved.

Getting the space for the library

For the festival in November, Woonstad gave us the space for free and paid for the electricity. It had been empty for two, two and a half years at that point so they were just happy that something was happening there. In December it was used by the CBK, the Centrum Beeldende Kunst to sell art. We officially got the key back on January 4th and reopened on January 31st. At first we didn't say anything to Woonstad, we just stayed there. We sort of reopened and then it was up to them to say no. Part of what we heard later on is that they felt tricked. We just thought they wouldn't mind, so we went on doing the reading room without a contract.

Today there is still no contract, but we're busy discussing one. The negotiations until now have been with two people at Woonstad, Erik Hoeflaak, who does social maintenance, and Marion [Gardenier-Huisert], who does commercial space, from Woonstad. When we

We decided we wanted to be open 5 days a week, Tuesday to Saturday, from 10am to 8pm which is 50 hours a week. We also said that we were going to do it with only volunteers.

started, the commercial rate for the property was set at €2,400 a month and we initially said that we were prepared to pay €500 rent a month. We had actually put aside €650 per month in our original budget – we had heard that there is a relatively common model of community projects paying one quarter of the commercial rent. We thought we'd try for less because then we'd have more money to spend on other things. They decided they needed rent of €1,000 per month.

Whilst we were waiting for a contract, we learned that they were giving a viewing of the space to a potential commercial tenant. We were confused as we thought they were sorting out a contract with us, not that they were going to rent it out to a commercial party. This also happened a few days before the board of directors of Woonstad was coming to the Leeszaal to look at it as an example of good projects that they make possible. I like that Woonstad

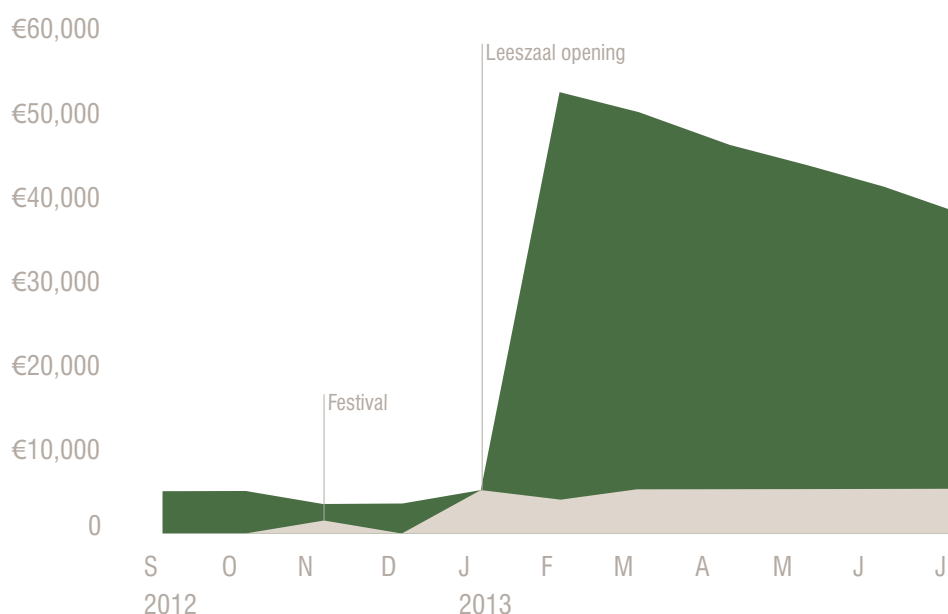
use us to show off because it shows commitment but they can't show off about us with one hand and then shut us down with the other. We ended up using the visit from the board of directors as an opportunity to discuss this. In the end, the two directors had to make the decision, one who works on social housing and livability and one who works on commercial space. They struck a deal where they were willing to make less money on a commercial space.

The contract for the space

We were presented with three options for the contract. The first option was that we paid nothing but could be thrown out at any time. The second option was that we paid €1,000 and had a period of three months notice. The third option was that we could take on a five year lease with a rack-rent, so the first year we paid 50%, the second year 75% and the third to the fifth year we paid

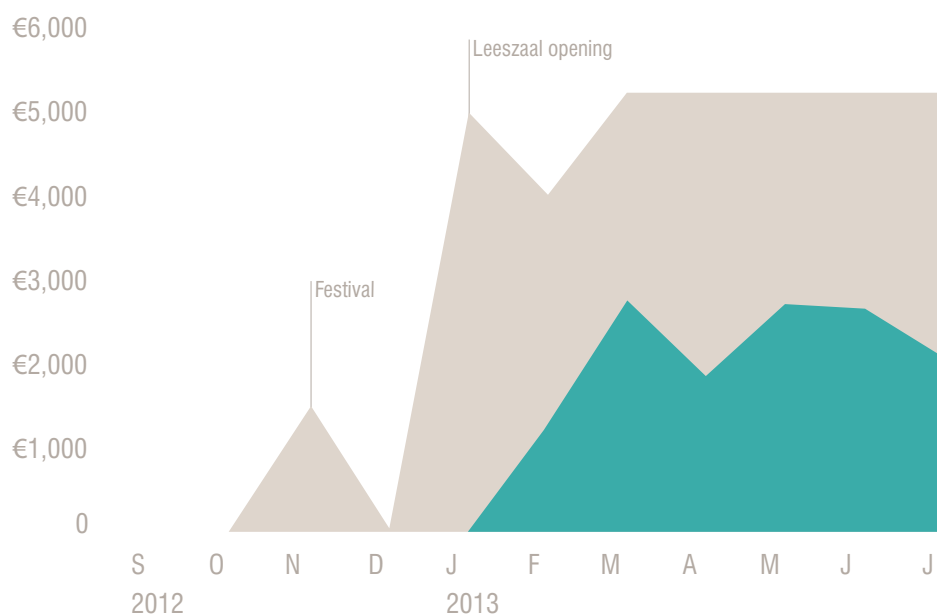
As most of the project's funds came from a grant at the beginning, they have a large amount of money in the bank that is slowly run down each month.

Cash in Bank vs. Cash Expenditure



Sales income (the money from renting out the space and from tea/coffee) doesn't cover expenditure.

Cash Expenditure vs. Income from Sales





Leeszaal, Rotterdam, 2013, Facebook

full commercial rent.

We never wanted to commit to a five year contract so that was no option. We didn't want the first option either because we needed some long term security if we were to ask people to commit their time and energy to the project. We also didn't want the second one, because again there wasn't enough security for us to ask people to commit. This has been renegotiated and we're now getting our ideal contract. We will pay €1,000 per month, including VAT, for one year with an option to extend for another two years if the Leeszaal wishes to. If we say we're want to continue, Woonstad has to agree with it.

The appropriate length of contract for a project depend on the goal you have. So to make a reading room, to make a public space around reading, around books, you just need time for people to get to know about it, to get to get it into their daily routines to understand that it is there, that you can organise something, that there is a platform that you can use. We just needed time to

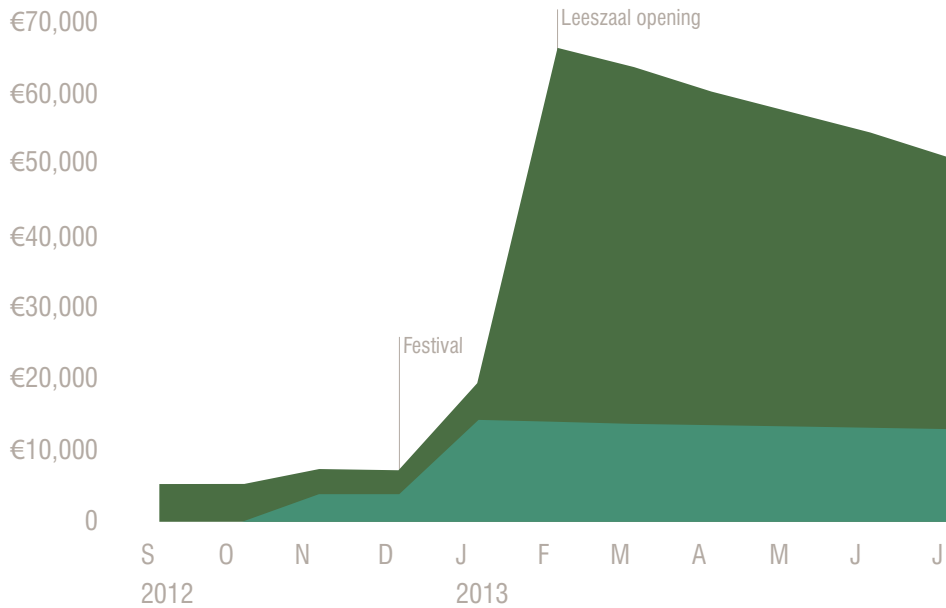
see what it could be. We're trying to create a public space in the strictest sense of the word. It's never closed off, you can always come in. It is a strange thing to organise because that's something that the state used to do. These kind of public spaces are almost never private initiatives. We're trying to be open for a lot of hours so the ambition is pretty big and to do that you need people to commit to it on a long term basis. You're asking them to invest in something.

We never set out for a contract of three years - the idea was to do it for a year and to use this year to figure out what the reading room can be and at the same time trying to figure out whether you can make it sustainable. Through the negotiations with Woonstad, the time frame has shifted so now we think in terms of three years. I think it makes sense to do it longer term because the amount of time you need Because it's not in an area that a lot happens you need more time to figure things out. We're trying to make it something which appeals to people outside of this particular neighbourhood and to get people from across Rotterdam West

It would be sort of ridiculous if they used us as an argument to shut down more stuff, it would mean they haven't understood it. They don't know how much work it takes. They see the object and not process nor work.

Total Net Assets vs. Fixed Assets

Fixed assets + cash in bank Donated furniture, books etc.



The project's assets grew as furniture and books were donated, mostly during the festival and at the re-opening of the library, and with the grant from Stichting DOEN.

which is the area where there's no official library anymore - it's 7000 people. To make sure that people from different areas within the city but also different groups come to the Leeszaal, you need time and you need to do a lot of work. We could've made it a lot easier on ourselves if we had made something for our own peer group. If you just make something for highly educated young hipsters you can do that more easily: they're easier to mobilise for a short period of time.

We're trying to make something that appeals to a lot of different groups and that makes it harder to organise. People commit for different reasons and you have to offer them a reason why they should, why it will be a space for them. So we have breakfasts for immigrant women, for people who are free lancers, we have films, debates, literature evenings. One of the reasons why we organise a lot of these things is to show to people this space which is there for you, you can commit to it too, you don't have to be just a user.

The municipality's involvement

The municipality gave us €3,500 for the festival and beyond that they haven't been officially involved. A lot of the local councillors know about it and we are actually used as a prime example of what citizens can do themselves. It would be sort of ridiculous if they used us as an argument to shut down more stuff, it would mean they haven't understood it. They don't know how much work it takes. They see the object and not process nor work.

Time necessary to run the Leeszaal

The running of the Leeszaal takes Joke and I about 20 hours a week. It consists of emailing, facebook, making sure volunteers are there, being there at events, picking stuff up and dragging stuff around. We get some money for the research we're doing which

means we don't have to do any other jobs. It's a strange strategy we use to buy time for ourselves. We've paid Karen who does the posters because that's her work. So there's always this question of if you ask a professional to do what he does for a living, does he have to do it for free or are you going to pay something? And yes we pay her something but again it's not a standard commercial rate. She did seven posters, made the stamps and made some signage for €1,000 all in all. Other than that, nobody at the reading room get's paid.

During opening hours we always have two hosts and we're open 48 hours a week. This is divided up between probably 30 different hosts. Then there are also people who take care of the collection and show up whenever they want and probably spend between 4 to 8 hours a week on sorting out books, putting books in the shelves and stuff like that. So that's the basic activities and then on events more people get added.

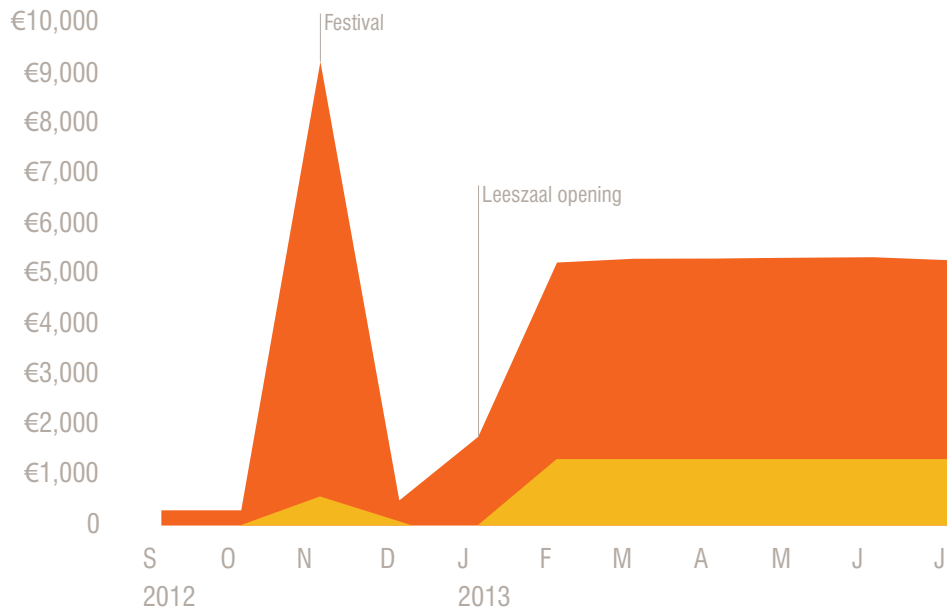
Events and income for the space

In the last six months, we've done 40 events or so. During the events, the general public can still use the space. You can organise a lot of things with us but it has to be around reading, imagination, learning or self organisation because these are the four things that sum up where we come from. We need to do it this way to maintain the identity we're trying to create.

We make a bit of money from hiring the space out and that's why up until now we've made a profit. When we rent out the space we ask for anything between €50 to €350. We tend to be not commercial enough in that way; we should expand the range of prices and make our top rate higher. We could make more but we're always looking at who the group is who wants to use the space and at the same time we have to make sure we don't organise

We want a public place. That limits the amount of money you can make from the space, but it makes the space what it is.

Paid vs. Unpaid Working Time @€10/hr



A huge amount of time is invested in running the Leeszaal, both by volunteers and by the organisers, Maurice and Joke, who put in around 20hrs/week each. The opportunity cost of this means that they need to be paid for their time.

too many events because then there's never any quietness. It's a delicate balance and we're constantly figuring out whether it works. It's one of the conscious choices we made, we want a public place. That limits the amount of money you can make from the space, but it makes the space what it is.

We hypothetically considered how we would react if Starbucks came and asked to run our coffee corner and paid us enough that we could pay the rent. On the level of money, I wouldn't be opposed to it in a way but there's a more important reason why we can't do it. We can only exist because we have a lot of volunteers and a lot of the volunteers use being a host as a way of identifying and connecting to the space. So selling the coffee and being the host of the day is what connects them to [the Leeszaal] and if we would rent it out or give it to Starbucks we would lose our volunteers. We would lose the core of what actually makes it a citizens' initiative. It would become corporate operation which happens to have a library attached to it. It would take away from what people use to make it what it is.

Future funding strategies

We've got a three track strategy for how we will fund the Leeszaal into the future. Our funding from Stichting Doen is only meant to last for one year and usually what happens if you haven't spent it all after one year is you have to either figure out how you're going to spend it quickly or give it back. Now that our time frame has moved from one to three years, our first strategy is to go back to them and renegotiate what we do with the money. With the money we got from Stichting Doen and the income we make

from renting out the space we can do a three year programme. We want to use this money to pay for 'infrastructure', meaning rent, energy and newspapers, because nobody wants to pay for that. The infrastructure comes down to €24,000 per year all in all, €1,000 per month for the rent, €1,000 per month for electricity, water and newspapers and taxes. Then we'll figure out the rest and make sure it happens. We do a lot of programming but there's always money to find from funds for programming, either with the city or with small private funds.

We can't, or we think we can't, make enough money from the space itself by renting it out to keep it afloat. We need external money to keep it afloat, so another strategy is bring together different parties to see how they can envision a business case for the reading room and what they can do to help us make it happen. We're organising an event on the 19th of September [2013] where we're going to invite all types of people to think through the business case of the Leeszaal. Some of these people we know and they've done these kind of project themselves. One of the attendees, a friend of a Leeszaal volunteer, has a company in medical supplies and is interested in putting in some money. He also mentioned some of his friends who are in business clubs and some commercial guys who might want to invest.

There is a third, fall back, option. A social organisation had acquired some real estate in Oude Western which they then had to sell when they shut down. The money left was put into a fund to invest in the neighbourhood. They approached us at one point and asked us if we wanted to apply for money. We said we didn't need fund for that year but that we might come to them in a year's time

We can only exist because we have a lot of volunteers. Selling the coffee and being the host of the day is what connects them to [the Leeszaal] and if we would rent it out or give it to Starbucks we would lose our volunteers.



and ask them to cover the rent. They said they would be open to this so that's a fall back option.

I would prefer either or both of the other two options because I would like to figure out if there is different way, where you have a relationship with donors which is part money, but part about expertise and where you ask people to commit in one way or another. Instead of just going to funds and saying, 'well, give me some money and I will send you some nice pictures and the end of the year'. Those are just very instrumental, empty relationships. They're also potentially short term and then the next year you have to figure out another fund you can apply to or figure out something else. I'd rather try and figure out whether we can have a durable relationship with people now, now that I have time to experiment with it. We have to buy time to figure out how we can buy more time. With a lot of organisations it's very troublesome that acquiring money takes up so much time that you almost forget that you actually have to do the project.

PRACTICE SPACE | DETROIT US



The working and presentation areas, Practice Space

Austin Kronig and Justin Mast

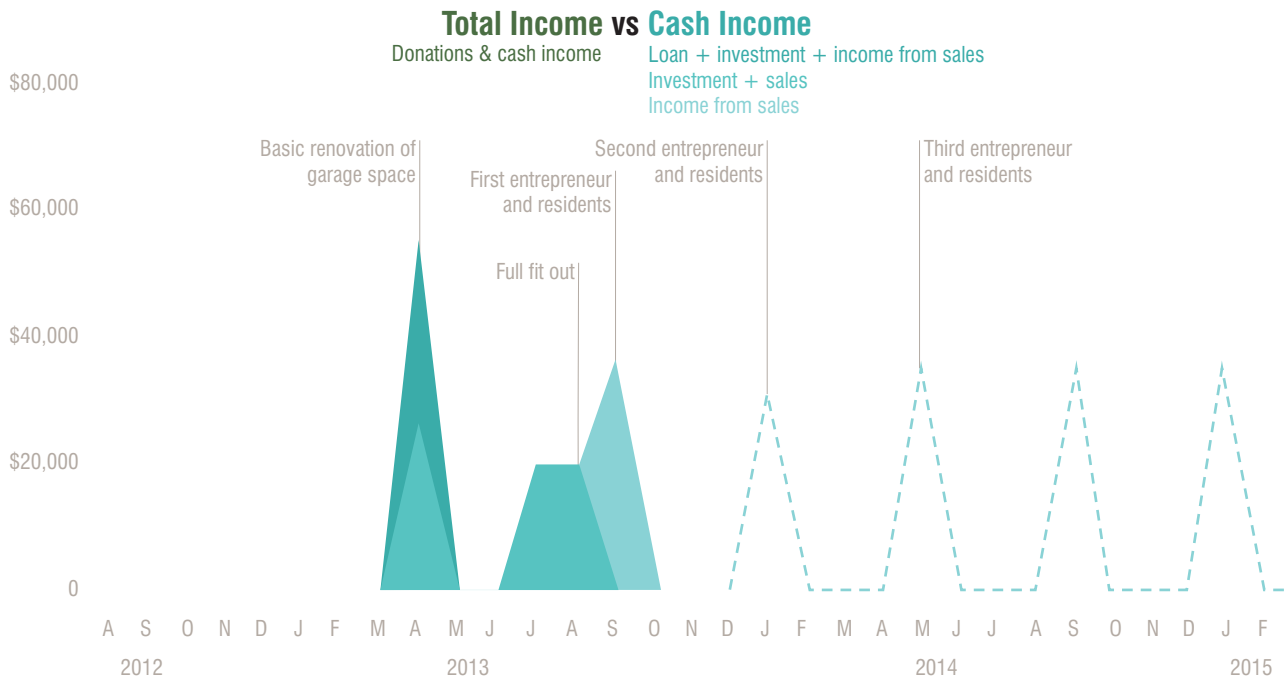
Cultural Development Director and Programme Director, Practice Space

Justin: Before we even met we had this growing interest in architecture and the potential for architecture in Detroit. Those early thoughts were happening while we were at University of Michigan. I was in the Master's programme for Architecture, and before that business entrepreneurship. Austin is coming from the business school, but was also starting to take an interest in architecture. So we met through that common interest. We had done a university design project for the façade of this building and then we started with a group of around 12 people talking about figuring out a way to use it. At the time, I was working on a couple of other projects and Austin also had some other things going on,

so we saw it as a side project.

One of the things that became apparent very quickly was that people loved the idea of a collaborative co-working space, but Austin and I were finding ourselves taking this conversation extra seriously. We were starting to think through, 'how can the dollars

We're looking for projects that are pricking and scratching...at relevant issues in Detroit...So, tackling food systems, education, crime. These are things that are Detroit's biggest failures, but therefore also the biggest opportunities to do things differently.



Where the money came from to fund the project and when it came in, in relation to key project milestones.

and cents work? How are we going to make this happen?'

Austin: And seeing that we both had some business experience, we were thinking of it in terms of a business operation.

Justin: This was the spring and summer of 2012, so over a year ago.

Developing the business idea

Justin: One of the things we knew right away was that neither of us were naturally inclined to be starting a non-profit. We always were thinking, 'how does this contribute to a larger opportunity for architects and business development in Detroit?'

First it was going to be a collaborative working space for a collective of architects and developers. We were thinking through the business model of that, and also thinking of our own experiences in co-working spaces and realising that there's just a lot of things missing there. There's really no reason to collaborate with someone just because you sit next to them. And that felt like a huge loss for us. We were also starting to realise that there were all these people doing amazing things in the city, but it seemed like all these things were happening independently, so people were all learning hard lessons on their own, not coming together and sharing those things. So that's when we came up with this idea

for a programme.

Over the next 8 months to a year, Austin and I spent our time both working full-time jobs, doing this evenings and weekends, trying to find the right space. We spent 5 or 6 months fund raising, putting together our own investments, raising one private investment and one private loan to fund what we needed to do. Almost all of that while we were working other jobs, until we opened doors a few weeks ago.

Austin: We spent a good amount of time, over 8 months, where we were really diving in conceptually, trying to understand what we ultimately wanted to accomplish. Quickly we realised in terms of just getting things done we needed to work full-time. We had reached a limit as to how much we could accomplish on such limited time. In January of 2013 we decided to give ourselves the summer to really do the pre-launch of Practice Space, and then see if we could actually recruit the clients that we needed by September. But leading up to that summer we created some self-imposed deadlines where we said by such-and-such date we need to locate a space and we also need to raise the funds necessary.

Finding the space

Justin: It's weird because in a city that has so much vacancy, it is insanely difficult to get a space. I think those things are related,

Everyone thinks the assumption is there is so much space, it must be easy to get it. Part of the reason there's so much space is people have left town...people are hanging on to those spaces. They're not selling them, they're not leasing them.



The facade designed and built by University of Michigan students

Practice Space Project Overview

Project type

Commercial, social enterprise

Location

14th St. Corktown, Detroit, US

Direct stakeholders

Government body: City of Detroit

Property owner: private

Project length

launched September 2013, ongoing

Property size

350m²

Funding

\$55,000 investment

\$50,000 commercial loan

Fees from residents and entrepreneurs

Links

www.practicespace.org

but not in the way that everyone thinks they are. Everyone thinks the assumption is there is so much space, it must be easy to get it. Part of the reason there's so much space is people have left town. Part of the reason there's so much space is that people are hanging on to those spaces. They're not selling them, they're not leasing them. We tried to buy this building and couldn't come even close to a reasonable agreement. We had a realtor who had been here tell us what he thought the building was worth. The owner wanted four or five times what the assessed value was.

Austin: We walked away, originally.

Justin: The next stop was an old school building that a developer was buying. We were going to lease the whole third floor. But then that was hit by scrappers who did some damage to the building and the developer backed out. Then we were going to go into a different old school building. The bank had set this criteria that if the building owner could get a tenant at a certain rate, then they would loan the money for the improvements. But then the bank backed out. Then we were going to be in this office building, but it was way too expensive. Then we came back here.

Accessing empty space in Detroit

[AK: Are owners still kind of tied to the idea of "I paid half a million dollars for this space, I'm not going to rent it out"?]

Justin: It's more like, I bought it for 5 thousand dollars, so why sell it until it's worth a million dollars. Everyone saw dollar signs; they saw opportunity when they were able to buy buildings for so cheap. But it's had this reverse effect where in many cases

there was very low cost to keeping, owning those properties. The taxes are really cheap and you can get away without paying them for a long time. So people are like, I'm just going to hang onto it until the rest of the neighbourhood comes back. So when the whole neighbourhood is doing that, nothing happens. Everyone wants the building next door to make the investment, to make the neighbourhood more valuable, without being the person to do that themselves.

Austin: The other challenge is that people see amazing potential in these spaces, but then they don't really understand the costs associated with redeveloping those spaces. And in some cases it will cost several times more to do the renovation work than it would to do new construction.

Justin: You can buy something for 5 thousand dollars, but it needs 200 thousand dollars' worth of renovation. So I think that is the thing that confuses a lot of people. At times you're tempted to say I wish they'd make it harder for people to buy buildings. I wish that buying a building came with a responsibility of knowing first what it would take to do something with it. But then that doesn't seem like a good solution either, because then you're creating a barrier. I don't know, we're not the experts on this, yet.

The next space

Part of our vision is to get our own building where we're able to lease some of the space [to other young companies]. We realised that one of our opportunities for growth is, to let the programme

Cash in Bank vs. Cash Expenditure



The project's cash flow

be this core, and then create spaces around that for people to move into with their own offices and that's an opportunity for us to build some of our own equity, make some money back. So we didn't want to tie our hands [by having a lease longer than the current three year one], that would prevent us from being able to do that. It's hard now, though, because now that we've spent the time to make this [space] how we want it, really we have to

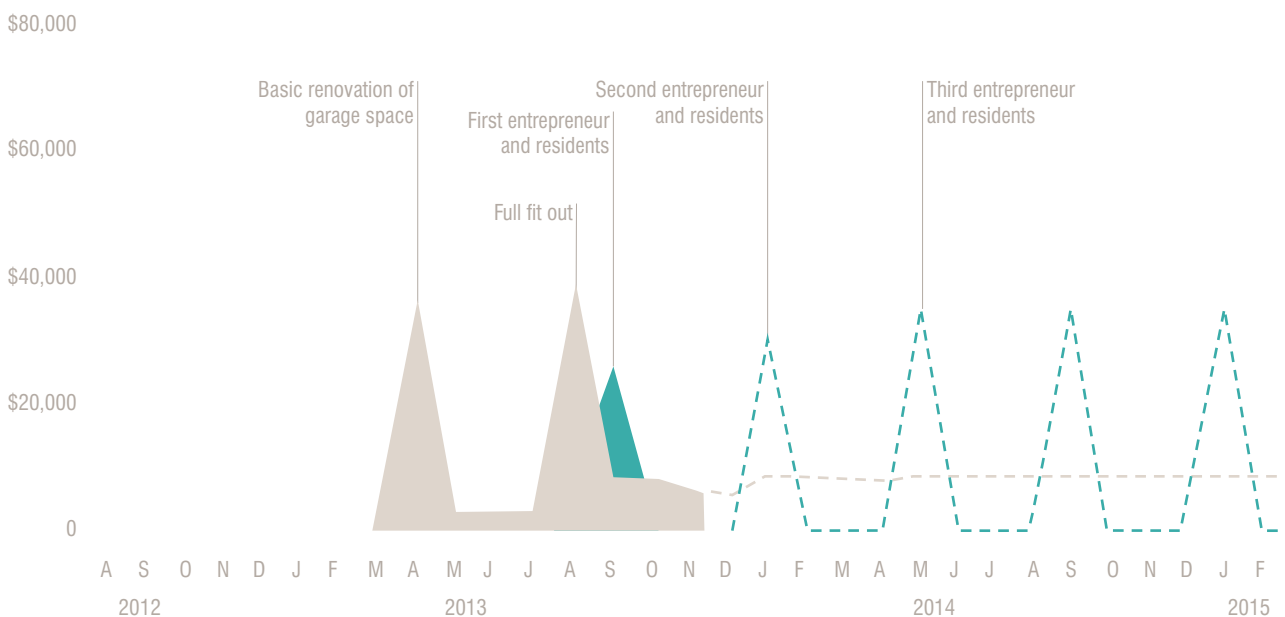
start looking for this next space.

Getting the initial investment

Austin: It was a \$50,000 private investment and a \$50,000 loan. Then we invested a bit of our own money as part of our capital

A lot of money was needed at the start to get the project going, at a point before it was able to start generating revenue, so that other sources of income were needed at the start - eg loans, grants and investments by the founders.

Cash Expenditure vs. Income from Sales



The building owners said, ‘yeah, this sounds great but I’m not going to take out a loan to do all these building improvements. You can prepay your rent’.

contribution. I think altogether it was \$105,000.

Justin: That went to pay for the entire build out. That’s paying for some working salaries so that we were able to quit our jobs. That’s paid for framing, infrastructure, everything...

Justin: Hiring a few additional team members and a little bit of a buffer to keep us until we’re up to full operational capacity. So right now [we have] 1 project and 4 residents. Starting in January we’ll have 2 new projects and 4 new residents, so 8 total. In May we’ll have 3 projects and 12 residents total. Our goal is that at that point, when we have that group of people together, that group pays for all of the space, and for the people that are required to operate it.

Renovating and fitting out the space

Austin: The actual rent, the average of what we’re paying, distributed over the 3 years, is \$1,286 per month. But we prepaid 2 years’ worth of rent up front, which helped kickstart a lot of the major building improvements that needed to be made before we

could have access to the space and do our interior fit out .

Justin: So the building owners said, ‘yeah, this sounds great but I’m not going to take out a loan to do all these building improvements. You can prepay your rent’. So he took that cash, and put in heating and cooling, did the plumbing, did the electric, and the garage doors.

Austin: The basic infrastructure to get things up in order.

Justin: The build out cost thirty thousand, including the labour.

Austin: We did a lot of the work ourselves. But we did hire an electrician, a metal worker to do all the steel too, a carpenter. We stacked [the plywood for] these walls ourselves. We put a lot of our own sweat into it.

Going full time

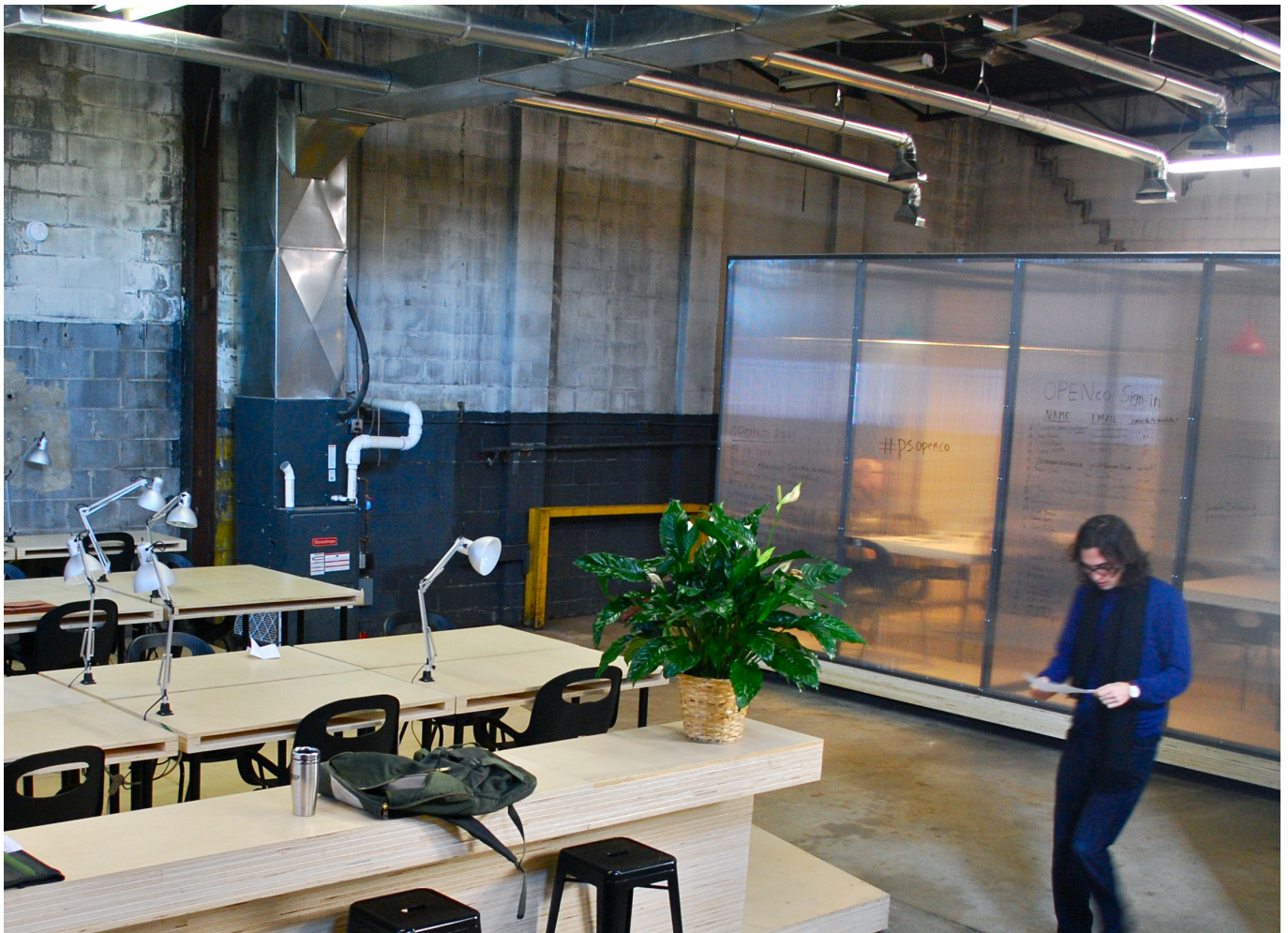
Austin: We started working full time in April of 2013.

Justin: I left my job on April 1st., working as an architect in town.

Austin: I was working at a bakery, so it was really flexible. For April, May, June, and July. I went down to 2 days a week. And then

The garage door leading to the workspace.





The working area, with the project rooms behind

in August I went down to one. From September I was full-time. I sort of weaned off.

Justin: Part of the dynamics to it, I think Austin is in the more traditional start up lifestyle role in that he is just out of school; he's young and single. But I'm married and I have a 1-year-old. So that did come into the dynamics of figuring out how to stage it. It's just different when you have mouths to feed.

One of the things that we really had to sort out very carefully was how to stage, by the week or by the month, all the things we were ramping down or ramping up, so that our cash flow wasn't running out. Because we didn't get the investment and the loan all at once. It was conditional [on securing a space] and structured over the summer. [For the loan] we have a 2-year grace period,

and then we have 10 years to pay it off.

The Practice Space team

Austin: Justin and I, we're partners. We have a third additional partner who made the investment and he's transitioning into a full-time role. Then we have 3 additional people. One is Alex, our communication designer. Very quickly we realised that Practice Space is a concept that we need to show to people, to introduce them to how it functions. We realised that we needed to bring on a dedicated designer, who could focus on how we should tell the story of Practice Space. Alex has been really instrumental in helping us tell that story through video, through photo, multi-media.

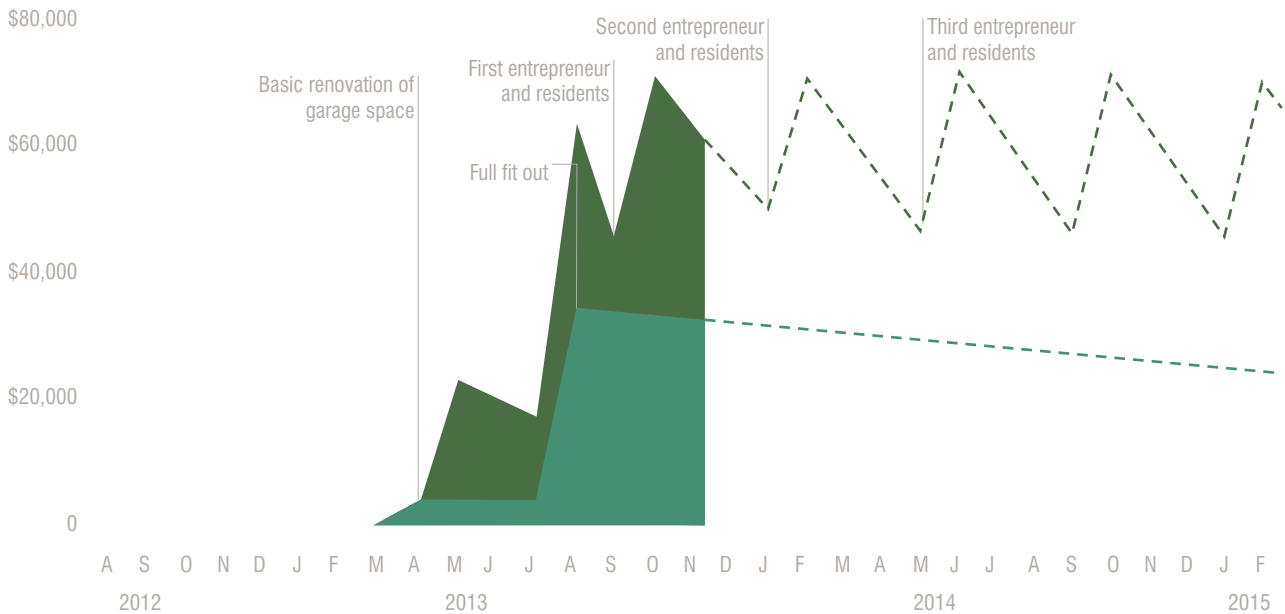
Justin: That's for thirty hours a week.

Austin: And we viewed it as a designer in residence role, meaning there was a time frame attached to it, 4 months. And now we're

We structured this as a pay-to-participate model... For the projects, they're paying to go through the 4 month incubator... And then for the residents, it's sort of an alternative vocational training.

Total Net Assets vs. Fixed Assets

Fixed assets + cash in bank



The fixed assets (eg the space fit out) slowly depreciate over time, but its total assets are fairly stable because the project has a regular income stream.

looking at possible extending it a couple of months But it started as a short-term kick start to help us really get the word out and make things visual. Then the other major hire was Kyle Hoff. His role was overseeing the build out of the interior space. We got the keys in August, and so we had one month, literally, to build it out.

Justin: And really, we got the keys a week into August. We had 3-1/2 weeks to do all of this.

Austin: So a lot of pressure. Kyle was working as a full-time architect in Chicago for a large firm. We were able to convince him to drop that to move here for very limited pay. He saw it as this formative experience. He ultimately wanted to break out on his own, so to have the ability to produce a project like this with a \$30,000 budget, that was enough to convince him to join this effort. So he's our designer in residence. He's here through October and then transitioning into something new.

Justin: He's getting into his own practice.

Austin: He's finding work now, because he's in Detroit and this project has put him on the map, to a degree. Also, we have one other person help us, who is a friend of ours. He's still in school, and he's an art student. But other than that, it's pretty much a small team effort.

The Practice Space model

Justin: We structured this as a pay-to-participate model. So all of the people who are participating in the programme pay a fee to be a part of it. For the projects, they're paying to go through the 4 month incubator where they're creating their business and building concept, formalising that into a concept design, a little bit of a schematic design, and a business plan. It allows them to go out and raise the money and get the partnerships they need to

launch the business.

And then for the residents, it's sort of an alternative vocational training. There's this huge disconnect between what was being learned in an academic environment and the kinds of things you need to know to do work in a place like Detroit, work that really matters on a grassroots level. So we set up the residency as a 1-year vocational training, and figured what better way to learn than on actual projects.

So that's how those two are paired up, and there's a tuition they pay to be a part of that. For the incubator projects, it's \$2,000 per term. And then for these residents, it was \$6,000 for the whole year to be in the programme.

Business vs non-profit

Justin: This is a business, it's not a nonprofit. Because one of the things that was always important to us is we feel that Detroit needs more businesses. There are plenty of charitable organisations that are doing great stuff, but they're all competing for the same money, so we wanted to start something that could sustain itself. But there have been a number of really big challenges with that.

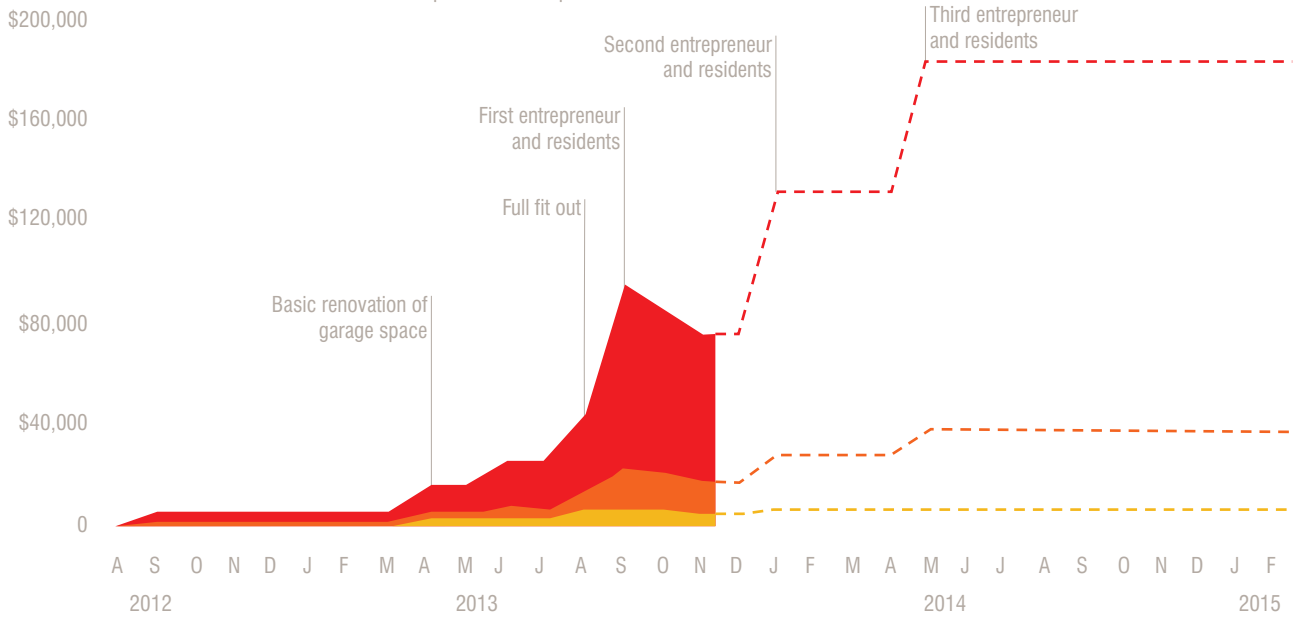
One thing that's come up a number of times is there are certain activities and programmes that we think are possible now that we've set this up, that would look like they're non-profit. So one of the things we're exploring and trying to figure out is, how do we create this interaction between our for-profit business, but also adding some non-profit entities that are affiliated with it?

Starting small

Justin: Initially we were imagining starting with a group of 12, based on the whole year, working on 3 projects, but all of a sudden we realised there were a lot of huge challenges to deal with. I think the main one is that you spend that whole year preparing that one group, and then when they leave you start completely over with

Paid time vs. Total time @\$10/hr vs. Total time @\$50/hr

Time spent + cash expenditure



The amount of time that everyone involved in Practice Space (staff, residents and the entrepreneurs taking part in the incubator) put in.

the next group.

One of the other disadvantages of the group of 12 is you are with just those 12 people that whole time. Whereas with the staggered model, I think we calculated you end up working with 24 different people [over the course of the year]. So it keeps it more fresh. You're getting a lot more learning experience from the people you're working with.

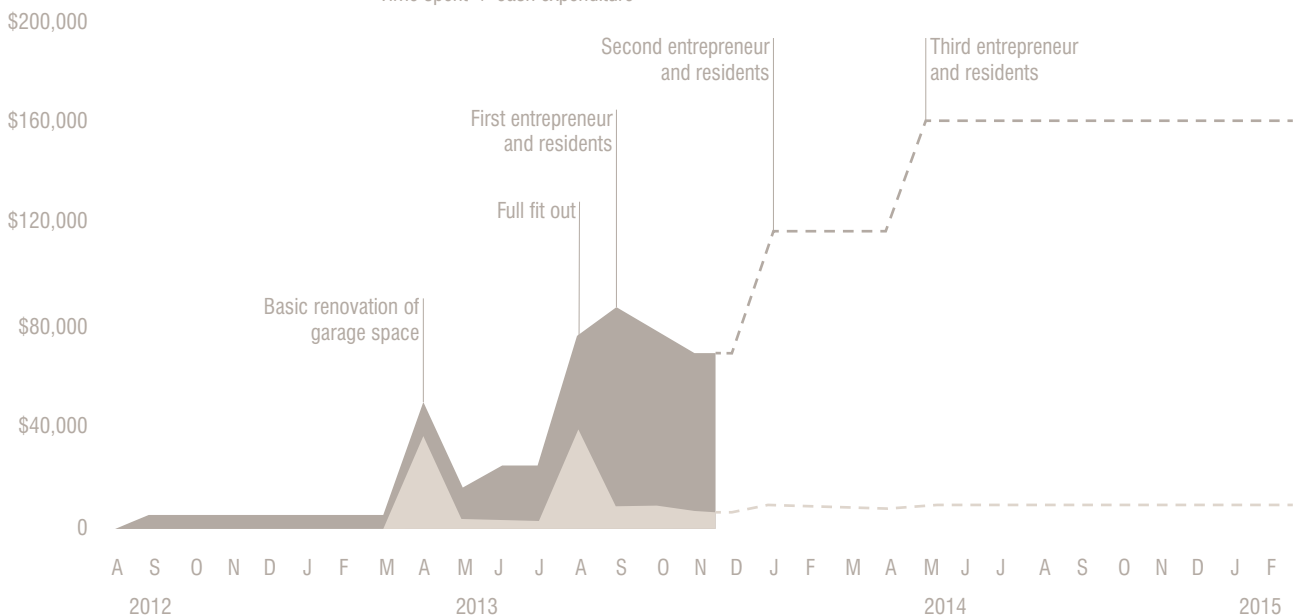
This first group I think are going to be unlike any other group we have. Because this was the one group that was asked to imagine what this would be like without being able to see it. Whereas from now on, we're able to invite people here to come see it in action. We also realised that starting with one project and 4 residents, is giving us a chance right now to pilot and be nimble, and then ramp

From a business model standpoint, we realised how difficult it was going to be to recruit 12 people for this first programme.

The project's cash expenditure, plus the cost of everyone's time, costed at \$50/hr.

Total Expenditure vs Cash Expenditure

Time spent + cash expenditure





The working area seen from the main entrance.

up to 3 projects and 12 residents.

Professional advisors

Austin: We have professional technical business and architecture advisors who have made a commitment to participate in pin-ups, which happen on a weekly basis. There's five phases or stages and a review at the end of each stage. The advisors have made that commitment to attend those for free. But in exchange for offering their services, offering their time and attention, there's a lot of value to be gleaned. In the instance of Christian Unverzagt, who is one of our lead advisors, who teaches at the University of Michigan and is a practicing architect, we're opening up the space for him to use the Practice Space as his own outpost. He'll have his own mailing address here. He can post client meetings here. He can bring his class from the University of Michigan and they can have an off site studio here for a day or two. So there are those

privileges attached.

And also, advisors are seeing it from a business perspective as a really unique opportunity to have access to these projects that are in development. Once these projects do graduate from the incubator programme they receive funding. And then they're looking to hire out professionals to do the real architectural work or the real building work. And so that's an opportunity. And also the pool of residents is an emerging group of young talent that are eager to get busy and find work. They're seeing the residents as potential hires. We're able to create a virtuous relationship.

Choosing the businesses for the programme

Justin: There's 3 main criteria [for choosing the businesses for the incubator]. They have to be based in Detroit. We're looking for place-based businesses or bricks-and-mortar. We're looking for something that engages with the community, relies on its

We're realising that there's a lot of projects that need some breathing room before they can really take flight...You hear this word 'accelerator' quite often, and we took an opposite viewpoint and term, calling it a 'decelerator.'

architecture. So it's place based.

We're looking for projects that are pricking and scratching (a very subjective term), at relevant issues in Detroit - things that matter, things that are interesting. So, tackling food systems, education, crime. These are things that are Detroit's biggest failures, but therefore also the biggest opportunities to do things differently.

One really important thing is that we're looking for projects that have already been investing and are midway through the process, not just starting. I think a lot of really good programmes are out there already to address the situation where, you know, I had this idea in the shower yesterday that I want to start a new roller skating rink. There's classes and lots of things you can do at that point. But that's not a great time to enter into our world. We're calibrated for people who had that idea 2 years ago and have spent the last year or 2 years, or \$5,000 or \$10,000, whatever it is that they have, working towards it. And their first impulse was to do as much as they could on their own. Now they're realising that to move forward they need to get other people involved. They've hit some moment where if this is going to happen, they're going to have to get an investment or take on new people or bring in an architecture firm or whatever.

That's the moment where we're saying: Perfect! Come work through our programme before you just go out and sell half of your project to an investor, before you go out and hire an architect. Slow down for just one minute and think through the road map of the next 10 or 30 years of your business. So that as you begin to engage banks, investors, all these things, you have the ability to communicate your vision properly; you have a more explored version of what that really looks like. And you remain in the driver's seat. You're really in control of that conversation as it moves forward. So those are the 3 things we're looking for.

How Practice Space is different from other incubators

Justin: There are other incubators in Detroit and there are some other community design studios as well. One of the things that really sets us apart is that in our DNA, we have a bootstrapping, entrepreneurial attitude. I think in other situations the impulse is to look for the grant, look for the government partnership that can help do it.

I think the kind of place that's supporting that group of people has to come from a mindset that's more entrepreneurial and less grant-based, government-based, foundation-based. That's not to say there aren't good partnerships to be had with the foundations and grants, but I think if you look at some of the other incubators, a lot of these are from groups that are getting multi-million dollar grants from huge corporations in the City They're picking up projects that are a lot different from the kinds of projects that we're

picking up.

Austin: There are other incubator programmes which are supported by public institutions. [They measure their success] on the basis of producing certain statistics, economic indicators, of how many jobs are created. That's a comment on a lot of the grant-based incubator programmes that exist. They are very much inviting all types of businesses. They say, hey, come access our resources. We'll help you get on the fast track to realising your business. But it comes with the caveat that they put a lot of pressure on these businesses to show signs of growth immediately.

We're realising that there's a lot of projects that need some breathing room before they can really take flight. 'Incubator' is a term that is derived from this tech theme. You hear this word 'accelerator' quite often, and we took an opposite viewpoint and term, calling it a 'decelerator.'

In Detroit there's an opportunity to do things fundamentally different. We can't just do that in a few short months. You can't just throw money at those kinds of problems [which the businesses taking part in Practice Space are trying to address]. You have to back people who have a real investment in these ideas.

So in the case of Eleni and Jenile, Eleni is seeing it as this real community space that she wants to create within a neighbourhood. And with Jenile, she's trying to tackle this issue of food access. She has spent the better half of 2 years trying to do that. At first she received a \$60,000 grant to do that, and she realised that just put a lot of extra pressure on her and didn't help her address the fundamental questions of, 'how do I find the right space? How do I create this partnership?'

We want to create an environment that allows people to move at a more natural pace, and I think you can only do that through creating that creative freedom to do that within a formative period. Which is why we have this named Practice Space. It is a place where we're exploring new ways of doing things.

SHIPHERD GREENS | DETROIT US



Shipherd Greens

Rosie Sharp

Garden coordinator, Shipherd Greens

Shipherd Greens was started by a woman named Lisa Richter who was really a strong advocate for urban gardening. She worked at Earth Works [a local urban farm with a training programme for farmers] and lives in the neighbourhood and started the garden in 2007 or 2008. In 2011, Lisa took off to do her own thing and there was a leadership void at the garden. In 2012, I decided to take point on organising, actively leading the garden. I'm not the boss of the garden. I just coordinate a lot of the pieces.

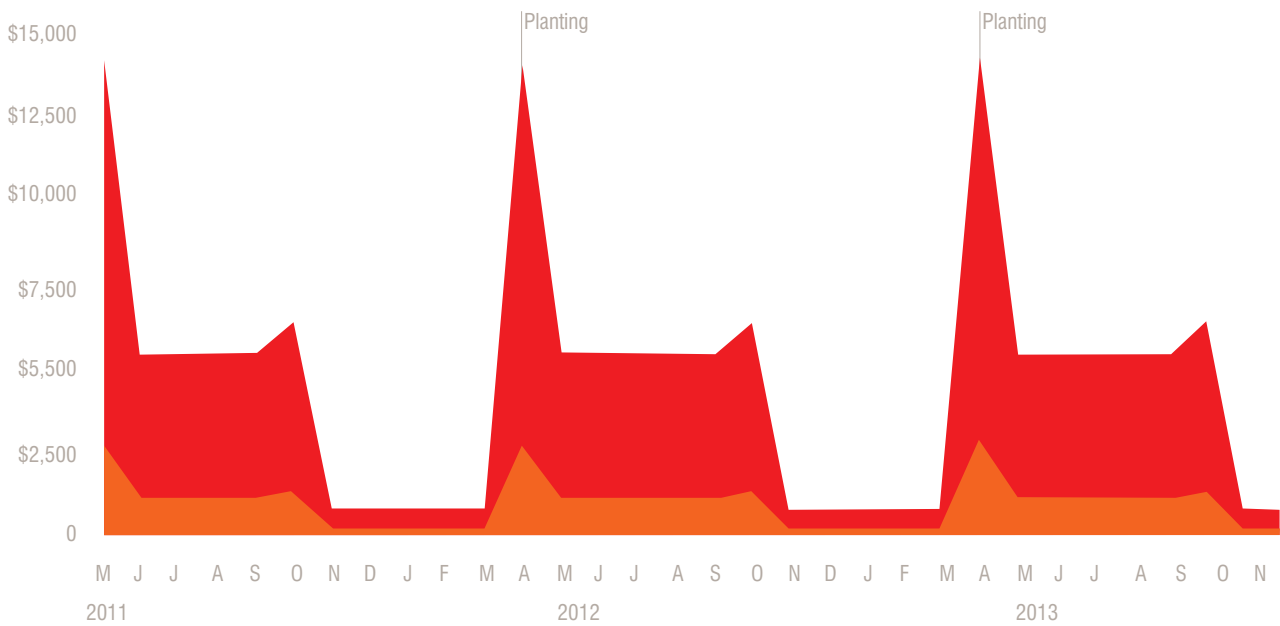
Spring in the garden

There's really work intensive periods with gardening and then stuff grows on its own. There's a big push in spring to get things going. You pull the cover off the garden. You want to aerate the soil so you're going to dig everything up and make it loose. If you have

compost or a compost pile, you're going to add compost in. Every spring we do a big work day where we do a neighbourhood clean up. The last 2 years, the East Jefferson Community Corridor group has paid for a wood chipper. It makes mulch for the garden and also cleans up the whole area. That's all happening in the spring. Prior to the spring planting season, you make transplant starters. Michigan has these long winters, so it's a way to get a jump on the growing season. I do transplants on my own and I keep a seed bank for myself and the garden to make the starters, but I also use the garden resource program [from Keep Growing Detroit]. We enrol in that and we know we're going to get seeds, but they also give you starters. If my starters totally fail because I don't have a greenhouse, we'll have something to plant in the garden. That's all March. The last frost date here is usually in the first week of May, but April is a time that you can start putting in cold crops. I always put stuff in early trying to get ahead of the season, especially with

When I took over the garden I looked up online how to organise a community garden...The first thing that came up was 'assess the need'. Does there need to be a community garden here? That's huge. If the community wants it, they will support it.

Paid time vs. Total time @\$10/hr vs. Total time @\$50/hr



The amount of time that people put into the garden. There is a big spike in spring to get the garden going and then a smaller one in autumn to close down for winter; the garden requires very little time in winter, when most of the planning takes place.

seeds and stuff, just to see if they'll make it.

Usually by mid-June we're into growing. Once you get rolling into summer, you're doing a lot of harvesting and basic maintenance. Wednesday night is garden night, but of course the garden is open. Once people have come and are oriented at the garden, they're encouraged to come work on their own. The people who mow [the grass] - it's just someone who comes over and mows. It's never during the work night. From week to week, you always get a different set [of people].

October 5 is our work day to put the garden to bed [for the winter]. We're going to paint all the woodwork with linseed oil to help preserve it. We're going to take up some weeds around the base of the tree benches and mulch inside there so that weeds don't come up as much, that kind of stuff.

Winter is when you do a lot of planning, when I have more time to deal with it.

Watering

This year was great because it was a really rainy year, so we didn't have to do a lot of watering. That is a huge challenge for our community garden because there's no water hookup. Last year was a drought year and there was this nightmare where the garden couldn't even get on its feet. So we were running hoses. Someone has to bring them from their house and run them across the street to water the garden. It's a pain in the ass. Everything died because you really need to be watering twice a day on those hot days, and nobody is going to do that. We don't have a secure facility at the garden, so we can't leave the hoses over there. This year we put a water catchment system in and that's been helpful. At least we

have some water on the property and you can run it in buckets. It's not a huge farm, so it's feasible to do it that way. We have a work day scheduled next week when we're going to put more rain barrels on the water catchment and expand the system.

The water catchment probably cost about \$180 all together. That included 2 rain barrels, four 4x4s for the frames and 2x4s for the top of it, a tarpaulin, a weight, a rope, some PVC piping pieces and little hookups and some netting and the little gutter capture; that's the thing that water comes down into like a spigot and some cinder blocks. Then separately from what we budgeted for that, we spent another maybe \$60 on those lattice pieces that are covering it, that have morning glories growing up. I'm trying to be sensitive to the aesthetics of the neighbourhood. It needs to look nice.

[There is a lot immediately adjacent to the garden with a derelict house on it.] If we could get that property, the water hookup is still there because the house is still there. Then they just have to turn on the water so we could have water, although actually, the pipes could be all broken, who knows. But the ground hookup still exists. [It costs \$1200 to get a water connection for a property.] Maybe this is an investment that the water department is willing to make. If you subsidise getting water hookups for gardens, this represents an economic boon to Detroit. If these are production farms that are going to pay property taxes, business taxes, maybe it's worth it for them to split the cost with us of hooking up water, because what we can produce as a farm is going to be exponentially more if we can water the garden. [It would also be good if the garden didn't have to] pay sewage since [the waste water is] not going

There's really work intensive periods with gardening and then stuff grows on its own.



The rainwater harvesting system for the garden.

Shiphred Greens Project Overview

Project type

Non-commercial, public space and reading room

Location

Shiphred and Agnes, Detroit, US

Direct stakeholders

Government body: City of Detroit
Property owner: City of Detroit

Project length

commenced spring 2007, ongoing

Property size

560m²

Funding

Small grants from local community organisations, eg \$600
Small cash donations from local residents \$10-200
In kind donations of fuel, use of water connection

Links

Greening of Detroit
www.greeningofdetroit.com

Keep Growing Detroit
www.detroitagriculture.net

back into the system the way that it is when you flush the toilet.

This year we were really lucky. There was a lot of rain. It's not that way every year.

Building the garden

You don't realise how much soil it takes for the beds until you start filling up these boxes. They're big boxes, and you're filling these boxes with dirt and over the years you're building up your soil layers. The ones I have in my back yard are the size of a pickup truck bed or higher. That's the build phase of the garden. There's a point hopefully in the next couple of years where we won't need to bring in outside soil any more and we're just adding compost to keep the organic matter levels up.

Previously it had been all community beds. There's 8 beds at the centre and those are community beds. That's where I put our plant starters. Those are everyone's responsibility and that's where

people can take stuff out. If stuff is really stacking up, I take it to market.

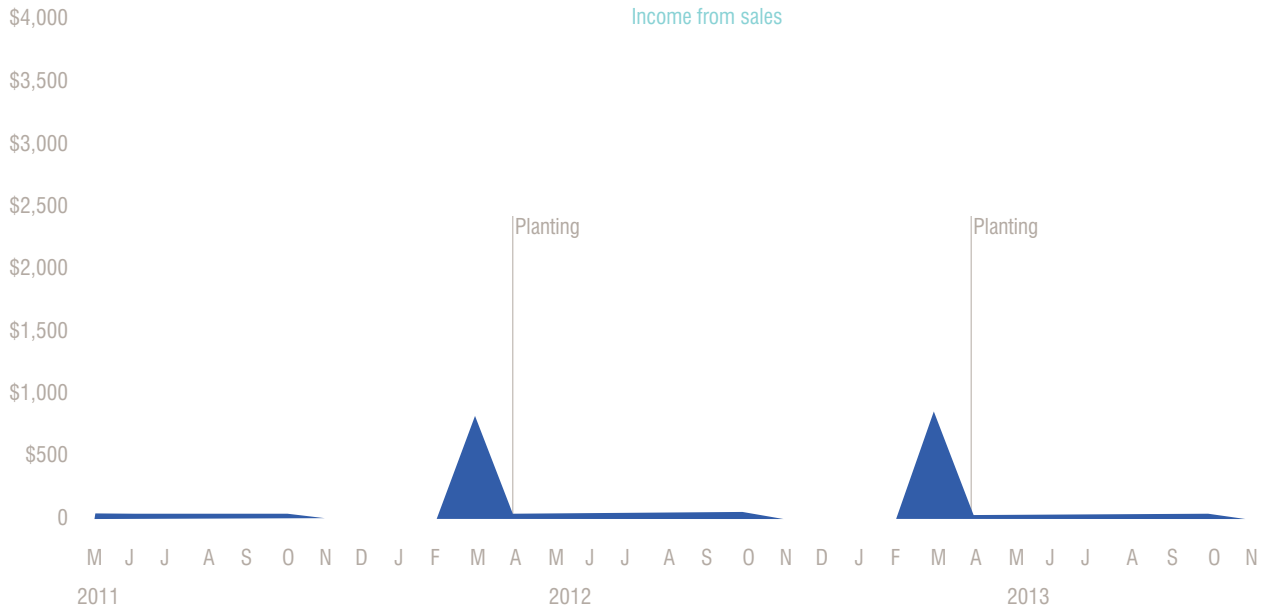
At the start of this season, we made the decision that, if people wanted their own garden bed, they could have it. At the perimeter, are now 6 more individual beds. Once you have your bed, you can do whatever you want with it. Alex just wanted to do tomatoes and onions and lettuce. Nicole and Adam built a little cityscape of bean poles and all this crazy stuff in theirs. It looks great.

Giving people individual beds did really pay off. People are much more invested when they have control over something. I think that also paves the way for somewhere down the line saying, if you want a bed, it's \$10 - trying to get the garden to pay for itself without me having to grant write. Now that we're starting to sell to market, it is feasible. It doesn't take a lot of money. We need maybe

This year was great because it was a really rainy year, so we didn't have to do a lot of watering. That is a huge challenge for our community garden because there's no water hookup.

Total Income vs Cash Income

Donations & cash income Grants + income from sales
Income from sales



Most of the money for the garden comes from grants, with several of the people involved and people in the local community also donating small amounts of money.

\$3-400 a year if we want to bring in soil for various projects.

in the CDC office.

Organising the garden

I would say that there are 3 to 4 people who are really keen on the organising. Then there's probably a group of 10 regulars who are going to carry out projects beyond just working in the garden. In the previous years before there was a big pick up, it was me and Bayard and Bayard's partner, Linda; the 3 of us who would make decisions about the garden and carry them out. We have monthly planning meetings where we talk more higher level planning about what we want to see happen, or raise stuff like work days. They're

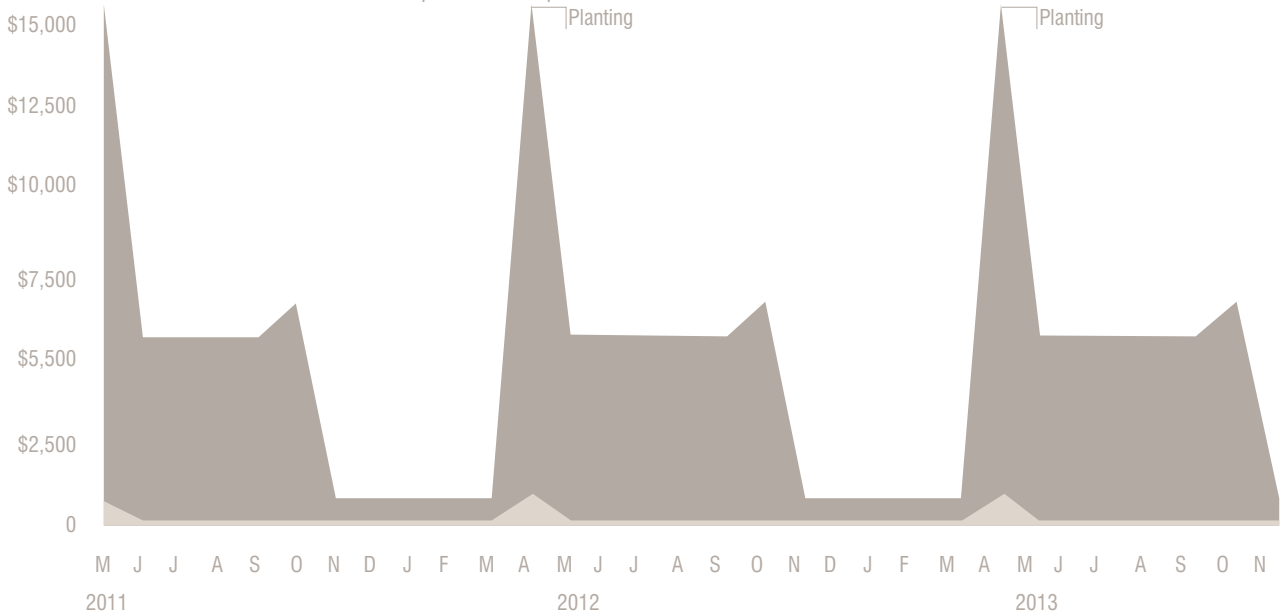
We formed an LLC for the garden, mainly to protect the people at the garden from getting sued for someone being hurt there, because we can't control who's at the garden or what they do there. We talked this year about creating a board for the LLC, but there's not that much point in us making a huge administrative push if we aren't really holding anything.

Assuming we can get ownership of the property, the idea is to secure it as a garden site for the future. Ideally, at the point where

The amount of money needed to keep the community garden going is relatively small - it is dwarfed by the value of the time that the local community invests.

Total Expenditure vs Cash Expenditure

Time spent + cash expenditure Planting





Shepherd Greens garden, looking towards the rainwater harvesting system.

we formed a board, the idea is to put in the by-laws that it should remain a community garden in perpetuity. The city's planning and development department, PD&D, owns the property. The garden is on 2 lots and my understanding is that vacant lots sell for between 200 and \$250 a piece, vacant, which is what they're coded as because if we weren't there, that's what they would be. It should, in theory, be no more than \$500. Because it's city owned, there shouldn't be back taxes due on them.

Time spent on organising

Again, it varies week to week. There are weeks where I'm writing grants and doing stuff and I might put in 10 hours of garden stuff or I have to deal with the city, that's hours. If I'm putting in a land sale application, I petition neighbours about letters of support. I would say I maybe put in 60 hours over the course of a season doing admin stuff, writing emails. Then there's those organisational meetings, so maybe another 6 hours of planning

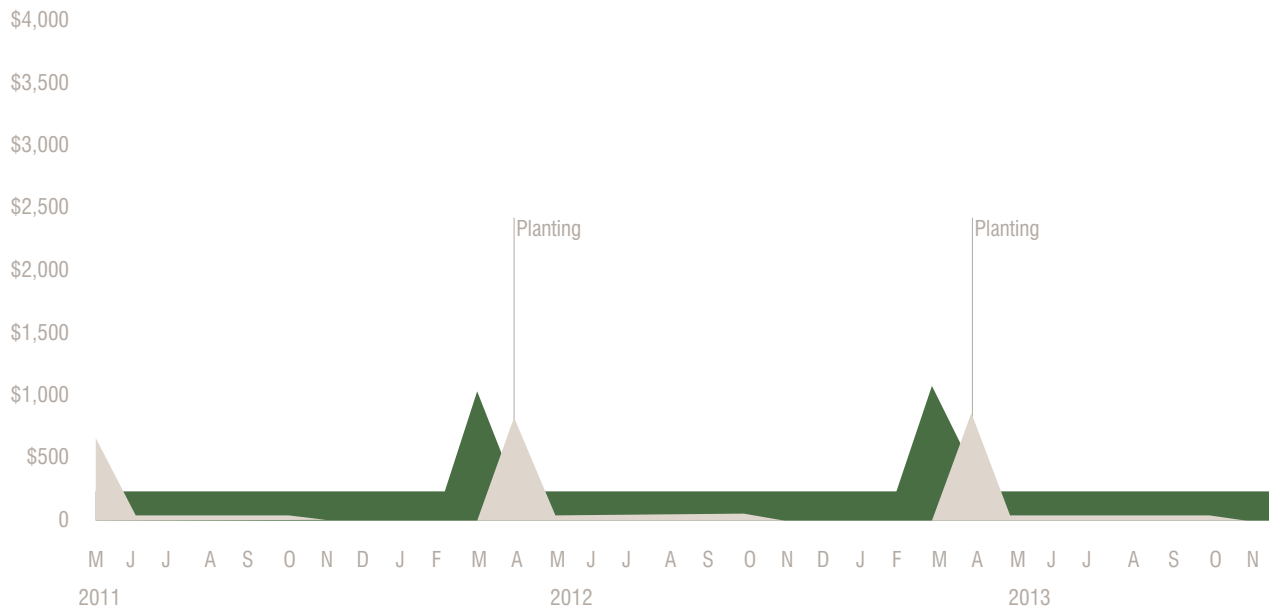
meetings that everybody attends, everybody who is interested.

Community organising

This last winter I took a class called Urban Roots which is a training program for community garden organisers, another arm of [Keep Growing Detroit's] programming. They talked about how to community organise, which was helpful. When I took over the garden I looked up online how to organise a community garden - I went and googled it. The first thing that came up was 'assess the need'. Does there need to be a community garden here? That's huge. If the community wants it, they will support it. Someone is going to have to do the work, but either the community embraces that or they will go vandalise your garden and tear up your plants and not give you money and call the cops on you when you're on a lot you're not supposed to be on. If you're a welcome addition to the neighbourhood, then there will be support for it. There are a few people who press \$40 into my hand and they're like, "For

Assuming we can get ownership of the property,
the idea is to secure it as a garden site for
the future.

Cash in Bank vs. Cash Expenditure



Most of the money that needs to be spent on the garden needs to be spent in spring, to bring in new soil and compost and to clean the site after the winter.

the garden.”

Funding for the garden

We're still in this expansion phase. There's a point we're reaching pretty soon where it's just maintenance. Then the cost goes way down. It's \$25 a year to register the LLC, to renew that. It's \$25 a year for the garden resource programme, which makes it really easy as far as the seeds and plants go. That's an outrageously good deal. If we had to buy seeds, we would have to budget differently. Then it's reasonable to assume that we're going to put a couple hundred dollars in compost, because our compost is not high production yet.

The first year that I took over, I applied for and got a grant for beds and benches from a church, Genesis Hope, which was doing a neighbourhood improvement. We were going to build a little bandstand and water catchment but you can't get permits for that if you don't own the property. We may in the end go forward with it anyway because we're done waiting on stuff. I just have to proceed and say that one day we will own the property.

I just put together our [financial] records for a grant. The Villages CDC gave us \$600 this year. We have about \$300 in the bank. [The outgoings for the year to date]: We have lumber costs for the water attachments that we built. I had lunch at the Cass Café which was the fee for the artist, Robert Sestok, who built that statue for us. Reluctantly he let me buy him lunch. I went and got compost at SOGRA, a big compost site. Our big compost dump was from Detroit Home and Gardens - \$224 in compost - which

we also split with the neighbour, George, who lives right next to the garden and has this amazing garden of his own. I sometimes try and leverage garden assets to help other community members. George is an amazing source of garden information. He comes out to help a lot even though he's 89 or so.

The Villages CDC has landed some million dollar grants to do home rehabilitation, taking really messed up houses and redoing them to be affordable living. They have a bunch of initiatives to bring up certain neighbourhoods, stabilising the neighbourhoods basically. For them, \$600 is a negligible amount - ours is called a clean and safe grant. You can go for big official grants, but actually, a grant is just a proposal that somebody give you money. The West Village Association, which is our neighbours' association, they give us \$100 a year just for stuff. They raise money through membership and then they're like, 'what should we do with this?' and I'm like, 'I know what you should do.'

Some little organisations support us. I tend to think of my contribution as being gas money as I drive around all the time doing stuff for the garden. Bayard and Linda, they always do a couple hundred for the garden. Either they're buying lumber for something, lawn mower gas, or just whatever.

Expanding the garden?

There's things that I think would be great for the community garden, like keeping bees, that are not going to happen on that site because they would interfere with common usage. There are people who want to compost. There are clearly people in the

There's things that I think would be great for the community garden, like keeping bees, that are not going to happen on that site because they would interfere with common usage.



Shipherd Greens garden, the beds and the artwork by Robert Sestok

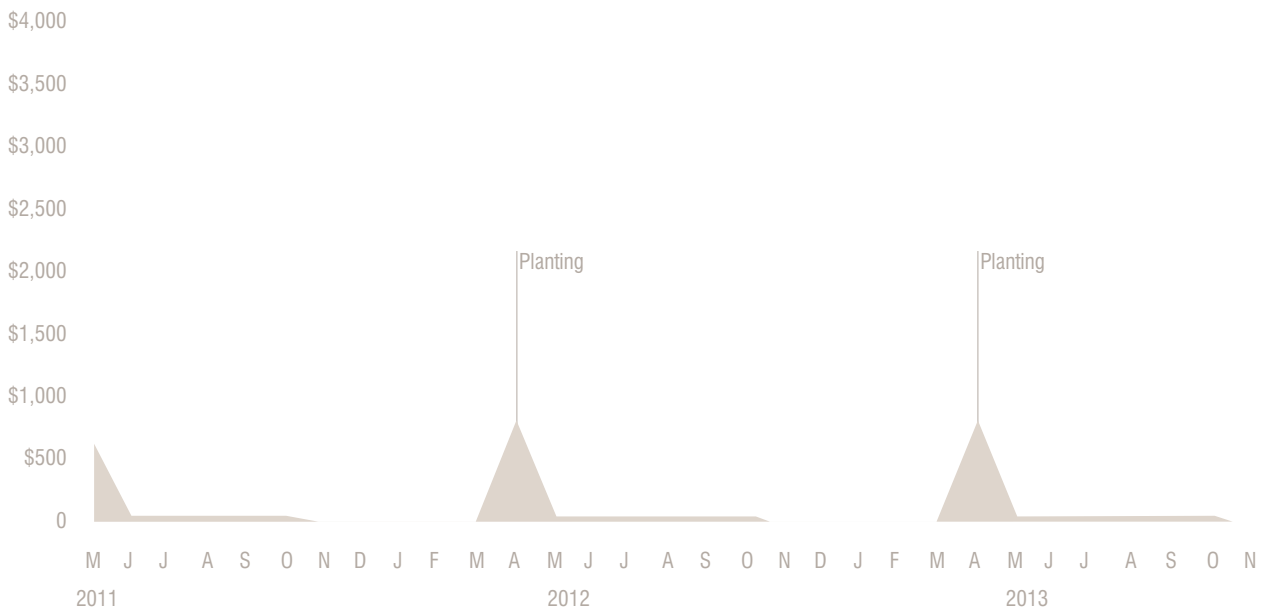
neighbourhood, especially the apartment buildings up there who bring their food scraps. They just need a place for it. Compost is one of those things much like bee keeping where you also need more people who are committed regularly [in order to do the work

that's involved].

There is that abandoned house property next to [the garden] which is owned by a guy in the neighbourhood. If we could buy the garden sites and get this guy eventually to sell us his property and then that could become almost a greenhouse facility – those

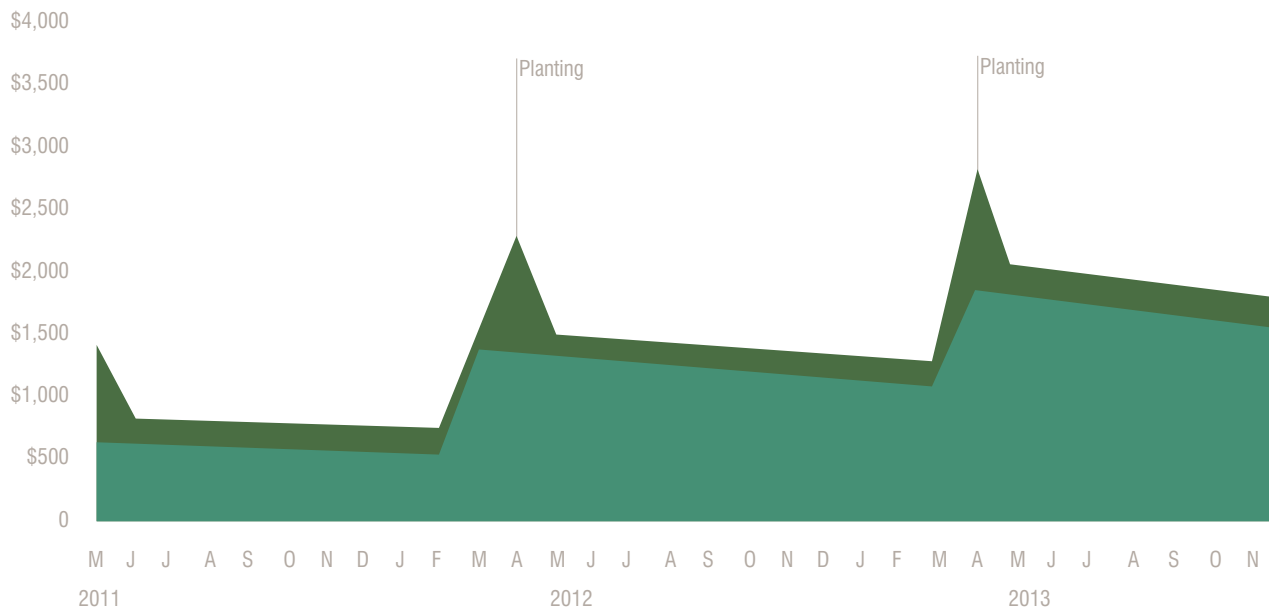
The garden seels a very small amount of its produce - irregularly and only when there is a surplus, but it was never intended to run commercially. It therefore relies on grants and donations to meet the small annual expenditure.

Cash Expenditure vs. Income from Sales



Total Net Assets vs. Fixed Assets

Fixed assets + cash in bank Donated furniture, books etc.



As soil, plants and furniture are added to the garden each year, the value of its fixed assets are slowly increasing, although they still represent a relatively small amount.

are very big dreams and long term projects. We could do some row crops out behind his house, expand more farm wise.

Selling at market

This was the first year that we experimented with [selling food grown at the community garden at market]. I was an apprentice with the Greening of Detroit and part of our training was helping run the Grown In Detroit table [a stall at the Eastern Market where micro-producers can sell their produce in small quantities]. I never thought of what was growing here as being on a scale that it could make any money so [if it hadn't been for the apprenticeship] I never would've thought to go to this orientation where they teach you things like, "Here's how you wash and pack vegetables. Here's our standards and here's what is costs, here's what we're selling for", that kind of stuff. I haven't taken a lot of produce to market from Shipherd Greens because I see it as a community thing.

I got the soil test done at the garden and so I represent both my own garden and the community one at the GID tables. I've been bringing mostly stuff from my house but there was a day that I was taking in kale anyway and there was a bunch of kale. I harvested it and from doing that maybe \$8 would be going to the garden. This is really the first year I'm experimenting with it and how much time

I have to deal with it. If somebody wants to be the market person, we can formalise that process.

The farmer's market at Genesis Hope Church is much closer. Their tables cost \$10 apiece so if someone at the garden wanted to start representing Shipherd Greens at that market, we could talk about that. At this point, we still have enough in our cash reserve that we could support a once a month trip to the market if somebody wants to be in charge of that.

How much food can you produce in 16 beds?

A lot. I find the idea of producing food for a family [as a measure for how big the garden is] to be a little bit abstract because obviously you eat more than fresh vegetables. Most gardens go by weight, to see how much food you produce. You're weighing out the poundage that you're harvesting either to sell or to eat or whatever. Nobody does that for Shipherd Greens because people have their individual gardens now so I'm not going to say to them, "You've got to weigh your produce." It's open so people from the community take things, which I am totally in favour of.



Shipherd Greens garden, looking towards George's house.



ABC No Rio street front, New York, 2009, Mackenzie Mollo

Steven Englander

Director, ABC No Rio

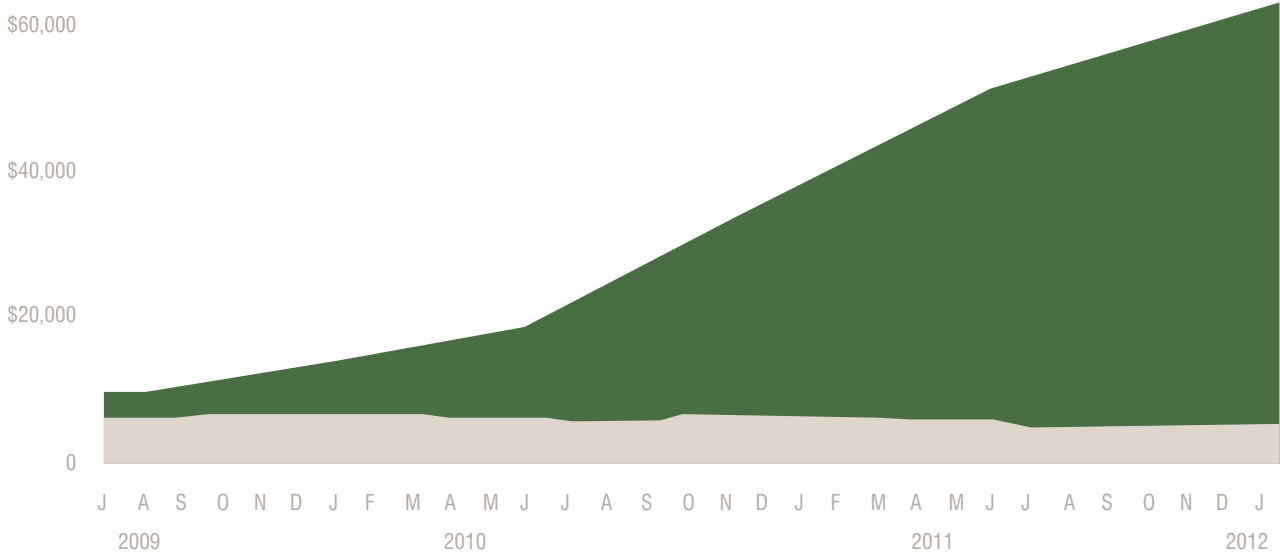
There have been several generations of people involved with No Rio over the thirty years we've been here. I wasn't one of the founders, and I wasn't here in the founding years. What the founders did, with the Real Estate show [an art exhibition in the newly squatted building, which opened 1 January 1980], I'm not sure they had a clear idea of what they wanted, outside of just raising the subject of the city's land use policies. They didn't actually know what the end result was going to be. I think that they were sort of surprised that things led to them getting a lease for this space about four months after that. [At the time] the horizon was no more than maybe the next month or the next few months. It existed at that

degree of spontaneity.

The founders were only at it for maybe about three to four years. By 1984 they already started planning on turning it over to a new group of people that had come in and started doing projects there. Even then it was another four to five years before they got around to institutionalising the organisation: becoming legal, incorporating in New York state and getting the 501c3 declaration. That means that we can get tax deductions; the federal government's bureau of taxation, the Internal Revenue, recognizes you so you don't get taxed on your income, and people who donate money can deduct that amount from their taxes. They didn't even begin that process

It's weird, because if you look at the two scales that we operate on...if we get around to talking about No Rio's operating budget, we're talking tens of thousands of dollars, and meanwhile this organisation that operates in tens of thousands of dollars is doing a several million dollar capital project.

Cash in Bank vs. Cash Expenditure



ABC No Rio is currently raising money for a new building - while this has been removed from the calculations as far as possible, it has not been possible to do it completely - hence the growing bank balance. Expenditure is fairly stable, reflecting the fact that the organisation has been in existence for a long time and has a stable, established programme.

until about nine years after founding the organisation.

programming, getting the funds, and keep the thing going.

Once they started getting some grants for projects, obviously, you're starting to look a little further into the future, but the founders never had any desire to actually create a lasting institution. If they had, they would have institutionalised it sooner, rather than moving on without allowing that to happen. It lasted because of the continual activity that went on, and the numbers of people that passed through. Even at that point it was still just a tiny, little organisation. There were times when people were paid for doing administrative things and sometimes not, and it was all just volunteer. I don't think that the budget ever exceeded maybe forty-thousand dollars until 2002 or 2003. It was always just a sort of scrappy, little, by-hook-or-by-crook way of doing the

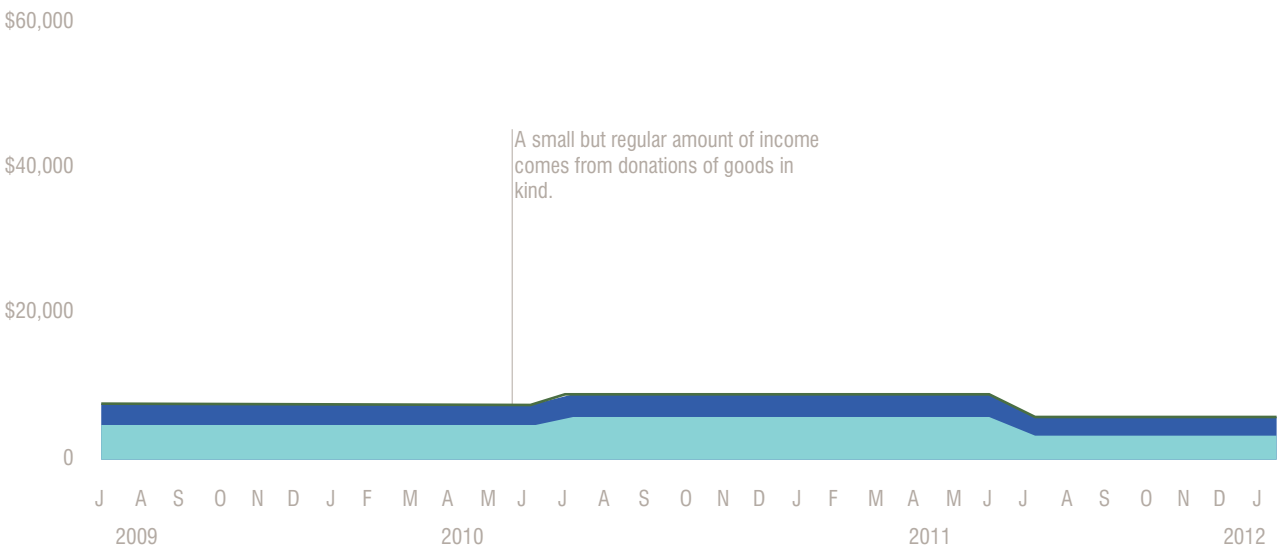
Leasing the building

We did have a lease from the city for the store front space and basement. It wasn't a five-year lease with terms where you pay this amount of money, and every year it escalates 3% or 5%. It was a month-to-month lease, which the city could cancel any time with thirty days notice. Which happened a few times. There were constant fights with the city about evictions and staying and stuff like that. There were a lot of on-and-off struggles where the city would try to evict, and No Rio would lobby political and public support on our behalf, and the city would back down, and it would

Like expenditure, income is very stable, reflecting an established programme of activities, an established audience, relationships with funding bodies and experience in applying for funding.

Total Income vs Cash Income

Donations & cash income Grants + sales
Income from sales





ABC No Rio, New York, 2010, Robby Virus

ABC No Rio Project Overview

Project type

Non-commercial, centre for art and activism

Location

156 Rivington Street, New York, NY 10002, US

Direct stakeholders

Government body: City of New York
 Tenant: ABC No Rio
 Property owner: Initially the City of New York until ABC No Rio purchased the property

Project length

Ongoing, commenced 1980

Property size

689m² on 4 floors (internal)

Funding

Property was purchased for \$1 with the agreement that ABC No Rio would raise the money to refurbish it and use it for community use.
 Various funding sources

Links

<http://www.abcnorio.org/>

start again a couple years later.

Squatting the apartments

The fourth generation of people that were involved in the project were these kids that were doing punk shows here at ABC No Rio. They were fighting with the city at the time, and in order to defend the building, they decided to invite people back in to occupy the upper floors. I was one of the people invited back in. One, because I'd taken over buildings before, so I knew what you have to do, in terms of getting the plumbing going, and getting help, etcetera. I had a background in No Rio itself. I was briefly a co-director with another individual in 1990 and '91. That's how we ended up there and being more closely tied to the squatters. It was basically me - and I was in my early thirties at the time - with a bunch of teenagers and kids in their early twenties who were willing to do it.

Have you ever been in New York squats or anything? It's a lot different than the ones in Europe. I mean, you've seen pictures of what the Lower East Side looked like in the seventies and eighties

- it looks like Dresden, just vacant lots and buildings are just totally empty. They're totally unoccupied. The buildings that European squatters had were luxurious compared to the buildings squatters in New York were holding. There really was a lot more work. There was no infrastructure at all. Like plumbing had to be put in. Ceilings had to be replaced. Floors had been rotted out. There was a lot of fire damage.

There was a psychological shift then. When you're a squatter, [the mind set is] the property's ours; it's our responsibility. The idea of asking the city to fix the boiler was just like, 'Well, we've got to fix the boiler ourselves. We want heat, we've got to do it ourselves.' It was a change that went on. Then in fighting with the city, you have to sort of run a campaign. You have to do all this public

There were a lot of on-and-off struggles where the city would try to evict, and No Rio would lobby political and public support on our behalf, and the city would back down, and it would start again a couple years later.



Princess Tiny and the Meats performing at ABC No Rio, All-nite images

outreach and it actually was tied to programming.

Strengthening the organisation

It resulted in further solidifying the organisation and making it less ephemeral than it once was, because you're presenting yourself as something that's got to be saved, that's a benefit to the people who are here. That actually, in a softer way, institutionalised it. It's not the paperwork and its legal status; it's an institution in people's heads. It appears in people's minds as something more than an ephemeral project. If it was [seen as a temporary project], people would be like, 'Things come and go. Now it's time for you to go,' as opposed to being willing to fight to keep it.

It was seen differently [because it became] something that they needed to defend.

No Rio's network in the city

When I first started coming by in the late eighties, sometimes I lived in the neighbourhood, sometimes not. Most of the people who came by and who did stuff here lived in the neighbourhood. Now it's too expensive. Most of the people who do stuff at No

Rio can't afford to live in the neighbourhood. I'm over fifty. Some of the people that are my age will luck into situations where we can afford to be here, but most of the young people involved in No Rio can't afford to live in this neighbourhood any more. They come from all over: Bronx, Queens, Brooklyn, Jersey, even Long Island. One of the print shop volunteers actually comes in from Long Island every week.

[When we were reaching out to the community to try to save No Rio] we structured a campaign in a way to involve the most people possible. There were all these people who are willing to scheme and strategise, and they became the people who worked with the lawyer on coming up with the legal defence strategy. Then there's people who are good government types: write letters, call your representatives, do protests and stuff like that; and we had that stuff going on. Then there's the group of people that want to do direct action, and we'd plan and organise things for people who wanted to do direct action. We tried to find a way to organise the campaign to defend No Rio so that there was a place for everybody regardless of what their comfort level was in terms of militancy. We needed to find a place for mainstream art-world people, and people who had been involved with No Rio who went on to some greater fame or success could actually participate in some way.

We tried to find a way to organise the campaign to defend No Rio so that there was a place for everybody.

They were like, ‘This is the opportunity we’re going to give you. Develop your projects and programmes. Raise the money and renovate the building. Vacate the building of squatters, and use the whole building for your projects and programmes for the benefit of the community.’

They’re not going to go lock themselves down to something, but they can write a letter or make a call to an elected official, so the idea was we’ve got to find a way for everybody to plug in in some way to help make it happen.

Last options for trying to save the building

This was the late nineties, so [gentrification] was slowly happening. It sort of hyper-gentrified after 9/11. 2002, 2003, is when you started seeing fancier restaurants and smart boutiques and things like that.

At this point we were fighting the city. We pretty much played out all our options because, legally speaking, we didn’t have a lot of rights. We could use the court to stall things, but eventually we were only winning on technicalities, technical issues related to the law. Every time we’d win on something, they’d come back at us and fix that problem. Eventually we knew there wouldn’t be a mistake that you could get it thrown out of court on. A group of the supporters managed to sneak into the commissioner’s office of the agency that owned the property - the Department of Housing Preservation and Development.

Now there’s no way you can get into government offices. In 1998 we were able to get twenty people with banners and lock down equipment to the 18th floor of this government building where they did a lock down in the commissioner’s office. I wasn’t with them; I was here waiting to do legal support and call the lawyers, because we just assumed they were all going to get arrested. Hours and

hours went by (this was before cell phones) so I’m just sitting there waiting by the phone, and finally they all started trickling back in. The commissioner didn’t call the cops. She invited them all into a conference room to talk. She was somewhat sympathetic to them. She was actually a student in Mexico City in 1968 and was part of that generation of student activists. There was a massacre in Tlatelolco, at the University of Mexico, when the ‘68 Olympics were going on. That was our Kent State times 25 or 30.

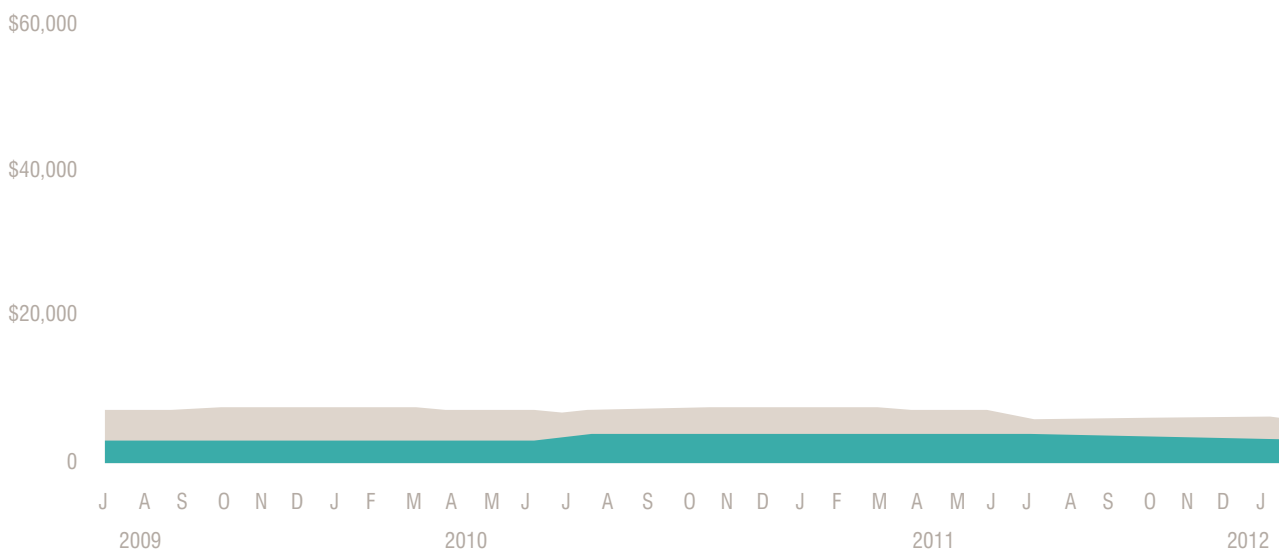
The deal to acquire the property

She was part of that generation of students and it had some nostalgic resonance with her or something. It led to a series of meetings that resulted in us getting the opportunity to acquire the property. We were stunned at the meeting, because we thought that they were just going to offer us a rental space elsewhere. When they offered this, everybody was sort of flabbergasted, because we didn’t actually expect that to happen. There wasn’t a lot of negotiating. They were like, ‘This is the opportunity we’re going to give you. Develop your projects and programmes. Raise the money and renovate the building. Vacate the building of squatters, and use the whole building for your projects and programmes for the benefit of the community.’ That was really the deal. There weren’t lawyers; it was presented to us to either take it or leave it.

The whole property had to be used for ABC No Rio. That was the compromise that we had to make - that the squatters would have to leave. They would give the building and the property to No Rio to expand its projects and programmes, but we had to solve the

As above, both income and expenditure are stable. This graph also shows that sales income only covers part of the organisation’s expenditure - even an established organisation like ABC No Rio still relies on grants and donations, including volunteer time.

Cash Expenditure vs. Income from Sales





The backyard at ABC No Rio, New York, 2009, Pink Iguana

squatter problems ourselves. They weren't going to do it, because they had a long-standing policy of not negotiating with squatters. For the most part, we understood that we were initially invited into the building to defend ABC No Rio. That was the purpose of inviting the squatters in. It was difficult, but most people understood that usually with squatters, you don't get to win. It just doesn't work out that way.

The city requirements for acquiring the building

[AK: Why did it take seven years?]

Because initially they said, 'you need to raise the money to renovate the building.' Their first thing was, 'Show us in good faith you can raise money.' So we raised a hundred thousand dollars. Then they upped that to five-hundred. It was getting a little bit

more difficult to get half a million dollars when you don't own the building. That was the hardest part, because nobody will give you money to do a capital improvement on property you don't own, so how do you then get the money? The requirement is catch-22. We finally got an assistant commissioner who was willing to break this catch-22 we were stuck in. He was like, 'Just come up with a couple of hundred thousand dollars more, and we'll do it.' He understood that nobody's going to give you money to do something on property that you don't own. Then he was like, 'All right. Let's go through the review process.'

There's a governmental process that was required for turning it over to us. It was called a ULURP: Uniform Land Use Review Process. Every land use thing that happens involving government property involves a ULURP. If they're going to give away even a small parcel like ours, they have to do one. The community board

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Finally we did get one million dollar donation.

I actually opened up a check. We saw an envelope, and inside was a check for a million dollars. We still don't know who gave it to us.

weighs in, the New York City Council weighs in, the borough president weighs in, the Department of City Planning weighs in, and finally, the mayor signs off. Even once you decide to get started, that takes 18 months.

[AK: Where does the number, (\$100,000) come from that they were asking you to raise?]

I think that first time they thought we wouldn't be able to do it, so they just pulled that hundred thousand dollar number out. They realised, though, that you actually can't do anything with a hundred thousand dollars. Then they were like, 'All right. Five hundred.'

From renovation to rebuild

Then we on our own realised that we've got to re-build this building. It can't be renovated. We need to have an elevator. You can't have a community facility if it's not accessible for disabled people. This building is so old and crummy, it's just impossible. It jumped to being over a six and a half million dollar project, and we raised about five million dollars.

Raising the money

The first hundred thousand was literally just our people doing some benefits. It wasn't that difficult. It wasn't until later on that it started adding up faster, when we were doing amounts of twenty thousand, thirty thousand dollars in grants and things like that. Finally we did get one million dollar donation. I actually opened up a check. We saw an envelope, and inside was a check for a million dollars. We still don't know who gave it to us. It was anonymous.

That was pretty weird. I actually had to ask somebody, my accountant, 'Is this right? Is this really six zeros?' Even if it was a hundred thousand, I would have been stunned.

Then we managed to convince the elected officials to support the project. Out of what we raised, we got around four million from the City of New York, from the elected officials. We raised about one million and six hundred thousand from private funds. We got about two hundred and seventy thousand from some of the 9/11 money, from the federal government for development in lower Manhattan. Then we got another couple hundred thousand that's actually coming to us by way of the architect, from the New York State Energy Research Development Agency, because we're doing this high-tech passive house design for the building, and they want to see if it works.

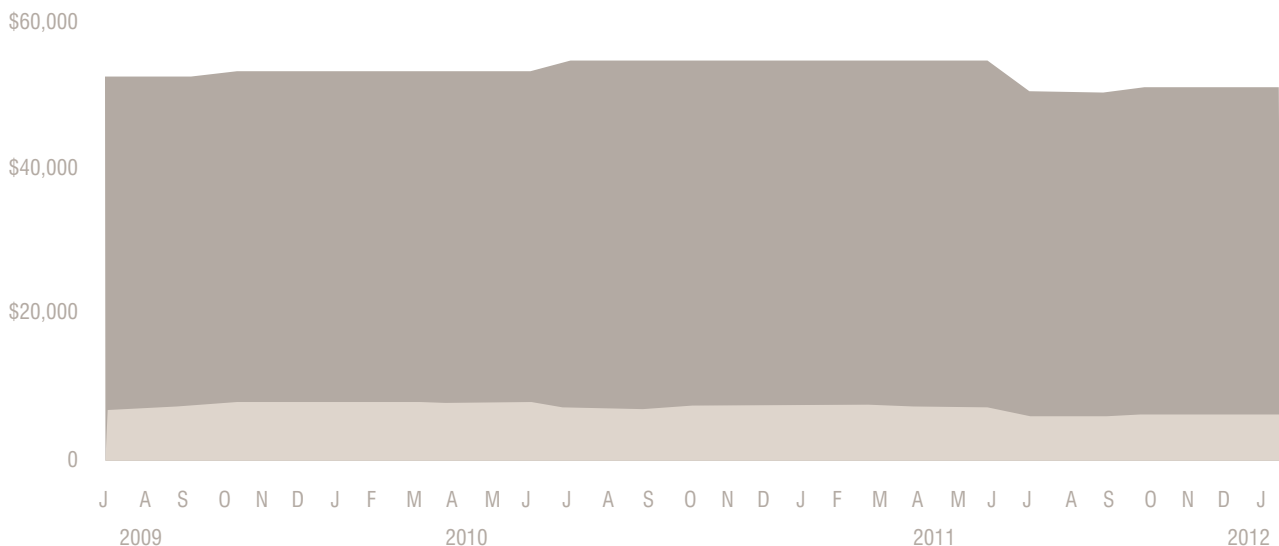
Testing passive house technology

Our architect's a total evangelist for passive house. We're into it and we're enthusiastic about having them design it and build it in that way. The city wants to see how it works, and the state wants to also. The funding we got, some of it's for the cost of designing and building the passive house, then a lot of it, another thirty thousand or forty thousand dollars, is to monitor [the building once it's built and occupied], to do the reporting, because they want the metrics.

Right now there actually isn't a commercial passive house building in New York. Somebody else is building one in Brooklyn, and we're building one here. The one in Brooklyn will probably get done first. There's a couple residential buildings. I think they're buying into the idea that it works for residential. They want to see under what

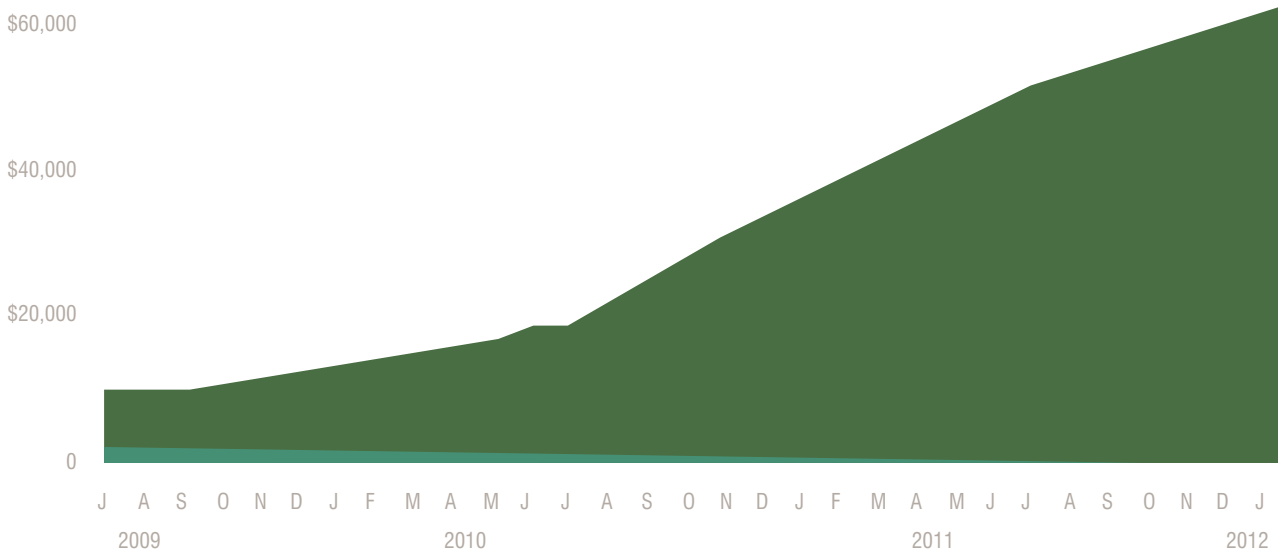
Volunteer time comprises a huge amount of ABC No Rio's 'expenditure'.

Total Expenditure vs Cash Expenditure
Time spent + cash expenditure



Total Net Assets vs. Fixed Assets

Fixed assets + cash in bank



The fixed assets were relatively small investments in the building, or were donated equipment, which depreciated completely by the end of 2012. On the total net assets and the cash in the bank, see the annotation to the 'Cash in bank vs cash expenditure' diagram on p2.

circumstances would it work for other government buildings, and is the added expense worth it?

Managing the building project with the city

[The current building will be demolished and the new building erected on the same site.] We initially were going to do the project in phases. We didn't think we'd be able to get the money to do it all at once. We figured out a way to do it in two phases where we could build a whole envelope in the first phase. We designed the project, and the architect and the engineers created the construction documents.

Because we got so much money from the city, the city's design and development agency is going to be managing construction for the project. There's two ways of doing it when you get city funding: you can either outlay the money, and you get reimbursed; or they take it over and manage it.

It's weird, because if you look at the two scales that we operate on...if we get around to talking about No Rio's operating budget, we're talking tens of thousands of dollars, and meanwhile this organisation that operates in tens of thousands of dollars is doing a several million dollar capital project. We can't solve a four million dollar cash flow where we outlay the money and get reimbursed. We have to have them manage construction, and that means we have to follow the city's requirements for contracting, bidding, procurement, everything, which is a lot more complicated than if you and I were going to be partners and develop a little building

out in Brooklyn, and hire a contractor to do it.

In early 2012, on paper it looked like we had enough money in place to bid it out as one project. The architect then consolidated everything. Then it went out to bid, and the bids came in thirty percent higher than the money we have. Now if you and I were just working on a project, and the bids came in too high, we would go and sit down with the contractor and be like, 'What have we got to do to make this happen?' The city can't do that, because then all the other contractors who didn't get the job would be like, 'Well, if I knew you were going to take that out of the project, my bid would have been totally different.'

We have to re-bid it all and revise everything. We were actually stunned that the cost estimate was too low, because the city reviewed the cost estimate. What we know now is that basically if you get a city dollar, it's really worth sixty cents, because everybody bids thirty percent higher than they would if it was a private job. That was a difficult time when the bids came in too high. We're now going back to the original phased approach, where we would build the whole envelope of the building, finish the dry floor in the basement, and leave the second, third, and fourth floors unfinished; but we'd be able to start doing public events again. In the second phase we would finish the upstairs

We on our own realised that we've got to re-build this building. It can't be renovated. We need to have an elevator...This building is so old and crummy, it's just impossible.



Earth Day rummage sale at ABC No Rio, New York, Ari Moore

units.

Funding and the phased plan

We've got to get as much done as we can with the city funding. Then we'll finish it; but the bulk of it, all the steel work, the concrete pouring, the concrete blocks, that'll all be done in phase 1. Phase 2 is mostly finishes. Electrical distribution won't be complete, and there won't be plumbing fixtures in the places. They'll be capped off. The risers will be there, but the fixtures won't. The walls and the floor won't be finished. There'll be enough that we could use it for meeting space, a little bit of studio space, storage; but it won't be fully operational. That is stuff we can do by hook or by crook. If we're able to raise the money, and some of the stuff is more complicated, we will probably contract out for it. Some of the stuff we might just hire guys that we know to work with volunteers.

The second phase, some of the stuff will still be somewhat expensive, so it would still probably be about a million dollars. Anywhere from eight hundred thousand to one point two million dollars.

The time line for construction

We expect the first phase to take sixteen months. If the bidding were to go on, and we were able to use a bidder, we would vacate the building and prepare for demolition in early 2014, and hopefully start the project shortly thereafter. It would be by March or something. Then we expect it to be a year and a half for phase 1. Ideally, during that period we're raising the money so we'll

be able to come back in and do public events downstairs, we'll seamlessly continue working upstairs and there won't be a stop in the work. If we're not able to come up with the money, then we'll have a finished place where we can do at least a public events programme.

The programming during the build

At this point everything's going on, although some things are slowly falling by the wayside. The poetry readings decided to stop. There was a regular comedy thing, and they decided to wind it down at the end of last month. Right now we'll do the public events until the very last minute. When we know that the thing is going out to bid, and we find out that the bids come in on target, we'll start planning to vacate.

Because we went through this once before, it doesn't make sense to start that process until we know that there's a qualified bidder that comes in on target. Then during the construction period, we're doing what we call ABC No Rio in Exile, where the exhibitions, the performances, and mostly public events stuff happens at other venues and in collaboration with other organisations. Then if we're able to find small pop-up places, we might do what we're calling ABC No Rio in Miniature. Some things will be part of that, and some not. We probably won't be able to do a temporary darkroom because of the amount of plumbing infrastructure a darkroom

Instead of a programme director, it's a collective that runs every project or programme. They vary in size. Right now the print shop is just two people. The darkroom is four. The facilities are fewer people. The zine library, I think, is now four. The punk show is about a dozen regular kids who do the punk show.

needs.

The current programme

During the day I'm usually the only person here during the week, doing administrative stuff. For the most part, it's evenings. Tuesday, Wednesday, Thursday, sometimes Friday evenings, and Saturdays and Sundays. It really depends on when the projects and programmes are going on.

They're all collectively run. I'm the staff person here that gets paid. There are no programme directors. Instead of a programme director, it's a collective that runs every project or programme. They vary in size. Right now the print shop is just two people. The darkroom is four. The facilities are fewer people. The zine library, I think, is now four. The punk show is about a dozen regular kids who do the punk show. The exhibitions is a curatorial committee; that's about eight. The improv music is just two: it's Blaise Siwula and his wife, Barbara, do the thing. Every project or programme, they are all sort of autonomous and decentralised, providing they're not doing stuff that screws up other people. If anybody wants to do ad hoc events they just contact me, whether it's performance or other things: meetings, workshops, and other presentations, to

schedule them.

That's the structure of the place, so it's a collective of collectives. There is a board of directors because we're a legal organisation, and they don't get involved in the day-to-day running of the space. They approve the budget. They don't set policy for what happens programmatically. They can if they want, and the way you do that is to get involved in the collectives that run the projects or programmes. At times they have. There's one board member who's on the visual arts collective. The other board members are not actively involved in any project or programme. I tend to think it's actually somewhat beneficial to at least have one or two board members that are actively involved in the day-to-day.

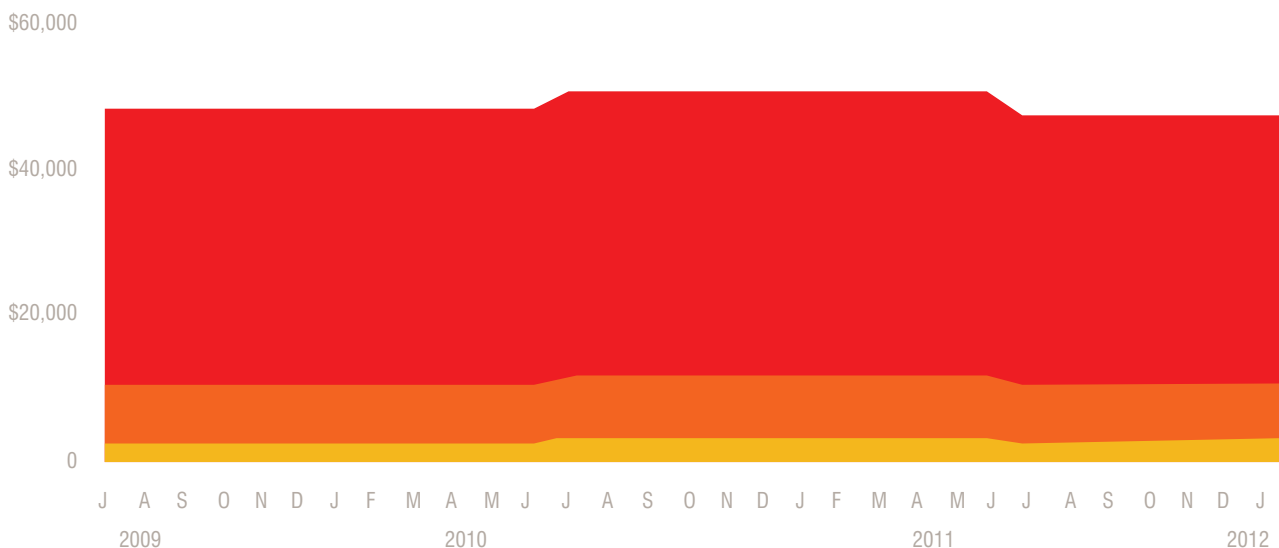
How much does everyone work?

It varies depending on the project or programme. Probably, four hours a week - I think that's probably the number I use when I've got to calculate volunteer hours.

That's for the darkroom, almost all the facilities. The zine library it's three [hours]. Sometimes they'll stay later. The zine library is purely social. You're there, you do a little bit of cataloging, but it's more to keep it open to the public. Some zine librarians are harder working than others. At the very least, though, the point is to keep

ABC No Rio runs overwhelmingly on volunteer time. Again, the relatively flat lines in the graph reflect the fact that the programmes are well established, with stable numbers of volunteers who stay involved for relatively long periods.

Paid time vs. Total time @\$10/hr vs. Total time @\$50/hr





ABC No Rio, Matt Derrick

the place open so that people who want to check out the zines will come by. The darkroom is usually four hours. So if somebody wants to volunteer with one of the facilities, the commitment they're asked for is three to four hours, one day a week, for at least three months. It doesn't make sense to bring them on if they think, 'I'm only going to do it for a month.' We're going to add a day of hours and then change all the publicity...it doesn't really make sense.

Actually the hardest volunteer job is the print shop, because sometimes it gets really busy. It's like a store: sometimes it's quiet, and there will be no-shows, and there'll be nobody there and you leave early, but sometimes it gets busy. That one's the hardest, because you've got a bunch of people, and somebody wants to burn the screen, other people are trying to learn how to print, and you've got to deal with the public during the skill share hours. So you might be helping one person while you're talking to somebody else about their project. You've got to multi-task pretty

well.

The public events, the punk show is sort of easy-going. There's a core group of maybe half a dozen, then maybe another half a dozen that help, but not every week. Then ultimately there's two at any given time who are the main people who book the shows. Other people can ask for dates or propose bands, but there are two people that are the bookers, that sort of arrange the schedule and make sure that stuff's filling up. Obviously they've got to do a lot of emailing and telephone calls and whatever, so they're busier than somebody who's just coming on a Saturday to help collect the money or set up the equipment or clean up afterwards. The bookers, you're in for a two-year term. They change it up over

I think it's really the culture of the place that it be volunteer and they want it to be something that they're doing for the love of doing it, they want to do it because they just want to do it.

Generally we try to go for a tripartite split between grant funding, earned income, which is admission from events and use fees, and benefits and individual support. The goal is to roughly have them each be a third of the total support that we get.

time.

Volunteers or paid staff?

[AK -Did you consider trying to work out a way to pay volunteers?] Nobody wanted to do it. Well, then they're not volunteers. We'll probably bring it up again as we're trying to move back in, but the volunteers should decide if that's the case. The last time it came up was the volunteers wanted to be volunteer collectives.

[AK - Why do people feel so strongly about it being voluntary?]

I think it's really the culture of the place that it be volunteer and they want it to be something that they're doing for the love of doing it.

Right now the way it's structured, nobody's working for me. I'm able to navigate things pretty well, so that I'm not overbearing

on the volunteers that I want it to go in a certain direction, I can make my recommendations...If I was a total jerk then people would just not volunteer, the place would fall apart. I think for the most part people know that I'm here making it possible for them to do the project or the programme and ultimately I'm working for them.

Sources of income

It's pretty much split. The punk shows, they pay. Public events, people pay to come, except for exhibitions. Right now we get grant funding for exhibitions from the New York City Council of the Arts and the Department of Cultural Affairs. The darkroom people pay really modest fees to use it. The darkroom is six dollars an hour. Bring your own paper and the chemistry is here. The darkroom pretty much just breaks even. The screen printing shop brings in a little bit more than we spend, but it's also really cheap. Depending how big your screen is, it'll be seven to twenty dollars to burn a screen. Or we'll sell people some of our leftover stuff. If they come

Mural, cmonster



during public hours, it's just three dollars an hour to work in the space. If you know what you're doing, and you want to rent the space just to have it privately to use, it's ten dollars an hour.

Generally we try to go for a tripartite split between grant funding, earned income, which is admission from events and use fees, and benefits and individual support. The goal is to roughly have them each be a third of the total support that we get.

Grants

Right now we're actually getting less grants. We're getting the government grants because we've got a long enough relationship with them where they're willing to deal with the uncertainty about what we're doing at any given time. The private foundations, it's a little bit harder, and we don't know when we're going to be vacating the buildings, so it's hard to ask them to fund the projects that will happen in exile versus what's going on here. We've actually fallen off a little on the foundations because we don't know how to write the grants. We don't know what activities are going to go on within the next year.

We're sort of hostage to the capriciousness of the bureaucrats that are pushing the review process. If it were to go faster, we could get through it quicker and be able to tell the other potential funders that we'll be moving on to exile at this point. I was already in a situation where I raised money for exiled programming, and the bids came in too high, and I had to say [to the funders], 'I can't spend your money on what you gave it to me for. Can I spend it on this instead?' They were all right with it, but it's awkward. You're

not supposed to do it.

The city, however, knows the circumstances, so they're willing to let me write a grant. They know what the deal is, because they work in government. They're actually easier than the private ones who don't understand; you can give [the private funds] an explanation, but they're like, 'Well, if you weren't sure it was happening, why did you ask for the money?' Right now we're in this limbo where we're not even raising money for phase 2, because we want to be able to provide good news when we start fund-raising again. For example, that a contract has been selected, and the project's moving forward, because we keep having to say, 'Oh, we raised this money, but then this unfortunate thing happened. Then we got this money...' but then there's like, well, when's the project starting? We're going to wait until we know that the thing is going to move forward, and then we'll kick into gear again with the fund-raising.

Expanding in the new building?

The programmes are going to be structured the same. We actually do anticipate that when it's a more comfortable place for people to be, even if things are going to cost more, which they will, there'll be a greater use by the public of the different facilities. Then we're also anticipating more people wanting to get involved. The plan doesn't call for adding projects or programmes, but it does anticipate them scaling up.

NEW ATELIERS CHARLOIS | ROTTERDAM NL



The Wolphaertstraat with doors painted, installations to hid the anti-parking measures and the W Lf_rt project space. Stichting NAC

Introduction

The New Ateliers Charlois (NAC) Foundation is a not for profit organisation base in the neighbourhood of Charlois in the south of Rotterdam, the Netherlands. It was set up by a group of artists and local residents in 2004 to manage live-work spaces for visual artists, typically in spaces that have previously been vacant long term. The impetus for setting up the organisation and starting this project was the impending demolition of 45 houses in the Wolphaertstraat (Wolphaert Street), which had fallen into serious disrepair, and owned by the housing association, Woonstad.

NAC now manages 84 studio across 3 locations: the houses on Wolphaertstraat; a U-shaped housing block called the Otje, both in Charlois; and a number of properties in a nearby neighbourhood called the Wielewaal. They also have three project spaces (Attent, W Lf_rt #1 and W Lf_rt #2) a large greenhouse/shed called De Kas, two guest houses (Zimmerfrei #1 and #2)

and an international artists' residency programme (Around the Corner).

The rent for each of the live/work spaces is €105/month, up from an initial €100. This money is used to pay for maintenance and overheads of the organisation, with the remainder going to fund arts projects in the neighbourhood, via the 'Mind Your Area, Move Your Ass' fund. Additionally, within NAC, pay for artists is limited to €10/hr, a figure which needs to be seen in the context of the low rent. This means that it is possible to carry out a very large number of projects and to invest a huge amount back into the local neighbourhood.

[The idea] was already there for a long time, to not only be an organisation that just runs studios or that we run an anti-squat organisation. We wanted to create extra value and to see what we can do with the small amount of money that we have.

Jaap Verheul

Co-founder and board member

On 30 December 2004, we founded NAC. We took two years to arrange everything, to do the calculations for the renovation, sign the contracts. We also had to convince all the people who were living in the houses [to join NAC] because we were not really one group - we were all separate small groups. I think it was decided that we could go start the project after 80% of people signed the contract with NAC, but in the end, 98% signed it. Somewhere in 2006 the renovation started.

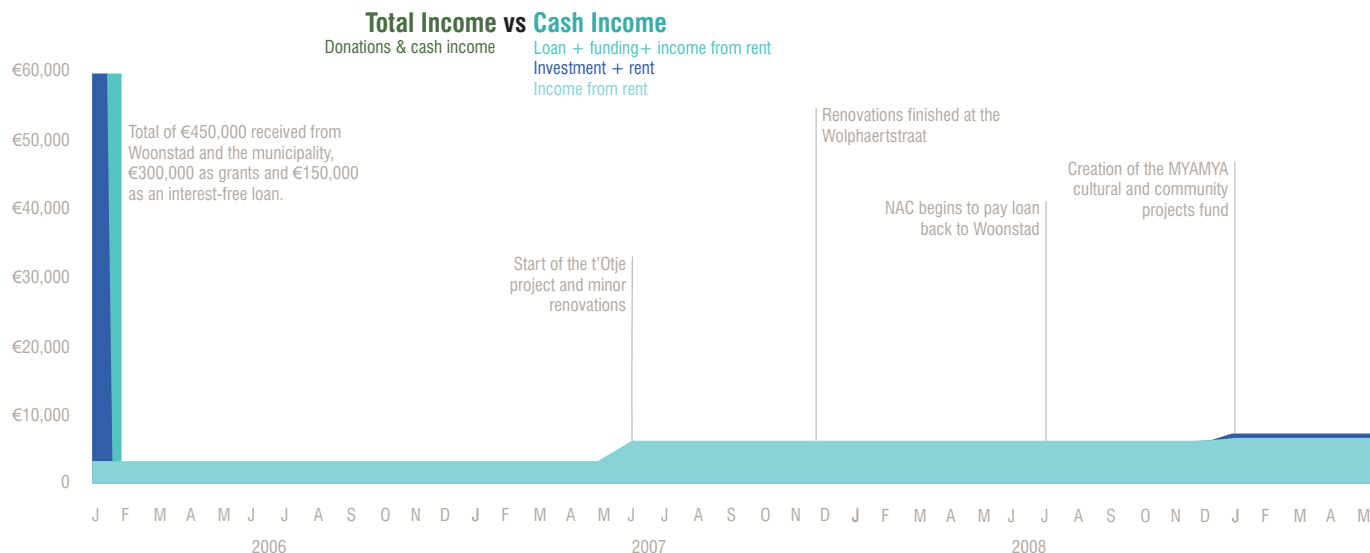
The money to get started

[When we were first getting started] we inventoried the whole block, looking at what was necessary. We made a work list and calculated that it was going to cost €350,000. We sat at the table and said, 'Okay how are we going to do this? How are we going to get the money?'

At that time the manager at Woonstad [the housing association which owned the houses] responsible for the Wolphaertstraat was leaving. He said, 'this is a special project' and Woonstad put €100,000 on the table. Then there was a city project [that it was possible to apply to], which was aimed at getting [local people to invest in their neighbourhood] - you could get up to €600,000 but you had to have [match funding]. One of the groups that joined the city project was in our neighbourhood - the Groeibriljant Oud Charlois. They adopted this project and said, 'okay we put €100,000 on the table because Woonstad also put in €100,000.' So then we were equal. In this way we could get €100,000 from the municipality. The deal was made really quickly.

Then there was the rest of the money, €150,000 and Woonstad was willing to give us a loan without interest. We had to start calculating how we could pay that back and we came up with a 10 year period. We had a certain amount of houses and then you can calculate how much it would cost [to renovate and maintain things] and what you would need to ask for in rent each month. It's just numbers.

NAC received a large amount of cash at the beginning of the project in the form of grants and a loan to renovate the houses, to make them fully habitable. After that initial period, income has come almost entirely from the monthly rent that the artists pay for the properties, giving NAC a stable income. The increasing income over time reflects the increase in the number of properties managed by the organisation.



Arranging the loan with Woonstad

The idea was to start paying the loan back immediately, but because it was such a special arrangement, Woonstad's internal financial department, had difficulty seeing how to put it in the books. It took almost 3 years before we started paying back. We saved up the money at first, but we also spent in that time - we invested the money to create solid facilities, such as project spaces, guest houses and cultural programmes.

Then we had to start paying back with only 7 and a half, 8 years left, so the yearly amount was really high. We came to an agreement with Woonstad to extend the contract by 2 more years, so that we could pay it back easily, because it took them 2 years to put it in the books internally.

Renovating the Wolphaertstraat

[AK: How long did it take to renovate all of the houses? How did you organise that?]

The organisation and planning was done by Woonstad in general. Together we decided how to divide the payments for the work that needed to be done. The renovation work was divided between the outside of the buildings and in the insides. Woonstad took care of the outside of the buildings, and NAC for the inside renovations. Over the last 12 years this division of responsibility has stayed the same.

In the beginning, Woonstad hired a construction company to do all the work. They also did [some work] inside, so we got all second hand central heating equipment and fixtures from another Woonstad project in Pendrecht [a neighbourhood in south Rotterdam]. We brought them all from a [building that was being] demolished and it was much cheaper. That's how we were dividing the money [managing the budget and trying to keep costs down].



The lighting installation in the Wolphaertstraat. Stichting NAC

Project Overview

Project type

Non-commercial, cultural working and living spaces

Location

Wolphaertstraat, 3082 Rotterdam, NL
 't O-tje, Rotterdam, NL
 Wielewaal, 3084 Rotterdam, NL

Direct stakeholders

Government body: City of Rotterdam
 Tenant: Stichting NAC
 Property owner: housing associations

Project length

Indefinite leases, commenced 2004, 2007 and 2010

Property size

150 live-work spaces, 3 project spaces, a large green house and an artist residency programme.

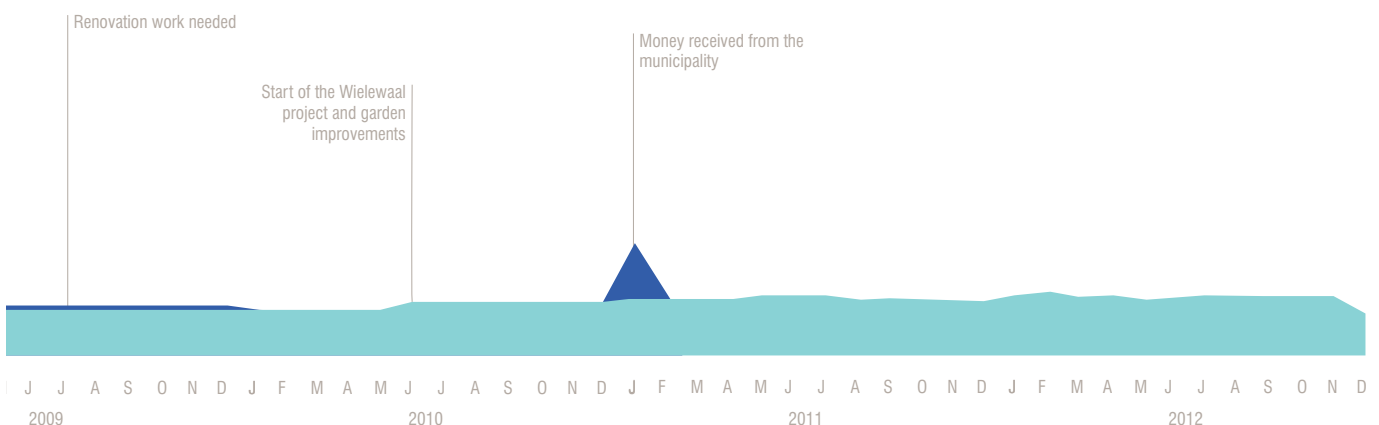
Funding

Initially:
 €100,000 from Woonstad
 €100,000 from municipality fund
 €150,000 interest free loan

Links

www.stichting-nac.nl

We also had to convince all the people who were living in the houses [to join NAC]...I think it was decided that we could go start the project after 80% of people signed the contract with NAC, but in the end, 98% signed it.



Cash in Bank vs. Cash Expenditure



The €350,000 received at the start of the project gradually ran down as the renovations were completed. Expenditure went down when the Wolphaertstraat renovations were complete and increased again with the setting up of the MYA cultural fund.

But at a certain point the renovation went so slow, the construction company couldn't keep up with all the work. So NAC took over more and more work from them. A lot of work was done by NAC members themselves. For example, we had a burnt out house, and 4 houses that were completely demolished, houses that had been used as marijuana plantations. We formed a small group of people and we said, 'Can we do it?' and we did it for reduced payments. We took everything out of the houses. Then Woonstad made a drawing and said, 'this is what we want back inside' [in terms of the technical specifications]. Not the walls - we could say where we wanted the walls and things.

Suddenly it went really fast. I think in four months we rebuilt four houses completely. In the end, I think it took more than 2 years to renovate 45 houses, much longer than we had thought. Some things were not done really well, so the contractors had to come back [and do them again]. They were not really willing to do it, so it took again some more time to finish. This caused also some problems in the neighbourhood. There were some containers in the street for their materials and the neighbours started to complain and started to glue the locks on the containers and that kind of thing.

When did people move in?

Most of the people already lived inside. They did the renovation while the people were living there. There was not so much work inside - there were fixtures and fittings there already, so they just took the hot water boiler out and put a new one in and changed some radiators, checked the gas and electricity system. We'd fix

some doors, fix some windows, but it was just minor work inside. Some of the houses needed more work, but almost all of them were lived in by people already.

Everybody was fine, but after a while it took so long and every day these [work men were coming back] that couldn't do the work well, so then there would be a new one and so the [relationship between the people living there and the contractors doing the renovation] was starting to go badly. [Poor communication about what was happening was what] was irritating people the most. The communication in this kind of things is really important. There should be one person who is always there and always communicates, takes care of [what's happening] between the contractors and people who live there. That's something I learned is very important.

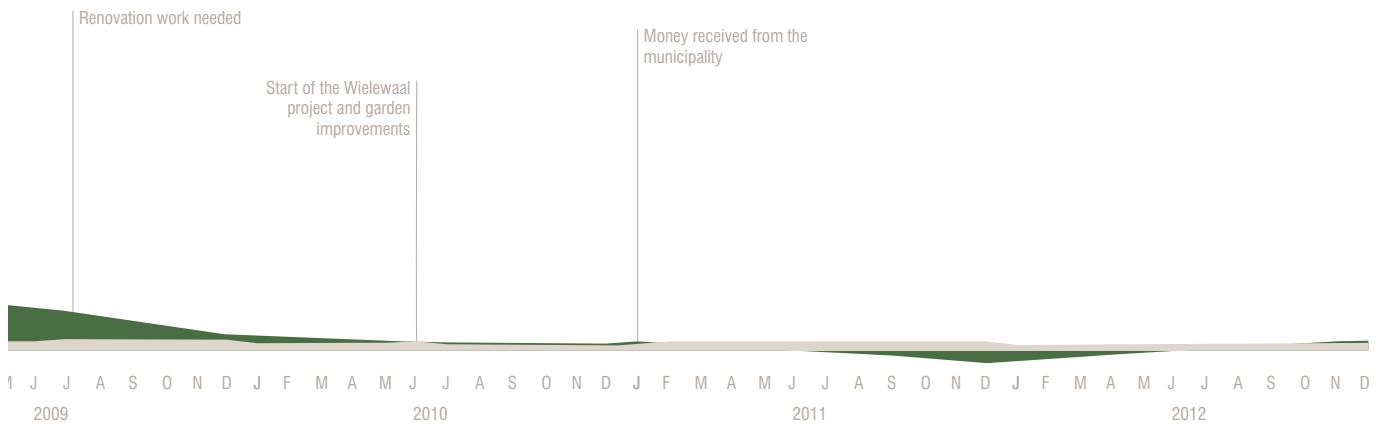
[AK: Did people pay rent from the beginning, from when the contract was signed with Woonstad or did it start once the houses were completely renovated?]

They started paying once the contract was signed because everybody already lived there. I mean it was quite okay, it was only getting better. It was only 100 Euros. And it was only when 80% of the people joined the project (by signing the contract) that the project could go, and the renovations could start.

Relationship with the local community

[AK: How did it work with the neighbours? Was there a lot of trouble with them? Like that they were saying, 'Hey why are you

There's still an image that we are the artists and that we take all the money from the municipality. [People think that] we get all the money, because our projects get in the local papers because we are active, or sometimes we do things in the street and we make ourselves visible.



giving these squatters these houses?’ How did you guys handle that?]

First of all, we never had the intention to reach or to convince the other people in the neighbourhood, street. Well, there was this attitude in the neighbourhood where people don’t say things directly to you, they say them behind your back. It’s a Charlois mentality. If we would have been in Feijenoord they would have come directly to us. I did hear from some people who had lived here a really long time, but the street where we live, a lot of people don’t really live there, they’re there to survive. They don’t care

about anything. There are a few maybe. Some of them came to ask, ‘Okay, what is this?’ Then you explain and then it’s okay, but before it was bad. Then, after a few years we heard that most of the people were just really happy that we formed a big group and created some social cohesion in the street and initiated a lot of projects to make the street better.

We painted the façade. That was the first thing that we did. We painted all the doors in 15 different colours. All the places that looked dirty we cleaned them up. We took away all the rusty materials on the walls and the basement boxes that looked really

Wolphaertstraat under construction, Stichting NAC





One of the MYA funded cultural projects. Stichting NAC

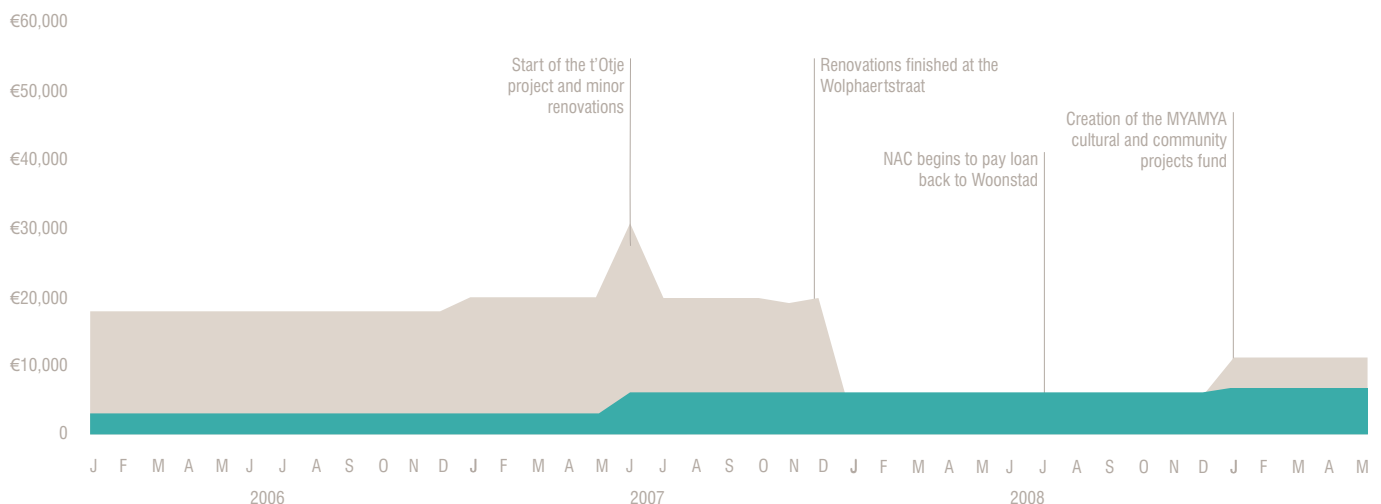
ugly - we just took away all those things and made it neat. Then we created a light plan through the street, as well as a big wooden furniture sculpture with plants. At 300 metres long, this structure covered all the anti parking materials that the municipality had installed there over the last 15 years.

Suddenly the Wolphaertstraat was the most special street in Charlois, that's what people see - they see it has a whole identity.

I think in the end they were really happy. There's this special situation in Wolphaertstraat and there's still an image that we are the artists and that we take all the money from the municipality. [People think that] we get all the money, because our projects get in the local papers because we are active, or sometimes we do things in the street and we make ourselves visible. For the people round here, it's really strange. I think 60% of our neighbours have no any connection with new culture or with art. They don't know

Expenditure was high initially because of the cost of renovations. The amount needed was higher than could be supported by rents, so that the grants and loan were necessary to cover the initial capital costs. It continued to be higher than the rental income from 2009-11. A large part of the difference was covered by NAC having extra cash due to the loan repayments starting later than initially planned.

Cash Expenditure vs. Income from Sales





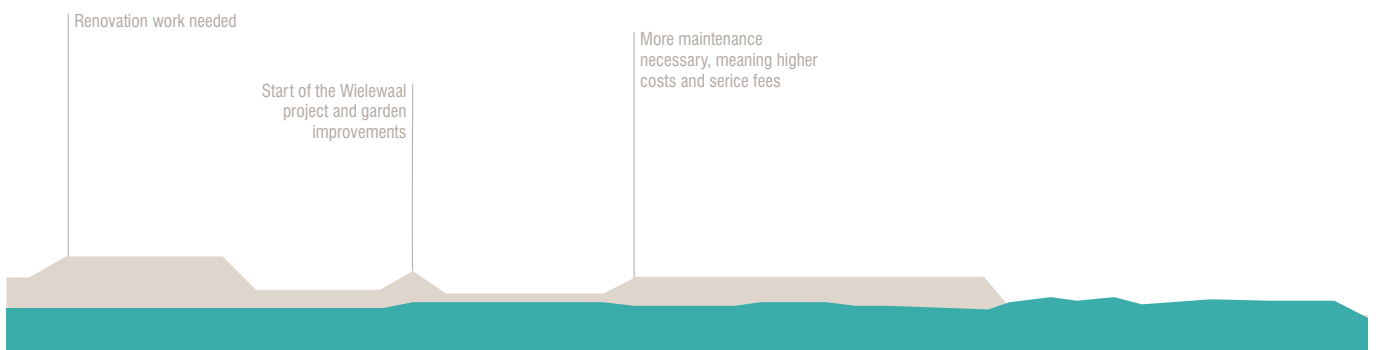
The Oude Tuinen after the demolition of the housing at the end of the block. A garden was planted and a greenhouse/shed called De Kas was built here. Stichting NAC.

it, so everything is new for them. Then I think the first time you see it you can be afraid, it can be scary. If you explain to them, they're okay. I think the general opinion [of what we're doing] is okay now.

The 'Mind Your Area, Move Your Ass' Fund

[AK: When did you start with the MYA fund?]

2009. I think it [the idea] was already there for a long time, to not only be an organisation that just runs studios or that we run an anti-squat organisation [which rents out space cheaply under a 'licence to use' with a short notice period]. We wanted to create extra value and to see what we can do with the small amount of money that we have. What can we do with that? Kamiel was the architect of that from the beginning. He said, 'in five years, there will be no private/100% funding in the cultural sector anymore'



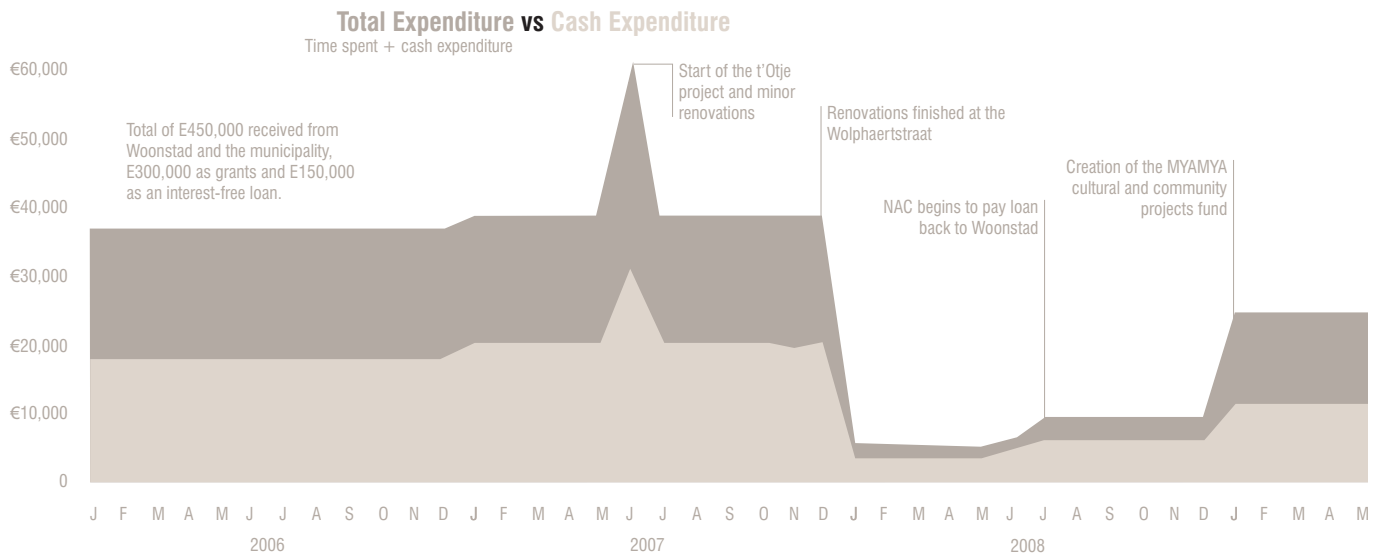
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 2009 2010 2011 2012



The Wielewaal, Stichting NAC.

Every year we have to see what the running costs are and what the income is...Every year we try to reserve €10-15,000 minimum for cultural projects and the MYA fund.

All the working hours at Stichting NAC were paid, at a rate of €10/hr. The 'time spent' shown in this graph is that time calculated at €50/hr. The difference between the total expenditure and cash expenditure is not as great as in other projects because all of the work was paid.



We hired two women, two independent curators, to write the MYA plan and then we just sent out an open call to everybody. We got a huge amount of projects submitted.

and he was right. If you look at how the situation is now, it's totally over. You can't get money anywhere if you don't bring your own money, so we thought, 'okay.'

The first years we had to wait for Woonstad to sort out the loan and to work out what the real costs of the renovation were. It took such a long time to calculate everything. The first year we were not able to do a really clear set of annual accounts and we were investing in facilities, like the project spaces, the guest houses. At a certain point it was clear that that we were starting to have a lot of money because we hadn't started to pay back the loan. We took a part of that money and said, "Okay, we start the MYA fund now."

We hired two women, two independent curators, to write the MYA plan and then we just sent out an open call to everybody. We got a huge amount of projects submitted. I think we said yes to everything in the beginning and it was over around €20,000, €24,000 that we invested in the projects. We learned a lot from that.

With the second open call there were more restrictions, because not everybody was aware [in the beginning] that it was collective money, that it's money from your neighbours or from your colleagues, and how to handle this. So people started to pay themselves, or to say, 'I'll do 10 projects', but only did 3, and got paid to do 10. Not everybody did it on purpose, but in this way the project grew in an organic way, and more restrictions were needed to keep the project open and clear to everybody.

How many projects or events do you do every year?

Every year is different. The first year we did the MYA project call, it was really a lot, I think over 50 at the end. The year after it was not so many because we didn't have so much project money, and there were fewer project applications. We also had a lot of proposals that cost less than 500 euro. These projects don't go through MYA, they don't need an approval from the curators.

These small projects mean mostly energy and it's better to keep it easy and spend the energy on the project and not on the side issues.

MYA also initiates projects through open calls to all the artists, and tries to find co-financiers for these projects.

We also started international programme. We take artists abroad and we do exchanges with a city in Italy and a city in France.

Every year we have to see what the running costs are and what the income is. Energy prices rise and we have 5 houses that we use as guests houses or project spaces so those bills go up and on the other side, [income] goes down. Every year we try to reserve €10-15,000 minimum for cultural projects and the MYA fund.

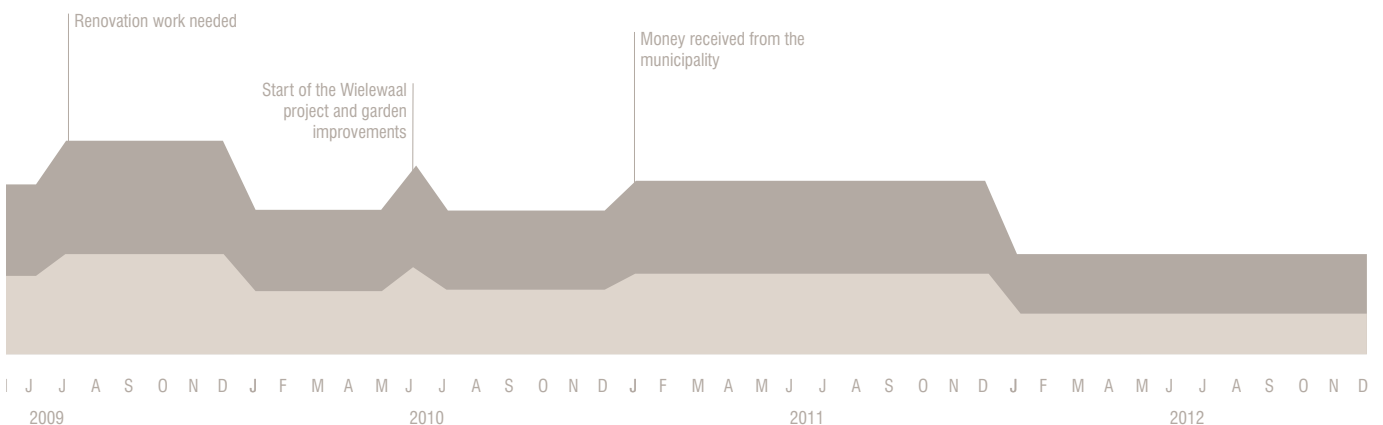
Renovating t'Otje

[AK: Did t'Otje need a lot of renovation work?]

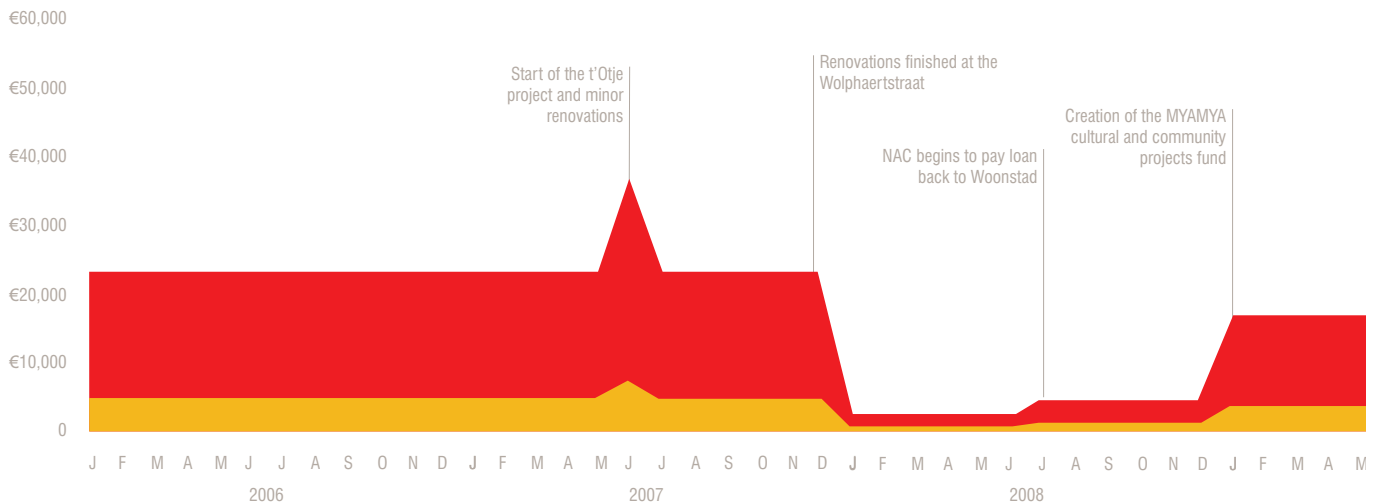
No. Actually it was okay, but then we gave everybody who moved in €300 to do something in the house that needed to be done. Some of the houses were fine, some needed some painting or some fixtures or things. We said to everybody, 'You can submit €300 worth of receipts for materials and add extra value to the house.' Some people used it, some didn't and some people came with receipts for private expenses which had nothing to do with the house. We weren't going to pay those - you can get money back, but it has to be for the upgrade of the house.

The Wielewaal

Here [in the Wielewaal] we did it differently because, let's say, [the way that you present yourself] here is the garden. This is a completely different neighbourhood and there's a very strong community. They're really picky about the gardens. At first when you come, you're a stranger, they don't know you, everybody



Paid time vs. Total time @€10/hr vs. Total time @€50/hr



All of the working hours are paid at NAC, at a rate of €10/hr, a figure which needs to be seen in the context of the low cost of living there.

watches you from behind the curtains. If you're here for two days they come to you and say that you have to fix the garden because the hedge is too high. It's really hardcore. We just decided that everybody could get €300 to do their garden. We bought a bunch of garden equipment that everybody can use and it's kept here at the office. It's a different place with a different approach.

Maintenance

[AK: How much maintenance do you have to do on the houses?]

In the winter time, lots, on the heating, to get the heating started up and running again. I mean they're second hand, they're old. There's quite a lot of maintenance on the heating systems, sometimes there's leakage that will be passed on to the housing association. Actually, last year there was not so much. In 2011 it was around €16,000 and then last year it was €10,000.

If it's a kitchen cupboard door that's not right, then call your neighbour or something. That's part of the deal - we take care of the gas, the electricity and heating, so that it is safe. Some of the things are still with Woonstad because they have these huge contracts with a plumbing service that deals with drainage, for example.

Running the organisation

The organisation started in an organic way because we just started and it grew and there was never a plan. Sometimes you try to plan but then usually it doesn't work.

There are 5 people on the board right now. You have Kamiel, who is the chairman. He's the main contact person for Vestia and the municipality. Together with me (Jaap), we run all the daily business of the foundation and spend a lot of time on the general policy and the external communication.

Then we have Tineke. Tineke is a professional who worked a lot in the social housing field. She controls the board. She controls the young guys I'd say. She knows the most [about how things work] with housing associations, and financially. She's only there during the board meetings and if there's a crisis and she writes the official letters. She'll make a draft of our official letters and then we adjust them.

Then we have Floris and Gerard, they're also board members, but they are more in the background. Their role is sometimes bigger and sometimes smaller. Gerard is somebody who worked for more than 50 years in the field of foundations and organisations in south Rotterdam. Gerard is running several classes of Dutch lessons with foreign artists who are part of NAC and for people in the neighbourhood. Floris is an architect and urbanist and uses these skills where needed, he also lives in the project.

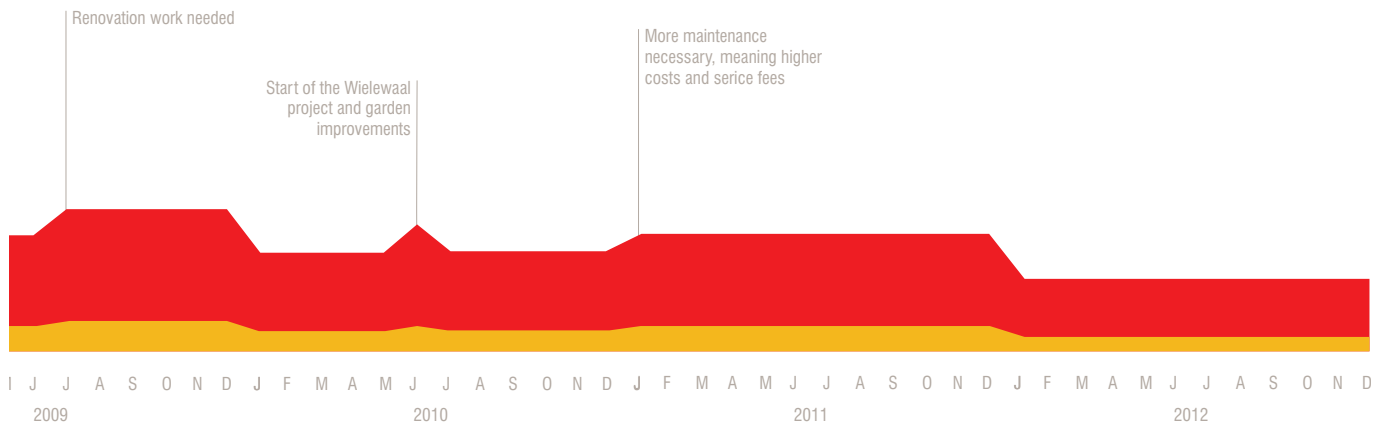
They both have very good social skills and they use these when there are internal conflict with NAC members.

We have a bookkeeper, Arielle, but she's not a board member because she's quite new. She works remotely doing all the bookkeeping, supported by Tineke. Arielle makes the overviews, the lists and everything.

Then we have Gwen, she's our secretary. She does all the administration, all the emails that come in, all the questions for the guest houses. She filters everything and if it's necessary, she sends the mail on to us. She does all the bills for Eneco [the gas and electricity company], all the invoices, everything that comes in and she arranges contract papers. She does it one morning every two weeks from 10 to 2.

She has to check mail like every day because sometimes there's really urgent mails. It means that we're always up to date if there is something that needs to be done, if there's a complaint from a

We gave everybody who moved in €300 to do something in the house that needed to be done. Some of the houses were fine, some needed some painting or some fixtures or things.



neighbour or something.

[How much does everyone work?]

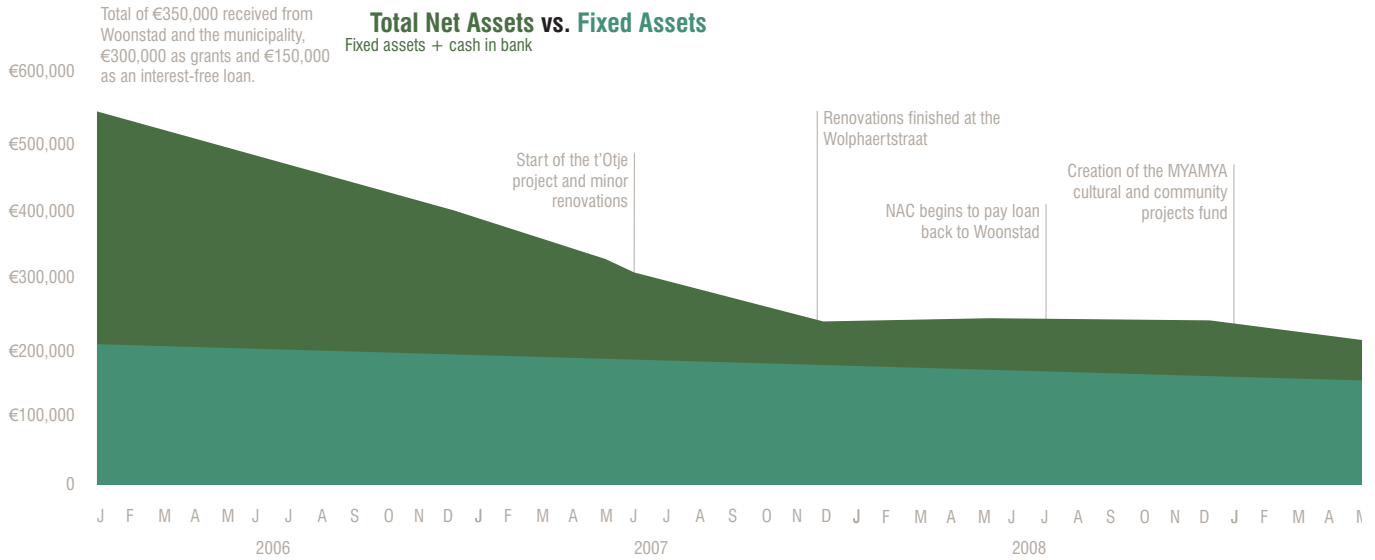
And we have Pauline she is our MYA curator. She handles the applications and all the cultural projects.

Sometimes it's really quiet for weeks and there's nothing to do, but I think I average 20 hours a week, for Kamiel and me, it's something like that. Gwen works 15-6 hours a week. The others just comes to board meetings - that's only once in 2 months - and sometimes writing emails. Lately, Tineke is working much more for NAC.

Then I mostly do the contacts for Wolphaertstraat and Woonstad. I organise the technical things with the houses, plumbers and electricians. I deal with those technical problems because I did it already from the beginning. I know the people and I also hired the companies. They are all local companies from the neighbourhood.

The greenhouse 'De Kas' at the Otje. Stichting NAC



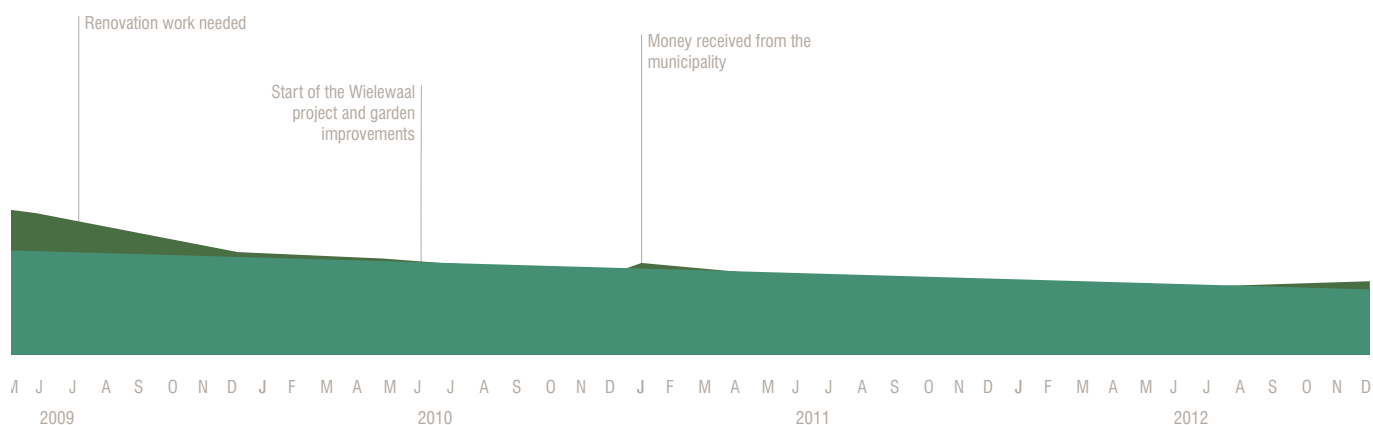


The fixed assets in this graph are the houses that NAC manages. The cash in the bank drops really low towards the end of the study period, as project income and expenditure just about balance.

We painted all the doors in 15 different colours. All the places that looked dirty we cleaned them up...Then we created a light plan through the street, as well as a big wooden furniture sculpture with plants.

The project space W LF_rt in use for an exhibition.. Stichting NAC.





At 300 metres long, this structure covered all the anti parking materials that the municipality had installed there over the last 15 years. Suddenly the Wolphaertstraat was the most special street in Charlois.

NDSM WHARF | AMSTERDAM NL



The kunststad [art city] inside the main hangar at NDSM. Photo: passer by

Introduction

In 1999 the sub-municipality Amsterdam Noord ran a competition to find a temporary use for the eastern part of the NDSM wharf. The wharf, some 84,000m², had come vacant in 1984 when the previous tenant, the Nederlands Scheepsbouw en Droogdok Maatschappij (the Dutch Shipbuilding and Dry dock Association) went bankrupt and had remained unused since then, with the exception of the occasional flea market.

The foundation Kinetisch Noord (Kinetic North), founded by Eva de Klerk, won the competition in 2000. Their vision was for the bottom-up development of the area, with a focus on providing space for a cultural sector that was finding it increasingly difficult to secure affordable space in Amsterdam. The NDSM would then offer space for events, such as concerts, theatre performances and festivals, self-build studios and workshops in the main hangar, a skatepark, cafes and restaurants.

Kinetisch Noord's model was based on the provision of space within an empty building, in which tenants would then invest their own time and money to build their workspaces. They would pay rent for the space which they occupied in the building, but security of tenure would allow them to safely invest in building their studios too. These investments would then depreciate over the following ten years.

In many ways the project has been incredibly successful. It grew to become the largest cultural incubator in Europe, it became a significant cultural destination in Amsterdam and the Dutch government ministries for spatial planning, environment and economic affairs held it up as an example of how regeneration might be done more widely in the Netherlands. Those who built this project have been rightly lauded for their impressive achievements. If this project is to serve as an exemplar however, it is necessary to take a closer look at how the organisation was set up and run and how this project was financed.

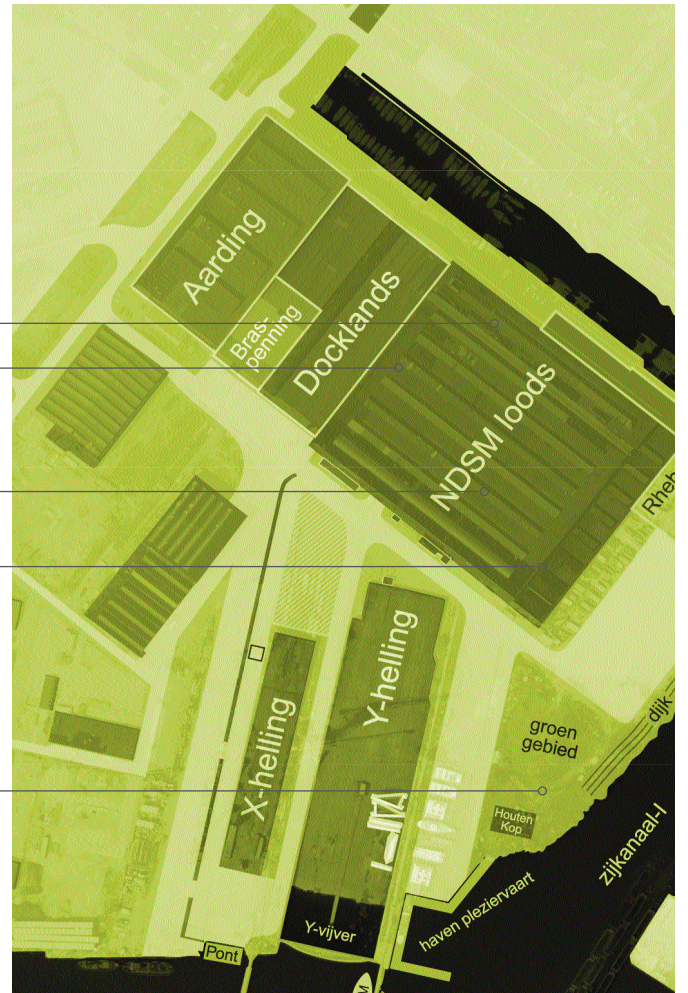
At the beginning I didn't know if it was going to fill it up. It was a very experimental approach, asking people to put their own money into a project which they don't own, where they just rent.

North wing
Skate park

Kunst stad [art city]

East wing

Noorderlicht



Plan of the NDSM wharf, Stichting Kinetisch Noord

Exterior view of the main hangar. Photo: Ronald Tilleman





Aerial photograph of the NDSM wharf, Stichting Kinetisch Noord

Project Overview

Project type

Workspaces for the creative sector, event spaces, restaurant, skatepark

Location

Neveritaweg 15, 1033 WB, Amsterdam, NL

Direct stakeholders

Government body: Amsterdam municipality
 Tenant: Stichting Kinetisch Noord
 Property owner: sub-municipality Amsterdam-Noord

Project length

10 year lease, commenced Oct 2007

Property size

84,000m² (internal and external)

Funding

€6,800,000 Bureau Broedplaatsen
 €1,140,000 Amsterdam municipality
 €1,250,000 Ministry of spatial planning
 €5,700,000 (loan) sub-municipality Amsterdam Noord
 €4,000,000 invested by tenants

Website

www.evadeklerk.com
www.ndsm.nl

Eva De Klerk

Project initiator, NDSM Wharf

We entered the competition in 1999 and we made a feasibility plan in 2000. The conclusion was that it wasn't feasible [to develop something in the building that would last only] five years. We managed to negotiate a lease for 10 years and using the feasibility plan we managed to organise some subsidies.

What did we win? We won a ruin with a backlog of maintenance worth €8,000,000. There was polluted ground, there was no roof, there were no toilets. We couldn't use it. It was dangerous. The authorities did not want to put any money into the building because they wanted to demolish it. It was quite strange [that they]

arranged a competition for temporary use, offering a ruin in which you could organise nothing and where even to only build basic stuff – to fix the walls and roof and put the infrastructure in, that would cost at least €15,000,000. What were they thinking with temporary use, even for a commercial party, for five years? That five years would end before you got your first building permission.

The state of the building

[AK: Was the structure safe?]

No. Well, the the iron structure was, but it was polluted. It was very dirty and the roof was falling apart. There were big holes.

What did we win? We won a ruin with a backlog of maintenance worth €8,000,000. There was polluted ground, there was no roof, there were no toilets. We couldn't use it. It was dangerous. The authorities did not want to put any money into the building because they wanted to demolish it.

When we came in and we had the feasibility plan, [and could show that the original competition term of five years] wasn't feasible, we managed to negotiate a lease period of at least 10 years. Later on it became 25 years.

The cladding on the walls was not safe everywhere, so that had to be replaced. There was no sewage. There was only one toilet upstairs over in the corner and one toilet which went directly into the river, which is not allowed. So there had to be a new sewage pipe from the main road to here. The electricity was old. The cost of the maintenance backlog was millions.

From temporary use to listed building

[AK: How did the plans for the building change over time?]

The original plan was to demolish it and build skyscrapers here, a really dense [development, of around] 150,000m2, which has now been brought back to 40,000/50,000m2. But when we came in and we had the feasibility plan, [and could show that the original competition term of five years] wasn't feasible, we managed to negotiate a lease period of at least 10 years. Later on it became 25 years.

There were also some activists or politicians in the neighbourhoods behind [the NDSM wharf]. All the factory workers live in those neighbourhoods and some of them were asking that [the building] become a monument. We had always seen [the building] as a monument so we never had problems with the monument department [at the city planning office] to build the [art]city, because we kept the structure as it was and didn't want to touch it. I think in 2002, [the building] got listed status, so demolishing

it was no longer allowed.

Initial investment

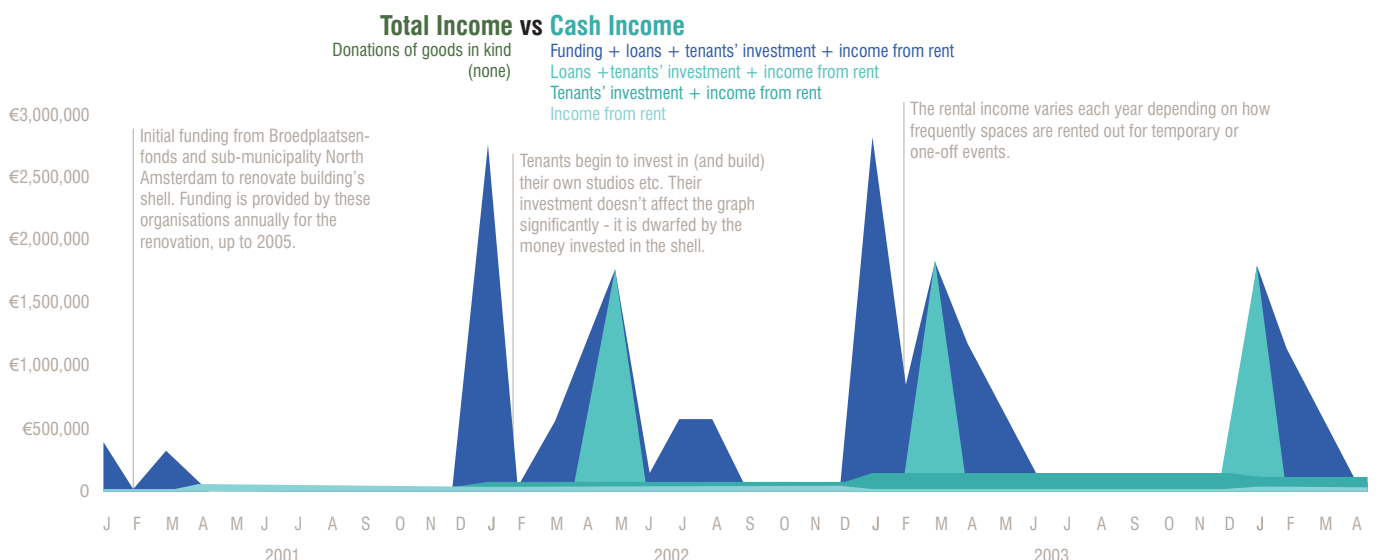
Our initial idea was to build 28,000m2 of workspace in order to get enough rent to invest in the building, but the maintenance backlog was a problem. Just to clean the ground, get a new roof, put in the infrastructure and carry out the fire safety measures, all that together cost €15,000,000.

Investments

We invested our own money and all together what we put in would be about €15 million, if it was fully developed. €15 million, plus a €5 million loan, and the interest on the loan is paid by our rent. So it's €20 million we pay and €10 million subsidy. The subsidy is for the owner, actually, not for us, it went to the building. The government are always complaining 'these artists got so much subsidy'. No, your building got a lot of subsidy. It's yours, not ours. We never benefited from the subsidy, the subsidy all went to the building. The owner is the government.

[In terms of the rental costs] the neighbour who was a shipbuilder paid €4/m2 per year, so we offered to pay €11/m2 per year because there would be some costs for [the owner]. We said, 'if we can rent it for €11/m2, I will arrange the money to fix the warehouse.' So then I applied for funding from several organisations: the national government and the Broedplaats (Incubator) funds [a local government organisation which supports affordable workspace for the creative industries] in Amsterdam and for the Skate Park,

Large grants and loans (the big spikes in the graph) spread over the period 2001-2005 were needed to renovate the shell of the building, which was uninhabitable when the competition was won. Rental income was much steadier, and came to approximately €300,000 a year, by the end of the study period. There brief increases in income for the organisation as tenants invested in and built their own studios.





The main hangar at the NDSM wharf. Photo: Anne Helmond

the youth department in the City of Amsterdam.

Getting paid for the work on NDSM

I set up the foundation [Kinetisch Noord] together with a colleague. We were the first board members because we were the initiators, but it's quite difficult to be a board member and do all the work. We decided to leave the board and go and work for the foundation, as managers, or coordinators, as we called ourselves. It's meant

to be a flat organisation.

You need to get paid to do it. I went to the social welfare department, because I had to work. I asked them if I could be on social welfare to execute this project and they agreed. That was extraordinary because they never do that, you have to apply for jobs. I said I want to create my own work, I want to do this project in the North of Amsterdam and I asked them to [support me] if I could promise to set up an organisation, give them a promise that

Rents are higher for the finished studio spaces, so the organisation's rental income goes up as the studios are built.



The Noorderlicht restaurant at the NDSM wharf. Photo from evadeklerk.com

I would eventually pay myself.

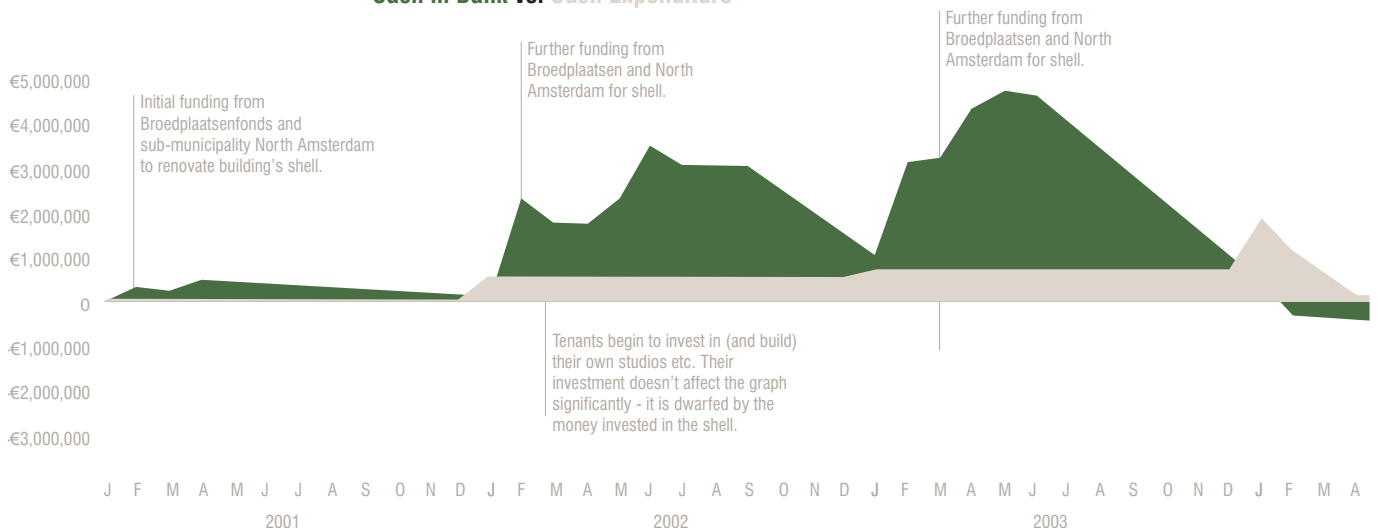
That was quite extraordinary. It was quite bureaucratic to get through, but I was so convinced. I could explain well why it was important and why they should support me. That was great. So they were the biggest subsidy partner, in a way!

I worked for free on this project until June 2001 and then I managed to get a salary out of it. But I first gave everybody else

a salary and myself last. Then I got a coach. He was the director of the concertgebouw [concert building] and he said 'now, you're not going to be taken seriously if you put yourself the lowest on the payment list, you have to go up a little bit'. Then I had a normal

Initially, the bulk of Kinetisch Noord's turnover was in the form of grants and a loan to be invested in the building shell. Over time, with many of the studios unbuilt and without the income that they would have provided, the organisation slowly fell into debt.

Cash in Bank vs. Cash Expenditure



First we built the framework [a steel structure with the concrete slabs] and that was ready in July 2007. Then we could all move in and start building our own office space within the framework. Everything else is our own money, our own labour. The electricity, the plumbing, that's our own [individual] investment. The collective investment is only the framework.

salary, until 2007/2008. And then I stopped.

The number of people in the organisation

I really wanted to have a very small, lean and mean efficient organisation. We started with two, and at the peak it was 19 and now it's down to 2 again. [At one point] it was so many people and it's such a waste of time and energy to have a lot of inexperienced people.

You actually only need a good housekeeper and someone for the rent administration. And now we have an office that does all the rent administration, it's outsourced, and then we have a housekeeper and a managing director.

The arrangement of the building

[The east wing is] the long eastern part of the warehouse, the lower part. The [central part, where the kunststad is] is 19m high, the north wing is 25m and the east wing is 8m. So it has areas of different height. I've divided the project, into five segments: the skate park; the free zone; the kunststad; the east wing; and the north wing. This is five building projects and the sixth one was the infrastructure: the roof, the electricity, the sewerage. And outside we have the restaurant, the Noorderlicht, which makes seven; and the two slipways, eight and nine and the tenth, that was Dazzle-

ville, a temporary village we built on the outdoor part of the site.

[AK: Are the Noorderlicht and the Skate Park their own self contained projects?]

Yes, [the skatepark] rent 2000m2 and [Noorderlicht] 350 or 500m2. I'm not sure exactly what the measurements are. I helped [the project initiator at Noorderlicht] with getting the money together and with good construction management. But it was up to her to do the rest.

Collectively designing the space

I just moved in when it was still a ruin, which was not really allowed.

It was important that the people should design [the building layout] together, so we started workshops: first we started with the east wing; then the skate park. The east wing was finished in 2004, the skate park in 2005, so they could move up out from the floor and then some of them moved to the temporary village, Dazzleville, outside. Then we started to build this here [the kunststad]. First we built the framework [a steel structure with the concrete slabs] and that was ready in July 2007. Then we could all move in and start building our own office space within the framework

Everything else is our own money, our own labour. The electricity, the plumbing, that's our own [individual] investment. The collective

Expenditure (rent, wages, running costs) can't be met by the organisation's income from renting spaces and studios out.



When we came in and it was a ruin we all paid very little rent, just a small amount of money to start the organisation. The idea was that when it was finished, of course, the rent would go up, €35/m2, rather than €25/m2.

investment is only the framework.

We had the building workshop, with an architect and an urban planner and someone from the city and our coordinators, in which we designed this. If you go up on the roof, you can see paths, like the plan of the city, inspired by the Manhattan block grid. The youth organised themselves [in one area] and the more heavy craft, steel factory, ceramic oven said, 'we want the entrance here close to the outdoors so we can have big doors' and the site specific groups and special effects, they also wanted to have outdoor space. As part of the warehouse was high, [we thought] maybe we could build a tower here, but this has never been built.

That's what we did ourselves. And then we asked an architect to transform our design into a building permit application and he added some nice details on the steel frame with all the bolts and stuff like that. It was Peter Brendt, an Utrecht architect. We had another architect for the skate park, who started, I think, in 2003 and it was ready in, I think, February 2005.

We started with the whole infrastructure. We did the east wing first because some people had moved in here. Before we started building we put all our stuff, containers and tents, in the east wing.

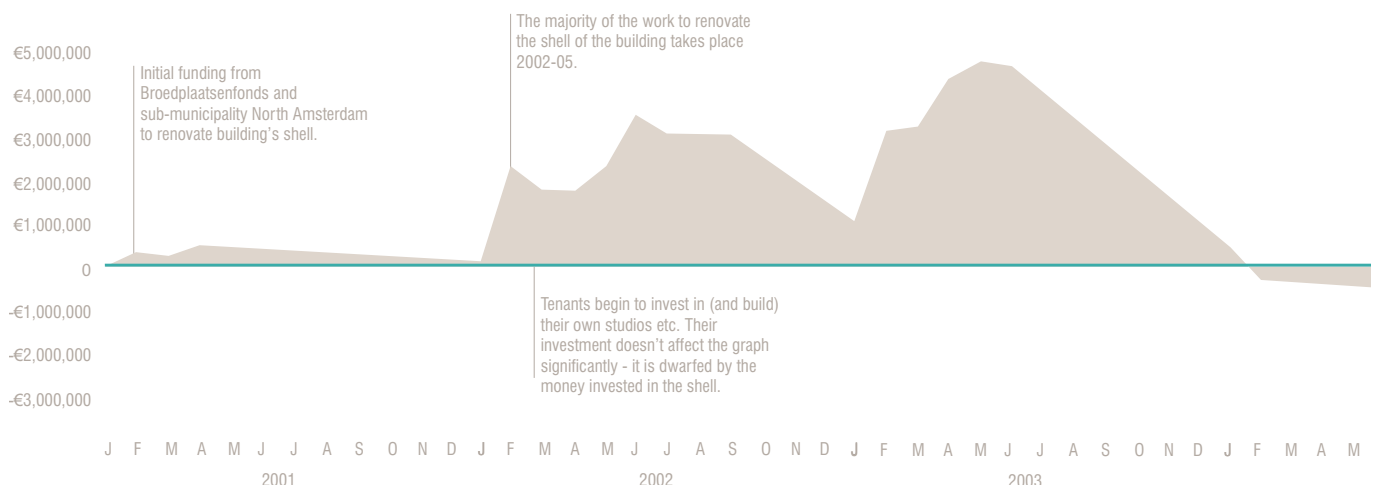
The costs for building the studios

The costs were around €250 per m2 for the concrete frame and I think it's 8,000m2.

We calculated that [building the workspaces] would also be about €250/m2 because it's just basic stuff to give 30 minutes of fire proofing. If you go to an ordinary shop, no fancy stuff, but you buy doors, maybe a window, plasterboard, that would be estimated at €250. So that's the amount you can get back if you leave, written

The income from rent rose between 2001 and 2007 as studios were finished and could be let for a higher amount, but with many left unbuilt, it wasn't enough to cover the organisation's overheads, so that it fell into debt. The heavy expenditure at the beginning reflects investment in the renovation of the building.

Cash Expenditure vs. Income from Sales



off in 10 years. It was up to everybody how much they wanted to invest in their own space, but they could get €250 back.

Rent rises on completion of construction

[When people moved in] they immediately paid rent for nothing. When we came in and it was a ruin we all paid very little rent, just a small amount of money to start the organisation. The idea was that when it was finished, of course, the rent would go up, €35/m2, rather than €25/m2.

Everybody had started in July 2007, at least in the kunststad [art city]. In the east wing they were earlier. You had six months to finish off your work space, because the plan was to get gebruiksvergunning [the permit to occupy the building]. They have to check if you've built according to the building regulations. Some people still haven't built their studios. Others are building now, but it's taken them 6 years. [The building work] has not even been approved yet, we still don't have it.

[The people who didn't build] have been paying €25/m2 here for years. So that also didn't balance with our business plan, because if they don't build, we don't get the income.

Management of the organisation

We had a business plan, but the managing director that we asked to execute it, didn't stick to it. He should have asked them to pay the full rent right from the start, as we did. He didn't do that. At first you think, 'okay let him do it, he has to find out his own way, he'll probably fix it', but he didn't fix it so we arrived at €2,000,000



One of the ateliers at NDSM. Photo: Jeroen Mirck

Some people still haven't built their studios. Others are building now, but it's taken them 6 years..[The people who didn't build] have been paying 25 here for years. So that also didn't balance with our business plan, because if they don't build, we don't get the income.

Expenditure (rent, wages, running costs) can't be met by the organisation's income from renting spaces and studios out.



Artworks and graffiti at the NDSM wharf. Photo Wieland van Dijk

of debt.

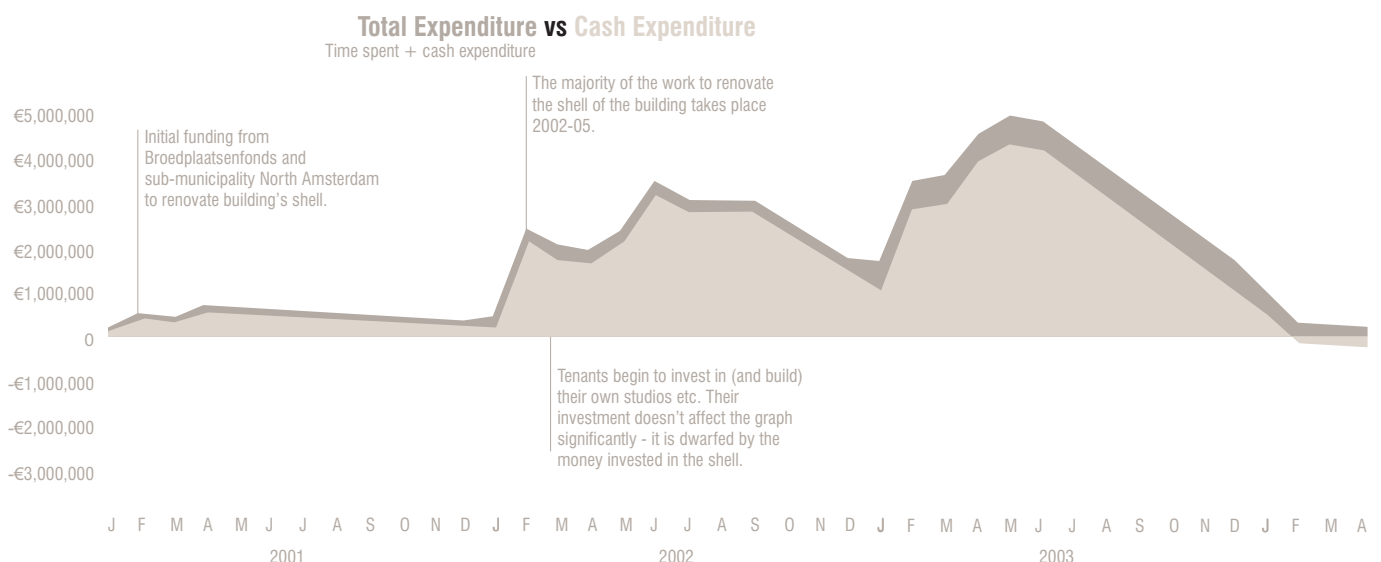
[AK: According to the original plan, there should have been another 9,000m² built, but it was never constructed?]

It wasn't built. In 2007, when the kunststad opened, we found out that the managing director was selling the warehouse to a developer. And we [the group who had built and were working in the space] were divided, because some people were not paying.

There were a lot of people who were seen as free riders. We had a disagreement because there should have been all these holes in the floors for stairways, but [the managing director] let people build without keeping space open for the stairways to develop the third floor.

We had originally said, 'you're not allowed to have more than 100m²', but he allowed people to have 200m² and rent out office space. So they were speculating with the place, building

The NDSM was, and is, an expensive project, requiring a huge amount of capital to work, although a significant amount of time did also need to be invested.



When I got €10 million for the building, my initial idea was that if there were 5 building projects - each would have €2 million. People would first have to organise themselves and account for the 2 million and then they have to do it themselves, because then they would own their building projects. But people didn't come to the building meetings.

big places. [People were being treated differently], so it became divided.

Bottom up collective or top down organisation

When I got €10 million for the building, my initial idea was that if there were 5 building projects - each would have €2 million. People would first have to organise themselves and account for the € 2 million and then they have to do it themselves, because then they would own their building projects. But people didn't come to the building meetings. How can I decide for you if you don't show up? It was the same with the skate park. They tend to have this, sort of consumerist attitude, like, 'you take care of it'. And I'm like, 'no I can't, it's your project!'

I couldn't get the board behind me to organise it in a way that I thought would really work. The group is too big to organise it as one. So you have to have five buildings within one building, otherwise you have no effective decision making. And that's also why it's not working - the board said, 'no, we'll just be one big Kinetisch Noord and you direct it,' and I said, 'it's not about me being the managing director of a project, it's about our organising and getting a critical mass together to do a good bottom up project.'

People were complaining, 'I don't want to organise myself, you do it' and I was like, 'okay then you're not going to be part of the project'. And then the board said, 'oh, why are they not allowed to be part of the project?', 'because he doesn't want to organise

himself' and they said 'he doesn't have to organise, we are organising.'

So now, [when there is a threat to the building and they need to defend it] people suddenly realise that they should get organised.

You start off with colleagues, friends, theatre makers. We are all professional artists and we work together and we were kicked out of our buildings. I decided to come here and everybody wanted to be a part of it. So it's strange to set up [a top down organisation.] I'm not going to be a strong managing director but I'm a very good at making business plans, I can write things, I can talk.

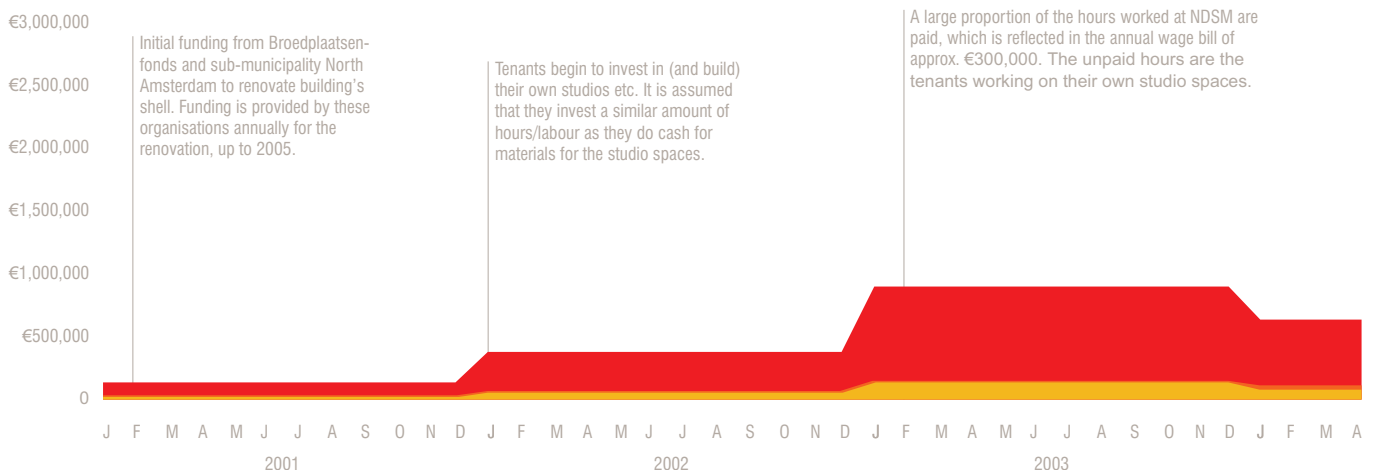
Developing an organisation in an uncertain situation

I still believe in this concept of five buildings. The interesting thing about bottom up projects is that you work with people and it can fail miserably and it can be a huge success. You don't know. And of course, I think I should have got more support from my board and [people should have been] organised before they came in and adopted one of the building projects. If you don't want to be part of the organisation, there's no place for you here.

At the beginning I didn't know if it was going to fill it up. It was a very experimental approach, asking people to put their own money into a project which they don't own, where they just rent. So it's quite strange that they did that. And now I could say, 'you don't want to be part of it? Well for you I have 10 others,' but at that time I didn't know. So it was quite difficult. I would've appreciated

Expenditure (rent, wages, running costs) can't be met by the organisation's income from renting spaces and studios out.

Paid time vs. Total time @€10/hr vs. Total time @€50/hr



The majority of time invested in the project was paid, with the main exception being the tenants' own time to build their studios and workspaces.

having more support from the board, but I think at that time I didn't have the skills. Now I would be much more self-assured.

The project also became so successful that there was suddenly a lot of pressure. My philosophy was always to keep a very low profile with no marketing. But there was a lot of attention.

People need to learn for themselves

On the other hand, I do believe that people, have to invent their own ways, reinvent the wheel on these sorts of [bottom-up] projects, because otherwise [the process] is not fully supported. So now they are getting sort of organised, but now it's out of their own interest. Now they believe that they're much better off if they're organised. If I force the organisation on them, they're like, 'it's not our responsibility, you said we had to get organised so we're organised'.

So it's up to them. My experience is from the bottom up field and some of the places I've worked have been extremely successful and others have failed miserably. And this, to an extent, is obviously successful and the idea of co-financing and investment [have been successful too] but it's only been half executed. It didn't get the chance.

That's not only the board's mistake, it's also ours - that we didn't get organised together. People said, 'let her take care of it or let them take care of it, why should I? It's okay'. And when it suddenly got sold to a developer, then they were all like, 'ah, we have to be one, we have to get organised.' But they organised as one group, and then there's 250 people getting organised. How are you going to make a decision like that? Normally there's 50 people or maybe

25 people going to a meeting [and that can be effective]. Now, [the building] is not being sold, so now there's no sense of urgency and [the organising] falls back.

Developing the rest of the area

[AK: What's the situation with the building and with the wider area now? MTV has come in to the area, and other people...]

MTV is in the area. I was asked by the city government to write a proposal for MTV because they wanted to have them in Amsterdam. I wrote a proposal for MTV, just for fun, for the north wing, but they decided not to go in our building, but to go next door. The developer who did the building for MTV got money from the government to develop it. And they sold the building after they developed it to another person who is going to rent it out to Viacom, which MTV is part of. The whole area has been sold to one developer, apart from this building.

Small organisations can move fast

[The developer] wants to ask €280/m², so it's cheaper to sit on one of the canals [in the centre of Amsterdam], to rent an office space there. They want to earn as much money as they can.

Some buildings are not being developed because of the crisis. They started at the same time as us, maybe one or two years later, when we were already finished. And they still haven't managed to do their buildings. So how fast and professional are they? And obviously our thing is that we can organise the small capital and they have to organise big money from the banks. This is the

I do believe that people, have to invent their own ways, reinvent the wheel on these sorts of [bottom-up] projects, because otherwise [the process] is not fully supported.

Once the studios have been built the number of hours worked falls back to that needed to keep the organisation running, mostly management and admin rather than construction.



problem at the moment.

Post 2016 and selling the warehouse

Kinetisch Noord has a lease of 25 years. We have a lease of 5 + 5 years, [which runs until 2016]. So we can get kicked out. [In the beginning] we thought about the contracts and we decided to do 5 + 5 because if someone really does something bad we can always kick him out. But we never thought that we were going to

lose grip on our own foundation.

[AK: What can happen after 2016? I know that Bureau Broedplaatsen put a lot conditions on the places they give subsidies to, such as keeping rent affordable.]

When they were selling it to a developer none of the Broedplaatsen (arts incubator) conditions were put in the contract. When we had the operational plan [the plan for ten years] this was the document referred to in all the conditions placed on the subsidies. But when they came to try to sell the building they said 'oh, it was an operational plan, no, it has no legal basis.' So you need a much

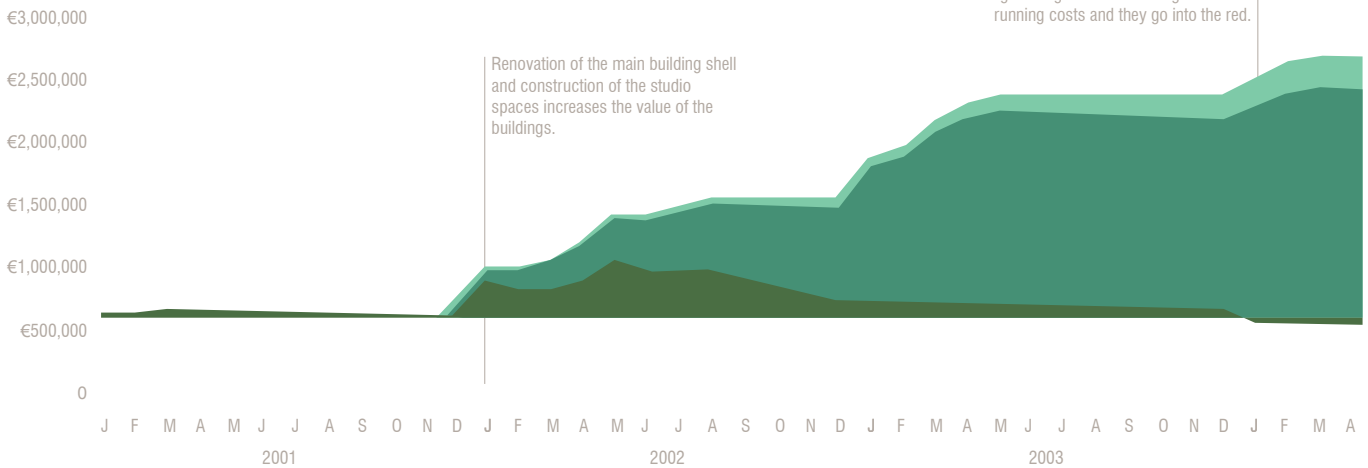
The elevated skatepark in the main hangar at NDSM. Photo: Gerben van Heijningen



Liquid Assets vs. Fixed Assets

Shell of building + tenants' investment in studios
Shell of building

The rental income from the studios and temporary hire of other spaces is not high enough to cover the organisations' running costs and they go into the red.



Over the course of the seven years, the organisation went into debt. The shell of the building represents the biggest asset in the project and is owned by sub-municipality Amsterdam Noord. The tenants' investments in their own space is comparatively smaller, but still represents a huge investment, of some €4 million.

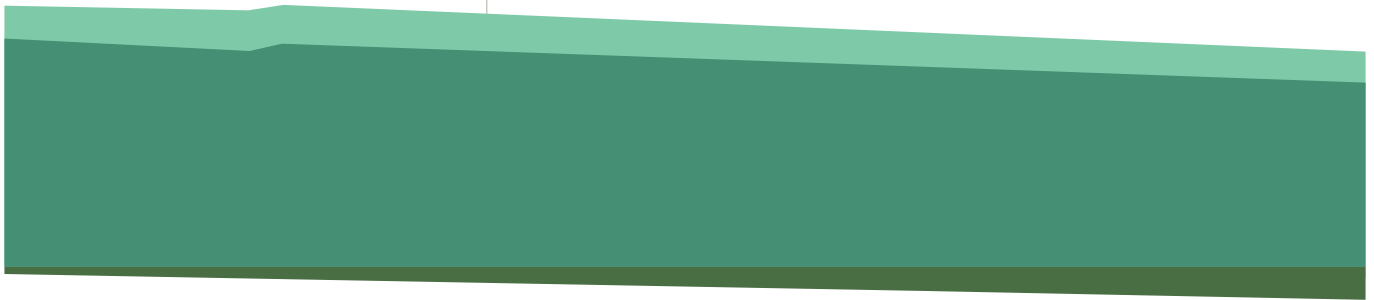
stronger legal contract in the beginning to prevent these things from happening.

The skate park has conditions because it was subsidised. The kunststad [was also subsidised] so they did put some Broedplaatsen conditions into the contract, but there were no conditions about the youth cluster. We have great parties from Weesp [a town near Amsterdam] and from other places who are offering to build and invest. And the climbing wall want to come in and invest.

Now, Kinetisch Noord is keeping everybody out. They still believe they are going to sell to a developer. They are sitting on it until the price goes up. The festival in the NSM, they have a contract for 10 years. They still have a beautiful empty building with a good work with the tenants to build on and make nice, cheap, clean and good in the area. They still have to fix two walls so they still have to invest something like €7 million. So that will be the price that they are asking for.



Tenants' investments depreciate faster than the investment in the main shell of the building - the depreciate over 10 years, as opposed to 25 for the main building.



M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O I
2004 2005 2006 2007

The subsidy is for the owner, actually, not for us, it went to the building. The government are always complaining ' these artists got so much subsidy'. No, your building got a lot of subsidy. It's yours, not ours. We never benefited from the subsidy, the subsidy all went to the building. The owner is the government.

MARKETING FOR CREATIVE INDUSTRIES



The Binckhorst - an industrial area with high rates of vacancy in Den Haag. Gerard Stolk

Peter Scholten

Expert on Social Return on Investment

Almost all non-profit sectors face the same problem, whether it's temporary art or whatever. It is about marketing, and marketing basically is two parts: it's market research and it's selling.

It all starts with your own value proposition and the problem with non-profits is that they don't have a value proposition, not a clear one. You can say the street becomes more lively or it's more fun or there's more social cohesion, but nobody knows what that is. It doesn't appeal to somebody's needs and you only sell something to people if they have a need. If there's no need, people don't buy.

The word 'selling' is pretty hard for non-profit or creative people to accept because they think selling is about business and for profit. Selling is just asking someone else to deliver something in return for what you do. You want someone else to pay money or to invest time or to do something in return for what you are offering. They

only do that if there's something in it for them. I try to tell everyone that they have to be very clear about their value proposition. What exactly is it that you deliver to your customer?

It sounds like marketing talk. You can translate the words into something that is maybe nicer to hear, but basically, it's the same thing. If you go to a street and there's a couple of households and there's an empty building. You say, 'okay, I'm going to do something in that building.' Why would I care? You say, 'well, because I can bring all kind of nice things to the street.' Do [the people already living there] have a problem? Do they lack nice things in the street? Do they lack social cohesion? Do they have problems that they think, well, you're solving some of my problems?

There's a lot of cuts in subsidies. Nevertheless, there is enough money in the world. They may be in the social sector, but if you do something for the livelihood of a neighbourhood, then that's

The word 'selling' is pretty hard for non-profit or creative people to accept because they think selling is about business and for profit. Selling is just asking someone else to deliver something in return for what you do.

something social or welfare, so you don't have to rely only on creative budgets, you can also focus on the other budgets.

In all cases, you have to have this statement of what problem are you solving? I come across hardly any organisation that is really capable of articulating that, being very specific about what it is and what the result is. I'm willing to pay for some activity in my street if it delivers value to me. It can be something like reducing crime or whatever, but it also can bring more fun. You have to make sure that if you bring more fun to my street that I need it.

Stakeholders in vacant areas

When it's about [areas with a lot of] empty spaces, very often not many people live in those areas, like the Binckhorst [an industrial area near to the centre of Den Haag]. That's not a neighbourhood that's really feeling the problem. Maybe some businesses that are in the area notice, but they do not really care. [They think] it's nice when there are some people in the buildings, but it's not really an urgent issue. There's no neighbourhood that's really affected. The question is who are the stakeholders that really benefit from the presence of artists or creative people in that area? If you cannot articulate that, there will be no money.

[AK: One project that I looked at is a project called the Leeszaal in Rotterdam and it's a community library. They set up in a space that's owned by one of the housing associations, which is a commercial space, but is in a slightly awkward place and it's oversized, so it's also difficult to rent out. They moved in and there's been a lot of discussion within the housing corporation because the social and housing side of the organisation really like it and the commercial side don't because the commercial side needs to make a profit.

At the same time, the housing association are bringing a lot of people to this community library to say, 'look at all the great things that we're doing.' It's doing great in terms of their image and their marketing, but it's not doing enough to actually save the library in terms of getting the housing association to give them that longer-term contract.]

Yes, I can imagine, because it's nice to have, but it's not really aiming at something which is really urgent for them. People only pay or only do something if they have an urgent issue. If they have, for example, an image problem, then [that sort of project can help] to improve their image and then they are more willing to support you.

On a commercial basis, these are small-scale projects for them. For us it's maybe big money, but for them, it's small scale. They work with billions of euros and so they're not really that interested in making money from your project. For them, it's more of a burden.

[AK: Yes, because the management is such an issue and its such a hassle for them.]

In all cases, you have to have this statement of what problem are you solving? I come across hardly any organization that is really capable of articulating that, being very specific about what it is and what the result is.

Yes, so if they don't have any pain ... maybe it's a strange way of saying it, but if they don't have a problem, if they don't feel pain or an urge somewhere, they will not move. I think the problem with a lot of non-profit organisations is that they have a quite idealistic view of the world and they assume that other people will understand that. 'People are poor, so we have to do something about it,' and then you expect that other people will agree with you because it's not nice to have poor people. There are so many assumptions about what other people should think or should feel or should have.

Projects that meet stakeholders' needs

The basis of marketing is that you have to have a value proposition that really fits somebody's needs and when you have an idea about that, you have to check it. Before entering into a building or into a street or starting some project, you have to assess stakeholder's needs. You have to find out what exactly their problem is. For example, maybe there is a problem in the street [that your idea might help resolve], but then you have to adapt your idea a little bit to the need in that neighbourhood. Then again, we always feel that we have a solution and we bring the solution to the neighbourhood, so it's not something we create together.

Maybe from your creative or artistic point of view, you don't want to compromise with other people, but if you need their money, probably you'll have to. You'll have to find ways to make a kind of compromise between what you think is good and important and what you like to do and the needs of your stakeholders. I think in the social sector, that is changing a bit and also, in health care, [but often the attitude is] we know what is good for you, here's our offerings and take it or leave it. I think the creative industry is more or less the same, this is our offer, take it or leave it. Well, 99% [of the time], it means leave it.

Developing a project

[You could start with] something, an assessment with your stakeholders, 'what can we develop that serves your needs and serves my needs?' and then we can come up with something. That's another way of planning. The planning starts with assessing the environment, the stakeholders, what they need and what they want and how you can build something together. Again, it must be urgent because if it's only fun, fun is like going to the cinema or theatre or a play. You spend E10 and that's it, but that's not enough for you to live, so it must be a bit more than that.

Choice architecture

[AK When you've set up all your value propositions and you see that one thing is valuable to this person and something else is valuable to that person, one of the things that you see very quickly is that you end up with a huge number of relationships that you need to manage. Are there good ways of working with that?]

If you talk to 10 people, probably there will be three top issues

You can go to people and 'say you can choose whatever you like', then if you ask 100 people, you get 100 ideas; but you can also say, 'I have 3, 4 options, which one do you like?' In a discussion you can also try to get people to focus on specific issues.

that always come up in discussions - I'll make a comparison with bakeries. The bakery has 1000 clients and they all want something different, but at the end of the line, they all have one thing. They need to eat and you only give them the choice between 5 types of bread. You don't come up with 100 types of bread. It's about choice architecture. It's about what you offer them and that's again a marketing trick. You can go to people and 'say you can choose whatever you like', then if you ask 100 people, you get 100 ideas; but you can also say, 'I have 3, 4 options, which one do you like?' In a discussion you can also try to get people to focus on specific issues.

It's about how much choice you give to people, but it's also listening very carefully, because people don't need something that is 100% tailored to their idea. For example, Nike don't make different shoes for every customer. They make 5 or 10 a year, but they know exactly what their customers need, which is not the sneakers, but image. It's the same with social projects, with creative projects. Do you sell the project or do you sell the effect of it or the outcomes of it?

[AK: think it's a very difficult proposition for a lot of people in the cultural sector. Also, because it's not like people are hungry and I sell bread. It feels often like there's a series of steps that you need to go through before you get to the need. Something like image is much more complex than the need to eat and bread.]

But Nike doesn't think it's more complex. How come Nike knows how to do it? That's funny, because the creative industry is very non-creative when it comes to these kind of discussions. It's because they don't listen to people, they tell people. For example, if you go out there and ask 100 people what do you do in the evening and they always say, oh, watching television. If you hear watching television 10 times or 20 times and you're doing an interview, you might get the idea that people are bored in the evening because they are always watching television.

Importance of market research

That's how you start creating an idea about what do people need. That's market research. That's understanding what the people are doing and where in their life they get bored. So, it's more knowing your stakeholder or your audience and what they do. Like when Nike does market research, they spend most of their money on that part, not in the execution because those shoes, they don't cost more than 5 dollars or something. It's 2% for making the shoe and it's 75% for marketing.

[AK: I think that's where the social projects, for example like the community library seem to fall down because the people that they're directly serving are the people in the neighbourhood who want somewhere to hang out during the day and who don't have a lot of money. They also seem often to be quite marginalised, they don't speak Dutch or even English very well. There's a sort of real

disjunction between who this library is immediately serving and who is able to pay for this library.]

Yes, but if they were able to clearly state what they were doing for the neighbourhood people, there will always be a politician or a government or a welfare organisation or a private fund that would be willing to fund it, but then you have to be very specific because then, it's not a library, probably, but it's some meeting point or some hangout or whatever.

I did research in a home for elderly people and there was a welfare organisation [based in the building]. They started a kind of centre on the ground floor where people could get information about their rights, their social rights, financial rights. There were highly qualified people that could explain everything about taxes and your health care rights or whatever. They spent E400,000 a year on that. They had a library of all the law books and they had computers and everything.

They asked me to research what the elderly people in the care home were feeling about the project. There were so many people at the project all the time, that they thought it was really a success, but when I did the research, they only came there because there was free coffee and there were some young, nice people working there and it gave them something to do.

Then I asked them about all the information about your rights and health care. 'Oh, I don't care. I'm too old for that and if I need it, I ask my children,' or whatever. It was totally not important to them. In that case, you'd better have a coffee corner with a couple of people serving coffee and it would be only E40,000 a year instead of E400,000. It all started with, 'we have an idea, we put the idea in place and then ask people what they like.' When there's a lot of visitors, it's a success.

In the social sector and I think, also in the cultural sector, creative sector, we always come up with the proposal first and then many people come there and we think, well, it's a success, now I want the money. Nobody wants to pay and nobody understands why not. It's not good, so they have to spend much more time and not on the project itself. Maybe they work hardest [on the content element of the project] because they want to do their performance or activity, but the biggest chunk of the work is what comes first.

[AK: It's a huge investment to do that work.]

Yes, it is, so it takes time, but if I start a bakery I have to do research, how many bakeries are already in the neighbourhood, how many people, what are they eating, what kind of bread, how do I get investments for doing it. I think on average, someone who starts a business in the neighbourhood, I think an entrepreneur will take like half a year free time to invest in thinking and research, talking to people and then starting the business, but it's his own money, his own risk. That's why he wants to be fairly sure that it's

really a good project, a good business.

If I go to a welfare organisation and I tell them you have to write a business plan, the first thing is to say, 'who's paying for that?' Nobody's paying for writing a business plan and then they say, 'well, I can't spend more than 4 or 5 days on it.'

[AK: I think where the difficulty comes in is they don't have that expectation of profit in the future that would allow them to invest that time.]

Because they don't know. There's financial profit, but there's also social profit or cultural profit. Also for the bakeries, it's not the financial profit [that's the main motivation]. Most entrepreneurs don't earn that much money. I think the manager of a foundation or welfare organisation or a social organisation or cultural organisations, all those managers, they earn much more money than the little entrepreneur in the street.

They don't do it for the money. They do it because their heart is with the product they are selling - someone who is a baker is not selling jeans or selling cars because that's not where his heart is. People can only sell the product that they are good at, that they believe in and I don't think they're going there for the money.

[AK: No, but what I meant with that is that there's a limit, that you need to earn a certain amount of money just to live. That's what I meant - that it's difficult to spend that sort of time when you're doing a business plan for an art project. I think that people don't necessarily expect that it's going to lead to getting funding very often, but then maybe they need to do more of that business planning in order to get that funding, of course.]

One of the things the library is that the real value has only become clear over time. It also takes time to be able to say, 'we've helped 300 people in the neighbourhood to learn Dutch and that means they're able to go and get paid jobs.' Have you done very much work in evaluating the value that's created, as well?

The Value Game

[The Value Game is a survey tool where users place cards with different images in rank order according to their perceived relative value. By using a series of items where the value is generally known and can be accurately determined as well as more difficult to value items, it is possible to get an idea of how valuable the harder to value items are seen to be.]

It's a very simple market research tool to find out what people's needs are and I think that's where it starts. As you describe it now [with the Leeszaal], you will find out [people's] needs during the process. So you start project and during the process, after half a year, you start getting an idea about what the problem of your stakeholder or your target audience is. That means that you don't have the good story at the beginning, so you don't get funding and at the end. You're ending up with a library, but you solve other problems and then you're with a social housing corporation who is not interested in employment.

Of course, [the experimental approach is] a good strategy if you have the opportunity to do it. If you have enough money, you can do incremental research and incremental development, but if you don't have the money, you have to be more specific at the beginning.

[AK: How do you bring in sort of the trade-offs that happen in real life into the Value Game? For example, they might then direct a municipality to sort of put more money into certain things, but that's at the expense of others. How do you sort of work that into that conversation?]

You say, 'do you want clean streets?' That's not a good question. Because of course, I like a clean street and I can value this very highly, but if the street is already clean, maybe it is of high value, but I'm not going to spend any money. It's already clean. So, it's not about a clean street, it's about how much would you be willing to pay for a cleaner street. for the change. It's always about change.

There were so many people at the project all the time, that they thought it was really a success, but when I did the research, they only came there because there was free coffee and there were some young, nice people working there and it gave them something to do.

CROWDFUNDING REAL ESTATE

**KORTE UITLEG
HOE HET WERKT**



PRESENTEREN
Initiatiefnemers plaatsen hun project op Bouwaandeel en geven aan wat hun financieringsbehoefte is.



PROMOTEN
Via een kaart en social media worden projecten onder de aandacht gebracht.



INVESTEREN
Iedereen kan een project steunen. Investeren is mogelijk met zowel kleine als grote bedragen.



REALISEREN
De initiatiefnemer kan aan de slag. De investeerder ontvangt jaarlijks rendement over zijn inleg.

What Bouwaandeel does. Bouwaandeel

Laurens Ijsselmuiden

Bouwaandeel founder and architect

Bouwaandeel was founded by a group of four people: Laurens Ijsselmuiden, who trained as an architect; Willem Peeters, a real estate advisor; Sander Woertman, who does marketing and communication; and Thijs Weenk, the product manager.

The aim of the company is to find new ways of investing in real estate and to look at how you might do that as an individual. The team started work in earnest on Bouwaandeel in the summer of 2013 and the site was launched in February 2014.

Individuals can already invest in real estate funds; there are 65,000 investors in real estate in the Netherlands, with around E7 billion invested. Bouwaandeel is different because it deals with smaller investments, making real estate investment open to a much wider group of people and also because investors invest in a specific project. There is always a financial risk involved, but this can be mitigated by spreading investments over a small number of projects. This sort of concept is more advanced in the US, where \$100 is a common minimum investment. A few hundred Euros may be an appropriate minimum investment.

The aim is to be a financial company, not a reward-based crowd funding platform. Investments should offer a financial return. It falls under Dutch financial regulation and Loyens and Loeff is helping to structure the financial side of the project.

Projects are eligible for Bouwaandeel investment at a number of stages: from concept design, where the money invested is to refine and develop the design further; to later stages, where the money might be used to finance construction. It is difficult to obtain bank loans at the moment, so this could be an interesting way for developers to fund projects.

Bouwaandeel is currently looking for a pilot project, and has two potential pilots in mind. One is a small restaurant in Rotterdam in a new glass house, next to a listed building. The second is in Arnhem, strategically positioned between a residential and commercial area. The Arnhem project also has a good online following, with around 800 fans for their facebook page.

There are no formal criteria for selecting projects, but the project should appeal to its audience – it should be something that people want to have in their neighbourhood. The project should also not be too big. Projects are restricted to being less than E2.5 million by financial regulations. They will also be screened before being added to the Bouwaandeel website for investors to consider.

Discussion and some early conclusions from
the online twitter discussion and project
workshops.

COMMENT

TWITTER DISCUSSION | THE TEMPORARY CITY



16 April 2014

An introduction to twitter chats

This discussion took place online, using twitter. It was developed and run together with urbanism bloggers This Big City (@thisbigcity) and Future Capetown (@futurecapetown), who run a monthly discussion forum and who moderated this one. My own twitter handle is @alisonkilling

The format uses a hashtag #citytalk, which all participants add to the end of their tweets, to allow twitter users to follow the discussion (by carrying out a search for #citytalk on the twitter platform). The discussion lasted an hour, with six questions posed to participants. The questions are numbered 1-6 and participants number their responses to indicate which question they are responding to. The questions were:

[Q1] The temporary city/pop-up city/meanwhile use phenomenon gets lots of attention. But is this actually a new trend for cities? #citytalk

[Q2] Which temporary urban projects do you think have been most transformative? Any good examples from your city? #citytalk

[Q3] Initiators/owners/councils - temporary projects often have partners with different goals. How can they best work together? #citytalk

[Q4] What's the best way to fund temporary projects? How might this change if these projects become slightly longer-term? #citytalk

[Q5] How can temporary projects that don't have a commercial nature find a place in the 'market'? #citytalk

[Q6] Are temporary use projects actually beneficial and valuable for cities? How can their value be best understood? #citytalk

The introduction to the #citytalk can be found online here: <http://ow.ly/w601W>

And the discussion (reproduced below) has been archived here: <https://storify.com/alisonkilling/the-temporary-city-citytalk-16-april-2014>

By adding up the numbers followers of followers of all the participants, it was estimated that the maximum potential reach of the discussion was 2.3 million people. The actual number is likely to be far lower, possibly in the thousands, especially if those who read the archived versions are included.

[Q3] Initiators/owners/councils - temporary projects often have partners with different goals. How can they best work together?
#citytalk

[Q1] The temporary city/pop-up city/meanwhile use phenomenon gets lots of attention. But is this actually a new trend for cities? #citytalk

Mark Minkjan@markminkjan

A1 No, people have always looked for voids within the existing/conventional to develop initiatives. That's the nature of cities #citytalk

Alison Killing@alisonkilling

A1) Not new, but much more mainstream – reflected in existence of standard contract forms, guidance, intermediary orgs #citytalk

Joe Peach@joepeach

A1: The formalisation and mainstreamification (!) is the new part. People have creatively used urban space since cities began #citytalk

Joe Peach@joepeach

A1: The formalisation and mainstreamification (!) is the new part. People have creatively used urban space since cities began #citytalk

Practice-Space@practicespace

A1 - As a startup strategy, yes. Brick&Mortars are looking for opportunities to beta launch. Outside that context... old as time. #citytalk

Future Cape Town@futurecapetown

[Q2] Which temporary urban projects do you think have been most transformative? Any good examples from your city? #citytalk

Joe Peach@joepeach

A2: #London is a hotbed of pop-up projects! Where to begin... #citytalk

Joe Peach@joepeach

A2: #London is a hotbed of pop-up projects! Where to begin... #citytalk
@KeithRushMoore

Kate Lockhart@katelockhart

@alisonkilling @practicespace @thisbigcity performance and exhibition space needed - benefit of making empty occupied with care #citytalk

Mark Minkjan@markminkjan

A2 Club/restaurant/cultural space @TrouwAmsterdam & its predecessor Club11 (diff location) are exemplary (pos&neg local effects) #citytalk

Alison Killing@alisonkilling

A2) Bat Yam Biennale of landscape urbanism was awesome. Festival, run in collaboration w city planning dept <http://ow.ly/vRxEN> #citytalk

Christian Haid@synccityblog

@joepeach A2 So is #Berlin where temporary uses became a crucial part of city marketing #citytalk

Ron Mader@ronmader

@thisbigcity A1 Haven't seen this before! Pop-up water fountains for Stroll-n-Roll in @cityofhenderson <https://www.flickr.com/photos/planeta/13804410004>

... #citytalk

Practice-Space@practicespace

[A2] In Detroit, Tashmoo Biergarten. Arguably led the redevelopment of entire West Village Neighborhood. #citytalk @TashmooDetroit

Asko Kauppi@bmdesignhki

#citytalk A2: i.e. <http://www.restaurantday.org/en/>

Alison Killing@alisonkilling

A2) @markminkjan and the Volkskrant building over the road - subsidised space for arts #citytalk

Asko Kauppi@bmdesignhki

A2: Restaurant Day in Helsinki. Anyone can open a "restaurant" for 1 day. No permissions, no tax. Unheard of in Finnish culture!!! #citytalk

Practice-Space@practicespace

[A2] In Grand Rapids, @ArtPrize, a 3wk event that turns the entire city into a art gallery, has been extremely transformative #citytalk

Mark Minkjan@markminkjan

@alisonkilling yes! The redev model there is interesting: startup/cultural spaces remain part of new commercial creative hotel #citytalk

Alison Killing@alisonkilling

@bmdesignhki That's amazing - cool what a carefully thought through approach to regs can do #citytalk

thisbigcity.net@thisbigcity

@bmdesignhki profitable? #citytalk

thisbigcity.net@thisbigcity

[Q3] Initiators/owners/councils - temporary projects often have partners with different goals. How can they best work together? #citytalk

Asko Kauppi@bmdesignhki

@alisonkilling Yes, we're having more and more of the "regular rules don't apply" attitude. And It's Great! :) #citytalk #A2

Alison Killing@alisonkilling

@markminkjan and it was so successful that they didn't want to get rid of artists etc when bldg was sold #citytalk

Asko Kauppi@bmdesignhki

@thisbigcity It's mostly For Fun. Think of it as Kitchen Wars gone out on the streets. #citytalk #A2 Do check the site.

Alison Killing@alisonkilling

A3) An experienced intermediary goes a long way – knowledge of all parties, so can help balance needs #citytalk

thisbigcity.net@thisbigcity

@bmdesignhki @joepeach @boxpark good point. It's moving from temporary to semi-permanent. #citytalk

Mark Minkjan@markminkjan

A2 my fav is Mama Louise, lets local aspiring entrepreneurs 'try out' a bsns for 6 months in a 'bad' nhood <http://www.thepolisblog.org/2013/03/wisselwinkel>.

[Q2] Which temporary urban projects do you think have been most transformative? Any good examples from your city?

A2: Restaurant Day in Helsinki. Anyone can open a "restaurant" for 1 day. No permissions, no tax.

City making today (with less public/developers cash) is about shared self-interest, finding ways that benefit all parties

html ... #citytalk

Joe Peach@joepeach

A3: Open-mindedness and willingness both crucial. Collaboration isn't always easy, but all parties have to (at least) want it. #citytalk

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Mark Minkjan@markminkjan

@alisonkilling yep. Because why create new creativity if it's already there? Creativity sells. #citytalk

Alison Killing@alisonkilling

A3) Empathy and education key – eg tenants should be aware of restrictions on property owners, like need to make an income #citytalk

Alison Killing@alisonkilling

A3) property owners need to be aware of level of tenants investments – need enough security of tenure to balance that #citytalk

Mark Minkjan@markminkjan

A3 City making today (with less public/developers cash) is abt shared self-interest, finding ways that benefit all parties #citytalk

Alison Killing@alisonkilling

@markminkjan sure - don't think it was the plan in the beginning, but it was a good exit strategy #citytalk

Asko Kauppi@bmdesignhki

A3: Any project needs a dust particle to start the rain. i.e. there needs to be a body who coordinates the actions and objectives. #citytalk
@kumarmanish9

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Kumar Manish@kumarmanish9

A3: there needs to be an Collaborative ownership and a central figure which can keep everyone tied up. #citytalk

Mark Minkjan@markminkjan

@alisonkilling initial plan beginning was to tear it down around 2012, but temporariness created (symbolic) investment value #citytalk

mark morrison@MDMuk

A3 #citytalk by coming together to prioritise the mutual values that the project should be designed for, the rest is negotiation.
@Future_London_

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Kumar Manish@kumarmanish9

A3: @EMBARQNetwork 's good example <http://bit.ly/1iq1Tja> bringing all stakeholders together to promote walk/cycle in Delhi . #citytalk
@dhidalgo65

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thisbigcity.net@thisbigcity

[Q4] What's the best way to fund temporary projects? How might this change if these projects become slightly longer-term? #citytalk

Sifiso Maposa™ @SifisoMaposa

@futurecapetown A2 Saw pop up commercial and arts installations in empty shop spaces in Brooklyn NYC. #citytalk

Sifiso Maposa™ @SifisoMaposa

@futurecapetown Q2 Pop-up gallery in Soweto - Bombay Imagination Room. Space was converted into an art gallery open to the public #citytalk

Practice-Space@practicespace

@alisonkilling Right. It can be a part of a larger strategy. Cities/neighborhoods have a similar ability to play the long game. #citytalk

@SifisoMaposa

@futurecapetown Q2 Pop-up gallery in Soweto - Bombay Imagination Room. Space was converted into an art gallery open to the public #citytalk

Alison Killing@alisonkilling

A4 short term doesn't seem too difficult (tho never easy): own income (if small), arts/community grants #citytalk

Mark Minkjan@markminkjan

A4 Rent linked to profitability sometimes works well, also for initiators to be able to stay longer after prices have driven up #citytalk

Kumar Manish@kumarmanish9

A4: Funding is big issue as it really makes a break or good project. There must be sustainability mode to it to succeed. #citytalk

Christian Haid@synccityblog

A2: urbanauten with temporary public space projects initiated in #Munich @urbanauten #citytalk

Alison Killing@alisonkilling

A4 There's good examples of ppl who couldn't get bank loans getting tenants to pre-pay rent to pay for renovations #citytalk
@markminkjan

Practice-Space@practicespace

[A4] Self fund the temporary projects! Then, use the results to get larger projects funded. #citytalk
@futurecapetown

Alison Killing@alisonkilling

A4 Still a need to move beyond idea that temp=free and that artists etc work for nothing cos they love what they do #citytalk

Alison Killing@alisonkilling

A4 Often cost of temp project is not that far short of a similar permanent one, in terms of time invested etc #citytalk

Alison Killing@alisonkilling

A4 Often cost of temp project is not that far short of a similar permanent one, in terms of time invested etc #citytalk

Mark Minkjan@markminkjan

A4 dependency on subsidies/grants not always good. Vulnerable projects. Empowerment so they wont have to leave after fertilisation #citytalk

Practice-Space@practicespace

@alisonkilling We've used this strategy. Works, but it's risky. You've got to trust the owner. #citytalk

Joe Peach@joepeach

A4: Commercial/non-commercial nature of project key with this one. #citytalk
@alisonkilling

mark morrison@MDMuk

A4 #citytalk crowd funding transitioning to small % investor stakeholders, this move could be designed into the original funding agreement.
@victoria_okoye

As projects become medium-term, traditional means [of funding them] seem logical. Revenue generation? Grants?

Non-commercial projects seem to get lots of good will, but commercial ones have clear ways of solving most of their problems

Alison Killing@alisonkilling
@synccityblog and city development, if we're being less cynical :) Neighbourhood devel officers to coordinate interventions #citytalk

make:good@wemakegood
So true @alisonkilling so much of the pop up stuff we love has been done on the good will of passionate people #citytalk
@CTCaravanserai

Asko Kauppi@bmdesignhki
A4: I'm for less but spread financing, not committees or funds. They never know what is the right horse to bet on anyways. :) #citytalk
@futurecapetown

joepeach
A4: As projects become medium-term, traditional means seem logical. Revenue generation? Grants? #citytalk
@futurecapetown

Tim de Boer@TimdeBoer_NL
They are crowdfunding bookstores now city by city. Could it work if you do not know what you might get? #citytalk A4
@futurecapetown

Alison Killing@alisonkilling
@joepeach yes - non-comm prjcts seem to get lots of good will, but comm ones have clear ways of solving most of their problems #citytalk

Christian Haid@synccityblog
@alisonkilling Right. but to be cynical again: mainly only those are supported in accordance w #creativecity agenda #citytalk

Sifiso Maposa™ @SifisoMaposa
@markminkjan definitely never a good idea to entirely rely only on grants and subsidies #citytalk

thisbigcity.net@thisbigcity
[Q5] How can temporary projects that don't have a commercial nature find a place in the 'market'? #citytalk

Joe Peach@joepeach
A5: Relying on goodwill of partners no doubt vital. Or legal 'loopholes' and charitable/social funding #citytalk

FESTA@FESTA_CHCH
@thisbigcity A2 in earthquake destroyed #chch new zealand we have a whole new culture of Transitional urban projects #citytalk

Kumar Manish@kumarmanish9
A5: Public Ownership is the way to go / Local Corporates support to needed. #citytalk @futurecapetown

Clare Rishbeth@clarerishbeth
A4: for some initiatives Unis make gd partners, funding thro research projects, civic engagement or widening participation remits #citytalk

Jade Leaf@jadaleaf
A5> Longevity is a key concept in creating anything. Longevity is enforced by trust and belief in the impact of an action. #citytalk

Future Cape Town@futurecapetown
[Q6] Are temporary use projects actually beneficial and valuable for cities? How can their value be best understood? #citytalk

Tim de Boer@TimdeBoer_NL
All use is temporary .. It just depends on the timescale you use. #citytalk A6
@BE_DIY

Dimitri Selibas@dselibas
Creates space for immediate engage with audience. Quality of instal dictate quality of engage? #citytalk

Finlay McNab@FinMcNab
A6 it's how people use urban space which brings it to life - temporary uses enables people to experience the potential #citytalk
@BE_DIY

FESTA@FESTA_CHCH
A2 another fav in #chch the Dance-o-mat by @GapFillerChch <http://goo.gl/WUj1pD> #citytalk

Bridget Compton-Moen@BridgetLCM
@FESTA_CHCH this night was breathtaking and so healing for #chch. We are the poster children for temporary city projects #citytalk

FriendsOfTheFlyover@FlyoverLPL
RT @Grays100: @futurecapetown A6 Also urban projects can rejuvenate neighbourhoods and generate revenue #citytalk
@Grays100

PlanningDesignCentre@PlanningDesign
@thisbigcity a big part of collaboration is shared risk this means everyone has to do things differently skininthegame #citytalk
8 days ago

[Q5] How can temporary projects that don't have a commercial nature find a place in the 'market'?

A5: Relying on goodwill of partners no doubt vital. Or legal 'loopholes' and charitable/social funding

WORKSHOPS | LEESZAAL, ROTTERDAM NL



Two workshops were held over the course of the project, to reflect on emerging conclusions and identify ways forward.

11 Jul 13

How do you rework the balance of inputs and outputs of temporary use projects to support a wider range of projects?

Workshop organisers –

- Alison Killing
- Sabrina Lindeman
- Sarah Cook

Workshop chair –

- Maurice Specht

Attendees –

- Gerda Brethouwer
- Ludwin Budde
- Gabor Everraert, Stadsontwikkeling
- Marjan van Gerwen
- Iris Schutten
- Menno Rosier, Cultuurscouts
- Bart Kesselaar, Havensteder
- Ana Dzokic, STEALTH
- Marc Neelen, STEALTH
- Tim Langelaan, Stadsontwikkeling
- Patrick Boel
- Mark van der Velde, Havensteder

16 Apr 14

Reflecting on the outcomes of the research and looking at next steps

Workshop organisers –

- Alison Killing
- Sabrina Lindeman

Attendees –

- Rinske Wessels, Spoorzone Delft/Sandberg Insitute
- Jeroen Laven, Stipo
- Menno Rosier, Cultuurscouts
- Ana Dzokic, STEALTH
- Marc Neelen, STEALTH
- Tim Langelaan, Stadsontwikkeling
- Jaap Verheul, Stichting NAC

Comments

How do we define 'temporary'?

Maybe we should think about defining projects as temporary when a state of exception is applied.

Business models for temporary use

How many of these projects have a business model before they start?

To what and extent and in what way is it possible to count time as an investment?

Counting the hours that you put into a project can help when it comes to applying to funding bodies – it often counts as co-investment.

Buildings vs temporary spaces

Unused open spaces can be both more important to use and also more difficult than buildings. They are more visible when they are vacant than buildings are. The fact that they are more public means that people nearby are more likely to be interested in/bothered by what goes on there.

The role of the municipality

Giving property at a lower rate is a subsidy to projects on the part of property owners – why should they subsidise community projects, rather than the municipality?

Supporting temporary uses

It's important not to make too much money available – to have a lot of small amounts and spread them widely to see what works.

If there is too much subsidy available, people might be tempted to move purely for the subsidy.

Property owners

The business cases in the study are mostly done from the point of view of the tenants – what is the business case for the owner?

If a property has been empty for a long time, the property owner may be happy with any income, even a relatively small amount of profit.

Showing that these projects have value might be about making a business case for the whole neighbourhood.

Projects with lots of smaller tenants might be viable if they're all organised together, so that they can cross-subsidise each other.

Property owners might be persuaded to let their property if you can organise support from people that they trust, such as the local

council.

A feeling of having control over their own property is important – they should feel that they are able to end the temporary project if they want to – that feeling of control can often make a project possible.

The fear of the owner is that 'temporary' tenants won't leave.

The fear that tenants won't leave only exists if there is no money.

Housing associations were originally only about renting out affordable housing – now they're being put in the position of acting as development organisations and it's not something that they've been trained to do.

Owners need to be reliable – there's a tendency to change the rules in the middle of the game – it's something that comes from enthusiasm, but can still be problematic. There's a need to make firm agreements, perhaps with fixed points at which projects can be evaluated and changed if necessary.

If an owner wants to offer the property for temporary use, what's on offer needs to be clear from the start – contract lengths and outline terms, rent. If this isn't clear, if a lot of changes are made, or a lot of time is needed to sort things out, potential tenants will lose interest and give up on the process.

For some sorts of business, especially if it is place-based, you need a minimum amount of time to make it work.

In one project we worked on, the property owner had initially thought that tenants would want shorter contracts, of perhaps one or two years. They were surprised when people wanted longer contracts, but if you have to invest in installing heavy machinery for example, you need a longer tenancy to justify it.

Property owners should also be aware that offering a property for different periods of time will lead to different results.

Showing that these projects have value might be about making a business case for the whole neighbourhood.

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