

Tender competition for the Old Customs House in Katajanokka, Helsinki

Instructions for bidders
24 January 2023



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Staircase from the main foyer and upstairs landing.



1. INVITATION TO TENDER

The City of Helsinki is organising a competition with the objective of identifying an overall solution for redeveloping the building in the competition area. The solution should be technically and economically feasible and architecturally outstanding. The outcome will be determined by price. Proposals with conceptual plans that meet the selection criteria and the minimum requirements specified for the concept will be able to enter the tender competition. The competition seeks to encourage versatile redevelopment concepts built around, for example, office and work spaces, restaurants, business premises, social spaces, or art and cultural activities.

The competition area covers both the plot and the building situated on it. The building is to be sold and the plot to be leased on a long-term land lease agreement. The land lease agreement is to include a purchase option.

The total area of the building is 6,268 square metres. The building is currently occupied by tenants but will be vacated upon the transfer of ownership to the buyer, unless the City of Helsinki and the buyer agree otherwise. The existing city plan is out of date, and the proposal sought in this competition will serve as a basis for the new city plan.

As the City has no use for the building, the buyer will be responsible for repairs and repurposing.

1.1. ORGANISER AND PURPOSE OF THE COMPETITION

The City of Helsinki will transfer the ownership of the competition area as explained below to the winner of the competition, who will have future responsibility for property development in the competition area. The competition involves negotiating a preliminary agreement with the winner regarding the sale of the building and the land lease. The City of Helsinki and the winner of the competition will partner for the purpose of implementing the necessary changes to the city plan.

The City of Helsinki and the winner will sign a preliminary agreement on the land lease and purchase of the building. The buyer will agree to prepare, under guidance from the Urban Environment Division, the necessary detailed plans and reports needed for city planning purposes. Once the city plan enters into force, the City and the winner of the competition will sign the deed of sale for the building and a land lease agreement for the plot.

The competition organiser is the Urban Environment Committee. The Urban Environment Division's Land Property Development and Plots Service and City Planning Service are responsible for all the practical arrangements.

More detailed information regarding participation in the competition and the

process, including the different stages, schedule and goals, are provided below. Decisions regarding the transfer of the building and the plot to the winner of the competition will be made by a competent authority or a public official.

The organiser's representative is:
Katharina Mead, Senior Specialist
tel. +358 9 310 25452
katharina.mead@hel.fi

Instructions for bidders are available (in Finnish) and can be printed from hel.fi/tontit.

1.2. PROCESS OUTLINE AND TARGET SCHEDULES

The competition will be launched after the Urban Environment Committee has

approved these instructions for bidders and the competition itself.

To participate in the competition, bidders shall submit a competition proposal (including a conceptual plan covering the competition area, and an indicative offer in euros for the plot and building) as specified in section 3 below by 15:00 on 28 April 2023.

Proposals featuring conceptual plans that meet the selection criteria specified in this document, the minimum requirements specified for the concept, and the general feasibility requirements will be selected for further consideration and the price bid.

For proposals that meet the selection criteria and minimum requirements, bid

Customer service facilities on second floor.



forms will be opened for submitting an indicative bid in euros for the plot and the building, and the property in its entirety.

Of those who submitted the best indicative bids, one to three bidders whose proposals for the competition meet the minimum requirements and the selection criteria will be invited to enter into negotiations.

Negotiations with the selected bidders are scheduled to be held between June and August 2023.

The Urban Environment Committee will decide on the principles regarding the transfer of the competition area and propose to the Helsinki City Board that the property be transferred to the bidder ranked highest by an evaluation panel based on criteria specified in these instructions. This is scheduled to take place sometime in late 2023. After a decision has been made, a preliminary agreement on the transfer of the plot will be signed with the winner of the tender competition.

The project will require changes to the existing city plan. This process begins with a participation and assessment plan (“OAS” in Finnish, available publicly from 20 February to 17 March 2023) and continues in cooperation with the winner once the preliminary agreement comes into force. The changes to the city plan required for the implementation of the winning plan will be prepared in collaboration between the city and the winner between 2024–2025.

The official language of the competition is Finnish. Competition proposals must be written in Finnish. All negotiations will be

held in Finnish, and related documents will be prepared in Finnish.

1.3. RIGHT TO PARTICIPATE AND MINIMUM ELIGIBILITY REQUIREMENTS

The competition is intended for construction and real estate operators or consortia that have the technical, financial and other capabilities required to plan and implement a very demanding and complex project to the highest standards. An overall assessment will be conducted to determine eligibility.

An evaluation panel will determine whether a bidder meets the general eligibility criteria before conceptual plans are assessed and price bids ranked. Bidders are therefore required to submit proof of general eligibility with their competition entries, and submit, in addition to basic information (names, addresses and contact details for the parties concerned), at least the following documents:

- *A list of references indicating projects carried out in the past 5 years with similar scope, functionality and content. The bidder must demonstrate experience in planning and implementing demanding renovation projects.*

1.3.1. APPROVAL OF BIDDERS

The entire property covered by this competition will be transferred to one operator. Participation in the competition to purchase a specific part of the building or to obtain building rights is not an option. The winner must have the

capabilities to exercise the full building rights in accordance with this competition programme, the prospective future city plan, decisions regarding the competition area, and the plot transfer agreement.

As specified in these instructions, bidders must prove their ability to design and implement a solution primarily offering service facilities and business and office use in a property with a gross floor area of 6,300 square metres that sets high demands on architectural design and building technology. The bidder must be able to fulfil their proposed design concept while complying with the prospective city plan that will be drawn up for the competition area, as well as with the plot transfer agreement and other official guidelines.

At the time of evaluation, the bidder must have sufficient technical skills, experience, financial and other resources to implement a technically complex 6,300 square-metre project in a central location in terms of Helsinki's urban landscape (general eligibility requirements). When submitting their proposals, bidders must provide proof that they meet the general eligibility requirements (for example, by supplying references of similar projects in terms of scope, functions, and content).

The competition area poses exceptionally high demands on the architectural design. Considering the architectural complexity and level of design requirements, the principal designer in charge of the project must have a long, proven track record of working as the responsible architect in projects of similar value and significance in terms of the heritage of the building. The

principal designer named by the winner must meet the eligibility requirements specified by Building Control Services (exceptionally demanding).

The evaluation panel may exclude a bidder at any stage of the process due to failure to meet general eligibility requirements and/or non-compliance with statutory or other similar social obligations and/or issues related to measures aimed at combatting the shadow economy.

1.3.2. SUBMISSION OF PROPOSALS

Proposals for the competition (concept plans, the indicative purchase offer in euros, and the documentation referred to above) with attachments or links for downloading material must be submitted by email to katharina.mead@hel.fi by 15:00 on Friday 28 April 2023. The purchase offer must be submitted in a separate file as part of the bid proposal materials. As Finnish is the official language of the competition, the subject of the email should read: "Tulli- ja pakkahuoneen hintakilpailu". The City of Helsinki reserves the right to extend the deadline for the submission of proposals.

The organiser will reject proposals submitted late. In addition, the organiser may reject proposals that are incomplete or that fail to meet the requirements specified in these instructions.

The City of Helsinki reserves the right to accept or reject the competition proposals. The organiser is entitled to suspend the competition for a justified reason. The City of Helsinki is not responsible for

any damage, harm, or costs incurred by the bidders if the City decides to reject their competition proposals, if they will not be implemented later as such or with alterations, or if the City decides to exclude a bidder from the process at any stage due to failure to meet general eligibility requirements and/or on the basis of non-compliance with statutory or other similar social obligations and/or issues related to measures aimed at combatting the shadow economy. Proposals submitted/received after the deadline referred to above will be rejected.

Bidders will not be paid any fees for preparing a proposal or for participating in the competition process.

1.4. EVALUATION PANEL AND EVALUATION OF PLANS

The evaluation panel will review each proposal for compliance with the design guidelines provided in section 3.1. of these

instructions and the degree to which proposals meet the selection criteria based on an overall assessment. If a proposal meets the selection criteria and the minimum eligibility requirements, the purchase offer will be opened and negotiations will be launched with one to three bidders with the best indicative offers in euros.

The evaluation panel may provide further design and planning instructions for the selected proposals, which must be adhered to in further design and planning. The competition organiser may ask independent external experts to provide a statement or assessment of the proposals. External evaluations or statements are in no way binding on the organiser.

Members of the evaluation panel are:

- Salla Hoppu, city planning
- Sakari Mentu, city planning/cultural environment
- Mari Kastio, building control services

Main foyer.



- Katharina Mead, plot transfer and property development
- Ilkka Aaltonen, plot transfer and property development

When reviewing the proposals, the evaluation panel will consult at least the following experts:

- Jaana Perttilä, Helsinki City Museum, building preservation and restoration
- Minna Maarttola, economic affairs and business environments
- Simo Paavilainen, architect, restoration construction expert

1.5. OTHER SPECIFICATIONS

1.5.1. COMPETITION DOCUMENTS

The competition documents include this competition programme and its appendices. Appendices will be delivered by email upon request to those who fill in the commitment to the terms of use (see Appendix 15).

Requests for appendices and competition entries should be sent in PDF format to katharina.mead@hel.fi. For large files, bidders may send a download link. The organiser will reject proposals submitted late. In addition, the organiser may reject proposals that are incomplete or that fail to meet the requirements specified in this document.

Appendices include reports that provide additional information about the competition area. If there is any conflict between the appendices and the competition programme, the information in the programme will take precedence.

The bidders' right to use the competition programme and its appendices is limited to the preparation of their competition proposal. This material may not be used for any other purposes.

The Old Customs House is located at Katajanokanlaituri 5.



1.5.2. TOUR OF THE COMPETITION AREA

A tour of the building and the premises will be organised on Monday 27 February 2023 from 10 am to 12 pm. This tour is intended for construction and real estate industry operators. Those wishing to participate must register by 23 February 2023 by sending an email to katharina.mead@hel.fi. Private tours may be organised by separate arrangement.

1.5.3. QUESTIONS

Bidders may ask questions regarding the competition. Questions must be sent by email to katharina.mead@hel.fi by 12:00 on 17 March 2023. The subject of the email should read “Tulli- ja pakkahuoneen kilpailu, kysymykset”.

All questions and answers will be published anonymously on the competition’s website no later than on 31 March 2023.

Any additional instructions that may affect the preparation of the competition documents or conceptual designs and/ or additions or corrections to these instructions will be announced on the City of Helsinki’s Plots website. Only this information is binding on the organiser.

1.5.4. RIGHTS OF OWNERSHIP, USE, AND PUBLICATION OF THE COMPETITION PROPOSALS

Bidders will retain ownership of any conceptual plans they prepare for the competition. The organiser of the competition shall have no ownership rights

to the plans. However, the organiser shall have the right to publish, free of charge, pictures of the conceptual plans submitted by bidders selected for negotiations in the organiser’s own publications, websites, and exhibitions, and in other similar occasions and events.

Legislation in force at a given time applies to copyrights and right of use issues.

If a plan contains elements considered trade secrets based on existing legislation, these should be clearly specified and easily distinguishable from the plan.

The materials will be used for communication purposes and the City of Helsinki may distribute them through different channels such as its material bank.

1.5.5. INSURING AND RETURN OF COMPETITION PROPOSALS

Materials submitted by bidders will not be insured or returned. Bidders are asked to keep the original materials.

1.5.6. SUSPENSION OF COMPETITION AND REJECTION OF BID OFFERS

The City of Helsinki may reject all proposals and suspend the competition at any stage. If the City of Helsinki and the winner of the competition cannot reach an agreement on a mutually satisfactory solution, the City is entitled to continue negotiations with other bidders.

2. DESCRIPTION OF THE COMPETITION AREA



Competition area.

2.1. THE COMPETITION AREA

The competition area includes a building called Tulli- ja pakkahuone (Old Customs House) and the plot (district 8 Katajanokka, block 184, indicative plot 6).

In their proposals, bidders may place activities outside the competition area, on the southwest side of the building, on Katajanokanlaituri street. The proposed activities should reinvigorate and add life to the ground floor, and be conducive to an attractive and inviting street space.

2.2. GENERAL INFORMATION REGARDING THE CURRENT CITY PLAN

The Urban Environment Committee issued a building prohibition on 4 October 2022 (§ 568) to change the city plan for 1st-8th and 13th and 14th districts on plots shown in the Building Prohibitions Map of the City of Helsinki no. 12802. The ban will remain in force until 11 October 2024.

The building is located in an area in which city plan no. 28A, approved on 8 May 1895, is in force. The plan indicates the block boundaries and the purpose of use of the "Kronomagasin", i.e. the Crown warehouse.

In the 2016 general plan of Helsinki, the plot is designated as C2 central area, which is to be developed as a functionally mixed area of housing, commercial and public services, offices, administration, parks, recreation and sports services, and urban culture. Ground-level floors and spaces with street access should primarily be designated as commercial or other office space. If bidders plan to repurpose the building or any part of it, they must ensure that a functionally versatile and mixed structure characteristic of a city centre location is maintained, as well as a sufficient number of commercial and office spaces. Repurposing requires a review of the planned use of the area. The area is being developed with sustainable

transport, particularly pedestrians and cyclists, in mind. In the City of Helsinki's thematic map of cultural environments, the plot is marked as a built cultural heritage site of national significance. This is because the old part of Katajanokka is listed as a built cultural heritage site of national significance in the Finnish Heritage Agency's inventory of the built cultural environment.

A change to the city plan is under way in the area adjacent to the building, covering the eastern part of South Harbour (Eteläsatama) and Katajanokanranta. In the first phase, planning guidelines will be prepared to provide guidance for city planning in the area. The objective is to

create attractive and inviting new urban spaces with waterfront promenades and a wide array of functions, and to link Katajanokka's shorefront areas and the passenger harbour more closely to the pedestrian-friendly city centre. The overall planning process also involves looking into new construction opportunities. The Old Customs House is located in the area affected by the above planning guidelines and any changes to be made in Katajanokanlaituri. In this competition, the objective is to create a living, inviting, and thriving urban space with services available at street level.

A packing room in the east end of the building.



A future plan for land use in Helsinki city centre envisages a thriving and engaging city centre in which Katajanokanlaituri is more closely connected to the Market Square (Kauppatori). More attention will be paid to creating a pleasant pedestrian environment and a more functional street level.

Address: Katajanokanlaituri 5
Total floor area: 6,268 square metres
Purpose of use: Warehouse
Number of floors: 3
Building number: 1783
Building volume: 34,450 cubic metres
Fire class: P3

More detailed and binding design guidelines are provided in section 3.1. of these instructions.

2.3. TRAFFIC INFORMATION

Of the streets surrounding the building, Kanavakatu and Satamakatu serve as feeder roads for vehicular traffic. Ankkurikatu and Katajanokanranta are access roads. The traffic volume on Kanavakatu is 5,000 vehicles per day, on Satamakatu 3,500 vehicles per day, and on Ankkurikatu and Katajanokanranta fewer than 1,000 vehicles per day. In the future, heavy traffic from the harbour will be directed to Ankkurikatu. Katajanokanlaituri will be incorporated into the main cycle network.

2.4. BUILDING PRESERVATION AND ARCHITECTURE

Dating from 1901, the Old Customs House designed by Professor Gustaf Nyström was considered architecturally meritorious when

completed, and it plays an important role in Finland's architectural history as a hallmark of late 19th century architecture. Its special features include exposed brick wall facades and an abundant use of turrets. The two-story building originally housed both cold and warm storage for customs warehousing, a customs chamber, and the transport office's work and customer facilities. The building was used for its original purpose for more than 90 years, and some minor changes made have not destroyed its clear spatial solution, original appearance, and stately interiors.

Due to its significant value in terms of cultural history, cityscape and architecture, the Old Customs House will be marked as a sr-1 building, or listed building, in the city plan. This means any reuse of the building and any changes made to it must preserve the architecture, facades and interiors and be mindful of preservation values.

Katajanokka is the unique east-facing side of Helsinki's iconic South Harbour. The wharf structures and buildings in the harbour area, as well as the changes in their use, reflect the history of port operations over a period of more than a hundred years. Katajanokka features compact residential blocks of Art Nouveau-style buildings, which represent an exceptionally homogeneous building stock even on a European scale. The focal point of Katajanokka's cityscape is the Uspenski Cathedral.

The landscape towards Kaupunginlahti Bay and South Harbour consists of the quayside with low, red-brick warehouses, a row of taller buildings behind it, and highest up the Uspenski Cathedral. This mix of

red-brick storage and warehouse buildings that originally served port functions boasts significant cultural history and strong cityscape value, and the Old Customs House is a notable building in this setting.

Additional information on building preservation and the historical value of the building is provided in the attached Building History Survey (see appendix 2).

3.3. CONTENT OF COMPETITION PROPOSALS

3.1. DESIGN GUIDELINES FOR CONCEPTUAL PLANS

In a conceptual plan, bidders are required to present a plan for the entire competition area. The intended future use of the building must be presented in the competition proposal. The conceptual plan must include the floor plans of the building, showing the intended future use of each. The floor plans are to be presented in A3 format. Any planned significant changes to facades must be shown in elevation drawings.

Conceptual plans must meet the conditions and requirements specified in this document. Slight deviations may be accepted if they improve the cityscape in the competition area, service solutions or the feasibility of the planned project.

In any renovation and restoration, special attention should be paid to compliance with building preservation regulations.

2.5. FURNITURE

The original fixed and movable furniture in the building, currently owned by the City of Helsinki, will be transferred to the buyer as part of the sale.

Preservation values provide the foundation for the design and planning.

The following conditions must be taken into consideration in the design and planning:

The area and its surroundings

- Katajanokanlaituri is a street area owned by the City of Helsinki. Development plans should focus on making it a park-like, pedestrian-friendly and pleasing environment. The objective is to have street-level spaces in buildings along Katajanokanlaituri that house commercial and service facilities to boost the area's vitality and accentuate its urban character.

Functional description

- Key elements of a conceptual plan include a description of the overall solution for the competition area, specification of the proposed functions and the related space

allocation and location.

- A minimum requirement is that the first floor should be open to the public.
- If the plan involves repurposing, attention should be paid to special fire safety features of the building.

Building preservation

- Due to the significant cityscape, architectural and cultural-historical value of the building, no major changes to the facades or the roof are permitted. Any changes must respect the building's original architecture, and the changes may not weaken the architectural value of the facades.
- The original building parts must be preserved and new apertures in the facades are not permitted, with the exception of a provision in the design allowing for changes to the existing apertures that improve the surrounding street space and make the activities housed inside the building more interesting and attractive. Such changes to the existing apertures will be assessed in relation to the preservation values of the building and technical aspects.
- The future use of the building may not require changes or repairs that would reduce the value of the architecture and characteristics of the interiors.

Parking and service traffic

- Bicycle and car parking facilities for the proposed activities must be provided in the competition area or elsewhere by agreement, as specified in the project documentation.

- Parking spaces for cars and bicycles must be reserved in accordance with the calculation instructions used by the City of Helsinki for workplace areas.

- The indicative standard bicycle space requirements for future plots in the competition area are as follows: The minimum number of bicycle spaces to be placed on the plot is 1 space per 50 sq.m. of office floor area.

- Parking for goods and service traffic is limited to Katajanokanlaituri.

Responsibility and lifecycle sustainability

- Energy efficiency in the building should be improved as permitted by preservation regulations.
- Lifecycle flexibility and material efficiency must be a priority in design and planning.

3.2. CONCEPT AND FUNCTIONS

In this competition, a concept built around commercial and office facilities, commercial services and activities for Helsinki residents is sought. All property development and planned activities should be founded upon the building's special architectural and historic values. Additionally, at least the first floor should house services available to the public.

Activities may include:

- Business premises, services, office space, meeting spaces, training services, showrooms, small production facilities
- Cafe and/or restaurant services
- Grocery trade and service concepts
- Cultural activities, private galleries, private museums, etc.

The City of Helsinki will not be involved in the project as an owner or tenant. The following functions are not permitted:

- Residential
- Warehouse
- Hotel

Key elements of a conceptual plan and the competition proposal include a description of the overall solution for the competition area, a description of the proposed concept, and a specification of the proposed functions.

3.3. COMMERCIAL BID

As part of their competition proposal, bidders will submit a bid indicating unit prices for building rights for the uses

proposed in the conceptual plan, as well as a total price calculated on the basis of building rights. The price proposed for the plot must reflect current price levels. Another bid is to be submitted for the building. The bid is indicative and is to be submitted using the bid form (appendix 15).

After negotiations have been completed, the bidder with the best bid will be asked to make a binding purchase offer for both the building and the plot.

A hallway located in the west wing, on the first floor.



3.4. DOCUMENTS REQUIRED IN THE COMPETITION PROPOSAL

The conceptual plan of the competition proposal should be presented as a single PDF file in A3 size. The plan should illustrate the functional concept, the placement of functions, and the space allocation in square metres in a diagram.

The functions should be shown in the floor plans of the building. The plan should be accompanied by a rough estimate of the space, in square metres, allocated for each intended use.

An indicative bid in euros should be submitted separately from the conceptual plan, using the bid form.

4. SELECTION CRITERIA

Conceptual plans and competition proposals must include basic information concerning the bidders and their projects, and the information listed below, which will be used as selection criteria. The winner will be selected based on the total price in euros. The requirement for inclusion in the bidding process is that the bidder's conceptual plan meets the design guidelines and the following selection criteria, which represent the minimum requirements for the concept:

1. The overall solution for the competition area
2. The preservation of historical value and building protection as part of the overall solution
3. Functional content: The conceptual and functional description of the overall solution (e.g. business and office premises, restaurant services, meeting services, art and cultural functions) and the suitability of the overall solution to the building

The design instructions are presented in section 3.1.

The conceptual plan should include a description of the aforementioned points. In addition, the plans should include a diagrammatic description of the basic construction solutions and structure of the overall project planned for the competition area. Conceptual plans should be submitted as an A3 booklet in PDF format.

The conceptual plan should provide sufficiently detailed information in terms of form and content to allow the implementation of the functional and qualitative factors, technical feasibility and other factors presented in the plans to be verified from building permit plans or in a report provided by an independent external party. The conceptual plan must show the planned uses, functions, and related space allocation and location in the building. The level of quality, functional content or other basic solutions reflected in the conceptual plans cannot be downgraded during the negotiation phase.

5. SELECTING THE WINNING BID

5.1. SELECTING BIDDERS FOR FURTHER NEGOTIATIONS

Proposals featuring conceptual plans that meet the selection criteria specified in this document, the minimum requirements specified for the concept, and the general eligibility requirements for bidders will be selected for further consideration and a price bid. For proposals that meet the criteria, bid forms will be opened for submitting an indicative bid in euros for the plot and the building, and the property in its entirety.

Of those who submitted the best indicative bids, one to three bidders will be invited to enter into negotiations. The winner will be selected on the basis of the bid for the floor areas presented in the plan and the price offered per square metre, and the overall total bid for the property.

5.2. KEY OBJECTIVES OF THE NEGOTIATIONS

During the negotiations, the parties will discuss in more detail the issues regarding the start of construction and the phasing of implementation, the content of the conceptual plan, building preservation, the cityscape and city planning, contractual obligations and responsibilities between the City of Helsinki and the developer, schedules for concept implementation in public and other areas, the sale price of the building, the lease and sale price of the plot, and the conditions of transfer.

The bidder that submitted the best bid has the exclusive right, as part of the negotiations, to perform a due diligence inspection of the property before submitting a binding offer and signing the preliminary agreement on the building. The City of Helsinki agrees to ensure that the buyer has

Office premises in the west wing of the building, on the first floor.



access to the building and the opportunity to carry out any inspections it deems necessary in the building at its own expense. Inspections in the building must be carried out causing minimal harm and disturbance. The buyer is obliged to inform the City of Helsinki of any findings without delay.

The organiser of the competition will ask the bidder(s) invited to enter into negotiations for a binding offer for the plot and building covered by the preliminary agreement. A revised binding offer will be requested once the negotiations have been completed.

If during the negotiations the parties fail to reach an agreement that is satisfactory to both parties, the evaluation panel is entitled to propose to the Urban Environment Committee that the proposal and purchase offer in question be rejected, and that negotiations be continued with the bidder that made the next best offer.

If none of the bidders qualify for negotiations, the City of Helsinki is entitled to choose another party to implement the project in the competition area, and to take any action regarding the competition area it deems most appropriate.

6. PROCESS AFTER THE COMPETITION

6.1. PRELIMINARY AGREEMENT ON THE LEASE OF THE PLOT AND SALE OF THE BUILDING

A preliminary agreement on the sale of the building and the lease of the plot with a purchase option will be negotiated with the winner of the competition. A draft of the preliminary agreement is attached to these instructions as appendix 14. The developer is responsible for renovating the building located in the competition area as shown in its competition proposal and in keeping with the principle of overall responsibility. In connection with the transfer of the building, the existing public utility connections to the property will be transferred to the buyer.

After the preliminary agreement is signed, the City of Helsinki, in cooperation with

the winner, will continue to prepare the necessary changes to the city plan based on the winning proposal. As specified in the preliminary agreement, the building will be sold and the plot will be leased once the change to the city plan has entered into force.

6.2. THE WINNING PROPOSAL AS THE BASIS FOR CITY PLANNING

The winner of the competition will participate in the preparation of the change to the city plan, which will take place in the form of partnership planning. A change to the city plan is required for the development of the competition area. The conditions and requirements specified in these instructions and indicated in the conceptual plan will serve as a basis for the new city plan.

However, the preparation, processing and approval of the city plan will follow the standard planning and decision-making process, including the right to appeal, as provided in the Land Use and Building Act.

For the sake of clarity, bidders are reminded that city planning is a regulatory activity, and therefore the City of Helsinki is not responsible for any harm, damages or costs to the developer if the change to the city plan required for the development of the competition area is delayed, for example due to a complaint, or if the change does not meet the requirements for implementation in terms of content, scope or otherwise.

6.2.1. TRANSFER OF THE PLOT

The winner of the competition is obliged, at their own expense, to fully design and implement the project in accordance with the principle of overall responsibility, these instructions, the conceptual plan, the evaluation panel's further instructions, the preliminary agreement on the lease of the plot and the sale of the building, the change to the city plan, and the final transfer documents. The developer is obliged, at their own expense, to apply for all official and other permits and consents required for the implementation of the project and to follow the instructions and regulations given therein. During construction, the developer is obliged to follow good contracting and construction practices.

The developer is responsible for the functional, technical, and economic elements of the concept and overall solution for the competition area and the building located therein. The developer

is responsible for creating a harmonious and well-functioning whole. In keeping with the principle of overall responsibility, the developer commits to long-term development of the building and the implementation of the competition proposal, and accepts responsibility for all costs arising from the renovation, implementation and maintenance.

In addition, the developer agrees to bear the costs of making all the necessary arrangements regarding any easements, encumbrances, joint arrangements, division of joint property, contracts, financing and other similar arrangements required for the implementation, as well as for overseeing the implementation of the project. The City of Helsinki is not responsible for any of the aforementioned matters or the related obligations or costs.

The plot shown in the city plan in effect, prepared on the basis of the winning conceptual plan, will be transferred to the winner of the competition or to a party named by the winner, on a long-term lease with an option to purchase. The plot may be sold once the repairs specified in the conceptual plan have been made and the facilities have been put into use as specified in more detail in the transfer documents.

The Helsinki City Council will decide on the conditions and principles of the transfer of the plot to the winner of the competition. For the sake of clarity, it is noted that the plot will be transferred largely in accordance with the standard terms and conditions of the City of Helsinki. If any additional conditions are decided separately, it is for the purpose of ensuring the implementation

of the project in accordance with the winning proposal.

6.2.2. PLOT PRICING

Bidders are asked to submit, as part of their competition proposal, an indicative purchase offer in euros for the building and a breakdown of unit prices for building rights and planned uses as per their conceptual plan.

The City of Helsinki will consult an external specialist regarding the current price levels for building rights to ensure that the prices offered by bidders invited to enter into negotiations reflect current prices. If the prices bid are below current price levels, the bid prices must be revised upwards to correspond to the current levels. The land lease will be based on building rights indicated in the city plan or, if the building permit in effect exceeds that area, the excess will be included in the land lease.

6.2.3. LAND LEASE

The City of Helsinki will transfer the plot on a long-term land lease agreement with an option to purchase. The proposed lease term is approximately 50 years.

The annual lease is 5% of the calculated value of the plot, determined on the basis of the unit prices of the building rights for specified uses and the building right volume. Standard terms and conditions of the City of Helsinki land leasing activities, conditions

related to the implementation of the project and any additional conditions specific to the plot and the area shall apply. The land lease is tied to the cost of living index. The City Council will decide on the lease term, the unit prices of building rights, the purchase option and other key principles relevant to the land lease.

The land lease for the plot will be based on current price levels. The estimated minimum prices of building rights for other main uses that will be created in the future in the competition area (by a change to the city plan) are:

- Commercial premises and restaurants: EUR 800 per sq.m. of floor area
- Office building rights: EUR 1,000 per sq.m. of floor area
- Exhibition and cultural facilities: EUR 400 per sq.m. of floor area

The prices above are based on an estimate of the value of the building rights prepared by an external expert at the City of Helsinki's request. Unit prices for uses other than those mentioned above will be determined on a case-by-case basis.

The lease for the plot is shown as a varying price based on the building rights for different types of spaces. Building rights for technical facilities are not included in the lease. The lease is tied to the cost of living index. The impact of project-specific elements and building preservation on the price of building rights will be assessed separately. In accordance with the City of Helsinki's practice, stairwells are included in the building rights to be used, and will therefore be included in the purchase price.

7. APPENDICES

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|-------------|---------------------------------------------------------------------------------------------------------|
| Appendix 1 | Indicative map of the competition area |
| Appendix 2 | Building history survey |
| Appendix 3a | Assessment of the condition of structural engineering (A-Insinööri Oy) |
| Appendix 3b | Floor plans: Notes and locations of structural openings (A3) |
| Appendix 4 | Assessment of the condition of HVAC electrical and automation systems (Hepacon Oy) |
| Appendix 5 | Roof condition inspection report |
| Appendix 6 | Suggested roof repair method |
| Appendix 7 | Inspection for asbestos and other harmful substances (A-Insinööri Oy) |
| Appendix 8 | Assessment of the condition of HVAC structural and electrical systems (Asiantuntijapalvelut Lukkari Oy) |
| Appendix 9 | Floor plans |
| Appendix 10 | Facades and section drawing |
| Appendix 11 | Instructions for calculating the number of parking spaces for cars and bicycles near workplaces |
| Appendix 12 | Draft land lease agreement |
| Appendix 13 | Preliminary agreement on the sale of the building and the lease of the plot |
| Appendix 14 | Purchase offer form |
| Appendix 15 | Commitment to the terms of use for appendices |

Photos of Tulli- ja pakkahuone (The Old Customs House) by Antti Pulkkinen.



The City of Helsinki Urban Environment Division is responsible for planning, construction and maintenance as well as building control and environmental services related to the Helsinki urban environment.