
Osaka Renaissance News

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Welcome to “Osaka Renaissance News” - the email newsletter of Osaka City Government’s “Urban Revitalization Task Force”.

The Osaka Urban Revitalization Task Force

We are the first *City Task Force* established in Japan to address urban regeneration and revitalization issues within a common framework. We also collaborate with the central government’s “Urban Renaissance Program”. The role of the task force is to coordinate and promote the set of initiatives that taken together from the Osaka Revitalization Plan.

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“Osaka Renaissance News” is distributed through multiple email channels to spread the word about important initiatives taking place in Osaka.

This Issue: Symbolic Midosuji

The City plans to revitalise the area of Midosuji, between Hommachi and Yodoyabashi, by removing building height limits at both intersections in return for releasing more public space at street level.

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SYMBOLIC MIDOSUJI

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INTRODUCTION

Midosuji hit arguably the low point in its fortunes at the end of the Heisei Recession, around 2001. Head offices and banks were moving away or closing down, temporary parking lots were dotting the boulevard, and Sogo Department Store, the anchor of the retail section of the boulevard, had closed through bankruptcy.

As the symbol of Osaka, it reflected accurately the depths to which the Osaka economy had fallen at the end of Japan's "lost decade". But by 2003, property prices were making a strong recovery, focusing on the retail area of Shinsaibashi. In 2004, Sogo Department Store reopened. In 2008, Louis Vuitton Group will complete its third major retail complex in the area, heralding the complete transformation of the lower half of Midosuji.

The northern section, however, between Hommachi and Yodoyabahi, has failed to enjoy a similar renaissance. This is where financial institutions used to maintain their head offices, but is now in the process of transition to a more mixed use environment. The city is proposing measures to revitalise this section.

The City's idea is to deregulate building heights at the two main intersections of the northern section providing building owners allow the street level floors of the enlarged buildings to be used for public activities. The area around will be greatly enlivened by attracting more people, and as a result it will help rejuvenate the boulevard between Hommachi and Yodoyabashi as well.

It is a fine plan, which seems certain to work if building owners agree to participate. In particular, it has the potential to create a new focal point next to Yodoyabashi Bridge with its wonderful river vista. The revitalisation here could be one of the most valuable legacies of Mayor Seki's term of office.

In 2007, it will be 70 years since the construction of the boulevard, which was built under the leadership of Dr. Seki's grandfather, Hajime Seki. Midosuji deserves to make a big statement to celebrate its construction.

Alex Stewart

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SYMBOLIC MIDOSUJI

The northern end of Midosuji, between Hommachi and Yodoyabashi, has lagged the revitalisation along the rest of the boulevard; the City is proposing measures to help revitalise it.

(1) Symbol of Osaka

Midosuji Boulevard is the obvious face of Osaka. Its total distance is a stunning 4.4km and its width an imposing 44 metres. How many cities can boast such an amazing arterial avenue? At its head is the main transport hub of Umeda. Down its spine are the major intersections of Yodoyabashi (government and finance), Hommachi (textiles and major offices), Shinsaibashi (brand fashions), through to Namba (entertainment). Each centre has a specific character, giving Osaka what amounts to a series of downtowns rather than a single one.

Midosuji has also served as a symbol of Osaka's independence from central government since one-third of the cost of its construction was paid by voluntary citizens' donations. The avenue was completed in 1937, under the leadership of the then mayor, Hajime Seki, the grandfather of the present mayor, Jun-ichi Seki. At that time Osaka was the commercial capital of Japan, but the country was being increasingly centralized by the nationalistic government in Tokyo. Osaka's cotton mills and trading houses dominated the textile trade with China, displacing Great Britain as the industrial power in Asia.

(2) Missed opportunities

Soon after its construction, the war intervened and prevented the natural development of the avenue as a European style boulevard. During Japan's high-growth period which followed, everything found a utilitarian value. Along the northern section of Midosuji, between Hommachi and Yodoyabashi, the boulevard became the address for mainly large financial and business enterprises: the aspect of the street was heavy and business-like. The southern end, between Shinsaibashi and Namba, remained what it had always been, a major retail centre, but not as sophisticated as it deserved to be. In short, considering its position and size, Midosuji never reached its full potential.

The "lost decade" of the 1990s took a greater toll on Osaka than most other cities in Japan, because during the Bubble Economy Osaka's merchant mentality egged on over-investment in land, leaving many companies deep in debt. The banking crisis forced many banks to consolidate or go out of business. Many financial institutions as a result merged and the northern section of Midosuji suffered the loss of several major tenants. For several months, many

buildings were vacant, half-occupied, or empty plots of land. However, by 2002 things were starting to improve.

(3) Property recovery

By the end of 2003, it was clear the local economy was on the mend. A leading indicator was that land demand in the Midosuji area was strong. The buying came initially from Tokyo, especially foreign institutions. Land prices were historically low, back to the level of the early 1980s after adjusting for inflation.

Demand was especially strong for property around Shinsaibashi, the brand shopping centre. Land there is now at a premium and there are reportedly queues of brand labels waiting to open outlets. Illustrating the pull of the area are two major brand retail developments now underway: one, a major outlet for the upmarket jeweller, Harry Winston (it will be its largest store in Asia and rival its outlets in Tokyo); the other, a multi-storey brand building for Louis Vuitton Japan. This new building is only two blocks south of another LVMH multi-storey building on the Shinsaibashi Crossing. Louis Vuitton's investments underline the fact that the super brands believe Shinsaibashi is set to become the "Champs Elysees" of Kansai.

(4) Building height regulations

The LVMH effect has not spread north of Hommachi where the HQ offices used to congregate. In the 1960s, the building owners along the section between Hommachi and Yodoyabashi made an agreement to limit building heights to 31 metres. This gave the street a uniform look, more so when most of the buildings were occupied by the same kind of companies, notably from the financial sector. Indeed it looked just

like the old Marunouchi in Tokyo, which used to be dubbed "Mitsubishi Town" until the street was revitalized into a boulevard with shops and cafes.

The building height limit was relaxed in 1995 to 50 metres. Currently it is possible to build even higher, to 60m, providing that the building is set back 4 metres from the pavement line and the top 10 metres of the building is set back 10 metres. Under this formula it releases public space in front of the buildings so that in time the pavement area will become even wider and make Midosuji even more of a stroll-style boulevard.

There are about 50 large buildings along the northern section of the boulevard, but to date only five have been rebuilt to take advantage of the height relaxation. The reason is presumably that building owners lack confidence that the spillover of property demand from Shinsaibashi will travel north of Hommachi. To ensure the revitalization of this end of Midosuji therefore is one of the priorities of the city government.

(5) New city initiative

An opportunity to launch new initiatives will come in 2007, which is the 70th Anniversary of the boulevard's construction. The City's key proposal is to deregulate building heights at the two main traffic intersections of Yodoyabashi and Hommachi, which are at either end of the northern section. Yodoyabashi is where Midosuji crosses the picturesque Yodogawa river, while Hommachi is the heart of what most people think of as Osaka, where the textile wholesalers continue to operate, and where many major head office buildings are still concentrated.

Under the City's proposal, buildings on land facing these two intersections can be built higher and in return building owners will allow the first floor level above ground to be used for public activities. The City hopes this will meet two needs: the desire of the building owners to maximize the value of the land, while creating more public-use space to help revitalize the boulevard. By stimulating both ends of the northern section the City hopes it can eventually reinvigorate everything in between.

(6) Lively public spaces

The City describes the public spaces created it hopes to will develop at each intersection as, "Nigiwai Squares" (or 'lively' and 'bustling' places). If realized, it will help to extend the revitalisation around Shinsaibashi in the south further north and create three lively (or 'nigiwai') centres along Midosuji, instead of only one around Shinsaibashi. It could have an especially positive impact on the area around Yodoyabashi Bridge, given its location next to a wonderful river vista.

There is still further consultation and preparation of public opinion necessary to ensure that these plans are able to proceed. The City is very sensitive to public opinion in particular because of the part Midosuji has played as a symbol of independence from Tokyo, and the idea that it is owned 'by the people'.

Many property developers on the other hand would prefer deregulation of building heights the whole length of the northern section of Midosuji. One influential Tokyo developer is quoted as saying, "High rise buildings will become indispensable for the redevelopment of Midosuji regardless of whether buildings are set back (from the pavement) or not". The City has therefore to walk a careful line. What cannot be in doubt is that, whether it is launched under the City's three-year plan or its thirty-year plan, Midosuji can only improve and expand as a "symbol street", and help lead the successful recovery and re-branding of Osaka.

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