

PN-ACA-866

**ASSESSMENT OF
SELECTED TRAINING
ACTIVITIES IN POLAND**

Prepared for



Eastern European Regional Housing Project
Project 180-0034
U.S. Agency for International Development, ENI/EEUD/UDH
Contract No. EUR-0034-00-C-2033-00, RFS No. 4

Prepared by

Caryl Ersenkai



THE URBAN INSTITUTE
2100 M Street, NW
Washington, DC 20037
(202) 833-7200
www.urban.org

October 1992
UI Project 06251-004

ASSESSMENT OF SELECTED TRAINING ACTIVITIES IN POLAND

THE LOCAL GOVERNMENT TRAINING SEMINARS ON LAND APPRAISAL AND LAND USE PLANNING AND THE SEMINAR ON HOUSING DEVELOPMENT AND MARKETING IN POLAND

October 1992

Introduction

AID has thusfar undertaken two separate training activities relating to housing and urban development in Poland. The series of four **Local Government Training Development Seminars** were intended to train trainers in selected techniques through which local governments can facilitate private land development. A larger seminar on **Housing Development and Marketing in Poland**, broadly explored real estate development and was directed principally at developers.

The seminars reviewed in this assessment include the first two of the Local Government Seminars, (1) Property Valuation and Appraisal and (2) Land Use Planning in a Market Economy along with the above mentioned seminar on Housing Development. The seminars displayed varying levels of success, dependent on a number of factors including the topics selected for discussion, the quality of instruction and team composition, method of presentation, applicability to the Polish context, selection of participants and the training facility and logistics.

In this assessment, recommendations for strengthening future program development will be based upon analysis of the above factors in relation to the seminars. The recommendations will include discussion of:

- (1) lessons learned;
- (2) the replicability of the seminars and potential follow up activities;
- (3) the capacity of local counterparts to continue the training process;

The principle recommendations are summarized in the following section of this paper. A more detailed analysis of the two Local Government Training Development seminars and the Housing Development and Marketing Seminar follows in sections 2.0 and 3.0, respectively.

1

2

1.0 Recommendations

1.1 A Summary of Lessons Learned

1.1.1 Objective: The objective of generating a nucleus of trainers through which to continue further seminars and expand knowledge of topics critical to local government may not have been achieved through the local government training seminars. While participants were exposed to new concepts and techniques and some experience in application was achieved, a longer term self-sustaining training program for local government personnel officials has not been established thusfar. Establishing such a capacity will require more intensive analysis and application of techniques by the trainers-to-be.

The Housing Development Seminar succeeded in exposing participants to development process in a market economy, however, within a two-day timeframe, participants could obtain no more than a very cursory understanding of the process. More hands-on assistance will help expand upon this understanding and stimulate further private sector development.

1.1.2 Topic Selection: Seminars for presentation to small groups must be carefully tailored to address manageable, discrete topics that can be adequately addressed within the time available.

A primary objective of any training for local government should be to expose participants to techniques that are immediately applicable. While broader topics can be introduced and new ideas and ways of thinking exposed, it is difficult to fully develop local trainers' and other participants' understanding of such concepts within such a brief period. Their lack of exposure, particularly to market concepts, is a prime reason "training trainers" for local government in Poland has proven difficult.

1.1.3 Quality of Instruction and Team Composition: Small scale training teams should include both American and local counterparts with experience in academics as well as practitioners with a broad perspective of their discipline and range of experience.

The selection of both American and local experts should emphasize insuring each is familiar with the others' system of housing and land development. Exposure to the Eastern European development process is necessary for Americans instructors to carry out meaningful dialogue with participants on how change can be implemented. An

3

understanding by local counterparts of the market-based system of land development is critical to the development of appropriate, useful case studies and feasible recommendations for improvement to the current system.

1.1.4 Method of Presentation & Materials: An interactive workshop format, rather than traditional lectures, is most appropriate for small group seminars and very well received by participants. Liberal use should be made of audio-visual aids, overheads, slides etc. Participants also welcome opportunities for discussion, interchange of experiences and small group problem solving exercises. Much of the background material prepared for the Local Government Training Seminars, would provide an excellent basis upon which build one or several courses to be offered at the university level.

Larger seminars such as that on Housing Development, can serve principally as a means of developing a constituency to support critical changes in policy, process, or procedure and provide an opportunity for professionals with mutual interests to exchange experiences and establish contacts with others in the field. While participants are exposed to new concepts through such presentations, it is impractical to expect to transfer of practical, applicable techniques.

1.1.5 Applicability to the Polish Context: Greater emphasis must be placed on developing successful local case studies which can serve as a basis for concrete recommendations on new approaches to solving local problems. Close collaboration between US and Polish counterparts is essential to insure that the case studies are relevant to the local context and also illustrate how solutions may be derived within the existing regulatory framework.

Future seminars must focus less on the American system and more on how market based techniques can be applied to local Polish problems. As American planning techniques cannot be directly transferred to the Eastern European situation, a fuller understanding by American and local experts of each other's systems and close collaboration between them is critical.

1.1.6 Selection of Participants: Seminar planners must carefully target a select, nationally representative group of participants. With small seminars, individuals, who will actually apply the techniques presented should be selected. However, for seminar is intended to introduce new concepts and/or to be combined with a TA program, the appropriate participant would have more authority, broader vision and interest in insuring that new techniques or procedures are actually implemented within their

jurisdiction, e.g. mayors or other high level municipal officials.

1.1.7 Training Facility and Logistics: Contractors must insure that all materials are translated in sufficient time for adequate review, editing as needed and reproduction prior to the opening of the seminars.

Given the technical nature of the topics being introduced, the final versions of the translated course materials should be provided to interpreters prior to the seminar to allow them to review and become familiar with specialized terminology. If necessary standard translations for technical terms should be developed.

1.2 Replicability of the Seminars and Potential Follow-Up Activities

1.2.1 Land Appraisal and Property Valuation: The seminar on Land Appraisal is appropriate for application elsewhere, particularly in countries where movement toward development of a national appraisal system is underway. Activities being undertaken by the Krakow Real Estate Institute would be complementary to this seminar and the Institute's interest in offering such a seminar should be further explored. Consideration should also be given to sponsoring the seminar as part of a program at the university level, particularly if a new system of property appraisal is adopted at the national level.

1.2.2 Land Use Management: The Land Use Seminar which included four major topics - Economic Development Planning, Consensus Building and Citizen Participation, Infrastructure Finance and Strategic Planning, should be restructured with several of the topics being introduced separately. A seminar combining Economic Development with Strategic Planning is recommended with a separate seminar on Citizen Participation. Infrastructure finance is a complex topic, difficult to introduce to mid-level officials without appropriate finance background. AID's involvement in infrastructure finance should be evaluated separately from other local government interventions. See Section 2.1, for further discussion of these courses. As with the Land Appraisal seminar, consideration should be given to supporting such a seminar at the university level.

1.2.3 Land Development: The Land Development Seminar would require adaptation for presentation in other Eastern European countries. As mentioned earlier, greater emphasis should be placed on developing appropriate local case studies.

Materials developed for the Land Development seminar with some expansion, could provide a suitable basis for a more intensive course at the university level or through an organization desirous of promoting real estate development such as the Krakow Real Estate Institute.

1.2.4 Technical Assistance: The exposure of participants to new concepts and techniques through seminars alone is insufficient to develop the expertise necessary to apply them. Additional hands-on technical assistance for municipalities and for the development community is essential. Creating an outreach program in which TA is available to developers as well as builders, cooperatives etc. which act as developers, would be extremely useful and provide an on-going type of assistance available throughout many stages of the development process.

1.3 Capacity of Local Counterparts to Continue Training Process: While it is not clear how many participants will actually train others, consideration should be given to changing the venue if seminars on local government continue. The seminar on Land Appraisal might be conducted in cooperation with the Krakow Real Estate Institute if a location in southern Poland is desirable. The FSLD might retain its involvement with restructured seminars on selected topics in Land Use Planning, however, it may be desirable to shift the presentation of the seminars to the training institute in Lodz. During the third Local Government seminar, the Lodz institute was more cooperative than the Malopolska Institute in Cracow, where the first two seminars were held.

The Crakow Real Estate Institute has shown interest in continuing activities relating to the Housing Development seminar. The feasibility of continuing similar activities with similar organizations might be explored in other Eastern European countries. Any introduction to the real estate development process however, should be coupled with additional technical assistance or opportunities for more in-depth training.

2.0 Local Government Training Development Seminars
Seminar on Land Appraisal and Property Assessment
Seminar on Land Use Planning in a Market Economy

The Local Government Seminars were intended to provide training for a small audience of individuals interested in continuing to provide training to other professionals. As both were prepared through the International City Managers Association (ICMA), they will be discussed jointly in this section of the assessment.

2.1 Seminar Topics

2.1.1 Land Appraisal and Property Assessment: Land Appraisal is a discrete topic with definable limits, and involves specific techniques that can only be introduced during a five-day seminar. As Poland and other Eastern European countries increasingly recognize the need for a new system of appraisal, interest in adopting new methods has grown. Similar seminars can be used elsewhere to introduce new concepts, although application of techniques presented in the seminar will be limited until functioning markets evolve. Participants, by applying market appraisal techniques through exercises, develop an understanding of the need to develop an information base on housing market transactions. By generating interest and recognition of the need for properly valuing property, such training seminars can expand awareness of market functioning and build a constituency to support the establishment of a nationwide, market based system of appraisal.

Seminars on Property Assessment are appropriate also for application elsewhere, particularly in countries where movement toward development of a system of property taxes is underway. The materials developed for the seminar are suitable for use in a more intensive course at the university level where topics can be further explored in depth.

2.1.2 Land Use Planning in a Market Economy: In contrast to Land Use Appraisal, Land Use Planning is a far broader topic. In planning the seminar, the team decided to concentrate on topics with which Polish local officials had little experience and were critical to development and planning in a market context. Practical techniques were to be introduced and their application discussed in the Polish context. The seminar would focus on four aspects of Land Use planning -- economic development planning, consensus building/citizen participation, infrastructure planning and finance, and strategic planning. Given the Poles unfamiliarity with the concepts, these topics too are broad and difficult to explore adequately within a 5 day period. They are, however, linked. Local authorities are beginning to recognize their success in attracting industry will depend on their ability to provided essential services, plan for infrastructure provision and on acceptance by their constituents.

2.1.2.1 Separate seminars might be offered in selected areas of Land Use Management. A seminar combining Economic Development with Strategic Planning is suggested with a seminar on Citizen Participation

conducted separately. The topic of infrastructure finance is extremely complex for introduction to mid-level officials without appropriate finance background. AID's involvement in infrastructure finance should be evaluated separately from other local government interventions.

2.1.2.2 Combining the concept and need for Strategic Planning with Economic Development, would provide a framework for local authorities could better understand the role they can play in facilitating private sector land development. The Economic Development portion of the seminar should be revised to introduce techniques to assist authorities to identify its economic strengths and also expose participants to concepts of "deal making". Supplementing the seminar with follow-on TA, perhaps through local government advisors would further increase the effectiveness of the training program.

2.1.2.3 The concepts of Consensus Building and Citizen Participation are applied to a wide range of local government decisions requiring public support, including economic development. The benefits citizen participation can be reviewed in a seminar format and the means of generating consensus presented within a 2-3 day time frame. The market for such a seminar assessed based upon interest expressed by local authorities. The content of the course requires substantial revision with greater emphasis given to interactive exercises or techniques that illustrate the benefits of gaining consensus/support and demonstrate the dynamics of group interaction and how to deal with it.

2.1.3 Assessment of the two Local Government seminars suggests that topics for presentation to a small group in a seminar format should be discrete and manageable. Because time is limited, however, the primary objective should be to provide techniques that are immediately applicable. While broader topics can be explored and some exposure given to new techniques and ways of thinking, presentation by local trainers is difficult as such discussions tend to be very theoretical.

2.2 Quality of Instruction & Team Composition

2.2.1 **Polish Experts:** The two Local Government training seminars were each conducted by a team of three American and two Polish instructors. In preparation for the seminars, the Polish counterparts spent three weeks in the US in order to better understand the role of local

authorities in relation to housing and urban development and to work with the American instructors to develop course materials and case studies. The Polish experts all held academic positions with the Faculty of Architecture at Krakow University and most also worked directly for the Krakow municipality. Although the Polish experts visited the US in preparation for the course, those who had been educated or had earlier professional experience in the US were far better able to apply market concepts to the Polish experience.

2.2.2 American Experts: Two of the American instructors for the Land Appraisal course held PhDs in economics and had extensive experience teaching at the university level. The third American instructor was a very successful practitioner with substantial experience in managing his own appraisal firm. The American instructors, associated with the Land Use Planning Seminar, included an experienced city manager from a large American metropolitan area, a city planner with architectural and land use planning experience and a professional trainer from ICMA.

2.2.3 Instruction: While personalities may play a role in the success of any jointly taught seminar, the level of teaching experience and practical experience of experts appears to have a more significant impact. The instructors with university teaching experience were especially successful in presenting well organized, coherent and cogent presentations, which were strengthened by discussions of experienced practitioners able to draw on concrete examples to illustrate application of theory.

A factor weakening presentations in the seminar on Land Use Planning was the absence of an instructor with strong academic teaching experience. While the experienced city manager successfully discussed implementation of economic development techniques relating to land use, a somewhat more theoretical presentation would link practice and theory and allow more a more disciplined set of practical exercises/case studies. The discussions by a Polish expatriot architect/planner, despite his experience in the US, was less successful due to his limited practical experience relating to the topics presented and limited lecturing experience. The third expert, a professional trainer, facilitated the flow of discussion supplementing them with practical US experiences. Such a combination of expertise however, cannot substitute for more rigorous academic discussion.

Just as the lack of exposure to a market system, limited Polish experts ability to transfer the U.S. experience to the Polish context, American experts'

unfamiliarity with the Polish systems of planning and housing development hindered their capacity to understand and relate to the Eastern European experience. Exposure to and experience with Eastern European development and planning processes should be emphasized in selecting team members.

While the use of bi-lingual experts would be ideal, experienced instructors and practitioners are far more critical to success. Where translation was imprecise during the Local Government Training Seminar, the coordinator for ICMA, a bi-lingual Polish national with US experience, was available to interject. Presumably, similar expertise would be available for future seminars.

In short, small scale training teams should include both experienced academics and practitioners with a broad perspective of their discipline and range of experience. In addition, familiarity with both the U.S. and local country's system of housing and land development should be emphasized in the selection of both American and local experts.

2.3 Method of Presentation & Materials

2.3.1 The Land Appraisal Seminar was well prepared and presented; overheads and slides were used consistently and well integrated into presentation. The workshop format was well received by participants and included many exercises, supplemented generously with handouts and readings for future reference. This material would provide an excellent basis upon which to develop a university-level course.

2.3.2 The Land Use Planning Seminar, in comparison to the seminar on Land Appraisal, was neither as well organized, nor as professionally presented. Although a workshop format was also employed and was well received, slides and overheads were used less frequently and fewer supplemental reading materials provided.

2.3.3 The workshop format is very acceptable to the Eastern European audience in a small seminar. It was viewed as novel, exciting and innovative by participants who are accustomed to more traditional lecture presentations. The use of audio-visual aids, and practical exercises illustrating the use of techniques presented is recommended along with supplemental readings expanding on the concepts discussed.

2.4 Polish Case Studies and Application to the Polish Context: While the concepts presented in both seminars were well received and generated creative thinking, there were problems in developing relevant Polish case studies, particularly in relation to Land Use Planning. Such studies were intended to demonstrate

either successful experiences within the Polish system, or provide a basis for improving efficiency through alternative approaches to the problem. Unfortunately, given a lack of exposure to such alternatives, the Polish counterparts developed case studies which examined inadequacies of the Polish system. Typically, an example illustrating Polish procedures was presented, along with a listing of associated problems. No critical analysis of the underlying problems was made nor were recommendations for improvement.

The case studies relating to land appraisal were crafted jointly by the US and Polish counterparts and as a result more successfully illustrated potential new approaches. It is essential to have close collaboration between US and Polish counterparts in identifying and developing local case studies. Emphasis must be placed on developing successful case studies that provide a basis for concrete recommendations on how to better approach local problems.

2.5 Selection of participants: The Foundation in Support of Local Democracy (FSLD) was responsible for recruiting participants for the two local government seminars. Brief course descriptions inviting applicants were sent to municipal governments throughout Poland. Participants were admitted on a first come basis and no fees were levied. Approximately 25-28 professionals were typically selected from a pool of 45-50 applicants. Their level of experience varied. Several mayors attended along with local government officials from municipal architects offices and some university personnel. A larger percentage of local government officials would have been preferable. Mayors were understandably the most dynamic participants and in the best position to encourage the adoption of new approaches. Despite the enthusiasm of all participants, especially mayors, it is not clear how much actual training will follow from the initial training sessions, although a follow-on seminar, conducted by the Polish counterparts, was held after the Land Appraisal Seminar, again through the FSLD. High level municipal officials recognized the need for training but most likely their time is too valuable to permit them to conduct training. They have, however, become aware of AID assistance programs and several mayors discussed possible technical assistance with AID/Warsaw.

2.6 Training Facility/Logistics: The FSLD together with Malopolska Training Institute (MTI) in Krakow sponsored the two seminars. Although AID funded a full-time assistant to arrange the seminars, at the time of the first seminar, MTI management was unclear on whether to continue further involvement with the seminar. Based upon the enthusiastic student response, it later expressed more interest and was more cooperative in assisting with arrangements for the second seminar. Even then, a number of logistical problems remained: training materials forwarded to the FSLD/MTI were not translated in time for sufficient review prior to presentation, in fact they could not be reviewed until the team

actually arrived in Krakow. As a result, the reproduction of materials was delayed and last minute preparations were still being made on the first day of the seminar. It is essential that contractors insure that all materials are translated in sufficient time for adequate review, editing as needed and reproduction prior to the opening of the seminars.

Consideration may be given to changing the venue for such seminars, the Land Appraisal seminar might be conducted in cooperation with the Krakow Real Estate Institute should a location in southern Poland be desirable. While the FSLD might retain its involvement with a restructured Land Use Planning seminar, it may be useful to shift the location to Lodz where the last two seminars were to be conducted.

3.0 Housing Development and Marketing in Poland: Issues of Feasibility

The Housing Development and Marketing seminar sponsored jointly by AID and the NAR, MIT, UNCHS, and the Cracow Real Estate Institute was intended to convey and understanding of the key principles of the housing development process and identify means of adapting the process to the Polish context. Further, U.S. and Polish participants would better understand each country's development processes and thus identify the appropriate means of introducing market mechanisms. Within the limited time frame of 3 days however, little more than a cursory overview of the American development process was possible.

3.1 Seminar Topics: Topics included most elements of the U.S. development process and were intended for presentation to an audience of developers. As participants at the conference were drawn from a wider range of disciplines, it was necessary to reorient some of the discussions to better respond to the interests of local officials. Through their questions, participants from local governments showed interest in learning more about the means of reducing a municipality's risk in joint ventures and alternative ways of "structuring a deal". Such topics should be emphasized in any future seminar for such an audience.

A three-day seminar allows sufficient time only to highlight the development process in a market economy. While participants could raise their most pressing issues during both day and evening discussions, such problems could not be thoroughly addressed and the need for more direct technical assistance to municipalities became clear. Discussions by the Polish participants tended to focus on the merits and problems of the Polish system. Greater familiarity with the Polish system would have enabled the Americans them to more knowledgeably engage in discussion.

The issue of subsidy and subsidized housing was often misinterpreted by the Poles especially when used loosely by Americans unfamiliar with the issue of subsidy in the Polish

context. Careful definition of these terms, and confining discussion to the proper context is essential to insure participants understand the need to precisely target subsidies to the poor.

3.2 Quality of Instruction and Team Composition: While the seminar was well structured and organized to introduce the U.S. experience, time restricted the in-depth exploration of most topics and limited the discussion to broad issues. The team of instructors included both academics and practitioners, who addressed many aspects of development and integrated theoretical discussion with practical applications, however, no thorough exploration of the development process was possible. The principle achievements of the seminar were to raise an awareness of the market, to initiate discussion on the shortcomings of the Polish process and to elicit questions regarding specific projects ongoing in Poland.

U.S. instructors' unfamiliarity with details of Polish development, other than the presence of a severe housing shortage, limited their ability to apply the U.S. experience. Unfortunately U.S. experience does not lend itself to direct transfer to the centrally planned economies of Eastern Europe, characterized by multi-family rather than single family home construction.

Polish counterparts, which included an economist, and architects/planners, several of whom were also associated with the Land Appraisal seminars. Their role included the preparation of local case studies which, as mentioned earlier, were not well developed and require revision for any future seminar.

3.3 Method of Presentation and Materials: A lecture format was used throughout the conference with time allotted for questions after each presentation. Considerable emphasis was placed on how the U.S. development process works with too little time spent discussing how the Polish system functions. Future seminars should be modified to include greater discussion of how to work within the Polish system and what modifications are critical to successful private real estate development. Because high density housing dominates the market in Poland, more discussion should focus on the private multi-family housing development process rather than the market for single family units.

The background materials distributed at the seminar were reflected the issues discussed during the lectures. Additional readings or a list of references would have provided a basis for participants to further examine the topics presented. Should a more intensive seminar in real estate development be developed as part of a university or other training program, the materials would need to be substantially expanded.

3.4 Polish Case Studies and Application to the Polish Context: As with the local government seminars, case studies useful in illustrating successful development experiences in Poland were difficult for Polish experts to develop. This aspect of the seminars must be strengthened as it is critical to demonstrating how alternatives to the status quo can be implemented successfully.

3.5 Selection of Participants: Participants, who responded to announcements by the sponsor numbering over 100, included only a few developers, the intended audience, and were drawn from a variety of disciplines, including municipal officials, city planners, builders, architects, brokers, bankers/investors, cooperative managers, surveyors and academics. The sponsors drew participants primarily from the Warsaw and Krakow areas, the majority of whom were professional acquaintances of the Polish sponsors. It is recommended that greater effort be spent on attracting a broader audience from other regions throughout Poland. A steep registration fee of \$100 was levied, presumably to limit participants to those truly interested in attending. If costs can be covered through other means, a lower fee could increase participation from other regions of the country.

3.6 Training Facility/Logistics: The training facility, on property owned by the University of Cracow was entirely appropriate and dormitory facilities in which participants stayed allowed for extended discussion among participants in the evenings. Logistical arrangements for the conference were overseen by U.S. consultants and appeared to go smoothly. The primary handicap was a lack of computer and reproduction capacity at the training site.

Translation was sometimes a problem because of the nuances associated with technical vocabulary. Course materials must be made available to the translators prior to presentation to allow for careful proofreading. Interpreters should also be supplied with a set of standard translators for technical terms for use during presentations.

c:\wp51\docs\poland\assessme