

Promoting Brownfields.

The Approach of the State Development Corporation of Thuringia

State Development Corporation of Thuringia (LEG)

Frank Leipe, Department of Urban and Regional Development



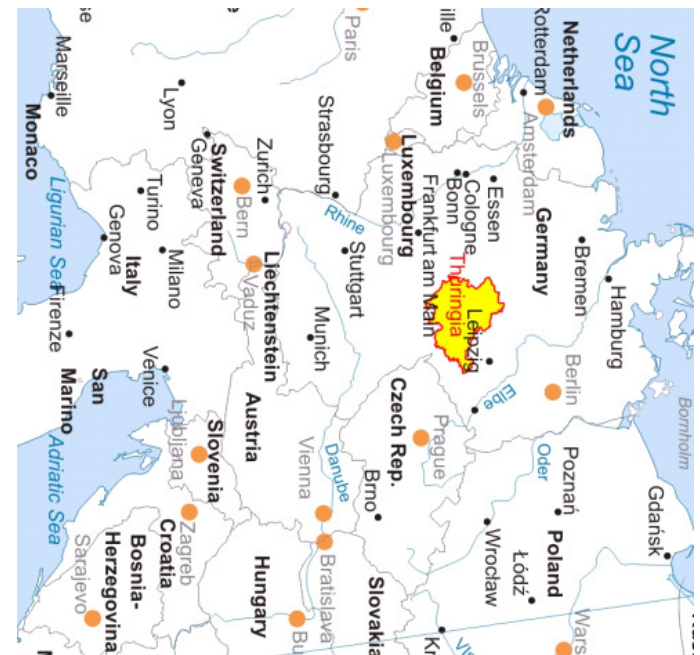
Menu for Today

1. The Free State of Thuringia – facts and figures
2. LEG – the Development Corporation
3. Brownfields in Thuringia – the dimension
4. Promoting brownfields – our approach
5. Lessons to be learned



1. The Free State of Thuringia

- facts and figures



- ✚ size: 16,200 km²
- ✚ population : 2,3 Mio
- ✚ capital : Erfurt
- ✚ important cities: Jena, Gera, Weimar
- ✚ key sectors of industry (selection):
 - Optics/ Photonics
 - Automotive and Supplier Industry
 - Solar and Photovoltaics Industry
- ✚ 10 Universities, Universities of Applied Sciences, and the University of Cooperative Education
- ✚ 5 Application Centers and 7 Technology- and Start-up Centers
- ✚ 22 Research Institutes
- ✚ *this* - Thuringia International School – Weimar

2. LEG

– the Development Corporation

- ✚ Established 1992
- ✚ Shareholder: Free State of Thuringia
- ✚ Staff: 237 employees, 13 trainees
- ✚ Turnover: 62 million Euros in 2009



2. LEG

– the Development Corporation

- attracts investors to Thuringia,
- manages Thuringia's international activities,
- coordinates the transnational activities within ESF & ERDF,
- supports technologies,
- brings firms and personnel together in Thuringia,
- develops industrial sites,
- markets real estate,
- converts former military bases,
- supports cities and regions,
- revitalizes brownfields.



3. Brownfields in Thuringia - the dimension

- There are over 6.800 ha of brownfields in Thuringia.
- In terms of figures this would cover the demand for additional settlement area in Thuringia for more than 20 years.
- 50 % of the brownfields are suitable for renaturation.
- 40 % of the brownfields are in public ownership.



6.800 ha

4. Promoting brownfields – our approach

- Identify the brownfields,
- assess the potential re-use of the brownfields,
- align the demand for land with the suitable brownfields,
- mobilize the real estate,
- attract the investor to the brownfield,
- form an alliance between the actors – PPP.



4.1 Tracking down the brownfields – statewide survey of brownfields

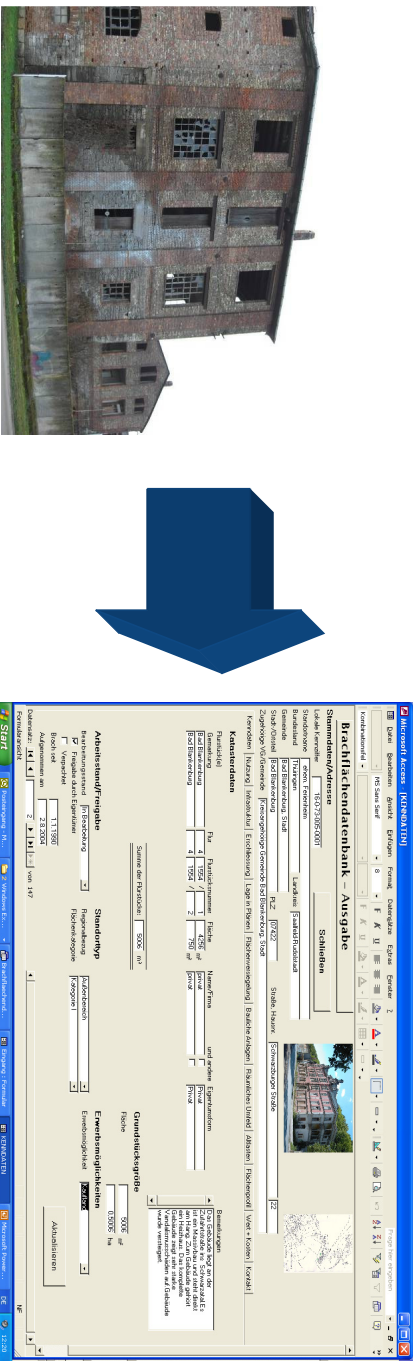
The statewide survey of brownfields produced:

- a quantitative and qualitative overview,
- showed the spatial distribution,
- formed a decision-making basis for politics and regional bodies,
- made brownfields accessible to investors.



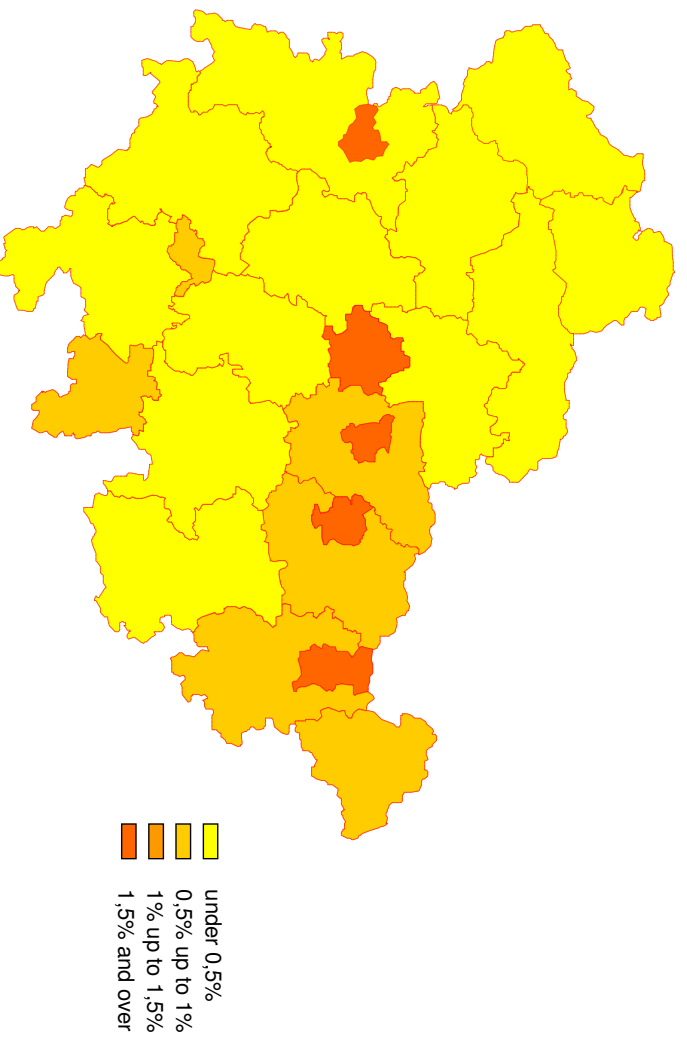
4.1 Tracking down the brownfields – statewide survey of brownfields

- The survey was carried out between 2003 and 2006,
- it identified 7.228 brownfields,
- with an overall size of 6.801 ha.



4.1 Tracking down the brownfields – statewide survey of brownfields

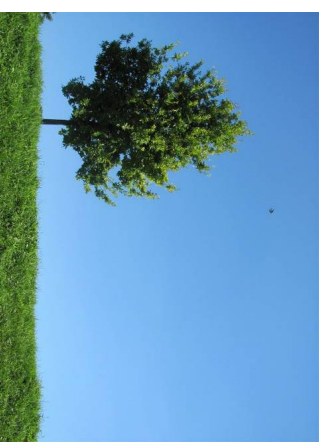
Proportion of brownfields compared to the land area in 2006



4.2 Identifying the potential re-use



housing



commercial and
industrial use

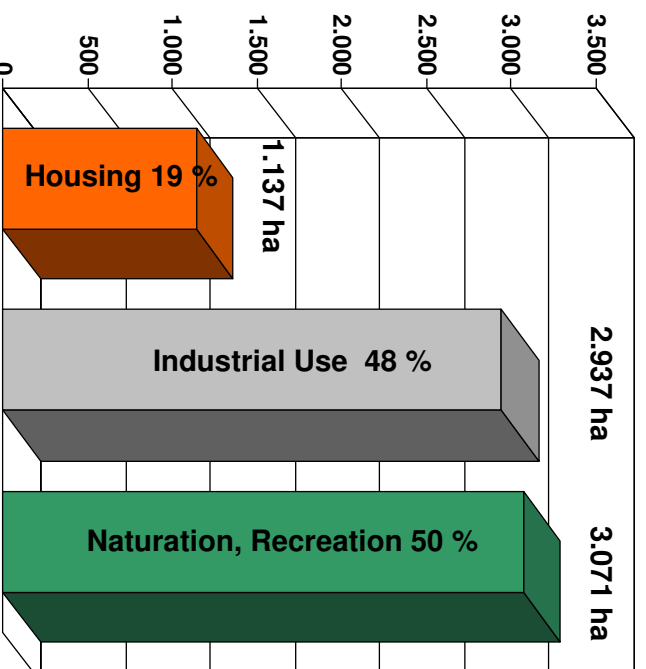


renewable energy

ecological compensation

4.2 Identifying the potential re-use – statewide survey of brownfields

Potential re-use of brownfields in Thuringia in 2006



Remark:
multiple choices
were possible

4.2 Identifying the potential re-use - housing

- Cities experience a depletion of the inner city and urban sprawl.
- Initiative “GENIAL*zentral* – our house in the city” started in 2002,
- Involves 35 cities with 60 sites (overall > 100 ha),
- aims to bring young families back into the city,
- by creating homes on brownfields in the inner city.
- The development corporation manages the process and assists the cities.



GENIAL zentral

Entwicklung innerstädtischer Brachflächen



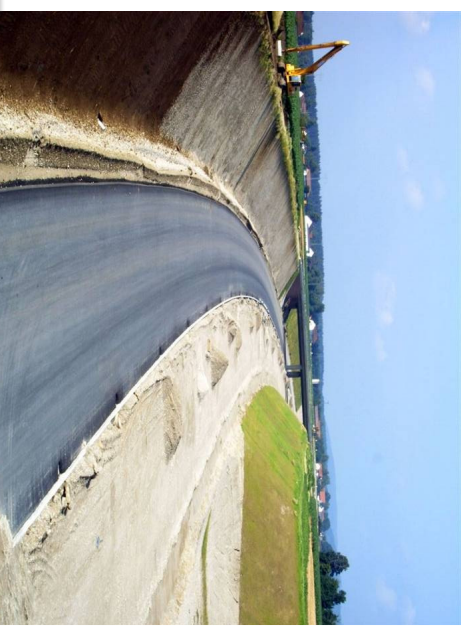
4.2 Identifying the potential re-use - commercial and industrial use

- Young firms need cheap business space.
- They are willing to cut back on standard and appearance.
- The development corporation:
 - identifies brownfields with a potential for commercial re-use,
 - compiles the necessary information (handout),
 - cooperates with the Chamber of Crafts and the Chamber of Industry and Commerce to make the brownfields available for those companies.



4.2 Identifying the potential re-use - ecological compensation measures

- Impact regulation under nature protection law requires compensation for building activities,
 - the construction of new motorways and large-scale industrial areas cause a vast demand for compensation measures,
 - farmers increasingly refuse to sell land for compensation measures,
 - making the search for compensation measures difficult and expensive for the investor.
- Thus, brownfields become an interesting alternative for carrying out compensation measures.



4.2 Identifying the potential re-use - ecological compensation measures

The development corporation:

- identifies brownfields suitable for being restored to nature,
- checks the conditions under which the real estate is available,
- checks the eligibility with the nature conservation authority,
- estimates the costs for demolition and for restoring to nature,
- creates a pool of verified compensatory sites,
- offers these sites to investors.



4.2 Identifying the potential re-use

- renewable energy: solar parks on brownfields

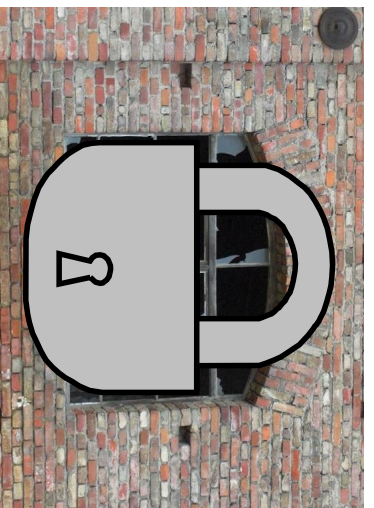
- Requirements:
brownfield site, unshadowed, square shaped, electrical connection, minimum size between 1 ha (inner zone) and 4 ha (outer zone), complies with planning law.
- Result:
56 brownfields with overall 400 ha identified.
- Potential output:
160.000 MWh per year,
providing the electricity for 80.000 households.



4.3 Mobilizing the property

Transfer of ownership is a main obstacle. Typical problems are:

- land owner is unavailable (dead, unknown, on the run),
- land owner is known but incapable of action (bankruptcy, divided community of heirs),
- numerous land charges registered in the land register exceed the value of the property.



4.3 Mobilizing the property

- The LEG effects the transfer of ownership e.g. by means of:
- thorough research of the ownership,
 - appointment of a trustee for an owner incapable of action,
 - forced sale – to remove all land charges from the land register.



4.4 Bringing the Investor to the Brownfield

The development corporation:

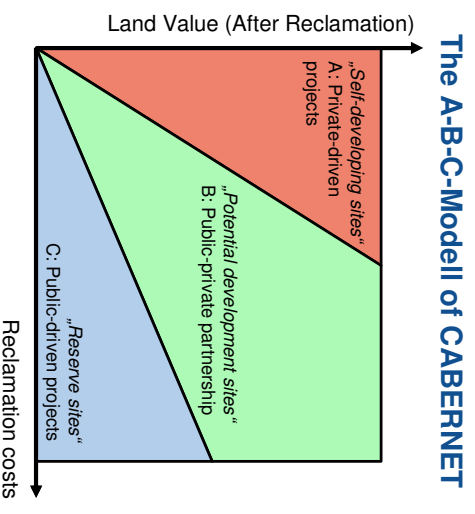
- accepts requests from investors (e.g. photovoltaics),
- matches the requests with sites in the database,
- addresses potential investors directly (e.g. hotel),
- analyzes economic, planning law, ownership of the site,
- provides sites made-to-measure.



4.5 Encouraging PPP – the approach of ACT4PPP

“B-sites” can be mobilized through PPP. This means:

- public partner plays an active role in the development process,
- the partners co-operate,
- both partners bring in their specific competences and resources,
- public and private partner share the risks.



4.5 Encouraging PPP – Key Facts of ACT4PPP

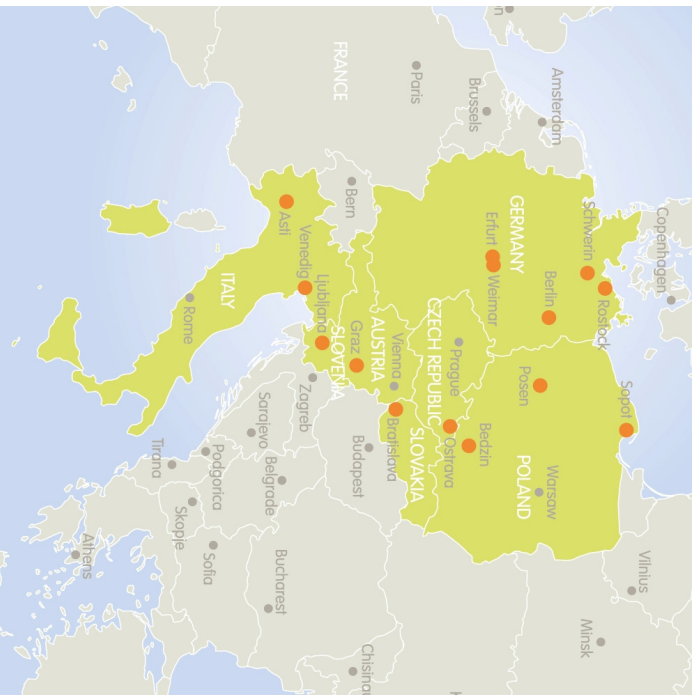
- Partnership - 17 project partners from 7 countries working on 12 pilot projects
- Duration - 3 years from October 2008 until September 2011
- Project budget - 3.8 Mio. €
- Implementation - through the CENTRAL EUROPE programme co-financed by the ERDF
- Goals - to enhance and improve the targeted use of PPP models for regional and urban redevelopment
- Visit us at: www.act4ppp.eu



The screenshot displays the following information:

- Overview:** Introduction of a "model" framework – the "Heldra Zone".
- Participating Project Partners:**
 - ACT4PPP
 - City of Coblenz
 - City of Mainz
 - City of Wiesbaden
- Current Situation:**
 - The area is a former industrial site, now a brownfield.
 - The area is located in the "Heldra Zone", which is a designated area for development.
 - The area is currently used for industrial purposes.
 - The area is surrounded by residential areas.
 - The area is located in the "Heldra Zone", which is a designated area for development.
- Objectives:**
 - To develop a model framework for the development of brownfields.
 - To enhance and improve the targeted use of PPP models for regional and urban redevelopment.
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 - To enhance and improve the targeted use of PPP models for regional and urban redevelopment.
- Activities:**
 - Development of a model framework for the development of brownfields.
 - Implementation of the model framework for the development of brownfields.
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4.5 Encouraging PPP – the partnership of ACT4PPP



4.5 Encouraging PPP – example KONTTEX Blankenstein



- Starting point: industrial brownfield, industrial re-use impossible, owner incapable of action, costs of demolition exceed the value of the property, brownfield site obstructs touristic development.
- Approach: mobilizing the property, assessing the re-use, attracting investors, forming an alliance of public and private partners to make the redevelopment viable.
- Current situation: ownership through forced sale, demolition supported with subsidies, broad alliance of public partners (municipality, rural district office, tourism agency, university) and private partners develops.
- Goal: a touristic highlight.



5. Lessons to be learned

- what a development corporation can do

- ❑ Register the brownfields to know the potential,
- ❑ assess the potential re-use of brownfields,
- ❑ attract investors,
- ❑ give advice on subsidies and financing,
- ❑ facilitate the transfer of ownership to the investor,
- ❑ assist public and private actors in common efforts (PPP),
- ❑ elaborate new strategies how to deal with brownfields,
- ❑ communicate the importance of revitalizing brownfields.



Frank Leipe: Promoting Brownfields
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Page 25

Get in touch

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