1. PUBLIC-PRIVATE PARTNERSHIPS IN BROWNFIELDS REDEVELOPMENT

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1.1. Introduction

This paper aims to examine how public-private partnerships (PPPs) function in brownfields redevelopment. “Public-private partnerships” is the comprehensive term used to define the form of “collaboration in which the public and private sectors assume co-ownership and co-responsibility in alternatives to fully public or private organizations” (Enright 2000). These partnerships, often viewed as pivotal features of brownfield redevelopment programs, are usually alternatives to failed economic development strategies. This exploratory paper will outline how PPPs in brownfields redevelopment work at the local government level. The cities examined include Chicago, Illinois in the United States, and Vienna, Austria.

1.2. Section Overview

Sections organize this paper. Section Two will briefly discuss U.S. brownfields policy and legislation and narrow the scope to Chicago, Illinois. This section includes information describing the role of Chicago’s governmental bodies in dealing with brownfields redevelopment, and concludes with an account of Chicago’s Brownfields Forum, a successful partnership dedicated to public-private collaboration on brownfields redevelopment issues. Section Three will discuss the same aspects but focus on the brownfields situation in Vienna. Section Four, the case study, will outline the redevelopment of the Gaswerks Simmering site in Vienna’s 11th district, paying
particular attention to the function of PPPs in brownfields redevelopment in an attempt to gain a better understanding of how it works in Vienna.

Chicago is presented as a model for public-private partnerships in brownfields redevelopment. Besides being the first American city to create a program to redevelop its brownfields (US EPA 1995), Chicago has won numerous awards and much recognition for successfully putting its brownfields sites back into productive use, and for forming significant coalitions with non-governmental bodies. The Chicago model serves as a backdrop from which to compare the Viennese situation. A Vienna case study details the redevelopment of Gaswerk Simmering, a former gas storage and production facility, located in Vienna’s 11th district. Plans for this former industrial site include conversion into a mixed-use residential and retail area. The case study will attempt to illustrate how public-private partnerships work in Vienna in regards to brownfields redevelopment.

Scarce English literature exists when dealing with brownfields redevelopment in Vienna.¹ In addition, ad-hoc decision making hinders the ability to analyze trends in this topic area. In Vienna, most brownfields issues are dealt with on a case-by-case basis, with little reliance on rules or process. These flaws will prove most striking when contrasted to the Chicago framework that has far more administrative procedures and guidelines for appraisal.

¹ With the exception of a few translated German reports, this paper relies solely on information written in English.
1.3. Public-Private Partnerships: A Brief Overview

Public-private partnerships (PPPs), or the “merg[ing] of public and private services to achieve specific objectives” (Jones 1999: 290), has a long history, especially in the United States. These partnerships were formed with the realization that “neither government nor the private sector can deal with many modern day challenges on its own,” and that many traditional government functions “are becoming increasingly difficult to accomplish” (Enright 2000).

Typically created to deal with “public” sector issues like neighborhood improvement and local community development, PPPs ideally combine public and private sector resources for more efficient outcomes (Enright 2000). By sharing risks and gains, they attempt to increase effectiveness. Public sector limitations include the “lack of financial resources, administrative capacity and technological know-how” . . . (Enright 2000). In addition, “purely governmental efforts . . . have distinct non-economic imperatives that can limit their ability to foster growth” (Enright 2000). In light of their inability to foster development, “local governments began to look for alternatives to economic development strategies” and partnerships became a viable alternative to former unsuccessful tactics (Enright 2000).

Many policymakers and private sector members began to view public-private partnerships as an excellent way to foster economic development. In essence, the partnerships “became the cornerstone of economic development strategies of virtually all
U.S. cities—strategies that centered on the creation of a good business climate . . . “de-
rigueur for public officials and aspiring politicians” (Levine 1989: 12).

By the 1980’s, an apparent consensus had emerged among urban policy-
makers that ‘many of the goals of American society can best be realized
by developing a system of incentives for private firms to do those social
jobs which business can perform better and more economically than other
institutions (Levine 1989:12; Committee for Economic Development:
1982:42).

Although scarce literature was found that outlined the role and function of public-private
partnerships in Vienna or in Austria generally, their situation seems similar to the U.S. in
that both countries endorse the partnerships when local government alone cannot produce
the desired or optimal outcome (OECD 1999).

Although politicians, public officials and business leaders may advocate public-private
partnerships as a panacea for growth, some scholars reject this notion. Instead, they argue
that “traditional public-private partnership has done little to improve living conditions for
the majority of urban dwellers, and, in fact, has exacerbated inequality and urban
dualism” (Levine 1989:25). Although this report avoids commenting on the positive or
negative aspects of PPPs, the skepticism regarding its ability to deliver its promises helps
inform the debate. Indeed, to the extent that PPPs have been ineffective in dealing with
contemporary urban challenges, questions may be raised concerning the applicability to
Vienna. Nevertheless, as the Chicago model suggests, PPPs can play a decisive role in
brownfields redevelopment.

Redevelopment authorities, present in both the United States and Austria, are products of
the PPP enterprise. These authorities are neither “public” nor “private” in the traditional
sense. They can “deploy vast public powers of land disposal and resource allocation to implement the [city’s] redevelopment plans”... (Levine 1989:16). These authorities are “clothed with the powers of government but possessed of the flexibility and initiative of a private enterprise” (Levine 1989: 20; Lines, et al. 1986: 236). The number of these enterprises and their scope increased in the 1970s in the United States. They became “central institutions wherein public-private deal making could take place...[and] “in some cities, these corporations now wield extraordinary powers reserved for institutions of representative government” (Levine 1989:23). These agencies also play a role in PPPs, often serving as an intermediary between the “public” and “private” sector.

1.4. Site and Agency Selection

The Gaswerks Simmering site was chosen among other locales for a number of reasons. First, the site is being redeveloped rather than merely cleaned up. In Vienna, commercial and industrial facilities are eligible for clean up funds even if they are currently in operation and have no plans for redevelopment (Shamann: February 18, 2000). Second, the public and private sectors are heavily involved in the site’s redevelopment (Lagler: April 13, 2000). Third, the project initially received strong opposition from both the community and the public sector but has now won much support from former critics (Matreider and Titz: April 8, 2000; Lagler: April 13, 2000). The large scope of the site’s redevelopment also played a factor in its selection; the initial project has now spurred

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2 In this report, “public” refers to governmental bodies, and “private” refers to all non-governmental bodies. Non-profit organizations and redevelopment corporations, for the purpose of clarity, are considered “private” actors; however, distinctions will be made throughout to connote the differences between the private sector organizations.

3 Redevelopment was a criterion for the case study site.

4 Franz Lagler, VBA Marketing Manager, said that in the Gaswerks Simmering case, PPPs worked exceptionally well (April 13, 2000).
additional development along the periphery of the original site boundary. The Gaswerks Simmering site has the potential to provide much insight into PPPs and brownfield redevelopment in Vienna, and in other cities struggling with the productive rehabilitation of these sites.

The Vienna Business Agency (VBA), a non-profit agency, is highlighted in this report due to its prominent role in the redevelopment of the Gaswerks site and its function as a mediator between the public and private sector. Numerous public and private agencies created the VBA in 1982 to increase the efficiency of economic development activity in the city of Vienna. The VBA initially owned 20,000 square meters of land within Gaswerks Simmering. They sold the land to three developers who are now working on the current project, “Gasometer Simmering”, which was originally a VBA concept (Lagler: April 13, 2000). The 20,000 square meters includes the parcels containing the four former gasholders which are now being converted to residential and retail use (Lagler: April 13, 2000). The VBA’s involvement in the redevelopment of Gaswerks Simmering provides in-depth insight into how public and private agencies collaborate in brownfields redevelopment. Although other agencies similar to the VBA are involved, the VBA is chosen as a representative sample of all, since its structure and role is strikingly similar to other organizations which have pursued brownfields redevelopment.
2. **BROWNFIELDS POLICY AND LEGISLATION: U.S. and CHICAGO**

This section will provide an overview of brownfields policy and legislation in the United States (U.S.) and then narrow its scope to focus on brownfield activity and programs in Chicago, Illinois. Later sections will discuss the role of governmental bodies in Chicago, as well as successful collaboration between the public and private sector, in the form of Chicago’s Brownfields Forum.

### 2.1. United States

Brownfields are defined by the United States Environmental Protection Agency (EPA) as abandoned, idle, or underutilized industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination (U.S. EPA 1996). It is estimated that there are 450,000 brownfields tracts nationwide (Vangen 1997: 71). Brownfields sites are often viewed as undesirable areas for development because of their location in economically declining inner-city areas, and because of former industrial uses. The brownfields stigma, as well as fear of liability for prior environmental contamination, makes developers reluctant to rebuild on these sites—many opt instead to build on “greenfields,” or undeveloped, virgin land.

In the early 1980’s, scholars and public officials began to comment on the “social cost of increasing development on undeveloped land while abandoned property lay idle” (Hinkley 1999). These social costs were varied and many, including “loss of valuable environmental resources [and] the massive cost of displacement of labor and waste of infrastructure and assets” (Hinkley 1999). The poor were most vulnerable in this
situation, as they lacked the resources to move as industries left the inner city. In light of these growing concerns, government, business and industry soon endorsed the cleanup and redevelopment of these sites.

THE SUPERFUND

Superfund is the common name for the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980. Congress established the Act in 1980 and reauthorized it in 1986 with SARA, the Superfund Amendments and Reauthorization Act (Acton 1989: v). Some of the brownfields debate centers on the Superfund, which was created to “deal with the problem of closed or abandoned hazardous waste sites” (Acton 1989: iii).

Created to deal with environmental emergencies and provide solutions for hazardous waste problems, Congress established the Superfund to deal with emergencies arising from abandoned wastes and waste sites, to provide long-term solutions to the most serious sites, and to encourage more responsible treatment of hazardous wastes in the future (Acton 1989: iii).

Under Superfund, those responsible for site contamination must pay to repair the problem; it “relied on a liability approach to facilitate [these] objectives” (Aston 1989: iii). Via Superfund, the EPA can make all parties involved in site contamination pay for a portion or all of cleanup costs. A large fund exists to “finance litigation and cleanup of severely contaminated sites” (Hinkley 1999).
Brownfields are sites that, according to Superfund, do not appear on the EPA National Priority List of 1,350+ severely contaminated sites. As a result, brownfields cleanup are not paid for by federal funds or targeted for litigation by the EPA (Hinkley 1999). Brownfields are primarily affected by “strict, joint and several and retroactive” CERCLA liability which gives the EPA the power to “sue one or several contributors for pollution that occurred before environmental regulations were in place; [the EPA] does not need to prove negligence in order to hold a party responsible” (Hinkley 1999).

Although brownfields do not play as huge a role in Superfund policy as hazardous waste sites and severely contaminated properties, the CERCLA liability component limits economic development potential and brownfields redevelopment in a number of ways, which include the following:

- Property owners decide to take their property off the market for fear of what an environmental assessment would uncover (Hinkley 1999).
- Banks decline to foreclose on potentially contaminated properties for fear of bearing responsibility for cleanup costs and facing liability (Hinkley 1999).
- Banks encourage “greenlining” by avoiding financing for brownfields redevelopment. Fear of liability also discourages banks from engaging in relationships with property owner that could encourage safer environmental practices (Hinkley 1999).
- Municipalities choose to avoid taking title to properties with delinquent property taxes for fear of liability (Hinkley 1999).
- Insurance companies refuse to insure properties they think may be contaminated (Hinkley 1999).
OBSTACLES TO BROWNFIELDS REDEVELOPMENT

The Superfund alone presents many obstacles to brownfields redevelopment, as fear of payment for prior contamination makes developers and investors reluctant to purchase these sites. Besides those obstacles created by Superfund, there are other barriers to redevelopment in the United States. These obstacles include the following:

- Lack of creativity by local governments in devising creative methods to reuse industrial sites (Fischer 1997).
- High clean up costs with actual environmental contamination (Fischer 1997).
- The obsolescence of many industrial facilities for contemporary industry standards and demands (Fischer 1997).
- Supply of former industrial sites exceeds demand (Fischer 1997).
- The inability of inner-city brownfield properties to compete with suburban greenfield sites. Fast growing technology industries require large tracts of land and a well-educated work force—some inner-city areas cannot provide these amenities (Arrandale 1997).
- Community public health concerns that arise when city officials, for whatever reason, leave pollutants in place instead of restoring sites to pristine conditions (Arrandale 1997).
- Fear of pollution (Arrandale 1997).
- Unrealistic goals for pristine site restoration. Some argue that sites should be cleaned according to their end use, rather than setting an arbitrary standard that promotes the most stringent clean up requirements (Bole and Ransom: 1997).

As evidenced from the list, there are numerous obstacles in the U.S. brownfields redevelopment process. The list of barriers provides a general understanding of the common problems that plague those working with brownfields.
Many experts and practitioners assert that brownfields redevelopment (especially of industrial sites) can spur inner-city revitalization. As it currently stands, many idle industrial brownfields sites are located in distressed communities with high poverty and crime rates—these sites augment the crime and environmental degradation that currently exists by creating an atmosphere of isolation and economic decay. These sites also limit economic and community development capabilities in low-income areas; an office park or shopping center would produce more revenue and community pride than an abandoned, underutilized parcel of land. Many scholars and practitioners consider the benefits of new jobs, safer streets and better environmental quality in these neighborhoods as positive consequences of brownfields redevelopment.

2.2. Chicago, Illinois

DEMOGRAPHICS

The city of Chicago has a population of 2.8 million (U.S. EPA 1995). In 1994, Chicago had an estimated 9,098 industrial brownfields site, with a combined area of 13,377 acres for industrial and commercial brownfields sites (Simons 1998: 35). Thirteen percent (13%) of this land is owned by the city (Simons 1998: 35). The concentration of these sites in Illinois is 30 to 99.9 sites per 100 square miles (Simons 1998: 32-33). Illinois has a total brownfields count of 18,400 (Simons 1998: 32-33), which means that Chicago houses almost half the brownfields sites in the state.

The following chart gives a brief view of Chicago demographics.
Chicago has a higher poverty (21.6%) and minority (54.6%) rate than the state of Illinois overall, which are 11.9 and 21.6 percent, respectively. Much of the literature suggests that minority and poor communities are most likely to be affected by the lack of brownfields redevelopment. All of the brownfields pilot-targeted sites in Chicago are located in predominantly minority neighborhoods (U.S. EPA 1995).

CHICAGO’S BROWNFIELD PROGRAMS

The City of Chicago has successfully redeveloped a number of its sites through careful planning, government funding, and PPPs. As mentioned earlier, Chicago is one of the first U.S. cities to create programs to redevelop its brownfields (U.S. EPA 1995). Programs like Chicago’s Brownfields Sites Program and the Chicago Brownfields Initiative have contributed to the city’s reputation as a national leader in brownfields redevelopment.

Chicago's Brownfields Sites Program has already invested more than $15 million for the assessment, cleanup, and preparation of various sites for redevelopment throughout the City. In addition, the City is currently devoting a portion of the $50 million in Section 108 loans from the U.S. Department of Housing and Urban Development funding for brownfields-related activities (Brownfields Title VI Case Studies: Summary Report).
Like the Brownfields Sites Program, the Brownfields Initiative has its share of success. Current Mayor Richard Daley created the Chicago Brownfields Initiative (CBI) in 1993. The purpose of the Initiative was to “recycle abandoned properties and bring jobs to its inner [city]” (City of Chicago 1999). Under the Chicago Brownfields Initiative (CBI), a pilot Brownfields pilot program was devised, and five abandoned, polluted industrial sites were cleaned for redevelopment” (City of Chicago 1999). Three of the rehabilitated sites have resulted in 100 new jobs and new construction activity (City of Chicago 1999).

Under the CBI, plans are currently underway to fund larger and more complicated brownfields sites; “Land acquisition and assembly efforts are underway to create modern, industrial parks with secured access and direct transportation links, designed to meet manufacturing and warehousing needs” (City of Chicago 1999). These redevelopment projects are expected to utilize existing infrastructure and limit the negative impacts of sprawl (City of Chicago 1999).

2.3. The Role of Governmental Bodies

LOCAL GOVERNMENT

With few exceptions, most practitioners and experts agree that local governments are best situated to deal with brownfields redevelopment issues. Some advocate government intervention because the market places little value on declining environmental quality or the increased social and ethical costs of environmental degradation (Swearengen 46), while some assert that local governments can reduce the amount of federal government bureaucracy by using their powers to provide creative alternatives.
Although many articles advocate a strong local government presence in brownfields redevelopment, one Public Management article, “Managing Brownfields Redevelopment—a Partnership between Local Government and ICMA,” clearly defines these roles. The roles dictated by the article are reflected below, and serve as a representation of most of the literature on this particular subject. According to the article, local government should:

- Bring together diverse interests
- Help ensure that affected community organizations and citizen groups have sufficient access to and an equal voice in cleanup and reuse decisions
- Integrate brownfields development with other community priorities
- Involve community residents in development plans
- Broker reuse of sites by providing information to potential reusers
- Provide funding and target tax incentives for redevelopment
- Coordinate public funding and resources of local governments by informing the private sector about the programs, and finding ways to integrate different funding sources
- Act as a liaison between private companies and community groups, as well as between state and federal agencies
- Assume liability for contamination in some cases to remove the primary deterrent for reuse

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

Although the federal government influences local brownfields policy, this report focuses on the state EPA due to its closer working relationship with local government. The roles of the state EPA, in this case Illinois, are varied and many, ranging from providing financial incentives to initiating clean-up programs.
The Illinois EPA offers numerous financial incentives for municipalities and private parties involved in brownfields redevelopment. “The state tax incentive grants a tax credit that reduces taxes paid to the state,” and in Cook County, IL, “the property tax incentive allows the real estate classification of a property to be changed while remediation and redevelopment are taking place” (Illinois EPA 1999-C). The Illinois EPA also offers financial assistance for brownfields investigation and cleanup through the following programs: Illinois Brownfields Redevelopment Program; Illinois Brownfields Redevelopment Loan Program; Brownfields Cleanup Revolving Loan Fund; Underground Storage Tank (UST) Fund; and the Environmental Tax Remediation Credit (Illinois EPA 1999-A). All of these programs were created with the intent to support brownfields clean-up efforts so that the sites are brought back to productive use. Many of the financial programs listed “are designed for use by municipalities or private parties that did not cause the contamination” (Illinois EPA 1999-A).

The Illinois EPA also plays a role in brownfields cleanup and redevelopment. They conduct “redevelopment assessments (environmental assessments) of municipally owned or controlled properties with the potential for redevelopment and productive reuse” (Illinois EPA 1998-B), free of charge. After the assessment the EPA prepares a report analyzing redevelopment potential.

The Site Remediation Program (SRP) is another Illinois EPA program geared toward brownfields cleanup and redevelopment. Under SRP, “participants may voluntarily clean up contaminated sites and receive Illinois EPA approval and release of further
responsibility of remedial activities” (Illinois EPA 1998-B). Finally, the Illinois Brownfields Initiative, created by the EPA, helps disseminate information to the public and other governmental bodies about brownfields.

The role of the EPA in encouraging the cleanup and redevelopment of brownfields includes providing financial incentives; offering flexible cleanup programs that protect human health and take into account site conditions and land use; and, partnering with local governments to help boost community-sponsored cleanup and redevelopment projects (Illinois EPA 1999-E).

2.4. Public-Private Partnerships

The Brownfields Forum is a public-private-nonprofit partnership initiated by the City of Chicago’s Mayor’s Office, the Department of the Environment and the Department of Planning and Development. The City’s formed alliances with the private and non-profit sector due to their realization that brownfields were environmental problems, as well as “resources for widespread industrial redevelopment, with tremendous potential for creating jobs in disadvantaged neighborhoods and increasing industrial capacity” (Brownfields Forum 1995).

In 1993, the Chicago departments of Environment, Planning and Development, Law, Buildings, and the Mayor’s Office formed an interdepartmental working group to launch

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6 Hereafter in this section referring to the Mayor’s Office, the Department of the Environment and the Department of Planning and Development.
a three-prong initiative to identify and overcome barriers to brownfield redevelopment in Chicago (Brownfields Forum 1995). The three tiers include:

- **The Brownfields Forum**: created to devise more responsive environmental and economic development policies (Brownfields Forum 1995);
- **The Brownfields Pilot Program**: created to clean up and redevelop demonstration sites in distressed neighborhoods (Brownfields Forum 1995); and
- **The Brownfields Economic Analysis**: created to develop economic models that account more accurately for environmental and social costs and benefits of development decisions (Brownfields Forum 1995).

The Brownfields Forum was created in 1994 to “devise more responsive environmental and economic development policies” (Brownfields Forum 1995). In December 1994, over 100 people participated in a two-day seminar aimed at reaching a consensus on brownfields complexities; by the end of June, participants had produced 63 recommendations for overcoming brownfields barriers to reuse (Brownfields Forum 1995).

The participants discussed and provided information on nine topics related to brownfields redevelopment including:

1) Improving Communications
2) Strengthening Nonprofit Capacity
3) Building City Government Capacity
4) Streamlining Regulations
5) Encouraging Private Sector Investment
6) Improving Public Financing
7) Involving Communities
8) Advocating Pollution Prevention
9) Influencing Regional Planning

One workgroup also created “Brownfields Redevelopment Principles” that establish a framework for goal setting and provided a “useful context for other cities and regions as they shape their own strategies for returning brownfields to productive use” (Brownfields Forum 1995).

Chicago’s Brownfields Pilot Program has also been very successful. Much of its success is attributed to collaboration amongst the different sectors. With a $2 million dollar grant the City will return five sites to productive use—three more than was generally expected. The program has “generated a great deal of useful information, helped to retain or create hundreds of jobs, and catalyzed private investment in the target neighborhoods” (Brownfields Forum 1995). The City continues to expand this program via additional funding.

The Brownfields Economic Analysis division has also enjoyed achievement and benefited from PPPs. Economists from government and academia along with bankers and developers from the private sector, designed and executed two parallel research projects (Brownfields Forum 1995). The first project involved creating a decision-making tool to help government assess the redevelopment potential of various sites and the other
identifies and compares the hidden environmental and social costs of brownfield versus greenfield development (Brownfields Forum 1995).

The Forum has had overarching success, even outside of the three-tiered initiatives. The Brownfields Bill (HB 544/SB 46), passed in May 1995 was strongly influenced by the Forum, as Forum members “alerted participants to the legislative initiative and informed their contributions to the bill as individuals” (Brownfields Forum 1995). The Forum also helped “transform a potentially adversarial relationship between environmentalists and a local industrial developer into a mutually respectful search for common ground” (Brownfields Forum 1995). And maybe the most important success is the partnership itself. The Forum created new working relationships with different sectors, defined their roles based on resources and expertise, and devised new tools for spurring private redevelopment (Brownfields Forum 1995).

In addition, the Partnership has changed the way the City of Chicago, in particular, views brownfields. Instead of focusing solely on brownfields as “costly environmental quagmires,” Forum members view them as “complex real estate transactions” (Brownfields Forum 1995). This change in perception presumably came about through interactions with the private sector that undoubtedly sees brownfields in monetary terms, and is aware of their redevelopment potential.

Chicago, Illinois is a unique case. The city is often referred to as a “pioneer” in brownfields redevelopment. Although the Chicago situation hardly mirrors that of
Vienna, Chicago’s public-private partnership component seems to be a key component of their success. This report will not attempt to apply Chicago’s brownfield approach to Vienna. Rather, the case study, as well as the other sections on Vienna, will look at the role PPPs play in brownfields redevelopment to see the results of this cooperation.
3. BROWNFIELDS POLICY AND LEGISLATION: VIENNA, AUSTRIA

3.1. Vienna and Brownfields

The City of Vienna covers a territory of 315 square kilometers, has 1.65 million inhabitants, and is a federal province and the capital of the Federal Republic of Austria at the same time (Wien Online). “It is the biggest municipality of the country and serves as [the] headquarters of numerous international organizations, including the United Nations Industrial Development Organization (UNIDO) and the Organization for Economic Co-Operation and Development (OECD) (Wien Online). Besides its well-known cultural amenities, including the Opera, the Philharmonic and “Heurigens” (wine bars), Vienna is also attempting to become a center of technology and research and development (R&D) in the 21st century.7 Under the program, “The Technology Offensive”, Vienna will spend about U.S. $114 million on high-tech projects, created to take on the challenges of international competition and restructuring since Austria entered the EU.8

In Vienna, brownfields are defined as “derelict or underused land that [has] real or perceived contamination problems” (CLARINET). These primarily old industrial sites are located in the former periphery of urban agglomerations and within the city, and often constitute ‘socially and economically fallow’ land (Kaufman et al. 1998). They are negative results of the breakdown of core industries during European industrial change (CLARINET). Between 2-4% of the industrial sites in Austria are abandoned, and these sites cover about 2% of urban areas (CLARINET). In 1990, an estimated 14,000 potentially contaminated sites were located in Vienna (Schamann Interview: 2/18/2000).

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National, regional and local policymakers are currently faced with the challenge of the “rehabilitation of industrial sites and the elimination of hazards to human beings and the environment, as well as reintegration of rehabilitated sites into the economic cycle” (CLARINET). Within this framework, brownfield redevelopment becomes a “common task of environmental restoration, land planning and economic policy” (CLARINET).

Policymakers and local authorities are increasingly aware of the many benefits of brownfield redevelopment. In Vienna, the problems of “extensive use of greenland and the existence of orphan sites with a potential risk for human health in case of reuse” are two problems brownfield redevelopment could solve. Additional reasons for promoting brownfield redevelopment in Vienna include, among other things, the eradication or slowing down of current suburbanization trends, higher energy use, pollution, and tax revenue problems (Kaufman et al. 1998).

As brownfields are overlooked for “greenfields”, a host of additional problems crop up that include the loss of green space within the agglomerations and the demise of areas for ecological and recreational purposes. However, despite the awareness of the benefits of brownfield redevelopment, and the fact that “the sites can be redeveloped, the land is highly accessible, and the technical infrastructure is fully developed” (Kaufman, et al 1998), there are many barriers to redevelopment in Vienna.

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8 Ibid
OBSTACLES TO BROWNFIELD REDEVELOPMENT

Vienna, like Chicago, has numerous obstacles to brownfields redevelopment. The major impediments are listed below:

- No government programs exist that support brownfield redevelopment on a national level (Kaufman et al. 1998).
- No specific brownfields legislation exists (Kaufman et al. 1998).
- Lack of reliable brownfields data (CLARINET).
- No clear administrative procedures exist to handle brownfields; as a result, decisions are usually made on a case-by-case basis (CLARINET).
- Current regulations are not sufficient to deal with brownfields (CLARINET).
- Better conditions exist to invest on “greenfield” sites (CLARINET).
- Potential clean up risks for investors (CLARINET).
- The clean up of these sites (when contamination is present) is expensive (Kaufman et al. 1998).
- “The polluter pays” principle (discussed in detail later) is hard to enforce as the polluter does not exist or is difficult to spot. As a result, the public often bears the cost of clean up (Kaufman et al. 1998).
- Brownfields are considered a low priority when it comes to receiving financing for redevelopment (Shamann Interview: 2/18/2000).

THE NEED FOR REDEVELOPMENT?

Some argue that there is less need for brownfields redevelopment in Vienna, hence the lack of brownfields legislation, programs and formal partnerships. Vienna, unlike Chicago, does not have an abundance of large, industrial areas that often serve as the catalyst to brownfields. Rather, Vienna is known worldwide for its culture and beauty,
making the city an increasingly popular tourist area. In 1998 alone, over seven million people from all over the world visited the area (Magistrat der Stadt Wien).

Some point to the city’s past as an explanation for its modest amount of industry and brownfields (Matreider and Titz: April 8, 2000; Lagler: April 13, 2000). Vienna was under monarchy rule until November 12, 1918 (Lehne and Johnson 1985: 104-5). During the city’s monarchy period, influential figures and key events prompted the idea of a beautiful, environmentally friendly Vienna. This image hinders the development of large, dirty and unattractive industrial areas.

Vienna’s Ringstrasse, one of the “great historical avenues of Europe” was created with the intention to “link the Inner City with the newly incorporated suburbs and enhance the beauty and grandeur of the Imperial and Royal Capital and Residence. . . .” (Lehne and Johnson 1985: 83). The architects built the avenue with the greatest intentions and with the highest aesthetic standards, all in the attempt to beautify the area and the city (Lehne and Johnson 1985: 84).

Influential leaders like Joseph II, Kaiser Franz Joseph, and Dr. Karl Leuger also contributed to the beautification, rather than the industrialization of Vienna. Joseph II ruled Vienna from 1780-1790 (Lehne and Johnson 1985:49). He had numerous plans for reform; one of his amendments included tree planting. In Vienna today, a city ordinance states that all trees cut down [must] be replaced by new ones (Lehne and Johnson 1985: 55).
Kaiser Franz Joseph is also cited as a former ruler who promoted the notion of a beautiful Vienna (Matreider and Titz: April 7, 2000). Finally, another key figure, Mayor Dr. Karl Leugger, paved the way for today’s “green Vienna” (Lehne and Johnson 1985: 80). Under his administration, he created zone codes that decreased urban sprawl and preserved areas for recreation (Lehne and Johnson 1985: 80). Although far from exhaustive, these examples illustrate how past figures and events pushed magnificence rather than industrialization.

This manner of thinking deterred the proliferation of industrial areas in Vienna (Matreider and Titz: April 7, 2000). Some consider problematic the focus on beauty rather than industry. As one planner put it, “[Vienna] is not very strong in economic factors because the history of the city dictated that Vienna remain a beautiful city with a high quality of life and preservation of its cultural past and the things that make cities beautiful, like trees and parks” (Matreider and Titz: April 7, 2000). This focus on beauty has worked against Vienna in the area of employment as “the city lacks places where people can work in modern production” (Matreider and Titz: April 7, 2000). As one planner put it, “We have the Philharmonic, but that employs 20 people. And that is not enough” (Matreider and Titz: April 7, 2000).

Other factors given to explain the small amount of industry and brownfields in Vienna include the lack of large industries, like car production, prevalent in the U.S. An additional element includes the transformation process in industrial production that occurred in Vienna in the 1970s. Unlike former Eastern European cities, Vienna invested
large amounts of money into modernizing their industries to avoid environmental problems in the future; Eastern European cities that did not modernize their industries (i.e. Prague and Budapest) allegedly have larger brownfields problems than Vienna (Matreider and Titz: April 7, 2000).

Although this list does not cover every possible factor, it does provide a better understanding of why public officials consider brownfields redevelopment a low priority. Currently, no specific brownfields legislation exists and most cases are dealt with on a case-by-case basis. This information would seem to imply that Vienna, especially in comparison to Chicago, does not take its brownfields issues seriously. However, given the city’s past and lack of industry, it may seem that Vienna has no reason to adopt aggressive policies or legislation to address a limited problem. This report will not decide the severity of brownfields in Vienna. The city’s brownfields problems should be viewed as unique and this report will avoid comparing Vienna’s brownfields approach to other cities. Keep in mind, however, that some Viennese public officials and scholars think more could be done to address the situation.

3.2. Regulatory Environment

As mentioned earlier, Austria has no specific brownfields legislation. However, certain laws and statutory schemes are employed to deal with brownfields issues. This legislation includes the Water Act; the Industrial Code; building permits; land development and zoning plans; and, concepts for spatial development (“Raumordnungskonzept”). These
acts are administered through different agencies with various functions. Overall, this legislation does not sufficiently deal with brownfields (Kaufman et al, 19998).

- **“The Polluter Pays” rule**

  In Austria, the regulatory principle, “the polluter pays rule,” assigns the polluter with the responsibility for cleaning up his contamination. This liability system, similar to the U.S. Superfund, “makes the direct occupant of a site directly liable; if the polluter can be identified, the owner can sue for compensation” (Kaufman et al. 1998). This rule has been difficult to implement because the polluter may not exist anymore or is difficult to find. In many cases in Vienna, the public, rather than the polluter, bears the clean up cost for contaminated land.

- **The Water Act**

  Under The Austrian Standard for Risk Assessment for Groundwater, also known as the Water Act, “guidelines or regulations stipulating water quality (especially groundwater) are of utmost importance for defining necessary remediation measures” (Kaufman et al. 1998). This act was created to address the lack of soil assessment and remediation standards for contaminated [or brownfield] properties.

- **The Industrial Code**

  The Industrial Code includes provisions for granting permission for the operation or cessation of industrial or commercial sites (Kaufman et al. 1998).

- **Building Permits**
Building permits allow authorities to consider brownfield redevelopment aspects when granting building permits for all types of construction (Kaufman et al. 1998).

- Concepts for Spatial Development

Concepts for spatial development allow dedication of ground for a special use, with respect to regional and extra-regional planning instruments (Kaufman et al. 1998).

3.3. The Role of Governmental and Non-Governmental Bodies

A brief overview of the political structure of Vienna will create a clearer picture of how the government works in the area of urban planning. “Vienna is subdivided into 23 districts. At the district level, most powers lay with the District Chair Person, who wields substantial de facto power . . . ” (Becker et al. 1999). The city is governed by a mayor who is also governor, as well as 8 city councilors who are in charge of 70 Magistratsabteilungen (departments) ordered numerically MA 1 to MA 70” (Becker et al. 1999). “The city council and its committees are in charge of all issues concerning urban planning . . . ” [and] “the decisive branches of the city administration concerning urban development are MA 4, 18, 19, 21 A-C, and their project teams” (Becker et al. 1999). MA 18, the municipal department of urban development and planning, elaborate the proposals discussed by city council members (Becker et al: 1999). The planners from the City of Vienna interviewed for this report belong to MA 21 A.

GOVERNMENTAL BODIES

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9 In Vienna, the city can own and buy parcels of land; when this occurs, the government, usually considered a “public” entity, also qualifies as a “private” actor.
In Vienna, the Federal Environment Agency—Austria, or Umweltbundesamt, handles brownfields clean up. Although the Agency is responsible for clean up, there are no guidelines or laws that they follow (Schamann: February 18, 2000). Local government, on the other hand, is responsible for brownfields redevelopment. They also have no guidelines or laws to follow due in large part to the absence of specific brownfields legislation.

NON-GOVERNMENTAL BODIES

In Vienna, non-governmental entities are involved in brownfields redevelopment. Some of these are neither “public” nor “private” in the traditional manner. Rather, these parties act as intermediaries between the public and private sector and are, in some cases, granted powers usually reserved for the public sector alone. The U.S. equivalent of this system is a “redevelopment corporation,” discussed briefly in Section 1. The Vienna Business Agency (VBA), integral to the redevelopment of the Gaswerks Simmering site, serves as a prime example of this special form of non-governmental body.

VIENNA BUSINESS AGENCY (VBA)

To guarantee centralized and efficient business promotion in Vienna, the city administration established the Vienna Business Agency (VBA) in 1982 (VBA). A non-profit organization, the VBA provides services that were once only offered by public and private institutions. These services include “optimal infrastructure, reasonably priced real estate and first class consulting services . . .” (VBA). They offer Austrian and foreign
investors a number of opportunities for setting up a business, and provide the following services:

- Development of large industrial areas on the outskirts of the city (VBA)
- Revival of old industrial plants and industrial zones in accessible locations (VBA)
- Integration of selected facilities into larger-scale multifunctional developments and special methods of financing (VBA)

The VBA plays an important role in the redevelopment of the Gasworks Simmering site. It functions as an intermediary between the public and private sectors for more efficient outcomes. Their involvement and contributions to the public-private partnerships efforts of this project will be outlined in more detail in the case study.

3.4. Public Private Partnerships

PPPs in brownfields redevelopment are more important for Vienna than ever before, especially in light of reduced funding since Austria entered the European Union (EU) (Schamann: February 18, 2000). Similar to Chicago, public-private partnerships are not obligatory in Vienna. Local authorities can determine on a case-by-case basis the necessity of a partnership and private sector involvement. The Gaswerks Simmering case study will highlight how partnerships work in Vienna to facilitate brownfields redevelopment.
4. CASE STUDY: GASWERKS SIMMERING

4.1. Site History

Gaswerks Simmering, located in a very prominent brownfield zone in Vienna’s 11th district, has an area of 325,000 square meters (Umweltbundesamt). Vienna’s 11th district, located in the southeastern part of the city, is one of the city’s older industrial areas. Gaswerks Simmering, a former gas storage and production facility, was shut down in 1975 and is currently being redeveloped by various entities (Umweltbundesamt). In the sixty years from 1900 to 1960, 500,000 tons of critical environmental pollutants were produced at the facility for operational purposes; many of these pollutants were not found when members of the Federal Environmental Agency went to the facility for a site check (Umweltbundesamt). Damage was also inflicted upon the site during World War II, as bombing debris was deposited on the facility grounds (Umweltbundesamt). The debris as well as the pollutants caused negative environmental impacts (Umweltbundesamt) that prompted the need for site assessment.

4.2. Site Assessment

On February 2, 2000, Gaswerks Simmering was registered with the Federal Environmental Agency—Austria as a residual waste site (Umweltbundesamt). The area was given a Clean up Priority Level of 1, indicating the most urgent need for clean up activity (Shamann: April 5, 2000). The priority setting plays a significant role in
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determining possible funding for remediation activity; the likelihood of funding is tied to
the urgency level (Shamann: April 5, 2000).

Tar was the main pollutant on the site; other known contaminants include aromatic
hydrocarbons, gasoline, ammonia, and sulfur (Umweltbundesamt). This site was listed
in the most immediate class due to fear of groundwater contamination; many at
Umweltbundesamt feared that the “missing” 500,000 tons of pollutions had seeped into
the soil, thus threatening groundwater quality (Umweltbundesamt)\(^\text{10}\). As for clean up
costs, the property owner, Wiener Gaswerke, will ask for remediation funds from
Umweltbundesamt. The rate for funding can go up to 95% if proof is given that soil and
groundwater pollution were caused by war activities (Shamann: February 18, 2000). If
this cannot be proven, the funding rate will be significantly lower (Shamann: February
18, 2000). To date, no remediation activities have been undertaken (Shamann: April 5,
2000).

4.3. Development Plans\(^\text{11}\)
As mentioned earlier, the former industrial site is slated for mixed-use development,
consisting of residential and retail uses. Residential development plans call for 620
housing units of 15,000 total square meters\(^\text{12}\) (Matreider and Titz: April 7, 2000). The
units are estimated to house over one thousand people (Lagler: April 13, 2000). Plans for
retail redevelopment includes a cinema called “The Pleasuredome,” a music hall for

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\(^{10}\) The site originally owned by the VBA was tested and the soil on their land was unspoiled (Lagler: April
13, 2000).

\(^{11}\) The “Development Plans” section of this report will discuss the plans for the entirety of the Gaswerks
Simmering parcel, including work done on the Gasometer Simmering, the VBA project. Additional
sections later in the report will discuss Gasometer Simmering specifically, but the “Development Plans”
section provides a broad overview of all development within Gaswerks Simmering.
2,500 people, and an archive building\textsuperscript{13} (Matreider and Titz: April 7, 2000). Additional features include a student hostel, public space for shops, shopping mall, and public services like a post office and police station\textsuperscript{14} (Lagler: April 13, 2000).

**LAND USE ISSUES**

A rezoning is needed in order to place future uses on the former industrial site. Urban planners at the MA 21 A are working on changing the land use plans for the area to fit the anticipated uses. Density requirements for this plot of land will also change with the new land-use plan (Matreider and Titz: April 7, 2000). In the past, developers could build very low on the site but could build up the whole area. With the new plan, developers can build very high stories but cannot use the entire area. The planners interviewed believe that this plan allows for a better use of space. To date, only one section of land in the northern part of the site has been rezoned; the rest will be rezoned in the next two to three years.

The planners foresee future land use problems due to the mixed parcel ownership, especially the parcels owned by a single person. If one property owner decides to reject the plan, the City of Vienna has no power to force compliance. If this occurs, plans would be stalled, if not ended. The Gaswerks Simmering site has a number of parcels that vary in size. They are owned by a number of different parties, including the federal government, the city of Vienna, single owners, multiple people, and corporations. As long as the parcel owners adhere to the specific requirements of the land use plan (which focus on density, allowed building height, etc.) they are able to build whatever they want.

\textsuperscript{12} All housing plans discussed in this report refer to the Gasometer Simmering project
The one exception to this rule is the parcel located between the Gasometers and the Metro station which is currently under development and not in operation (add an illustration here). Three different people own this parcel, and the planners will request that this piece of land, unlike the others, be developed as a whole, rather than piecemeal. This will force the three owners to work together and forge a consensus on what should exist there. The special requirements for this particular plot have to do with its location as well as creating a positive image of the area. This parcel of land, due to its close proximity to the Metro station under development, will be the first thing visitors see when they come into the area. The planners argue that if this specific parcel looks unattractive, people will not believe in the rest. They are working to get this requirement into the zoning ordinance and it appears that they may be successful in their efforts. The new Metro station under development in this area will be aptly named, “Gasometer”, and its expected date of operation is December 2000.

Plans for walking paths are currently under discussion. The planners wish to facilitate pedestrian access to the different uses in the area. However, in order to do this, some of the proposed paths will have to cut through private property. The planners, sensing a potential problem, devised a plan that they believe will provide pedestrian paths without intruding on property rights. Under this scheme, the path will stay private but the owner cannot build on the area; the owner will also be ordered to keep the path open and

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13 The Pleasuredome Cinema and the archive building are not part of the Gasometer Simmering project.
14 These uses are part of the Gasometer Simmering project.
accessible during the day only (Matreider and Titz: April 7, 2000). These paths, it is argued, would allow pedestrians quicker access and shorter routes to the Metro station.

HOUSING

The housing units are selling very well (Matreider and Titz: April 7, 2000; Lagler: April 13, 2000). To date, all housing on this site will be located inside the gasholders of the former Gaswerk. Social and private housing will be mixed together. The private plats, often coined “the best,” are located in the upper half of the gasholders, and the social plats are located in the lower, with student hostels in between (Gryksa: April 20, 2000). Unlike the social housing, the private plats are sold privately (Matreider and Titz: April 7, 2000). The flats are selling well, although the quality of the social housing is deemed inferior to the private (Matreider and Titz: April 7, 2000). The popularity of the flats can be attributed to the fact that prominent French and Austrian architects are responsible for the design. These designers include French architect, Jean Nouvel (Gasometer A); Viennese architects Wolf D. Prix and Helmut Swiczinsky (Gasometer B); Viennese architect Manfred Wedhorn (Gasometer C); and Viennese architect Wilhelm Holzbauer (Gasometer D) (Gryksa: April 20, 2000).

The Gasometer Simmering housing design is atypical of Vienna. The housing does not appeal to younger couples with kids “who want a small house somewhere outside the city”; rather, these homes engage “artists, architects, etc.” (Lagler: April 13, 2000). Despite the lack of demand from some segments of the society, the flats are selling
quickly. Building constructors estimate that all the flats will be sold within a year (Lagler: April 13, 2000).

4.4. Financing

Much of the redevelopment currently underway is financed by public money. As one planner put it, “There is a lot of public money in this project” (Matreider and Titz: April 7, 2000). Much of the public financing is linked to the construction of public housing built on this site. Although the developers are private, they must cooperate with the public sector because of the huge housing subsidies they receive. These developers also receive additional funds for preserving the cultural heritage of the area. The gasholders, preserved by law as national monuments, are over 100 years old (Lagler: April 13, 2000). Using these gasholders as housing and retail space allows the city to preserve and reuse the area, and developers are given additional money for their preservation efforts.

4.5. Public-Private Partnerships

This section outlines the role of PPPs in the redevelopment of the Gasometer Simmering site. Franz Lagler, City Marketing Manager for the VBA, outlines the organization’s role in the redevelopment, and also explains how public-private partnerships functioned in this particular case. His testimony provides additional insight into the collaboration process that exists within Vienna between public and private agencies.

15 The Gasometer Simmering site exists within the Gaswerks Simmering case study area. Different parcels of land belong to different developers who all have various building goals for their particular parcel. The
The Gasometer Simmering project, created by the VBA’s Franz Lagler, exists within the Gaswerks Simmering site. Construction began on this project February 1999 (Gryksa: April 20). The four former gasholders, labeled A, B, C and D, are integrated into the project. The music hall, public, student and private housing, as well as retail areas will be located within the gasholders, which are now obsolete and registered as national monuments (Lagler: April 13, 2000). The Gasometer Simmering project is not connected to other projects on adjacent land.

Of the four gasholders, Gasometer A is the closest to the anticipated Metro station, and Gasometer B houses a music hall. A bridge will extend throughout the four gasholders allowing building residents to walk from their housing in the uppermost part of the Gasometers, to the shopping mall and music hall on the ground floor. VBA Marketing Manager Franz Lagler jokes that under this new development scheme, “[Gasometer Simmering residents] can go downtown in their pajamas without getting wet even if it rains” (Lagler: April 13, 2000). The glass lining the top of the former Gasometers will be taken out completely and not replaced, allowing sunlight and air inside (Gryksa: April 20, 2000). 99% of the retail spaces inside the Gasometers have already been purchased (Gryksa: April 20, 2000).

The Vienna Business Agency (VBA) played an integral role in the redevelopment of the Gaswerks Simmering site, as well as the public-private partnership process. They
currently own approximately 20,000 square meters of the Gaswerks Simmering site. This area includes the site containing the four gasholders under redevelopment, as well as the surrounding land. The VBA drew up the project plans for their site, aptly named “Gasometer Simmering,” and also helped spur interest in the project among developers and city officials.

Before 1970, Vienna produced its own gas using coal (Lagler: April 13, 2000). In the early seventies the city switched from self-production to Russian gas importation (Lagler: April 13, 2000). Many Viennese were upset with this transition, fearful that they would have to depend on Russia; but some people felt that Russia would become dependent on Vienna due to the strong currency (Austrian shilling) the Russians received in exchange (Lagler: April 13, 2000). As a result of this switch, the Gaswerks became obsolete and no one knew what to do with them. The VBA bought the gasholders and adjacent land and Lagler developed a project (Lagler: April 13, 2000).

Gasometer Simmering was underway in the early nineties, the same time period in which talk was underway about Vienna hosting the World Exhibition; this idea was denied by referendum (Lagler: April 13, 2000). During the debate over the location of the World, Lagler and associates drew up a plan to convert all four gasholders into office buildings (Lagler: April 13, 2000). During this optimistic period, the Expo was cancelled and the VBA had to create a different strategy for the urban gasholders. They invited architects to join the public tender\textsuperscript{16} and the project is now under construction (Lagler: April 13,

\textsuperscript{16} Get involved with the housing scheme that involved public subsidies
As mentioned in the overview, PPPs in Vienna consist of casual cooperation, but there are certain institutions where PPPs are formalized and the VBA is one such institution (Lagler: April 13, 2000). The VBA was founded by the City of Vienna, the Chamber of Commerce, and two banks: the Bank Austria and Erste (Lagler: April 13, 2000). The VBA functions as a “one-stop” shop for investors interested in Austria as a business location. The VBA provides prospective buyers with all the necessary site information, and the VBA obtains the site at a reasonable cost, while offering funding provided by the City of Vienna (Lagler: April 13, 2000). The organization acts as the “middle man” between private enterprises and government (Lagler: April 13, 2000). There is another institution in Vienna that functions like the VBA, called WBSF that deals with housing issues; the VBA deals solely with industrial and economic development (Lagler: April 13, 2000).

One of VBA’s tasks includes the promotion of Vienna as a hub of economic activity to outside investors. Lagler states, “Vienna is quite an interesting place for tourism. It is known worldwide for the New Year’s Eve Concert and the white horses (Lippizaner). . . In the seventies and eighties we (VBA) decided to promote Vienna much more strongly as an economic hub in Europe, especially after our entry into the EU after the fall of the Iron Curtain. We (Vienna) became . . . quite an important point in Europe” (Lagler: April 13, 2000).
The City of Vienna sold the Gaswerks to VBA at “very, very reasonable prices” (Lagler: April 13, 2000). The VBA drew up the project and collaborated with the City of Vienna for amendment and modifications of the land use plan (Lagler: April 13, 2000). The VBA has working relationships with other property owners adjacent to the site, but there are several Austrian institutions that own huge parcels of land within the site and refuse to sell (Lagler: April 13, 2000). These institutions include the public gaswerks, the federal railway and the military (Lagler: April 13, 2000). Despite their unwillingness to sell, Lagler believes there is “great hope for the future” because these areas are located within the city limits where the subway and social infrastructure is already in place (Lagler: April 13, 2000). As a city planner, he believes it makes more sense to “redevelop these brownfield areas instead of expanding and expanding into the surrounding areas of Vienna” (Lagler: April 13, 2000).

Future development plans for the surrounding area are uncertain. However, there are several other sites going up adjacent to the gasholders. After the initial invention of the project, there was pressure to develop on other parcels of land, due in large part to the new housing projection of 1000 new residents and the new Gasometer metro station (Lagler: April 13, 2000). The original plan has spurred new development in the form of a new office center north of the gasholders, as well as the Pleasuredome cinema house, located on Guglegasse. The rest of the area is expected to “improve” as a result of the Gasometer Simmering project (Lagler: April 13, 2000).
“The most difficult step is the first step,” states Lagler, recalling initial opposition to the Gasometer Simmering project. “Nobody believed in this project and they said, ‘Well, it’s a shabby industrial brownfield area—who is going to live there?’” (Lagler: April 13, 2000). But now, the City of Vienna plans to rebuild all the streets, plant trees, and take other steps to make the area more attractive to future residents and visitors. One of Lagler’s suggestions to the City for neighborhood improvements was a bridge linking Gasometer Simmering to the Danube Canal, which is approximately five minutes away by bicycle (Lagler: April 13, 2000). The bridge would serve pedestrians and bikers only. The bridge would also provide a link to the Prater (recreational carnival site) some 100 meters away.

VBA collaborated with the City of Vienna for public housing funding. The building itself is done very cheaply so the VBA tried to keep costs as low as possible. Many were afraid to do the renovation because the gasholders are very old, and a protected monument. They needed specific technical infrastructure and the management facility (Lagler: April 13, 2000). The VBA was able to keep the costs at the same level as a conventional building, and they also received subsidies from the City of Vienna for public housing (Lagler: April 13, 2000).

4.6. Conclusion

This report describes how PPPs work in both Chicago and Vienna in order to highlight how U.S. and European cities use them to handle brownfields problems. Although this report avoids discussion of the role of the community in the PPP process, this topic is
worthy one, as many PPP critics argue that community needs are often ignored in the PPP process; the sad irony of this being that most PPPs are created under the premise of increasing community development.

As evidenced from both the Chicago and Vienna scenarios, PPPs have the potential to increase the efficiency of brownfields redevelopment. Although Vienna’s brownfields situation differs dramatically from Chicago’s, both cities implemented the PPP process, believing in its ability to expedite their redevelopment objectives. Chicago formalized the PPP by creating The Brownfields Forum, which actively sought out members of the private and non-profit sector to create solutions for Chicago’s brownfields problems. This partnership enhanced the City of Chicago’s understanding of brownfields through exposure to different perspectives. The collaboration also signified a new direction for Chicago as brownfields redevelopment was no longer viewed as a purely “public” function, and enjoyed the input and expertise of members from the private and non-profit sector.

Vienna also formalized PPPs in the form of the VBA, whose efforts in the Gaswerks Simmering case proved invaluable in the site’s redevelopment. Although the VBA differs from The Brownfields Forum, its actions produced similar results, namely, the cooperation of the public and private sectors to better facilitate the brownfields process. The VBA ensures expediency in land acquisition and finding appropriate funding for prospective investors, all key components of the brownfields redevelopment procedure. Unlike Chicago, however, Vienna does not collaborate with universities to create methods for understanding how to deal with brownfields on more than a case-by-case
basis. This partnership has the potential to help Vienna create mechanisms that assess the redevelopment potential of different sites, as well as create proposals that measure the costs of brownfields and greenfields development. All of these tools can enhance Vienna’s understanding of brownfields.
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