

Sustainable and Green Urbanisation
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Restructuring of the ownership pattern of Eastern European urban housing as a tool for green urbanization



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Housing development (in spatial, social and economic terms) is of vital importance for sustainable and green cities.

Common problems of the housing estates in Eastern European biggest cities:

- high density high rise apartment buildings developed in 60-90 of XX century
- low housing standard and high energy consumption in multi-storey housing
- deteriorated status of condominium housing due to lack of proper maintenance

The (social) housing in Eastern Europe:

East European countries have the legacy of an excessively controlled 'command' housing system, which operated till the early 1990s.

Home ownership, particularly in urban areas, was discouraged; all housing was universally affordable due to extensive subsidies and macroeconomic regulation of prices.

There were differences among national systems, including reliance on 'encapsulated market solutions' (Yugoslavia, Bulgaria, Hungary)

The urban development in Eastern European big cities in the period 1960-1990s:



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Forced industrialisation in most countries from the region

Intensive urbanization - migration of population from rural areas to the big cities

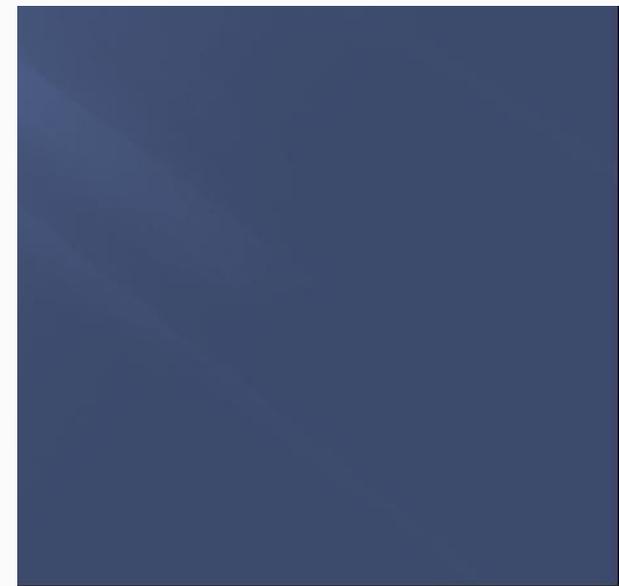
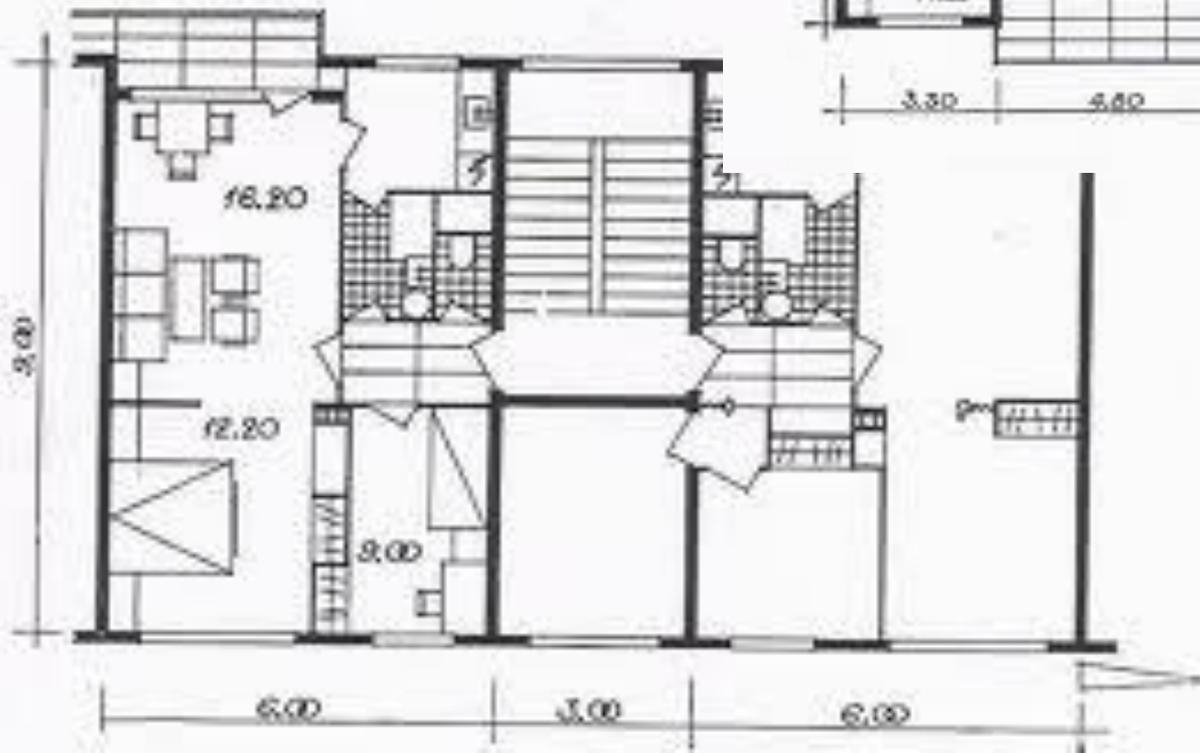
Shortage of housing in big cities imposed fast expansion of new high rise housing estates developed by industrial technologies

poor quality
“large panel”
technology as most
used method of new
housing construction in
60-80-ies of XX century



The housing in before 1990s:

Layouts from a housing module (designed in 1960-ies)



In most of Eastern European countries:

- rental stock massively privatized (beyond the reasonable level) after political changes in late 80-ies of XX century together with imposing obligations for collective management and payment of running costs
- Homeowners' associations established according to privatization contracts

In some EE countries including Bulgaria :

- condominium property established mostly BEFORE the political changes
- government used to transfer the property of the apartments to their future residents without creating rules for proper building maintenance

New condominium laws have been approved after 1990 in Romania, Bulgaria, Poland etc. Such legislation was targeted mostly at regulation of use of newly privatised public housing stock.

The condominium legislation however in many countries fails to impose in reality an obligation on residents to take responsibility for buildings, which in practice leads to further deterioration of the stock

In some EE countries including Bulgaria problems are more complicated due to:

- extremely high share of the homeownership
- lack of and experience and legislation concerning the maintenance and management of condominium buildings

As a result:

- more than 50% of the owner occupiers do not have sufficient income to cover the current costs of the services
- contradiction between the status of an apartment owner and the income level of the residents
- increasing decapitalization of the condominium buildings

Differences in housing situation across Eastern European centres of urbanization but existing common need of adequate maintenance and management policy in large high rise scale apartment housing

What should be done in EE countries in order to improve the high rise housing structures and therefore to facilitate green urbanization?

- part of existing condominium housing that was privatized massively after the political changes in 90-ies of XX century has to be converted back in rental housing prior to regeneration.
- the retrofit of remaining condominium housing needs to be flexible, bottom up oriented, homeowners friendly and managed by decentralized structures
- Housing retrofit costs are to be covered by savings of energy savings afterwards

Housing Associations – a main engine for implementation of large scale housing regeneration activities as a part of green urbanization:

- a. establishment of Housing Associations as non-profit companies set up according to a specific legislation
- b. taking over the municipalities' duty to develop, manage and maintain social housing units
- c. housing associations acquire, retrofit and manage part of the existing condominium housing stock through purchasing at market price from the condominium tenants

Newly established housing associations will facilitate the start of the large scale energy efficient renovation activities for existing multistorey housing structures. As it happens in Western Europe, housing associations can take over on behalf of the municipality the coordination role between different stakeholders of the housing renovation and urban regeneration process as a whole.

Thank you!

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