

Detroit Opportunity Sites Final Report: The Opportunities of Redeveloping Large-Scale Industrial Vacant Sites & Properties in Detroit



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of the United States
STRENGTHENING TRANSATLANTIC COOPERATION

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ABOUT THE ORGANIZER



The German Marshall Fund of the United States

The German Marshall Fund of the United States (GMF) strengthens transatlantic cooperation on regional, national, and global challenges and opportunities in the spirit of the Marshall Plan. GMF contributes research and analysis and convenes leaders on transatlantic issues relevant to policymakers. GMF offers rising leaders opportunities to develop their skills and networks through transatlantic exchange, and supports civil society in the Balkans and Black Sea regions by fostering democratic initiatives, rule of law, and regional cooperation.

Founded in 1972 as a non-partisan, non-profit organization through a gift from Germany as a permanent memorial to Marshall Plan assistance, GMF maintains a strong presence on both sides of the Atlantic. In addition to its headquarters in Washington, DC, GMF has offices in Berlin, Paris, Brussels, Belgrade, Ankara, Bucharest, and Warsaw. GMF also has smaller representations in Bratislava, Turin, and Stockholm.

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GMF's Urban and Regional Policy Program (URP) supports leaders, policymakers, and practitioners in the United States and Europe by facilitating the transatlantic exchange of knowledge for building inclusive, sustainable, and globally engaged cities. URP works to:

- connect local leaders in a transatlantic network that exchanges knowledge and innovative solutions;
- coach the network in translating new ideas to their city's unique context; and
- champion the successes of the network by highlighting individual innovations and new models.

URP works in selected cities in the United States and Europe that share a set of common challenges and desire to explore solutions through transatlantic exchange. URP actively stewards transatlantic initiatives that explore key issues through high-impact gatherings, peer exchanges, and applied research. URP has an extensive and successful history of working cooperatively with public, private, and NGO leaders to apply these insights to improve local and regional policies and programs. In addition to supporting policy innovation, URP activities also support individual participants in expanding their transatlantic network, growing their policy expertise, and developing their leadership skills.

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Reimagining Industrial Sites: Inspiration from US & European Best Practices

In Detroit, vacant industrial land and buildings cover 6.1 square miles of the city, a formidable obstacle to traditional development strategies. The reuse of these large-scale, vacant sites is a complex challenge, requiring time, resources, and a network of supporting actors. Nonetheless, this reuse could unlock a host of social, economic, and environmental opportunities. Redeveloped sites can also serve as focal points for surrounding neighborhoods, acting as vibrant hubs of activity and centers of recreation, employment, and research. Detroit Opportunity Sites (DOS) explores key aspects of these redevelopment challenges and opportunities through a select number of successful European and U.S. case studies.

Activities in this initiative included:

- a workshop in Detroit featuring U.S. and European case studies with the participation of dozens of local stakeholders (April 15-17, 2015)
- a study tour with key Detroit stakeholders of redeveloped sites located in Germany's Ruhr Valley and in Amsterdam (October 19-22, 2015)

- a follow-up workshop in Detroit to link ideas to current initiatives and to disseminate ideas to a broader set of stakeholders (February 25, 2016)

The first workshop kicked off DOS in Detroit and explored the creative reuse potential of large-scale vacant industrial sites through a series of U.S. and European case studies. These case studies were chosen by GMF with close coordination with Detroit Future City for their relevance to corresponding sites in Detroit and the extent to which they exemplified a potential reuse option for Detroit.

Each site was under one of four potential typologies for reuse: (1) public assets; focusing on reusing large industrial sites for a wide variety of recreational uses such as public spaces and parks, the financial viability of this transformation, and the potential to reuse or preserve site-specific industrial features; (2) economic development, understanding opportunities for the reuse of large industrial sites for economic development, especially for commercial/retail uses, innovation, research & development, and workforce development; (3) renewable energy, understanding of the opportunity to redevelop large industrial sites with a lens toward innovative

energy aspects such as energy production, alternative energy, and energy efficiency; and (4) adaptive reuse, focusing on the potential to creatively rehabilitate large industrial structures for the reuse of industrial buildings for non-industrial uses. These sites included:

PUBLIC ASSETS:

- Landscape Park Duisburg (Duisburg, Germany) by Arne Lorz, Project Manager, Duisburg 2027, Office for Urban Development and Project Management, City of Duisburg, Germany – *a 570-acre park established on the site of a large steel plant. Combining leisure, culture, night time economy, sport and recreation and illumination this site is a beacon of successful mixed-use innovation and practices.*
- Gas Works Park (Seattle, Washington, United States) by David Graves, Senior Planner, Seattle Parks and Recreation, City of Seattle – *one of the first large-scale examples of the reuse of industrial sites in the United States for recreation. This park was built on the site of a former gasification plant that was integrated in the park design.*

ECONOMIC DEVELOPMENT:

- Hammarby Sjöstad (Stockholm, Sweden) by Erik Freudenthal, Head of Communications, GlashusEtt – Stockholm Vattens Environmental Information Centre – *a mixed-use area constructed on an old harbor on a model of integrated urban development. The success of the model has spurred similar projects elsewhere in Stockholm and throughout Europe.*
- Holzmarkt, Kraftwerk, and Tresor (Berlin, Germany) by Dimitri Hegemann, Tresor Berlin GmbH & Kraftwerk Berlin GmbH and Mario Husten, Chairman, Holzmarkt Cooperative – *Kraftwerk - a former power station turned into an exhibition and event space; Tresor, a nightclub located in a former industrial building; and Holzmarkt, which aims to create a new waterfront urban quarter based on a model of citizen cooperation.*

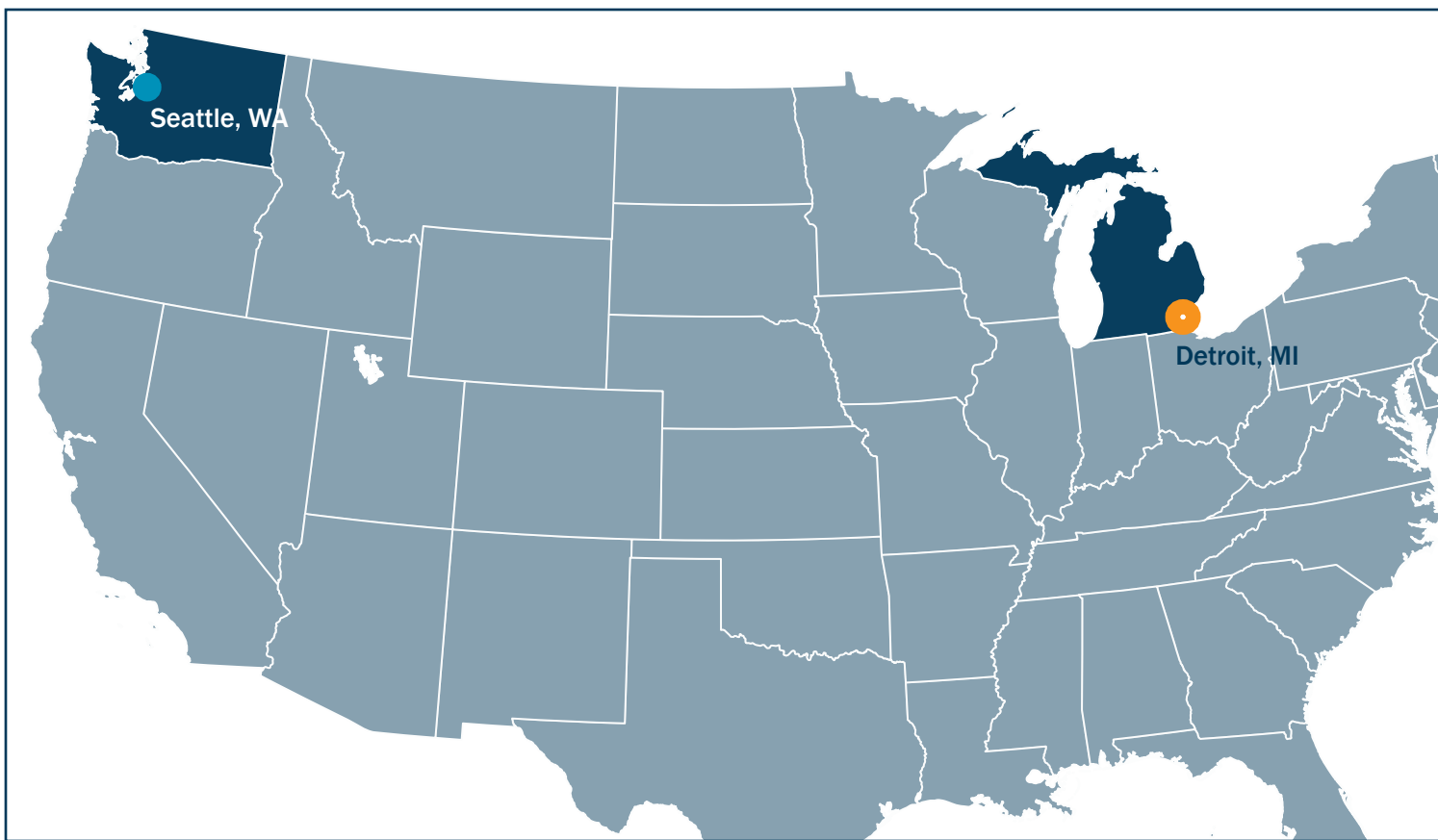
ENERGY:

- De Ceugel (Amsterdam, the Netherlands) by Sanderine van Odijk, CFO, Metabolic and Project Manager, De Ceugel – *a temporary eco-community of refurbished houseboats built on a former brownfield.*
- IBA Hamburg (Hamburg, Germany) by Ulrich Hellweg, Managing Director, IBA Hamburg GmbH – *a large-scale sustainability and urban development project in Hamburg, focused especially on renewable energy. Between 2006 -2013, IBA undertook 70 Projects on this site addressing new dwellings, energetical modernization, commercial, commerce and services, social infrastructure, new parks and new waterways.*

ADAPTIVE REUSE:

- Manufaktura (Lodz, Poland) by Sławomir Murawski, Director, Manufaktura, Apys Management – *a large textile complex that has come back to life as a shopping, arts, and culture center.*
- Lingotto (Torino, Italy) by Giovanni Comoglio, Architect and PhD Candidate, Department of Architecture and Design, Politecnico Di Torino – *a large FIAT automobile factory, once one of the largest car manufacturing facilities in Europe, converted into a multipurpose facility in the 1980s.*

From feedback received during the workshop and consultation with Detroit Future City, GMF selected two sites for a follow-up study tour with key Detroit stakeholders that are intimately involved with this work locally. GMF determined that the Duisburg Landscape Park and the De Ceugel development hold particular relevance for Detroit. The Duisburg Landscape Park is representative of a large-scale reuse project on a former brownfield that is the backbone of a new public space network. On the other hand, the De Ceugel project is a more recent and bottom-up project that integrates innovative sustainability techniques while also succeeding despite limited resources.



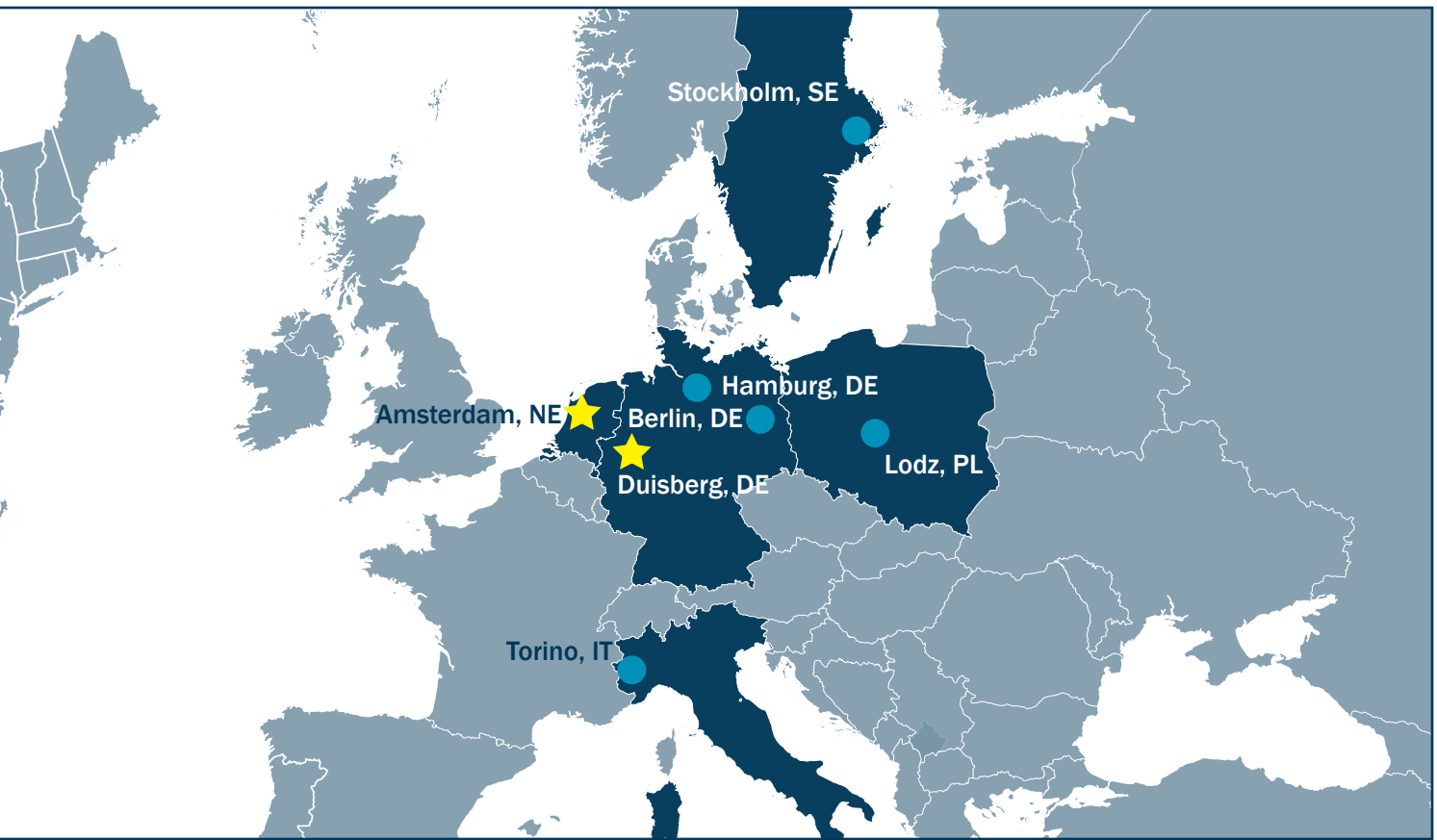
Deeper Dive: Exploring Specific Case Studies

From October 19-22, 2015, the second activity was a four-day study tour to Germany's Ruhr region and to Amsterdam to explore in detail these innovative reuse opportunities and their potential application to Detroit. The delegation from Detroit included representatives from Detroit Future City, the Mayor's office, a major energy utility, a local philanthropy, and a state redevelopment agency. The following provides an overview of these locations and describes several of the visited sites before concluding with overall lessons learned and next steps.

WHY THE RUHR?

The cities of the Ruhr Valley, a once-industrial region, have managed to collaborate through the region's economic transition and have put hard-to-reuse industrial sites toward a variety of uses. Many of the most internationally famous reuse examples focus on new public space networks,

but they also include large corporate campuses, housing and office development, and business incubator spaces. Many of these projects are also located along a well-marked route of industrial heritage. As regional tourist figures prove, the majority of the visitors to the projects on this route are from the Ruhr, meaning that they are residents that are touring their own history. Though visitors to the region might rightly admire the region's reuse projects, it's important to note that these projects required long periods of planning before implementation—most projects a period of 15-20 years that involved design, planning, and careful balancing of interests. Many of the projects were also part of a dedicated effort by the regional government to foster structural economic change while preserving the area's industrial heritage. This effort was known as the International Bauausstellung (IBA) Emscher Park.



The Ruhr Valley is one of Germany's largest metropolitan areas, containing an agglomeration of 53 cities and towns with over 5 million inhabitants. It is also a diverse region, with a long history of migration from outside Europe owing to the labor opportunities associated with the steel and coal industries.

The Ruhr Region has particular relevance for Detroit. Despite having a large portfolio of vacant industrial land across the cities of the region, it was able to consolidate the efforts of its cities to reuse many of these liabilities that were a legacy of its coal and steel industries, especially to create new high-quality public spaces.

WHY AMSTERDAM?

In Amsterdam, the focus was on a number of smaller brownfield reuse and waterfront activation projects in northern Amsterdam.

These projects have successfully incorporated sustainability principles in reuse, sparked broader change and innovation, and used temporary reuse to encourage more permanent change. Rather than coming from the public sector, many of these projects came about from a broader subset of the city's civil society. They show that the willingness of these actors to engage in the land reuse process can be fruitful and influential at broader scales while sparking creativity and collaboration within a city's civil society. At a time when the capacity of public bodies to spark revitalization across Detroit might rely on strong partnerships with civil society, these projects show that these groups could have an important role to play in the reuse of industrial sites and the integration of concepts such as sustainability, equity, and/or innovation.

Projects that matter for Detroit

During the European study tour the Detroit Delegation visited ten formerly industrial sites in Germany's Ruhr Valley and in Amsterdam. These projects represent an impressive array of creative reuse scenarios, financing schemes, and operating approaches. The specific projects described below offer relevant insights for Detroit's industrial reuse journey.

INDUSTRIAL LANDSCAPE PARK DUISBURG-NORD (Duisburg, Germany)

The Landscape Park is located in the city of Duisburg, Germany on the site of the former Thyssen Steelworks plant, which closed in 1985 after 84 years of operation. An intense debate followed about how the best way to deal with this contaminated and vacant 200-acre site. The Thyssen Corporation, which owned the site, decided that tearing down the facilities would be cost prohibitive. At the same time, groups of citizens and institutions began to coalesce and argue for the preservation of the site owing to its distinctive architecture and contribution to the region's industrial heritage. Many others, however, questioned the long-term financial cost of preservation.

At the end, the preservationists won the debate. The state government purchased the site from the Thyssen Corporation with the intention of turning it into a large park. Thus, instead of permanently closing the site and letting the complex fall into disrepair, the site was transformed into a 500-acre park. As part of the planning for the park, analysis of the existing structures concluded that preservation would

be a cheaper option than demolition. Some of the landscaping is actively managed, but other parts allow the free growth of vegetation—a cost effective measure for keeping the complex open and for enabling a slow process of bioremediation. The park also includes preserved blast furnaces, waste bunkers turned into active recreation such as climbing walls, large event halls, a restaurant, and much more. Many of these other uses create an income stream that helps support the ongoing operations for the entire park.

The park is now a large tourist attraction and is a unique learning venue given the preservation of much of the former industrial architecture. The park also offers an immense amount of recreational and cultural activities for locals, and is an important source of employment given ongoing maintenance requirements and given that over 30 institutions have located within the park since its reopening.

FINANCING

- The state of Rhine-Westphalia, the city of Duisburg, and the European Union have collectively invested over 150 million Euro into the park.
- Annual maintenance costs are about 4 million Euro/year. Public funding covers half of these costs.



Lessons Learned

- Multiple and creative uses can make the reuse of a site more financially viable and more resilient through time; curate the branding and/or uses to ensure that there is a coherent theme to the destination and not a random assortment of activities
- Mix active and inactive management to save on maintenance costs, especially in the case of large sites such as the Landscape Park. For example, some parts of the park are landscaped while others allow for the free growth of vegetation.
- Don't do everything at once. The Landscape Park was developed through time –ultimately contributing to a high-quality final experience and allowing further construction as funds became available

ZOLLVEREIN PARK

(Essen, Germany)

The Zollverein colliery in Essen was once one of the largest industrial complexes within the entire Ruhr Region. During its heyday in the early 20th century, the complex was home to some of the most advanced coal mining technology and architecture of the period. When the coal mine shut down in 1965 after over 130 years of operation, the city of Essen made the decision to preserve the site as a cultural and business district. It has since become a lively district with offices, conference space, museums and art galleries, all set within the context of preserved industrial architecture and open space linked via bicycle lanes and pedestrian walkways. It was named a UNESCO World Cultural Heritage Site in 2001 and is a major tourist attraction as the highpoint of the industrial heritage route in the Ruhr. The UNESCO designation has proven critical in allowing the site to continue to attract funding from upper levels of government. The site alone attracts over 1.5 million visitors every year and is associated with over 1,500 local hospitality jobs.

FINANCING

- From 1990 to 2014, total cost of 316 million Euros through a combination of investment by the European Union, the State of North Rhine-Westphalia, and the City of Essen on land preparation, maintenance, and new infrastructure.



Lessons Learned

- Quality of execution matters, and in this case, this quality is directly connected to the preservation of existing industrial heritage and cultural significance.
- Multiple and creative uses can make the reuse of a site more financially viable and more resilient through time. The site is now partly self-financed because of the income generated by the uses on the site.
- The creation of the site required a bold vision and leadership to execute that depended on extraordinary cooperation between multiple levels of government.



ACADEMY MONT CENIS HERNE (Herne, Germany)

This striking clean energy exhibition center was cutting edge for its inclusion of clean energy technology when it opened in 1999, and is part of a complex of buildings that created a new city center for this small industrial city. It contains a large hall with a Mediterranean microclimate, classrooms for a vocational school, and student housing. It also contains a large photovoltaic facility to cover the facility's energy demands. It was constructed upon a coal mine that closed down in 1978 and was abandoned until planning for the academy began in the early 1990s. The inclusion of clean energy into the project was innovative for its time, and mixed-use development surrounding the building effectively created a new city center that complemented the older one. In effect, the project was therefore conceived as a comprehensive renewal project. Recently, continuing economic turmoil and high maintenance costs have led the city to scale back some of the operations within the building, including the closure of the municipal library, which calls into question the idea that the space is being fully utilized and the sustainability of the building's initial design.

FINANCING

- Total cost for the construction and restoration of the facility was 65 million Euros. As a public-private partnership, the financing of the project was mixed and came from sources that included the region of North Rine-Westfalia, the city of Herne, and the Herne power company.

Lessons Learned —

- Large and “innovative” projects, especially that link into historic industries can boost local pride and show opportunities for new futures in legacy economic sectors. When possible, integrate mixed-use development in the area surrounding the development.
- Make sure there is a long-term business and funding plan for the project once the initial splash made by a project falls off

TRIPLE Z (Essen, Germany)

A former coal mine facility that now houses entrepreneurs, successfully creating several hundred small enterprises since its founding, most of which stay in the region once they outgrow the Triple Z facilities. The site opened up in 1996, just two years after coal production shut down after over a century of operation. The incubator provides business advisory services, shared facilities, and work space for new ventures. The unique industrial architecture of the buildings has since allowed a host of different types of companies to use the same space, including everything from small craftsmen, machinists, engineering offices, and design and advertising firms. It has therefore played an integral part in the overall economic transformation of the city at large. To raise funds for the reuse of the sites, former workers on the site were encouraged to invest in the incubator. The incubator is organized as a public company with 41,000 shares, a significant number of which are held by the citizens of the neighborhood itself that were also former mine employees, which encourages the organization to be embedded within the local community and to offer social and economic benefits to the city.

Lessons Learned

- Former industrial buildings offer unique possibilities for office space, especially within the context of small enterprises and incubator services.
- Explore creative partnership opportunities with stakeholders to establish buy-in for new projects, as Triple Z did by offering shares local residents and former employees.



Photo courtesy of wikipedia.com



DE CEUVEL

(Amsterdam, the Netherlands)

The De Ceuvel project took place on a small city owned piece of land. The plot of land previously sat empty as a brownfield for approximately 15 years, and it was clear that the market for developing the site would take a long time to fully mature.

De Ceuvel is now a commercial office park for creative industries and a living laboratory for cleantech solutions, aiming to be a closed loop system for water, energy, nutrients, and sanitation. It is also a creative and low cost solution for the heavily polluted site in north Amsterdam, using disused houseboats for the structures and bioremediation to decontaminate the site. The multidisciplinary team that designed the site also envisioned it as a community hub, integrating community outreach and an entire suite of cultural offerings to make it into a formidable cultural center and potential catalyzer of transformation for the entire area. Because of minimal resources, the project leaders made use of recycled materials, recruited volunteers from the surrounding neighborhoods, and collaborated with a host of citywide partners. The project has since led to a much broader project in the entire area called Circular Buiksloterham, which calls for interventions in areas such as energy and water and was signed by two dozen partners.

FINANCING

- The project was funded by the city through a 250k Euro start-up grant and a further 200k Euro bank loan that it guaranteed, which is being paid off from the revenue generated by onsite uses

Lessons Learned

- Though this was a bottom-up project, it required the support of the municipality to release the land and then offer the seed funding to make it a reality.
- Part of the success of the project is a direct result of the innovative sustainability features of the site, which have attracted considerable attention and resources.
- Sweat equity is important! Volunteers, recycled materials, and other cost-saving approaches help give the site a unique identity and stretch the budget.

NDSM WAREHOUSE (Amsterdam, the Netherlands)

This bottom-up project took place within a large shipyard warehouse in northern Amsterdam, part of a network of structures that used to be part of the city's large shipbuilding industry. Faced with heavily contaminated soil and a deteriorating structure, the City of Amsterdam intended to demolish the building and sell the land to developers. However, a group of artists and community activists came together to save the building. Their plan was to invest millions of Euros into the project and then create a building with over 300,000 square feet of rentable space. This coalition of community leaders eventually won a 25-year lease from the city for the space, and was able to raise enough funds to cover the cost of stabilizing the structure through a combination of grants and contributions. Work on the structure began in 2002, and the warehouse is now home to over 200 artists, artisans, and small businesses that are part of the city's creative industry. Each of these occupants is given a plot of space within the warehouse to rent, and constructs their own workspace. More broadly, the activation of the warehouse has

encouraged development (restaurant, hotels, and more) in a part of the city that had previously seen very little of it, and the space around the warehouse has become home to many cultural and music festivals. Despite this success, and partly as a result of its unique governance, it has had difficulty gaining financial independence.

FINANCING

- Over 18 million Euros for the initial investment, a combination of contributions, city grants and loans, and investments made by the artists themselves.

Lessons Learned

- Actors from civil society, if given the proper recognition and legitimacy, can undertake a transformation process that larger institutions might see as too risky or unrealistic.



Photo courtesy of <http://www.evadeklerk.com/>



Rheinpark in Duisberg, Germany

Key Takeaways

Taking advantage of change

The story of the Ruhr Valley since the 1970s is that of change and transition away from the industries that dominated the area for over a century. The adaptive reuse of industrial infrastructure that have since occurred in the region has occurred only because leaders were able to take advantage of economic structural changes and turn them into opportunities for other areas. Change gave leaders the chance to do things differently and break out of conventional thinking.

Industrial sites offer key advantages/ high potential to be a new asset

Former industrial sites have physical assets that new construction is unlikely to match. Because these buildings were meant for intensive uses, their size, structure and durability often provide flexibility to make a host of new uses possible. Because they have these unique assets, they offer advantages that make their new uses more likely to succeed. At the same time, because of their inherent differences they do not necessarily lend themselves to conventional thinking.

Changing minds through experience

Many of the industrial sites have been transformed to become high-quality public assets that are heavily used by the local population. Because so many of the locals use these sites, the case to preserve more industrial sites is much less amorphous. Over the long term, this model

for industrial pride helps build a constituency to continue to build support for adaptive reuse for a variety of purposes rather than demolition. It's important that public perception is included as a variable and that the benefits of new projects reinforce the themes of a city.

Focus on having the right pace for reuse

Despite the wide variety of projects across the Ruhr, few of the region's most emblematic projects had a timeline that was less than 15-20 years from conception to project build-out. This reflects the intentionality of many of the projects, but also their complexity and the level of collaboration needed to bring them into fruition. Nonetheless, this timeframe is now reflected in the high quality of the spaces.

Multiple uses/do not focus on having one reuse strategy

Many of the projects visited have multiple uses—from housing and business incubation to open space and modern art. Few of the projects put their eggs all in one basket—this increases the long-term chance of success and provides an important income stream.

What is the plan for maintaining the project after completion? What is the legacy after the catalyst?

The study tour featured both successful and unsuccessful examples of industrial land reuse in

terms of the financial and logistical sustainability of new projects. In the case of Academy Mont Cenis Herne, for example, some of the site's original features have been scaled down due to financial constraints. Sites must have a long-term plan that will allow them to outlast any governance or financial crises.

Do not underestimate the tourism and educational potential, overall educational potential

The overall tourism counts for the region's largest industrial reuse projects, many of which are part of a well-marked route of industrial heritage, are impressive. For instance, there were over 2 million visitors to the Zollverein alone in 2010 when the Ruhr was named the 2010 European Capital of Culture. This is within the context of a once heavily polluted region struggling with the decline of industry, and shows that the cities of the Ruhr were able to turn many of their emptying industrial sites into new assets, effectively creating a tourism industry that had not previously existed. Tourism is also a vital source of income for maintaining the sites and further encouraging the improvement of the industrial heritage route.

This has also created a new sense of pride among the region's older residents, in some cases providing former workers the opportunity to participate in reused sites as guides. During a tour of the landscape park, the group saw a former worker guiding a group of students around the blast furnace. At Triple Z, many of the former workers in the mine complex bought shares of the new business incubator that is now onsite. In other words, sometimes the site isn't the only object of transformation.

Leave room for creativity

The study tour included several sites in which a larger institutional actor temporarily relinquished control of an industrial site to another actor, i.e. a nonprofit. In these cases, the group was able to create and implement a creative solution for the site to put it back into use. In turn, the creative on-the-ground process that each group undertook had many positive effects for sparking more significant change in surrounding neighborhoods.





Photo courtesy of creativeindustrial.wordpress.com



Next Steps in Detroit

The Detroit Opportunities Sites initiative shows that Detroit's liabilities can become new assets with local and global relevance. The sites explored as part of DOS activities also show that a host of innovative programming opportunities and financial mechanisms are on the table for the sites to reach their full transformation potential. Nonetheless, these currently vacant sites must be part of a vision among actors that recognize their unique reuse potential to offer these benefits and that commit to creating a high-quality reuse strategy.

This initiative has created a coalition of cross-sector Detroit actors dedicated to exploring the full reuse potential of vacant industrial site and properties. While these actors have raised some of the challenges involved with such reuse, they have also recognized that unconventional thinking can overcome many of these, and that in recent years, Detroit has already been able to pursue "big" land use interventions in areas such as the waterfront and along the Woodward Corridor. As part of this overall framework of revitalization, industrial sites could become new centers of employment, recreation, and research while advancing topics such as innovation, sustainability, and social equity. Perhaps most importantly, they can

connect Detroit residents and visitors with the city's rich industrial heritage.

Among those local participants in the DOS activities, several sites in Detroit were identified as particularly relevant to test the lessons learned and precedents from the initiative. For instance, DTE Energy's Conner Creek Power Plant along the Detroit River has been decommissioned since the late 2000s. Yet, many of its industrial buildings are structurally sound and primed for adaptive reuse. Moreover, because of its location along the river, the site also has potential to be the focus point of an ecological restoration. There are many other similar sites in Detroit that are similar opportunities. These include the Packard Automotive Plant, the Fisher Body 21 site, and the State Fairgrounds. For example, both the Fisher Body 21 and Packard Automotive Plants are representative of the city's auto industry architecture and are ripe for adaptive reuse before the structures are completely demolished by natural elements. The DOS coalition should continue to explore the potential transformation of the Conner Creek site and others into new public assets, and how they can be the start of a network of opportunity in the city.

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