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Dr. Laetitia Dablanc, IFSTTAR/University of Paris-East, MetroFreight, and University of Gothenburg

Logistics hotels in Paris
IFSTTAR/University of Paris-East

- French Institute of Science and Technology for Transport, Development and Networks
- Established in 2011 from the merger of INRETS (transport) and LCPC (Infrastructure)
- 1250 employees including 400 tenured scientists, on five locations in France
- A public research institute under the joint supervision of the ministry of Ecology and the ministry of Research
- 80% engineers, 20% social scientists, all transport and transport infrastructure
The Paris region, the city of Paris and the new Paris Métropole (2016)

Population: 2 M in city, 7 M in metro, 12 M in region
Perceived issue: logistics sprawl

Parcel transport terminals: 1974 and 2011
Logistics sites in the Paris region

Frémont, 2012
City of Paris priorities for logistics activities

Addressing **logistics sprawl** - Consolidating freight shipments - Transferring to cleaner modes - Providing modern logistics facilities - Increasing **mixed** land uses - Testing new **architecture** and urban planning concepts
Logistics hotels in Paris: objectives

- Addressing **logistics sprawl** issues (emissions and congestion) by accommodating logistics buildings in the center of Paris metropolitan area
- Consolidation of freight transport to Paris and transfer to cleaner modes of transport
- Providing **modern logistics facilities** to businesses
- Increasing the **mix of activities**: logistics activities, leisure, datacenter, sport facilities, office spaces, housing
- **Testing new architecture and urban planning concepts** for the integration of logistics facilities in dense urban areas: form, acoustic, energy efficiency
2006 Zoning Plan of Paris
2013 Charter for Sustainable Logistics

- Signed in 2013 with 16 strategies
- Including “logistics hotels”
- Two main projects: Chapelle International (under construction) and Beaugrenelle (operating since 2013)
2016 zoning plan of Paris: promoting further urban logistics facilities
Chapelle International logistics hotel

45,000 m2 under construction in the North of Paris
Sogaris (investor), SNCF, City of Paris
Projects’ partners

• SOGARIS, a logistics real estate developer and manager (main shareholders are city of Paris and other local governments)
• City of Paris
• French rail infrastructure manager (SNCF Reseaux)
• XPO and Eurorail: 3PL companies
• Potential clients: wholesalers, large retailers serving Paris, parcel and express operators
• Planning and zoning city regulators
• Fire and safety administrations
What will be inaugurated in 2017?
Building programme

Urban farm and tennis courts
Offices and data center
Urban freight rail terminal
Urban distribution terminal
Urban Rail Terminal: rail shuttle

- Rail shuttle twice a day to carry 40 to 80 lorries from a suburban logistics cluster to Chapelle International
- Agreement signed between Sogaris, XPO and Eurorail in 2016
- Operations planned for 2017
One lesson so far: a very long process

2010: SNCF launches a request for proposals for a logistics project
   - with rail freight operations (imposed)
   - not above 7 metres from street level (imposed)
2011: Sogaris project selected
2012 + 19 months: building permit
2013: Special agreement for large industrial buildings
2014 Nov-Dec: Impact Study and public enquiry
2014: ICPE permit (hazardous activities)
2014: Specific Notice for Rail Safety permit
2015 Sept: ownership of the site to Sogaris and start of works
2015 Dec: agreement signed with rail operator and logistics provider
2016: ‘Modifying Building Permit’ solicited
2017 Sept: expected inauguration
One question so far: a risky investment?

- Total footprint of 18,000m²
- 45,000m² of built floor space
  - including 35,000 for logistics activities
  - and 10,000 for other activities: incubator for logistics start-ups, training school and offices for logistics, data centre
- ’Fifth façade’ with urban farm and sport courts
- **Logistics rental price** of 100 euros/m/y
- A total investment of 30 million euros for Sogaris
- Expected return on investment in 20-25 years
- Expected net creation of 300 new jobs
Beaugrenelle logistics hotel

3,000 m2 in operation in the South of Paris, Sogaris (investor), Chronopost (Poste Group), City of Paris
Beaugrenelle

• Out of the conversion of a former parking facility
• Operated by Chronopost express
• Last mile deliveries made by 10 electric vans and 20 diesel vans
• 5,000 deliveries a day
Conclusion

• Logistics hotels are much advertised at the political level in Paris
• Their market share by 2017 will remain small (2% of total Paris deliveries and pick-ups daily)
• Interesting architectural/urban planning issues that other French and European cities are looking at