

REVIVAL OF COURTYARDS AND OPPORTUNITIES FOR EMPTY SHOPS IN A CHANGING URBAN ENVIRONMENT

An entrepreneur's reflections at the Real Estate Forum 2024 CITIES IN CHANGE

City centers are globally in a state of change as shopping behavior has shifted from shopping streets to online.

Our own import company bm International Oy, which employed about 16 people 10 years ago, was partly sold and partly shut down as online shopping revolutionized shopping behavior. We focused our operations as bm Kauneuspalvelut Ay on two locations: bm DaySpa in Lahti and OPI Nailbar at Stockmann in Helsinki.

We own approximately 300m2 of retail space at Rautatienkatu 16 on the street level and in the courtyard, and when the time came for the housing company to renovate its facade, we were forced to innovate new possibilities to cope with the increasing costs and challenges.

The vitality and comfort of Lahti city centre have always been important to us and we have been involved in many city centre planning teams. Lahti needs attractiveness and well-being. The market square and the city centre only remain alive through business, which is an important factor in our city's thriving future.

Accommodation is also a key issue and that is where the idea of revitalising the inner courtyard of Hermanninhovi and converting the empty shops into accommodation to support bm DaySpa services came from.

HERMANNINHOVI

The building (named Hermanninhovi) was completed in 1962 and since 1902, 2 organ factories have operated on the same place, as well as Herman Drachmann's sausage factory, which is where the name comes from.

Later, the commercial apartment were used by Drachmann's shop and Bebek electronics before our bm DaySpa.

CHALLENGES AND OPPORTUNITIES

In the company regulations, the commercial apartment marked as shops and storage spaces.

They had to be converted into office space, which would allow accommodations. The plan had to be checked by the building inspectorate.

For the implementation of the courtyard, we sought cooperation opportunities from the city to cover a large empty area.

Financing made us wonder how far we can financially go and where we could get enough information for a bold change.

We made the required plans and decided to continue with the plan.

When the need for change arose, the role of the property manager rose to a special position, and the housing company's board must be open and informed in order to complete the project.

It was challenging to get the importance of the change needs presented to the housing company. The understanding that without them, entrepreneurs would not be able to pay the doubled fees and the commercial apartments would have been transferred to the entire housing company with the takeover.

CHANGE

We proposed a change to the articles of association. The matter was difficult, because it was believed that it would be almost impossible.

We had to find ways to get the issues on the agenda and for the general meeting to decide. The second time the change went through.

The building inspectorate advised on several of my questions, Architech Henna Aspegren guided me in moving forward with various technical matters, and the Päijät-Häme Yrittäjät RY supported us in legal matters.

The city's architects Johanna Palomäki and Armi Patrikainen saw the change as positive, thanks to everyone involved already at this stage. The building inspectorate advised and guided me in matters related to regulations.

DEVELOPMENT IDEAS AND LESSONS

After living in the Netherlands for over 10 years, change collaboration and openness remained everyday behavioral patterns in work communities.

As a barefoot Lahti resident, while making changes as an entrepreneur, I wondered what things were holding us back in my hometown and where should we start to make our plans real?

This project revealed that in order to implement changes in the housing company and the city center properties, the example of the property manager and chairman in the working methods in the housing company is extremely important.

- The common interest of the housing company is the number one priority. Commercial properties pay for a large part of the housing company's expenses, and the image and operations of companies also directly affect the value of the apartments.
- It is a good idea to open the plans in peace and compare different possibilities, even before the official start of the planning. Comparing material prices and examining different options, e.g. in arranging financing, is important before they are taken to the general meeting.
- The wishes of the housing company's residents should be listened to openly, through free discussion, e.g. in terms of security, lighting, use of the yard, etc., before the plans and the contract offer are approved.
- It would also be a good idea to study the wishes of the city vision, e.g. before the start of the facade renovation and bring them to the attention of the housing company's board, either through the chief designer or with the help of the agreed city vision contact persons.
- When the renovation budget is well over €2 million and the private entrepreneur's expenses can be over 10% of the total, it is important that property management offices and project managers also take into account the situation of the parties in the interests of the housing company.

If the change had not been passed, the empty courtyard with empty commercial properties in Lahti would currently be in the possession of a housing association, and of course it is still not clear how the new accommodation business will succeed in the future and how the funding will be sufficient until the end.

Finnishness is already culturally associated with less talking and only minding one's own business, so we could learn a lot from constructive, positive communication. Tolerance, positivity and a spirit of togetherness will take us forward, we cannot remain in the past. Decisions to change must be made across party lines.

COOPERATION TEAM AND INNOVATION

There are certainly other entrepreneurs and housing companies in Lahti with empty commercial properties and similar challenges in global change.

The corner of Vesijärven and Vuorikatu, the light courtyard on Vapaudentatu, etc. come to mind immediately.

I myself have no information about the situation of these housing associations, but with a change in the zoning plan, it would be possible to design, for example, a housing units for the elderly, where a group could hire joint care help, or small student units.

These types of changes would enliven the city center and Lahti could also attract new arrivals with its new forms of living. "Townhouses in the city center" type of housing.

Considering Lahti's international student background, the Market Square could have a covered international food -or restaurant service market, which would also guarantee the future of continuous market operations. Small units that would also employ different nationalities and students.

Reasonable space rents, the city benefits from enlivening the city center and business activities.

Lahti needs a unique, attractive destination that will be seen and experienced from afar, both in summer and winter.

I have proposed that a team be established at the Lahti Real Estate Forum 2024, where in the initial stages of major housing company renovations or city center change needs, everyone would sit together at the table and discuss the wishes and suggestions of all parties in a constructive manner.

The goal of the operational team would be to complete the changes as planned, within a considered budget, in accordance with the wishes of the city, residents and entrepreneurs.

In permit processing, for example, the housing association does not want to submit the facade lighting plan for approval several times, but could prepare them together with the city's architects and thus make one functional plan, cost-effectively.

The results should be a satisfactory outcome for everyone, with a single permit application. The lost income from these permit applications multiplies as the city center becomes more lively.

Depending on the location of the housing association and the extent of the facade renovation, I would invite the following to join the team:

1. Kiinteistöliitto
2. City architect - zoning
3. Chief designer
4. City building control
5. Representative of Keskustavision / Lahti City Ry
6. Representative of the housing association entrepreneurs or representative of the Entrepreneurs' Association
7. Property manager
8. Chairman of the housing association board

... and a lot of positive spirit, willingness to cooperate and open, constructive discussion.

Finally, I would like to summarize the change project in very human wishes.

Lahti is an absolutely wonderful city and the people of Lahti know how to make it an attractive, welcoming home for everyone in the middle of beautiful nature!

I hope our example inspires a spirit of togetherness, tolerance and caring to enliven our own wonderful Lahti city center.

SUMMARY

Change only needs an open will,
caring seasoned with enthusiasm,
responsibility for one's own actions, unyielding cooperation, for the good of a shared,
positive Lahti!

Thank you to everyone, especially my family Randy and Milo and my sister, my partner Tuula, for supporting us along our journey, for the good of a better city center!

Outi Lyte

Entrepreneur
CEO
Concept Designer

