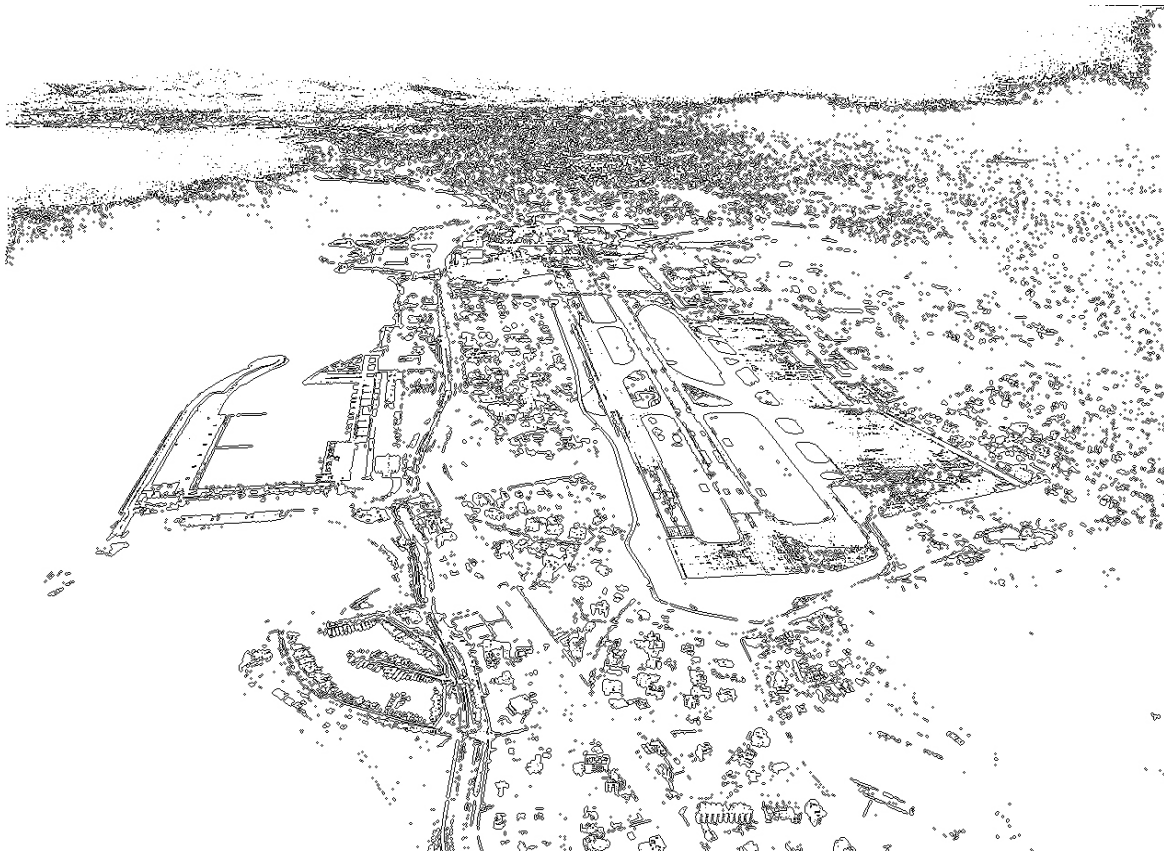


NATIONAL TECHNICAL UNIVERSITY OF ATHENS
URBAN ENVIRONMENT LABORATORY

HELLINIKON: DEVELOPMENT FOR WHOM?

Speech by Dr. Nikos Belavilas, assistant professor of urban planning NTUA
head of the NTUA UEL research group on the Hellinikon Metropolitan Park



Symposium

**FORMER AIRPORT OF HELLINIKON & AGIOS KOSMAS WATERFRONT
THE PRESENT AND FUTURE OF A METROPOLITAN PARK FOR ATHENS**

Organizers

City of Alimos
City of Glyfada
City of Hellinikon - Argyroupoli
National Technical University of Athens
Technical Chamber of Greece
Committee for the Metropolitan Park of Hellinikon

April 20, 2013
Hellinikon Olympic Indoor Arena, Basketball Court

Speech by Dr. Nikos Belavilas
assistant professor of urban planning NTUA
head of the NTUA UEL research group on
*Basic planning & design principles for the creation of the Metropolitan Green Park
at the former Hellinikon International Airport of Athens*
Hellinikon, April 20, 2013

The future of the former Hellinikon International Airport of Athens under the conditions of the crisis

After six years of successive studies, documentation and social mobilization with regards to the future of the former airport of Hellinikon, the situation appears to have crystallized.

The sale of the former airport and the Agios Kosmas waterfront will generate revenues of nearly one fifth or less of the estimated revenues two years earlier. The estimated revenues then would reach **€5 billion**, whereas today the expected revenues reach **€300 million, and up to €500 million.**

The costs of accompanying infrastructure works, the costs of important, required and/or supplementary urban infrastructure construction and/or reconstruction projects, as well as the relocation costs of state organizations that operate today within the site of Hellinikon, will be covered by the Greek state. These costs are estimated to reach approximately **€2.5 billion**, i.e., costs exceeding at least five times the expected revenues.

This is not an unknown scenario to Greece. Greece has had the rather recent experience of the Olympic Games, and the very recent experience of the national roads, which are currently financed once more due to the inability of the private companies to cover their construction cost. It is not an unknown phenomenon internationally either. Great Britain, Spain, and Portugal had to refinance and bail out such "private" regeneration and infrastructure projects several times with public money, in order to rescue them from bankruptcy. A machine of constant public financing of real estate companies, in the name of completion and viability of the projects.

The job creation projections started from 45,000 jobs in 2010. They dropped to 15,000 jobs in 2012, and are currently around 10,000 jobs. When will they be actually created? In about 25 years, if and when the small city planned to be set here is completed. **We estimate that in reality, no more than 500 jobs in the short term and 1,500-2,000 jobs in the long term will be created.** These will be waiters, cooks, caretakers and cleaning workers, croupiers and related gaming workers, employed at a marina, 10-15 café-restaurants, and 1-2 hotels. During the construction of such project, about 200-300 construction and craft workers will be employed for 2-3 years by subcontractors, most of whom under the well-known, black-market labor conditions.

These revenues, in order to get a sense of the numbers, could be realized by the sale of 100-300 upscale residences in neighboring Glyfada. If though, according to the plan specifications, the "60 malls," or the "10,000 housing units," or the "7,500 hotel beds," or all of the planned new buildings with a floor area of more than 3 million m² are constructed, we can imagine another ensuing nightmare: the collapse of real estate values, as Athens already has hundreds of thousands of vacant houses and offices; the collapse of the hotels

in the center of Athens and along the Athens waterfront; and, of course, the collapse of the local commercial centers, primarily the one of Glyfada, but also the ones of the other coastal Cities.

There is no private actor at the international level who can undertake such a project as the one of the former Hellinikon Airport. And none ever existed. Megaprojects of such scale, in London, Hamburg or Beijing, were undertaken by the state. Private companies entered later to complete certain parts of the projects, or to undertake their management, commercial operation or exploitation, with highly strict, hierarchical and entirely controlled planning by the public sector, the national governments and the local authorities. That is, the exact opposite to what is happening in the case of the former Hellinikon airport. A project of such scale, as the one promoted by the Hellenic Republic Asset Development Fund (HRADF), can only be undertaken by a robust state investor, with a likely timeline of not less than 20-25 years, and with extraordinary state investments in it. Based on respective international cases, completion time can exceed 30 years. The prerequisites of such an undertaking by a non-Greek state party, are actually a transfer of sovereignty over territory, the complete annulment of the existing constitutional and urban institutional frameworks, and the dramatic change of the very everyday life of the city as an out-of-control island of 630 Ha will be settled in it.

This has already happened in Piraeus, where there is a **China town** harbor of work insecurity and isolation from the national economy and shipping. Four years ago the announced number of new jobs reached 10,000! This figure never materialized. In reality, there are 250 employees, and further 400 employees under terms of subcontracting insecurity. A respective **Qatar city** of excess luxury and seclusion is what is most likely to be created in the Hellinikon area. A city, certainly not for the Athenians and with no relation to the national tourism economy, but one dependent on other financial centers, where the high profit margins of this investment will be fleeing.

The choice to sell Hellinikon in the midst of the economic crisis, on top of the environmental, urban and social problems that it will cause, is also destructive with respect to its economic and business dimension. It is actually a concession: at the unacceptably lowest possible bound of a fire sale, miles apart from the real value of the real estate asset; it takes place under extremely unfavorable terms for the seller; it obliges the seller to assume the binding responsibility to realize massive infrastructure expenditures, and includes securing liquidity, attached to the concession terms and conditions. Hellinikon is not being sold, but is donated as a gift, "accompanied by a dowry" of an extra €2.5 billion, as written recently (Tzanavara & Zafeiropoulos, 2013, February 4, p. 1; see also Tzanavara, 2013, April 18).

The maximal scenario

If the complete development scenario with its construction of more than 3 million m² of volumes of concrete and hard surfaces is to be implemented, it is expected to cause, indicatively: a change of the Southern Athens environment with temperature increases of 3°C to 8°C, with particularly severe adverse effects in the newly built and surrounding areas; a sharp increase of the energy and ecological footprints of the capital due to the insertion of a gigantic building stock in the city; and, a loss of free open spaces equal to those lost by the misguided choices and locational decisions of the 2004 Olympic Games. These are the

figures of complete development, based on the current choices of the government tender for Hellinikon – if realized.

The minimal scenario

Based on the available economic data, the real estate crisis and the projected investment risk, it is more likely that the project will proceed by developing only its most attractive part. An expensive area of 50-100 Ha on the coast – roughly the coastal area of Agios Kosmas – will be cut off from the area of the former airport and from the city. In this scenario, only the profitable parts of the asset will be developed, for a marina, casinos and hotels, and the non-profitable eastern part of the 550 Ha will be completely abandoned, along the lines of the "good bank" and "bad bank" model.

The abolition of planning and design and the foreclosure of prospects for Athens

The promoted “development” of the Hellinikon area based on L. 4062/2012 and the international tender launched by the Hellenic Republic Asset Development Fund, practically overrides all statutory spatial planning levels, and at the same time does not comply with any strategic development plan for the capital. The exclusive drivers for the future of Hellinikon are the special desires and objectives set by the investors chosen by HRADF, and above all the achievement of the highest possible profits from the investors' exploitation of the area. This development has no connection to any discussion on the planning structure and functions of the capital, the priorities for reconstruction of production, the construction of a new identity for the city, the social needs of the residents, and the important environmental problems. Similarly, there is no concern, or provision, about its effects on the region of Attica, such as: the weakening of the center of Athens by the creation of a competitive pole, the loss of a large part of the Saronic Gulf waterfront, the reckless expansion of the urban highway network with destructive consequences for both urban and peri-urban areas, the destruction of small- and medium-sized retail operations in Southern Athens, or the regional effects of climate change.

The “other” scenario for a park at Hellinikon

On our part, the Hellinikon Metropolitan Park in the Hellinikon and Agios Kosmas area has been studied extensively, with regards to: its necessity; the feasibility of its creation; its economic viability; its layout; its infrastructure aspects; its mix of land uses, both the self-sustaining ones and not so, which it can include; its technical specifications; its institutional issues and respective solutions; its connections to Athens; and, its role in the system of urban and peri-urban green spaces across the region (NTUA Urban Environment Laboratory, 2011, January).

The research group of the Urban Environment Laboratory at the National Technical University of Athens, in cooperation with the Local Union of Municipalities and Communities of Attica (TEDKNA), and the Cities of Alimos, Glyfada and Hellinikon-Argyroupoli, did what the Greek government should have done in analytical and strategic terms. We measured and analyzed the technical and financial data of the problem, so that the future of the former airport does not depend on contingencies, negligence and false “estimates” of any government actor, without knowledge of the subject matter, or even worse, adopting the guidelines and instructions of a “friendly” investor. A case that we experienced in a dramatic way, for example, through the trip and resulting agreement with Qatar three years ago (Government of the Hellenic Republic & Government of the State of Qatar, 2010, 23

September). That agreement collapsed in no small part due to the ignorance of the broader institutional framework and the series of concessions binding the site, and the financial assumptions and estimates of the selling prices by the finance ministers, which both plummet and are disproved day after day.

The consultation with the institutions located inside the former airport area held in Hellenic Parliament, our months-long collaboration with the Technical Chamber of Greece, fellow academics in economics, with real estate professional valuers, as well as the thorough technical-operational communication that we had by Hellinikon S.A., gave us the opportunity to further update our study by also evaluating the new data deriving from the economic crisis.

In brief, the proposal for the Hellinikon Metropolitan Park of the Urban Environment Laboratory of the National Technical University of Athens and the local authorities, **includes besides the green spaces, dozen kinds of uses in the hundreds of thousands of square meters of existing buildings, i.e., 241 buildings or 370,000 m².**

These uses are: **recreational uses**, with cafeterias, restaurants, the **water park** at the Olympic Canoe-Kayak Slalom venue, and the **Scientific Aquarium** along with the **Coastal Ecological Park**; the **Metropolitan Convention and Exhibition Center** in the former Eastern terminal; an **Open Metropolitan Sports and Recreation pole** for professional and amateur athletes including with, sports fields, gyms, and athlete guest houses; **cultural and research uses**, particularly in the **Center for Culture, Education and Research** of the former West terminal area, featuring the research center of the **Hellenic Centre for Marine Research (HCMR)**, the **Archaeological Museum of the Saronic Gulf**, featuring archaeological collections, restoration laboratories and storage spaces, as well as the **Aviation Museum**. It includes **uses of tourism, maritime tourism and recreation, along with the water sport facilities** at the Olympic Marina and the Agios Kosmas area. It also includes the **Local center with Social Uses**, featuring small-scale retail and private services, and welfare, educational and administrative services of the surrounding Cities.

In this context, the great initiative of the **self-managed urban farm and community garden of Hellinikon** can continue growing in an area of 5-10 Ha. The same holds for the area of the **Hellinikon olive grove**, the thousands of olive trees planted by volunteers that have been growing over the past five years. Similarly, an **inter-municipal R&D unit on recycling and composting household waste management** can be located in the transport infrastructure zone, while its creation is already being studied by the Technological Educational Institute of Piraeus. These are types of compatible uses of low to zero costs and high benefits.

This “other” scenario, for the Hellinikon Metropolitan Park, by the Cities and the National Technical University of Athens, has a starting construction cost of €47 million for landscape and green works, and an upper ceiling of €101 million. These amounts can be covered by the operation of the Olympic Canoe-Kayak Slalom venue, the Olympic Marina, and the reuse of the former Eastern terminal. It is the capital — either wasted or not collected by the state to date — that will function as a catalyst for the steam engine (Lambrou, 2010, November 16; Panagiotou, 2010, November 19). The second step is the gradual reuse of the buildings with public, national, EU and private funds for small projects, which will guarantee social and environmental benefits, as well as economic benefits shortly and without risk. In brief, the park opens to the public as is, adopting other

such European examples. Gradually, open space layout, landscape and green works of few months take place in zones and focal points, delivered and accessible to the public upon completion. At the same time, the Olympic Canoe-Kayak Slalom venue and the Olympic Marina start operating immediately based on the terms set by the research of the National Technical University of Athens, without any further construction, and bringing the first revenues. In the next phase, state or EU funds are sought, for the former Eastern terminal, the museums, the aquarium and the sports and recreation pole, with the latter being partially operational starting even today. Last, the conversion of the garden city of the former American base into a local center begins, with the research guidelines and rent revenues from its buildings by small shops and offices, which are also reused under the proposed terms of the study.

The funds for repairs, restoration and reuse vary by project size. The highest necessary expenditure is the amount required for the restoration of the Eero Saarinen former Eastern Terminal landmark building, after relieving it by removing the poorly designed and constructed, large-scale additions and prefabricated exhibition pavillions of its most recent phases of operation. Its restoration cost as a modern architecture monument, and its reuse as a metropolitan convention and exhibition center, is estimated at approximately €45-60 million. As it is adjacent to the new Athens metro line and the future expansion of the tram line, it can be expected to bring to the area up to 100,000 visitors. In contrast, the Olympic Marina and several of the buildings of the western part can be used with repair and reuse costs of some tens of thousands of euros, bringing substantial revenues without any need for new construction.

The marinas of Glyfada with capacity to accommodate 640 boats, have revenues of €1,200,000-€1,300,000 and operational costs of €300,000-€400,000 per annum. A rough but rather reasonable estimate would be that the Olympic Marina, with a capacity of 1,600 boats, could generate annual revenues of €2,000,000.

The water park at the Olympic Slalom venue can cover its annual operational costs with a minimum of 5,000 visitors per annum, and reach profits of little more than €0.5 million, with 100,000 visitors per annum.

A small-scale commercial centre with 50-100 retail establishments (coffee shops, restaurants, open-air cinemas, convenience stores, bookstores, flower shops, agricultural and garden stores with supplies and tools, kiosks, or cash-points/local bank branches), can, with very low rents, generate revenues of up to €0.5 million. We do not refer to a closed market or mall, but a scattered open-air local market in the existing buildings of the garden city of the former American base, in conjunction with the social and municipal uses. That is, a market not competitive to the neighboring local markets, but complementary to the park and the other park uses.

The Saarinen center, the sports and recreation pole, and the scientific aquarium will be covering their operational costs and contribute to the park, such as by undertaking the maintenance and operation of their surrounding open spaces — not insignificant. They will not generate significant revenues.

Whether the park's operating costs, and the maintenance costs of its buildings will be covered by the public sector, or will derive by state or municipal enterprises, self-governed cooperatives, private companies-tenants, or mixed partnerships, is a

different issue — which we have neither the expertise nor the role to propose or prescribe.

However, these are actual figures required! And the goal is to secure €5 million annually during the first phase, and up to €12 million when the park is complete, for its proper and viable operation and maintenance.

The existing transport infrastructure is sufficient from the outset, with the sole prerequisite being the removal of fences that render the former airport a labyrinthine, out-of-control, and unsafe place.

The aforementioned scenario does not depend on the fluctuations of the real estate market and does not involve today's completely unreliable financial funds and banks. It has a low risk, because it starts with safe and low budgets, and can evolve based on the gradual development of self-sustaining uses. It provides high social and environmental benefits, since it safeguards this public, open, green space for the whole of Athens. It is just 20 minutes away from the city centre and 40-60 minutes far from the northern and western edge points of the Greater Athens Area, with complete coverage and service by the metro and tram networks, with no need for additional transport infrastructure. It gives back to the city a mass of green and free spaces, of equal size to those destroyed in the period of the 2004 Olympic Games, while also freeing up and reviving a large part of the coast of the Saronic Gulf.

The implementation of this plan provides 200-500 actual jobs immediately, which may expand to 2,000-2,500 employees, new and/or local small-sized business owners within a decade. It does not promise the fictitious figures of 45,000 jobs, which were inconsiderately promised by government ministers and executives, but rather, a realistic objective that will relieve the surrounding areas. Further, this plan is neither competitive to surrounding municipalities or the center of Athens, nor does it jeopardize existing jobs, the existing tourism businesses, or the existing local commercial zones of the surrounding cities.

It is a plan for Athens and its residents, based on actual social and environmental needs. It is also grounded upon the economic conditions of the crisis, employing as a framework the idea, on one hand, of the reconstruction of the city and the country, and, on the other hand, the maintenance of the area of the former airport and the coast, as sovereign Greek territory, as a free public space.

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