

The opportunity to convert the industrial heritage in the city into co-working spaces

Săndescu Carmen Elena¹

Faculty of Architecture and Urbanism, Politehnica University of Timisoara, Romania¹
carmen.sandescu@icloud.com¹

ABSTRACT

Traces of the communist industry bankruptcy are present in every city of Romania and many industrial towns. Plenty of old industrial buildings are forgotten in ruin for too long, continuing to fall apart and bring bad influences into the neighborhoods and many industrial towns shrunk because of the people migration after the industrial collapse.

Many examples are close to the cities borders, but also plenty in the urban area, a lot of old buildings with not real aesthetic or historical value being part of the urban landscape.

Converting an existing building structure, means to change its function and content, using the existing materials, the embodied energy, preserve the memory of the place, and reintegrate the building into economical, social and cultural circuit. Many think demolition is a better option, but it depends from case to case. We will start to make better decisions when we will try to see the industrial heritage not only as a problem but also as a resource.

Co-working is constantly growing around the world in the last 10 years and many projects were successfully applied in industrial heritage places. In Romania the heritage of industrial 'decays' is huge and in the last 3-5 years co-working is starting to emerge and bring more and more interest not only in the capital but also in the other big towns. Could this be small chance to regenerate our cities, to bring new energies, good vibes into this old structures with respect for their identity, memory, traditions and put inside the latest trend in working style?

Keywords: co-working, industrial heritage, urban landscape, memory of the place, city regeneration, reintegration

I. INTRODUCTION

Some, still tend to consider the industrial patrimony as of less importance, unworthy of being compared with historic urban buildings and other well-known sites.

Industrial buildings are part of the recent history and part of our childhood's landscapes. The new generations born with the latest technologies on- hand, without questioning how things were done just 30-40 years ago, are starting to show interest for this recent history, from time to time willing to recover the memories of their grandparents. Some intelligent steps could encourage this shy trend and bring tangible results in the future.

In order to have a chance, the first step would be to make this built asset more visible to the entire society and brought to the point of partnerships between the administration, professionals, civil society and investors. It is important that the administrations get involved into the development of programs that attract investments into these spaces. There should be benefits and cost deductions for those willing to use these embedded energies which are laying on our streets and fields for so many years.

Regarding the essay theme, the questions we need to answer are:

- Which are the trends of co-working spaces?
- Does the emerging and growing co-working business fit and are they able to be successful into old industrial structures?
- Which are the pros and cons of this spaces for the proposed function?
- Is it a profitable activity? Is it a wise investment?
- Are this investments helping the neighborhoods and the community?

II. CO-WORKING – TRENDS

An unfamiliar concept 10 years ago and poorly understood even now, co-working is one of the fastest-growing sectors of the commercial real estate market [1].

While countries which were the promoters of this office style are starting to show signs of maturity, the demand in less important cities and emerging markets are also showing incredible growth force-working centers.

As one of the fastest-growing workplace movements of the last decade, co-working enables people from diverse backgrounds, to work together in a common space. Businesses of all sizes and types — ranging from small start-ups to global enterprises — choose to locate employees or teams in shared work environments, either temporarily or on an ongoing basis [1].

At the beginning of this trend it was just the need for space, cheap resources and technologies. But as the spaces suppliers understood better, they found and covered more needs, the spaces evolved to an incredible diversity of services.

What's the difference between co-working and the traditional rented space?

Traditional Office Market represents a common lease arrangement between an occupier and landlord. In most of the office buildings, the leases are longer term (involving a long-term commitment, a cost assumption) and space is dedicated to a single tenant, single company. The tenant is responsible for investing to build out the space, typically provided with a tenant improvement allowance. Even in new buildings, the spaces are often rented unfinished. The owners are responsible for services in the building such as cleaning, exterior maintenance, etc., and the costs associated with those services are passed through to the tenant.

Regarding co-working - the space is provided turnkey, workspace housing people who are self-employed or working for different employers sharing space, equipment and services that are provided by a third-party provider. Co-working providers typically enter into traditional, long-term lease arrangements with landlords and then sell short-term, all-inclusive memberships, typically on a monthly basis.

If at the beginning the co-workers were only looking for a place where they could work flexible without commitments and financial risk, nowadays they are more and more interested on the additional services that are coming along: most important thing being the community. The first thing that the real co-working spaces succeeded to create was a community.

Additionally, people are looking for networking and interaction.

Inside a co-working space people share certain values and are interested in the synergies which can occur from working together with like-minded people in the same place.

According to CoreNetGlobal, members of co-working are searching:

- 74% — interaction with others;
- 71% — community;
- 58% — being with like-minded people
- 58% — basic office infrastructure
- 48% — random discoveries

A typical co-worker is:

- 37 — years old
- 62% — male
- 31% — in a creative or professional service profession
- happier than a non-co-worker — 79% versus 57%

to start a co-working center is:

- 73% — to be connected with others
- 67% — they like the co-working movement
- 67% — want to improve the work-life of the others
- 29% — believe it will bring them customers;
- 20% — say it allows them afford a better office Surprisingly, making a profit is not between their interests.

There are also big players with centers all over the globe, together covering 36% of the European market.

Examples of big players:

- Regus — established in 1989, Belgium
- operated 2.769 centers in 977 cities in 106 countries — in 2015,
- 3.000 centers, 120 countries — in 2019 (6-7 locations in Bucharest are available on their website).

WeWork — founded in 2010 in US

- 112 locations, 32 cities, 13 countries, 60.000 users — according to the website data in 2015,
- 637 locations, 111 countries, 268.000 members in 2018 (no. of members is according to recode.net [2] and the no. of locations are as advertised on their website in 2019).

Regarding the profitability, according to the article from 2018 by recode.net, WeWork, even with incredible showed above growth, are still losing a lot of money. The smaller players seem not to be very interested into profitability, this being not listed between their main objectives. WeWork succeeded to attract also big corporations (with more than 1.000 employees) which in 2018 represented in 2018 - 25% of the customers (2017 was 17%).

The big companies are encouraging their remote or work from home employees to join co-working in order to benefit from enhanced collaboration, productivity and job satisfaction. Other companies have satellite offices in co-working spaces. Another optic is that they can be flexible to devote dedicated space to facilitate some activities on an as-needed basis.

In 2016-2017 one in 10 US serviced office providers has begun to incorporate co-working into their spaces! These big players are flexible, they have the spaces and the financial power. If they will need this market-share, if they feel they are

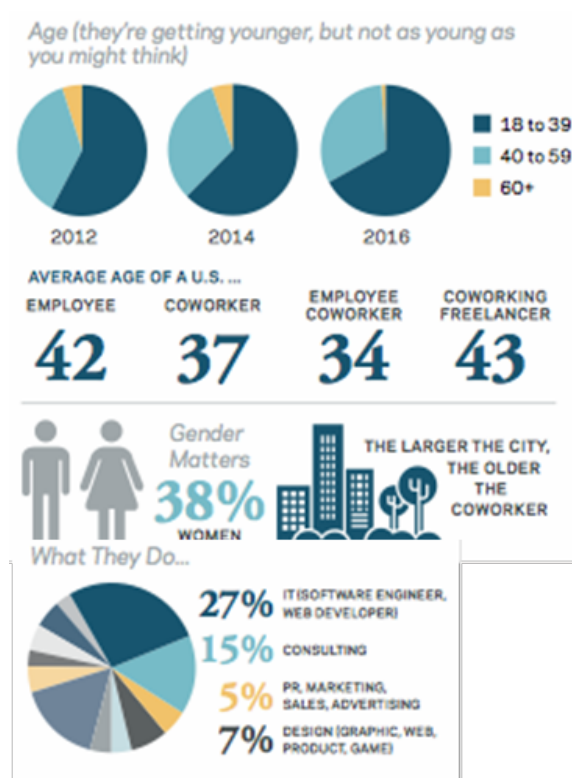


Fig. 1. Reports about the co-workers profile [1]

The owners of the co-working spaces are mostly small operators — 32% (according to deskmag.com survey for 2016 and increased from 20% in 2012).

Their motivation, also according to Deskmag - the largest online magazine about co-working,

losing customers they will easily go into this sector as well. And apparently this is happening, about 37% of the co-workers migrated from CRE offices (Corporate Real Estate), which represented an important loss.

Competition is even growing and not from usual suspects (like CRE), hotel chains, real estate's developers, banks, fitness clubs, retailers, libraries and restaurants are exploring whether the co-working can help them improve their businesses [3]. Even colleges and universities are showing interest. The University of Pennsylvania has converted a former laboratory and warehouse into 5.388 m2 of incubators.

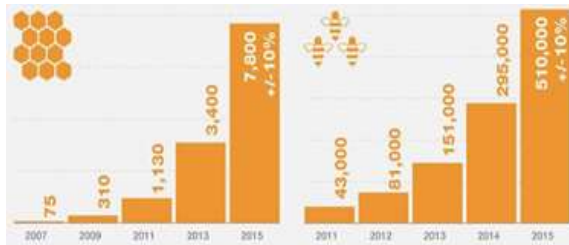


Fig. 2. Reports about the co-working growth [4]

The above-mentioned figures (Fig. 1, 2) are showing that the trend is growing, but this is of course bringing competition and in order to be successful the best solution is to differentiate and find market niches.

As the reports are showing, a big share of the co-workers are creative individuals. This kind of people tend to appreciate interesting places and especially historical or industrial ones.

For examples WeWork showed obvious interest finding historical places. They have implemented co-working into both residential historical buildings and old industrial ones.

But when speaking of small players, the main problems are that they mostly try to go into too many directions wanting to make sure they will be able to attract more categories of customers, this leading into massy concepts (or no concept). The other major problem is that the small players are dealing with low or inflexible budgets which make it difficult to implement good designs which is a key ingredient of success.

III. CASE STUDIES

Across the world, more co-working investors are

looking for abandoned grounds and buildings counting on their own mini eco-systems of tech facilities, cafes, talk programs and networking apps, being attracted to places big corporations would fear to go [5].

Some nice examples can be seen below.



Fig. 3. 'Soho Works' workspace by Soho House in Shoreditch, London - Set in East London's iconic Tea Building



Fig. 4. NeueHouse' Co-Working Offices in New York City by Rockwell Group in collaboration with NeueHouseStudio

A lot of similar examples can be found. This are showing first that this kind of buildings are very permissive and attractive to accommodate the co-working programs.

These buildings have important technical and architectural qualities like wide openings of beam structures, metallic roof frames, elegant luminaries, impressive concrete structures.

When speaking of office layouts, the wide openings and free space is the ideal scenario.

Many times, when speaking about the Romanian industrial buildings, this structures were built with experimental pioneering solutions and techniques [3].

This kind of enclosures can provide a narrative, a kick starts for the concept of the interior design. On the other hand, this initiative to place co-working into abandon industrial buildings can push the regeneration of the surrounding areas which will bring community benefits.

thespaces.com searched around the globe to see if this initiative brought benefits around and found out many successful examples [5].

One is the BETHAUS which in 2009 dared to design a hub for creative start-ups in one of the abandoned industrial building from an unattractive neighborhood. The place was a real business success, which was replicated in Barcelona and Sofia.

Six years later, the 3,000 m2 space is home to more than 300 small businesses and freelancers.

Another example is in Corktown, Detroit, where a local entrepreneur created Ponyride. The 30,000 sq. Ft. space — part business incubator, part co- working — is firmly embedding itself within the surrounding neighborhood.

Ponyride offers desks to 40 local entrepreneurs for a below-market rental rate. In exchange each member must give six hours of time to community education a month.

This is an interesting example about how the business and community support are able support each-other.

A different approach was applied by Baltimore Heritage and Housing Policy Watch: they want to transform 35 vacant buildings in the Southwest of the city into co-working 'makers spaces' for small- scale manufacturers.

Craft food and beverage makers, clothes manu-

facturers and even 'waste-to-wealth' incubators — who turn trash into cash as new products — would all be able to rent cheap space if the plans go ahead. They'll share access to equipment, facilities and other infrastructure.

This may be a good example for smaller Romanian towns.

Co-working clubs can also add to an area's tapestry, filling the gaps between big businesses, homes and retail spaces.

In Philadelphia, local entrepreneur Paul Maello and developer Macro Sea joined forces to turn a former church in the Northern Liberties area into a 27,000 sq. Ft co-working facility. Constructed in 1854, the building has had many lives — from a paper box factory to an electrical supply warehouse — but by 2010 it was abandoned.

Seeing this example, and there are plenty others, with the right approach populating the abandoned industrial buildings from the city's neighborhoods is a real potential community benefit.

There are different types of industrial buildings, size being an important issue, huge structures being not suitable for medium size co-working places. The example implemented in Bucharest by NOD Maker Spaces (Fig. 3, 4) is an example of how this function can be successfully implemented into mid-size industrial structure.

The former unused spaces of the Cotton Industry in Bucharest are undergoing a bottom-up urban regeneration process. In 2015-2017, a restaurant, a rooftop bar, event areas, a community civic center, an art hub and other creative offices were born here.

IV. FABRICA AZUR TIMIȘOARA - RECONVERSION INTO CO-WORKING SPACE

With a history of more than 170 years and an impressive life story, AZUR is one of the oldest and best known Timisoara's factories (Fig. 5, 6). The building brought into attention is located on Splaiul Penes Curcanul No. 4-5.

One of the buildings belonging to the former oil and soap factory in Timisoara, which functioned in this location since 1844, was recently bought by a group of young architects and will be reconverted into a creativity hub.



Fig. 5. Cotton Industry building before re-conversion of the space; Creative cluster [6]



Fig. 6. Historical image with Azur Factory location on Splaiul Peneş Curcanul

The FABER project (Fig. 7, 8) aims to facilitate the development of the Timișoara creative environment by offering contemporary workspaces for co-workers from design and architecture fields, prototyping workshops, meeting and event spaces, a bistro and accommodation facilities.

This building was abandoned since 1990, and the area is suffering also from the other abandoned industrial buildings from the vicinity. The location is not far from the city center, into a former industrial site integrated into the urban,

beautifully located on the bank of River Bega.



Fig. 7. Contemporary view from River Bega bank

There are pros and cons for this reconversion, but a realistic SWOT analyze is showing success chances for the project. Only the points connected with the industrial character of the building and the co-working proposed activity will be mentioned.

Strong points:

- 9 architects in the group will surely find the best functional and aesthetic solution - as showed in the analyzed reports, the interior design and the atmosphere of space have a great impact on the success of the business;
- no interior partitions or pillars are making the interior design very versatile;
- beautiful location on the Bega Canal;
- office space in an exciting former industrial building, attracts creative audiences who prefer this atmosphere and a creative community, instead of renting a classic office space;
- easily accessible location - pedestrian, by public transportation or car;
- good possibilities of space expansion - on site, or additional stories;

Weaknesses:

- a budget that is less permissive for costlier and bold solutions;
- not a central location (there is a recent attractiveness for the city center);
- proximity to the back area of the market where many scraps are often collected, garbage (it is not so close as to bother around the building just by walking or cycling);

Opportunities:

- the increasing demand for such multifunction-

al spaces;

- there are only few similar spaces in the city, and the existing ones are not specialized in the creative field, they are not special designed and offer no related services;
- proper business development can attract the big players (ex. Spaces, Makerspace) who might be interested in buying a business or partnering
- which could be a good deal for FABER.

Risks:

- a low occupancy rate that will not bring the expected revenue from the start;
- possible local emergence of major players which, if not attracted by a partnership, will be experienced competitors

The interior design will aim to preserve the industrial character, emphasizing natural light and the connection with nature through the view of the Bega Canal.

It is important and possible to speculate the height of the interior space and the open space without pillars and partitions will allow flexible furnishing, with reconfigurations when needed. The name FABER for this project is a brilliant choice made by the architects.

The name has 2 main roots:

- the name of the family who founded Azur factory in Timisoara - family Farber - an important name for the city at the beginning of the XX Century;
- 'Homo faber' ('Man the Maker' - the creative man, or artisan, architect as directly translated from Latin) referring to the ability of man to control his destiny and what surrounds him.

The name will be displayed on the main facade preserving the memory of what Azur and family Farber used to be. The renovation will only add a new layer on the building history and will maintain a glimpse of the previous layers.

This kind of urban regeneration by reconversion, is praiseworthy and is coming along the preservation of the place memory also with the promise of raising the interest in the area.

The previous existence of the building is of high importance in the new function and stage of life, without this the building becomes an autistic one, disconnected by its past [7].

Buildings are legacies from the past and any existing built structure with useable value,

could and should be converted into something new which can influence the transformation of neighborhoods and their evolution from something left into ruin to something vibrant. It can become a "seed" from which a city can raise or resurrect [8].



Fig. 8. Proposed new facade; FABER team inside the building

The industrial sites form inside the cities in a more or less advanced decay stage are memories of a former human activity, physical and temporal references, which helps to raise awareness of the communities past. Even if they have no real aesthetic and architectural value, they become heritage values through the memories they maintain, through the remembrance of the life story of ordinary man and by recalling the specific character of the place.

Many are saying it is cheaper and easier to demolish and build from scratch, but it isn't always sure if it isn't more cost-effective to recover, reuse, restore and recycle and it is surely more honorable.

Many recovery projects have implemented various functions into old industrial structures: office, museums, residential projects and universities.

Free plans, generous gauges, tested building resistance, natural lighting, make the industrial buildings the ground to experiment architecture inside architecture where bold interior designs can be made without restrictions from the historical buildings.

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