

# OSAKA RENAISSANCE NEWS



Greetings and welcome the first issue of Osaka Renaissance News! We are Root Co., Ltd. and will be taking over the administrative duties of the Osaka Foreign Business Network Club (FBNC) on behalf of

the City of Osaka for the 2011 fiscal year. We promise to do our best to bring you the latest news on the City of Osaka's efforts to further promote this diverse and dynamic city.

## ■ The 1st FBNC Meeting of FY2011

The first Osaka Foreign Business Network Club (FBNC) meeting was held on Wednesday, October 5, 2011, at Abeno LUCIAS in Abeno ward. This meeting was held as part of Osaka's ongoing efforts to attract investment into the city and the greater Kansai area. Attendees were mostly composed of senior executives from foreign business institutions located in the Kansai region.

The focus of the first meeting was the Abeno Redevelopment Project. The Abeno area has come to be called the southern gateway of Osaka and holds tremendous potential towards Osaka becoming an international business hub. The goal of this meeting was to provide the latest information the progress of the Abeno Redevelopment Project, which aims to transform the Abeno area into a more comfortable business and living environment, in addition to providing an opportunity for foreign businesses to build and broaden their networks.

The meeting was moderated by Wall Street Associates Japan, Kansai Representative, Mr. Thomas Zelaya and opened with a greeting by Mayor Kunio Hiramatsu who shared his thoughts on the Abeno project and the future prospects it holds for the City of Osaka.

Following the Mayor's greeting, a



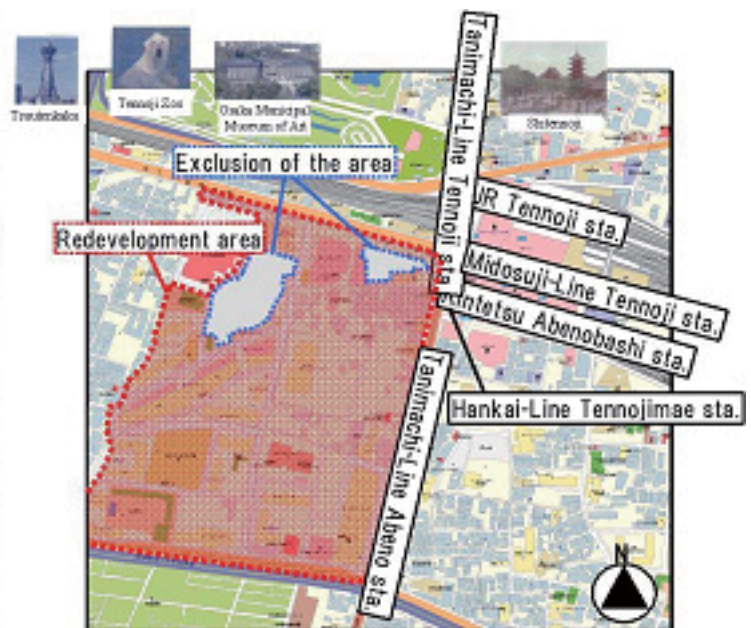
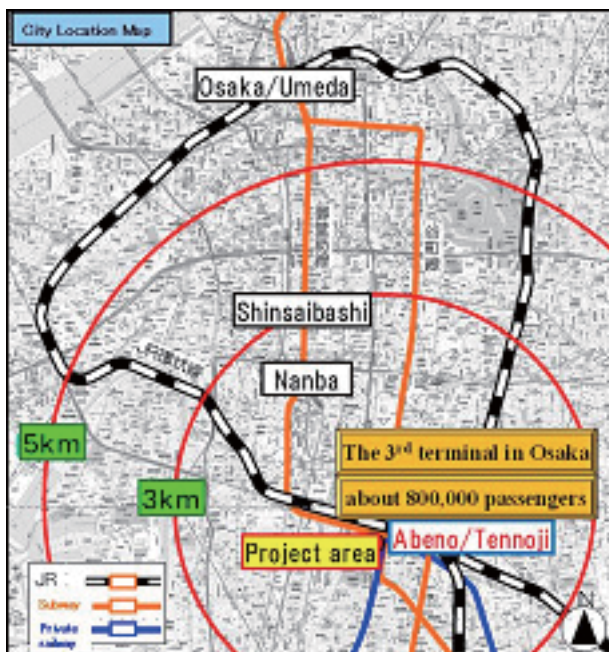
presentation was given by Mr. Ken'ichiro Izumi, Director of the Abeno Redevelopment Project Office where the latest updates on project's progress were shared. Next was a presentation on the development of the Abeno HARUKAS was delivered by Mr. Kensuke Nakanobo, General Manager of the Planning and Development Department, at Kintetsu Corporation. After the presentations, the group moved to Q's Mall Sky Court located on the 3rd floor of the mall. From there the group was able to get a nice view of Abeno HARUKAS being built. Below is the commemorative photo taken at the end of meeting, in which the all the members show pleased and impressed expressions.

# An Overview of Abeno

The exact historical origin of Abeno is still unclear. There is the possibility it is connected to the Abe clan, to which this land territory belonged in ancient times. Then again, the district's name could have been taken from the poet Yamabeno Akahito's song The Ten Thousand Leaves that is the oldest existing anthology of waka poems in Japan dating from the mid-seventh through the eighth century. Abeno is an area with much history as this show. However, towns such as Harima-cho and Kitahatake are said to have existed since the Period of Northern and Southern Dynasties (1336 ~ 1392). Abeno is one of 24 wards that constitute Osaka city. It is the third terminal of Osaka ranking in next to Umeda and Namba. Abeno has been affectionately termed the southern gateway of Osaka with its seven different railway

lines and 800,000 commuters passing through the area each day. The Abeno area provides easy access in and out of the city such as Shin-Osaka (20 minutes by subway) and Kansai International Airport (30 minutes by JR).

The area undergoing redevelopment is an extensive 28ha and is located southwest of Tennoji and Osaka Abenobashi Station. There are various commercial establishments such as the Q's Mall of the Abeno Market Park, which is now the largest shopping mall complex in the prefecture, Via Abeno Walk, Abeno Apollo, Abeno LUCIAS, and the new Kintetsu Department Store which will be completed in the spring of 2014. In the surrounding area there is Shitennoji, Tennoji Park, an art museum, the Tennoji zoo, in addition to the famous Shinsekai and Tsutenkaku.



## 1) The Area under Redevelopment

The area undergoing redevelopment is located southwest of Tennoji Station and the Abenobashi Terminal Building. This particular area possesses great potential as the southern entrance in and out of Osaka city.

The current setup of this area is the result of a long history of intermingling commerce and residency, which has led to significant natural development. However, as land was subdivided and the number of buildings increased, the area became

overcrowded. This made the situation difficult for public facility management such as road and environment maintenance. There were approximately 3000 landowners in this area, but the City of Osaka purchased every lot for the purpose of the redevelopment project. A significant improvement in cleanliness can be seen in the area after the start of the project. Little by little, the redeveloped buildings were resold and are now mostly of the facilities are owned by the general public.

## 2) The Basic Plan

The total number of redeveloped buildings is 29, of which 19 were residential. The number of housing accommodations is approximately 3100, making the total floor area equal to 200,000 to 720,000m<sup>2</sup>. Redevelopment of the first residential building was completed around 1982. From then on until the first half of the 1990s, the buildings were carefully renovated one by one. Starting from the second half of the 1990s, the commercial buildings were redeveloped one at a time.

26 buildings (approximately 680,000m<sup>2</sup>) have been completed thus far.

## 3) Last Three Buildings

As previously mentioned, three buildings remain to undergo redevelopment. One of the three is scheduled for completion next month. It is a high-rise of 24 stories; on the B2 through 4th floors will be a bank, retail shops, and offices; from the 3rd to the

## 4) Abeno Q's Mall Complex

Abeno Market Town, which opened this April, is currently the largest shopping mall complex in the prefecture. Construction began in January 2009 and was completed in March 2011. The mall consists of eight floors (six above ground and two underground) and directly linked to the station and Terminal Building. Between the

## 5) Abeno HARUKAS

Abeno HARUKAS (formally known as the Abeno Terminal Building) is Kintetsu Corporation's newest project that is scheduled to be completed in the spring of 2014. HARUKAS will be home to the Kintetsu Department Store, offices, Osaka Marriott Miyako Hotel, an art museum, and an observatory. However, the most special feature is that it will have a height of 300m, making it the tallest building in Japan. HARUKAS will serve as a new landmark of Osaka, and will be a significant boost towards becoming an additional focal area of Osaka.

HARUKAS offers a very comfortable and convenient business environment such as the traffic transportation directly linked without a change with the Shinkansen at

In addition, the amount of road space has doubled and the park area has become 5 times larger than before the project began. The Abeno area is divided down the center. The area that lies east of the line is called "the business side," and the area to the west has been named "the housing zone."

Also, the redevelopment project area has been designated as an evacuation area in the face of a disaster. The City of Osaka is making the utmost effort to make this area resilient against disaster damage, creating a safe and comfortable community.

11th floor will be an upper-scale business hotel with a luxurious atmosphere; and situated from the 13th floor up will be condominiums situated. The two remaining buildings, which are both residential, are scheduled to be completed in February 2013.

end of April and the end of July, Q's Mall saw 10,400,000 visitors (61% of yearly achievement ratio) and 15 billion yen in sales (38% of yearly achievement ratio). The level of success during that short time frame can be attributed to easy public access, a diverse selection of retail shops, and continuous promotion efforts.

two airports in Osaka and various commercial establishments is substantial, and indispensable institution, such as a hospital and a park is accumulated around the building. The most anticipated feature is the office spaces located from on the 17th, 18th, and 21st through 36th floors. The 17th floor will be the reception lobby and the 18th floor will be dedicated to banking and finance. The office spaces will be situated on floors 21 through 36. There will be a total of 36,000m<sup>2</sup> of space available for leasing. The area on the 21st floor (consequently the first level) is the largest with 2410m<sup>2</sup> of floor space. The advantage is not limited to large amount of floor space, but there is also adequate depth of 17m and 19m in addition to no pillars throughout. With no pillars

throughout, this office can accommodate a head-count of 300 to 450.

For the lighting, LED fixtures were installed in addition to the outer walls being composed entirely of glass. The outer walls will increase the intake of natural light which will reduce the use of electricity and the green energy heating and air-conditioning units will allow for efficient indoor temperature control. As for the building itself, we have installed introduced a special system to conserve energy and reduce CO2 emissions by nearly 30% of the annual energy use of an ordinary building.

The HARUKAS building is situated on higher ground of the Uemachi plateau and has a strong resistance against earthquakes, tsunamis, and other natural disasters. HARUKAS possesses superior

## 6) Future Development of Osaka

With the Redevelopment Project, Abeno continues to evolve into an attractive, bustling area, which is going to contribute greatly to the future development of southern Osaka. The Tokyu Railway, Kinki Nippon Railway and JR West formed a partnership and have started doing activities with the "Welcome to Abeno and Tennoji Promotional Campaign" to attract

earthquake-proof performance that is comparable to that of any other disaster prevention headquarters in Japan. The key points lie in the earthquake-resistant construction, vibration control apparatus, and hybrid vibration damper system, which can reduce the vibration much more effectively than that of an ordinary high-rise building. Even in the face of a considerably large scale earthquake, the natural strength of the structure and pre-installed precautions will successfully minimize potential damage. It is because of these measures taken that the Abeno Redevelopment Project was designated as a model project in reducing CO2 emissions by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in 2008.

more visitors. In the coming years, we hope to increase the attractiveness of this area through a series of promotional events such as a centennial celebration for Shin-sekai and Tsutenkaku Tower in the year 2012, the grand opening of Abeno HARUKAS in 2014, and the centennial anniversary of Tennoji Zoo in 2015.

# ■ Urban Planning and Development in Osaka and Japan

City Planning aims to "maintain a clean cityscape "provide orderly city development," and "protect the welfare of underprivileged citizens" by formulating and realizing plans about the state of land use, maintenance of urban facilities (roads, parks, etc.) and urban development. Cities planned by local administrations have existed since ancient times in Japan beginning with the Kofuku and including Heijo-kyo and Heian-kyo.

Redevelopment is a major part of city planning. For example, in crowded areas with aging wooden buildings, the city administration performs tasks such as unifying subdivided land lots, constructing joint fireproof buildings, and maintaining public facilities such as streets, parks, and other open spaces. This aims to ensure

rational, sound, and efficient use of city property and the proper renewal of urban functions.

The current project is actually called the Abeno District Urban Redevelopment Project Category 2 (Category 2 is where the redevelopment executer purchases the lots and redistributes them after completion) and is the first Category 2 redevelopment project to be conducted. The project began in 1976, with the old district of Kanazuka as the model and goal. Kanazuka was an area in Tennoji-mura of Higashinari-gun before it was incorporated into Osaka city in 1925. The east side is dedicated to maintenance of commercial establishments and urban function while the west side focuses on maintaining the housing environment such as the high-rise apartment buildings.

As for projects the inner city, the much anticipated Osaka Station City opened in May of this year and is still a hot spot among locals and tourists alike. Umekita (formally known as Osaka Station North Yard), another project currently underway

is also beginning to show great progress. Umekita is the last largest area of land in the surrounding Osaka Station area. Officially coined Grand Front Osaka, the area is scheduled to open in spring of 2013 and 7 of the 24ha have already been sold.

## ■ The Role of Osaka

Already half a year has passed since the earthquake in March. In combination with the following incident at the Fukushima Daiichi Nuclear Power Plant and the large-scale power outage in Tokyo, the Great East Japan Earthquake is considered to be the worst natural disaster in Japanese history.

Through this disaster, the dangers and disadvantages of overconcentration in Tokyo were brought to light. For example, if another crisis of the same scale were to occur in Tokyo metropolitan area where politics, economy, culture, and most of the population are centered, there is great fear of Japan's main functions being destroyed. It is safe to say that this fear has appealed for the urgent necessity of a secondary or alternate economic center. In order to achieve this goal, it is indispensable for Kansai to increase industrial competitiveness, international competitive power, and to form a block economy area. In this case, it is important for Osaka to lead the other prefectures in

the Kansai region.

The topic of the first Osaka Foreign Business Network Club meeting was the much talked about Abeno Redevelopment Project. The Abeno district is the third terminal and shopping quarter in Osaka next to the Osaka/Umeda area in the north and Shinsaibashi/Namba area in the south.

The Abeno Redevelopment Project aims at attaining the enhancement of disaster prevention and to increase traffic and economic function in the face of an expected disaster in Nankai, Tokai, and Tonankai seas. Abeno possesses great potential and further advancement of this key area located at the city's southern gateway (southwest of Tennoji and the Abeno Terminal) will surely contribute towards the future development Osaka. Please keep your eyes and ears open for updates on Osaka City's efforts to redevelop this wonderful city. As always, questions and comments are greatly welcome and appreciated!