

An Economic analysis for Landscape Development in“Lahanokipoi” area of Thessaloniki

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Abstract: *This paper is about an economic investigation in order to analyze the existing situation of Lahanokipoi landscape development and the possibilities that can come out when exploring it, starting by writing down the existing business companies and industries, the value of landscape by using economic ratios and the perspectives that can come out. The Lahanokipoi area covers a big part of old industries that are no longer in use and there is very low development, which suggests that there could be a total reconstruction of landscape, either by building a business park or a business center with all kinds of facilities and parks. The project suggests a new model that is economic stable and introduces not only the economic and business development that can be achieved but also the environmental and architectural structure that can maximize the value of landscape. It is the first time in literature that we have a landscape economic and architectural analysis in this part of the city and so the contribution of this paper is of vital importance. The fact that there is a low construction in the area clearly shows the perspective of future development. The proposed methodology is of interest for architects, civil engineers, environmental analysts, businessmen, public sector representatives, local authorities, economists and many others.*

Keywords: *Landscape development, economic analysis, SWOT analysis, Business plan, Business park, Construction*

1. Introduction

The study of Lahanokipoi area started due to a university project that has been given from the Municipality of Thessaloniki and intends to analyze the objective value of the area in order to create a full-organized business park that will increase the value of landscape and of the whole area [1]. It is of vital importance because this area has been deserted up to a point and needs to be rebuilt in order to attract the interest of the citizens. This area has already attracted many scientists such as architects, civil engineers and economists, who have been occupied with various suggestions for it [2].

Lahanokipoi area is situated in the west entry of Thessaloniki city, is close to the port and at the moment there are a few businesses that function there, some of them are new but most of them are old and count many years of function [3]. The area is now at “crisis”, as it’s said, which has given the motivation to local authorities to restudy the perspectives of the specific area and to organize a project to explore the landscape [4].

It is actually amazing the fact that the area could be transformed into a second metropolitan center of the city, due to its privileged location. It combines all the necessary conditions for such a thing. The perspectives are many and the authorities have finally understood it [5].

This investigation intends to present all the possibilities that Lahanokipoi area can show and it suggests solutions that can be really useful [6]. The first step is to show the landscape right now, how many companies are there and which of them have a real reason to be there. How many buildings are deserted and how dangerous it can be to even consider walking there during day time. How the garbage and the dirt ruin all the atmosphere and make it impossible for someone even to stand there, imagine working there [7].

The second step is to give some details of the existing suggestions, compare the advantages and disadvantages of these suggestions by using SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) and end up to the best suggestion [8]. Finally, the third step presents a fulfilled suggestion of a business park with all the necessary facilities, that proves to be the best choice for the area and analyzes the importance that could have for the city [9].

2. The Project (Analysis)

Lahanokipoi area, as it is referred above, is situated in the west side of the city, near the port and the center. There are many businesses that are founded and function in the wide zone of the area, such as business centers, technical companies, small enterprises, ship companies, import-export companies, advertisement offices, amusement clubs and many others [10]. Some of them are situated in new, modern buildings, some others, usually the older, in older buildings [11]. The area is characterized by the coexistence of old and ugly buildings with new and more privileged ones [12].

The general idea is to create a business park where a big number of those businesses or all of them could be situated in similar and more elegant buildings, that would express the style and the image of those companies, according to the services that each one of them provides [13]. It would be extremely interesting if we could gather in the same business park all kinds of businesses with different objects each one, and in different kinds of buildings. It could be an architectural revolution for the city and could also attract many visitors, instead of only the citizens themselves [14]. This could also be very helpful, because it would provide a sort of identity for those businesses and people could identify at once the kind of businesses that each building represents [15].

This of course, is not at all easy to achieve. There are many key factors that need to be considered, such as the number of businesses that a business center could have, the object of the business and the reasons why a company should move to a business center, the benefits that it provides, the area that it should be situated, how close to the city and the objective value of landscape right now [16]. It is an endless catalogue and it needs the cooperation of many scientists and researchers in order to achieve the best possible result with the maximum benefit [17].

Right now the situation is considered to be rather wild or even dangerous [18]. This is because the area lacks of control and after daytime is dangerous even walking there on foot. The suggestion is to create a business center that would increase mobility and traffic in the area and would attract more people in order to minimize the danger. There are three issues that need to be considered here [19]. First the exact location of the business park, second the definition of necessary and basic infrastructure and facilities of the business park and third the budget that such a plan needs. We are going to analyze each issue separately [20].

2.1 Location

Especially the term "location" refers to the geographical placement of the space in which the business park will take place in relation to the characteristics of the area that will be chosen [21]. Lahanokipoi area is selected because it combines all the below characteristics in addition to the necessity of its immediate exploration [22].

Restrictive factors such as the incorporation of the site in the urban-planning, the institutional and property-ownership regime, the value of the land etc will also be studied. An additional important restrictive factor is the environmental impact of the project [23].

It is evident that "site" and "infrastructure" are interrelated. Indicate factors that relate the two are:

- availability and value of the land

- accessibility and connection with highways or central roads, distance from the port, etc.
- environmental impact
- availability of power networks and telecommunications

It is also necessary to be considered [24]:

- the geo-morphological characteristics, land-usages, sensitive and protected areas, transportation accessibility, incorporation in the urban-planning, development trends of the area and architectural innovation [25].

2.2 Definition of necessary and basic infrastructure and facilities

In this issue we need to consider the necessary natural and environmental infrastructure such as water-sewage, waste management, etc. [26]. Also the necessary technology and telecommunication infrastructure that will make the business park even more privileged and attracted.

Most importantly is the parking space that will be designed in order to solve the big parking problem of the area and therefore will attract even more businesses [27].

It could also be wise to include some conference spaces that will gather businessmen from abroad and will increase in such way motivation and innovation in the area [28].

Finally, allocation of open-air spaces such as open-air stands, rest areas, etc will be equally useful and necessary in addition to the security and monitoring systems that will make the area safe including fencing [29].

2.3 Budgeting

Before the exact estimation of the cost of such a business park it is important to start a pre-marketing analysis in order to examine the business trends of the area. This is possible by creating a small questionnaire that will be handed to businessmen of the area but also to other businessmen of the city in order to understand their future moves and to examine their intention to move to this business park [30].

The budget of the park is interrelated with the objective cost of landscape and its accessibility. This is now under examination and by the end of the year a fulfilled budget prediction shall be ready [31].

A SWOT analysis or a cost benefit analysis will make this proposal even more clear.

3. SWOT analysis of Lahanokipoi area

SWOT analysis is an important instrument in order to evaluate the right exploration of landscape and this study presents all the benefits for creating this business park in Lahanokipoi area [32].

There is also the need to provide the economic ratios of the objective value of landscape in order to estimate the benefits that can come out by exploring the area. These ratios are stable and adjustable, according to the position of landscape and they will provide an exact prediction for budgeting [33].

3.1 Strengths:

- Location of the area (near the center of the city, accessible to the sea and the port, business area, free unexplored space and landscape) [34]
- development trends, since there is already business infrastructure in the wide area
- there is no other business park so it is an important innovation for the city

- free parking space
- accessibility to the center and other businesses
- better business environment
- better access and parking spaces
- better accommodation and facilities
- architectural innovation
- better security of the area – increase of safety
- appropriate exploration of landscape

3.2 Weaknesses

- Difficulty in estimating the exact land evaluation, because there is a complexity in landscape ownership [35]
- difficulty in convincing the state (municipality) for immediate funding (bureaucracy) in order to explore landscape
- several delays of the project

3.3 Opportunities

- New business opportunities for young businessmen
- opportunities for expanding the already existing businesses
- opportunity for creation of business clusters

3.4 Threats

- Environmental organizations that might be against it
- small older businesses will close down or be ruined
- historical value of the buildings will be destroyed.

4. Results, Discussion and Future Perspectives

This project intends to show the dynamics that Lahanokipoi area presents and with the right exploration it could lead to important and beneficial perspectives [36]. By accomplishing the exploration of landscape and creating a full-planned and well-organized business park, small and big companies could gather all together in a friendly and healthy environment, just a bit away from the noise of the city and could function in the best possible way [37]. The job environment is one of the most necessary things when it comes to job selection and it could play a very important role in a company's choice to move.

The selection of the appropriate location is the first step [38]. The second step is to choose the architectural characteristics of the buildings and the facilities that the park could offer, after examining the market situation and predicting the business preferences [39]. This could happen with the cooperation of a team of scientists such as architects, civil engineers, economists, lawyers, marketers, analysts, managers and also environmental scientists [40].

It is proved above that with the right organization and cooperation this business park will increase the business and development trends of the area and will motivate many businessmen [41]. Additionally, it could lead to a great architectural innovation for the city and attract many visitors [42].

Suggestions for business park

In order to examine the situation closer, we have examined some of the world's most known business parks and they are presented below.

The Alabama Business Park (see Fig. 1).



Fig. 1. The Alabama Business Park.

This is one of the U.S. bigger business parks, and it clearly presents the successful exploration of landscape, as well as the facilities that it provides.

I-565 Business Park in Alabama is conveniently located at the Intersection of I-65 and I-565, one of the South's major transportation routes. The property is owned by I-565 Partners, LLC and zoned for commercial, industrial, warehousing and technology use (see Fig. 2 & Table 1).



Fig. 2. The I-565 Business Park.

Table 1. The Land Information of the I-565 Business Park.

Land Information:	
Type:	Industrial Park
Total Acres:	60 acres
Available Acres:	37 acres
Largest Tract:	15 acres
Minimum Tract:	1 acre
Topography:	Gently rolling
Fire Rating:	Huntsville
Protective Covenants:	Yes Brick/Block building facade
Zoning:	Commercial Industrial Park
Former/Current Land Use:	Agriculture
Major tenants	Clear Channel Radio, CINTAS, CTA, Cowan
Land Lease:	Yes
Price:	\$75,000 - \$100,000 per acre
Property Tax:	Various (Limestone County)
Land Owner	I-565 Partners, LLC

Utilities:	
Gas:	Huntsville
Water:	Limestone County
Sewer:	Huntsville
Electric:	Athens
Transportation:	
Highway:	I-565 on site; 2 miles to I-65
Rail:	7 miles to International Intermodal Center
Water:	9.5 miles to Morgan Co. Port Authority
Air:	6 miles to Huntsville International Airport



Fig. 3. The Map of the I-565 Business Park.

As we can see in the pictures above (see Figs. 2, 3), I-565 business park has a privileged location, near Huntsville international airport, combines commercial and industrial facilities and is very well organized. The exploration of landscape in this case clearly represents the standards of the area and could be a good example for Lahanokipoi area in Thessaloniki.

The Toronto Business Park (Wales)



Fig. 4. The Toronto Business Park.

The Toronto Business Park is located at Toronto NSW, approximately 1 hour North of Sydney (see Fig. 4).

Within one hours range of over 600, 000 residents of Newcastle and the Hunter and 300, 000 residents of the Central Coast. Toronto Business Park is conveniently central. With an estimated population growth to 850, 000 within the next 20 years. The Hunter* is a rapidly expanding, boom region.

* The Hunter is made up of the following shires: Cessnock, Dungog, Gloucester, Great Lakes, Lake Macquarie, Maitland, Merriwa, Newcastle, Port Stephens, Singleton, Murrurundi and Scone.

Toronto Business Park is proud to announce the launch of a new website. Toronto Business Park provides people with a purpose built warehouse, receiving and distribution facility in the heart of the Hunter. Also the location here is privileged, because it is close to many cities and towns in Wales and this makes it attractive to more companies and to the residents of the area of course.

The Orco Business Park (Budapest, Hungary)



Fig. 5. The Orco Business Park.

The ORCO Business Park is situated at Budaörs on the outskirts of the Buda mountains. Thanks to its well positioned location and the closeness of the major motorways (M1, M7), Budaörs is rightly called the western gate of the capital, Budapest.

Its character, that of a logistic junction is an important factor not only because of the domestic but also due to the international trade traffic as well. The exploitation of motorways M0 and M1-M7 is still the highest in the region. This is the reason, besides the pleasing environment and the close proximity to Budapest, that numerous multinational companies choose Budaörs as its headquarters.

The three main buildings and the surrounding infrastructure which the Park currently consists of, is gradually flaring and changing considering the widening market demands. As of now it has a 17.800 sqm office area, parking spaces, garages and a notable garden. Restaurant can be found within the facility and there is an exclusive shuttle bus service available for tenant workers.

The ORCO Business Park offers an ideal location for its partners in the midst of this busy, yet still pleasurable and verdant, commercial area. It could be a nice example for Lahanokipoi area too, because the latter is also in the west side of the city of Thessaloniki and it could be transformed, as it is referred above, into a second metropolitan center, since it is so close to the city and to the port (see Table 2).

Table 2. The ORCO Business Park.

Information	
Company	ORCO PROPERTY GROUP - Hungary
City	Budapest
Region	Hungary
Project type	Offices
Address	H-2040, 117 Szabadsi Road
Construction start	I.Q 2002
Completion / Delivery	I.Q 2002
Sales start	I.Q 2002
Number of units	14.353 sqm

The Shanghai Business Park

Following are presented five images from the Shanghai Business Park (see Fig. 6).





Fig. 6. The Shanghai Business Park.

Aig/lincoln logistic company for building and organizing a business park

The AIG/Lincoln logistic, warehouse and light industrial facilities are developed with state-of-the-art construction techniques and allow maximum flexibility for customization of space to meet the needs of our clients.

The prime locations are strategically selected for access to essential lines of transport.

AIG/Lincoln is also an expert in providing mixed-used facilities, offering clients flexibility of warehousing, logistics processing areas, and office space in one location. These products may include show-room areas as well as modules for light industrial uses.

AIG/Lincoln is one of the market leaders in Eastern and Central Europe for Business Parks.

For instance, the “Diamond Business Parks” in Poland have already developed their own reputation as an individual brand name. The architecture is distinctive, the technical construction and materials of the highest quality.

- Their Business Park projects offer a wider variety of practical amenities (e.g. snack shops, ATMs, laundry services), successfully combining a pleasant working environment with practical and efficient everyday facilities.

M1 Business Park (Hungary)



Fig.7. The M1 Business Park.

Project: M1 Business Park

Location address: H-2071, Páty, M1 Business Park

Project description: Logistics and distribution warehousing light industrial assembly

The M1 Business Park (see Fig. 7) totals some 72,000 m² of logistics and distribution warehousing built to the latest standards. The five phase development can also accommodate light industrial assembly on request. The current plans are designed to achieve optimum efficiency and clear internal height combined with flexibility. Due to the size of the M1 Business Park, future expansion can be accommodated, as well as build-to-suit solutions for companies seeking individual identity or technical requirements.

M1 was constructed and completed in five independent buildings with different layouts and internal traffic systems (see Table 3).

Table 3. The M1 Business Park.

Total size:	70,000 sqm
Status:	3 phases (Buildings A, C and D) completed and 100% let 4th phase (Building E) is completed and 75% let Building B completed in Q2 2006
Completion Date:	3rd phase of Building B: April, 2006
Location:	Distance to Törökbálint Railway Freight terminal: 5 km Distance to Austrian Border: 160 km Distance to airports: Budapest Ferihegy 40 km, Vienna Schwechat 200 km Bus Services: every 15-30 minutes from Budapest center directly to the park
Amenities:	<ul style="list-style-type: none"> ▪ 11 m clear internal height ▪ Floor load 5 t/m2
Services:	<ul style="list-style-type: none"> ▪ Built-to-suit solutions ▪ Full-service property management with 24-hour security ▪ Secured parking spaces on site ▪ Landscaped environment ▪ Petrol station adjacent ▪ Light industrial use possibility

Building A, completed towards the end of 2001 comprises a total leased area of 4 088 m² warehouses and 618 m² of office space arranged over two floors.

Building B, has potential area of 22 000 m² for warehouses and 2 695 m² for offices. This building is the last development of the park, which was built in 3 phases. Completion of the third (last) phase was in April, 2006

Building C, completed towards the end of 2001 comprises a total leased existing area of 14 181 m² warehouses and 1 364 m² of office space arranged over two floors.

Building D, completed towards the end of 2002 comprises a total leased existing area of 5 540 m² warehouses and 1 800 m² of office space arranged over two floors.

Building E, was completed by the end of 2003 and comprises of a total leased existing area of 8 080 m² warehouses and 980 m² of office space arranged over two floors. Building E has potential area of 6 060 m² for warehouses and 735 m² for offices. 139 parking places are available. The Park represents the future of light industrial, logistics and distribution in Hungary (see Fig. 8).





Fig. 8. The M1 Business Park.

5. Conclusion

The business parks that are presented above combine the privileged location in addition to the facilities that offer, which makes it attractive for companies to transfer their products in the business park, and for residents to enjoy their services[42]. This could lead to big business opportunities, and the fact that the exploration of landscape is so well organized, with protection to the environment, provides a nice example for the local authorities of Thessaloniki to follow and with the right approach and planning to transform the area of Lahanokipoi into the second metropolitan center of the city, with a business park that offers business opportunities for companies and many facilities for the residents of the city!

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Small C.V.



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