

# Annual Report

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Prague  
Development  
Company



# Projects PDS

When Pražská developerská společnost, a state-funded organization, was established by the Charter of Foundation, land owned by the City of Prague and suitable for municipal housing construction was transferred to PDS for management. Inventory of land was specified and completed within the update of the Charter of Foundation of PDS, which was approved by the Council in the middle of 2021.

The land portfolio transferred to PDS for management includes both extensive territories, on which PDS prepares new urban complexes, and smaller plots intended for individual housing projects.

## Headquarters

Pražská developerská společnost,  
příspěvková organizace  
U Radnice 10/2, 110 00 Praha 1

## Contact Details

Telephone: +420 771 173 911  
E-mail: [info@pdspraha.eu](mailto:info@pdspraha.eu)  
Data box: 46ziusv

Identification number: 09211322

Bank details: 2031590006/6000

## EXPLANATORY NOTES:

- land over 30,000 m<sup>2</sup> DFA
- land of 8,000 – 30,000 m<sup>2</sup> DFA
- land smaller than 8,000 m<sup>2</sup> DFA

- land size
- gross floor area
- number of flats

**Davídkova - Ládví, Prague 5**  
↑ 2,900 m<sup>2</sup>    GFA 2,400 m<sup>2</sup>  
ca 30

**Na Hutích, Prague 14**  
↑ 75,000 m<sup>2</sup>    GFA 33,700 m<sup>2</sup>  
ca 400–500

**Na Hutích – kindergarten, Prague 14**  
↑ 3,200 m<sup>2</sup>    GFA 1,600 m<sup>2</sup>  
0 / public facilities

**Libeňský přístav**  
↑ 15,700 m<sup>2</sup>    GFA 23,900 m<sup>2</sup>  
ca 200

**Palmovka, Prague 8**  
↑ 101,700 m<sup>2</sup>    GFA 203,100 m<sup>2</sup>  
ca 2 300

**Palmovka - Zenklova**  
↑ 1,400 m<sup>2</sup>    GFA 3,100 m<sup>2</sup>  
ca 50

**Beranka – Horní Počernice**  
↑ 63,000 m<sup>2</sup>    GFA 31,300 m<sup>2</sup>  
ca 300

**Černý Most – centre**  
↑ 9,400 m<sup>2</sup>    GFA 14,000 m<sup>2</sup>  
ca 200

**V Botanice, Prague 5**  
↑ 1,200 m<sup>2</sup>    GFA 6,000 m<sup>2</sup>  
ca 60

**Peroutkova - Jinonická**  
↑ 18,900 m<sup>2</sup>    GFA 6,000 m<sup>2</sup>  
ca 50

**Vršovická – apartment building, Prague 10**  
↑ 11,300 m<sup>2</sup>    GFA 14,900 m<sup>2</sup>  
ca 120

**Dolní Počernice**  
↑ 185,000 m<sup>2</sup>    GFA 78,000 m<sup>2</sup>  
ca 800

**Dolní Počernice – Project 1**  
↑ 56,000 m<sup>2</sup>    GFA 28,100 m<sup>2</sup>  
ca 250

**Nový Zlíčov, Prague 5**  
↑ 2,000 m<sup>2</sup>    GFA 1,200 m<sup>2</sup>  
ca 30

**Nové Dvory, Prague 4 a 12**  
↑ 150 000 m<sup>2</sup>    GFA 290 000 m<sup>2</sup>  
cca 2 000

**Apartment building of Jalový Dvůr**  
↑ 7,500 m<sup>2</sup>    GFA 4,200 m<sup>2</sup>  
ca 5

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# 1. Introducing PDS

Pražská developerská společnost is a state-funded organization of the City of Prague in charge of the development of urban real estate assets entrusted to it. On such land PDS initiates and coordinates preparation of projects intended mainly for rental housing and any other construction in the public interest.

## Brief History of the Establishment

The City of Prague (HMP) is an administrative, economic, commercial and cultural centre of the Czech Republic, where tens of thousands of people come every year to make use of career opportunities and to live an attractive lifestyle, so it can be expected that this trend concerning the whole metropolitan region will not cease in the coming decades. Higher demand than supply increases housing prices in the capital city and this demand is met outside of the city boundaries, particularly in the Central Bohemian Region. A similar trend is evident also in other regional cities of the Czech Republic.

In June 2020 the political representation of the City of Prague agreed that one of the ways to face the housing crises was recovery in urban housing construction, which de facto ceased after 2000. Since real estate development is a highly specialised activity, which is investment intensive and time consuming, a new municipal organization of Pražská developerská společnost was established for implementation of the approved project.

Establishment of Pražská developerská společnost (PDS) was preceded by a year of preparatory activities consisting in acquisition of experience from partner municipal corporations in Hamburg and Munich and in identifying suitable locations for future urban housing construction. In mid-2019 a small initiative team was formed in the Institute for Planning and Development of the City of Prague (IPD) with the aim to check suitable land and set up the first balance sheets about possibilities of its use and construction projects.

On the basis of decision taken by the Prague City Council, in May 2020 PDS obtained land totalling 400,000 m<sup>2</sup> suitable for construction of 6,000 to 8,000 flats within a ten-year perspective. At the same time an expert team

was formed, which has, since October 2022, been managed by Petr Urbánek, PDS managing director.

## Objectives of PDS

A long-term primary objective of PDS is exploitation of urban land by means of integrated project management and extension of housing stock. The economic objective consists also in reaching cost neutrality for taxpayers.

PDS works both on the housing projects of municipal rental housing and development of larger areas owned by the city, where new municipal quarters including housing, administration, services and public facilities (particularly schools and leisure facilities for children and young people) will be constructed.

New municipal rental housing is intended mainly for people in professions which are critically important for optimal performance of the city (education, health care, transport, security and technical services).





Doc. Ing. arch. Petr Hlaváček

First Deputy Mayor of the City of Prague for Territorial Development

## The City is Building a City

*Mr Hlaváček, after many years Prague is returning to housing construction. The projects are prepared, coordinated and managed by Pražská developerská společnost, a municipal organization established specifically for that purpose in June 2020. What was the reason for such a vital decision?*

Every year Prague attracts new people who want to work and live there and take advantage of a diverse range of its services. However, Prague, as well as other West European cities, has become a victim of its own success and it is not affordable for everybody due to high housing prices. Prague wants to contribute to solving the housing crisis by construction of its own municipal rental flats. Of course, this is not a single solution but one of many needed.

*The portfolio of Pražská developerská společnost includes both smaller land areas and extensive urban complexes, where construction of new municipal quarters is expected. What made you do it?*

The city is building a city and I am glad that besides smaller land areas suitable for residential development also extensive territories have remained in Prague. It deals of brownfield in the wider city centre (e. g. Palmovka) as well as free undeveloped plots (e. g. in Dolní Počernice and Černý Most). There is a chance to build functioning urban districts that will offer not only housing, shops and services but also schools, community and cultural centres, sports grounds and create safe public space. This is an opportunity that we must take advantage of.

*Who will your municipal rental flats be for?*

We always cooperate on preparation of individual projects with a particular municipal district. Our target is to create a varied social mixture. We want the flats to be used by the employees in preferred professions who ensure running of the city and for whom commercial housing is not affordable. Traditionally they are teachers, health workers, policemen, people working in public transport and technical services. Part of the flats will be

allocated in cooperation with a particular municipal district according to its current needs. The idea here is that it will concern mostly seniors, single mothers and others.

*How many projects is Pražská developerská společnost preparing and what stage of preparation has been reached?*

When PDS was established approximately 400,000 m<sup>2</sup> of land was transferred to this state-funded organization with the aim to build 6,000 to 8,000 housing units there in the time horizon of 5 - 10 years. PDS is working in 16 locations on land consolidation, preparation of future projects and collaboration with cooperating public bodies and local self-government. The projects are in various stages of an approval process; the most frequent are documents for urban development plans, or building permits in exceptional cases.

*Many of your projects start with territorial research, you have concluded memoranda of cooperation with several municipal districts within some locations. This is a demanding process that definitely extends preparation of the projects. Why are you doing it?*

We have territorial researches processed for the purpose of such projects, where processing is possible with regard to the permit granting process. Their focus varies: some are designed for our decision-making, others serve as a basis for change in the urban development plan, or some will be included in the Metropolitan Plan. I perceive territorial research as an important instrument of an agreement on territory, which we and a municipal district and its inhabitants take part in. This platform makes sense; we have good experience with it. The memoranda that we subsequently sign reflect a specific political agreement and they are binding for all interested parties.

*How do you perceive cooperation with the private sector?*

The city must cooperate with the private sector, there is no doubt about it. We stated clearly this cooperation, we count on it, however, we need to create such conditions for cooperation that will really work and deliver expected results. We learn from our colleagues in municipal development companies mainly in Hamburg and Munich. We discuss about future cooperation and we count on it in the field of funding and specific implementation of our projects. Immovable property, no matter whether it is land or buildings, will be owned and managed by the city in the long term.



## Ing. Peter Gero

Architect and Urban Planner  
longtime director of development of central areas  
in Hamburg

# City Development Needs a Conceptual Approach

*Mr Gero, you were working as a director of development of central areas in Hamburg for many years. Why did Hamburg, which is a twin city of Prague, decide to establish its own development company?*

About 25 years ago a big part of the Hamburg harbour turned into brownfield due to changes in economic processes. It extended into the area of the city centre itself. We did not want to let it decay, to lose it by selling it off to private entities and to lose control over its further use.

HafenCity Hamburg, which is the name of our municipal organization, should have introduced (and has really managed to introduce) a new dynamic into the urban environment, which is known from the private development and thanks to which we are able to react to the current socio-economic needs of the city and its inhabitants. HafenCity Hamburg projects itself as an expert development company that ensures long-term continuity in the area of urban development important for the local self-government, private business entities as well as citizens themselves. The continuity was also on a personal level because the organization was managed by Prof. Jürgen Bruns-Berentelg for twenty years.

*What can you see as the most important achievement of municipal development?*

The city is unambiguously and actively taking responsibility for management of its property. It does not renounce the impact on its own future development. It evolves conceptually. I would like to use comparison with the development of Prague during the reign of Charles IV. Establishment of new municipal districts moved Prague significantly forward and allowed its planned development. We can see similar activity in Paris at the end of the 19th century and in Barcelona, London and Hamburg from the beginning of the millennium. City development cannot solely be left to private developers. They are the same everywhere, however, the difference is what space the city gives them. If the power instruments of a city are consensual and comprehensive, developers will follow these rules.

There are two instruments I am talking about: urban development plan and permit granting process. And the concept of the city about its own development is a matter of public interest, which must be discussed and shared.

It is an entirely legitimate democratic process, which is reflected in the urban development plan and permit granting process of individual constructions. Every developer understands that if he gets out of the field of synergy, he has lost.

The municipal development organization is a place where know-how needed for high quality management of real estate assets is concentrated. It is necessary to manage it strictly apolitically in order to fulfil its advisory and implementation role for politicians, public administration as well as citizens themselves.

*What is most important for municipal development projects to succeed? What shall you be the most careful about?*

It is definitely the right selection of staff. Preparation of development projects looks like a theatre play. People and casting are fundamental for the success of individual projects. It is not just a matter of an intendant and a theatre manager but of every single actor directed correctly and creatively.

Interaction with political representation, in particular with the budget committee, is equally important. It is necessary to build strong confidence here because there are moments when we must absolutely rely on these partners, their opinions, ideas and objectives.

Furthermore, there is a strong relationship between the city government and the private sector, particularly the chamber of commerce, industry and banking having an interest in the city's prosperity, in Hamburg. It would not allow the city to approve something inconsistent with its own economic interests, which are essentially also the interest of the municipal public. It stems from historical, cultural and social background of this Hanseatic city.

*Acceptance of the municipal projects by the general public is no less important. How did you manage and how are you doing in this field? What has been positively welcomed?*

Intensive cooperation with local and national media, collaboration with local politicians and influencers has proved successful. Personal presentations of plans and projects to both general and professional public will be positively perceived. We have an information centre in the city centre, where we regularly present our projects, where anybody can come and inquire and from where you can obtain printed material.

Unified communication is like a thread that ties a challenging heterogeneous process of preparation of individual projects and the entire portfolio. Presentation of specific benefits that the projects will bring is very helpful in communication. It is often a new infrastructure, which is necessary in the given place, whether it deals with new public space, roads, public transport stops or new schools. HafenCity is gradually turning into a new creative district and its own development supports establishment and development of new Hamburg quarters.

# People in PDS



**Petr Urbánek**  
Managing Director



**Mgr. Martin Červinka, MBA**  
Deputy Director



**Ing. Kristina Fillová**  
Office Manager



**Mgr. Hana Matějková**  
Finance Manager



**Martina Frintová**  
Communication Specialist

## Project Team



**Ing. Radka Kalfeřtová**  
Project Manager



**M. A. Martin Kloda**  
(ČKA authorization)  
Project Manager



**Ing. arch. Michaela Kloudová**  
Project Manager



**Ing. Jakub Kovářiček**  
Project Manager



**Ing. arch. Štěpán Kubíček**  
(ČKA authorization)  
Project Manager



**Ing. arch. Tomáš Lukeš**  
(ČKA authorization)  
Project Manager



**Ing. David Mestek**  
Project Manager



**Ing. arch. Pavel Novák**  
Project Manager



**Ing. Rastislav Tomaščík, MBA**  
Project Manager



**Ing. Petra Vaněčková**  
Project Manager

# Investment Expert Committee

The Investment Expert Committee (IEC) of PDS was established by the Charter of Foundation of PDS (article VII, paragraph 2). The nomination of the IEC members was approved by the Prague City Council by R-37460 document of August 3, 2020.

With regard to the activity of PDS as a state-funded organization of the City of Prague the IEC was defined as an expert advisory body assessing projects processed by PDS and their individual stages from an economic, cost and financial perspective. The IEC assesses mainly materials intended for further discussion by the Prague City Council, which provide a basis for decision-making about financial resources deployed by the Prague City Council. In the context of operation of state-funded organizations it is the only expert body supervising optimal activity of a state-funded organization and its outputs. In accordance with the Charter of Foundation five members of the IEC were appointed for a three-year term.

## Composition of the Investment Expert Committee:

**Martin Bendík**, law Wilsons Attorney's Office  
Specialist in real estate rights, real-estate development and acquisition

**Jaromír Hainc**, urban development plan  
IPD Prague  
Academic and university lecturer (FA CTU)

**Martin Hvězda**, economics of construction projects  
MH Cost Management  
Specialist in economics and construction budgets

**Lukáš Kohl**, architecture and residential development  
Doma je Doma studio  
Architect, developer, analyst of smaller development projects

**Miroslav Singer**, banking sector and funding  
Generali CEE Holding  
Economist

All above mentioned members meet the definition of a trustworthy and competent person (within the Communi-

cation of the CNB of December 3, 2013). At the inaugural meeting of the IEC held on January 25, 2021 the IEC Status was approved and appointment letters of abovementioned members of the IEC were delivered and signed.

Basic parameters of the documents that PDS will submit to the IEC members for consideration and checking were agreed at the first meeting in March 2021. Key parameters of economic return and economic sustainability of PDS projects will be included in them.

Further steps, adoption of the budget and basic parameters of the following projects were approved at the meeting held in June 2021:

Smíchov – V Botanice  
Vršovická – apartment building Dolní Počernice – Stage1 Palmovka – Zenklova  
Nové Dvory – Project 4, Jalový Dvůr Ládví – apartment building  
Nový Zlíchov – apartment building  
Na Hutích - kindergarten and community centre

Discussed project fiches were subsequently approved by the Prague City Council between September and November 2021.

Further steps, budgets and basic parameters of the following projects were approved at the meeting of the IEC held in June 2021:

Černý Most – centre  
Nové Dvory – Project 9 Durychova Dolní Počernice – Project 2  
Dolní Počernice – infrastructure  
Beranka – Horní Počernice – apartment buildings  
Peroutkova – Jinonická  
Palmovka – Libeňský přístav

We suppose that further steps of these projects will be presented to the Prague City Council for discussion between February and March 2022.

# 2. Preparation of PDS Projects

## PDS Investment Projects and 2022 Budget

Having regard to the proposal of PDS investment actions concerning specific projects of PDS were included into the action code list pursuant to a resolution. Larger territories were divided into stages or projects run as separate investment actions.

The budget of the Prague City Council records 53 investment actions of PDS, where total investment costs worth more than CZK 30 billion including VAT can be expected at the current prices and the current level of knowledge.

DRAFT BUDGET OF CAPITAL EXPENDITURE - SUMMARY OVERVIEW OF ACTIONS BY BUDGET CHAPTERS AND ADMINISTRATORS (in thousand of CZK) per THE CITY OF PRAGUE								
01 – Community Development								
CAPITAL EXPENDITURE			Total sources		HMP Source (incl. government grants by means of HMP)			
Department/organization	No. of action	Name of action:	Total costs of action:	Funded by December 31, 2020 (incl. account. corr.)	2021 adopted budget	2021 updated budget	2022 draft budget	Remains to fund:
Administrator: 0004 - doc. Ing. arch. Petr Hlaváček								
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045709	Dolní Počernice - housing construction	365 480,00	0,00	10 000,00	10 000,00	12 200,00	343 280,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					12 200,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045874	Smíchov - V Botanice	319 340,00	0,00	0,00	700,00	11 000,00	307 640,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					11 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045875	Nový Zlíchov	143 000,00	0,00	0,00	600,00	10 000,00	132 400,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					10 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045876	Černý Most - centre	668 000,00	0,00	0,00	600,00	3 825,00	663 575,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					3 825,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045877	Na Hutích PROJEKT 0 - infrastructure	131 000,00	0,00	0,00	200,00	1 150,00	129 650,00
							1 150,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045878	Na Hutích PROJEKT 1 - houses	268 000,00	0,00	0,00	600,00	2 000,00	265 400,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045879	Na Hutích PROJEKT 2 - NW centre	351 000,00	0,00	0,00	100,00	4 950,00	345 950,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					4 950,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045880	Na Hutích PROJEKT 3 - NE centre	296 000,00	0,00	0,00	100,00	2 200,00	293 700,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 200,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045881	Na Hutích PROJECT 4 - kindergarten	100 000,00	0,00	0,00	600,00	5 293,00	94 107,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					5 293,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045882	Na Hutích PROJECT 5 - SW centre	242 000,00	0,00	0,00	100,00	1 800,00	240 100,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045883	Na Hutích PROJEKT 6 - parish	25 000,00	0,00	0,00	100,00	200,00	24 700,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					200,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045884	Palmovka - Zenklova	153 060,00	0,00	0,00	900,00	7 500,00	144 660,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					7 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045885	Palmovka - Vochářova	2 160 000,00	0,00	0,00	100,00	2 558,00	2 157 342,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 558,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045886	Palmovka - passage treatment, preparation investment	30 300,00	0,00	0,00	1 200,00	26 500,00	2 600,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					26 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045887	Nové Dvory PROJECT 0 - infrastructure	2 666 000,00	0,00	0,00	100,00	4 663,00	2 661 237,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					4 663,00	

CAPITAL EXPENDITURE			Total sources		HMP Source (incl. government grants by means of HMP)			
Department/organization	No. of action	Name of action:	Total costs of action:	Funded by December 31, 2020 (incl. account. corr.)	2021 adopted budget	2021 updated budget	2022 draft budget	Remains to fund:
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045888	Nové Dvory PROJECT 2	1 345 000,00	0,00	0,00	500,00	2 040,00	1 342 460,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 040,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045889	Nové Dvory PROJECT 3	348 000,00	0,00	0,00	300,00	520,00	347 180,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					520,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045890	Nové Dvory PROJECT 4	400 000,00	0,00	0,00	600,00	8 000,00	391 400,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					8 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045891	Nové Dvory PROJECT 5	1 815 000,00	0,00	0,00	300,00	2 740,00	1 811 960,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 740,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045892	Nové Dvory PROJECT 6	3 105 000,00	0,00	0,00	400,00	4 690,00	3 099 910,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					4 690,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045893	Nové Dvory PROJECT 7	1 253 000,00	0,00	0,00	400,00	900,00	1 251 700,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					900,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045894	Nové Dvory PROJECT 8	596 000,00	0,00	0,00	100,00	900,00	595 000,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					900,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045895	Nové Dvory PROJECT 9	324 600,00	0,00	0,00	300,00	6 000,00	318 300,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					6 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045896	Nové Dvory PROJECT 10	912 000,00	0,00	0,00	100,00	900,00	911 000,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					900,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045897	Nové Dvory PROJECT 12	434 180,00	0,00	0,00	100,00	660,00	433 420,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					660,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045898	Vršovická - apartment building	731 000,00	0,00	0,00	900,00	13 800,00	716 300,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					13 800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045899	Dolní Počernice - infrastructure	1 661 000,00	0,00	0,00	300,00	3 911,00	1 656 789,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					3 911,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045900	Dolní Počernice - Project 2	3 271 133,00	0,00	0,00	300,00	9 000,00	3 261 833,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					9 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045901	Antala Staška - verification study	444 600,00	0,00	0,00	100,00	600,00	443 900,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					600,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0045902	Davidkova - verification study	342 000,00	0,00	0,00	300,00	2 500,00	339 200,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046087	Nové Dvory PROJECT 1	814 660,00	0,00	0,00	0,00	1 500,00	813 160,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046088	Beranka - Hor. Počernice - PROJECT 1	444 925,00	0,00	0,00	0,00	1 500,00	443 425,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046089	Beranka - Hor. Počernice - PROJECT 2	324 902,00	0,00	0,00	0,00	1 500,00	323 402,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046090	Beranka - Hor. Počernice - PROJECT 3	1 019 843,00	0,00	0,00	0,00	1 500,00	1 018 343,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046091	Beranka - Hor. Počernice - PROJECT 4	426 254,00	0,00	0,00	0,00	1 500,00	424 754,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046092	Beranka - Hor. Počernice - PROJECT 6	198 542,00	0,00	0,00	0,00	1 500,00	197 042,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					1 500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046093	Jinonice - Prokopových - PROJECT 1	232 557,00	0,00	0,00	0,00	600,00	231 957,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					600,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046094	Jinonice - Prokopových - PROJECT 2	1 038 091,00	0,00	0,00	0,00	600,00	1 037 491,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					600,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046095	Peroutkova - Jinonická	213 904,00	0,00	0,00	0,00	900,00	213 004,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					900,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046096	Braník - Pikovická - PROJECT 1	177 916,00	0,00	0,00	0,00	800,00	177 116,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046097	Braník - Pikovická - PROJECT 2	221 020,00	0,00	0,00	0,00	800,00	220 220,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046098	Braník - Pikovická - PROJECT 3	217 681,00	0,00	0,00	0,00	800,00	216 881,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046099	Ohradní, apartment building	309 120,00	0,00	0,00	0,00	500,00	308 620,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046100	U Plynárny, apartment building	208 656,00	0,00	0,00	0,00	500,00	208 156,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046101	Lipence, apartment building	35 613,00	0,00	0,00	0,00	500,00	35 113,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046102	Vysočanská, apartment building	62 661,00	0,00	0,00	0,00	500,00	62 161,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046103	Budínova - Bulovka, apartment building	44 886,00	0,00	0,00	0,00	500,00	44 386,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					500,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046104	Libeňský přístav - PROJECT 1	399 224,00	0,00	0,00	0,00	2 000,00	397 224,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					2 000,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046105	Libeňský přístav - PROJECT 2	539 635,00	0,00	0,00	0,00	800,00	538 835,00
		00000012 - Fund of Affordable Housing Development in the territory of HMP					800,00	
PRAŽSKÁ DEVELOPERSKÁ SPOLEČNOST	0046106	Libeňský přístav - PROJECT 3	312 156,00	0,00	0,00	0,00	500,00	311 656,00
		00000094 - Inv.trans/expense.from HMP budget incl. ineligible expend.					500,00	

# Valuation of Land Transferred to PDS for Management

Pursuant to a resolution of the Prague City Council no. 17/3 of May 21, 2020 and on the basis of the Charter of Foundation, land and plots of land were transferred to PDS for management in order to prepare projects of municipal housing construction.

Next, pursuant to the resolution of the Prague City Council no. 28/16 of June 17, 2021 the amendment of the PDS Charter of Foundation was approved and on its basis the land portfolio was extended by adding further land and locations for preparation of municipal housing construction.

Within preparation of the individual projects of PDS it is necessary to accurately reflect value of land on which the projects of municipal housing construction should be prepared. The parameter of market value of land is one of the most important inputs for processing long-term project budgets and prospects for proper setting of future costs and decisions on further direction of project preparation.

Thanks to the continuous development activity performed by PDS on entrusted land they are and they will be continuously assessed over time. For assessment and monitoring of change in the value of land it is necessary to know the entry level that was determined under the international standards of market valuation of immovable properties (methodology of RICS valuation).

That is why PDS outsourced the processing of the current market value of the land portfolio transferred to PDS for management on the basis of the Charter of Foundation as amended of May 21, 2020 and the submitted valuation was processed on June 1, 2021. Land that was added to the Charter of Foundation within its amendment of June 17, 2021 is not included in that valuation and it will be assessed within the update of valuation of real estate portfolio of PDS in 2022.

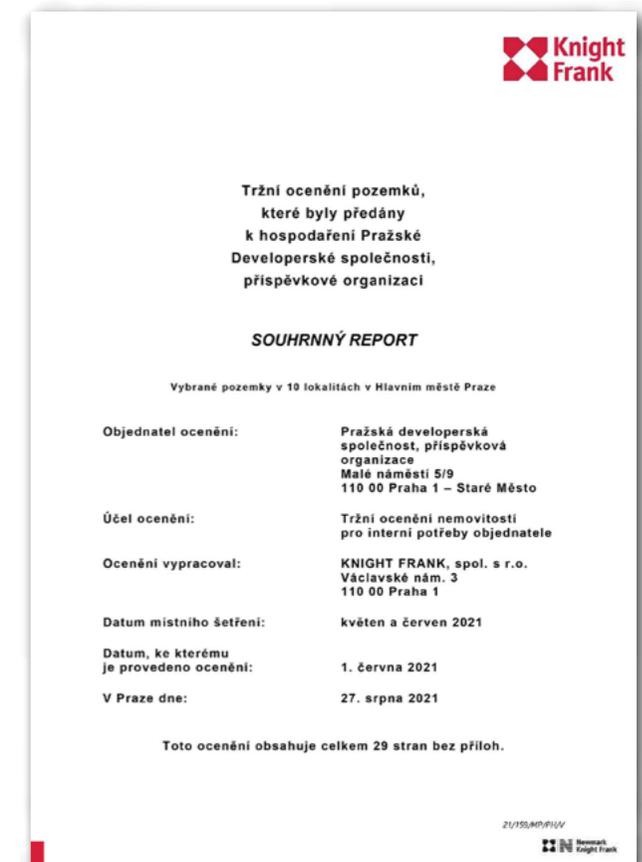
Determination of market value of land possessed by the City of Prague is also an important basis for further consideration and examination of the possibilities of funding projects of municipal housing construction partially from external resources. The city as an investor of projects prepared for implementation would undoubtedly be a high-value and attractive customer, however, during the preparatory phase it is necessary to set suitable conditions in particular with regard to the prescribed limits for credit exposure of the Prague City Council and to find optimal models for possible bank funding. A pre-condition for such consideration and preliminary discussion is knowledge of current value of land suitable for municipal housing construction.

Submitted market valuation is processed according to the applicable legislation and international valuation standards, so it assesses market value of individual plots and locations, while the specified market value means the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion (definition according to the European valuation standards 2012 - EVS I, or article 4, paragraph 76 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms).

The valuation processed on June 6, 2021 assesses 419,000 m<sup>2</sup> of land transferred to PDS for management and it determines its market value of CZK 2,939,000,000 (two billion nine hundred thirty-nine million Czech crowns).

The Prague City Council charged PDS to regularly process an annual update of market valuation of its real estate portfolio.

Market valuation of land transferred to PDS for management elaborated by Knight Frank company



## 7.2 VERIFICATION OF VALUES DETERMINED BY THE RESIDUAL

The following table shows values calculated by the residual method expressed in m<sup>2</sup> of the total land area in individual locations and conversion into 1m<sup>2</sup> of GFA (gross floor area) of potential construction.

Location	Plot size (m <sup>2</sup> )	GFA (m <sup>2</sup> )	Value of immovable property in the current state determined by the residual method (CZK)	Value of immovable property in the current state determined by the residual method (CZK/m <sup>2</sup> of the plot)	Value of immovable property in the current state determined by the residual method (CZK/m <sup>2</sup> area for sale/rent)	Value of immovable property in the current state determined by the residual method (CZK/m <sup>2</sup> of GFA)
1 - Černý Most	37,386	8,847.50	105,000,000	2,809	15,513	11,868
2 - Dolní Počernice	185,194	78,734.10	723,000,000	3,904	12,004	9,183
3 - Nové Dvory	90,478	86,055.10	785,000,000	8,676	11,924	9,122
4 - Krč	6,847	12,325.00	250,000,000	36,512	26,515	20,284
5 - Kobylisy	10,067	18,120.60	237,000,000	23,542	17,096	13,079
6 - Kyje	58,956	20,395.00	189,000,000	3,206	12,114	9,267
7 - Libeň	16,171	18,825.00	304,000,000	18,799	21,109	16,149
8 - Smíchov-Štefánikova	688	3,465.99	66,000,000	95,930	24,892	19,042
9 - Smíchov-Zlíchov	1,958	1,200.00	18,000,000	9,193	19,608	15,000
10 - Vršovice	11,257	14,955.00	262,000,000	23,274	22,901	17,519
<b>TOTAL</b>	<b>419,002</b>	<b>262,923.29</b>	<b>2,939,000,000</b>	-	-	-

# Municipal Development Principles

The PDS projects are and will be prepared by a holistic approach emphasizing the following principles:

- human scale of the projects
- consistency with the given location
- economy throughout the whole lifetime of the project
- architectonic and urban quality
- economical management of public funds

Today PDS acts mostly as a land developer preparing individual territories for future construction. It schedules its concept; guide it through the whole approval process up to a building permit. The implementation stage itself will be ensured by the city, or other methods of cooperation with the private sector, cooperatives or construction companies can be applied. Every crucial investment step concerning projects is subject to approval by the Prague City Council having regard to recommendation of an independent authority - Investment Expert Committee of PDS.

## Division of Project Phases

PDS follows standard phases of real estate development when preparing its projects.

- Phase 0** Acquisition (securing property rights in land)
- Phase 1** Obtaining an urban development plan
- Phase 2** Obtaining a building permit
- Phase 3** Processing documentation for contractors and their selection
- Phase 4** Project implementation
- Phase 5** Putting into operation

In terms of project preparation from the moment of obtaining an urban development plan or a building permit it should be noted that investment costs in the initial phase include, besides costs stemming from direct contractual commitments vis-a-vis a supplier of contract documentation and external suppliers of other professions, relevant costs of project management and associated operating costs, which are by nature of preparation of a construction project part of investment costs necessary for successful project preparation and implementation. Thus, in the set environment of the city and the municipal organization the costs of PDS activities in the following years are included "proportionally" in investment costs of individual investment actions and it is important to see the economy of PDS activities and operation from that perspective.

Image 1 - Development of cumulative costs and influence of an investor during implementation of a development project (source: PDS)

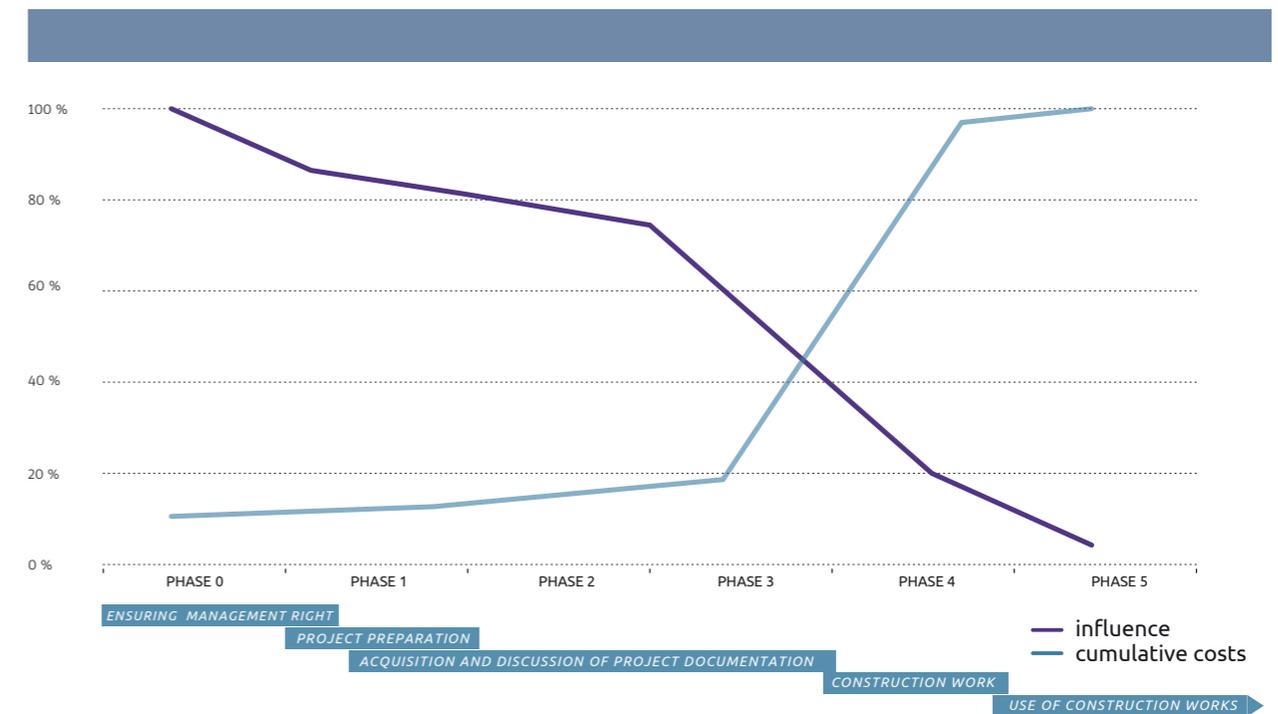
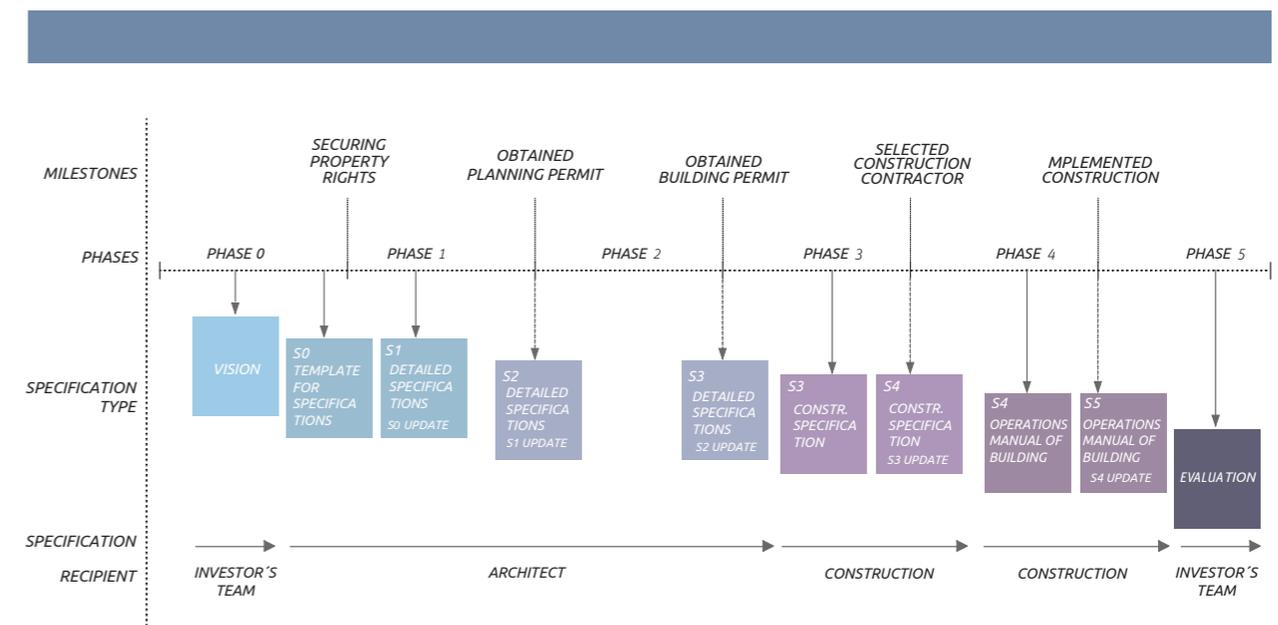


Image 2 - Recommended development of investment specification during the project (source: PDS)



# Agenda Discussed by the Prague City Council in 2021

R-38685 – establishment of investment actions, 1st wave of land preparation – ref. to the proposal of inclusion of investment actions of the municipal organization of Pražská developerská Společnost in the central list of actions in chapt. 01 – Community development in 2021

R-38676 – update of the Charter of Foundation of PDS 2021 – ref. to the proposal of amendment of the Charter of Foundation of Pražská Developerská společnost, a state-funded organization - within the scope of UZR MHMP

R-39871 – verification of construction of a multi-purpose building – Prague 12 – ref. to the proposal of procedure for preparation of construction of an apartment building with a multifunctional hall on land of the existing town hall and MusicArt in the territory of the Municipal District of Prague 12 and budgetary adjustment of the City of Prague in 2021

R-39969 – a directive for investment specification for municipal housing construction – ref. to investment specification for municipal housing construction of the City of Prague

R-40158 - budgetary measures to investment actions – ref. to the proposal of budgetary adjustment of capital expenditure of the municipal organization of Pražská developerská společnost in chapt. 01 Community development in 2021

R-41437 - establishment of investment actions – 2nd wave of land preparation – ref. to the proposal of inclusion of new investment actions of the municipal organization of Pražská developerská společnost in the central list of actions of the City of Prague in chapt. 01 – Community development

R-41255 - market valuation of PDS land – 1st wave of land preparation – ref. to market value of land transferred to the municipal organization of Pražská developerská společnost for management

R-42110 – temporary pedestrian linkway of Palmovka - Švábky – Rohanský ostrov – ref. to the project of imple-

mentation of pedestrian linkway of Palmovka - Švábky - Rohanský ostrov (investment action of 0045886 – Palmovka – passage treatment, preparation investment)

## Approval of the next steps of the projects

R-41023 - Smíchov v Botanice – ref. to the proposal of the next steps of preparation of V Botanice - Prague 5 project of apartment building construction

R-41252 – apartment building of Vršovická – ref. to the proposal of the next steps of project preparation of apartment building construction of Vršovická - apartment building

R-41253 – Dolní Počernice – Project 1 – ref. to the proposal of the next steps of project preparation of apartment building construction of Dolní Počernice - Project I

R-41536 – Palmovka - Zenklova – ref. to the proposal of the next steps of project preparation of apartment building construction of Palmovka - Zenklova

R-41564 – Nové Dvory – apartment building of Jalový Dvůr - ref. to the proposal of the next steps of project preparation of housing construction of Nové Dvory – Project 4 – apartment complex of Jalový Dvůr

R-41595 – apartment building of Ládví - ref. to the proposal of the next steps of project preparation of apartment building construction of Ládví - Prague 8

R-41633 – apartment building of Nový Zlíchov – ref. to the proposal of the next steps of project preparation of housing construction of Nový Zlíchov – Prague 5

R-41592 – Hutě – kindergarten of Na Hutích – ref. to the proposal of the next steps of project preparation associated with municipal housing construction Na Hutích Project 4 – kindergarten

# Expertise of PDS

Besides tasks concerning preparation of the projects of municipal housing construction transferred to PDS for management, the members of the Council or departments of the City charged PDS with other specifications and tasks concerning other immovable properties of the City of Prague, expertise, market values and others. These activities include e. g. the following:

**Prague 6 – Džbán and surroundings** – procedure of possible property settlement, economic potential

**Property of Česká pošta in the territory of Prague** – economic potential, recommendation of the next steps

**Bohdalec area** – proposal of division between the state and the City of Prague, proposal of procedure

**Florenc** – metro station and surroundings – property of DP and the City of Prague, economic balance sheet

**Prague 12** – collaboration with the Municipal District, project concept of a meeting hall and flats

**Libuš and surroundings** – economic assessment of proposed property exchange impacting land of the City of Prague

**Prague 8** – verification and consultation for possible property settlement

**Considered exchange** – Vyšehrad train station/ land in Dolní Počernice – economic verification

**Prague 3** – land owned by the Municipal District of Prague 3 for housing construction - recommendation of the next steps, economic balance sheet

**Invalidovna** – optimal involvement of the property of the City of Prague in predicted development of the location

**Běchovice** – verification of housing construction concept prepared by the Municipal District

**Hotel Opatov** – alternative verification of economic, construction and technical aspects of the project

**Vltavská** – investment following up Vltavská filharmonie, verification of territory potential for development

**Holešovice train station** – verification of economic value according to property and other legal relations

**Strahov stadium** – economic potential, proposal of the next steps

**Expert and consultancy work** – for the project of Dostupné družstevní bydlení (affordable cooperative housing)

# Investment Specifications

(Directive for investment specifications for municipal housing construction of the City of Prague)

During 2020 -2021 a directive for investment specifications for municipal housing construction was elaborated in cooperation with PDS, IPD and FA CTU. The document, approved by the Prague City Council in April 2021, meets the following purpose:

- unification of experience for preparation of projects of municipal rental housing
- definition of principles of municipal housing construction and recommendation of suitable housing structure
- guideline that helps define targets of specific projects and requirements for proposal processing

Investment specification is binding for all authorities of the City of Prague and recommended for similar activities of individual municipal districts of Prague.

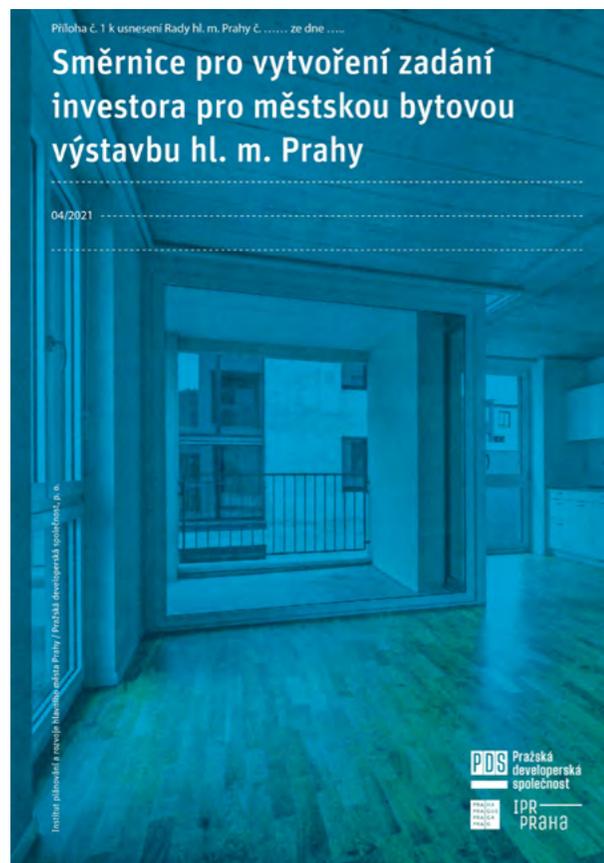
Investment specification can be freely downloaded on the web site of PDS, in the section of Expert Activities.

Link: [www.pdspraha.eu/zadani-investora-pro-mestskou-bytovou-vystavbu/](http://www.pdspraha.eu/zadani-investora-pro-mestskou-bytovou-vystavbu/)

Municipal construction of the City of Prague aims to contribute to the implementation of climate commitment of the capital city, so that is why specification of PDS emphasizes sustainable development. The projects of apartment buildings will take into account efficiency of land use and the construction itself, minimization of operating costs and maintenance costs as well as use of environmentally-sound materials, saving water (rain water and using grey water) and energy savings (suitable orientation of buildings, installation of heat pumps or photovoltaic panels).

As far as possible the buildings will be designed to age gracefully, i. e. morally, economically and technically. The city plans on a scale of decades and considers changing demands on quality of housing and an area standard per person.

*Investment specifications processed by CTU, IPD Prague and PDS in 2021*



# Sustainability and Environmental Approach to the Projects

Within preparation of its projects PDS considers a climate commitment from Prague to reduce emission of CO2 by 45 % until 2030 and to achieve climate neutrality by 2050. For this purpose, PDS cooperates with UCEEB, University Centre for Energy Efficient Buildings of CTU.

PDS is a partner of the Prague Innovation Institute taking part in the strategy of Circular Prague 2030, which includes emission saving measures in the construction industry. The aim is to increase building lifetimes, use of materials with a lower carbon footprint

and meaningful approach to recycling building materials. This approach is taken into account in Investment Specification, which is an evidence base for creating a project of municipal housing construction.

PDS supports education of their employees in the issue of long-term sustainability of a built environment as well as specific projects by participation in the programme of Sustainable Management held by UCT in Prague.

*The model of Palmovka project was formed as work of the Students of FA CTU in the studio of prof. arch. Michal Kohout*



# Professional Partnerships and Public Appearances

In 2021 PDS representatives actively attended several specialised conferences and seminars, e. g. Stavební forum, Prague Property Forum, real estate event of CEEC Rysý, Renaissance nájemního bydlení conference and the Round Table of the American Chamber of Commerce about affordable housing.

PDS intensively cooperates with universities:

Within their coursework the students of FA CTU deal with possible solutions of the development of some land from the PDS portfolio. Petr Urbánek, Managing Director of PDS is one of the lecturers of the Development Module at FA CTU.

PDS is a partner of an MBA programme in Real Estate at the University of Economics and Business with the accreditation of the RICS international organization for commercial properties and real estate valuation. Two PDS employees are successful graduates of the first course of this two-year degree.

PDS is a guarantor and consultant of the Development Project, within which undergraduates of the 3rd and 4th course of the MBARE programme check whether selected territories owned by the City of Prague are suitable for municipal housing.

*The model of Palmovka project was formed as work of the Students of FA CTU in the studio of prof. arch. Michal Kohout*



# Outlook for 2022

In 2022 preparation of individual projects, in particular those that were approved by the IEC in 2021, will significantly move forward. Architectural competitions or their first phases will be launched for individual projects, or unconditional tenders for architects / designers.

After the signature of the contract, selected architects / designers will commence work on the design phases of specific projects and it can be assumed that the first versions of documentation

of some projects will be discussed with the relevant public authorities and necessary opinions will be gathered.

Intensive work on coordination and preparation of most territories will continue - particularly the location in Nové Dvory, Palmovka and Dolní Počernice. Market value update of the land portfolio, which has been transferred to PDS for management, will be processed and brought forward in the middle of 2022.

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# 2022





## Zbyněk Richter

Mayor of the Municipal District of Prague  
- Dolní Počernice

# The City Must Grow Dynamically

*Mr Richter, the City of Prague owns extensive land on the territory of the municipal district of Dolní Počernice, where it wants to construct - in compliance with the urban development plan - a complex of terraced houses and apartment buildings. Ideally, more than one thousand people could find their home there by 2030. What is the view of your municipal district on the intended construction?*

Our municipal district had an urban study of Dolní Počernice - Southern part performed, which is conceived as a garden city with detached and terraced houses and apartment buildings. The proposal that PDS submitted moves in a similar direction. It exploits the existing coefficient for housing construction given by an urban development plan and it does not increase it. It provides for construction of terraced houses, several smaller apartment buildings and complete public facilities in the form of a kindergarten and a primary school, premises for smaller shops and services and playgrounds.

The project was presented at both a meeting of the city council and citizens and a public hearing with participation of the general public. We summed up comments of the municipal district council and citizens and incorporated them into a resolution, which was subsequently approved by our city council. We submitted the resolution with our comments to PDS and we expect that it will take them into account and incorporate them in the project.

Everybody realizes that the whole land is intended for housing construction. A valid building permit already exists for the first stage of the project. The point is that the new project sensitively follows up the existing development and enriches it in something what we lack here.

*Do you perceive synergy between planned development of your municipal district and a new PDS project?*

A project of such scale requires complete public facilities and significant investment in the infrastructure in order to be sustainable and self-sufficient. I see merits mostly in increasing the number of existing educational institutions (kindergartens, primary schools and leisure facilities). The public will closely monitor construction of schools, which is a big issue. Parterre of apartment

buildings should include smaller shops and premises of service providers. I know that our citizens would welcome general practitioner's surgeries and outpatient specialists. New sports grounds and playgrounds will definitely be used too. In terms of infrastructure, transport is crucial for us because both city representatives and citizens are concerned about growth in transport.

*What does the problem consist of and what would be the best solution in your opinion?*

Dolní Počernice is located at south-eastern edge of Prague and Českobrodská is one of the busiest streets to and from the capital city. Citizens have legitimate concerns that construction of a new residential area would worsen the traffic situation, thus it is necessary to take a comprehensive approach to the project and to deal with traffic in parallel. There are more entities that take part, or will take part, in solving it. They include the Prague City Hall, Technical Road Administration and our Municipal District Dopravní podnik hl. M. Prahy, Ministry of Transport, Správa železniční dopravní cesty, České dráhy and unfortunately some private entities. We want to shift part of the passenger transport to other modes and to strengthen public transport with city buses and commuter trains. There are many steps that would improve our traffic situation. Renovation of Českobrodská street and construction of Nová Úpická street is topical. Next, we support construction of a by-pass called Tangenta following the perimeter of PDS land, which would reduce the current burden on the central part of Dolní Počernice. We are also in favour of speeding up strategic construction of the Prague Ring Road, section 511, Běchovice - D1 motorway. That will divert traffic out of the residential area of Dolní Počernice.

*How goes presentation of the project to the citizens of Dolní Počernice and what helps the most?*

I have already mentioned that the PDS project was presented to the Municipal Council of Dolní Počernice Municipal District and subsequently discussed in public with our citizens. I know that people would appreciate to learn more about the project and to contribute to discussion with relevant ideas, which can be incorporated into the project. Discussion is still open and the project is and will be really closely monitored by our public.

# 3. Overview of PDS Projects

## Key Locations

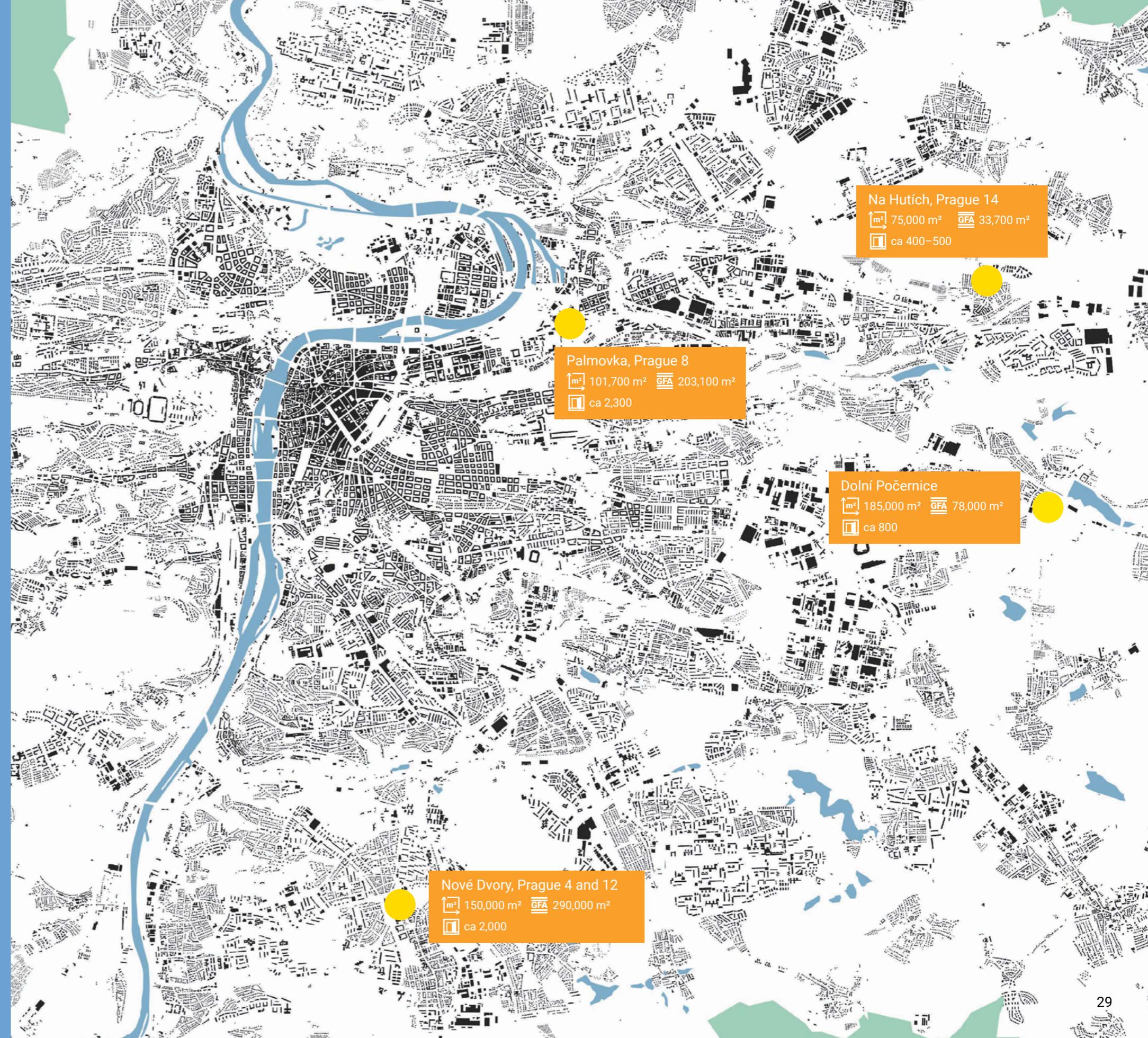
### EXPLANATORY NOTES:

 land for housing projects

 land size

 gross floor area

 number of flats



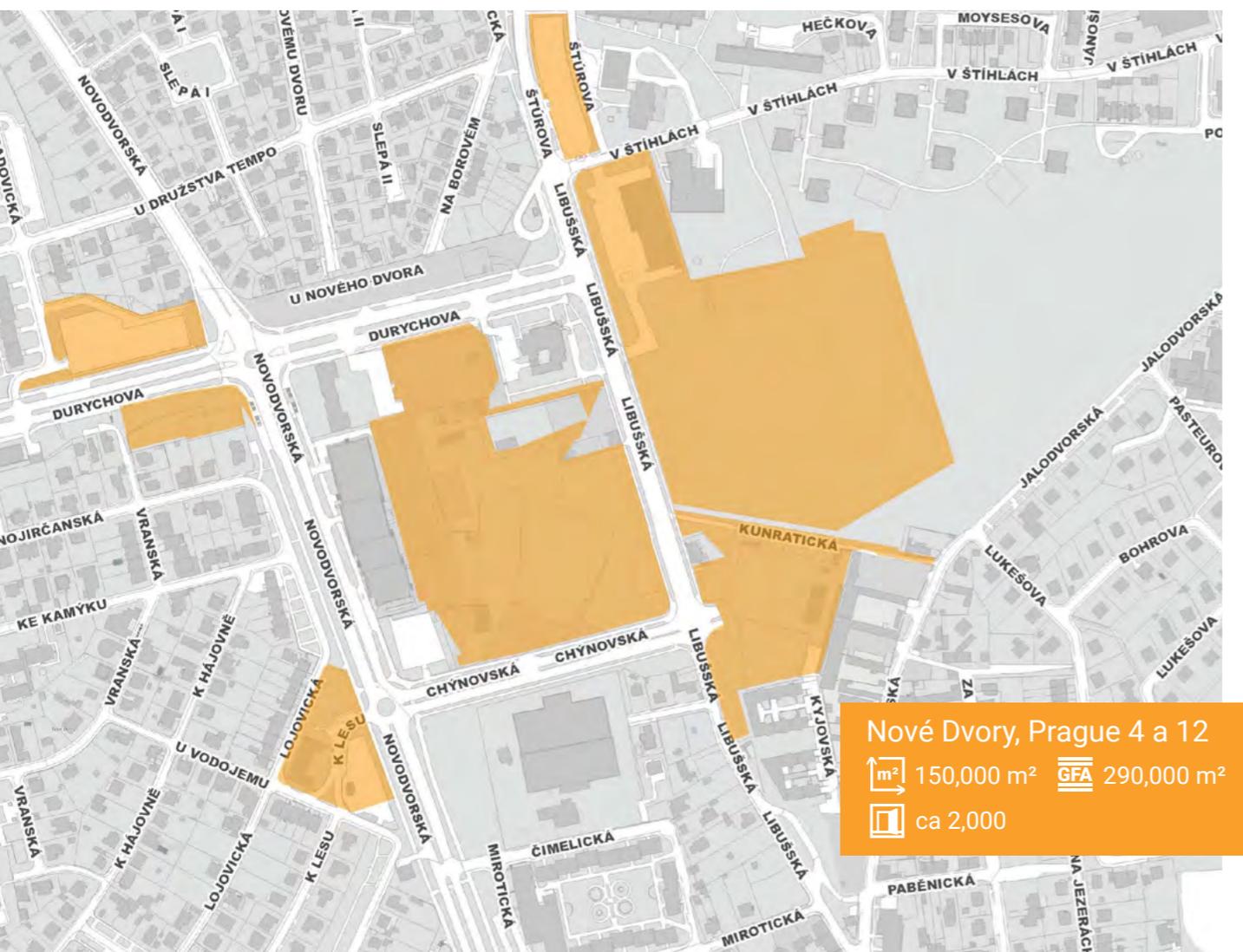
# Nové Dvory, Prague 4 and Prague 12

From the perspective of property holding Nové Dvory is a key location of the City of Prague, where the city has major land holding with a great potential. Development of the whole location is predetermined by construction of a metro D station of Nové Dvory, which should have been finished about 2028. It is necessary to take a responsible approach to this key infrastructure investment of the city and to the whole surrounding location in order to adequately value real estate assets, to coordinate development and prepare the whole territory. Moreover, extension of a tram line is currently being prepared.

In this context, change of the urban development plan increasing location capacity in order to make it correspond to potential of the entire territory was initiated in 2019. For this purpose, a study, which will be finished by 2022 and which will determine basic parameters for development of the whole location, is being elaborated.

The aim is to build a modern housing quarter in Nové Dvory - a centre with apartment buildings, administrative and commercial premises, cultural centre and leisure facilities.

About 1,600 to 2,000 municipal rental flats, 35,000 m<sup>2</sup> GFA of commercial area and 60,000 m<sup>2</sup> GFA of administrative area should be constructed in 15 years.

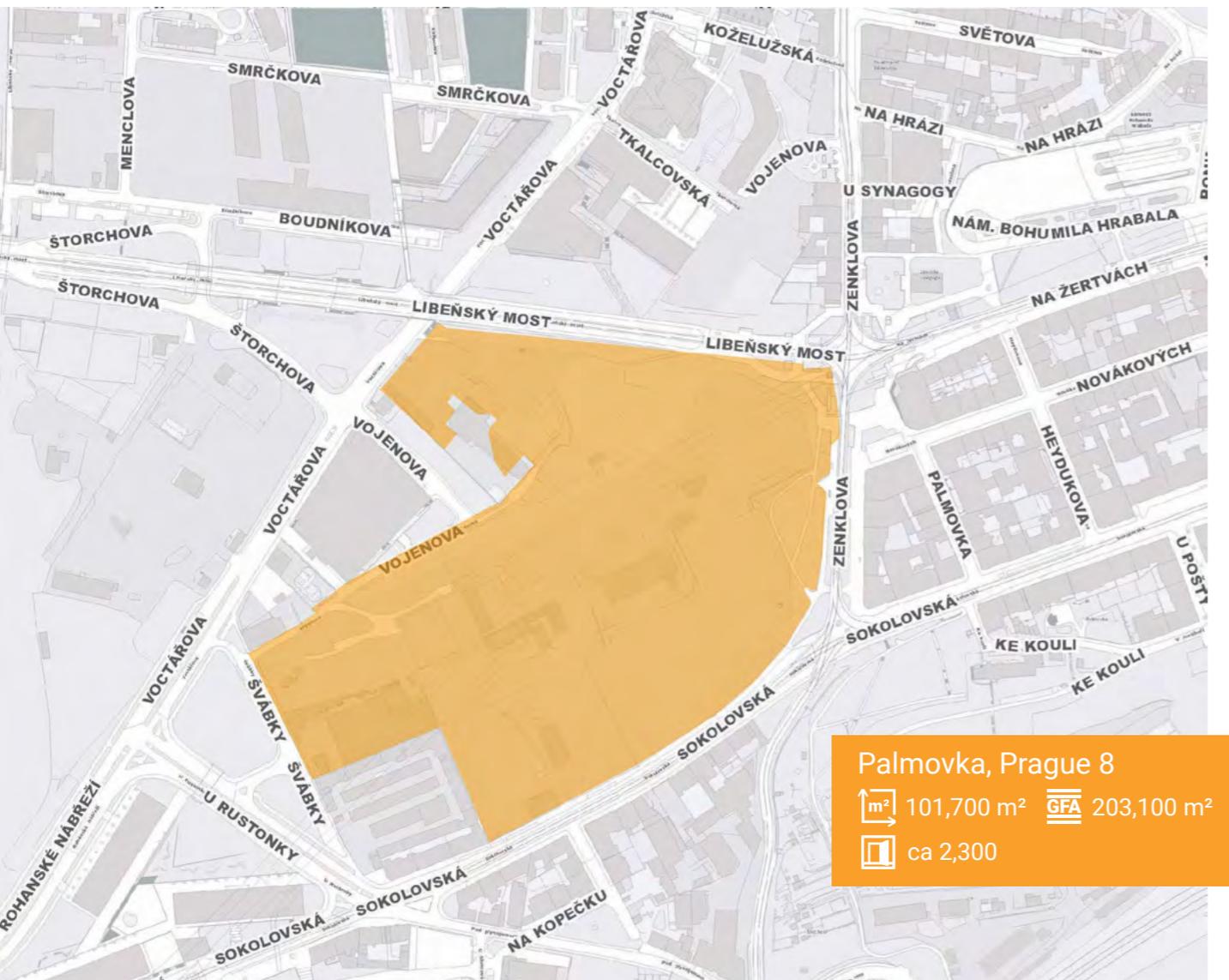


# Palmovka, Prague 8

Land owned by the City of Prague, the Municipal District of Prague 8 and Dopravní podnik hlavního města Prahy lies directly at the Palmovka transportation hub and it has the potential to be reconstructed into a vibrant quarter. The aim is – as well as in the case of Nové Dvory - to offer a new widespread use in the form of housing (municipal rental flats), modern administrative premises, complete public facilities and a public green space (landscaping and children's playground/sports field).

PDS is now focusing on land unification and coordination of the whole project, which should be implemented - after obtaining all necessary permits - in stages in 5 to 15 years.

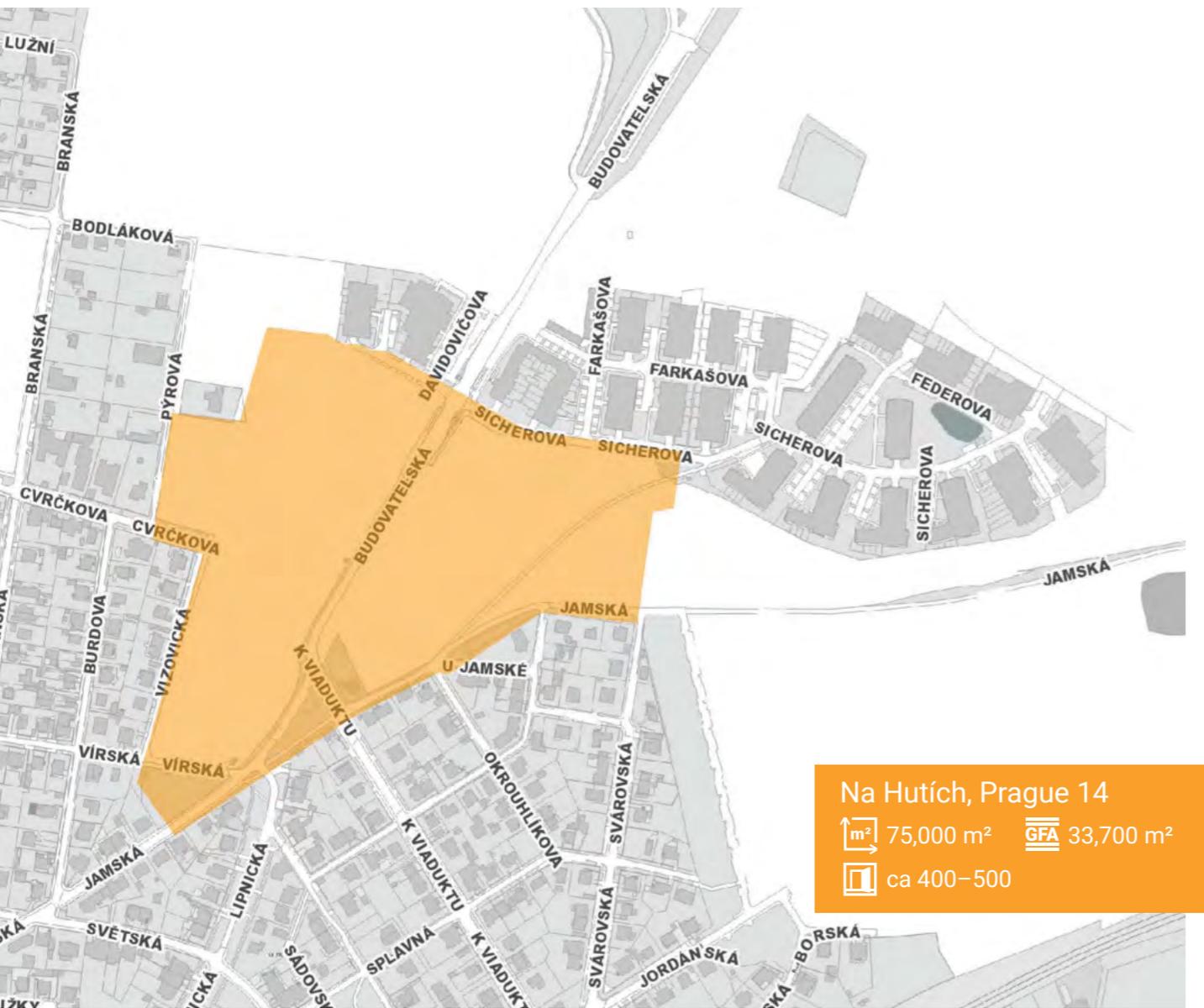
Priority of PDS is the preparation of projects on land which should be transferred to it for management. It deals mostly with land on the street corners of Libeňský most and Zenklova, where a new selection procedure for architects / project designers will be launched in 2022.



# Na Hutích, Prague 14

Municipal land in the location of Na Hutích in Prague – Kyje is about 75,000 m<sup>2</sup> large. Apartment buildings, terraced houses and public facilities including commercial premises, a kindergarten, a gym and a community centre are expected to be constructed there. Development of the territory includes construction of public infrastructure consisting mainly in landscaping and completing backbone transport and technical infrastructure.

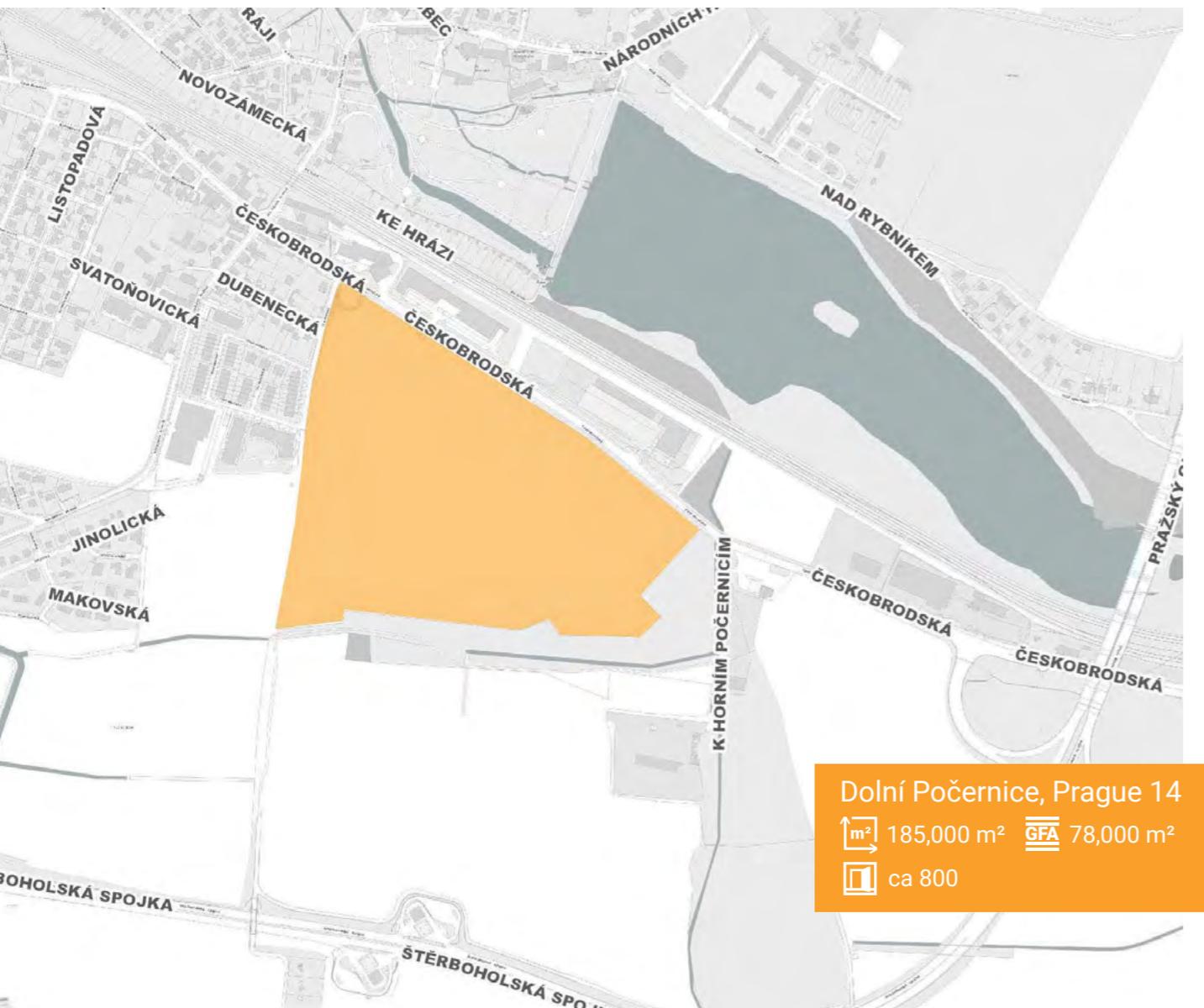
The project of Na Hutích, which will offer 400 to 500 flats depending on change in the urban development plan, should be implemented in 5-10 years.



# Dolní Počernice

Land in Dolní Počernice totalling 185,000 m<sup>2</sup> is one of the largest continuous territories in the ownership of the City of Prague where the projects of rental housing could be implemented. Thanks to the commuter railroad and also a close ring road the area has good transport links with the city centre and also offers enough opportunities for recreational leisure activities. Since the housing construction is in accordance with the urban development plan, PDS is preparing documents and studies for initiating selection procedures for architects and designers for the entire project within its first phase.

The project in Dolní Počernice, where up to 800 flats can be constructed, should be implemented in several stages in 5-10 years.



# Projects

Projects Approved by the IEC in 2021 and Discussed by the Prague City Council

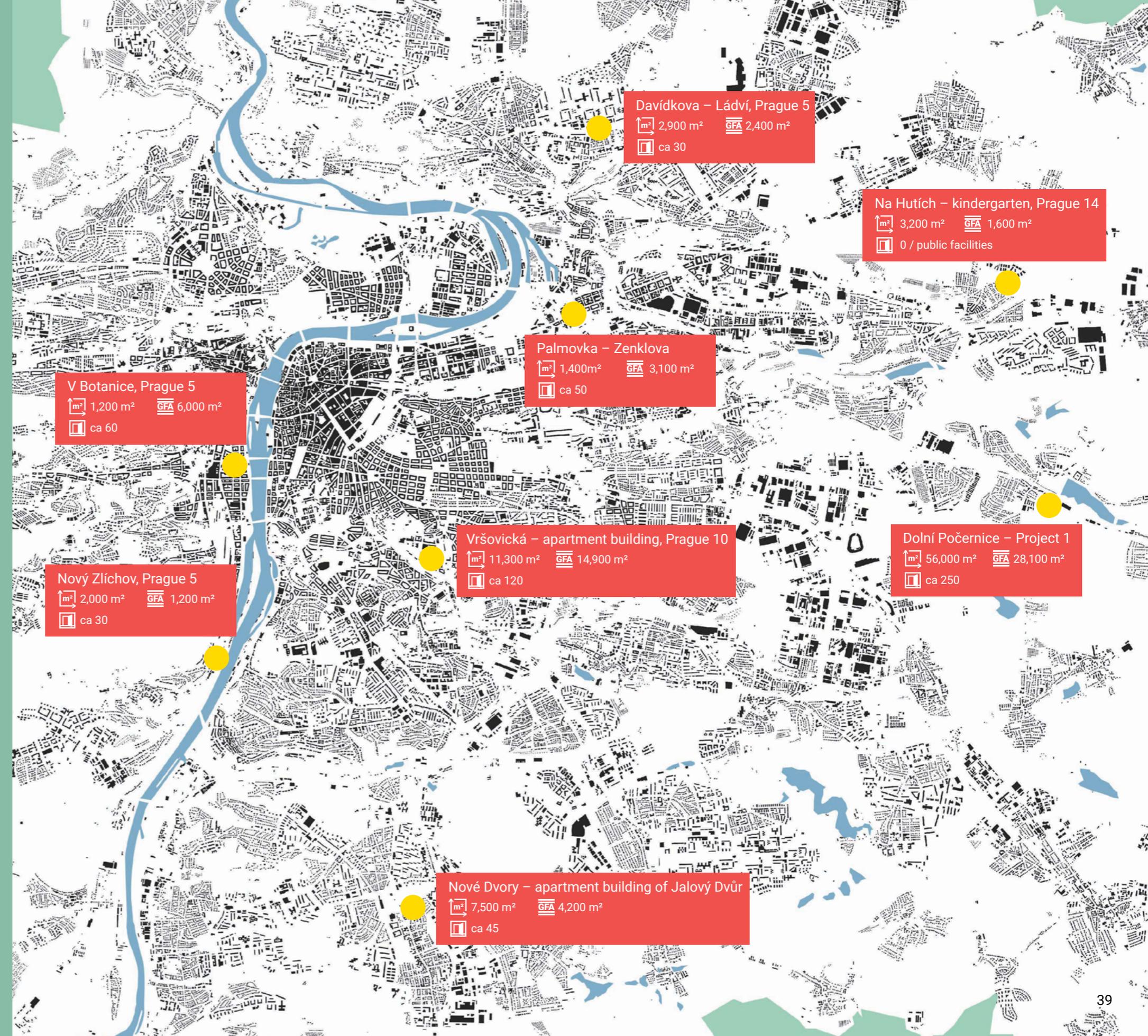
## EXPLANATORY NOTES:

 land for housing projects

 land size

 gross floor area

 number of flats

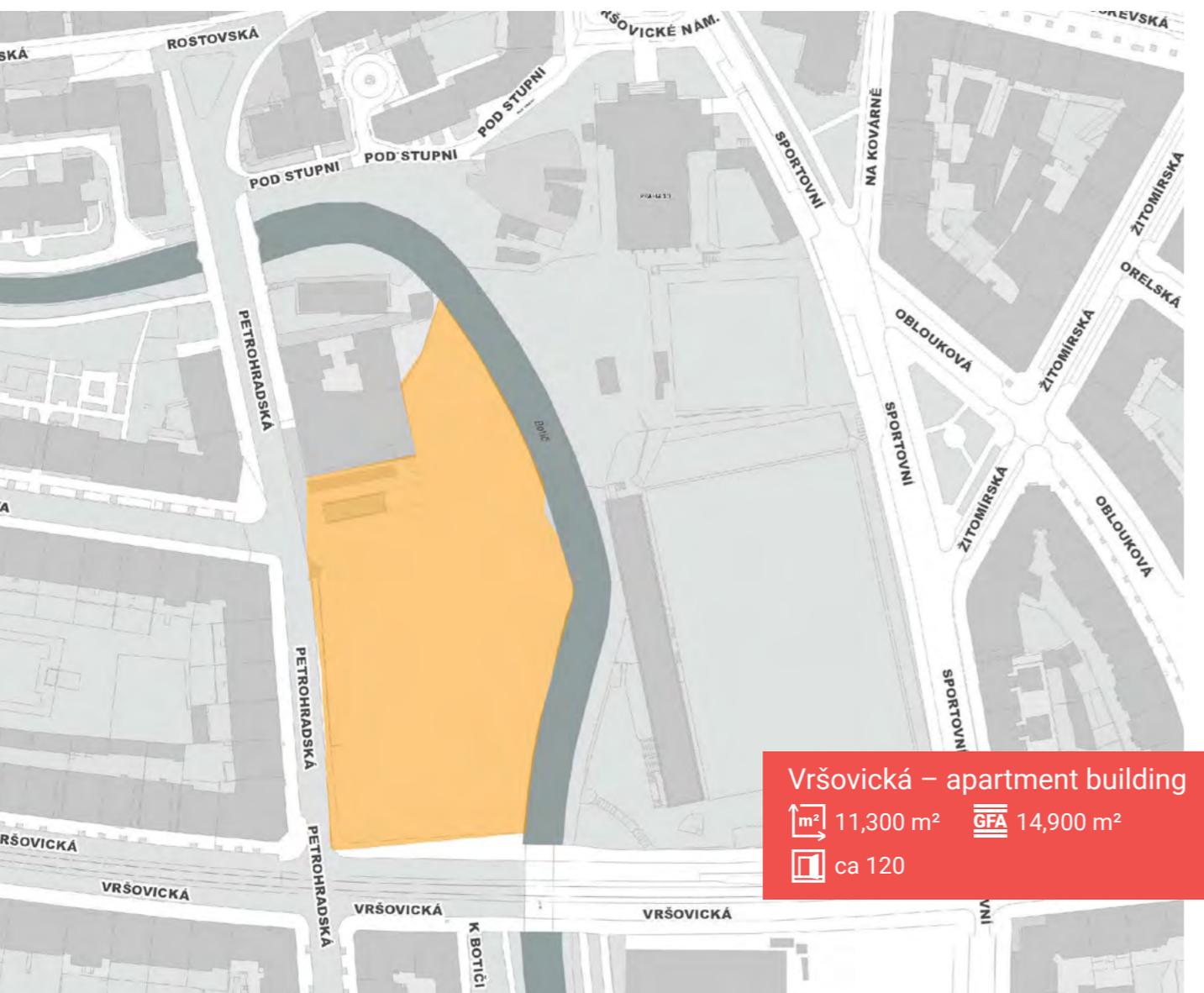


## Vršovická – apartment building, Prague 10

PDS is currently coordinating the future implementation of the project of the City of Prague and the Municipal District of Prague 10. It is preparing documents and specification for architectural competition and selection procedure for the suppliers of project documentation.

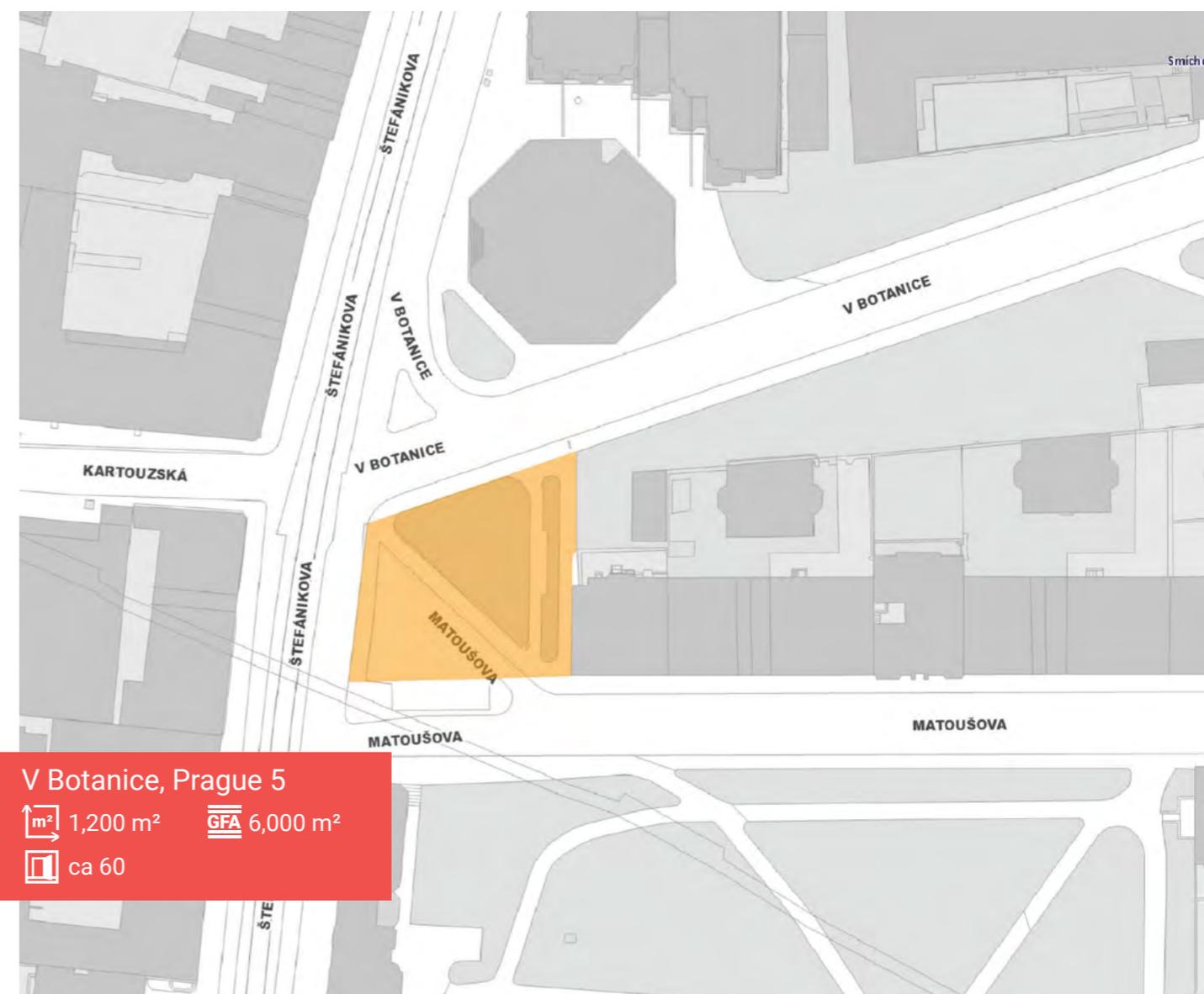
Municipal land of almost 12,000 m<sup>2</sup> will be used for construction of an apartment building with 100 – 140 rental housing units and retail premises on the ground floor intended for small shops and premises of service providers. The project should be implemented between 2023–2025.

PDS coordinates not only the project of an apartment building in cooperation with the Municipal District of Prague 10 but also coordination of the entire territory in terms of public spaces, treatment of Botič trough and particularly future preparation of the project of renovation the Bohemians - Dolíček stadium.



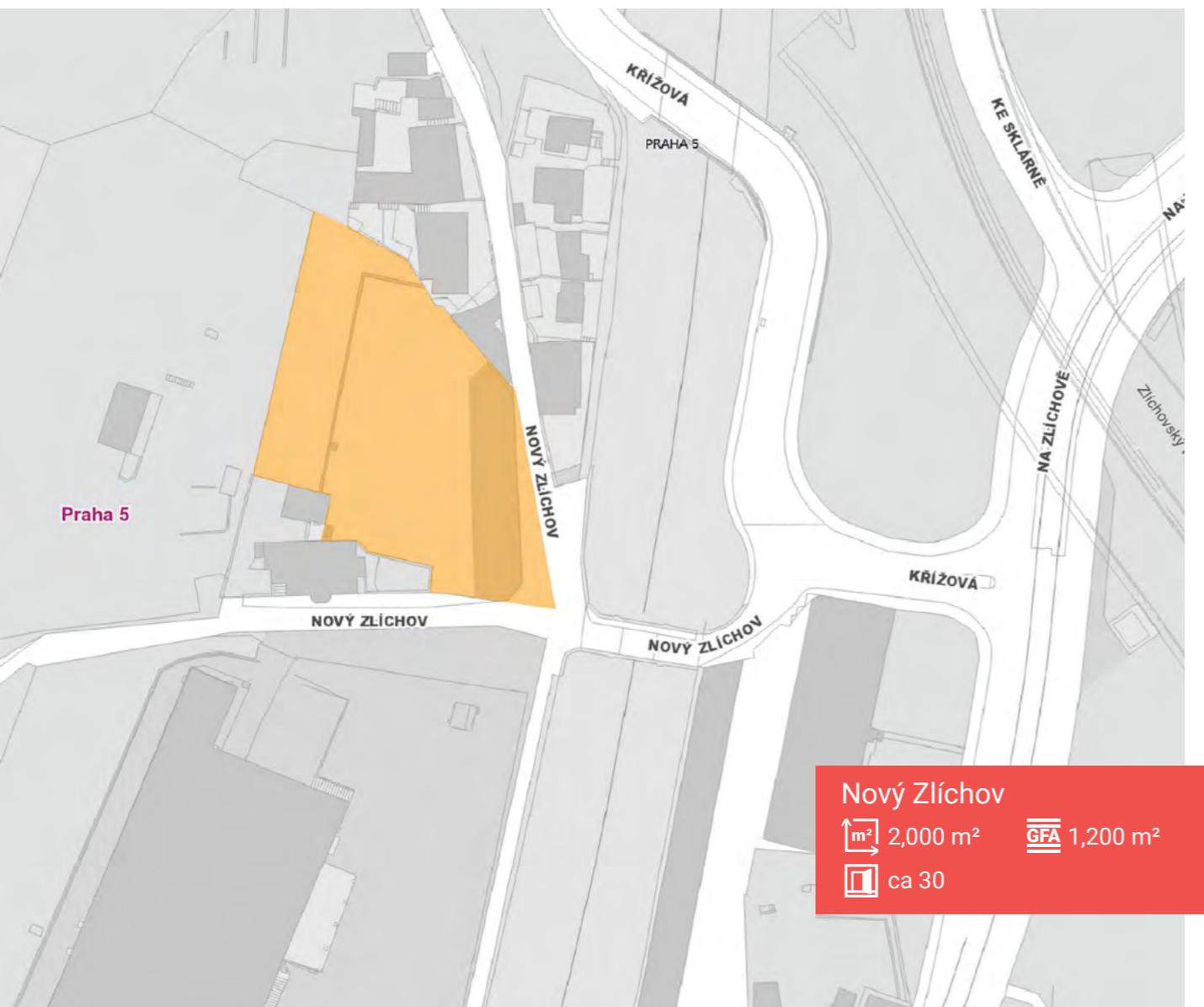
## Smíchov – V Botanice, Prague 5

PDS is planning to build a city block on smaller municipal land in the vicinity of the Smíchov metro station. The new apartment building should offer 45 – 60 rental housing units. Public facilities (like smaller shops and premises of service providers) should be available on the ground floor. The project of V Botanice should be implemented in 5-10 years. An architectural competition for this project will be launched at the beginning of 2022.



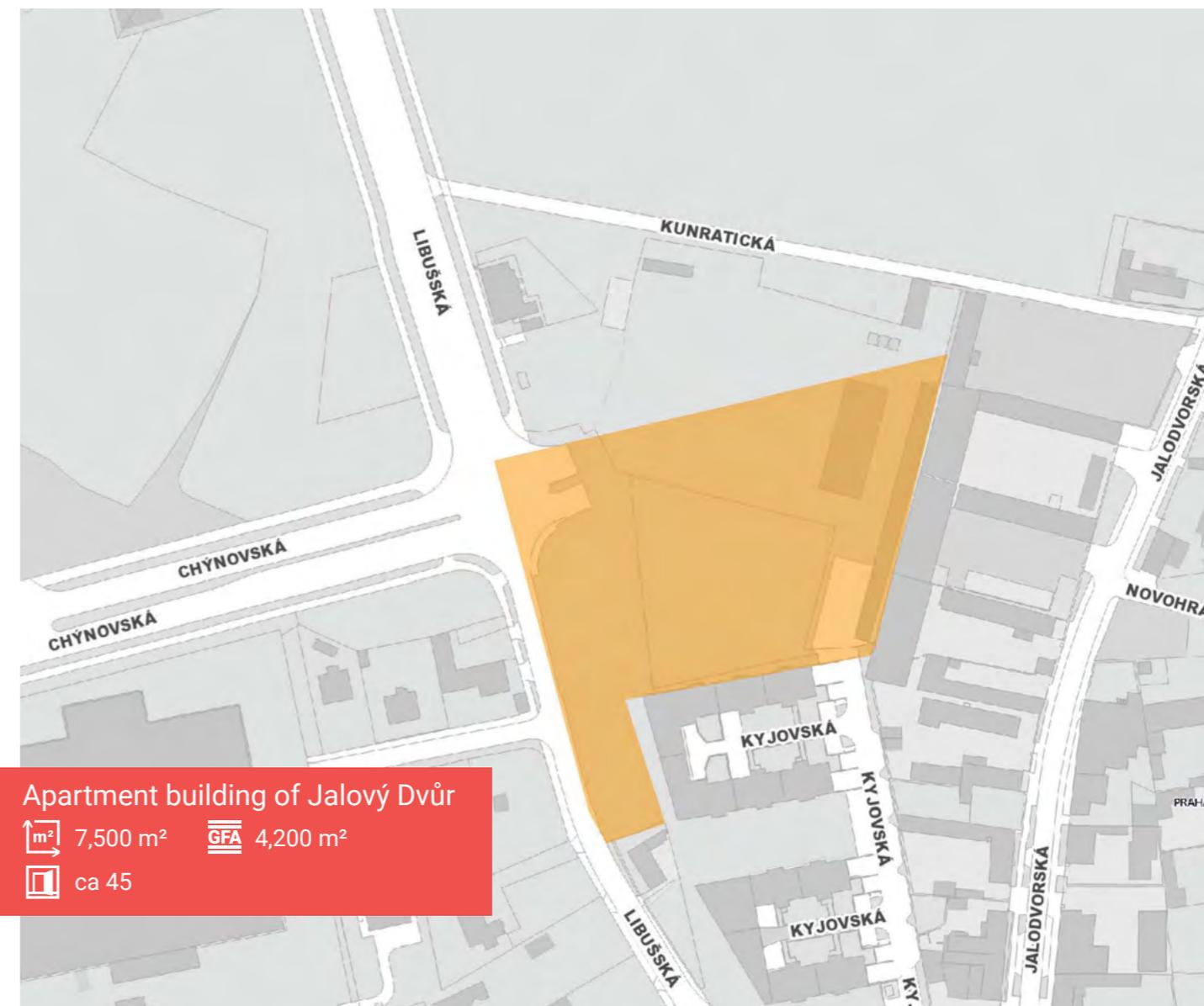
## Nový Zlíchov, Prague 5

PDS is planning to build an apartment building with 30 - 40 rental flats on smaller municipal land in a residential site of the Municipal District of Prague 5 called Nový Zlíchov. The project of Nový Zlíchov should be implemented in 3 - 5 years. Within an unconditional selection procedure held in the first half of 2022 an architect/designer will be chosen for this project.



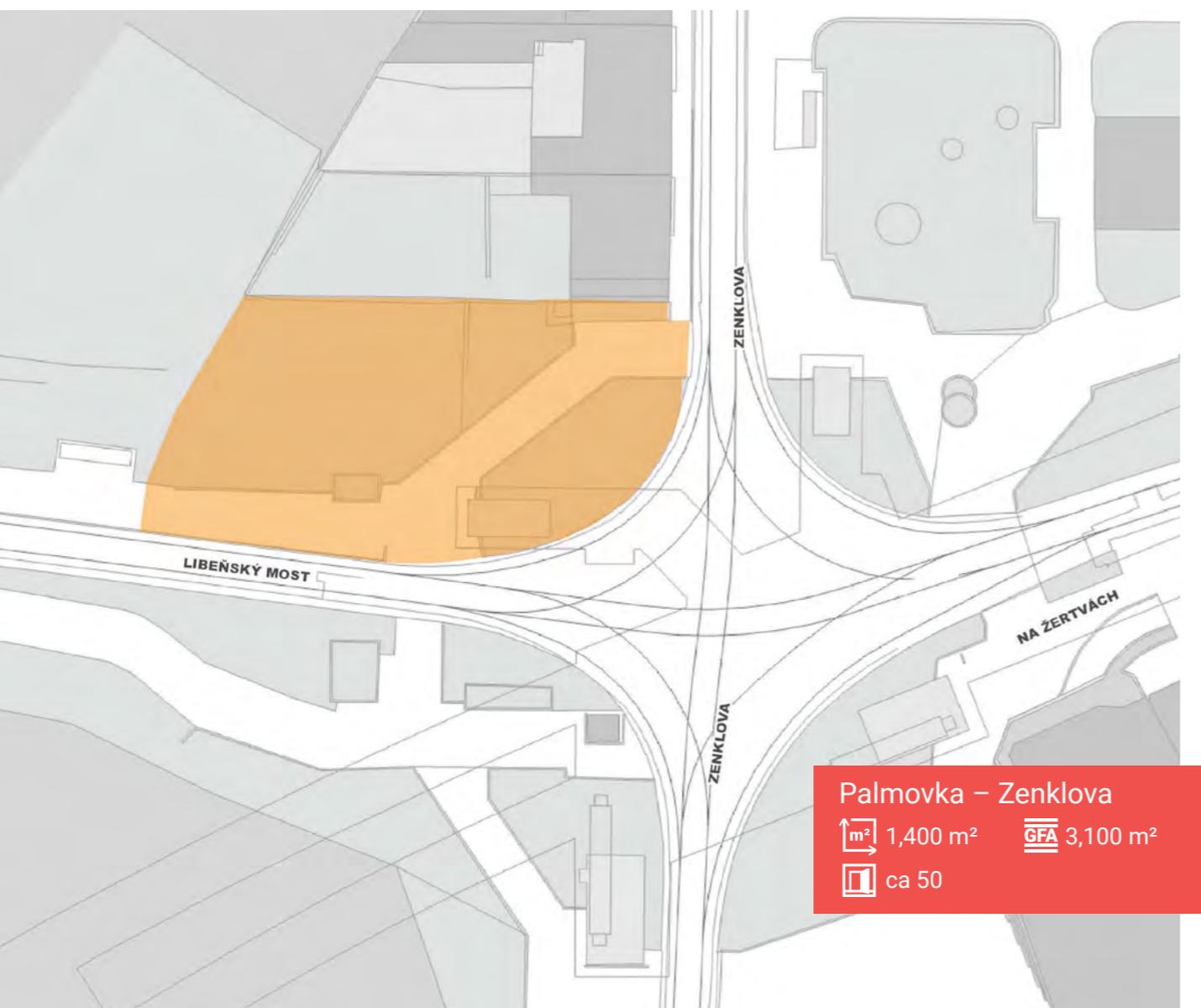
## Nové Dvory – apartment building of Jalový dvůr, Prague 4

Jalový dvůr is the first project of municipal housing construction in the location of Nové Dvory, where the City of Prague is going to construct a new quarter with its own metro station, municipal housing construction, complete public facilities and sophisticated public space. The prepared complex of low-floor apartment buildings of Jalový dvůr will follow up neighbourhood development of Libuš and it will most likely combine apartment buildings and terraced houses. Within an unconditional selection procedure held in the first half of 2022 an architect/designer will be chosen for this project.



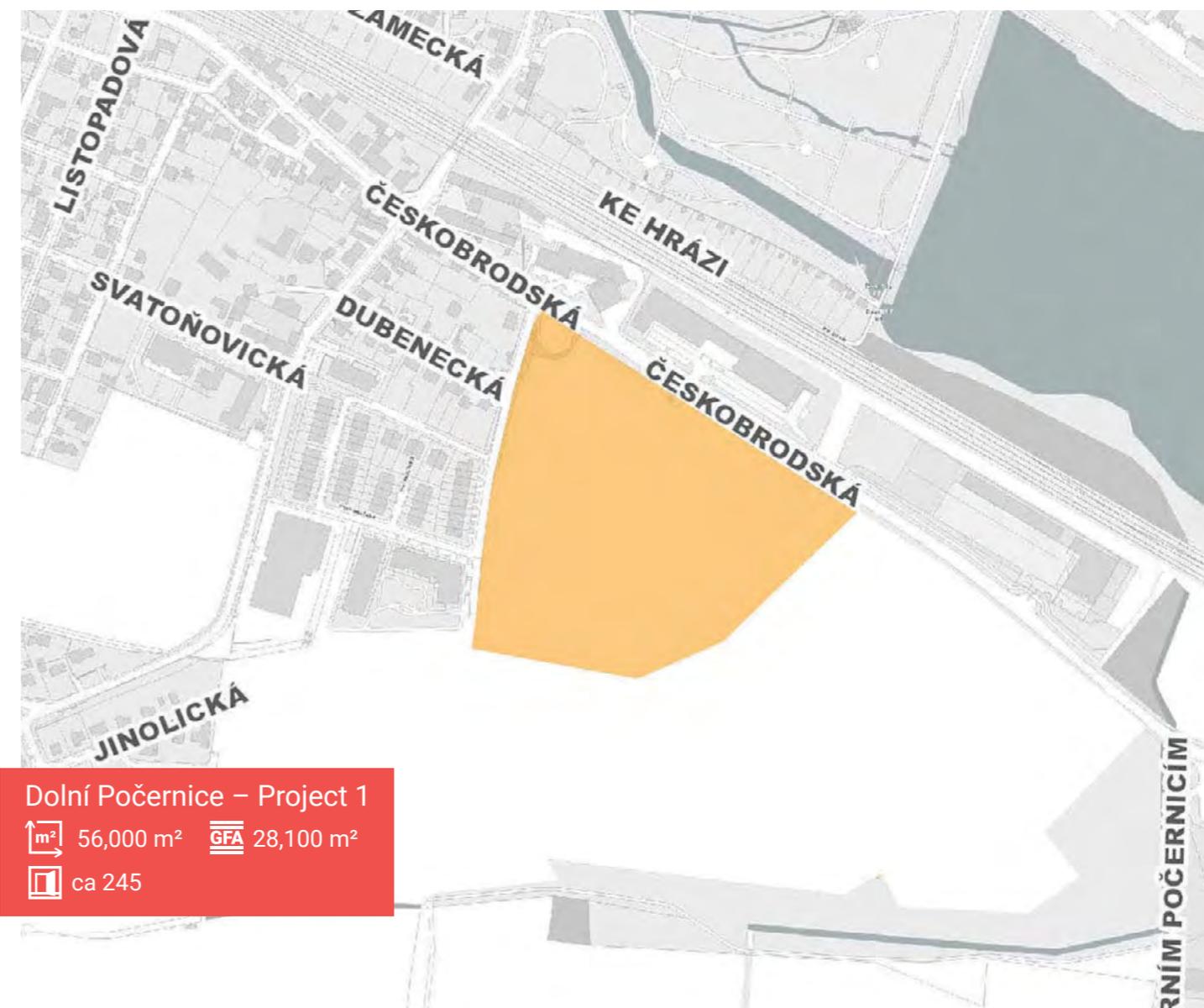
## Palmovka – Zenklova, Prague 8

PDS is preparing construction of two buildings with non-residential (retail and administrative) ground floor premises and 24 flats in the territory of the Libeňský most – Zenklova crossroad. One of the intended buildings will probably include a new metro entrance. Within an unconditional selection procedure held in the first half of 2022 an architect/designer will be chosen for this project.



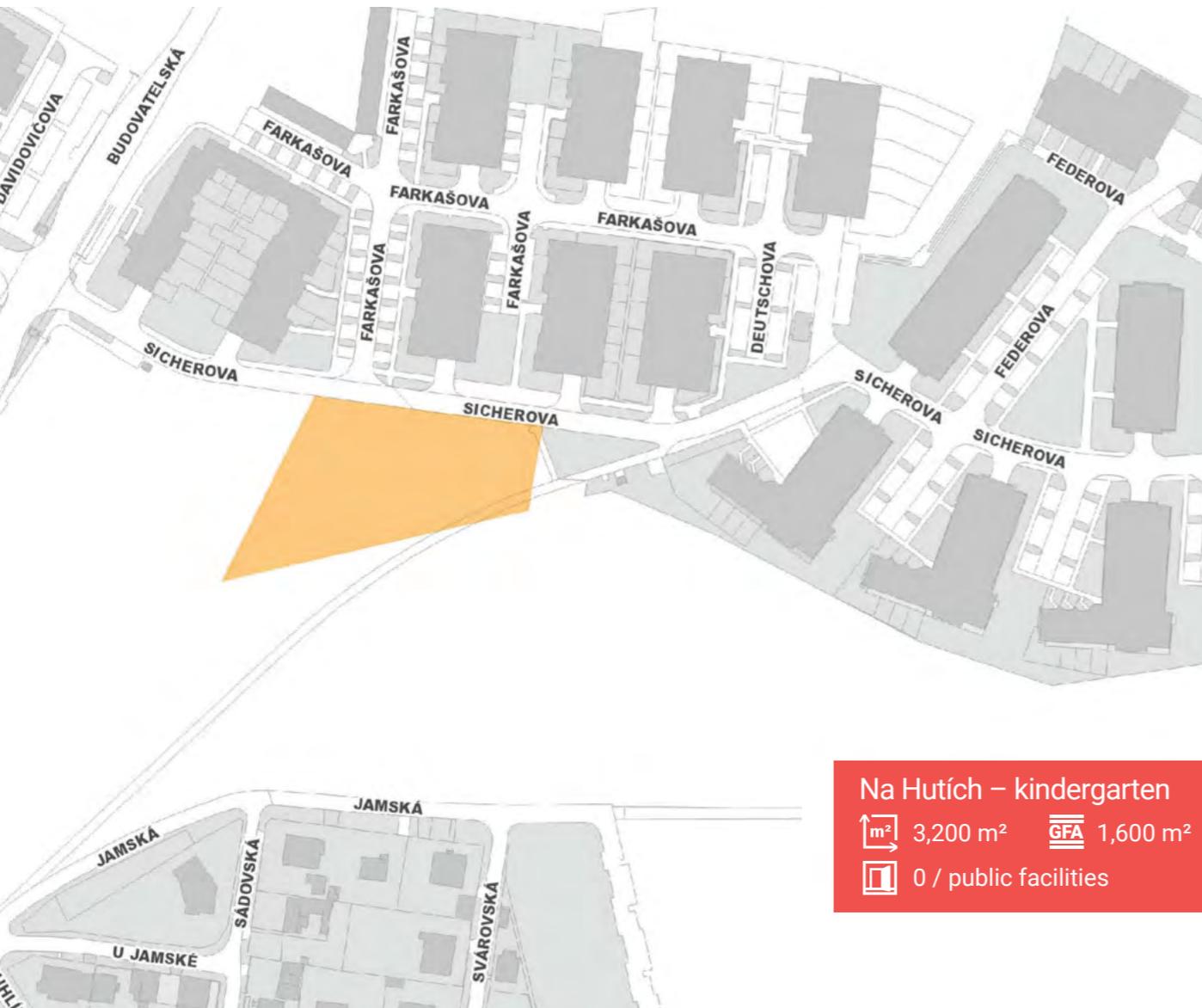
## Dolní Počernice – Project 1

Land in Dolní Počernice totalling 185,000 m<sup>2</sup> is one of the largest continuous territories in the ownership of the City of Prague where the projects of rental housing could be implemented. Project 1 is the first phase of construction of a new quarter, which is prepared in accordance with the current requirements for sustainability, complete public facilities and green-blue infrastructure. The proposed solution sensitively follows up the existing development of Dolní Počernice.



## Na Hutích – kindergarten and community centre, Prague 14

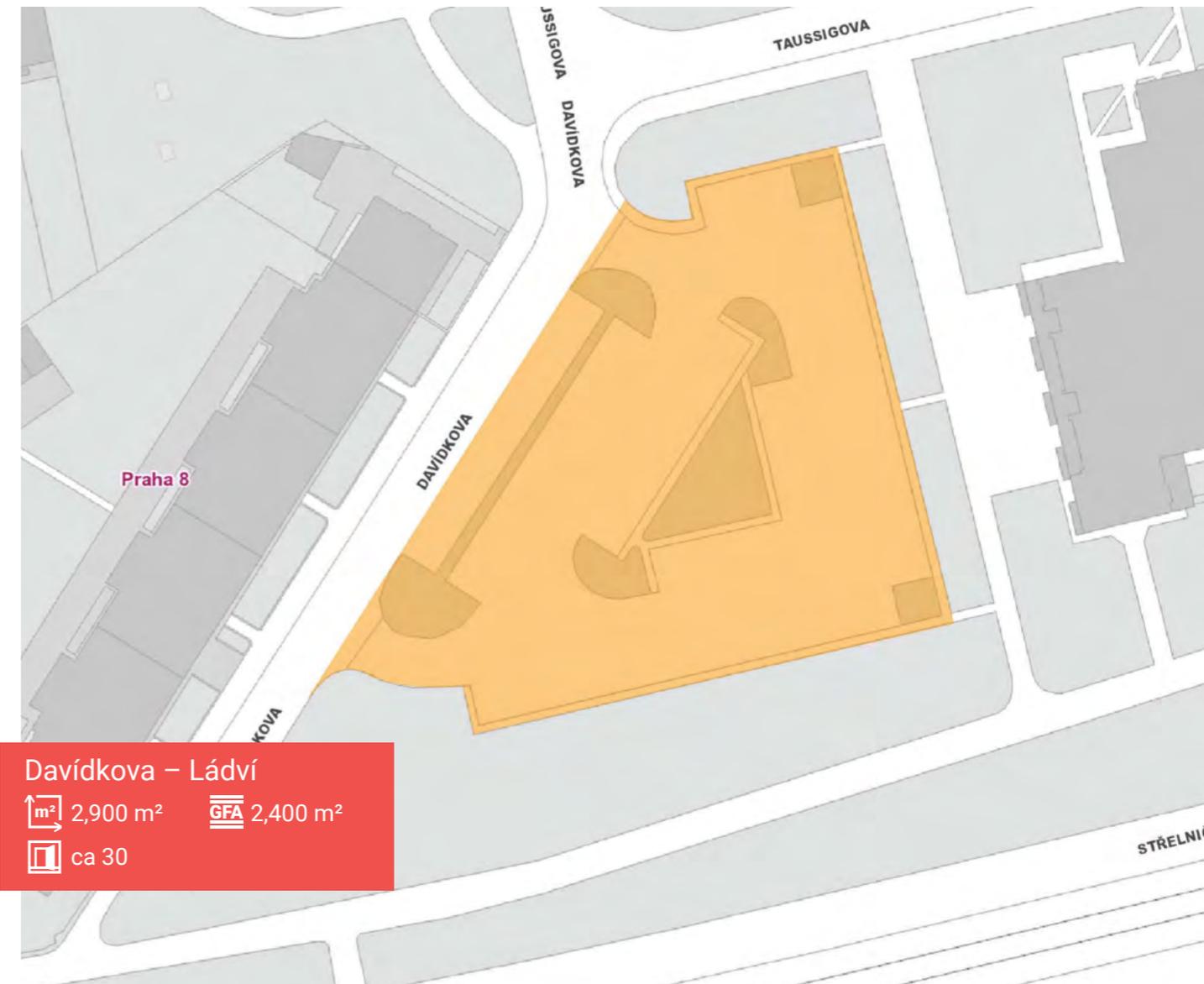
A kindergarten with a gym and a community centre in Sicherova street in Prague 14 is the first part of a future new centre in the existing quarter of Na Hutích, which will be extended in municipal rental housing, complete public facilities and a square with shops and services. We launched a selection procedure on architectural solution and design in December 2021. Commencement of construction is expected - after receiving necessary permits - in 2023.



Na Hutích – kindergarten  
 ↑<sup>m²</sup> 3,200 m<sup>2</sup>    GFA 1,600 m<sup>2</sup>  
 🏠 0 / public facilities

## Verification of an Environmentally Efficient and Innovative Project of Municipal Housing Construction

PDS was assigned to check possibilities of using land owned by the city and located in the close vicinity of Ládví metro station. The aim is to value whether it is possible to complete the original urban infrastructure in this micro-location while complying with the principles of protection of urban qualities of neighbourhood e.g. by implementing wooden houses or similar construction technologies allowing as much as possible application of principles of circular economy, which will at the highest level meet the parameter of sustainability and environmental friendliness from the perspective of construction as well as operation.



Davidkova – Ládví  
 ↑<sup>m²</sup> 2,900 m<sup>2</sup>    GFA 2,400 m<sup>2</sup>  
 🏠 ca 30

# Projects Discussed by the IEC in November 2021 with the Assumption to be Approved by the Prague City Council in 2022

Upon update of the Charter of Foundation, other pieces of land, where opening balance sheets and verifications already take place, were transferred to PDS in 2021. Some of these projects have already been discussed at the meeting of the Investment Expert Committee in November 2021. Architectural competitions or public tender procedures for architectural proposals and design work for these projects will be launched in 2022 or in their first phases.

## EXPLANATORY NOTES:

 land for housing projects

 land for housing projects

 land size gross floor area

 number of flats



## Beranka – Horní Počernice, Prague 20

Land in Horní Počernice totalling ca 63,000 m<sup>2</sup> is intended for construction of rental flats and basic public facilities. A primary school, a kindergarten and approximately 300 rental flats including basic infrastructure are expected to be constructed there. The project should be implemented in several stages between 2024 - 2030.



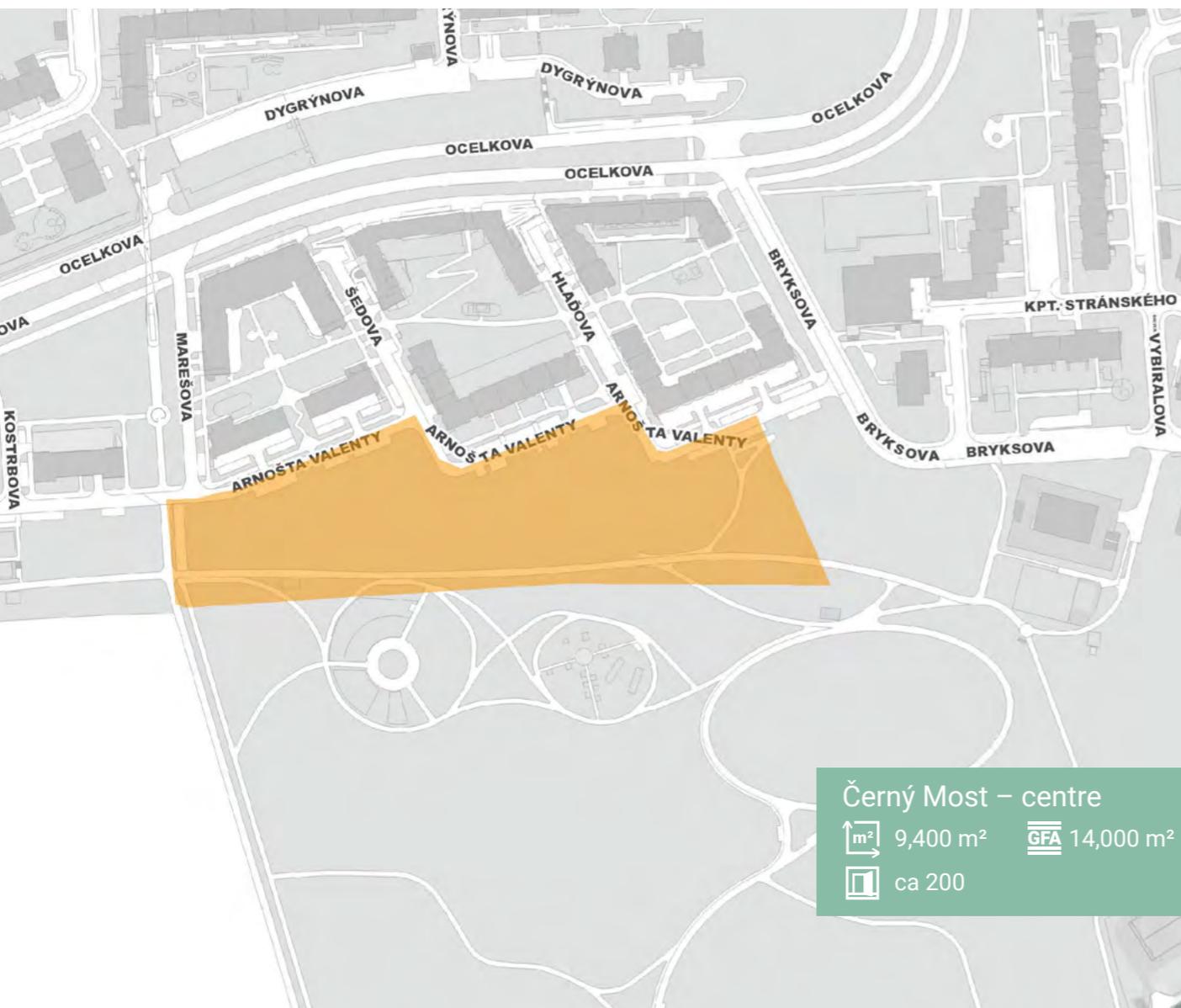
## Libeňský přístav, Prague 8

PDS is considering construction of a building with ca 200 municipal rental flats on land of the City of Prague at the corner of Štorchova and Menclova street. Its future shape and the exact capacity will stem from a volume study and follow-up project preparations.



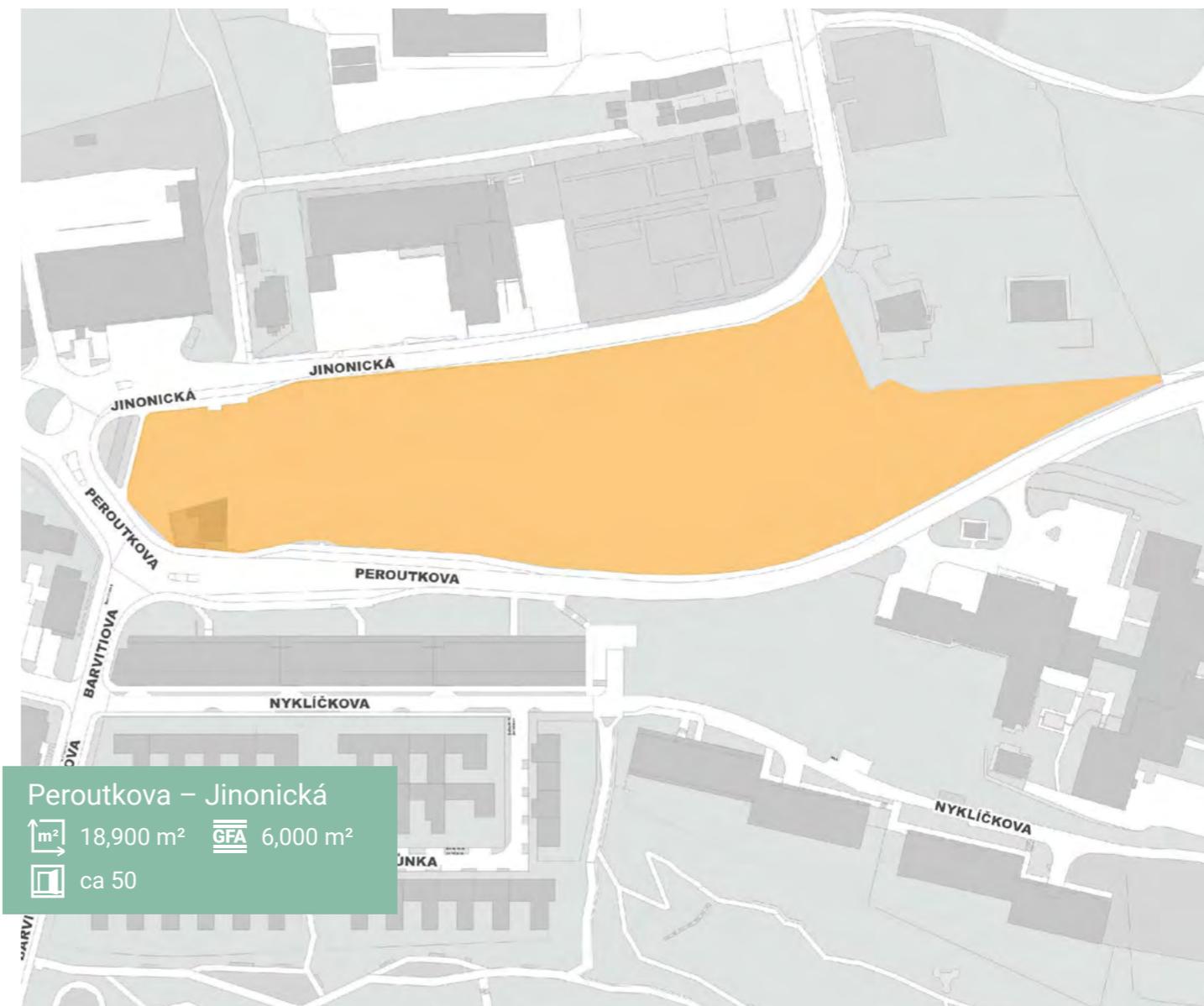
## Černý Most – centre, Prague 14

PDS is revising and editing a housing project with a building permit from 2005 according to current requirements of investment specification of municipal housing construction. PDS will launch a tender for urban and architectural solution of this location at the beginning of 2022.



## Peroutkova – Jinonická, Prague 5

Construction of an apartment building with 50 - 60 rental housing units and retail and administrative premises on the ground floor is expected on municipal land totalling 18,900 m<sup>2</sup>, which is located in the wider centre of Prague. The project should be implemented between 2022–2025.



# Verification of Land Suitable for Federal Housing

Upon update of the Charter of Foundation land intended for smaller housing projects, which were preliminarily identified as suitable for federal municipal housing construction in the form of Baugruppe, were transferred to PDS in 2021.

PDS checked basic volume parameters, which obtained a preliminary favourable opinion of the Department of Territorial Development of the City of Prague. At the same land surveying, basic dendrological and other field researches were ensured.

All documentation was handed over to the relevant departments of the City of Prague for further administrative and technical preparation of these projects.

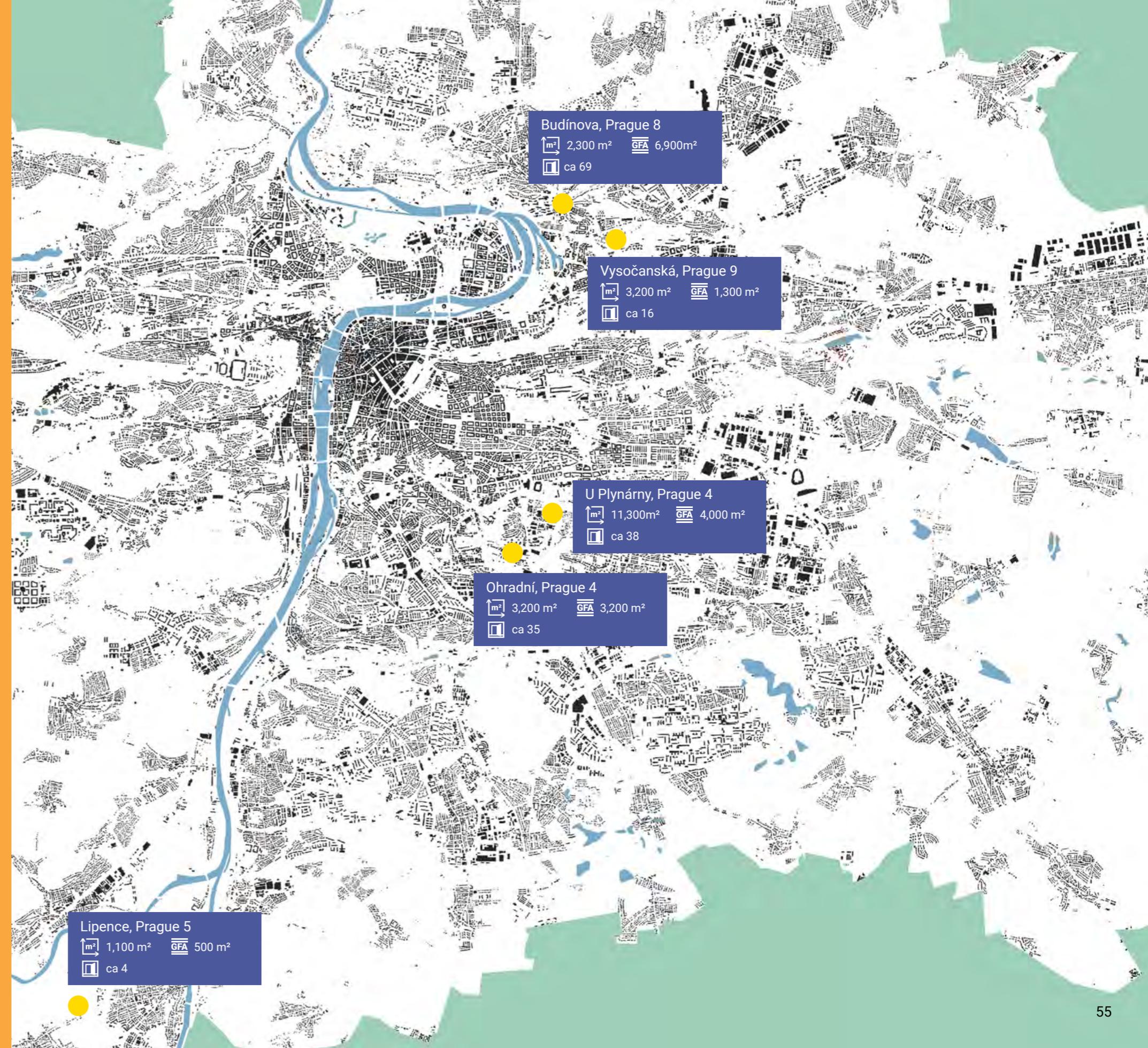
## EXPLANATORY NOTES:

 land for housing projects

 land size

 land size gross floor area

 number of flats



# Annual Report 2021

Pražská developerská společnost, state-funded organization

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[www.pdspraha.eu](http://www.pdspraha.eu)

Pražská developerská společnost, příspěvková organizace  
U Radnice 10/2, 110 00 Prague 1  
Tel.: +420 771 173 911  
E-mail: [info@pdspraha.eu](mailto:info@pdspraha.eu)