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Navigating Niseko



Next Stop Niseko

Metropolis hears from Niseko locals
about the area's regeneration

By Caroline Perrine

In the early noughties, talk about a small Japanese town deep in the mountains of Abuta-gun, Hokkaido, started to circulate amongst the international ski set. Niseko was known for its legendary “powder snow”: big, fat, dry snowflakes that fall continuously on the pine forests, pistes and gullies of the modest ski resorts in the area. It makes skiing irresistible and soon everyone wanted a go.

But there is much more to the magic of Niseko. With snowfall measured in metres (annual average of 15m), views of the majestic volcano Mount Yotei and mystical forests, it is Asia’s mountain kingdom, complete with roaring log fires, steaming bowls of ramen and dark wood cabins dotted on mountainsides.

It has every reason to be a top destination in the winter. There are slopes for skiers of all levels, and numerous onsen - fed by the afore-mentioned Mount Yotei - to give relief to aching limbs. But, as has happened so many times before, there’s the risk that its appeal and widespread popularity will lead to its downfall.

Development has centered around a resort called Hirafu, but it is evident that the economic success is spreading to a certain degree. Niseko offers a wide choice of hotels, villas and private homes for rent. Apres ski is also booming, with onsen, bars and restaurants to satisfy every taste and budget. In addition, more high-end shops are also opening. Regular visitors will tell you that every year there is more construction, more



Above: Nestled between lush forests and a mountain stream, the Tellus Hirafu luxury resort and spa enjoys views of Mount Yotei. Designed by Riccardo Tossani Architecture.
Below: Tellus Hirafu Resort lobby lounge. Designed by Riccardo Tossani Architecture..

people, more traffic. There are those who no longer travel to Niseko due to the cost. Tokyo residents, too, are forced to consider whether it's actually any better than other resorts.

Metropolis asked Ashley Nicholls, a long term resident of Niseko, about the growth of his business, property management — an industry that caters entirely to Niseko homeowners who live abroad, of whom there are many. According to Nicholls, “foreign investment and foreign visitor numbers started picking up from 2003. The momentum continued right up to the global financial crash in 2008. The rapid strength of the Japanese Yen from the global financial crash resulted in a sudden decline in foreign investment and made coming here for a holiday a lot more expensive. Real estate sales slowed down and visitor numbers flattened out.”

Predictably, the return in numbers was slow after 2008 and was again crippled after the Tohoku earthquake and tsunami in 2011. It wasn't until 2015 that visitors started returning in large and steady numbers every winter. There's also been a change in the demographic of visitors,





as word of Niseko spreads ever further. Initially, the town was dominated by Australians who had heard of the stunning ski conditions through word of mouth. This was a younger crowd, one that didn't have the buying power to own properties in Japan — but the Australians who did eventually came along. The Niseko target market shifted, with many of the initial crowd eventually being priced out. This is the trend that carries on today, although according to Nicholls, "Property buyers are now mostly based in Asia. Primarily Hong Kong, Singapore as well as mainland China, Malaysia and Thailand."

It's tempting to assume that this is a bad thing — even locals might be priced out. In reality, however, locals have also been able to sell their properties at rates that would have been unbelievable 20 years ago. "Real estate prices have now gone up 20 times since when I first arrived," Gere Ruffatto tells *Metropolis*. Ruffatto has lived in Niseko for 13 years now, and specialises in high-end construction and renovation. He also manages the oldest lodge in town — and has seen many changes. "In terms of the surrounding towns of Kutchan and Niseko (Town) and the local Japanese community... I don't really feel they've changed that much. The resort areas — at the heart of which is Hirafu — have changed dramatically. Hirafu has probably now tripled in size since when I first came here." He goes on: "The resort 'society' is pretty transient. [The] majority of staff are only here seasonally or for one year. There are very few permanent residents like me in the area. The ones that are make up a pretty cool local community I think... multinational."

To date, the tourism industry has had a number of positive effects: "Increased tax revenue for the government; more employment opportunities for locals living here; more business opportunities; improvements in infrastructure such as new ski lifts; more English-speaking services for foreign visitors; more restaurants and bars," Nicholls lists.

Yet these positive effects, too, betray themselves — they are centered on the tourists themselves, not the locals. The rapid increase of traffic has meant that larger resorts and hotels are being built, as well as exclusive compounds and winter homes. These are having a visible effect on the landscape and taking away from the natural wonder that

makes Niseko as special as it is. Furthermore, most of the employment opportunities are short-term contracts, which are unlikely to entice a local demographic. Ruffatto, too, has his own concerns: "The biggest thing I've noticed are commercial rent rates going up at a ridiculous rate, for a resort that at the moment can only give businesses a solid three months of good sales. This is starting to push local businesses out and, if not changed in the future, I think the resort restaurants and retail spaces will all be run by chain stores out of Tokyo. It also has pushed prices up for tourists coming to the resort in winter, especially in the restaurant industry, as businesses have to generate all their income in three months to pay their rent for 12 months." This has meant that you're likely to pay around ¥5,000 for a meal that in Tokyo or elsewhere, would be less than half that price. It is, after all, a resort town.

Already, that initial, younger Australian crowd has moved onto other, more affordable ski resorts around Japan, like Nozawa and Hakuba. Accommodation, food and beverage options are all cheaper. Furthermore these areas, which lack the extended international community in the winter, also carry a more 'authentic' cultural air to them.

There is hope on the horizon, however, for both Ruffatto and Nicholls. With his concerns about pricing out local businesses, Ruffatto hopes "that developers in the future will consider lower rent on commercial spaces for locals to keep the community vibe in town that makes the town what it really is. Some new hotel businesses have started to do percentage of sales instead of monthly contracts which is an improvement."

There would also be less pressure on most of these businesses to charge as much if the area became a destination in the summer, as well. It certainly has the potential for it. "Personally I'd like to see Niseko become Asia's Mecca for mountain biking and replicate the success other resorts in the world (such as Whistler) have experienced in increased summer visitor numbers," Nicholls tells us.

Niseko is a young town, still growing rapidly and with potential to grow in so many ways. Some hope it will become the Aspen of Asia; others, that it retains its local charm and protects the people who have been there all along. Honestly, it is a pretty pricey trip. Yet it is one of a kind, a special place that enchants skiers and non-skiers alike, incomparable at this time in Japan. So take your credit cards and go for the handmade buckwheat noodles, the steaming onsen and those big, fat, dry snowflakes that muffle the sounds and even the memories of the outside world. Now that is a real getaway.





Riccardo Tossani: The Masterplan

Metropolis meets Italo-Australian polymathic architect to discuss his vision for Niseko

By Paul McInnes

Meeting Riccardo Tossani, graduate of Harvard Graduate School of Design and Tokyo-based architect, is like an encounter with a human whirlwind. Spellbinding, polymathic and hugely likeable, his architecture firm, Riccardo Tossani Architecture, is responsible for much of the creative vision and impact in the Hokkaido resort town of Niseko. As master planner and primary architect, Tossani and his company have been involved in the town's metamorphoses from idyllic ski getaway to resort powerhouse, taking on the likes of Aspen and Zermatt with its regeneration and transformation into one of the newest and most luxurious resorts for high-fliers and big-spenders the world over.

"We won an international design competition for the Hanazono (in Niseko) resort," says Tossani in an interview at his firm's office in Tokyo's Nakameguro-Aobadai. "And that brought us into the orbit of Niseko and we began to realize the tremendous opportunities which existed there."

"The developers looked at it with the idea that it would be the Aspen of the future. This was at a time when it was hard to find a bed that wasn't in a bunk room in a pension. These guys had foresight. Because of the environmental reasons, the incredible snowfalls and the beauty of the mountain and the culture of the area and because of their experience in major ski resorts around the world (these were predominately Australians and

Canadians) they could visualize a place that had all the makings of an Aspen."

In addition to Tossani's work on private residences and pro-bono infrastructure concepts (which have all subsequently found funding and gratitude from some local residents and governments), Niseko is going through a massive transition with more hotels, apartments, restaurants and even a scheduled shinkansen stop (in about 15 years) at nearby Kutchan town as well as an expressway extension. Particularly the latter two are sure to attract visitors in flocks to the area. An additional bonus is the huge increase in employment opportunities in an area which is used to letting their youngsters head to Tokyo and, now, finding Tokyoites flocking to Niseko to search for jobs.

"We came in there as architects and master planners and we studied the opportunities from our own perspectives and we had to agree (that it had the potential to be world class)," says the Adelaide native. "The models we had in mind were Aspen on one hand (North American) and Zermatt, on the other hand (which is very European), of a pedestrian resort community and the idea of the promenade where people do walk and stroll. We understood that the center of Niseko centered around the village of Hirafu, where it was possible to have an international all-season resort because of the inherent characteristics of the place and the forces in play. We did

Above: Panoramic views from an onsen condo at Tellus Niseko. Designed by Riccardo Tossani Architecture.

Left: The illuminated ski fields above Hirafu village main street.

Bottom Left: Private indoor/outdoor bathing at Tellus Niseko balcony onsen bath. Designed by Riccardo Tossani Architecture.

all we could to enhance this character in our individual private commissions by international developers as well as private individuals, and our work for the local community and Kutchan. In creating these master plans for improved public infrastructure and Hirafu main street redesign, all these factors could become the armature for the international resort destination.”

Most long-term expats in Japan know the name of Niseko as a popular and accessible ski resort town. Once the playground of backpacking Australians and travelling ski bums the area has transformed dramatically in the last few years with even more development expected over the next decade. The Aussies were avid skiers and would enjoy a few weeks on the slopes, bringing their own equipment and eating in their pensions or in local izakayas. Naturally their presence had an impact on the local economy, but these were nothing like the monumental changes seen in recent times, with the construction of many multi-million dollar condos and luxury facilities which have, essentially, run the Aussies out of town. Tossani explains:

“(The Aussies) helped talk up the place and the initial modest crowd were then replaced with the more professional Australian crowd but that evolved into Niseko being occupied by a new set of visitors from South East Asia and the Far East — even the odd wealthy expat Australian. Then the high networth Asian individuals from Hong Kong, Singapore, Malaysia, Bangkok and Shanghai and mainland China. The current situation is that those people — the high networth individuals — have pretty much displaced the original Australian visitors. They’ve come with different expectations and aspirations and a very big daily budget. They are not skiers. They are beginners, maybe intermediate level, and they’re more interested in fine dining, good shopping (luxury brands), than being on the mountain for eight hours a day. They come for a week but they’ll bring their entire family — nannies, cousins and so on. They buy new skiing gear for everyone, weekly tickets for everyone and ski for one hour a day and enjoy the other cultural benefits that Niseko has to offer.

So the buildings have gone from model Aussie shacks to multi-million dollar condos and residences that are very high end in terms of luxury, fittings and amenities. It’s become standard to have a private onsen in your apartment. And the cost is akin to the cost of luxury apartments in Tokyo. And interestingly enough the luxury apartments in Tokyo (which we also do) are selling to the same people.”

Tossani and his firm have had an instrumental part to play in Niseko’s transformation. The town, it would be fair to say, is in the midst of substantial flux and has naturally been exposed to criticism, which Tossani agrees is only fair. On the other hand, he is just as passionate about designing structures which embed themselves into the surrounding, natural areas rather than cutting down forests — which some construction firms have done. His designs sit side by side the local woods and rivers and attempt to blend in with the environment. Tossani’s work on private residences is astounding. He admits that, “in Niseko, within five years, a 15 million dollar house will be as common as a six to ten million dollar house today.”

Alongside the uber-condos and accoutrements, Niseko — the brand — is just beginning. Tossani adds, “We have luxury shopping and more to come, six star hotels such as the Park Hyatt in Hanazono which will be completed in December 2019, The Ritz Carlton has plans for Niseko village and the Four Seasons is also looking at something. We have three Michelin-star restaurants, which we have designed. Two are operating and the third we are designing at the moment. And that’s just in Niseko!”

It’s a sign of the times, with developers looking to find the next Niseko. Japan’s ski resorts and skiing communities may never be the same again, as the super wealthy and luxury lifestyles take over from the old days of log cabins and pub grub in the local family-owned izakaya. Tossani and his company, however, stand firm with their plans for creating a truly glorious ski resort for those who can afford it.

Below: A luxury condominium at Tellus Hirafu. Designed by Riccardo Tossani Architecture.

