



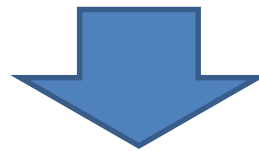
# The Growth of the Tourism Industry and City Change: Tourism Gentrification

A special researcher  
with the Osaka City University Urban Research Plaza.  
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## 1. Conservation of the machiya

Nakagyo and Shimogyo Wards in Kyoto city  
6,919 machiya (1996) ⇒ 5,992 machiya (2004)  
**They decreased to 5,370 (2010)**  
A total of 577 machiya were decreased (2010)



Conservation of the machiya is necessary.

# I. Background and purpose of research

## 2. Increase in the number of foreign tourist in Kyoto

### **Background**

Number of foreign guests who visited Kyoto city

3.16 million in 2015: 73% increase compared to 2014

180% increase compared to 2013



There has been an insufficient number of lodgings in Kyoto.  
There will be a need for 6,000 more rooms by 2020.



The number of machiya converted into guesthouses has risen dramatically.

## 3. The purpose of research

The purpose of my research is to examine tourism gentrification, the increase in the number of guesthouses, and topics such as

“Guesthouse growth and change,”

“The reasons behind the growth of Guesthouses, ”

“Guesthouse Growth and Characterizes by Region.”

## 4. Tourism gentrification

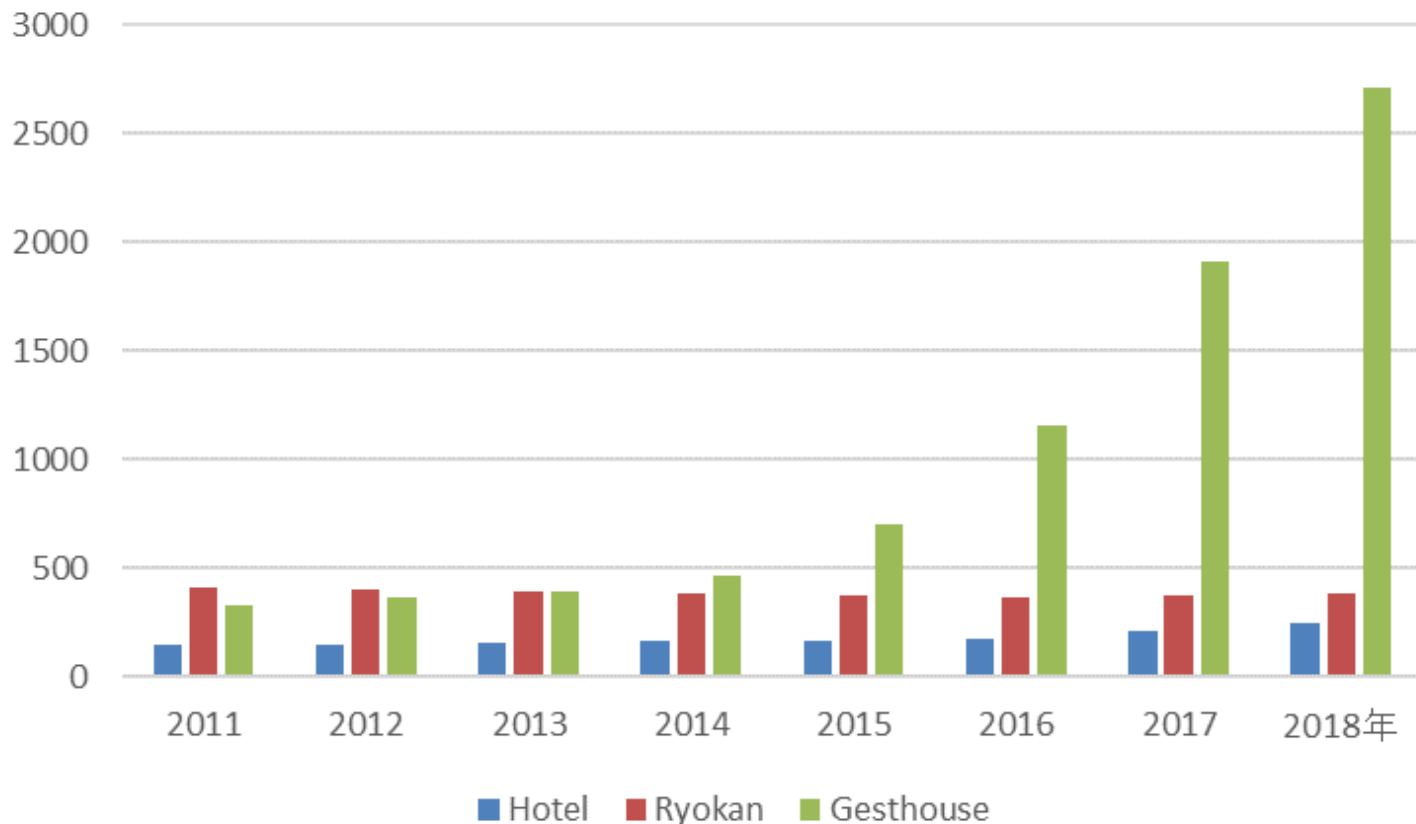
According to Gotham, tourism gentrification is the rise of real estate prices and change of businesses in response to the demands of tourism  
(Gotham 2005) .

As a result of tourism gentrification, while local food shops and stores used by local residents may decrease, tourism oriented entertainment facilities, high quality stores, and luxury shoppers and visitors may increase, leading to a rise in prices. The result is that low-income and African American residents are sometimes priced out of their home neighborhoods  
(Gotham 2005) .

Through the new use of homes and businesses, real estate trusts, and major investors, tourism gentrification can emerge  
(Smith and DeFilippis 1999) .

## II. Increase in the number of guest houses

### 1 . Increase in the number of guesthouses



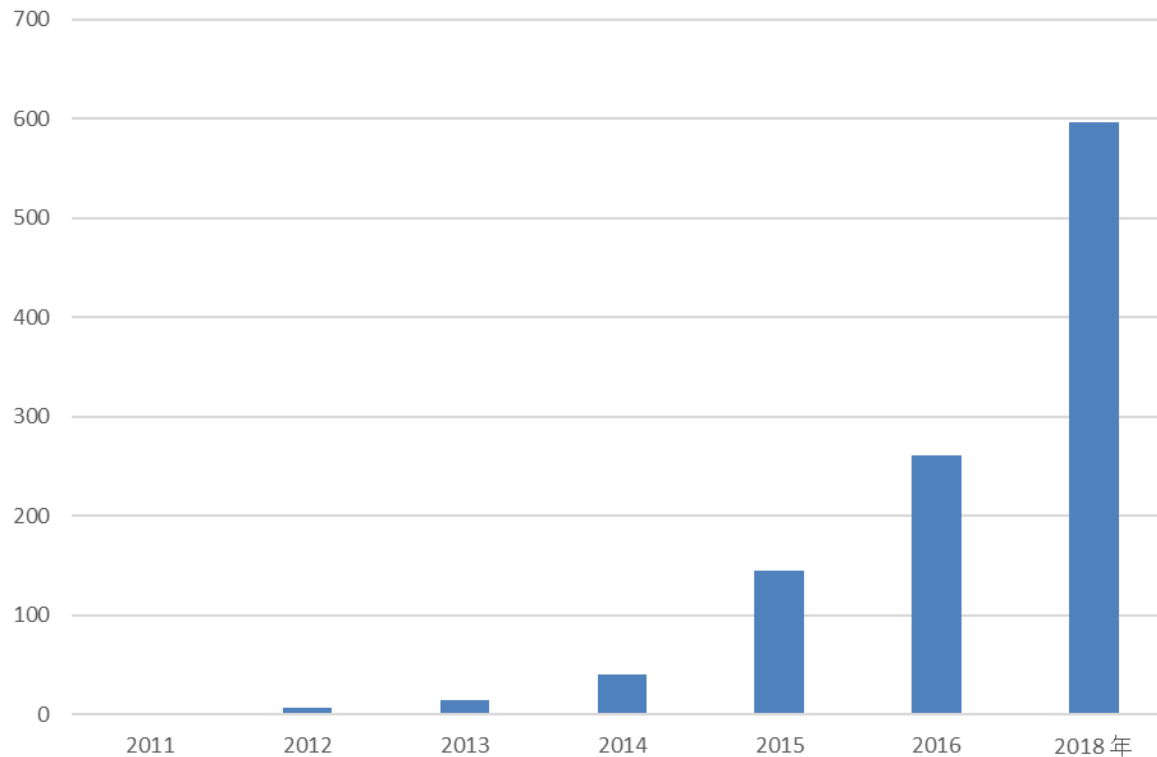
京都市保健福祉局「旅館業法に基づく許可施設一覧」をもとに作成

The change among ryokans and hotels is minor, but the number of guesthouses grew over 11 times in number from just 249 in 2011 to 2,710 in 2018.

From 2016 to 2018, the number grew 2.4 times with an increase of 1,113.

## II. Increase in the number of guest houses

### 2. Changes in the number of guest houses renovated machiya



京都市保健福祉局「旅館業法に基づく許可施設一覧」,京都新聞「京都の簡易宿所、外国人の争奪戦に民泊より規制緩く急拡大」、2018年10月25をもとに作成

The renovation of machiya as guesthouses grew rapidly from 40 in 2014 to 597 in 2018.



## II. Increase in the number of guest houses

### 3. Involvement of Kyoto City

(year)

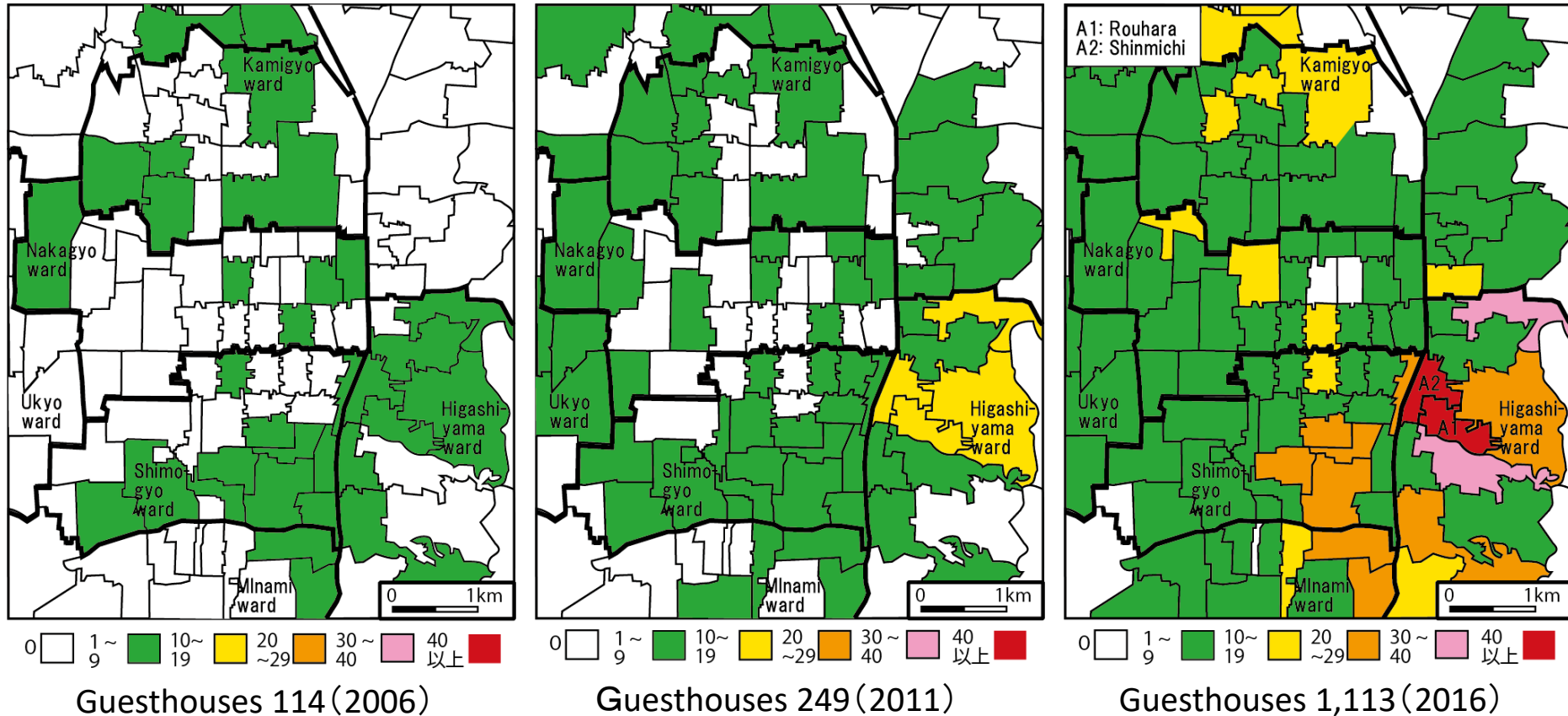
2012	Relaxation of "Kyoto municipal corporate law"
2014	Enforcement of "Regulations on Utilization of Kyoto City Empty House, Appropriate Management."
2016	"Kyoto city accommodation expansion and attraction policy"
2017	Kyoto City Utility Home Use and Distribution Support Grant Subsidies of 600,000 yen for renovation cost to the guest house in Machiya . Nominated 300 "vacant house counselor" by real estate business. 再翻訳？

The renovations of machiya as guesthouses is a result of Kyoto and its efforts to promote inbound tourism, revitalize vacant homes, and preserve its many machiya.



## II. Increase in the number of guest houses

### 4. Changes in the number of guest houses in Kyoto city

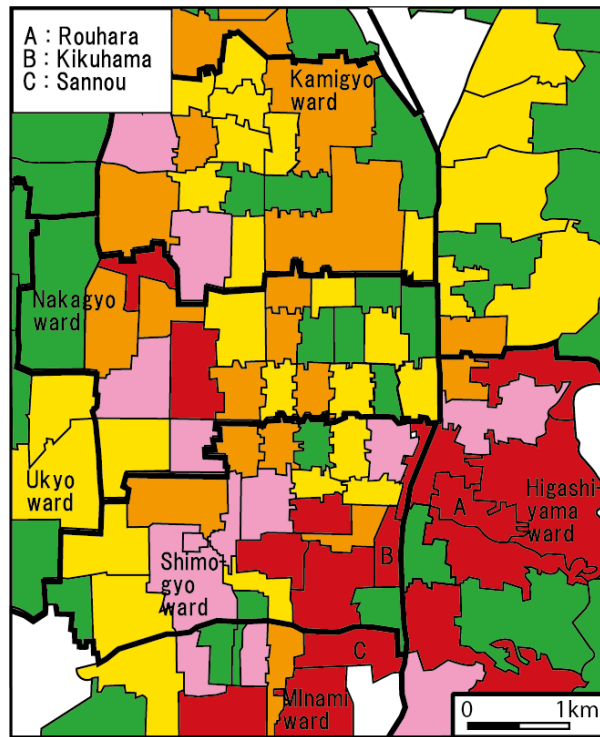
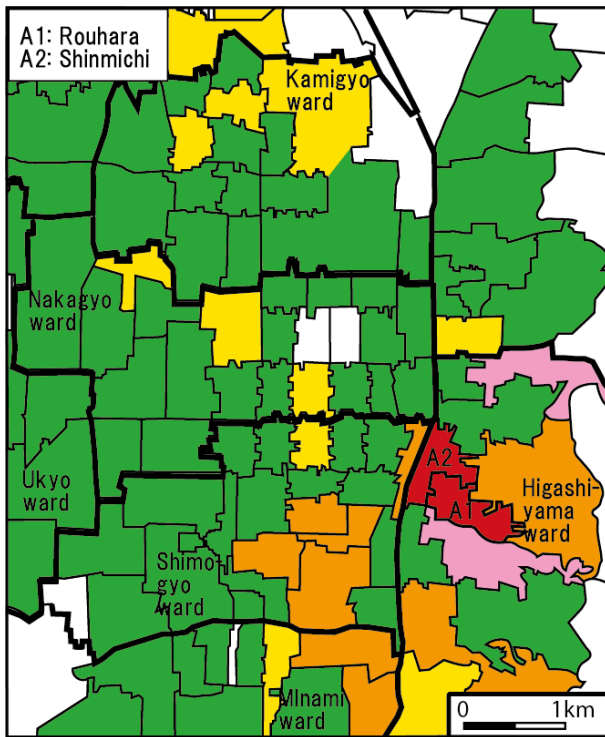


保健福祉局保健衛生推進室(2016)「京都市旅館業施設一覽」より作成

The number of guesthouses in Kyoto City overall increased by 135 in the five years between 2006 to 2011, but for the five years between 2011 and 2016 the number increased by 864.

## II. Increase in the number of guest houses

### 4. Changes in the number of guest houses in Kyoto city



A : Rokuhara 91  
 B : Kikuhama 47  
 C : Sannou 67

Guesthouses 1,113 (2016)

Guesthouses 2,711 (2018)

保健福祉局保健衛生推進室(2016)「京都市旅館業施設一覧」より作成

In the two years from 2016 to 2018, there were 1,598 new guesthouses, demonstrating an increase of 2.4 times the original number.

## IV. Location and trends of guest houses

### 1. Rokuhara, Higashiyama Ward

Rokuhara is a quiet residential district surrounded by many Buddhist temples.

This district is close to Kiyomizu Temple, a popular tourist destination, and has convenient access to transportation as it is within walking distance from the Kiyomizu-Gojo Station.

While traditional manufacturing such as ceramics— for instance, the Kiyomizu ware— and woodworking were booming, the decline of these industries caused the young generation to move out of Rokuhara, contributing to the aging population.

Buildings facing a street narrower than 4 meters cannot undergo reconstruction, so more homes are simply being abandoned with the aging of homeowners.

## IV. Location and trends of guest houses

### 1. Rokuhara, Higashiyama Ward





Once you enter narrow streets with small signs -





You will see that Guesthouses are conducting business in machiya.





The four homes next to the guesthouse are normal residences.



## IV. Location and trends of guest houses

### 2 . Kikuhama, Shimogyo ward

From the Taisho Era to the middle of the Showa Era, this area had the largest amount of prostitutes working in all of Kyoto City. However, with the implementation of the Anti-Prostitution Act in 1957, the district was renamed as Gojo Rakuen, or “Fifth Street Paradise.”

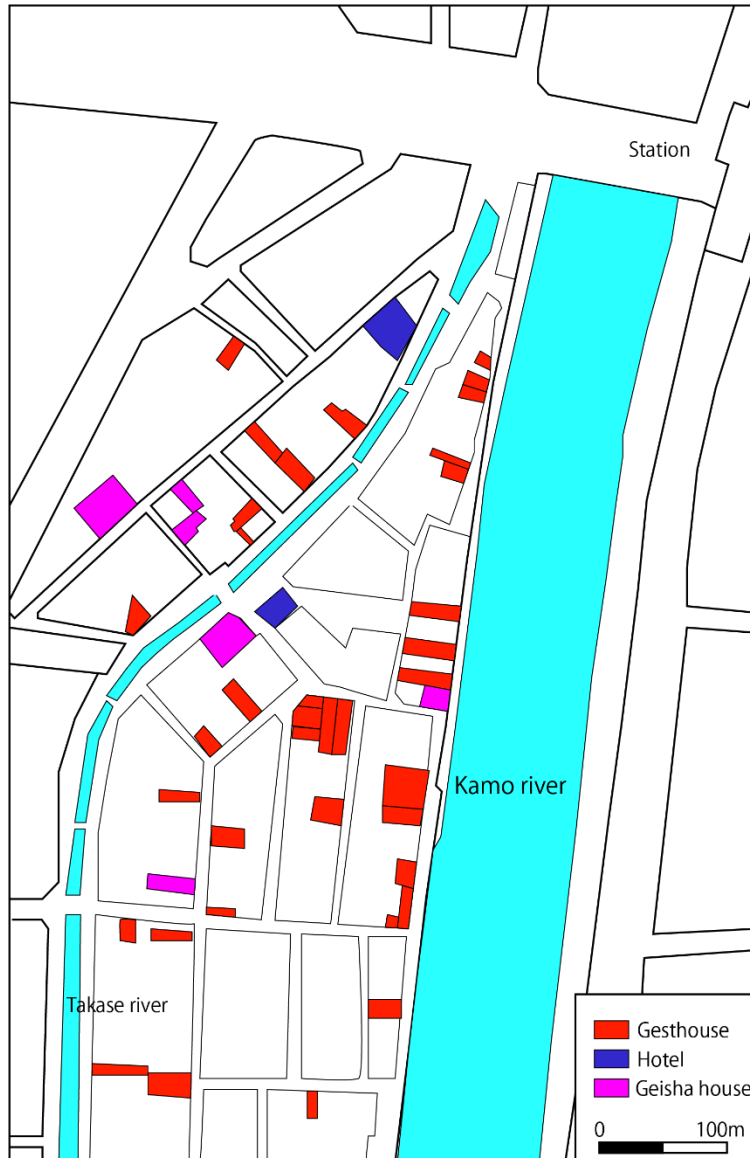
Prostitution continued to be in practice long after the passing of the law, but in 2010 all brothels were closed for good.

As this district has the reputation for having many prostitutes (Naiki 2015) and crime, older residents aged out of the area, while new residents did not move in, leading to a decreasing population in this area.

Low income people living by themselves make up a large amount of Kikuhama’s population, with 63.5% of all homes in Kikuhama being rented as of 2010.

## IV. Location and trends of guest houses

### 2. Kikuhama, Shimogyo ward



The location of guesthouses are concentrated in areas that look over the Kamo and Takase Rivers.

Construction of new hotels were in progress at two locations in this district.

At Kikuhama, the number of guesthouses has been drastically increasing since the summer of 2017.

This is because the leader of the local gang retired, making purchasing and selling of former geisha houses much easier.



Guesthouses were concentrated along the river with an accessible view to Kamo River,





including one which housed a café on the first floor and a guest house on the second.





**With shadows of the area's past as a prostitution district still coexisting with the present, constructions of new hotels are pushing forward.**

## IV. Location and trends of guest houses

### 3. Sannou, Minami Ward

Sannou, Minami Ward houses the largest population of Korean-Japanese people in all of Kyoto City (Yamamoto 2012), and includes areas with growing issues of poverty and deteriorating housing.

As Sannou is located next to the south side of Kyoto Station, this district has a good access to transportation, and can also be accessed by the city subways and Kintetsu Kyoto Line.

Sannou, according to a survey by Kyoto City in 1967, contains areas that are designated as slums. (Kan 2009).

As of 2010, rented homes consist 62.7% of all homes. As it is difficult for a multi-generational family to live in one home as the south side of Kyoto Station is being redeveloped, leading to evictions and small housing, a significant decline and aging of the local population.

## IV. Location and trends of guest houses

### 3. Sannou, Minami Ward



These hotels are concentrated within a 10 minute walking distance from the South Gate of Kyoto Station.

The guesthouses are mixed among standard residences.





Rokuhara has many guesthouses which conduct business from renovated machiya, while Sannou has a mixture of renovated residences, newly constructed facilities, and other types of buildings which are used as guesthouses.



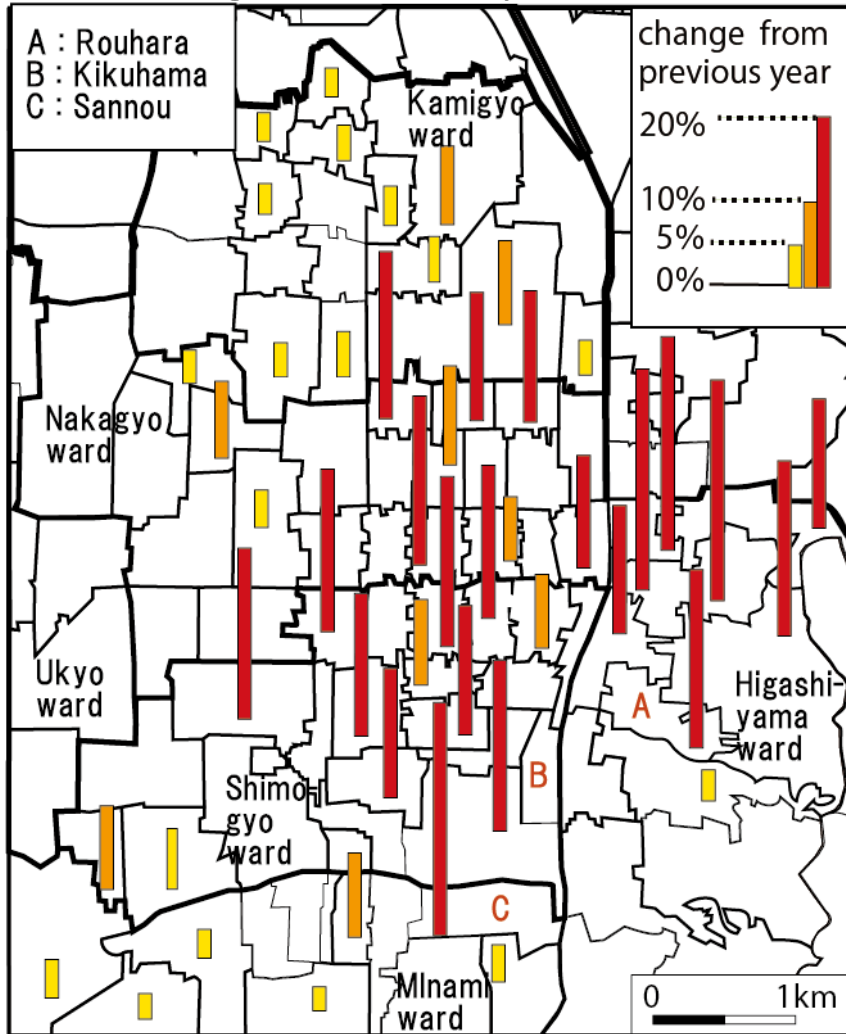


These areas close to the South Exit of Kyoto Station have growing numbers of hotel facilities, with a large scale hotel development by the affiliated companies of JR West Japan resulting in 2 new buildings with a total of 900 rooms, and an investment of 10 billion yen ( \$91million).



# V. The impact of guesthouses on the local area.

## 1. Soaring real estate prices



Areas with increasing numbers of guesthouses and areas with rising official land prices are correlated.

Rokuhara has seen a 20% increase in official land prices, and Sannou with an increase of 27.3%.

Kyoto city commercial location public announcement land price volatility (2017-2018)

平成30年地価公示標準地価格一覧表(対前年比較)より作成

## V. The impact of guesthouses on the local area.

### 3 . The status of real estate investments

Real estate agencies in Kyoto City are often being contacted about machiya by funding companies in Tokyo or investors from China and South Korea, leading to cases where newly available property sites are purchased without even a visit.

Due to the rise in land prices, new construction of condominiums have declined, while condominiums that have already been built are purchased as second homes by wealthy individuals from Tokyo or China. The rise in prices has prevented the younger population from purchasing homes in the city.

In 2017, 1,200 people in their 30s moved out of Kyoto City.

The prices of machiya within a 10 minute walking distance from the station in Rokuhara have nearly doubled from 2015 to 2017.

In Sannou, rent costing about 40,000 yen ( \$ 364) per month increased to 80,000 yen ( \$ 728), causing the relocation of many senior citizens.



## V. The impact of guesthouses on the local area.

### 4. Changes in commercial facilities (Rouhara, Higashiyama Ward)



Dishes shops  
2017年8月25日撮影



Rental kimono shops  
2018年8月4日撮影

Larger numbers of rental kimono shops are now funded and managed by Chinese capital.

As new shops preferred by tourists have come into business along with the coffee shops and ready-to-eat food shops frequented by locals, the number of local dining facilities and other businesses is dwindling.

In Kyoto City, the number of guesthouses increased to 2.4 times the original number from 2016 to 2018.

These drastic spikes in numbers are caused in part by the intervention of Kyoto City in response to an increasing number of tourists from abroad, with policies that encourage the new establishment of lodging facilities, discourage abandoned homes, and maintain and preserve machiya.

The spike in guesthouses initially began in areas such as Rokuhara which are close to tourist destinations and with convenient transportation access. But from 2017 to 2018 the pattern is spreading to areas such as Kikuhama and Sannou, which have had negative reputations in the past.

Within areas which have convenient transportation access, guesthouses are especially growing in areas which have suffered from the decline of traditional manufacturing and heavy industry, and a declining and aging local population.

The increase of demand for guesthouses has also led to the rise of land prices and the movement of the original residents from the area. This has led shifts in the types of local businesses. In other words, we are now observing patterns of tourism gentrification.





**This is my report and conclusion.  
Thank you for your attention.**