



Local Action Plan

Paços de Ferreira

April 2015

URBACT II



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Mayor Message

It is with great satisfaction of accomplishment for the work done that the city of Paços Ferreira presents this document. During 27 months we have been working with 9 European cities to find solutions to our problems. The URBACT program, with an innovative methodology of collaborative work between cities, was an enabler factor for the establishment of this network that is intended to endure in time.



The Europe 2020 strategy, defined by the European Commission as a key factor of the Economic Growth, in particular the diversity of aspects associated with the territorial basis and its implications in the trajectory of development of the territories, villages, towns, cities, countries, which comprise the European Union, are the basis of Wood Footprint project. Our vision is to make Paços Ferreira the best known and the most attractive city for manufacturers and furniture traders. Our goal is to enhance the brand of “Capital of Furniture” of Paços de Ferreira as well as the municipality as a whole at a European Level. After the last ten years, with particular focus on the last six years, Portugal having lived and experienced particularly difficult times due to the economic and financial crisis, it is envisaged that now is the right time to lay the foundations for sustainable and lasting economic growth.

We are aware that, to reverse the effects of the economic and financial crisis, the policy makers must establish clear and objective references regarding the model of economic development that they intend to follow and what are the actions they want to develop. With this purpose the municipality of Paços de Ferreira currently has the strong ambition to follow the Europe 2020 strategy as a basis for the consolidation of economic growth that we want - I would say more: the economic growth that we need.

Needless to mention the high unemployment rate in the municipality or the significant number of companies, in particular the furniture retailers, which closed its activity in the last years. In this particular aspect, it must be reinforced that, the evidence of the difficulties and its public assumption, does not represent a sense of inferiority for the current executive of the city council.

On the contrary: they represent very well the awareness that we recognize the collective problems that we are facing, that we face it head-on and we want to solve them. We must not be embarrassed of our problems and difficulties neither we have to hide them. This transformation will be the most appropriate, but always on the basis of our existing resources, always having in mind the different possibilities of development - for us this is very clear and imperative.



I would like to affirm that we support and we always will support all the business initiatives that in the plan of the economic rationality can bring an effective return to the municipality.

Our action plan is based on three main lines of action:

1 - Mining: We work to identify the scale of the problems of the vacant commercial buildings in urban areas, and how we can use them to stimulate the economic growth of Paços Ferreira.

2 - Planning: We intend to create the Paços de Ferreira Showroom District, with investments in the many areas, namely in lighting, roads, pedestrian zones, management of transport corridors, green spaces, in order to increase the attractiveness for national and international visitors.

3 – Clustering and Branding: if we aim to create conditions to transform Paços de Ferreira in the European Capital of Furniture, we need to have a regular presence in the main fairs of the sector, the capability to organize missions to promote the municipality and to establish integrated communication plans that allow to disseminate the city in an integrated and coherent way.

The Local Action Plan developed under the Wood FootPrint project with the support of the URBACT programme, is essential to ensure this path of development and of support to the business owners in our municipality. It is our understanding that economic development can only be built gathering a wide range of stakeholders: business owners, managers and employees of various companies, people linked to the scientific and technological system, universities, schools, also involving the contribution and the collaboration between the City Hall and the Business Association of Paços Ferreira.

We gather the best Portuguese companies in the furniture sector and we are able to seduce the Europeans to know us: asserting without fear that we are the EUROPEAN CAPITAL OF FURNITURE. So let's move forward!! I would like to thank once again the opportunity of my city to participate in this international project.

Mayor of Paços de Ferreira

Doutor Humberto Brito



1. Background & Policy Context

URBACT Programme

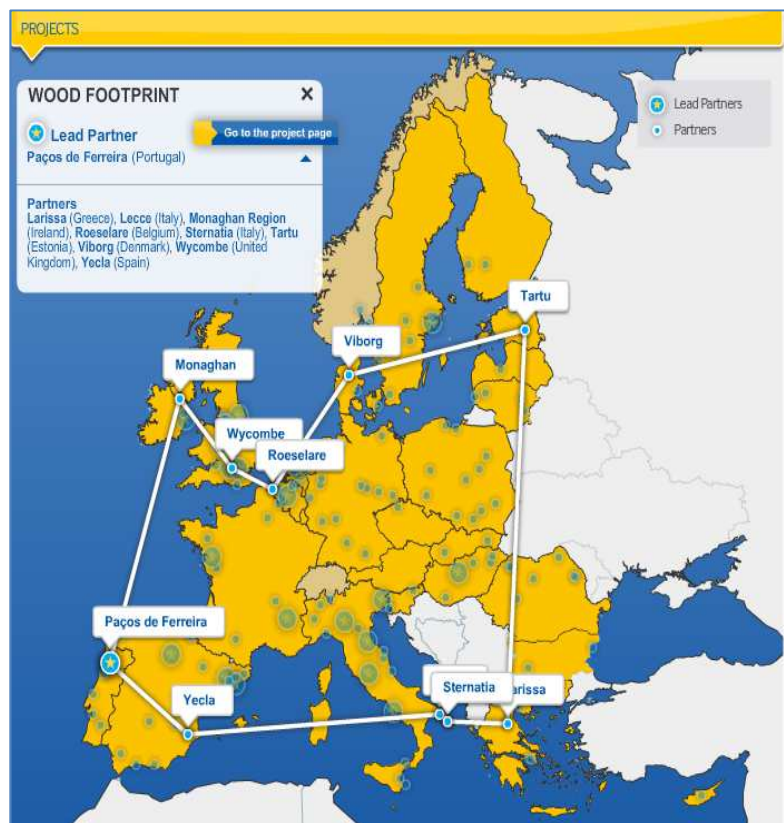
This program was started by the European commission and was created to promote the development of networks within the European economic region. Its main task is to improve the efficiency of urban development in a sustainable and integrated way. It is based upon the sound methodology of exchanging ideas, experiences and methods learnt by those responsible in the daily management of our cities so that their ideas can be used to form new polices that better our urban development

URBACT is defined by the European Regions' initiative for economic change, with the objective of promoting economic modernisation, growth and job creation, using European models at a local level.

There are currently more than 29 countries, 300 cities and more than 5000 active participants with URBACT, which are developing certain programs promoting innovation, urban mobility, sustainable growth and, amongst others, promoting entrepreneurship.

Wood FootPrint Project

Wood Footprint, under the banner of URBACT, aims to respond to the challenge to reactivate the economies of participant cities, whose main economic activity is the furniture industry and have suffered as a consequence of the economic crisis and the impact of globalisation. One of the main benefits of the programme "Wood Footprint" is to offer different tools and policies that will strengthen the furniture sector but at the same time offer economic diversification by sharing successful methods in sustainable sectors. The projects partners include 10 partners from 9 EU countries.



Partners on Wood FootPrint Project

Project Background

Title - Addressing the challenge of the urban footprint left in European cities by transforming manufacturing sectors



Background

The Wood Footprint Project is an URBACT II¹ funded project which focuses on Wood Manufacturing sectors within urban centres. Recent years have seen a considerable decline in the wood industry and, in many cases, the abandonment of large units/workshops, formerly used to manufacture, store and display furniture and wood products.

Overall Project Goal

The overall aim of the Wood Footprint Project is to bring together key players in the wood industry from across the EU, and through the sharing of ideas, experiences and practices, find new and innovative ideas to assist the active industry; and to promote and foster a renewed diversification for redundant premises to enhance the economic development of the local economy. This will be achieved through the development of a Local Action Plan (LAP) for each partner involved in the project. A key focus of the LAP is to provide a local solution to a local problem that is informed from best practice and learning from across the Partner Network.

Key Output from the Project - Local Action Plan

Each Project Partner must develop an LAP which addresses local problems within the industry and identifies relevant solutions and actions to address and overcome these problems. The actions emerging from the LAP will be carefully chosen through a filtering and refining process using the URBACT method which is a particular methodology that is developed to investigate the scale, nature and extent of the problem in each partner city, and to identify appropriate and relevant solutions to these problems. The number of actions emerging from the LAP will be small in number, but reflect the extent of the strategic problems and challenges facing the industry locally. Like any good plan or strategy, there is continuous engagement with stakeholders in order to ensure that they are aware of the emerging problems and solutions and are ultimately engaged into the process and the project. The actions that are being developed are tested against strict criteria to identify relevant bodies such as agencies, local and regional authorities and Government Departments whom could make resources available, and that there will ultimately be a body responsible for the implementation of each action. Relevant funding bodies and new unconventional funding models are being explored and identified, to ensure that there are appropriate resources available to support the plan and its actions.

The added dimension, and real benefit, of this project is that there are nine other EU Partners who like ourselves, are looking for new and innovative ways of tackling the issues facing the furniture industry in each of their respective countries. The sharing and learning of experiences between project partners is providing new innovative ways of tackling urban problems in North region of Portugal and in particular in our city, Paços de Ferreira.

¹ URBACT is a European and exchange learning programme promoting sustainable urban development



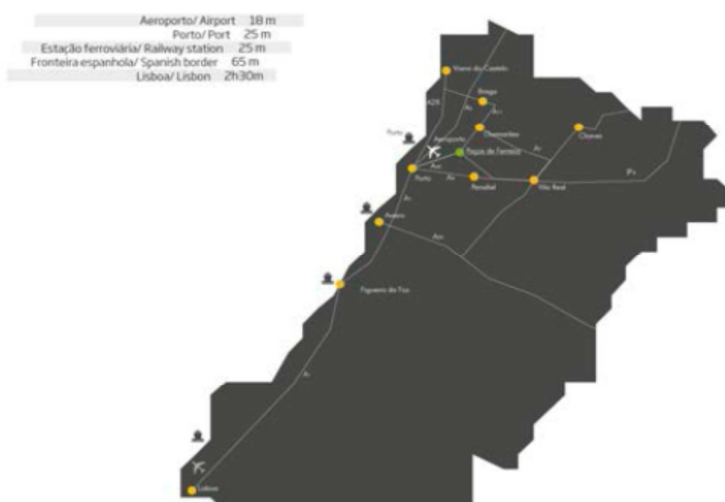
2. City Profile

Paços de Ferreira (PT), Lead Partner, is unquestionably the Portuguese capital of furniture. It's well known by the strong network of small producers and qualified labor force, which contributed to attract the investment from IKEA for setting up IKEA main production centre in the South of Europe.

Paços de Ferreira is the 8th youngest municipality of Portugal. The age group between 0 to 65 represents over 90% of the total population, with particular emphasis on the younger population, which means that the municipality has a skilled and available workforce.

Paços de Ferreira is strategically located. The municipality is part of the Porto District and is located within the Porto Metropolitan Area:

- 1.5 million people live on a 30 minutes (distance) radius.
- Paços de Ferreira has an excellent geostrategic location, considering its proximity to the Porto Internacional Airport, to the Leixões Sea Port and to the main northern road network. It is quite close to some of the main logistic platforms of the country.



Paços de Ferreira is served by a wide road network that enhances its location and puts the municipality at the center of the main communication and transportation routes. The region has been inhabited since the very earliest of times and still preserves some very ancient remains from this period, such as the dolmen at Lamoso and Citânia de Sanfins (one of the most important archaeological sites in the north of the Iberian Peninsula). Dating from the twelfth century is the remarkable Romanesque church of the monastery of Ferreira.

The Ferreira Monastery, classified as a National Monument, is considered by specialists as the most perfect and balanced construction of our rural Roman Style. A typical example of a rural ecclesiastical establishment, dating back to the last quarter of the XII century, it impresses a special awe in visitors who appreciate art history and is a lesson on the aesthetics of this artistic style.

The Citânia of Sanfins is one of the most significant archaeological stations of the “fortified camp” (castre) culture of the North-western Iberian Peninsula and the European proto-history. The wide panoramic view one can encompass over the entire “Entre-Douro e Minho” region from the citadel is probably one of the strategic factors that determined the development of this important settlement giving it a central position in the frame of the regional settlement network.



The Municipal Museum - Museum of Furniture, installed in a noble building which until May the 20th of 1997 housed the Municipal Chambers of Paços de Ferreira, has as its main objective to establish itself as an interpretational centre for the municipality's evolution, since the origins of its settlement up to contemporary days. As an institution dedicated to the preservation, investigation, display and dissemination of patrimonial values, it is intended to pursue and further the fulfilment of the socio-cultural programs of the municipality, in permanent communication with the community.



Internationally known as the “Portuguese Furniture Capital”, Paços de Ferreira has a dynamic industrial activity that has made a significant contribution to increase the local demographics. With a wide range of products and companies (of different sizes), local industries have been positioning themselves through their quality, ability to fulfil orders and aggressive marketing strategies: examples of this are the large furniture show-rooms and two big annual furniture fairs. It's well known by the strong network of small producers and qualified labor force, which contributed to attract the investment from IKEA for setting up IKEA main production centre in the South of Europe.



Nevertheless, Paços de Ferreira has also an interesting industrial diversity, having, besides furniture industries, prestigious textile and metal companies.

City overview:

Advantages	Weaknesses
<ul style="list-style-type: none"> — Strong and recognizable city brand "Furniture Capital"; — Multipark industrial solutions for all kind of industries, Technology City and Business City; — Perfect localization for industry implementation, with good transport infrastructures (road, rail, waterborne and air); 	<ul style="list-style-type: none"> — Unemployment rate is growing since June 2008; — The number of vacant showrooms is growing in the urban area since 2009. Today more than 100,000 m² of space are deserted and waiting for another occupation; — Reduced openness of showrooms private owners to cooperate on finding new uses



-
- Professional structure to capture industrial investment in the region and high level support services to receive industry (ex: IKEA factory – SWEDWOOD is a good example)
 - Good experience in managing public investment and public/private partnerships;
 - Good Quality of Life, considered the 9th municipality of the country with better quality of life;
 - There is an International Fair and Congress Centre;
 - for their real estate;
 - Education gap between companies and schools;
 - lack of the city European visibility as good business location and good quality of living;
 - New Local Government Regulations, which limits public investment.
-

To improve and update

What is missing

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- | | |
|---|---|
| <ul style="list-style-type: none"> – Redefine the City Council strategy to keep upgrading the qualifications of Paços de Ferreira population, from basic school to university degrees, from professional training to technical skills; – Open the International Fair and Congress Centre to other business sectors, such as: ICT, mechanics/metals, textile, automation; – Update the city strategy for the Technology City with the new urban challenges; – There is a City thinking at City council level, nevertheless, there is room to improve city thinking with business actors and community; <ul style="list-style-type: none"> – Education gap between companies and schools and redefining a global local education offer. | <ul style="list-style-type: none"> – Creating hubs of discussion, where it is possible to involve private and public under the same urban planning strategy. The vacant showrooms is seen by the privates as an individual problem, not a city and community problem; – Public/private partnerships to address the vacant showrooms problem; – More and better quality accommodations to increase business tourism in the region. Budget Design Hotels is a concept that is not being explored in the city. – European communication strategy at city level; – European knowledge about good practices implemented in other European cities. |
|---|---|
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3. Local Support Group

The Local Support Group (LSG) is a diverse range of people from the public and private sector that steered the project during the development and implementation phases of Wood Footprint. The LSG includes key stakeholders from the public and private sectors with an interest in the furniture industry and urban regeneration. The group were the project champions and assisted in mobilising and steering the political and institutional support required to ensure that the LAP provides new and innovative solutions to complex problems and leads to real change. The LSG were central to developing and guiding the project in Paços de Ferreira. The diversity of people from the public and private sector meant that the views and ideas put forward for the LAP, were truly representative of the general public and the business community in Paços de Ferreira.

LSG Role in LAP Implementation

Beyond the development of the LAP, the Local Support Group will be central in the implementation of the Local Action Plan. The group will continue in its existing capacity and have agreed to meet quarterly, review progress on implementation, and through continued communication with the Lead Expert, identify other funding opportunities to continue supporting the furniture industry and the wider local economy.

Organization name	Profile (short description)	Contacts		Why joining the LSG
Swedwood	The Swedwood Group is part of IKEA Industry Group. Swedwood's primary task is to ensure production capacity for IKEA. This is accomplished by establishing and operating sawmills, component and furniture production units' strategically located relative markets and/or raw materials supply. Swedwood has more than 33 production units and offices in 10 countries in three continents.	Phone	961706653 (Jorge Ferreira)	As the main industry of the City, the company intends to contribute for the LSG with their global knowledge and contribute for finding solutions for the Wood FootPrint topics.
		Email	jorge.ferreira@swe-dwood.com	
		skype		
Paços de Ferreira's Business Association	AEPF develops, since 2000, projects concerning the local companies' internationalisation, as: Business Missions; Group participation in trade fairs abroad; Invitation to importers to visit Paços de Ferreira. AEPF assures several regional projects, such as: Youth Vocational Training; Professional Training for SME and businessmen; Competitiveness Forum for the Tâmega region.	Phone	937774488 (José Ribeiro)	As the city chamber of commerce, AEPF will play relevant role in linking the project activities to the business community and will be one of the main communication channels with showrooms' owners.
		Email	jribeiro@capitaldo-movel.pt	
		skype		



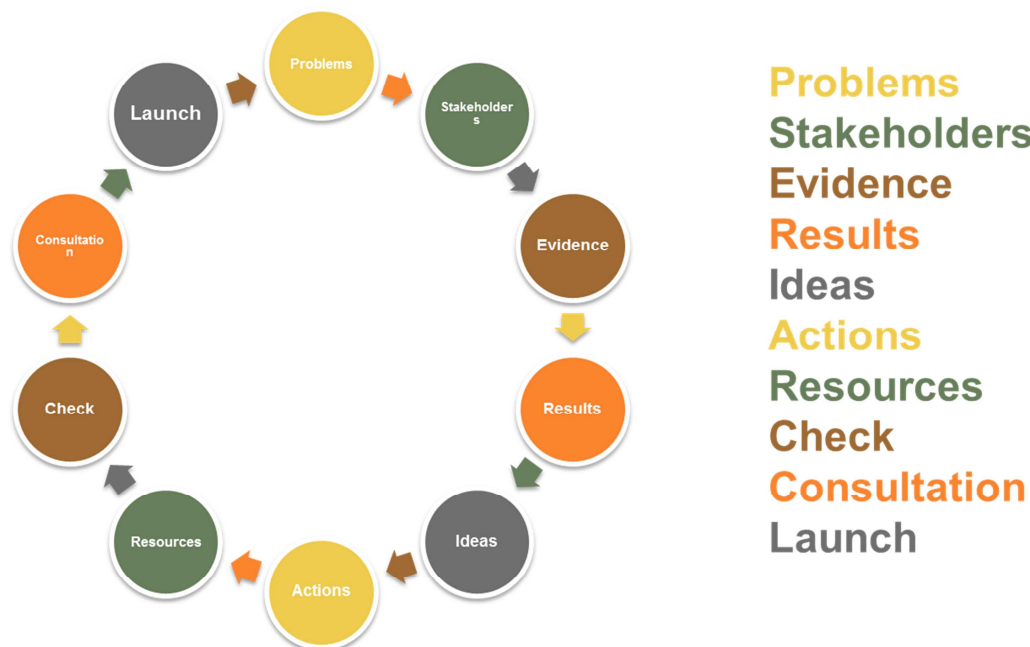
Polytechnic of Porto (IPP)	A Public Polytechnic Higher Education Institution that prides itself as a socially responsible community that seeks excellence in the education of highly competent citizens professionally, scientifically, technically and artistically, within an ample diversity of qualification profiles, the development of research and transfer of applied technology and knowledge, the creation and dissemination of culture and commitment to the sustainable development of the surrounding region, within an international framework of reference”	Phone	925562909 (Carlos Ramos)	IPP is known in Portugal by its close relationship with the industry. IPP will actively contribute for closing the gap between companies and schools and helping redefining a global local education offer.
		Email	csr@sc.ipp.pt	
		skype		
CCDR-N	Regional authority for the North of Portugal – managing authority of EU Regional Operational Plan.	Phone	Dr. Fernando Gomes +351 2254339 52	The involvement of the managing authority since the beginning in the LSG will facilitate the link of Wood FootPrint with public incentives and regional and national initiatives.
		Email		
		skype		
PROFISOUSA	Professional Training School at Paços de Ferreira. Offers a diversified set of training to young students and professionals.	Phone	937774484 (Paulo Dinis)	PROFISOUSA will actively contribute for closing the gap between companies and schools and helping redefining a global local education offer.
		Email	pdinis@profisousa.pt	
		skype		

“We would like to thank all of the members of the local action group, their dedication and efforts in the recent months. We have tried to put together a motivated group from a cross section of society with the common goal of having the vision to face the challenges that the local action plan is hoping to fulfil. So, to all of those and to anybody who has worked on the project: We thank you”



4. Project Methodology

The project methodology was established from the URBACT Toolkit. The toolkit provided a range of methodologies and suggestions as to how particular problems or challenges may be addressed. The Project Team developed a draft methodology which was discussed and approved by the Local Support Group.

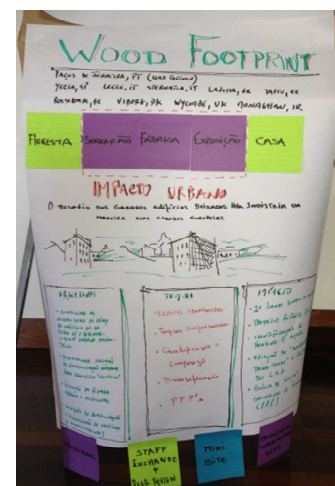


Summary of the key stages:

- a) Creation of the Local Support Group with representatives from public and private sector;
- b) Stakeholder Analysis;
- c) Definition of Key Problems and Challenges;
- d) Creation of the Problem Tree;
- e) Creation of the Solution Tree;
- f) Desktop studies and site work as part of primary research about the local furniture industry and abandoned/vacant buildings;
- g) Organisation of a Stakeholder Event to outline the Project, provide industry with information regarding supports and to learn about the needs and challenges for industry;
- h) Transnational visits to partner countries with exchange of best practice and learning;
- i) Refinement of the Actions and completion of Action Tables;
- j) Identification of potential funding mechanisms and programmes for LAP Actions
- k) Communication and consultation with key stakeholders and validation of Local Action Plan;
- l) Further refinement of the Local Action Plan following consultation with stakeholders
- m) Completion of Development phase and formal launch of Local Action Plan;
- n) Launch the basis for LAP implementation;



A key focus of this study was to correctly identify the key challenges facing the wood and furniture industry (and the link with abandoned buildings) and attempt to explain reasons why business owners have left the industry and to what extent is the scale of the problem of vacant buildings within Paços de Ferreira. This requires a systematic approach and a clear methodology to ensure that we understand the problems and create the right solutions to solve these problems. A key part of this methodology, which was developed through the LSG, was the creation of the Problem and Solution Tree's as outlined in the following figures.



In the Problem Tree the trunk is known as the **core problem** whilst the roots are the **root causes** of the problem and the branches are the **effects** of the problems. In order to attempt to resolve these issues and develop solutions, the Solution Tree was developed. The **core solution** is the trunk, whilst the roots are the types of **Actions** needed to get the **expected results** (branches).

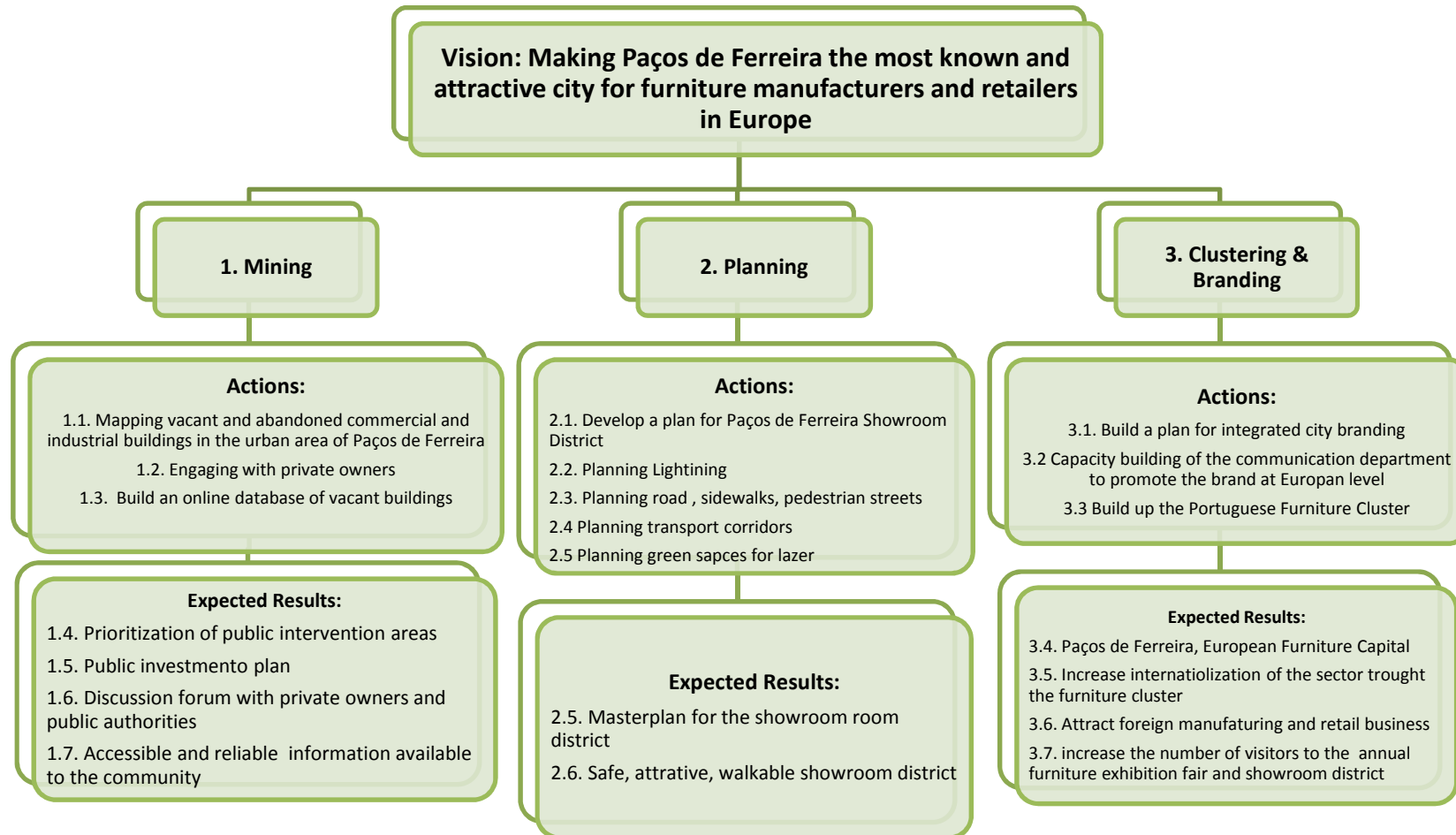
The second key aspect of the URBACT method is the transnational exchange programme where representatives from each partner country visit each other during project development to exchange best practice ideas, share relevant case studies and develop new ideas within their own cities based on experiences and learning. The transnational exchange was considered the most valuable part of the project as the ideas and learning generated among partners is now being reflected in each Local Action Plan across the Wood FootPrint partnership. The focus is on providing local solutions to local problems.

The purpose of the transnational exchange programme was to share experiences and learning between partners and develop new initiatives in tackling similar problems in each partner country. This was considered the real added-value of the WFP Network where key personnel of LSGs were afforded the opportunity to visit, see and discuss with relevant individuals in partner countries as to how to tackle various problems and what solutions would be best suited and fitted to their own situation.



5. LAP Vision

The following diagram articulates the vision, aims and objectives of this Local Action Plan.



6. Action Planning

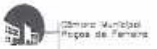
6.1 Activity 1 - Mining

Expected Results		a. Prioritization of public intervention areas 1.5 Public Investment Plan				
Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
1.1 Mapping vacant and abandoned commercial and industrial buildings in the urban area of Paços de Ferreira	Municipality of Paços de Ferreira	Business owners	Personalized fiche for all abandoned buildings Public investment plan for critical areas	Internal staff of the municipality – 4 persons	4 months Reviewed every 12 months	Own resources
Context		<p>The declining role of traditional industries such as manufacturing represents a key challenge for Paços de Ferreira. As identified in the primary research conducted as part of this project, a number of sites, including some of the larger ones that made the biggest contribution to the furniture retail in Paços de Ferreira, have now ceased trading and many of the buildings are now vacant and face an uncertain future. Where they do not have a use, they may not have a future and the longer that they remain vacant, they face a likelihood of falling into dereliction. Activity 1 – Mining, is primarily aimed at tackling this issue. These material assets (vacant buildings) provide an important link with our urban heritage, albeit that many of the buildings are of no significant architectural value given that they are mainly portal frame structures built during the eighties and nineties. There is a strong case to be made that given the relative good condition of most buildings, they could easily and readily be brought back into use with a different purpose. The reuse of these vacant spaces and the diversification to other uses present an opportunity for businesses and local development agencies in Paços de Ferreira to encourage new enterprise development within vacant buildings where infrastructural facilities are readily available. The promotion and encouragement of new start-up enterprises represents an opportunity for Paços de Ferreira to return to the self-starting progressive and independent economy that it once was.</p>				



Local Action Plan
Paços de Ferreira

Key Activities

 **Levantamento Estabelecimentos de comércio de Mobiliário**

1-Identificação
1.1- N.º 2 1.2- Data: 03/05/2013 1.3- N.º Fotografia: 4050

2-Localização Geográfica e identificação do espaço comercial
2.1-Freguesia: Santa
2.2-Rua: António de Sousa
2.3-N.º de Poçoca: 921
2.4-Designação: _____
2.5-Proprietário: Joaquim das gentes Ferreira?

3- Utilização:
3.1- Utilizado -
3.2- Devoluto - 3.2.1- Para Venda - 3.2.2- Para Aluguer -
3.3- Não é possível determinar -

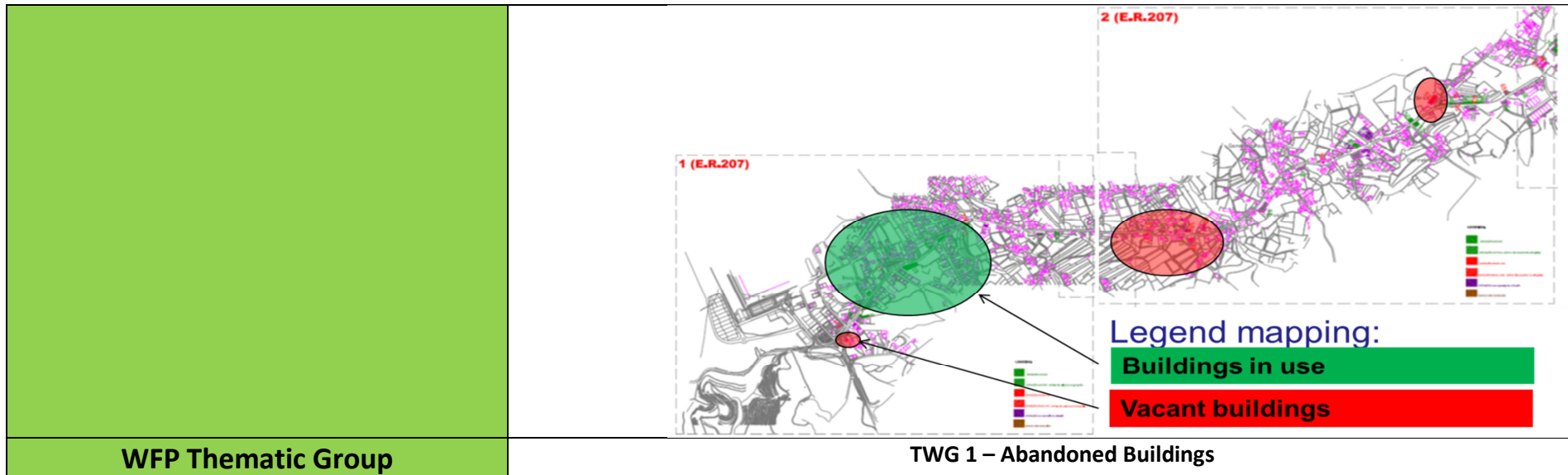
4. Alteração de actividade?
4.1- Sim - 4.2- Não -
4.1.1- De _____
4.1.2- Para _____
4.3- Não é possível determinar -

5. Estado de Conservação:
5.1- Bem conservado - 5.2- Mal conservado - 5.3- Em ruínas -
5.4- Edifício não concluído -

- Door to door interviews;
- Information requested:
 - Building identification;
 - Location;
 - Use (vacant or in use);
 - Diversification (same sector or being used for other purpose);
 - Renovation needs;
- 182 interviews;
- 4 months of field work;
- 4 persons full time;

Based on the inventory of businesses & their buildings within Paços de Ferreira critical intervention areas are identified. This information will be used to build up the city investment plan.





Expected Results		1.6 Discussion forum with private owners and public authorities 1.7 Accessible and reliable information available to the community				
Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
1.2 Engaging with private owners 1.3 Build an online database of vacant buildings	Municipality of Paços de Ferreira	Business owners External investors Business association	Intelligent information about urban area of the city	Municipality IT department	Up to 2016	Own resources NORTE 2020
Context		The city of Paços de Ferreira intends to develop an Intelligent City model based. To deal effectively with problems such as lighting, energy use, pollution, noise, and crime require an understanding of the city in				



	three dimensions, and at different scales and levels of detail. Visualizing a model of a city and using it to calculate light, shade, and reflected heat patterns, allows these things to be considered before a building is reused or constructed, rather than finding out their impact after it is built. Plotting incidents on a model of the city allows law enforcement to better analyze and study patterns of crimes and initiate more effective crime prevention measures.
Key Activities	<ul style="list-style-type: none"> - Build on top of the Local Support Group the basis for a permanent discussion group; - Organize a minimum of 2 annual physical meetings; - Open an online discussion forum for stakeholders - Make available information about the city urban area - Digitalize the city information
WFP Thematic Group	<p style="text-align: center;">TWG 1 – Abandoned Buildings TWG 5 – Public Private Partnerships</p>

6.2 Planning

Expected Results		2.5 Masterplan for the showroom district				
Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
2.1 Develop a plan for Paços de Ferreira Showroom District	Business Association	Municipality Business owners	Master for the showroom district	Business Association staff Municipality staff	Up to 2016	Norte 2020 Own resources
Context		The primary purpose of this district is to protect the economic viability of the furniture showrooms. Based upon the importance of the showrooms and the furniture market to the local economy, no restrictions are proposed to control the degree to which showrooms exist in this area. It is understood that this approach will continue the trend of inflated real estate prices driven by showrooms, and that it will be difficult for other less profitable uses to occur.				



Key Activities	<p>The basis of the master plan was the following:</p> <ul style="list-style-type: none"> - Regulatory regime – a key theme of the plan, was the need to reduce bureaucratic obstacles that stifle the change from a traditional pavilion exhibition to street exhibition; - Smoothing out spikes - the difficulty is finding ways to make the center city attractive outside the two weeks of the year when the furniture fair is organized. The city has a commitment to an incredibly successful industry for 100 years; - Young people - Much of the success or failure of the master plan will hinge in large part on whether young people are drawn to the center city; - Parking lots - in uptown and around the showroom district, for example, empty parking lots abound, which could offer opportunities for small-scale use without a lot of business investment. Shipping containers, or sea-cans, in creative ways for artistic or retail purposes to fill in space in vacant parking lots is a start. - City traffic – change the traffic routes to more of an oblong shape, truning out to be much more pedestrian-friendly and user-friendly.
WFP Thematic Group	<p>TWG 1 – Abandoned buildings TWG 4 - Diversification TWG 5 – Public Private Partnerships</p>

Expected Results		2.6 Safe, attractive, walkable showroom district				
Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
2.2 Planning Lightning 2.3 Planning road, sidewalks, pedestrian streets 2.4 Planning transport corridors 2.5 Planning green spaces	Municipality of Paços de Ferreira	Business Association Business owners Citizens	Increase city Liveability	Municipality staff	Up to 2018	Norte 2020 Own resources



Context	The furniture showrooms bring countless benefits to Paços de Ferreira by stimulating growth. However, it's necessary to define regulatory boundaries as the most effective tool to remedy the negative aspects and improve the Showroom district. These regulatory boundaries must avoid negative impacts to neighborhoods, promote mixed use areas, renovate vacant and underutilized areas and promote opportunities for positive change. The adoption of plan which gives a view for the next 10 years is the key for deciding on the best course of action for the future. A specialization strategy can bring invaluable international reputation that cannot be purchased with money. It stimulates small business such as retail, restaurants, entertainment and cultural facilities. But also, several major economic developments from a wide range of industry sectors – including distribution/logistics, furniture, manufacturing, health care, customer service, and education.
Key Activities	<ul style="list-style-type: none"> - Project Lightning; - Project road, sidewalks, pedestrian streets; - Project transport corridors; - Project green spaces; - Showroom District regulatory boundaries.
WFP Thematic Group	TWG 1 – Abandoned buildings TWG 4 - Diversification TWG 5 – Public Private Partnerships

6.3 Clustering & Branding

Expected Results		3.4 Paços de Ferreira European Furniture Capital 3.7 Increase the number of visitors to the bi-annual furniture exhibition fair and showroom district				
Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
3.1 Build a plan for integrated city branding 3.2 Capacity building of the communication department to promote	Business Association	Municipality Business owners	Brand certification Increase number of visitors	Business association staff Municipality staff	Up to 2016	Norte 2020 Horizon 2020 Own resources



the brand at European level						
Context	<p>Making Paços de Ferreira the European Furniture Capital needs a well-designed City branding and strategic communication plan, covering the following topics:</p> <ul style="list-style-type: none"> - Branding and communication within the chain of strategic planning and management. - Institutionalization of integrated city-branding. - Local partnerships and platforms for stakeholder engagement and management. - Flexible collaboration. - Brand-toolkits usability: getting commitment from local stakeholders and potential users. - Adaptation to lower public-funding environments: breaking the vicious circle of “no money no action”. - Multi-governance in place branding: local-metropolitan-regional-national articulation. 					
Key Activities	<ul style="list-style-type: none"> - City Brand Building: <ul style="list-style-type: none"> o Narrative of the contemporary city: the city proposition o City brand toolkit: core messages, visual, communication. Politics of city representation - City brand management and stakeholder involvement: <ul style="list-style-type: none"> o Segmentation strategies: visitors, business, talent, locals; o Channels and measures for city-communication: the digital shift - Meeting in Brussels at the Portuguese representation (REPER) to communicate the branding strategy 					
WFP Thematic Group	<p>TWG 2 – Skills and Employment TWG 3 – Industrial Parks for entrepreneurs and growth TWG 5 – Public Private Partnerships</p>					
Expected Results	<p>3.5 Increase internationalization of the sector 3.6 Attract foreign manufacturing and retail business</p>					



Action Name	Lead Actor	Key Partners	Outputs	Resources	Timescale	Potential Funding
3.3 Build up the Portuguese Furniture Cluster	Business Association	Municipality Business owners University	Brand certification Increase number of visitors	Business association staff Municipality staff	Up to 2016	Norte 2020 Horizon 2020 Own resources
Context		<p>In a globalised world, SMEs need to be able to confront increasing competition from developed and emerging economies and to plug into the new market opportunities these countries will provide. There is a direct link between internationalisation and increased performance of SMEs. International activities reinforce growth, enhance competitiveness and support the long-term sustainability of companies. Furniture SMEs need to find the right partners to develop and produce globally competitive products and services.</p> <p>Clusters can act as real "springboards" for SMEs to help them getting access to global value chains and develop long-term strategic partnerships. SMEs benefit from specialised business support services of cluster organisations, such as through the organisation of international study visits, partnering or "matchmaking" missions that facilitate finding new partners outside their own region for research and prototyping as well as for bringing products and services to the market. SMEs have to increasingly integrate their activities into global value chains in order to become and remain competitive. As global value chains, by their nature, involve or are even controlled and managed by foreign companies, it is often not easy for SMEs to link to them. The clustering of different competences along a value chain in a region remains an important element of competitive advantages, but the successful participation in global value chains is another condition for economic success. Cluster organisations can help enterprises, and in particular SMEs, to find international cooperation partners, raise their excellence, innovation capacity and their overall competitiveness. This action will contribute to fostering the development of Paços de Ferreira furniture sector.</p>				
Key Activities		<ul style="list-style-type: none"> - Major focus on new product design for furniture businesses; - R & D facilities - Business incubation space with mentoring available to new business owners - Presence of a Fab lab and mentoring on use of technology 				



	<ul style="list-style-type: none"> - Creative space for students trialling and testing new ideas/designs etc. and developing clustering of like minded people to work on new product's and processes within the industry - Focus on engineering to incorporate wider companies involved in timber frame and other manufacture of wood products - International cluster match making events -
WFP Thematic Group	<p style="text-align: center;">TWG 2 – Skills and Employment TWG 4 – Diversification TWG 5 – Public Private Partnerships</p>

7. Financial Resources & Implementation

The key to delivery and implementation of the Paços de Ferreira LAP is finance. Without the necessary financial support and resources, the actions are unlikely to be implemented and therefore the plan will not have the impact envisaged in its vision, aims and objectives. There is however no one source that will deliver sufficient finance to fund all individual aspects of the LAP. Within the Action Tables, a number of financial programmes and instruments have been identified that are considered key potential funding sources and these will be pursued throughout the implementation phase of the project. In addition to these, other sources of funds have been identified and are presented in detail in this section.

Potential Funding Options

Programme

Short description

<i>URBACT III</i>	http://urbact.eu/	URBACT helps cities to develop pragmatic solutions that are new and sustainable and that integrate economic, social and environmental urban topics.
<i>FrontierCities</i>	www.fi-ware.org	FrontierCities is one of the sixteen European accelerators under FI-WARE initiative which aim is to pave the ground for European developers and entrepreneurs longing to create their own digital business by providing mentoring, support and a total amount of <u>EUR 3,920,000 in grant funding</u> for innovative ICT solutions in <u>the smart mobility field</u> . We provide from €50,000 up to €150,000 to SMEs, Start-Ups and Web-Developers through an open call in order to develop and deploy smart mobility applications.



<i>Horizon 2020</i>	http://ec.europa.eu/programmes/horizon2020/	Horizon 2020 is the biggest EU Research and Innovation programme ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market.
<i>Erasmus + (Education and learning)</i>	http://ec.europa.eu/programmes/erasmus-plus/index_en.htm	<ul style="list-style-type: none"> • mobility of individuals in EU • cooperation for innovation (incl. HEIs with businesses) • EU policy coordination
<i>ITI – integrated territorial Investments</i>	http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/iti_en.pdf	As integrated territorial strategies are vital for the achievement of the smart, sustainable and inclusive Europe envisaged by the Europe 2020 Strategy, the Common Provisions Regulation introduces ITI as a key instrument for implementing such strategies. ITI provides a flexible mechanism for formulating integrated responses to diverse territorial needs, without losing the thematic focus through which cohesion policy is linked to the Europe 2020 Strategy.
<i>ENI CBC (European Neighbourhood instrument cross border cooperation)</i>	http://www.enpi-info.eu/maineast.php?id=322&id_type=10	Cross-border cooperation (CBC) is an integral component of the EU's European Neighbourhood Policy (ENP), and of EU-Russia co-operation. It likewise features in associated regional policies such as the Euro-Mediterranean Partnership and the Eastern Partnership. It aims to promote co-operation across the borders between EU Member States and the countries in the European Neighbourhood and the Russian Federation.
<i>Jessica</i>	http://www.jessicafund.gr/?lang=en	Under new procedures, Member States are being given the option of using some of their EU grant funding, their so-called Structural Funds, to make repayable investments in projects forming part of an integrated plan for sustainable urban development. These investments, which may take the form of equity, loans and/or guarantees, are delivered to projects via Urban Development Funds and, if required, Holding Funds.
<i>Espan</i>	http://www.espon.eu/main/	<p>The ESPON 2020 Programme aims at promoting and fostering a European territorial dimension in development and cooperation by providing evidence, knowledge transfer and policy learning to public authorities and other policy actors at all levels.</p> <p>Main objectives</p> <p>The objective of the ESPON 2020 Cooperation Programme is to support the reinforcement of the effectiveness of EU Cohesion Policy and other sectoral policies and</p>



		programmes under European Structural Investment (ESI) funds as well as national and regional territorial development policies, through the production, dissemination and promotion of territorial evidence covering the entire territory of the 28 EU Members States, as well as 4 Partner States of Iceland, Liechtenstein, Norway and Switzerland.
<i>Joint Programming Initiative Urban Europe</i>	http://jpi-urbaneurope.eu/	JPI Urban Europe is a <u>joint programming initiative</u> . The aim is to create attractive, sustainable and economically viable urban areas, in which European citizens, communities and their surroundings can thrive.
<i>COSME (Competitiveness and SMEs)</i>	http://ec.europa.eu/enterprise/initiatives/cosme/index_en.htm	<ul style="list-style-type: none"> • access to finance for SMEs • SMEs' competitiveness • access to markets
<i>LIFE (Environment and climate change)</i>	http://ec.europa.eu/environment/life/funding/lifeplus.htm	<ul style="list-style-type: none"> - protection of the environment and biodiversity - climate change mitigation and adaptation
<i>Creative Europe (Culture and creative industries)</i>	http://ec.europa.eu/programmes/creative-europe/	<ul style="list-style-type: none"> • support to cultural/heritage operators and artists • support audio-visual sector • access to finance for small operators
<i>EaSI (Employment and social innovation)</i>	http://ec.europa.eu/social/main.jsp?catId=1081	<ul style="list-style-type: none"> - supporting social innovation - EU mobility of job seekers - support to micro-credit
<i>Eeagrants</i>	http://eeagrants.org/Who-we-are	The EEA Grants and Norway Grants are set up for five-year periods. For the period 2009-2014, €1.798 billion has been set aside under the Grants. The EEA Grants are jointly financed by Iceland, Liechtenstein and Norway, who contribute according to their size and economic wealth. Of the €993 million set





aside for the 2009-14 period, Norway provides 95.8%, Iceland 3.0% and Liechtenstein 1.2%.

The Norway Grants are financed by Norway alone and amount to approximately €804 million in this period.

Community-led local development (CLLD) initiatives

What is it?

Community-led local development (CLLD) is a method for involving local stakeholders, especially civil society and local economic actors, in a local project. It focuses on the design and implementation of integrated local strategies to help rural areas to transition to a more sustainable future. This may be a particularly appropriate tool in times of crisis, which allows local communities to demonstrate that they can take concrete steps towards forms of economic development that are smarter, more sustainable and more inclusive, in line with the Europe 2020 strategy. Operational Programmes of the new programming period 2014-2020 may provide for the use of this mechanism in certain cases: especially city neighbourhoods for the ESF and rural for the EAFRD. For more details on the aims and requirements for CLLD initiatives, please see the ESI Funds Regulations.

When to use it?

This model is ideal for implementing local actions that promote inclusion under national and regional ESF programmes. ESF funds can be supplemented by other funds (e.g. ERDF, EAFRD). The population size of local/regional authorities for these types of

initiatives should not be less than 10,000 and not more than 150,000.

Access to employment	Sustainable integration of youth (esp. NEET)	Reducing early school leaving
Promotion of equality between women and men	Socio-labour integration of people furthest from the labour market	Fighting discrimination
	Promoting the social economy and social entrepreneurship	

Which actions can be supported?

In line with the ESF investment priorities and within the context of this guide, CLLD activities should promote the integration of marginalised communities.

Sustainable urban development

What is it?

Under the ERDF, there are specific provisions for sustainable urban development. The ERDF Regulations state that the fund supports, within operational programmes, sustainable urban development through strategies that set out integrated actions to tackle the economic, environmental, climate, demographic and social challenges affecting urban areas. These projects should be undertaken through Integrated territorial investment (see ESI Funds Regulations link below) or through a specific operational programme, or through a specific priority axis. In its PA, each Member State should establish the principles for the selection of urban areas where integrated actions for sustainable urban development are to be implemented and an indicative allocation for those actions. Your ERDF Managing Authority should inform you about the selection criteria and allocation of funds for your country. In each country, at least 5% of the ERDF resources allocated to the “Investment for growth and jobs goal” should be allocated to integrated actions for sustainable urban development where cities, subregional or local bodies responsible for implementing sustainable urban strategies are responsible for the managing and/or implementing these projects.

When to use it?

Sustainable urban development strategies are ideal for addressing the problems of living in urban areas; these projects are therefore highly recommendable in situations with population living in urban neighbourhoods. Sustainable urban development strategies are based on a territorial approach and they can cover specific areas including neighbourhoods. They must be inclusive and address the problems and needs of all inhabitants of the area by taking into account the needs of marginalised communities. Previous experiences from ERDF-funded projects (e.g. URBAN, URBACT) demonstrate the positive effects of sustainable urban development projects. Respective websites also provide substantive information, tools and lessons learnt from different experiences addressing Roma integration in urban areas (see links below).

Promoting sustainable transport and removing bottlenecks in key network infrastructures

Promoting sustainable and quality employment and supporting labour mobility

Investing in education training and vocational training for skills and lifelong learning by developing education and training infrastructure

Enhancing institutional capacity of public authorities and stakeholders and efficient public administration

Which actions can be supported?

Within the context of this guide, sustainable urban development strategies should the address the ERDF investment priority “promoting social inclusion, combating poverty and any discrimination”. These strategies could be complemented with any of the following ERDF investment priorities:



Integrated Rehousing Operations

What is it?

Integrated rehousing operations are interventions that combine rehousing activities with further actions (e.g. in the fields of education, health, employment) that facilitate the inclusion of socially excluded communities. This type of operation is highly recommendable for rehousing interventions of marginalised communities as its integrated approach is the key to reducing or limiting the risk of segregation. The ERDF regulation includes an investment priority that focuses on promoting social inclusion, combating poverty and any discrimination; this includes the provision of support for physical, economic and social regeneration of deprived communities in urban and rural areas.

When to use it?

When planning rehousing activities for marginalised areas communities, an integrated approach is the ideal way to reduce segregation of these communities and paves the way to full inclusion into society. This model is highly recommendable for situations with communities living in segregated urban and suburban neighbourhoods.

Which actions can be supported?

Applying an integrated approach is a requirement for receiving ERDF funding for rehousing activities targeting marginalised communities. When developing this type of operation any kind of segregation should be avoided.



Existing barriers for Paços de Ferreira access to Structural and EU Funds

In many countries, Funds are currently underused, especially at local and regional administration level. Common barriers to accessing Funds at local level are:

- Political reluctance, in part due to social resistance;
- Low motivation due to previous failures;
- Lack of information on funding opportunities;
- Lack of active involvement of the local level in the planning process of funds;
- Limited technical capacity in local administrations, sometimes due to their small size;



- Requirements of co-financing;
- In some cases complex administrative rules;
- Difficulties in establishing adequate partnerships.

Five steps to overcome these barriers

The following steps are essential for Paços de Ferreira overcome the barriers of accessing Structural and EU funds.

Step 1

Make the participation in EU funds a policy priority

- Addressing lack of political motivation and reluctance and explains why it is important for local politicians to address funds at city level

Step 2

Get informed

- Addressing the lack of information on EU and structural funding opportunities (and to a certain extent complex administrative rules managing funds) and explain where to find such information

Step 3

Explore Co-financing possibilities

- Addressing the barrier of co-funding requirements and lack of resources and give tips on where to look for possible co-funding.

Step 4

Get connected & learn from others

- Addressing the lack of information on funding and limited technical capacity. It gives examples of different sources of funding and link to other cities in a similar process

Step 5

Establish partnerships and foster cooperation

- Addressing difficulties in establishing adequate partnerships and proposes ways to foster cooperation with the different stakeholders



8. The link with North Region Smart Specialization Strategy

In economic terms, the Norte region has a growing labour productivity that albeit still below EU average, has rose 3% in the last decade, above country's rate (2.9%) and EU27 rate (2.2%). The fact that productivity continues to grow above European average indicates that when the current crisis is overcome, the regional economy will be more competitive and better prepared to grow and compete internationally. The region and its capital city, Porto, aggregate several other factors that can contribute to stimulate innovation and growth. The association of the city with a world-known brand and image (the "Porto wine"), its location and cultural heritage, make it an appealing destination to tourists (Porto has been voted in 2014 the best European destination² for the second year in a row) as well as to students (2,000 Erasmus students elect Porto every year), businessmen (Porto congress centre voted "best meetings and congress centre in Europe" by Business Destinations and the city is the 23rd European city in the world ranking of the International Congress and Convention Association) and researchers (with Norte attracting nearly half of the 1,523 PhD trained foreigner residents carrying out R&D activities in Portugal).

In the last 12 years the Norte region has hosted the European Capital of Culture twice, first at Porto and more recently in 2012 at Guimarães, and this cultural dynamics impacts in the business environment with a strong local cluster for creative industries based in Porto. The region is amongst the youngest in Europe in terms of population, a clear sign of a bright future in an ageing Europe, and Braga, its second largest city, has recently been distinguished as Europe's youngest city and Youth Capital of Europe 2012. As a possible reflection of this, the regional startup scene is strongly developing and UPTEC, Porto University's incubator, was awarded the 2013 RegioStar award for the Smart Growth category³ by the European Commission. ***The same award that once again travelled to the Norte region in 2014, this time to distinguish the progress in design and innovation made by traditional regional industries such as furniture, expressed in the "Art on Chairs" project⁴.***

This opens a clear and pressing opportunity in the region, within the new cycle of community funds open until 2020, for the financing of Paços de Ferreira Local Action Plan in line with Smart Specialization Strategy of the region. The LAP will help the Norte region to reclaim its competitive position in the global value chains by improving its capabilities in terms of exports, internationalization, research and innovation performance, which is one of the main strategies identified in the regional Smart Specialisation Strategy.

The LAP will contribute for the red lines of the North region Smart Specialization:

Norte Smart Specialization Strategy (RIS3) Priority sectors	<ul style="list-style-type: none"> • Life and Health Sciences. The goal is to strengthen the articulation between, on the one hand, regional research on tissue engineering, cancer, neuroscience and surgical techniques and, on the other hand, industries and services in the health sector (e.g. pharmaceuticals, medical devices, health services, health and wellness tourism, and cosmetics). • Advanced Production Systems. Within this field it is aimed to develop industries connected to key enabling technologies, including advanced manufacturing systems, nanotechnology, advanced materials and ICT. • Human Capital and Specialised Services. It is aimed at promoting skills in the ICT field (e.g. multimedia applications and engineering systems) for services such as e-government,
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² <http://www.europeanbestdestinations.org/top/europe-best-destinations-2014/>

³ http://ec.europa.eu/regional_policy/videos/video-details.cfm?vid=1202&LAN=PT

⁴ http://ec.europa.eu/regional_policy/projects/regiostars/regiostars_en.cfm



	dematerialisation processes and nearshore outsourcing (e.g. engineering centres, shared services centres and contact centres).
	<ul style="list-style-type: none"> • Mobility industries and environment. It is aimed at the use of existing scientific capabilities in the fields of manufacturing technologies and materials, to upgrade the industries of aerospace, automotive components and moulds.
	<ul style="list-style-type: none"> • Food and Agriculture Environmental Systems. Within this domain, it is aimed at connecting the regional agricultural potential in high value added products (e.g. wine, olive oil, chestnut) with existing scientific and technology expertise (e.g. oenology, engineering, biology, biotechnology) and business expertise (e.g. dairy products, winemaking) in order to develop products for functional food and local cuisine.
	<ul style="list-style-type: none"> • Sea-related economic activities. The goal is to foster linkages between applied engineering (e.g. civil, mechanical, naval, robotics, energy, life sciences, ICT, materials), marine resources (e.g. wind, waves, seaweed, beaches) and sea-related economic activities (e.g. shipbuilding, offshore energy, platform construction, marine tourism, biofuels, and offshore aquaculture).
	<ul style="list-style-type: none"> • Culture, design and fashion. This domain is to help to better exploit creative industries (particularly design and architecture), new materials and innovative manufacturing technologies in order to gain competitive advantage in sectors connected to design based consumer goods, such as textiles and clothing, footwear, accessories, furniture and jewellery and to better exploit cultural and territorial resources.
	<ul style="list-style-type: none"> • Symbolic Capital, Technology and Tourism Services. This domain aims at valuing the natural and cultural resources of the territory by exploiting existing scientific and technological capacities in the areas of management, marketing and ICT.

The Future

The formal launch of the Paços de Ferreira Local Action Plan will mark the ending of the development phase and mark the beginning of full implementation phase. Through a very successful communication strategy to date, the Local Action Plan has the full and complete buy-on from both public and private sector. The input of North Region Managing Authority (CCDRn) must now happen and it is anticipated that their support will be needed, together with new EU funding Programmes to fully realise the potential of this project.

9. Appendices

Appendix 1

URBACT Glossary

A European exchange and learning programme promoting sustainable urban development. URBACT enables CITIES to work together to develop solutions to major urban challenges.

Thematic Network - A type of URBACT III project focused on exchange and learning activities. Characteristics include a partnership of 8-12 cities, a duration of 36 months, and a city as Lead Partner.



Lead Partner (LP) - It refers to the public authority (local authorities, association of local authorities, universities, development agency...) that lead an URBACT project. All URBACT projects are led by a Lead Partner that is responsible for coordination, implementation and financial management.

Lead Expert - A city professional (practitioner, researcher, academic, etc.) who uses his/ her expertise to help an URBACT project. Every project has a 'Lead Expert' who helps the project for its entire duration by providing support in terms of both content and working methods. The Lead expert of the Wood FootPrint Project for URBACT was Mr Miguel Sousa

Local Action Plan (LAP) - All URBACT partners develop a LAP in response to local issues. It aims at increasing the impact of URBACT exchanges on local policies and practices. It should provide pragmatic, precise solutions based on the results of the transnational exchanges. It should be jointly produced with the Local Support Group.

Local Support Group (LSG) - All URBACT project partners commit to establishing and leading an URBACT Local Support Group to make sure that exchanges have an impact on local practices and policies.

Baseline study - Compiling information about the starting point of any project or initiative against which improvement can be measured later. Each URBACT project baseline study includes a 'state of the art' on the issue at European level, a set of partner profiles and a profile of each partner city.

Managing authority of Operational Programmes - Organisation responsible for managing European funds at national level.

Appendix 2 – Reuse of Redundant Buildings Definition and Guidance

Reuse of Vacant Buildings

The declining role of traditional industries such as manufacturing represents a key challenge for Paços de Ferreira. More importantly however, is the opportunity that these material assets (buildings) provide in that they are existing buildings that provide a link with our past and would cost less to bring back into use than new-builds. The manufacturing industry has seen a huge decrease in employment and in some cases the businesses have ceased trading which often leaves behind vacant industrial buildings and showrooms. The reuse of these vacant spaces and the diversification of its uses present an opportunity for Paços de Ferreira to encourage new enterprise development within vacant buildings where infrastructural facilities are readily available. The promotion and encouragement of new start-up enterprises represents an opportunity for Paços de Ferreira to return to the self-starting progressive and independent economy that it once was. This is a quality that differentiates Paços de Ferreira from other cities and should be encouraged.

Why Reuse of Buildings

Reuse of buildings is not a straight forward or simple process. It can depend on location, setting, scale of the building, tenure, condition etc. All these factors relate directly to the building and site itself, whilst factors such as access to finance, taxation and VAT returns have proven to be significantly important as to whether a building is reused or demolished and replaced by a new build. This is all set against the backdrop of changing planning and buildings regulations, not to mention much higher demands in terms of a buildings energy performance, all of which not require more specialist and technical input from trained people as well as the overall cost in designing, planning and delivering a building to a set specification. It is worth considering what adaptive reuse actually means.

Adaptive reuse refers to the process of reusing an old site or building for a purpose other than which it was built or designed for. Along with brownfield reclamation, adaptive reuse is seen by many as a key factor in land conservation and the reduction of urban sprawl. However adaptive reuse can become controversial as there



is sometimes a blurred line between renovation, facadism and adaptive reuse. It can be regarded as a compromise between historic preservation and demolition.

Definition

Adaptive reuse deals with the issues of conservation and heritage policies. Whilst old buildings become unsuitable for their programmatic requirements, as progress in technology, politics and economics moves faster than the built environment, adaptive reuse comes in as a sustainable option for the reclamation of sites. In many situations, the types of buildings most likely to become subjects of adaptive reuse include; industrial buildings, as cities become gentrified and the process of manufacture moves away from city; political buildings, such as palaces and buildings which cannot support current and future visitors of the site; and community buildings such as churches or schools where the use has changed over time.

Criteria for adaptive reuse

While the process of adaptive reuse is a decision often made purely by companies establishing a particular brand or presence, there are often criteria for deciding whether a building should be conserved and reused or just demolished for the area of land it occupies. Some of these determining criteria include;

- The societal value of a given site; that is, the importance to the community of the use of a site by community members or visitors.
- The potential for the reuse of a particular site; the physical damage sustained to the site and its support of future use, the character of the existing site in terms of the proposed reuse.
- The historical importance of the site; in terms of both the physicality of the street-scape and the area, as well as of the role of the site in the community's understanding of the past.
- The natural ecological conditions of the site; whether the site is suitable climatically or can support the proposed environmental work needed in the site.

Economic considerations

There has been much debate on the economic possibilities and viability of adaptive reuse as different corporations and companies seek to find sustainable ways to approach their corporate or retail sites. There are many outcomes that affect the economic return of adaptive reuse as an avenue to a company's use of a given site. Factors such as the reuse of materials and resources as well as a lesser need to involve energy, both in terms of labour and machine powered, can effectively decrease the monetary funds needed for companies to establish sites. However, there can be hidden costs in reusing old buildings such as; the unknown contamination of older sites, decay and disuse affecting the usability of a building as well as the possible need for modification of an older building to fit current and future building codes.

With each project, the economic costs differ from project, to project and some professionals go as far as to assert that new build is always more economical, and renovation is universally more expensive,[4] due to their own involvement with adaptive reuse projects. Others claim that the return on investment is enhanced when using an older building, because of the savings involved. One Canadian developer claims that reusing buildings generally represents a saving of between 10-12%[3] over building new. In terms of profitability, there are also the assertions that adaptive reuse projects often have an uncertainty to their profitably, that newer developments lack. When looking for funding to build, these considerations must be addressed.

Advantages of adaptive reuse



With the debate of adaptive reuse as a sustainable avenue in the development of key sites, there are many advantages to using certain sites for redevelopment. Some of these advantages include the site's location; in many cases, historical sites are often located in the centres of large cities due to the spatial development of a given area, these buildings can often be heritage-listed and therefore sold as an entity, rather than just for the land that they occupy, which the new tenants then have to retrofit the building for their particular purpose. Older buildings also often have a specific period character through the detailing and joinery of their constructed eras that newer or reconstructed developments lack, in certain cases, such as the hospitality industry; the grand character of a site can influence the feel of their building and are used for maximum potential to enhance the site's physical attractiveness to a client.

Barriers to adaptive reuse

As mentioned above, adaptive reuse sometimes isn't the most viable option for all historic sites. For some sites that have been left alone to decay by neglect, the physical damage of the site can render the site unusable both in terms of the cost to repair the damage as well as unsafe by government standards. Sites contaminated by old materials such as asbestos also become unviable for the process of adaptive reuse.

