

European Parliament

**Directorate general for Infrastructures and
Logistics**

**Questionnaire concerning the renovation and
extension of the Eastman building in Brussels**

I. Planning Phase

1. General Information on the building project

Please provide information on:

- **the project**

Parliament informs the budgetary authority of its intention to implement the renovation and extension of the Eastman building located in the Parc Leopold in Brussels in order to host the House of the European History (below called "HEH"). This project is issued as a follow-up of the Bureau decision of the 17/06/2009.

- **the need assessment/justification**

The HEH will be part of the global "Visitors Tour" set up in the Brussels Parliament premises (aside the Chamber visit and the Parliamentarium).

- **any relevant background information**

In March 2008, after consultation of the Committee on budgets, the Bureau decided to acquire the Eastman building. In November 2008, the Parliament signed a long lease agreement for 99 years. This long lease agreement authorises the use of the building as a museum. The costs of this contract was a single payment of 18,5 M€.

- **the current state of play/project schedule**

At present stage, the team CHAIX & MOREL and associates, winner of the architectural competition, has developed a detailed draft project. This team is presently finalising the detailed design and all the specifications in order to allow the launch of a call for tender for the renovation and extension works during spring 2012.

2. Medium / long-term building strategy:

- **Are there any other forthcoming building projects?**

There is no further current or foreseen project aiming at this type of activities.

General information on building projects:

As a consequence of an unsuccessful first property market survey to find an appropriate building for the Professional Training Service a further survey could be started to identify a new building.

Following the Bureau decision of 8 June 2010 about a second crèche, the efforts to find an economically justifiable solution will be continued through the launching of a fresh property market survey.

In the future, efforts to identify a stopgap building to be occupied pending acceptance of the TREBEL Building in 2017, with a view to improving working conditions at Parliament and housing the occupants of buildings to be renovated, will have to be reviewed.

3. Description of the current situation:

Please provide information on:

Condition of the building(s)

- **the age of the building(s)**

The Eastman building was erected in 1935 and initially hosted a dental Clinic for poor children.

- **the current state of the building(s)**

The Building was rented for some years (1986-2008) before acquisition by Parliament and is still hosting various activities: previously child day nursery. Presently, the office space is used by DG ITEC, the European Ombudsman and the European Court of Auditors. The installations are quite old and, therefore, the building needs urgent renovation.

In the case of a rent/lease contract:

- **the duration of the rent/lease contract**

The long lease agreement is valid for 99 years.

- **Is there any possibility for renewal/prolongation of the rent/lease contract?**

Not applicable

Building surface:

- **The current surface (m2) available**

The actual available surface is 6.616 m2

- **The detailed use of the surface e.g. office space, archives, parking, conference rooms, meeting rooms, sanitary areas etc.**

The actual use covers office space, 2 conference rooms, meeting rooms, sanitary areas and archives.

Staff situation:

- **the actual staff number**

At present the office space in the Eastman building is occupied by the DG ITEC (46 people, mainly located on the ground, first and third floors), the European Court of Auditors (14 offices) and the Ombudsman (24 offices).

- **the foreseen development in the staff number**

The business plan is based on the assumption of around 400.000 persons per year visiting the House of European History.

In future, the renovated building will host 4.800 m² of exhibition room, the necessary public space (entrance and mediaguide's distribution, cafeteria, rest-rooms, cloakrooms, etc), a conference room (around 100 seats), an administrative area for 24 people and technical rooms.

Cost/Price situation:

- **the price/rent/leasing per m²¹**

Not applicable

- **the maintenance costs per m²²**

The main maintenance costs (excluding cleaning and security) are the following:

- Lifts: around 11.000 € / year
- Use of a maintenance contract (with external company): around 101.000 €/year (15,3 €/m² x 6616 m²)

for a total of around 112.000€/year of maintenance costs which means around 17€/m² (excluding cleaning and energy costs).

- **the permanent operating costs per m²³**

The actual energy costs are the following:

- Water: Around 9.000 € / year
- Gas: 50.500 € / year
- Electricity: 35.500 € / year

for a total of around 95.000€/year for the entire building energy consumption (for the actual surface of 6.616 m²).

- **the total costs for the current building**

Actual total foreseen costs are around 0,2M€. This figure can not be compared with the future situation one because of the extension of the building (around 3000m² more) and the change of the use.

¹ Please specify what the price/value/rent/leasing does include

² **Maintenance costs** = all costs required to conserve the condition of a building e.g. all costs of maintenance and repair (e.g. maintenance costs for elevator(s) etc.)

³ **Permanent operating costs** = all monthly or regular costs like heating, electricity, energy costs, water, taxes, duties, fees and any other permanent costs or charges incurred. Please be aware of the fact that this list is by no means complete.

Please answer the following questions:

Contamination/pollution:

- **Is there any contamination/pollution?**
(e.g. existence of asbestos, radioactivity or other harmful substances on the grounds, in the building(s), in the soil)

Some asbestos removal works already took place in the Eastman building in 1998. Since 1998, the Parliament has completed additional investigations to locate the presence of other possible sources of asbestos. Some minor presence has been detected (mainly in heating equipment) and a call for tender for its removal in accordance with the regulation has been launched.

- **Is there any proof of absence of contamination/pollution?**

Specific investigations for environmental pollution or contamination other than asbestos have been held. A ground pollution survey was started by the owner (CPAS Brussels) before the signature of the long-term lease contract and has been completed, showing no remaining ground pollution.

- **The measures and the kind of measures taken to remove harmful substances/pollution.**

Remaining asbestos removal will be done before starting the renovation program (see above).

Third Parties:

- **Is/are there any subtenant(s)/third party(ies)?**

European Ombudsman
European Court of Auditor

Security:

- Are there any specific security requirements or security related issues?

No

II. Public Procurement and Project Phase for the new building
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4. Public Procurement Process

- **Is/Was there a public procurement procedure?**

A long lease agreement was signed in 2008 after information of the budgetary authority.

An open international architectural competition was published in July 2009 to choose architects to carry out studies for renovation and extension.

The open call for tenders with regard to (1) "all risks site works" insurance, (2) removal and reinstallation of wall paintings (artwork) and (3) the renovation and expansion works are scheduled to be launched at the end of the first quarter of 2012.

The negotiated procedure (3 bids - low value) for asbestos removal has been launched at the beginning of 2012

- **What is the reason for the absence of public procurement?**

Not applicable

- **Please name the legal basis.**

All procedures have been / will be launched and realised according to the Financial regulation.

- **What is subject to the public procurement procedure?**

- 1) The studies, the follow-up (control) of the execution of the works according to the call for tender specifications.
- 2) The designation of the contractors to carry out the works (renovation and extension, asbestos removal, removal and re-installation of wall paintings),
- 3) A global "all risks site works" insurance during the construction phase covering all stakeholders.

- **What kind of public procurement procedure is applied?**

Open calls for tender except for asbestos removal where the financial Regulations foresees a call for tender to minimum 3 contractors (low value)

- **Is the tender open EU-wide? (Are there any obstacles for supplier(s)/company (ies) from other EU countries?)**

Yes, except for asbestos removal

- **Is the tender restricted in any way?**

No

- **In which sense is the procedure restricted?**

Not applicable

- **What is the reason for the restricted procedure?**

Not applicable

- **Please name the legal basis.**

Not applicable

5. Results of the public Procurement Procedure:

➤ *For the architectural competition*

- **What is the result of the public procurement procedure?**

The group "Ateliers d'architecture Chaix et Morel et associés" has been selected. The members are: "Ateliers d'architecture Chaix et Morel et associés" from Paris (France), "JSWD Architects" from Köln (Germany) and TPF Engineering from Brussels (Belgium).

- **How many offers have been obtained?**

In the first stage of the competition 26 candidates applied, the selection board selected 12 associations and asked them to submit a sketch judged by an international jury during the second phase. Two projects were selected by the jury and finally one of these two was chosen after a third phase (negotiation with the two remaining candidates on basis of a preliminary design project).

- **Which supplier(s)/company (ies) has/have been selected?**

The group "Ateliers d'architecture Chaix et Morel et associés" has been selected. The members are: "Ateliers d'architecture Chaix et Morel et associés" from Paris (France), "JSWD Architects" from Köln (Germany) and TPF Engeneering from Brussels (Belgium).

- **Is/are the selected supplier(s)/company (ies) independent from the body in charge of the building project?**

Yes

- **Which assessment criteria have been applied?**

Exclusions criteria (Art 93 and 94 of the Financial Rules), selection criteria (including financial capacity and technical capacity), attribution criteria (phase I) and evaluation criteria (phase II and III) were set-up in order to select the best candidate.

- **What does the selected (final) offer include?**

The offer includes studies to enable the publication of tenders for completion of the works and follow-up of their execution until the definitive acceptance.

- **Is the most economic offer selected?**

No

- **What is the reason?**

Following the rules of the competition, the projects and the teams had to be evaluated by an international jury on several criteria. The price was one of the criteria. The project was by far away of better quality and was awarded more points by the evaluation committee according to the evaluation criteria.

➤ ***For the works to be done***

Tenders prepared in 2011 have to be issued in the first quarter of 2012.

➤ ***For the insurance***

Tender have to be issued in the first quarter of 2012.

6. Description of the future situation:

Please provide information on:

Future Building situation:

- the age of the selected building(s)

Built in 1935, so 76 year old (same building as in point 3)

- the state of the selected building

The building will be totally renovated and expanded for its intended new use.

Future Building surface:

- the surface (m2) available

9.980 m²

- The detailed purpose of the surface e.g. office space, archives, parking, conference rooms, meeting rooms, sanitary areas etc.

The program needs detailed 5 main functions:

- Exhibition areas and linked spaces : approx. 6.250 m²
 - Educational and events area : approx. 540 m²
 - Visitors facilities : approx. 1.060 m²
 - Offices and staff area : approx. 850 m²
 - Technical rooms : approx 1.280 m²
- total : approx 9.980 m²

Future Cost/Price situation:

- the price/rent/leasing per m²¹

Cost of the studies and works based on architects group proposal: 31M€ (approx 3.100 €/m²) spread over the years 2012, 2013 and 2014 as described hereunder:

Renovation/Extension Eastman Building	Coût en millions d'euros					
	2011	2012	2013	2014	2015	Total (2011- 2015)
Renovation /extension		6,00	8,00	4,00		18,00
Structural intervention		4,00	1,25			5,25
Improvements requested on preliminary sketch		2,00	0,75			2,75
Subtotal Works		12,00	10,00	4,00		26,00
Architectural competition	0,17					0,17
Architect's fees (% on works)	2,03	0,68	0,33	0,17	0,17	3,38
Architectural fees (lump sum)	0,29	0,35	0,35	0,23	0,23	1,45
Subtotal Studies	2,49	1,03	0,68	0,40	0,40	5,00
Total Renovation	2,49	13,03	10,68	4,40	0,40	31,00

¹ Please specify what the price/value/rent/leasing does include

* The 26 M€ includes a price revision (salaries and materials 2,5 % / year) and an unforeseen of about 6% (which is reasonably low) It also already includes improvements asked by the Board of Trustees and adaptation asked by the local authorities in order prior to introduce the building permits application. A part of the 4,8 M€ for fitting out other areas will be realised by the contractor in charge of the renovation - extension. The exact amount will be determined before signature of the contract for renovation - extension.

- **the average price/rent/leasing per m2 for other comparable buildings in this area**

Not available and not applicable (Museum activity is a special function not comparable with the current offices spaces)

- **the maintenance costs per m2¹**

Maintenance costs excluding energy costs and maintenance for exhibition have been estimated by the architects at about 19 €/m² for building maintenance itself and 25 €/m² for the cleaning

- **the permanent operating costs per m2²**

These costs are estimated by the architects at about 0,1M€ per year excluding specific energy requirements for the specific museology equipment. This means around 10€/m² for a 9980m² building.

(Are there any expected savings compared to the current situation e.g. energy, heating etc.?)

The project foresees a performing thermal isolation of the old building and a high efficiency solution in the extension part including the use of renewable energy sources such as geothermic.

- **the total costs for the project³**

No investment and financing costs, for the global building costs see the figures in the table above. For the whole cost, refer to the business plan sent in October to the Committee on Budgets after the approval by the Bureau on the 26 of September 2011.

Replacement/abandonment/demolished of building(s):

- **the building(s) and the use of the buildings to be replaced/abandoned/demolished**

Not applicable

¹ **Maintenance costs** = all costs required to conserve the condition of a building e.g. all costs of maintenance and repair (e.g. maintenance costs for elevator(s) etc.)

² **Permanent operating costs** = all monthly or regular costs like heating, electricity, energy costs, water, taxes, duties, fees and any other permanent costs or charges incurred. Please be aware of the fact that this list is by no means complete.

³ Please name investment and financing costs

- **What are the costs involved (e.g. demolition costs for each building)?**

Demolition costs are included

Contamination/Pollution of the future building:

- **Is there any contamination/pollution?
(E.g. existence of asbestos, radioactivity or other harmful substances on the grounds, in the building(s), in the soil)**

See point I.3 above

- **Is there any proof of absence of contamination/pollution?**

See point I.3 above

- **the measures and the kind of measures to be taken to remove harmful substances/pollution from the selected building(s)**

See point I.3 above

Accessibility:

- **Are the premises accessible for handicapped persons?**

Yes, they will be. The project is studied according to the "design for all" principle. Nevertheless, the park around the building belongs to the city and is listed. Therefore, accessibility in the park is subject to improvement. The park is the property of the City of Brussels.

- **Are public transport facilities given?**

Yes, almost the same as for Parliament's other premises in Brussels. The building is located just 200m away from the "Paul-Henri Spaak building".

Third Parties:

- **Is/are there any subtenant(s)/third party(ies)?**

No

Security:

- **Are there any specific security requirements or security related issues?**

Due to the intended use (Museum) special security measures are required, which will be detailed during the studies.

7. Project Financing:

Please provide information on the project financing and answer the following questions:

- **How is the project financed?**

(Please name the relevant budget lines and provide the financial plan)

Budget line 2007 "Fitting-out of premises" will be used to finance the studies and works

- **Are there any financial partners?**

No

- **Are there any follow-up costs (financial interest, cost for intermediate companies etc.)?**

No

- **Is there a cost-benefit analysis?**

Not applicable

- **Are revenues used for the financing?**

Not applicable

- **What is the origin of the revenues and what are the revenues intended for?**

Not applicable

- **What is the total amount of revenues received annually?**

Not applicable

- **What is the total amount of revenues received so far?**

Not applicable

- **Has information on the revenues been published in the budgetary procedures?**

Not applicable

8. Legal Situation

- **Who is currently the owner of the building(s)?**

The CPAS of Brussels, but the Parliament has obtained a long lease agreement signed in 2008 for 99 years which transfers nearly all rights and duties from the owner.

- **Since when is/are the building(s)/premises/land property of the current owner?**

2008

- **Has there been a rent- or buy-decision?**

Yes, after approval from Bureau and the budgetary authority, in 2008

- **Please provide information on the legal situation /obligations**

(See the long lease agreement)

Building construction / renovation projects:

- **When will the construction/renovation period start/end?**

The works are planned to start before end 2012 (with some preliminary works such as asbestos removal earlier). The architects aim to finish the work in April 2014.

- **Do you expect any problems with the project time table?**

Identified main risks on the project concern:

- 1) Agreements for the building and environmental permits. Its expected to receive the building permit by August 2012
 - a. risk in terms of time schedule
 - b. standard risk for construction project
 - c. measures taken for follow up of the process by the architects and the Administration. Contacts established at high level between European Parliament and the Government of the Region and the municipalities
- 2) Timing of the call for tenders procedure,
 - a. risk in terms of time schedule (length of procedures or unfruitful procedure)
 - b. standard risk for construction project in public sector
 - c. measures taken as to reduce the time schedule for procedures in regard of the standard administrative delays (but keeping respect of mandatory delays imposed by the financial regulation and of the quality); Best efforts asked to the services; Assistance of experts to verify specifications and advise on procedures
- 3) Price offered in excess of the estimation,
 - a. risk in terms of budget
 - b. standard risk for construction project. In general, bids vary between +10% and -10%. Nevertheless, due to the economical situation, there is more uncertainty.
 - c. measures taken : continuous auditing of costs during the studies' phases. Detailed estimation by the architects. Report to the Committee on Budgets in case of variation of the global budget
- 4) Deviations from the original work's time schedule
 - a. risk in terms of time schedule
 - b. standard risk for construction project.
 - c. measures taken : site survey, weekly site meeting; monthly review of time schedule; modification management; penalties foreseen in the contract in case of delay due to the contractor.
- 5) Deviations from the original work's budget
 - a. risk in terms of budget
 - b. standard risk for construction project. Risk linked to discoveries on site (earthmoving and renovation), excessive evolution of the price of materials, modifications.

- c. measures taken : site survey, quick reaction of the engineers in case of discovery, cost management, modification management; standard price revision's formula for building sector; Report to the Committee on Budgets in case of variation of the global budget
- 6) Availability of the human resources (project team) along the whole project
- a. risk in terms of budget, time schedule and quality
 - b. specific risk in the Institutions .Risk linked to the type of contract of certain key agents in the project team (notably architect museologist and financial assistant) or eventual lack of budget for contractual agents for site survey.
 - c. measures taken : involvement of DG-PERS and Secretary general.
- **Why is the renovation/construction considered to be the most favorable option?**

Mainly because of the location of the building (near to the other Parliament buildings in Brussels) and its architectural and cultural aspects.

- **Is/are there any other building(s) affected by the project?**

Other buildings on the Brussels site of the Parliament, by the relocation of the services actually hosted in the Eastman building.

9. Contract

Please name:

- Long lease agreement
 - Contract for studies and follow up of the works
- any specific contractual agreements and any discounts, fines, compensations, refunds, etc.

III. Project Finalisation

Please provide information on the project outcome:

The aim of this project for the European Parliament is, within the framework of Parliament's visitors policy, to enrich its offer for its visitors to Brussels.

The guided visits of the Chamber enable visitors to meet MEPs and to see the Parliament in action, while the Parliamentarium is mainly focused on the different aspects of the functioning of the Parliament and its influence on citizens' daily life.

The House of European History will complete this offer by providing an overview of the history of Europe, which emphasis on the European integration (construction). It is only by setting up an "institute" dedicated to telling the story, through the use of all modern communication technologies, that we can ensure all are reminded, throughout Europe and beyond, of where we have come from, of what we

have achieved through pooling our resources, and by gradually re-uniting Europe from North to South and East to West.

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The House of European History will deliver, from the date of its opening, visitors' services on European history, mainly of the 20th and 21st centuries, comprising a permanent and temporary exhibition, educational programmes, publications, debates and events. I will reach out to millions of Europeans through its interactive, educative and informative website and link institutions specialising in history.

The House of European History will be a unique and innovative body: its multiple services will be based on a trans-national and multifaceted perspective of European political, economic, social and cultural history; it will build up its own collection of objects of European significance; it will link institutions specialising in European history and current affairs; and it will provide a meeting point for discussions of European history.

Any other relevant information

- Please provide any additional information you might consider as relevant