



GROW WITH WARSAW

## „DEVELOPMENT OF THE HOUSING MARKET IN WARSAW”

REPORT FROM THE FIFTH EDITION OF THE WORKSHOP

12 September 2018

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## I. What kind of workshop is it? Who organises it? Who is the addressee?

**Grow with Warsaw** is a series of workshop meetings for the representatives of the real estate industry. Its aim is to present Warsaw's spatial policy and to develop – through an open dialogue with key representatives of the real estate industry – proposals for system solutions, which will serve as guidelines for the new Study on Conditions and Directions of Spatial Development of the City of Warsaw, which is shaping the city's spatial policy.

The Grow with Warsaw project is run by the **Architecture & Spatial Planning Department and Economic Development Department of the City of Warsaw**.

The partner of the project is **Urban Land Institute Poland**, responsible for the substantive preparation and organisation of workshops and moderation of discussions.



## 2. What was discussed during the fifth edition?

The Grow with Warsaw meeting on the development of the residential market in Warsaw took place on 12 September 2018 at the Targowa Creativity Centre in Warsaw.

What did the experts talk about during the fifth edition of the workshop? Here are the topics:

- How to build new housing estates after the entry into force of the “special” act?
- What guidelines are included in the local urban standards?
- How to coordinate the work of officials from different departments in the city in order to make the process of obtaining permits necessary for the commencement of construction more efficient and faster?
- On the consequences of urban sprawl.

- On the construction and standard of halls of residence in Warsaw and the need to erect buildings that will offer more than places to sleep.
- On the need to build senior-friendly flats.
- On the need to build flats in Warsaw under PPP.

### 3. Introduction of workshop organisers into the discussion.

The workshop was opened by **Piotr Sawicki**, Director of the Economic Development Department of the City of Warsaw oraz **Dorota Wysokińska - Kuzdra**, President of ULI Poland.



“The city is developing the #Mieszkania2030 [#Apartments2030] housing programme. 15 thousand flats will be made available over the course of 10 years. Affordable housing is a scheme that has been known in Western European cities for years. Now is the time for Warsaw,” said Piotr Sawicki, Director of the Economic Development Department of the City of Warsaw. “At the same time, we are creating the so-called Warsaw Housing Standard, i.e. a kind of local certification, which will also be a clear answer to the question what the city expects from housing investments: both public and private sector ones.

Director Sawicki added that the city is preparing attractive land in Warsaw for new investments, which it plans to implement in cooperation with the market. – We will strengthen and use the PPP formula and permits for municipal-private projects. As a result, new buildings will become available on the market, which is particularly important in today’s situation of decreasing supply of land. Also, the local government will be able to pursue public objectives with private co-financing from the market



**Dorota Wysokińska – Kuzdra, President of ULI Poland**, stressed the importance of meetings between Warsaw authorities and investors, developers and other market participants, drawing attention to the willingness to share experiences that ULI (a non-profit organisation) has gained from other European markets.



The next point of the workshop was the introduction of workshop organisers into the discussion. **Marek Goluch, Deputy Director of the Housing Policy Department of the City of Warsaw**, gave a speech about the housing needs of the capital and proposals for cooperation with developers.

“The city has 82 thousand municipal flats. Since 2008, an average of 300 municipal flats per year have been built, with the city allocating approximately PLN 50 million for this purpose. We have built nearly 3,000 flats during that time,” said Deputy Director Goluch.

He emphasised that there is a high demand for flats in the city. We have to build, because the recovered flats are not enough to satisfy the needs of those waiting for them. We have built municipal flats with TBS companies, we have set apart social flats in various buildings to prevent the creation of ghettos, where poverty is carried from generation to generation. However, we are still not able to satisfy everyone’s needs,” said Deputy Director Goluch.

He emphasised that the city authorities recognise the need to build flats with a rent of no more than PLN 30 per square meter in order to make payments manageable. “This is a bit more than in TBS flats, and less than on the private market. At the same time, we focus on the development of TBS. We want them to quickly double the number of flats they have. Now they manage 2.5 thousand flats within their resources”- said Marek Goluch.

He said that the city is looking for partners who have small flats for rent or who, in exchange for land, would provide such flats for the needs of the local government. – PPP is an opportunity but also a challenge. Developers should not be expected to keep the pool of flats in their portfolios in order to lease them to people indicated by the city. We should rather look for a major financial investor who would be encouraged to cooperate with the city by having

a multi-year agreement – emphasised Director Goluch. In his opinion, there are currently no private entrepreneurs in Poland ready to undertake facility management of municipal flats and long term actions.

**David Brodersen, a member of the Executive Committee of ULI Poland**, spoke during his presentation about the cooperation between cities in Western Europe and private investors on the housing market. He showed how Warsaw could be inspired by the activities of Leipzig and Luxembourg when it comes to creating joint housing projects with private partners (based on ULI's experience).



“Warsaw is going through an extraordinary time in its development. We forecast that the changes related to the natural development of the Polish capital city will accelerate in the coming years. Not only will there be more young residents, jobs for them, modern solutions improving the quality of life, but other trends will also appear. Warsaw, like the cities of Western Europe, will be ageing. Besides, there will be migrants from other parts of Poland as well as those from abroad. All these phenomena should be taken into account when planning the development of the city, including housing investments. And we should not forget about the needs of seniors and students – emphasised the ULI Poland expert.

During the workshops he asked an open question, “will Warsaw be able to receive 250,000 inhabitants over the span of a dozen or so years?”

“Leipzig had a similar problem and coped with this challenge. It freed up the areas inside the city, the Leipzig authorities formed a so-called ‘reasonable alliance’ with private investors to demolish old municipal buildings and erect new ones,” said David Brodersen. “In Warsaw, too, the flats in the city centre are old and outdated. Many no longer meet the needs of their inhabitants. Leipzig was in a similar position. That is why the city’s authorities signed contracts with building societies and 13,000 flats were rebuilt. In place of old blocks of flats they built new ones, for various social groups. Yes, the demolition and reconstruction of these buildings was a drastic measure. In Warsaw, however, this also seems inevitable. Many buildings should be closed down.

The ULI Poland expert also spoke about how Luxembourg managed to create over 20,000 new residential buildings using the Transit Oriented Development (TOD) concept, i.e. building blocks of flats along a new tram line from the city centre to the airport.

– This project was carried out by the city in response to the needs of professionals from the finance sector and their families who moved from other countries to Luxembourg to work there – explained David Brodersen.  
– If Warsaw really wants to be a European financial centre, it must use the TOD concept along the existing M1 metro line and the future M2 metro line to increase the availability of flats for experts and reduce traffic to the city centre.

Marlena Happach, Director of the Architecture & Spatial Planning Department, City Architect, then spoke about Local Urban Standards as Warsaw's response to the introduction of the new housing law nicknamed "lex developer".

"The special law entered into force in August 2018. As at mid-September, we have not received any application for the location of a residential project based on the special law," said **Marlena Happach, Director of the Architecture & Spatial Planning Department, City Architect.**

She added that any such applications will be considered by the Architecture & Spatial Planning Department, and they will not be processed in 18 districts. Director Happach also spoke about the housing standard, which today determines the quality of urban investments, but in the future it will also apply to private projects.

Investors were particularly interested in the subject of local urban standards as Warsaw's answers to the special law and asked many questions.

"The most difficult applications will be those contradictory to local plans, taking advantage of the special law. Where there are no plans, where there are unused post-production areas, we see no reason not to build housing estates, if the area is suitable for this purpose and it is possible to build a part of the multifunctional city there," explained Director Happach. "We do not see a place for blocks of flats in the open field. We will guarantee good standards, conducive to the healthy development of the city."

A presentation on local urban standards, which aroused great interest among workshop participants, was made available on the Architecture & Spatial Planning Department website:

<http://www.architektura.um.warszawa.pl/content/inwestycje-mieszkaniowe-i-towarzysz%C4%85ce>





## 4. Discussion on housing market development in Warsaw

The discussion was moderated by **Grażyna Błaszczak**, a journalist specialising in the real estate market, editor of “**Nieruchomości z górnej półki**” (**Best Real Estate**). Participants talked about the cooperation of the city authorities and investors in the construction of housing estates in Warsaw, for different social groups, in different formulas and with different ways of financing.

The debate was accompanied by thematic slides, prepared especially for this meeting by the Knowledge and Legal Partners of the workshops.

### I. DENTONS: THE BIGGEST PROBLEMS OF RESIDENTIAL BUILDING DEVELOPERS IN WARSAW

#### Development of the residential market in Warsaw

The biggest problems of residential developers in Warsaw - where could the city improve cooperation?

- Shortening the waiting period for obtaining decisions or approvals required to issue decisions, by effective procedures, in particular those involving conflicting interests
- Improving the consistency of approvals
- Adopting master plans, updating zoning studies, in particular transport and parking parameters
- Developing infrastructure to serve the inhabitants, procuring public services
- Resolving legal title issues (restitution claims, communalizations)

#### Special act on property developments

- Requires a city council resolution, which replaces the master plan and is based on provisions of the zoning study
- Enables investment in new territories (railway, post office, military)
- Simplified approval procedures
- Aggravates the risk of a lack of consistency in urban planning
- End of the urban planning system?

1 DENTONS

– The whole process: from filing an application to issuing a permit for the construction of a housing project, is too complicated and long. Many permits and agreements are required and those formalities are often significantly prolonged – said Piotr Staniszewski, partner in Dentons Law Firm.

According to experts from this law firm, what is necessary to improve the situation? The potential solutions include:

- Reducing the time of waiting for decisions and arrangements required for their issue through efficient proceedings, especially those where there are conflicting interests.
- Improving the consistency of the obtained agreements.
- Adopting local plans, updates of the study, in particular with regard to transport and parking parameters.

During the discussion, experts also drew attention to the consequences of the special development law replacing the local plan. They also pointed out that the new law makes it possible to make new land available for investments

(in case of former railway, postal, military areas the compatibility with Study on Conditions and Directions of Spatial Development is not required) and it could mark the end of the spatial planning system.

Developers asked if it would be possible to change land use in locations where, for example, office buildings had been built in the 1990s and build housing estates there, pursuant to the special law. Representatives of the city authorities present at the workshops did not exclude this possibility, although they stressed that the final decision in each case would belong to the City Council.

They pointed out that although, for example, the office building in Służewiec – which investors had asked about – lacked housing functions, in order to build flats that allow comfortable living, it would be necessary – in accordance with the regulations – to provide, for example, educational institutions for children. Therefore, if there are no schools or nursery schools, it is difficult to talk about the development of this part of the city.

The discussion about the cooperation between investors and the city also concerned PPP. **Zbigniew Malisz, Head of the Warsaw Branch of the Polish Association of Developers**, stressed during the discussion on cooperation under PPP, that the problem for investors is the law protecting tenants who do not pay rent and the lack of possibility to verify tenants' income.

"An investor would like to build flats in the city, but the risk is enormous. Many companies would enter the project if they could be sure that all tenants will pay the rent, because otherwise the company may suffer a loss. The question arises: Who would be a party to the agreement with the investor – the city or the tenant?" asked Zbigniew Malisz.

**Marek Goluch, Deputy Director of the Housing Policy Department of the City of Warsaw**, emphasised that the risk of eviction is borne by the city, because it must provide the debtor with the premises. – It is the city's responsibility to protect tenants. When we have to evict tenants from one of our flats, we have provide them with another one from city's supply. However thus far there are no companies willing to sign a contract with the city, e.g. for 20 years, for building, managing and collecting rent – summed up Marek Goluch.



**Maksymilian Mendel, an expert from Reas**, pointed out, however, that on the free market it is the investors themselves who choose the tenants and set the terms of the agreement. However, in the case of an agreement with the city, the situation is different. "In city PPP, a master lease agreement with the city should be applied, which would exclude problems concerning the payment of rent," suggested the expert from Reas.

On the other hand, **Waldemar Olbryk, a member of the Management Board of Echo Investment** responsible for the development of the housing sector, believes that in order to be able to carry out PPP projects with the local government, both parties to the agreement – the private and the public – must consciously share the risk and look at such cooperation in a different way than a standard tender for the purchase of construction services.

"PPP cannot be governed by such rules as public tender, in which the lowest price offer usually wins. Here the city gains in the long run. Usually a building constructed under PPP is of better quality than those coming from a tender, because in the former case the private partner takes over the management, for instance, for 30 years and then transfers the building that he/she has built in good condition," emphasised Waldemar Olbryk.



## II. **COLLIERS INTERNATIONAL:** WARSAW'S HOUSING POTENTIAL – AREAS, LOCATIONS, PLOTS FOR HOUSING DEVELOPMENT, WHICH SHOULD BE MADE AVAILABLE THANKS TO THE CITY'S ACTIVITIES

# Warsaw's housing potential



## – what is worth changing in Warsaw and where?

 <p><b>PLANS</b></p> <p>Stimulation of dysfunctional and degraded areas, e.g. the steelworks, Świdrska – Myśliborska, Elsnerów/Utrata Revision of planning records</p> <ul style="list-style-type: none"> <li>• Municipal register of historical monuments – less restrictive on the commune level,</li> <li>• The Warsaw Citadel forts – more liberal principles of land management – high apartotel potential</li> </ul>	 <p><b>FAMILY ALLOTMENT GARDENS</b></p> <p>Failure to fulfil the social function of the organised urban greenery – replacing it with urban fabric with high level of biologically active or publicly accessible green areas</p> <p>Moving family allotment gardens (RODs) out of the most populated city quarters (e.g. Mokotów, Praga-Południe) – downward pressure on apartment prices and prevention of the negative effects of urban sprawl</p>	 <p><b>INFRASTRUCTURE</b></p> <p>Lack of utilities (e.g. sewage system in Wawer, central heating in Praga-Południe) The necessity to reconstruct the road system in trouble spots (e.g. "Dolinka"/Wilanowska) Improvement of the railway areas transport system (e.g. Kamionek, Raków) Investing in interchange hubs</p>	 <p><b>REVITALISATION/EXPANSION</b></p> <p>Façade renovation/revitalisation of downtown foot paths and bike lanes planting aesthetic urban greenery Making the prefabricated buildings more attractive Considering granting bonuses to developers building in difficult areas (e.g. wetlands) – periodic exemptions/tax deductions?</p>
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**Emil Domeracki, Associate Director, Investment Advisory Department Expert at Colliers International,** presented the comments of investors who come to Warsaw and are looking for real estate.

“Investors, on their way from the airport along the Żwirki i Wigury Street, ask us, ‘why are there private allotments in the middle of the European capital, surrounded by fences?’ After all, they cut the urban fabric, isolating public areas from each other instead of connecting them. Why is the city not capable of solving this and cannot give the owners other attractive land, for example, on the outskirts of the city, better suited for allotments?” reported Emil Domeradzki.

He emphasised that it is not about the fact that allotment gardens are not needed, but that there should be no such private enclaves in the heart of the city. – At the Arkadia shopping centre, the developer managed to come to an agreement with the allotment owners and a development project will be implemented there. This pattern is worth repeating,” said the Colliers International expert.

Participants of the discussion requested : the relocation of allotment gardens from the most populated districts of the city (e.g. Mokotów, Praga-Południe), which would free up land and put downward pressure on land prices, and thus on flats, and will prevent the negative effects of uncontrolled urban sprawl.

Experts from Colliers International also spoke about the need to renovate the facades of the city's tenement houses in the city centre and the need to plant aesthetic greenery. In their opinion, in this case the city could count on private investments if it introduced a bonus system for such action (e.g. property tax reduction).

“If there were any discounts, incentives from the city, grants, surely there would be more people willing to carry out revitalisation projects,” said Emil Domeradzki.



land for housing development in the local development plan and the costs of infrastructure construction are estimated at PLN 40-59 billion, while the costs of transport (borne by the City of Warsaw): PLN 1-2 billion per year.

“Developers are aware that in some cities they have to contribute PLN 2-2.5 million to each of their investments for road infrastructure, because otherwise they will not get permission to build a road to it. We do not question this, but we must also know exactly what the city expects. Eventually, those who buy flats pay for everything anyway,” said **Mariusz Rodak, General Director of BPI Poland.**



**Paweł Rudiak, Senior Investment Consultant at CBRE,** stressed that housing estates need not only technical infrastructure, but also schools and services – i.e. functions typical for a city. “Modern cities are growing higher today, not wider. In the UK, for example, green areas are set to remain around cities, so there is a place to rest. These areas are not being developed, thanks to which the huge daily costs of commuting can be avoided and people do not spend 2-3 hours every day on their way to and from work. This should be taken into account when planning the development of Warsaw,” stressed the CBRE expert.

“It is not good that flats are built in the fields, where there is no infrastructure, and only then the city has to catch up with such uncontrolled housing development, because there is no school, nursery school or park,” summed up **Krzysztof Wróblewski, Senior Asset Manager from Coimpex.**



#### IV. KNIGHT FRANK: MLATS AS PART OF THE MIX – WHY SHOULD MULTI-PURPOSE BUILDINGS BE INCLUDED IN THE EMERGING HOUSING ESTATES?

##### RESIDENTIAL AS A PART OF MIXED-USE SCHEMES



###### Changing Poles' needs:

- Need for entertainment, self-development, time spent with family and friends
- Limitation of time for commuting
- Fast everyday shopping – acceptance for limited choice of goods in favour of spared time
- Shortening the distance between the place of residence and place of work, doing shopping or spending free time



- High demand for apartments within mixed-use schemes
- Growing number of mixed-use schemes in major Polish cities
- The new schemes becoming more and more thought-out in terms of architectural design and structure of functions
- Increasing number of projects within revitalised buildings in post-industrial areas



**Knight Frank's** research shows that the residential function should be an integral part of mixed-use projects.

"People not only want to have a place to live, but have everything within reach: a grocery store, a service point, a restaurant, a pub. Many people declare that they do not want to spend time in queues in a supermarket, and in traffic jams on the way to them. They accept that shops and other businesses are located in their blocks of flats, all the more so that they do not have to be burdensome at all," said **Magdalena Czempińska, Director of Market Research Department at Knight Frank.**

Experts from this company drew attention to the changing needs of Warsaw residents, including the demand to reduce the time spent on commuting, even at the expense of having a smaller range of products available in the shop around the corner.

Also **Waldemar Olbryk, member of the Management Board of Echo Investment** responsible for the development of the residential sector, believes that developers face new challenges when planning housing estates.

"The reason is the so-called uberisation of life. Customers are more and more demanding and expect much more from the place where they are going live than before. That is why they should be provided with services that support the quality of life in their new buildings. This is also consistent with the trend which shows that often the status symbol concerns not only the possessions, but also the quality of use. In addition to shops or service points nearby or in the blocks of flats themselves, there should also be services that support a high quality of life. Perhaps these are very small changes, but I am convinced that they will make a huge difference in everyday life," said Waldemar Olbryk.

In his opinion, "tailoring" a housing project in cooperation with the city, integrating it into the surroundings, adjusting it to a given place is an art. However, it is also something necessary.

“To a certain degree, the city’s requirement to include the project in the context of the existing place should not come as a surprise,” summed up Waldemar Olbryk.

## V. CBRE: WHAT SHOULD THE CITY REQUIRE FROM HOUSING DEVELOPERS?

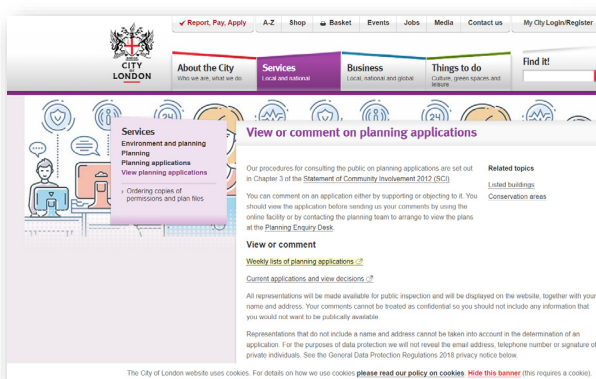
### DEVELOPERS' INVOLVEMENT IN PUBLIC INVESTMENTS

#### STRATEGIC PLANNING CRUCIAL FOR SUSTAINABLE CITY DEVELOPMENT

Important topics for cities' development and developers:

1. **Transparency of planning platforms**
2. **Public spaces** – playgrounds, playing fields, parks
3. **Public facilities** – schools, kindergartens, sport, educational and cultural buildings
4. **Common parking spaces**
5. **Commercial spaces (retail & services)**
6. **Apartment standards and fencings**
7. **Affordable housing from the commercial stock**
8. **Pedestrian, public transportation and cycling access to estates.**

#### PLANNING PORTAL – CITY OF LONDON



Źródło: <https://www.cityoflondon.gov.uk/services/environment-and-planning/planning/planning-applications/view-planning-applications/Pages/default.aspx>

**CBRE**

**CBRE** advisors also talked about the necessity of cooperation between the city and investors, citing examples from abroad.

**Paweł Rudiak, Senior Investment Consultant at CBRE**, mentioned, among others, the development contribution – a reserve of funds in the development budget for public investments – in accordance with the guidelines of the city – in an area where a developer is implementing its construction projects.

Experts from **CBRE** suggested that in terms of public spaces – playgrounds, playing fields, parks – the contribution should depend on the size of the investment.

Similarly, in the case of public facilities (schools, nursery schools, day nurseries, sports, cultural and educational facilities), the investor would pay fees, depending on the size of the investment, in order to build in a given place.

“We are already reserving funds in our budgets for additional investments associated with the construction of blocks of flats. It is not the case that we do not want to spend money on urban infrastructure. However, we need to know in advance about the requirements and plans of the city. They must be predictable, and not negotiated only during the investment process – emphasised Mariusz Rodak, General Director of BPI Poland.

During the workshops, there was also an idea to move away from own parking spaces to public parking spaces, which could be partly financed by development contributions.

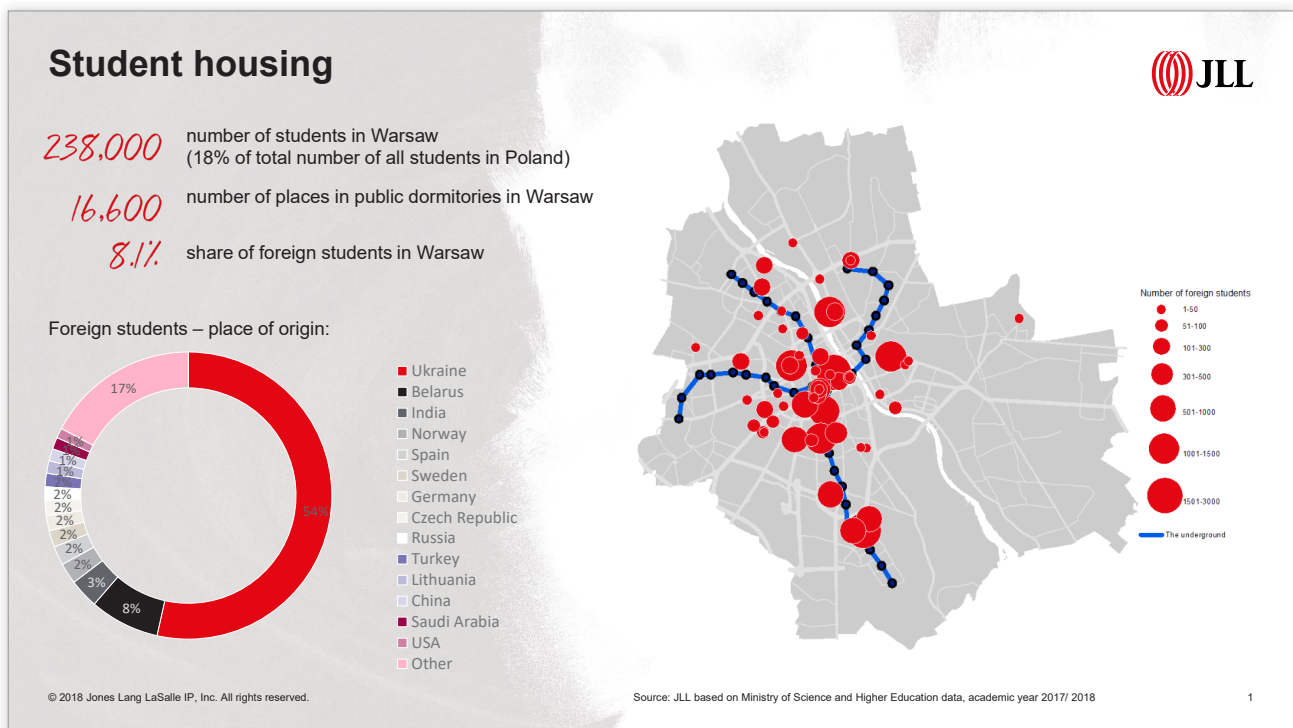
“Accessibility on foot and by bike to housing estates is a trend. The development of bicycle paths and squares without car traffic is an important element of urban development. In the world, cars are being eliminated from local life, for example in the Superilles housing estate in Barcelona, where car traffic is limited,” said Paweł Rudiak from CBRE.

In his opinion, investors would also expect a transparent planning platform – i.e. access to information about planned projects in the city, access to their documentation, as is the case in the UK.

“They also have a database of projects which could not be implemented in a given place in the city. This is a very valuable resource for investors who plan to build in a given area, because they know what has not been created. It would also be useful in Warsaw,” stressed the CBRE expert.

**Mira Kantor-Pikus, partner, director of capital, debt and financial advisory of the Capital Markets Department at Cushman & Wakefield,** added that investors would like not only to have information about the projects that failed where they are planning to build, but also would like to simplify the way of changing or extending the use of a given area.

## VI. JLL: FLATS FOR STUDENTS - BASE, NEEDS, POSSIBILITIES OF BUILDING COMMERCIAL HALLS OF RESIDENCE; INVESTORS' PLANS, THE CITY'S ROLE.



According to the data prepared by JLL, nearly 240 thousand students (19 thousand from abroad) study in Warsaw, while there are not even 17 thousand beds in halls of residence. This shows how much room for action there is for investors.

“Most students are looking for a flat to rent or a room in a family flat,” said **Joanna Tomczyk, Research Analyst at JLL.** “There are few private halls of residence. In Warsaw we now have only 200 beds in private halls of residence. On the other hand, investors are planning or building more than a thousand places as part of three large projects to be completed and handed over for use by late 2019 or early 2020.”



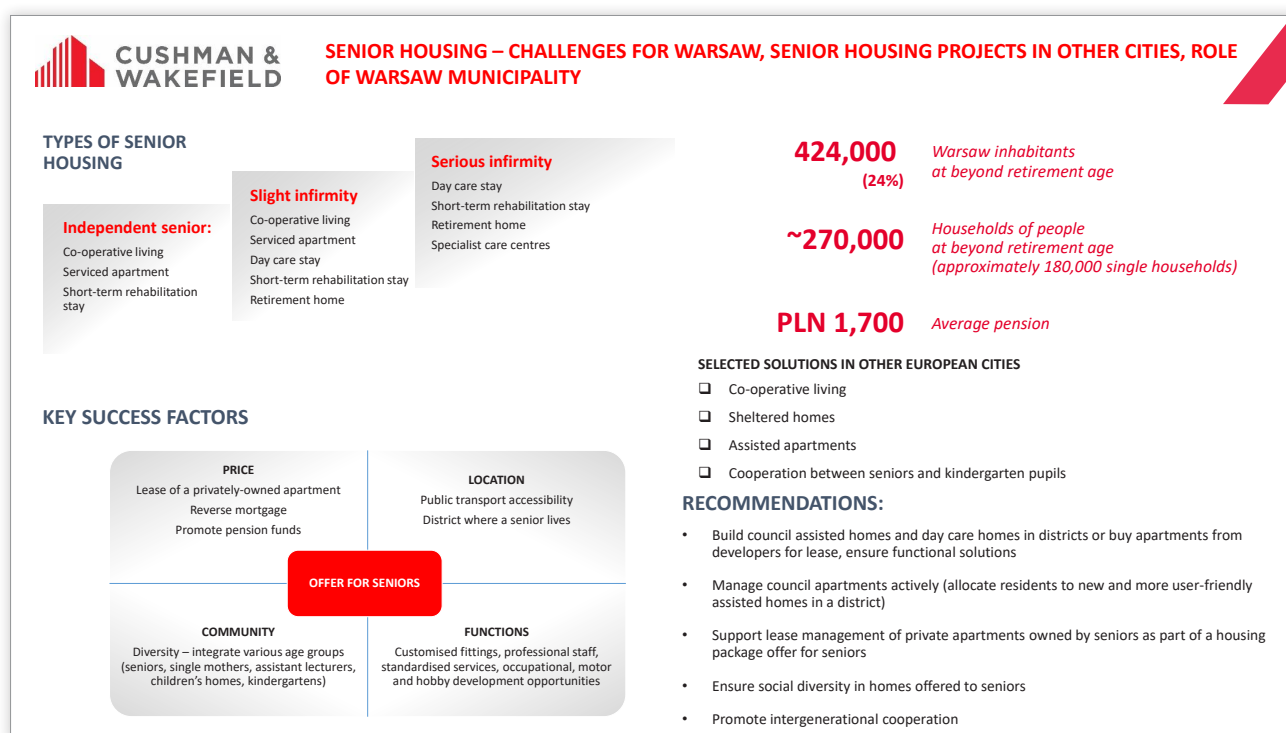
**Tomasz Bojęć** from **think.co.** added that the competition for a public hall of residence at the University of Warsaw, organised by SARP, is coming to an end. So another university hall of residence will be opened in Warsaw.

“There will also be other new halls of residence in the capital, but private. Investors are already planning them, expecting several hundred beds in one building” announced **Maximilian Mendel** from **Reas**. “There is a lot of interest in building halls of residence in Poland, including Warsaw.

Research conducted by JLL shows that foreign students are more likely to choose halls of residence due to the social aspect and the lack of language barrier, while Polish students are looking for flats on the free market.

During the discussion, architect **Anna Klammer** pointed out that a hall of residence is not only a bed, not only a place to sleep, but a location with other important functions: a laundry room, a café, a gym, a common place to play, to learn, to spend time. The role of the city? It should take this into account when issuing building permits.

## VII. CUSHMAN & WAKEFIELD: FLATS FOR SENIOR CITIZENS – CHALLENGES FOR WARSAW, PROJECTS IN THIS SEGMENT IN OTHER CITIES, THE ROLE OF WARSAW AUTHORITIES.



**Mira Kantor-Pikus**, partner, director of capital, debt and financial advisory of the Capital Markets Department at **Cushman & Wakefield**, spoke about the need to build serviced municipal housing and day homes in particular districts. She referred to data showing that a quarter of Warsaw's population today is in their post-working age (over 400,000 people).

In her opinion, if the city itself is not able to build flats for seniors, it could buy adapted flats from developers and lease them to seniors.

“It is necessary to actively manage municipal flats, e.g. by moving residents to more friendly buildings in a given district. It is also necessary to take care of social diversity in houses where flats for seniors will be offered and to promote

intergenerational cooperation,” recommended Mira Kantor-Pikus.

She said that there are foreign investors who want to build flats in Warsaw for rent for seniors, but it should be remembered that they are not thinking of care homes known from the suburbs, but rather modern buildings of hotel standard, where on the ground floor there would be a clinic, rehabilitation facility and similar services, and which would feature flats adapted to the needs of older people (with a calling system, wider doors, adequately planned rooms).

A proposal was made to examine the needs of seniors in Warsaw and the possibilities as well as willingness to move to senior apartments.

## 5. Summary – the conclusions and suggestions of workshop participants

- Proposal to change the purpose of commercial-purpose land in Służewiec – allowing the residential function, construction of aparthotels, multi-purpose buildings with a predominant residential function.
- Proposed transfer of allotment gardens from the most populated districts of the city (e.g. Mokotów, Praga-Południe), which would free up land and put downward pressure on land prices, and thus on flats, and prevent negative effects of urban sprawl.
- The need to encourage investors to revitalise: discounts, tax reductions, support programmes, simplification of procedures related to conservation related formalities, etc.
- A proposal that the city – through a special purpose vehicle – should prepare a selected historic property and introduce it to the market, already “safe” for the investor, participating in a given project.
- A proposal to introduce a so called development contribution – a reserve of funds in the development budget for public investments – in accordance with the guidelines of the city – in the area where the developer implements its investments.
- Investors would not only like to have information about what projects failed in the location at which they are planning to build (an application for the creation of a database of projects to which the city did not agree), but they would also like to simplify the way of changing or extending the purpose of a given area.
- A proposal to create a database of projects for the construction of halls of residence in Warsaw.
- A proposal to examine the needs of senior citizens in Warsaw and the possibility as well as willingness to move to senior citizens’ homes.

## 6. What next?

Six meetings are planned under the **Grow with Warsaw** project. Each meeting is dedicated to a different sector of the real estate market.

The first workshop took place at the end of 2017. It focused on the development of the trade and services market. In February 2018 the participants discussed the aspects that make revitalisation in Warsaw easier and those which make it more difficult; in April they talked about the need to create multifunctional real estate; and in June about green infrastructure in the city and places accessible to all citizens of Warsaw. After the last discussion about the housing market, a debate about the very centre of the capital city – about the surroundings of the Palace of Culture and Science and a summary of the cycle is planned for November 2018.





Reports from the Grow with Warsaw workshops are available on the Internet – at the city websites:

<http://architektura.um.warszawa.pl/>

**The Knowledge Partners** are: BNP Paribas Real Estate, CBRE, Colliers International, Cushman & Wakefield, JLL, Knight Frank, Savills.

**The Legal Knowledge Partner** is the law firm Dentons.

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