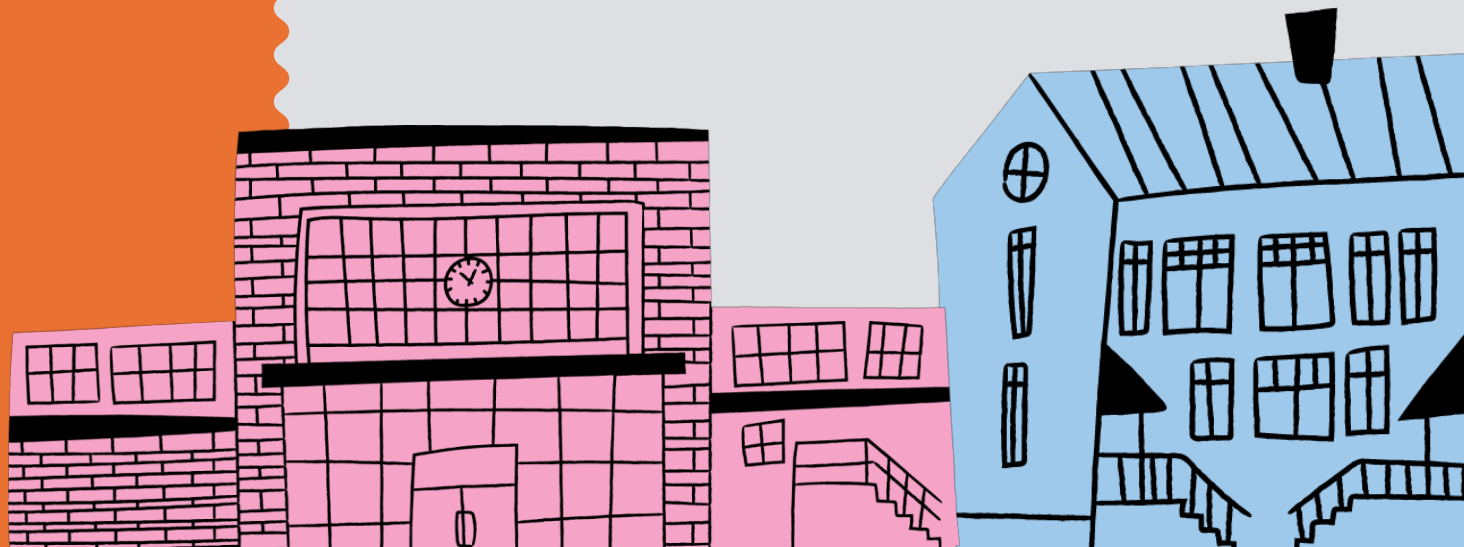


BUILDING INVESTMENT

Nicole Kajander, Jenna Karvonen, Henna Kyrö, Kerttu Parkkinen, Giovanna Usai

Design for Government 2026

Helsinki



Meet the team

Henna Kyrö
Collaborative and
Industrial Design

Giovanna Usai
Collaborative and
Industrial Design



Jenna Karvonen
Creative Sustainability
BIZ

Nicole Kajander
Creative Sustainability
ARTS

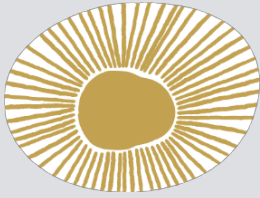
Kerttu Parkkinen
Creative Sustainability
ARTS



This is **Alvar**.

Since Midsummer, he has been doing the same thing everyday:

Spending and enjoying his time at the beach and park nearby.



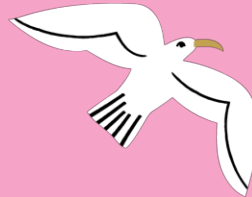
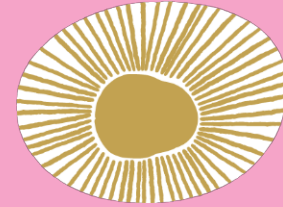
This is **Eila**.

Every summer, she makes the same journey from the highest floor down to the cellar just to cool down and escape the afternoon heat.

She has done this for four summers now.

**The same summer.
Two completely different experiences.**

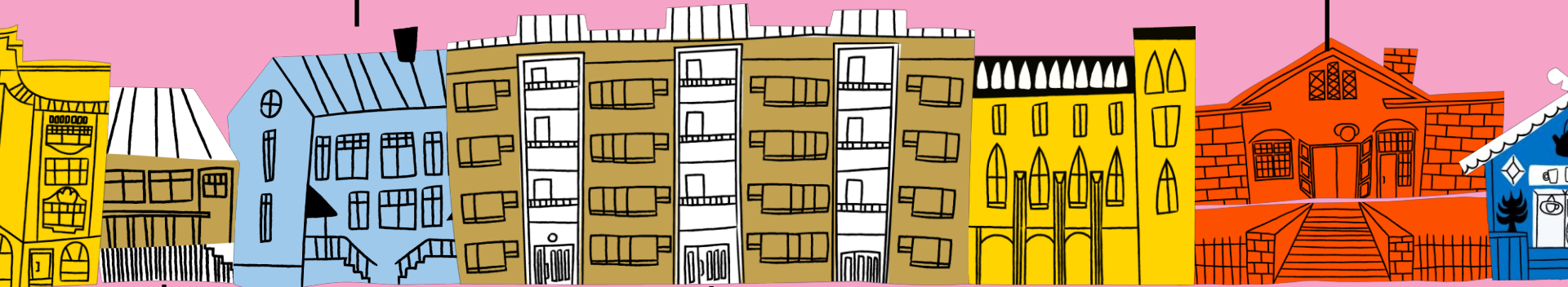
**The gap is widening.
The people who can't escape their
homes are about to face something
far more serious than discomfort.**



This isn't just a comfort problem: it is a systemic problem.

*"[With climate change] you should
be prepared for the unexpected"*
Housing Company shareholder, Herttoniemi

*"Preventative maintenance is
often post-poned. Costs are a
major barrier to climate
adaptation measures"*
Housing Company shareholder, Kontula

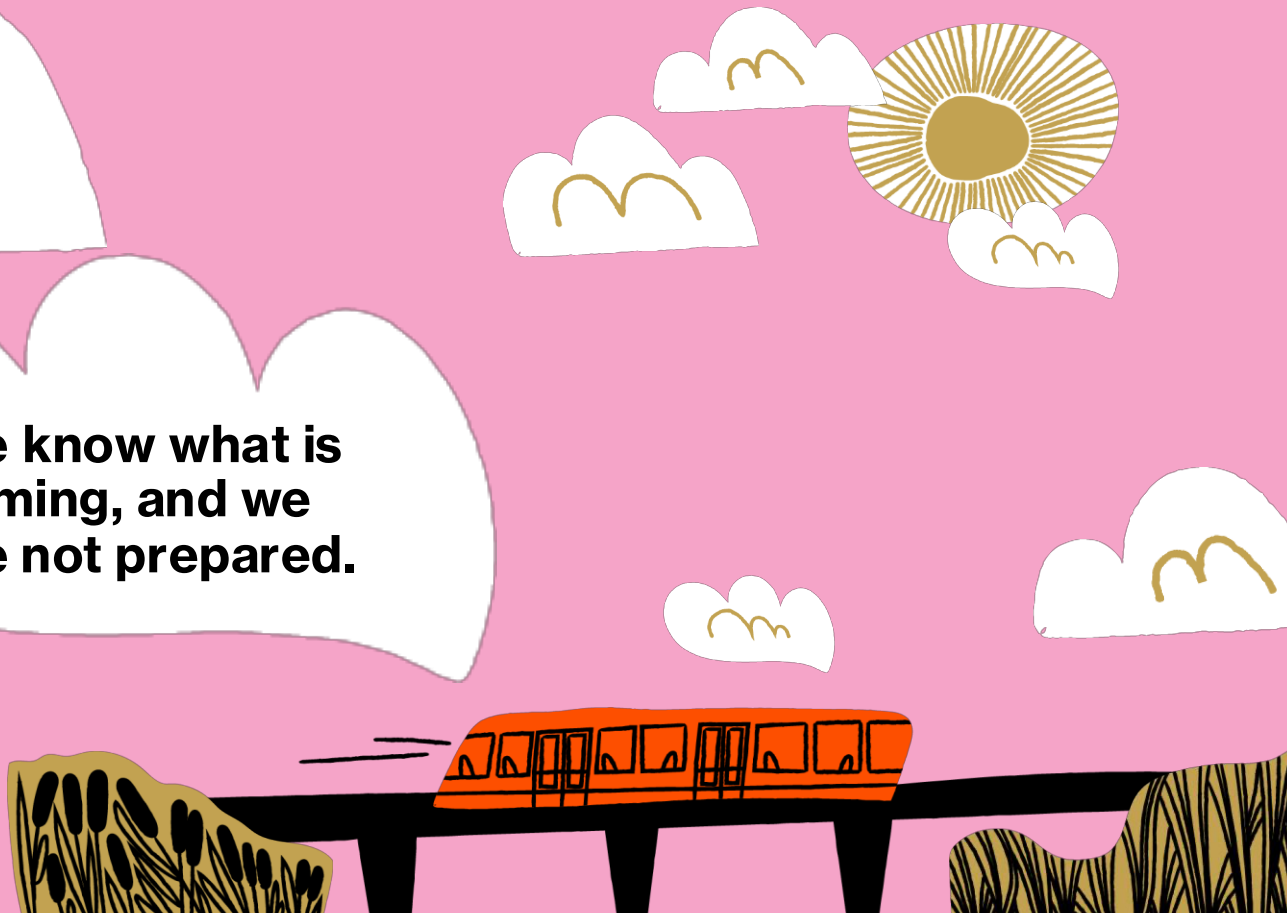


*"We need new windows, new
elevators, new heating
system..."*
Housing Company, Kontula

*"Last year our elevator broke
down, it was out for over 2
weeks because it's an elevator
from the 60s and they don't
make repairs for it anymore."*
Housing Company, Kontula

**Nothing changes
until it becomes
urgent.**

**We know what is
coming, and we
are not prepared.**



**Reactive crisis
management is not
the only option.**

**Reactive crisis
management is not
the only option.**

**Climate adaptation
shouldn't be a
sacrifice, but
an investment.**

One day...

One day **1**

Concrete benefits

INDIVIDUAL

- Increased quality of everyday life
- Reduced long-term costs
- More security for the future

*City of Helsinki, Carbon-neutral Helsinki Action Plan (2026);
Hajlan, H., et al. (2024); Helen (2021), Committed to Helsinki's
climate targets of carbon neutrality by 2030 and zero emissions
by 2040; City of Helsinki, Climate and Nature, Helsinki City
Strategy 2025-2029; Housing company interviews HC1, HC2,
HC3, HC4, HC5 and HC6 (2026); Housing manager interview
HMT (2026); Kivistö Ollilo (n.d.), Energiatehokkuus.*



Concrete benefits

HOUSING COMPANY

- Better long term (maintenance) planning
- Lower long-term maintenance costs
- Increased value of property

Annala et al. (2024); City of Helsinki, Carbon-neutral Helsinki Action Plan 2026; Hajan, H., et al. (2024); Helen (2021), Committed to Helsinki's climate targets of carbon neutrality by 2030 and zero emissions by 2040; City of Helsinki, Climate and Nature, Helsinki City Strategy 2025-2029; Helsinki Region Environmental Services (n.d.). Adaptation. HSY; Housing company interviews HC1, HC2, HC3, HC4, HC5 and HC6 (2026); Housing manager interview HM1 and HM2 (2026); Kautto, N. (2021), HSY.



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Concrete benefits



BUILDING

- Increased property value
- Stronger preparedness and resilience for future conditions

Annila et al. (2024); City of Helsinki, Carbon-neutral Helsinki Action Plan (2026); City of Helsinki, Climate and Nature, Helsinki City Strategy 2025-2029; City of Helsinki Urban Environment Division, Land Use and Planning Review 2025, 2025; Hajjan, H., et al. (2024); Helen (2021), Committed to Helsinki's climate targets of carbon neutrality by 2030 and zero emissions by 2040; Helsinki Region Environmental Services (n.d.). Adaptation. HSY; Housing company interviews HC1, HC2, HC3, HC4, HC5 and HC6 (2026); Renovation company interview (2026); Housing manager interview HM1 and HM2 (2026); Kautto, N. (2021); HSY; Kinnistöllä (n.d.); Energiatehokkuus.

Climate investment starts with integrating housing companies as essential actors within the city strategy.

We **aim to unlock** new financial instruments, incentives, and collaborative models.

We want to support healthier and more **resilient living environments** while reducing long-term costs, strengthening **property value**, improving **environmental performance**, and expanding **equitable** access to climate **financing opportunities**.

ANCHORING



Rising energy and maintenance costs

Long-term planning and preventive investments are becoming financially relevant not only from a sustainability perspective, but from an economic and operational one.

City of Helsinki, Carbon-neutral Helsinki Action Plan, Helen (2021), Committed to Helsinki's climate targets of carbon neutrality by 2030 and zero emissions by 2040; Frost, R. (2024), Helsinki is building the world's largest heat pump to keep its homes warm, Eurionews, Directive (EU) 2024/1275 on the energy performance of buildings



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Helsinki's building stock is aging and renovations are needed

Sustainability-related renovation improvements can be positioned as integrated components of building investments that are already taking place.

City of Helsinki, Carbon-neutral Helsinki Action Plan; Helen (2021), Committed to Helsinki's climate targets of carbon neutrality by 2030 and zero emissions by 2040; Rakentamislaki 751/2023 [Building Act], Finlex; Annila et al. (2024), Opastrakennuksen kohdistuvien investointien ja sopeutumissuunnitelman arvioimiseksi, RATEKO; Interview: Rakennusteollisuus RT, Manager of Technical Regulations and Legislation and Quality



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Public discussion around resilience and preparedness are growing

This creates a broader societal context where proactive sustainability investment into housing and living environments becomes easier to justify and communicate.

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Preparing of Helsinki City strategy 2029–2033 & climate action plan

The updating of the city strategy and climate program create a timely opportunity to reconsider which actors are positioned as central contributors to Helsinki's future sustainability and resilience goals.

City of Helsinki, Development that respects nature and makes the city more attractive, Helsinki City Strategy 2025–2029; City of Helsinki, Ambitious Climate Objectives



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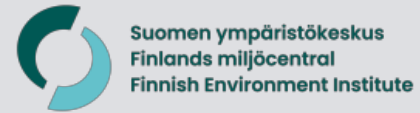


5 New housing finance regulation coming into force

1st of June 2026, a new bill is coming to boost the housing market, which extends the time frame of loan payments. This shows an interest towards the housing market.

City of Helsinki, Development that respects nature and makes the city more attractive, Helsinki City Strategy 2025–2029; City of Helsinki, Ambitious Climate Objectives

RESEARCHING





**Property
Managers**

3



**Housing
Companies**

6

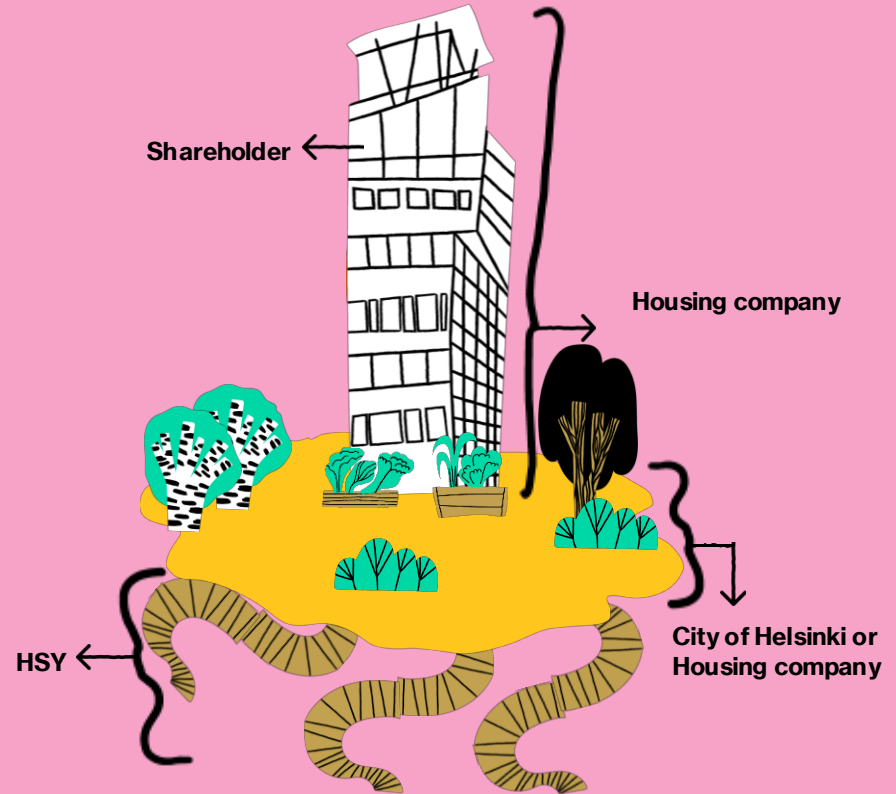


Experts

13+

INSIGHT 1

The **responsibilities** of the built environment are **fragmented**. This makes it difficult to understand and take action.



“Even if something could be done, the city probably wouldn’t allow it.”

Housing Company, Herttoniemi 1

“Communication is never enough. There is bottlenecks with reaching housing companies, so to be able to share information to them.”

Expert from HSY

“Residents are responsible for maintaining value but lack control over structural decisions affecting that value.”

Housing Company, Kontula

“We have some ways to reach housing companies and get them as customers (for our climate projects), but it is not enough. We are lacking contacts, which makes it harder to reach them.”

Expert from HSY

INSIGHT 2

Housing companies don’t feel **recognized as key stakeholders** in the context of climate investment by the City of Helsinki.

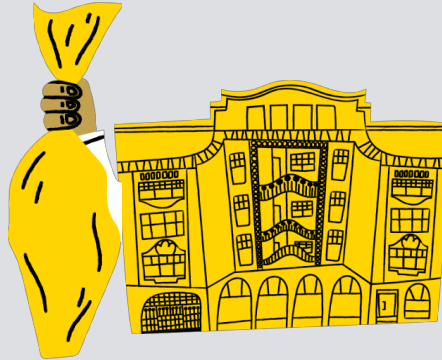
TAKING ACTION

1



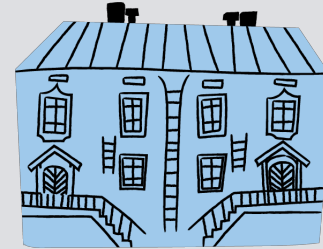
**Integrating housing
companies** into
the city strategy

2



Encouraging climate
investment through
government backed loans

3



Utilizing **property
tax** as a financial
instrument

Entry point 1: **Integrating housing companies into the city strategy**

Currently, housing companies feel unseen and unheard by the City.

By integrating housing companies to the strategy, the City would improve communication and **foster an environment for co-creation.**

Case study: Amsterdam “Our city of Tomorrow” and “Roadmap Amsterdam Climate Neutral 2050” explicitly named housing corporations as necessary co-actors in the city strategy, with concrete commitments and dedicated financial support attached.

“Helsinki city’s climate unit doesn’t really work with housing companies.”

Specialist, City of Helsinki

“Residents are responsible for maintaining value, but lack control over structural decisions affecting that value.”

Housing Company, Kontula

“Even if something could be done, the city probably wouldn’t allow it.”

Housing Company, Herttoniemi 1



Entry point 1: **Integrating housing companies into the city strategy**

”More nature and greenery will be added to the built-up areas of the city.

We will draw up an action plan to make the built environment greener in new areas and issue recommendations for sufficient canopy cover and water-absorbing surfaces in every area of Helsinki.” (*Helsinki City Strategy 2025-2029*)

Entry point 1: **Integrating housing companies into the city strategy**

”More nature and greenery will be added to the built-up areas of the city.

We will draw up an action plan to make the built environment greener in new areas and issue recommendations for sufficient canopy cover and water-absorbing surfaces in every area of Helsinki.” (*Helsinki City Strategy 2025-2029*)

We develop areas **together with housing companies and residents** to ensure that measures respond to local needs and accelerate renovation and renewal investments.

Entry point 2: **Encouraging climate investment through government backed loans for renovations**

Due to the current economy, people avoid debt and loans. Additionally, people do not have resources for needed and mandatory renovations.

To boost the housing market, the bill could be used as an **financial instrument to invest into existing buildings**, reducing managing costs and turning crisis management into crisis preparedness.

Reference: On 7th of May 2026, **Ministry of Finance** announced a approval of a bill to boost the stagnated housing market. The Government has proposed that the bill be approved by the President of the Republic and enter into force on 1st of June.

"The Finnish economy is moving out of a sluggish growth phase, but there is no strong growth anticipated in the immediate years ahead."

Press Release in December 2025, Bank of Finland

"The decline in consumer confidence has persisted for an exceptionally long period, prompting households to postpone purchases."

Debt Management Annual Review 2025, State Treasury

"Apartments and housing market are often the biggest asset to Finns."

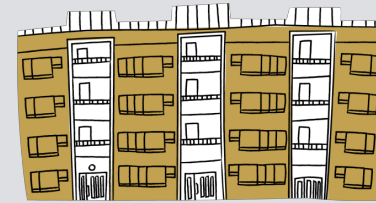
Housing Company, Meilahti



Entry point 2: New housing finance regulation from 1st June 2026



INDIVIDUAL



HOUSING COMPANY

Max. loan term

30 years → 40 years

Max. loan term

30 years → 40 years

Loan-to-value ratio

95%	}	95%
90%		

Interest period only

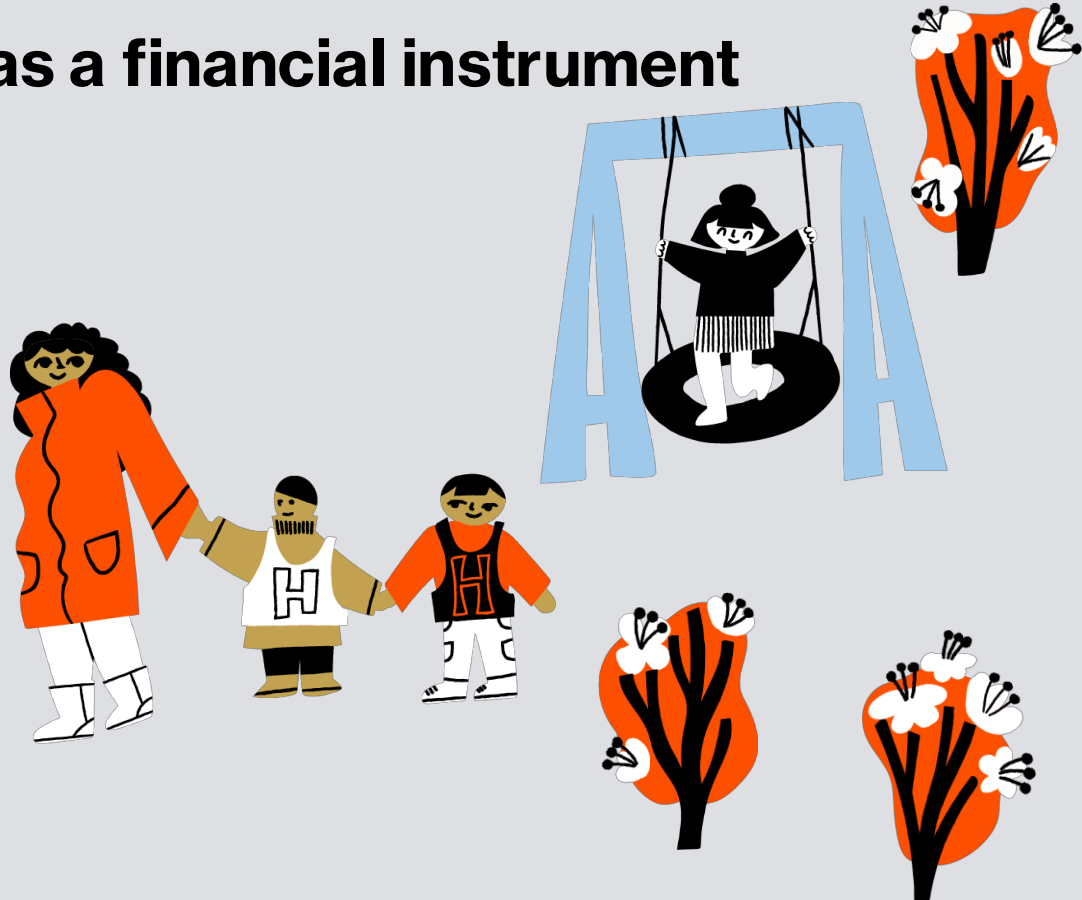
1 year → 1-2 years

Entry point 3: Utilizing **property tax** as a financial instrument

Currently, the City's property tax is redirected and used for the City's infrastructure and services.

Leveraging existing financial instruments could support housing companies and motivate climate investment. This could potentially create a **climate investment fund** distributed equally to the most vulnerable.

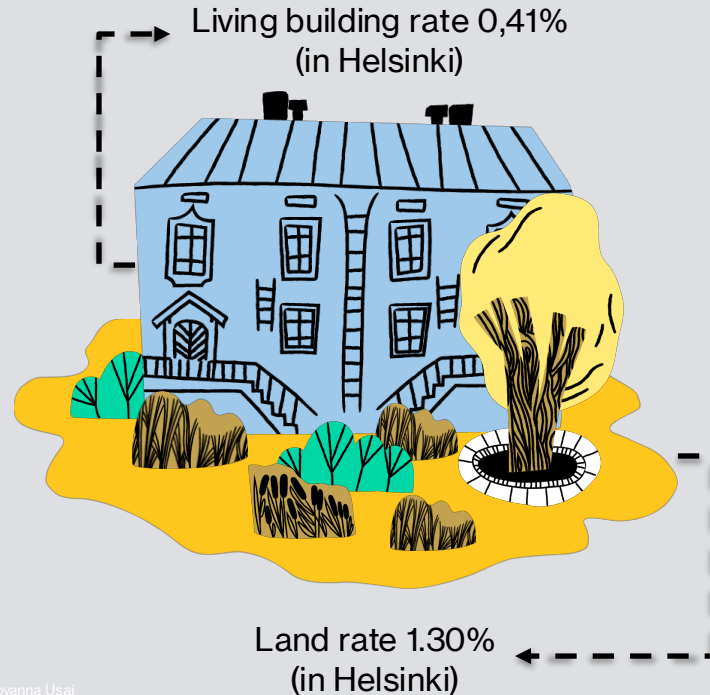
Case study: Italy: Superbonus 110%, Introduced a tax credit of up to 110% for energy-efficiency and seismic retrofits of buildings (from 2020; later reduced rates). **Triggered a sharp increase in renovation projects**, especially energy retrofits in apartment buildings.



Entry point 3: **Property tax criteria**

Land Tax Criteria:

- Location
- Plot size
- Zoning & building rights
- Regional land value
- Municipality tax rate



Building Tax Criteria:

- Building type
- Size
- Construction year
- Replacement/rebuilding value
- Condition & age deductions
- Renovation & technical systems
- Municipality tax rate

Entry point 3: How does **property tax** work?



The Finnish government sets the legal framework and maximum tax rates

The City decides the local property tax rates within the limits set by the government

Property owners & housing companies pay property tax

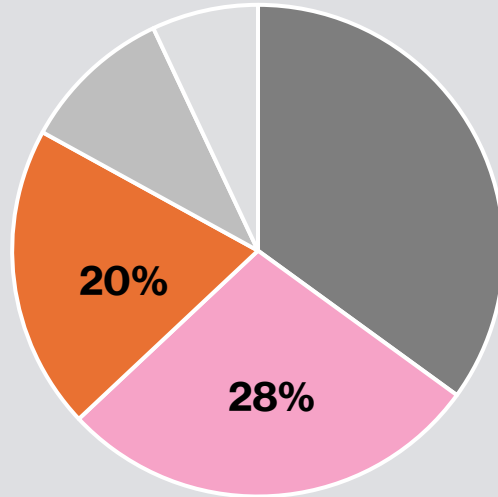
Property tax revenue goes to the **City of Helsinki** budget and is used for services and development

Entry point 3: Budget rethinking

**City of Helsinki's
2025 estimated
budget. 5,9 billion €**

Urban infrastructure and
development
28% (=1.6bn)

Social, health and rescue
services
20% (=1.2bn)



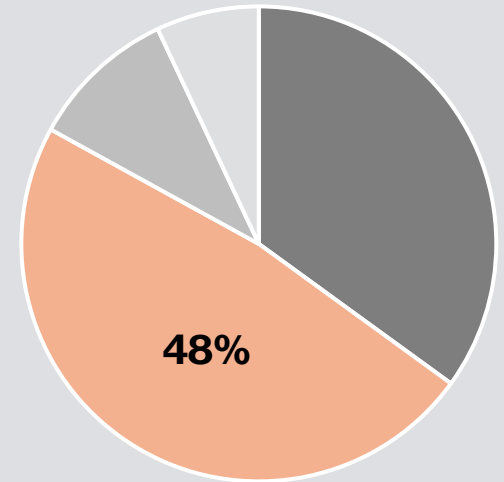
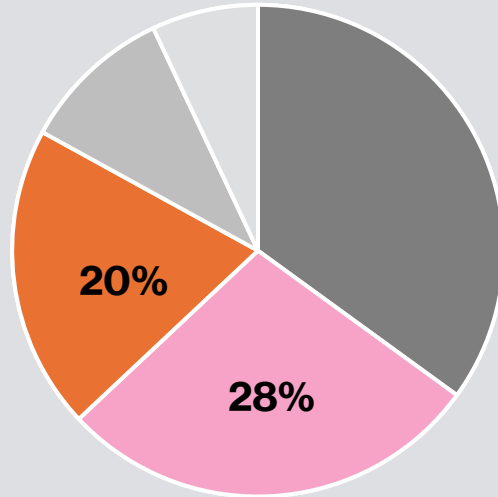
City of Helsinki. Estimated budget 2025.
<https://www.hel.fi/statistik/Helsinki/talousarvio/Helsingin-kaupungin-talousarvio-2025.pdf>

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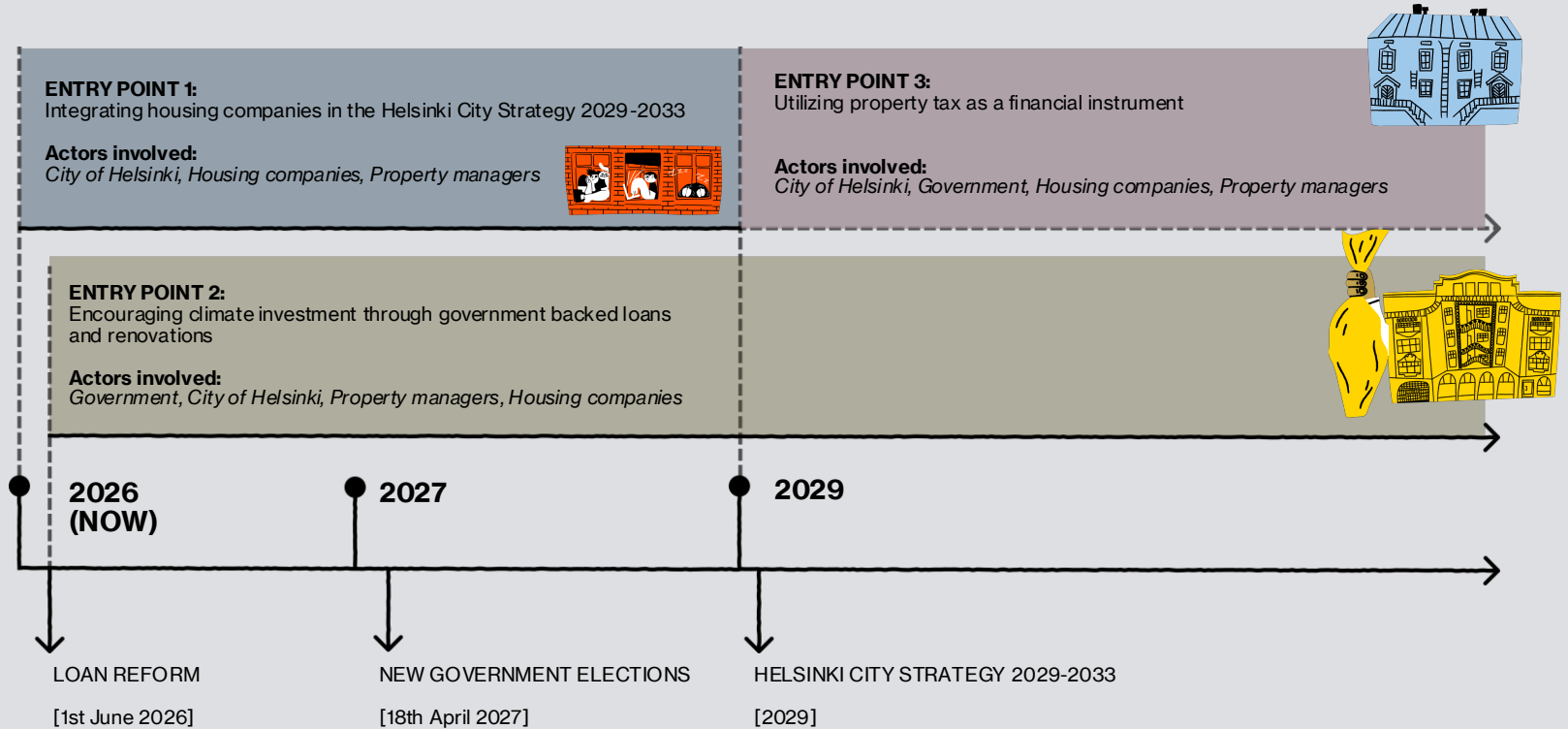


City of Helsinki. Estimated budget 2025.
<https://www.hel.fi/statistik/Helsinki/talousarvio/Helsingin-kaupungin-talousarvio-2025.pdf>

**Everyone deserves
to have a **healthy** home.**

Pathways Housing First Institute (2026): <https://www.pathwayshousingfirst.org/about-us>
Y-Säätiö, Asunto ensin -malli (2025): <https://yasaatio.fi/asunto-ensin/asunto-ensin-malli/>

LEVERAGING



ENVISIONING

In the age of increasing vulnerability, we envision **awakening passive housing stock** into a powerful urban force, transforming ordinary buildings into a distributed system of climate resilience.

By starting with Helsinki, we see the opportunity for the city to become **a bold forerunner in reimagining** how entire urban environments prepare, adapt, and thrive in the face of a changing future.

The stronger and more future-ready our buildings become, **the stronger our city becomes**. Every building prepared for heatwaves, flooding, and environmental stress becomes part of **a larger protective network**, strengthening the city's collective ability to withstand disruption and flourish through uncertainty.

One day...

~~One~~ day **1**