Retail in urban planning
Helsinki today

New City Plan

Legislation and retail in Finland

Analysing and planning retail in Helsinki
Helsinki today

- 630 000 inhabitants (Helsinki metro 1,4 mil.)
- One of the fastest growing cities in Europe
- Land area: 214 sq-km
- Density: 2 950 ppl. / sq-km
Helsinki region – 2050

Every third Finn

2,000,000 inhabitants

Network-like public transport

1,050,000 jobs

5.7 million daily trips

A strong metropolitan area
New City Plan
City Plan / every 10–15 years

1932
1960
1978
1992
2002
New City Plan – timetable and structure

2012 Starting points and working programme in the City planning committee
  • WHAT and WHY?

2013 VISION 2050
  • WHERE?

2014 City plan draft

2015 City plan proposal

2016 → Implementation plan
VISION 2050 – main points

• Creating a Public Transport Network City
  • Improving sustainable accessibility
  • Bicycle highways
  • Walkability as an important factor

• Expansion of the inner city
  • Rising apartment prizes in the inner city
  • Mixed uses
  • Dense urban structure = environment friendly

• Infill development of important nodes
  • Decentralized centralization
  • From sub-centres to small towns
  • Mixed uses

• Improving the green network city
  • Five green fingers
  • Green/blue environment
  • Maritime living + coastal route
Rails create a networked city

The rail network plays an important role in Helsinki's future city plan. The metro, trains and transverse light rail lines will connect the city's centres into a networked city.
Current city structure
Expanding inner city
Development 2050?
Legislation and retail in Finland
Visions vs reality?
Land use planning system

Land use legislation
Land use and Building Act 1999 (large retail stores); updates 2004; 2011; 2016-17?

  - a functioning regional structure
  - special issues of the Helsinki region

- Regional land use plan
  - Large-scale retail stores, which have regional significance

- City Master plan
  - Principles of local store-network
  - ”local” large stores

- Detailed plan
  - Detail location, size etc.
  - Stores under 2000 m² cross floor area
Land use planning legislation in future 2017?

- Challenges in implementing the same law in cities and countryside: population growth creates opportunities for retail
- Less regulation, aim is to increase the operational conditions of businesses
- Size limits in central areas to be abandoned
- No more trade quality concepts: less tools to regulate in detailed planning
- Large scale retail size limits 2000 -> 4000 k-m²
- Accessibility to services with all forms of traffic: evaluation of locations and impact assessment
Trade is always in process of change

Some trends effecting trade

- Urbanization
- Purchasing power
- Regulation
- Accessibility, importance of central locations
- Walkability
- More vague distinctions between different fields of retail
- Aging population
- Smaller households
- More sparetime
- More individual needs
- etc

Best locations will still prevail
How to estimate the need of retail in central areas?

Christensen, and Tedlow 2000.
Retail in Finland
grocery stores

Market shares 2014

- Sales is concentrated in larger units (over 1000 m²). Their market share is over 60% > free opening hours has decreased smaller shops revenues
- Small retail market is not very attractive to new operators
Analysing and planning retail in Helsinki
Analysis of retail store networks and the use of retail impact assessment in Helsinki City planning

- Monitoring development of retail store network and regional differences within Helsinki and the metropolitan area
  - Existing shopping centre networks
  - Local shops & services
  - Accessibility to services
  - Central areas: city centre, regional & district centres
  - Store frontages along the streets

- Impact assessments
  - New retail-projects (preliminary estimates of proposed new shopping centres)
  - Detailed plans of retail-stores
  - Quantitative needs and retail capacity at new residential areas
  - City Master plan: evaluation of future retail networks
Development of grocery stores in Helsinki 1970-2010

Number of stores vs. Year

Average size (m²)

Number of stores

2008-2010 (A.C.Nielsen);
myymälöiden lkm (KSV); v. 2008-2010 (A.C.Nielsen)
Retail Store development structure within the City 2011

Päivittäistav.myyvälin
pt-myyvälin -m² 31.12.2011

7 000
3 500
700

Ostoskeskuksen
liike-m² 2011, Helsinkin

20 000
10 000
2 000

▲ muu pks

Kauppakeskus
vuokr. liike-m² 2012

100 000 (haata rak.)
50 000
10 000

Muu kauppa 2010
- TIVA-kauppa
- muu erikoiskauppa
- muut kaupalliset palvelut

© Helsingin kaupunki; pohjakekso: KOMO, ulkon. rengas & HSY 2012
myymälätiedot: TilauskarttaHSY & C Nielsen Kauppakeskusyhdistys, KSY 2011–2013
tiedotus: KSWY/SYLYM4/14.5.2013
Residents within a 500 m radius of grocery stores

Seutu cd15, A.C. Nielsen
Supply of existing floorspace of grocery stores per residents

Seutu cd15, A.C. Nielsen
Crocery store sales per resident

Seutu cd15, A.C. Nielsen
Changes in amount of retail stores in metropolitan area 2011-2015, shops over 700 m²
20 Largest Shopping Centers in Helsinki Metropolitan Area

31% of Finnish Shopping Centers are located in Helsinki Metropolitan Area

Their Sales equals 45% of the sales of the whole Shopping Center Market in Finland

<table>
<thead>
<tr>
<th>N°</th>
<th>Shopping Center</th>
<th>Municipality</th>
<th>Leasable Retail Area (m²)</th>
<th>Gross Leasable Area (m²)</th>
<th>Net Area (m²)</th>
<th>Netto 2013</th>
<th>Sales / leasable retail area (€/m²)</th>
<th>Vacancy Rate</th>
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<td>2,1</td>
<td>29,0</td>
<td>2,659</td>
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Vacancy rates in all retail premises is on normal level in hole metropolitan area (4%).

In Helsinki centre vacancy rate is very low, about 1%

Suomen Kauppakeskusyhdistys ry, c/o RAKLI ry

Catella market indicator autumn 2016
Crocery stores, traditional shopping centres, larger shopping centres and new development (Helsinki)
Retail Impact Assessment in City Planning
Retail impact assessment

1) Basic data

- Cross floor area of retail projects
- Retail sectors (grocery-stores; special-stores; showrooms, furniture stores, etc.)
- Regional plan, City Master plan and Detailed plan
- Location in urban area
  - centres
  - traffic network and accessibility
  - Residential density
  - retail network
- Local development aims
- Population & forecasts
- Purchasing power and forecasts
- Direction of shopping trips
- Proportions of purchasing powers
  - Estimated primary catchment area
  - Demand and estimated need of retail cross floor area
2) Analysis and examples

- Consumption for retail at Uusimaa Region is average 8200€/person/annum
  - convenience goods 3 200 €/person/ annum
  - special goods (other than food) 5000 €/person/ annum

- Turnover to floor space
  - convenience goods 9 000-10 000 €/m² sale floor space /annum
  - special goods (other than food) 900-7200 €/m² sale floor space/annum

- Usually catchment area can attract about 75-80 % proportion on convenience goods consumption, special goods consumption only 10-30 %
  - Depends on supply of retail, accessibility and consumer behaviour
  - Shopping trip surveys
  - Sale statistics
  - Accessibility analysis
  - Retail network and supply

Retail impact assessment
Spatial analysis of population and estimated primary catchment area

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Framework of retail planning in Helsinki

Land use legislation

Regional plan
Network of centers, large scale retail units

Service network plans
Whole Helsinki, includes the public services

City Master Plan
Criteria and goals
Main centers, regional centers, sub-centers
Overall impact assessment
Implementation plan, potentials and timing

Aerial planning principles, detailed master plans etc
Impact assessments, ways of implementation, total amount

Detailed plan
Exact position, size and type, resilience of uses

Plots and real estate issues
Realizers and management
Framework of retail planning in Helsinki

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Plots and real estate issues
Realizers and management

- Retail operators
- Small businesses
- Builders
- Real investment business
- Inhabitants
General criteria for retail store planning in Helsinki

1. New stores have to support service-network, local services and cohesion of urban structure
2. Diversity of services
3. Accessibility
4. Development aims of area
5. Quantitative need and capacity of retail space should be local
Retail in city plan

URBAN RETAIL in HELSINKI?

Land use legislation
Regional plan
How to combine visions and demands of legislation concerning centers and retail?
Infill development and new potentials for commercial building
> Implementation plan, policy
Accessibility and walkability
Dense
Mixed use, resilience
Active groundfloor
Retail based on walkability?

19.10.2016

[Map and diagrams related to urban planning and retail.]
Thank you!

Elina Luukkonen
Urban planner

elina.luukkonen@hel.fi