

Partnership for success –

the case of the common
approach of City of Łódź
and Polish Railways to
development of the city
center

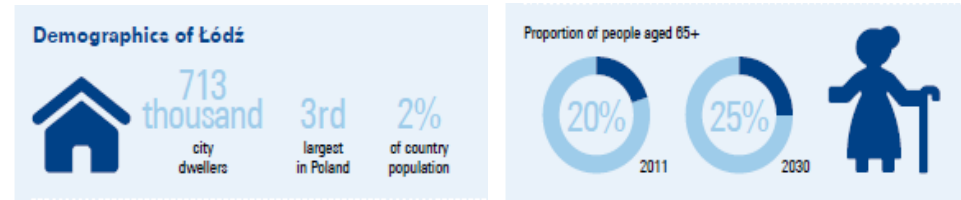


Background: Challenges faced and managed by the City of Łódź

Analysis and evaluation of the New Center of Łódź Program

Łódź after 1989 – main challenges:

- The downward demographic trend
- High unemployment rate and relatively low level of wealth of the citizens
- The unutilized potential of the neglected, central area of the city



New Center of Łódź Program - one of the biggest urban renewal challenges in the history of Łódź.

Main goal: economic and social revival of the city center.

Key obstacles encountered by The New Center of Łódź Program :

- Insufficient control provided to the City Council over the projects under realization
- Problems of coordination of the management structure and lack of an integrated vision for the Program
- Lack of a cohesive goal common to all the entities
- Insufficient communication between the parties
- Lack of a multiple layers of land ownership act

KPMG's involvement :

- analysis and evaluation of the New Center of Łódź Program
- assessment of the degree of completion of the Program with a specific focus on its aims, its weak points, evaluation of the entities involved and the possible sources of external financing.

Suggested recommendations:

- to increase the control of the City Council over the Program
- to appoint the Program be appointed and the Board for Planning, to create Governance and Development of the New Center of Łódź Program
- to strengthen the Governing Board responsible for the construction of the Łódź Fabryczna railway station
- to create the effective Program Monitoring Office.

A **Program management model** was prepared. Its main goals include:

- Defining of the legal and organizational **management structure**
- Delineating the **scope of work** for each entity involved in the project
- **Streamlining communication** between the parties

Establishing of an **organizational model** and Program management rules

Following the 2012 KPMG's recommendation the City Council of Łódź:

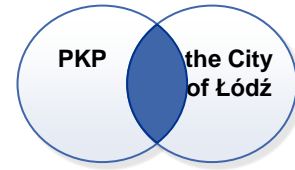
- ✓ **appointed the Governing Board for the New Center of Łódź**
- ✓ **obliged to prepare detailed plans and conceptual framework needed for the realization of the Program.** The framework includes the outline for the cooperation and collaboration between all the parties involved in the coordination of the projects.

The Governing Board for the New Center of Łódź ordered an analysis of the functional land use of over 100 hectares area of the new center that was divided into three zones. The Governing Board for the New Center of Łódź collaborates with PKP S.A. (Polish State Railways) on the conceptual framework for the land use of the 13 hectares area designated as the Special Culture Zone, located at the heart of the New Center of Łódź.

New approach to coordinated development of the Special Culture Zone at the New Center of Łódź

Collaboration between the Governing Board for the New Center of Łódź and PKP S.A. (Polish State Railways)

Having regard to the principles of efficiency, cost rationalization, coordination, synergies and coherence effects, the City of Łódź and PKP S.A. concluded an agreement on a joint coordinated development of the Special Culture Zone at the New Center of Łódź.



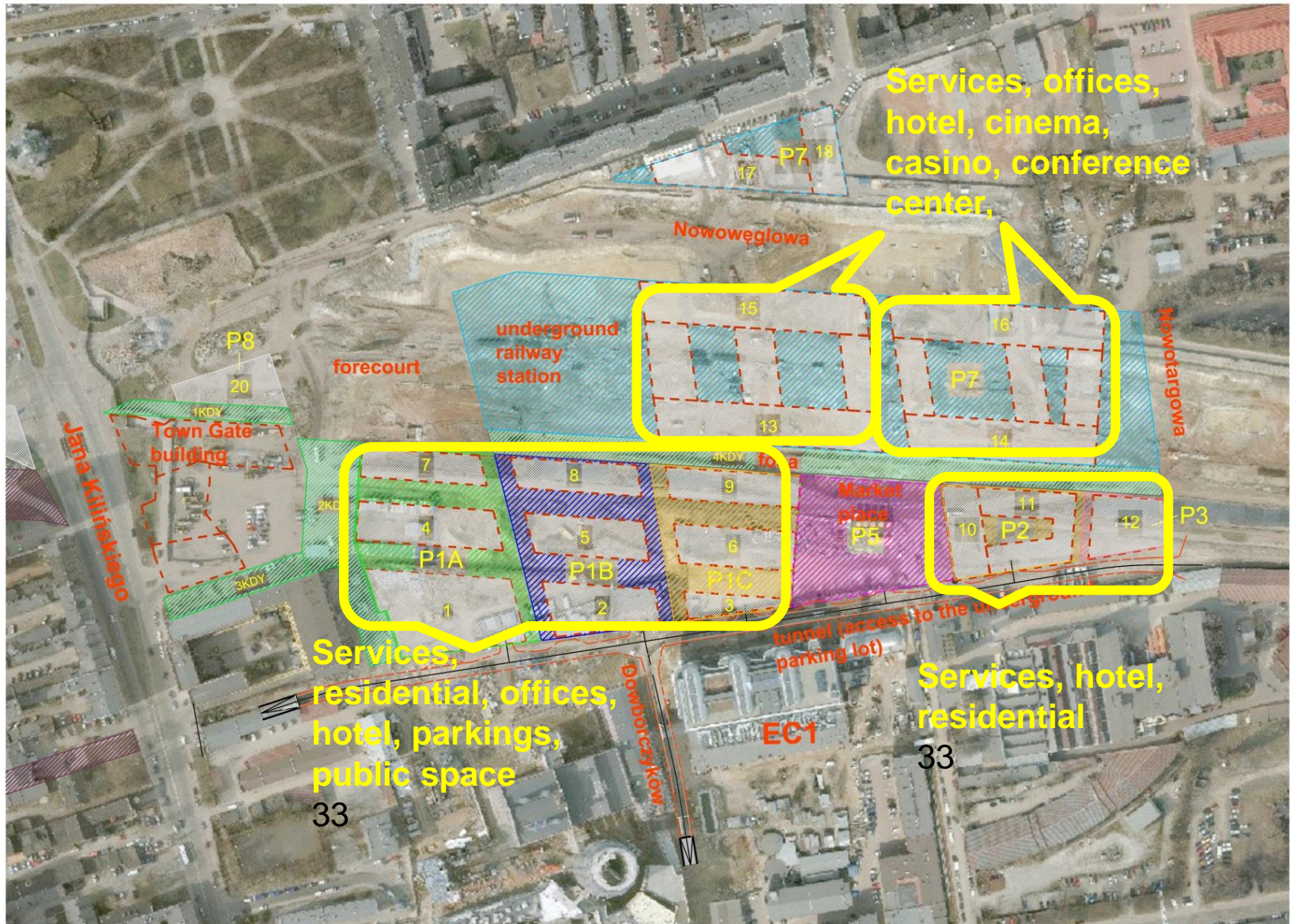
Selected strategic goals and priorities of the Partners:

the City of Łódź	Both City of Łódź and PKP S.A.	PKP S.A.
<ul style="list-style-type: none"> • reversing the unfavorable demographic trends • enhancing the competitiveness of Łódź • strengthening the metropolitan functions • generating new jobs • improving safety • „inward” development of the city • providing income for the municipality 	<ul style="list-style-type: none"> • creating prestigious area of the NCL • promoting the positive image of Łódź and increasing the prospects of its development • revitalization of the downtown and railway area • improving the conditions for investment, economic activation • creating a multi-functional, accessible, safe and attractive space for both residents and tourists • creating new public space • creating high quality, esthetic superstructure • improving transport accessibility and functionality of the communications system • developing the area active throughout the day-night cycle • increasing the attractiveness of the city and improving the residents’ quality of life • offering optimal solutions for future users / target groups (including seniors and people with disabilities) • creating interesting and attractive architectural solutions • introducing the functional structure of the Special Culture Zone 	<ul style="list-style-type: none"> • maximizing economic benefits • indicating the most effective way to manage the newly released areas above the underground railway station • establishing investment implementation schedule on the PKP S.A. areas • exploiting the opportunities, identifying and eliminating threats resulting from investment’s location

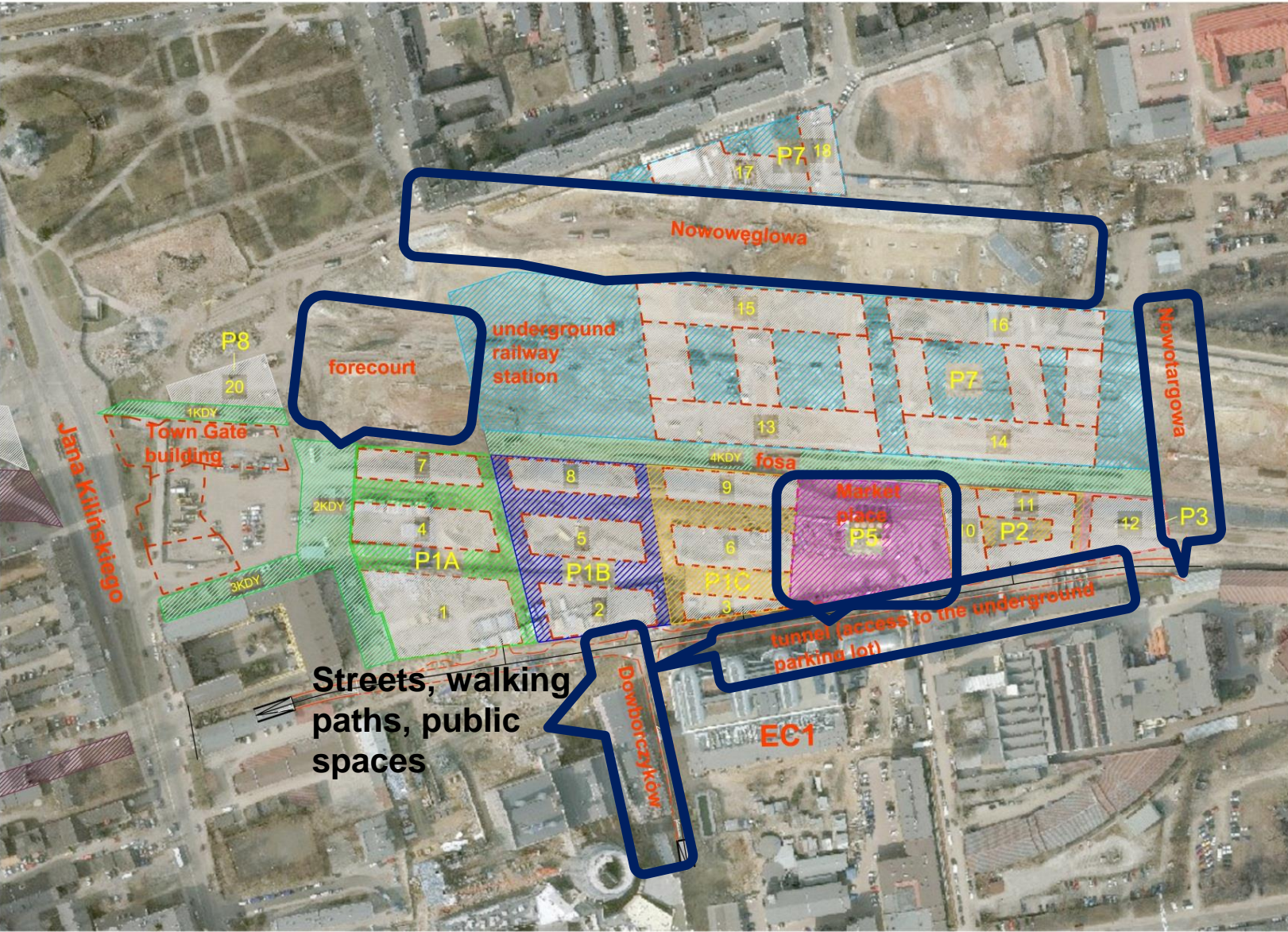
Project consists of the following components:

- A: Functional analysis
- B: Spatial conceptual design
- C: Elements of the Highest and Best Use Analysis (HBU) of investments planned on the PKP premises
- D: Investment models for the Governing Board for the New Center of Łódź
- E: Design documentation for the road system
- F: Promotional materials – presentation of the coordinated development

The successful outcomes



The successful outcomes



Mirosław Proppé
KPMG Advisory Spółka z ograniczoną
odpowiedzialnością sp. k.
ul. Chłodna 51, XVI piętro
00-867 Warszawa
Polska