

Awaiting...the aerotropolis

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For very long our airports have been deliberately planned outside city limits. One can't say they have been neglected, but surely they were never top priority. But going by some important facts, it's compelling to take a re-look. Consider this: 40 per cent of the value of world trade now goes by air (and this is just under 2 per cent of the total trade, by weight).

In India, 35 per cent of the country's trade by value goes by air. The government has foreseen some of this potential and so we see modernisation plans at major Delhi and Mumbai airports which are already underway. Hyderabad and Bangalore, in fact, will be two brand new greenfield airports.

If we go by Dr John D Kasarda, director, Kenan Institute of Private Enterprise at the Kenan-Flagler Business School, University of North Carolina, airports represent the "fifth wave" of changes in transportation infrastructure that have shaped commercial development over the past three centuries: the first being seaports; the second, rivers and canals; the third, railroads; and the fourth, highways. "Aviation will drive development in the 21st century just the way cars did in the 20th century," he predicts.

Just as you have central cities and the greater metropolis, you now will have airport cities and the greater "aerotropolis", he says. "Spines and clusters of airport-linked businesses are forming along airport transportation corridors upto 25 kilometres from the airport, with a significant economic impact up to 90 kilometres," he adds.

Kasarda says that cities built around international airports are better positioned for global trade and competitiveness. International airports are increasingly serving as a magnet for commercial development, and could rival traditional downtown central business districts as the core of economic activity in urban areas.

In his view, the airport city will have two aspects "" the terminal and airside, and landside and around airport. The terminal and airside could include shopping mall concepts merged into passenger terminals like we already see in many major airports "" retail, including upscale boutiques, restaurants, both fast food and high-end, leisure (fitness, recreation, spas) as well as culture (museums, regional art, musicians, chapels). This side will house the logistics and air cargo facilities.

The landside and the area around the airport could see development of hotels, entertainment centres, office and retail complexes, convention and exhibition centres, foreign trade zones and customs free zones and, more importantly, time-sensitive

goods processing and distribution. Kasardian cities also envision connectivity via major highways as well as other transportation such as a metro link.

Some cities with upcoming mega-airports are Seoul, Dubai, Beijing, Guangzhou and Hong Kong. Hong Kong's Chek Lap Kok airport already has a mini-city stationed on a nearby island for its 45,000 workers, and another section, the SkyCity is being built. This will include the already-opened AsiaWorld-Expo exhibition centre, a second airport hotel, a nine-hole golf course, offices and a China-bound ferry terminal.

In India, the concept is taking ground in the new airport developments. At the unveiling of the master plan for the Delhi airport, managing director of GMR, Srinivas Bommidala, said, "We want to build an aerotropolis where development will take place around the airport. We are talking of a new mini city itself, around the airport."

Delhi International Airport Limited (which is a joint venture company, consisting of GMR Group, Airports Authority of India, Fraport, Eraman Malaysia and India Development Fund) has a total of 5,100 acres of which 250 acres is available for commercial development.

The chairman of GMR, GM Rao informs that this 250 acres might see, besides retail chains, spas and also a golf course. The Centaur Hotel around the airport will be demolished in the first phase and by 2010, there is a plan to develop 500 hotel rooms, while the metro link will also be in place. By 2010 though, we will only see a portion of the 250 acres being developed. "We will take 3-4 months to finalise these plans," says Rao.

Inside the airport, after the first phase, passengers can enjoy a wide variety of restaurants, shopping and duty-free options and a range of other leisure facilities. Business travellers would be able to utilise the most modern communication equipment at the business centre and relax or conduct meetings in the executive lounges. The airport would also have a hotel for passengers.

The alpha stores at Delhi Airport will feature an extensive range of products by some of the largest and popular brands in the world. The brands for India have been selected after careful research in passenger demographics, customer profiling and destination requirements and passengers will be able to choose from brands such as Armani, Gucci, Christian Dior, Calvin Klein, Nike and Swatch to name just a few.

We hear now that the Dwarka area very close to the airport might soon see a new railway station, an inter state bus terminal, an IT park, a freight complex-cum-export zone, a convention centre and a city centre commercial zone.

The greenfield airport being developed by GMR HIAL (GHIAL) at Shamshabad in Hyderabad "" a joint venture company promoted by GMR Group (63 per cent), Malaysia Airports Holding Berhad (11 per cent), Government of Andhra Pradesh (13 per cent) and Airports Authority of India (13 per cent) too will adopt the aerotropolis concept.

The new airport will have a dedicated "airport village" with a local flavour complete with shops.

The total area available to GHIAL is 5,400 acres of which 1,000 acres can be used for commercial developments. Within this space, there is a plan for a luxury hotel and convention centre in the future, a railway station and shopping malls.

On the retail front, there are some excellent layouts designed by a UK-based company. GHIAL will have over 4,300 sq m of airside retail, around 3,000 sq m in international, 1,300 sq m in domestic and about 500 sq m of landside retail space. In addition to this will be a 2,500 sq m, post-terminal airport retail village. The Shamshabad airport will have a 120-room Novotel airport hotel by Accor.

On the whole, the master plan envisages a total of 2,000 rooms in the airport area. One might even see a golf course here. GHIAL is also working on an SEZ within this 1,000 acres. There might soon be an aviation park outside the airport area as well as a hardware park close to the airport, subject to approvals.

Major access points to the site are from NH-7 (on its west) and Srisailam SH (on its east) besides the proposed ORR. A first of its kind elevated expressway (11.6 km) is plan-need to help passengers reach from the city centre upto NH-7 and from there an expanded 6 lane NH road, thereby taking passenger to the new airport from the city within minutes.

The new airport coming up at Devanahalli in India's IT capital, Bangalore, also has 215 acres of land available for commercial development, from a total of 4,000 acres. Albert Brunner, CEO, Bangalore International Airport, informs that many components of an airport city have been conceptualised and will be made available in a phased manner.

In the plan is a technology centre which will house research campuses for global corporates. There will be some office spaces, service apartments, and healthcare and supporting retail spaces. The technology centre will be located at the entry to the airport on the main access road.

A separate business unit will house prime office space, two hotels (three- and four-star) and again more retail spaces. The most interesting part for the airport user would be the downtown area which will be the closest to the terminal building. It is intended to be positioned as a typical urban entertainment centre with retail formats and food courts, leisure and entertainment spaces, multiplexes, health and wellness facilities, a five-star hotel and some office space. This part will also have an airport visitor centre.

BIAL has selected the Oberoi Group to operate a first class international hotel under the Trident Hilton brand. This airport hotel will be within walking distance from the terminal building and will comprise of 321 keys, large conference facilities and a world class spa. This will be operation by November 2008.

Like most other international airports, BIAL too will have international standard cargo operations. The selected consortia consisting of SATS/Air India and Bobba

Group/Menzies Aviation will build and operate two state-of-the-art general cargo warehouses for both domestic and international cargo on approximately 15 acres with an initial capacity to handle 300,000 mt of cargo per year, collectively.

Mumbai International Airport Limited (MIAL), a consortium of GVK and Airports Company of South Africa (ACSA) is modernising the airport in Mumbai. The airport in Mumbai lies right in the middle of the city and the area around it has been largely developed over the years.

The international airport is in the Sahar area where all major hotels are located, while the domestic terminal is towards Santa Cruz, another well developed area. Apart from these, in a radius of 5-7 kilometres from the airport are other major business districts like the Bandra-Kurla complex and the SEEPZ special economic zone. An aerotropolis technically already exists here.

The modernisation at Mumbai airport will see commercial development on 196 acres of the total 1,960 acres available to MIAL. According to a spokesperson, there is a plan for at least two hotels "" one a five-star, the other budget. There is also a possibility of Taj-GVK itself developing the properties. There will be high-street shopping and entertainment attached to the terminal building.

Outside the 196 acres, AAI had earlier earmarked land for a convention centre. That space might be given to GVK to develop a convention centre, later.

The aerotropolis concept is still a new one, and with Indian airports taking cognizance of their use as drivers of growth, it may be possible to leverage them to build the infrastructure our cities "" and not just our airports "" need.