Utilizing Ex-Bird Market Buildings in the City of Balikpapan: Needs and Economics Approach Analysis

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Abstract

Balikpapan City has many active markets but there are also markets that are no longer active, one of which is the former Bird Market building. The purpose of this study is to analyse the needs and economics of the asset in order to achieve the most optimal management. Alternative economic studies are based on the results of FGDs and surveys to fulfil the wishes of the community. The data used is primary data using a survey where the respondents are the community around the asset location and supported by stakeholders. The analytical tools used are BCR (Benefit Cost Ratio) and NPV (Net Present Value). The results obtained are the most profitable alternative economic use is a children's amusement park with an NPV value of -19.6 billion rupiah and a BCR value of 1.71, followed by the UMKM Center building with an NPV value of 3.3 billion rupiah and a BCR value of 1.17 or more than 1. Meanwhile, the first priority of community needs is the traditional market, the second is the UMKM center building. So the alternative that suits the needs of the community and has economic benefits is the UMKM centre building. Therefore, based on the results of economic calculations, it is recommended that the former bird market building be better used for the UMKM centre. Thus, the local government can use this research as a reference in determining the reuse of the former bird market building.

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Introduction

Regional fixed assets are a major part of government assets whose value is very large in the statement of financial position. Regional fixed asset management has systems and procedures based on functional principles, legal certainty, transparency, efficiency, accountability and certainty of value. Regional assets are all regional assets owned or controlled by the regional government, purchased or obtained at the expense of the regional budget or originating from
other legal acquisitions. Regional assets, for example donations, gifts, donations, endowments, grants, self-help, third party obligations, and so on.

In Indonesia, the implementation and management of assets needs to consider and be regulated by Government Regulation (PP) 28 of 2020 concerning Amendments to PP 27 of 2014 concerning Management of State/Regional Property (BMN/BMD); and Presidential Regulation (Perpres) Number 12 of 2021 Amendment to Presidential Regulation Number 16 of 2018 concerning Procurement of Government Goods/Services related to the asset life cycle (BMN/BMD), which includes the following 13 P’s. The Asset Life Cycle is known to include four phases: planning, procurement, operation and elimination. In the planning phase, needs are identified through the plans made.

Then the procurement phase is used as a determination of the asset to be built, bought, leased, or other ways. The operation phase is used when existing assets are used for predetermined purposes. In this phase there is a process of maintenance, repair, or replacement to maintain the function and ability of existing assets. Utilisation or optimisation of assets can be done through cooperation in utilisation (KSP), transfer of construction (BGS), transfer of use (BSG), cooperation between the government and business entities (KPBU), or cooperation in infrastructure provision (KSPI). In the last phase, the phase of elimination is carried out when the economic life of an asset has expired and the function of the asset has been lost.

Ngwira & Manase (2016), explain that public asset management is a structured process that seeks to ensure the best value for money (value for money) of property assets in serving the strategic needs of public sector organizations. This has the implication that every rupiah that is budgeted, issued and used must create value for the public interest. Asset management, especially related to Regional Property (BMD) is a comprehensive and structured approach in managing (empowerment and development) the asset life cycle (BMD) in the long term, so that assets (BMD) are able to create value (value creation) for the public and local government.

Assets value can create and maximizing wealth can be said to have added value and can be one measure of an entity's productivity in utilizing assets. Value added is part of profit-based measurement, can be in the form of income, return, profit and added value can serve as a measure of the entity's productivity. Asset management and optimization strategy is a rational decision-making process with the aim of satisfying demand from asset services for various parties including infrastructure that considers increasing returns, reliability, security of the economic life of the assets themselves (process systems, equipment, and public facilities) (Park, Park, & Lee, 2016). One of the most important stages in asset management is asset utilization. Utilization of assets is the utilization of regional property that is not used for carrying out government tasks and functions and/or optimizing regional fixed assets without changing their
ownership status. For objects of utilization of assets in the form of land and buildings, it can be carried out in whole or in part depending on the area of land and buildings used.

The City of Balikpapan has one of the regional assets in the form of a market building which was previously used for a bird market but in its development several problems occurred so it is necessary to review the utilization of the former building. In this research using the bird market ex building for object. The bird market has problem in its management. Since the building developed not being optimally, and abandoned traders also buyers. The bird market is located in the Kelurahan area of Mt. Happy is part of the public facilities and social facilities of RSS Damai III Housing which is planned for fire victims in the Balikpapan City area. Based on KIB data from the Department of Trade, the market was built in 1991 with an area of land 2,000 m². As time went on, part of the location was used for singing contests, a place for selling birds, a place for selling ornamental plants and a place for sorting waste managed by the Environmental Service.

Cascone & Sciuto (2018), mentioned that the use of former buildings can have a positive impact on the users afterwards. This means that the reuse of abandoned buildings supports environmental sustainability and preserves the city's architectural heritage. This is shown by the reuse of abandoned buildings for student dormitories, which after repairs are very useful for supporting student activities, especially for those who are registered as students located within the historic city centre. So there are not many buildings that can be developed into student dormitories. Bassal & Khalifa (2022), explained that there are advantages to reusing a prohibited building in the form of economic sustainability, social sustainability, and environmental sustainability. All three have their own objectives, which from an economic perspective allow for income from tourists and tenants for the surrounding buildings. From the social side, there is connectivity between the reused building and the surrounding area that can support each other. Meanwhile, in terms of environmental sustainability, it shows that the reuse of used buildings contributes to the integrity of the surrounding environment. This means that when the building is reused, protecting the environment becomes the main thing to support the running of activities. Thus, in the long run the sustainability around the place is better maintained.

Aprilian & Widiastuti (2021), added that the utilisation of old buildings or former buildings that have not been used for a long time faces problems in illegal use. However, for investors, it has a potential space that can be used to bring in revenue. Moreover, the increasing use of social media can provide the possibility for designers to give a breakthrough new visual style to unused buildings. Thus, the need to reuse abandoned buildings becomes an economic motive in itself. Wahadamaputera & Permata (2019), explained that the role of the government in supporting the reuse of former buildings and old buildings is needed. This role can be in the form of local regulations as well as assistance and other policies that support the reuse of former
buildings. This aims to protect the building from being taken over by the private sector or used illegally, which should be used to facilitate the interests of the community.

Based on the studies that have been described previously, generally examining the use of government-owned assets to increase local revenue which has often been done. However, research related to utilizing buildings that are no longer used is still rarely carried out, so the purpose of this research is to analyze the needs and economics of these assets in order to achieve the most optimal management in terms of utilization. In the process of optimizing assets, it is necessary to carry out research related to needs and economic analysis to determine which alternative is desired according to the needs of the community and produces the highest economic value. Therefore, this research seeks to provide alternative economic studies based on the results of FGDs and surveys to meet the wishes of the community. The location around the former bird market is a densely populated area. Land use is limited to the sale of ornamental tree seedlings and waste management. While the location of the former bird market is a strategic location. The lack of attention from practitioners and the local government prompted a study of the location. The aim is that the location of the former bird market can be used optimally by the regional government both in the form of public services and other forms to optimize land for community needs.

Literature Review

Asset

The Institute of Asset Management (2015) explain assets as everything (including fixed assets, land) owned by companies or local governments or which have obligations and rights above the law that can be used to generate value for organizations (public and business). Both the public sector and the private sector have differences in defining value. Value in the context of the public sector refers to all matters related to the public interest, so that public assets must be optimized in such a way as to accommodate the public interest.

O’sullivan & Sheffrin (2021) also explains that in financial accounting, an asset is any (economic) resource owned or controlled by a business or economic entity (individual, group, organization). Based on table 1, it explains that assets are anything (tangible or intangible) that can be used to generate positive economic value (Siregar, 2004). Assets represent ownership value that can be converted into cash (although cash itself is also considered an asset). These assets include money and other valuables belonging to individuals or businesses. In general, the concept of assets is economic resources that are owned, controlled and controlled by individuals, groups, organizations, companies or countries that have future benefits. (future benefit). Fixed assets are tangible assets that have a useful life of more than 12 (twelve) months to be used or intended to be used in government activities or utilized by the general public.
Table 1. Types of Assets Based

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of Assets</th>
<th>Assets</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Tangible</td>
<td>Buildings, Infrastructure, Equipment, Machinery, and other facilities</td>
</tr>
<tr>
<td>2</td>
<td>Intangible</td>
<td>Purpose, Organizational Vision and Mission, Copyright, Quality, Image or goodwill, Culture, Attitude, Law, and Knowledge</td>
</tr>
</tbody>
</table>

Source: Siregar, 2004

Included in Government Regulation Number 28 of 2020 regional fixed assets or Regional Property are all goods purchased or obtained at the expense of the state revenue and expenditure budget or originating from other legitimate acquisitions. Regional Property is managed by officials who are authorized and responsible for establishing policies and guidelines as well as managing Regional Property. Meanwhile, regional assets according to PSAP (Government Accounting Standards Statement) are all economic resources owned and/or controlled by the government as a result of past events, and are expected to provide benefits for both the government and the community in the future.

Asset Management is defined as a management activity in managing usage aimed at increasing control or supervision of fixed assets adjusted to fair value. We realize that asset management is a profession or skill that has not been fully developed and is popular within the government or in a work or agency. In order to guarantee the implementation of orderly administration and management of regional property, it is necessary to have a common perception and steps in an integral and comprehensive manner from the elements involved in the management of State/regional property.

According to Panggabean (2002) states that there are six principles related to the management of regional property including (1) functional principles, namely decision-making and problem solving in the management of regional property which is carried out by the property user authority, the property manager and the Regional Head according to their respective functions, authorities and responsibilities; (2) the principle of legal certainty, namely the management of regional property must be carried out based on laws and statutory regulations; (3) the principle of transparency, namely that the management of regional property must be transparent with respect to the public’s right to obtain correct information; (4) the principle of efficiency, namely the management of regional property is directed so that regional property is used according to the standard requirements needed in order to support the implementation of the main tasks and functions of government optimally; (5) the principle of accountability, namely that every activity in the management of regional property must be accountable to the people; (6) the principle of certainty of value, namely the management of regional property must be supported by the accuracy of the amount and value of goods in the
context of optimizing and transferring regional property and compiling regional government balances.

Sugiama (2013) states that every regional asset is managed using several flows, namely asset needs planning, asset procurement, asset inventory, legal audit aspects, operation and maintenance, asset rejuvenation or renewal, asset write-off, and asset destruction and transfer. In the asset needs planning stage, the entire series of activities is an effort to identify both the specific needs and quantity of assets. This is in line with budget preparation and is based on the agreed Master Plan. Asset procurement is an activity to obtain goods and services that are carried out directly by internal parties.

Asset inventory is a series of activities to collect data, record, report the results of asset data collection, and document both tangible and intangible assets at a certain time. Legal Audit Aspect is an examination (audit) in order to obtain a review or description related to the status of asset transfer, ownership status, and to identify the emergence and occurrence of legal problems and find a solution to the problem. The asset valuation stage is a series of activities to assess the wealth of the assets owned so that before the transfer or write-off, the local government knows the economic value / wealth of the reduced assets.

Furthermore, in Operation and Maintenance there are a series of activities to use, utilise or run assets in tasks or work to achieve organisational goals. Meanwhile, asset maintenance is the activity of repairing all assets so that they function as before. The maintenance needs of each asset are different depending on its type. Rejuvenation / asset renewal is a series of replacement activities for one part of a particular asset so that it can return to the expected condition. Renewal is carried out if the type of asset is considered still suitable for use but needs to update or replace some parts of the asset.

In the Asset Removal section, it becomes an activity to destroy or transfer assets. Asset deletion action is carried out if the asset is considered unable to be used with its proper function. Asset Destruction and Transfer are the last activities carried out if the asset cannot be repaired for reuse. Meanwhile, asset transfer is a series of activities to transfer rights, authority, and responsibility for assets through selling, including in capital, or granting assets.

**Method**

The data used in this study are primary data and secondary data. Primary data obtained from surveys (needs) and *Focus Group Discussion* (FGD) with some *stakeholder* related. Stakeholder related is all Organisasi Perangkat Daerah (OPD) Balikpapan City Government. *Stakeholder* related to get *feedback* as well as additional data and information conducted through the FGD forum. Meanwhile, secondary data was obtained from published documents
from the Balikpapan City Government. The survey was conducted on respondents who are members of the community in the area where the ex-bird market building was located.

The analytical tools used in this research consist of needs analysis and economic analysis. Needs analysis is used to find out the needs of the surrounding community in relation to what public services are important to have. So with this it will focus on the use of what kind of building should be held to meet the needs of the community. Needs analysis is a systematic process for determining suggestions, identifying differences or gaps between current conditions and expected conditions, then following up with determining actions. The causes of differences or gaps also need to be known in order to find the true root of the problem, so that appropriate actions can be implemented to overcome these gaps and achieve the expected conditions. While the economic analysis used in this study is to determine which alternatives provide economic benefits as seen from the NPV value (Net Present Value) and BCR (Benefit Cost Ratio).

Result and Discussion
Alternative Use Based on Survey Results

The results of surveys and FGDs that have been conducted, there are several desires from the community to reuse the former bird market land with several options, namely traditional markets, citys, children's entertainment venues, UMKM product buildings, localisation of street vendors, multipurpose buildings, and meeting halls. When looking at the current condition of the location, the former bird market building is used as a waste sorting centre, illegal wood workshop, and has a sloping topography. The following describes in detail the positive and negative impacts of the FGD results on each community's desire to utilise the former bird market land.

Source: processed data, 2023.

Figure 1
Use of BMD desired by the Community
The alternative to traditional markets has the following positive considerations, namely providing convenience for local residents (Gunung Happiness Village) to shop relatively close distances, providing opportunities for local residents to open stalls in the market, and providing new opportunities for residents in housing around the market to opening a kiosk (e.g., groceries). While the negative considerations are as follows, namely the inadequate parking location, namely on the shoulder of the road, the potential for new traffic jams in the morning considering the location of the market is in front of settlements, the potential for air pollution / the smell of garbage from leftovers from unsold traders, and close proximity with the waste sorting site for Gunung Bahagia Village.

Alternative utilization as city parks and children’s entertainment places has positive considerations, namely city parks indirectly play a role as guardians of the city’s environmental quality, city parks are expected to help the hydrological function of the soil in absorbing water, can improve the image of the city or in this case specifically improve image of Gunung Bahagia Village, and city parks equipped with facilities or children’s playgrounds that can train children’s gross motor skills and serve as a place for family entertainment. While the negative considerations are that it is next to the Gunung Bahagia Village waste sorting site and the emergence of new crowds in city parks and children’s playgrounds.

Alternative utilization as a center for MSMEs has positive considerations as follows, namely educational facilities and gathering places for MSMEs to preserve local products and if the shape of the cultural center building accommodates local architecture. Then this is a form of preserving local culture amidst the rapid development of urban areas in Balikpapan and giving a significant impact especially for young people to get to know the local culture better. Meanwhile, the negative consideration is that the cost of building an art and culture building with local architecture is likely to cost a lot.

Alternative land use ex-bird market as localization of street vendors has the following positive considerations namely having an official place to open a business, can provide a sense of comfort for traders (no feeling of anxiety towards the civil service police unit, with several traders with various kinds of merchandise, can provide a variety of choices for the community so there is no need to move locations to buying food, the city area becomes more organized and clean from street vendors who occupy the location without permission, and opens up new opportunities for residents around the location to open businesses (kiosks) at home. there is a decrease in the income of the traders. This is because customers may not know or the location of the street vendors is far from the main customers, the emergence of new crowds in the street vendors localization area can cause disturbance to residents of housing, street vendors localization (if they are food vendors) are next to the place mountain happy village waste sorting.

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Alternative land use for the former bird market for cafes has positive considerations, namely as follows: providing space for young people in Balikpapan to gather and interact with the community in a positive way, providing space for local entrepreneurs or coffee bean suppliers to market their businesses, and providing opportunities for young people who want to study as a barista or learn about coffee bean processing techniques (with workshops on coffee business). Meanwhile, the negative alternative is that the location of the cafe or hangout is next to the waste sorting site for Gunung Bahagia sub-district and during peak hours (nights) it can cause potential disturbance to the residents of the surrounding housing.

The alternative use of ex-bird market land for a multipurpose building has the following positive considerations in accordance with the wishes of the community around the location because there is no multipurpose building in the area. While the negative alternative is the use as a multipurpose building, of course, only at certain times. Therefore, it is necessary to think about the routine activities that can be carried out in the multipurpose building and to think about an adequate parking area.

The fundamental difference to this research compared to other studies is that it lies in the research location, where the location is an asset for the local government and has not been optimal in its utilisation for welfare and increasing local revenue. As for comparison with previous studies, more have discussed the utilisation of leased regional assets such as those conducted by Riyono, (2013) which states that the recapitulation of land assets is mostly used in the form of leasing. Then Murni (2017), Mutmainah, Jaunyri, & Hijri (2018), and Isnaini, Ujiangto, & Yuhertiana (2020) in their research only provide recommendations for improving the management of regional property. So that it does not conduct FGDs with various parties to find out and determine a good utilisation model that is in accordance with field conditions. This is the difference between other studies related to the management and utilisation of local government assets.

Alternative Use Based on Economic Analysis

After conducting FGDs with various parties and surveys to find out the conditions around the location of the former bird market, then an economic analysis is carried out based on the results of the FGD which refers to the results of NPV and BCR for each alternative utilization of the building. The following are the results of NPV and BCR calculations for each alternative.

Based on table 2 and by considering the potential income and costs incurred to realize the alternatives, it is explained in detail as follows. In the first alternative, namely the utilization of the former bird market land as a market, it has the potential to contribute revenue in the form of counter/stall/kiosk levies and parking levies with the assumption that the occupation rate is 80 percent. These contributions can then contribute to local revenue. Then, for the calculation of potential costs that may arise include the cost of landfilling, land equalization, the cost of
building a traditional market with 1 floor, and the cost of building a parking lot.

Table 2. NPV and BCR results per type of Alternative Use

<table>
<thead>
<tr>
<th>Alternative Types</th>
<th>NPV (Rp)</th>
<th>BCR</th>
<th>Economic Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Market</td>
<td>-1.653.571.118</td>
<td>0,85</td>
<td>BCR&lt;1, Not feasible</td>
</tr>
<tr>
<td>Street Vendor Zoning Children's Amusement</td>
<td>-2.816.822.255</td>
<td>0,75</td>
<td>BCR&lt;1, Not feasible</td>
</tr>
<tr>
<td>Park</td>
<td>19.637.908</td>
<td>1,71</td>
<td>BCR&gt;1, Feasible</td>
</tr>
<tr>
<td>MSME Center Building</td>
<td>3.310.675</td>
<td>1,71</td>
<td>BCR&gt;1, Feasible</td>
</tr>
<tr>
<td>Meeting hall</td>
<td>-601.530.829</td>
<td>0,71</td>
<td>BCR&lt;1, Not feasible</td>
</tr>
</tbody>
</table>

As for the NPV value, it is estimated that the need for funds is -1.6 billion rupiah with a BCR value of 0.85 or less than 1. These results indicate that the alternative land use of the former bird market for traditional markets is not economically recommended. The negative NPV value indicates that the alternative land use is not feasible to apply. Similar to the BCR value, when the value is less than 1, the alternative to build a traditional market is not feasible. Misirlisoy (2020), states that the reuse of buildings for markets, especially traditional markets, must have a comparator. This means that if the building is used for a traditional market, it must be compared with other markets in the area to ensure the connection of sellers and buyers. This is important because with the traditional market, it is expected that the community can easily fulfil their daily needs by giving at the market. If this is not fulfilled, then the market will be deserted and detrimental to traders. In addition, the utilisation for the market needs to apply the principle of sustainability so that there is a multiplier effect.

The second alternative is the utilization of the former bird market land as a city park. This is considered to have no revenue potential because it becomes an open space that does not have demands such as the previous alternative through retribution. The potential costs arising from this alternative are the overall park development costs. Thus, there is no rate of return obtained from the development of the park as the second option. For this reason, the economic analysis of park development as an alternative land use of the former bird market is not recommended. Konakoglu, Demirel, & Çelik (2021), explained that the development of the city park did not have a significant impact on revenue, despite the retribution from parking fees. City parks can be unfriendly for all ages, especially children. This is based on the use of city parks as green open spaces that can be easily accessed by everyone. Various activities can be carried out by people who cannot be controlled at all times. Thus, the utilisation of the surrounding buildings is not optimal.

Furthermore, the third alternative is as an MSME center. This alternative has potential income in the form of art building rental and parking levies assuming an occupation rate of 40
percent. The potential costs incurred are in the form of land filling and equalization costs, the cost of building a 1-story building, and the cost of building a parking lot. The NPV results show a value of 3.3 billion rupiah. This means that the third alternative NPV is feasible to apply, then supported by the BCR value of 1.17 or more than 1. So that based on the results of the NPV and BCR values that meet the requirements, the alternative use of the former bird market land as an MSME center is economically feasible to do. Nurfindarti, Ausi, & Gandakusumah (2020), explained that the utilisation of a disused building to become an MSME trading centre requires a study and redesign of the building. This is intended to provide a place and container for MSME players to suit the needs of traders, both in the form of building conditions and land for each trader. Changing the use of buildings into MSME centres is considered to have a two-way impact, namely the reuse of buildings and as a place for traders. Recommendations that need to be made are to explore building and area management schemes collaboratively, and before starting construction it is necessary to check the condition of the existing strength of the building to be redesigned, so that it can be determined to be rebuilt or only partially.

The fourth alternative is that the land is used as a localization of street vendors, which has potential income in the form of counter/stall/kiosk rental fees and parking fees with an assumed occupation rate of 80 percent. Costs incurred are in the form of land filling and leveling costs, the cost of building a 1-storey street vendor localization, and the cost of building a parking lot. The NPV value shows -2.8 billion rupiah, which is negative, while the BCR value is 0.75. This means that from the NPV and BCR values it is concluded that the fourth alternative is not feasible to implement. Kesumasari (2020), mentioned that street vendors need a place to trade with various factors, one of which is consumers. Consumer convenience lies in the low price of food, the friendliness of traders, being able to linger to just sit, and the surrounding atmosphere which is in an open environment. The localisation of traders to new areas has an impact on the reduction of consumers who have become regulars. The collection of retribution fees is considered burdensome due to the move of the trading location. Although the intention is good, traders prefer to retain customers rather than move to a new place that has been provided by the government.

The fifth alternative is a multipurpose building that has potential income in the form of building rental and parking fees with an assumed occupancy rate of 40 percent. The costs incurred for this alternative are the cost of landfilling, land equalization, the cost of building a multipurpose building, and the cost of building a parking lot. The results of the NPV show a negative value of -601.53 million rupiah and a BCR value of 0.71. Based on these two results, it can be said that the alternative use of the former bird market land for a multipurpose building is not economically feasible.
The sixth alternative is a children’s amusement park that has potential income in the form of land rent, entertainment tax, and parking fees with an assumed occupancy rate of 40 percent. The potential costs incurred are the cost of landfilling, land equalization, the cost of building a children’s amusement park, and the cost of building a parking lot. The results obtained from the NPV value of -19.6 billion rupiah and the BCR value of 1.71. Although the NPV value is negative, the BCR value is more than 1, so the alternative as a children’s amusement park is economically feasible. Based on the alternatives desired by the community, potential income, potential costs incurred, NPV value, and BCR value, it can be said that the best alternative land use of the former bird market is for MSME centers.

Fontan-Vela, et al. (2021), explained that the rearrangement of buildings for children’s playgrounds is influenced by community perceptions. This means that when a former building is allocated for a playground, the community’s perception of the playground depends on field conditions. The concern is safety when children use the park. Thus, its use is not the same among all social groups. Individual and contextual factors can influence residents’ perceptions of the park and how they interact and, ultimately, benefit from it. In addition, limitations such as less free time due to work constraints or insecurity in the park are other reasons for people's perceptions.

In addition to providing benefits to local revenue, it also provides a place for surrounding MSMEs to promote, sell, and develop their processed products. This is in line with research conducted by Tumija (2022), that the utilization of buildings as part of training facilities for MSMEs has a positive impact on the performance of local governments as facilitators, regulators, and catalysts for the community and the improvement of local MSMEs.

Conclusion

The purpose of this study is to analyse the needs and economics of the former bird market in order to achieve the most optimal management in terms of its use. In the process of asset optimisation, it is necessary to conduct research related to needs and economic analysis to determine which alternatives are desirable according to the needs of the community and produce the highest economic value. Therefore, this research seeks to provide alternative economic studies based on the results of FGDs and surveys to fulfil the wishes of the community. Based on calculations and analyses that have been carried out using NPV (Net Present Value) and BCR (Benefit Cost Ratio), the most profitable alternative economic use is a children’s amusement park with an NPV value of -19.6 billion rupiah and the BCR value of 1.71, followed by the UMKM Center building with an NPV value of 3.3 billion rupiah and the BCR value of 1.17 or more than 1. Meanwhile, priority needs of the community, the first is the traditional market, the second is the MSME center building. Then an alternative that suits the needs of the
community and has economic benefits is the MSME center building. This can also be combined with a children's amusement park so that in one area there are two uses that collaborate with each other to improve public services to the community as well as revenue for the Balikpapan City government. Therefore, the government can implement policies that encourage the construction and revitalization of buildings for MSMEs, traditional markets and amusement parks. This can involve infrastructure repairs, upgrading and upgrading of facilities to match requirements and required standards. Therefore, based on the results of economic calculations, it is recommended that the former bird market building is better used for SME centres. Thus, the local government can use this research as a reference in determining the reuse of the former bird market building.

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doi:http://dx.doi.org/10.1080/17567505.2020.1784671


