Implementation Mechanisms of construction the affordable housing in Ukraine

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Housing accounting and housing support in Ukraine 2007-2010 (thou. families)

2010 (forecast)

2009

2008

2007

got housing during a year
being in waiting list
Putting into operation the housing dynamics in Ukraine in 1991-2009 (mln. m²)

- Putting into operation the housing volume, total
- Including the financing from the State Budget
Evolution of putting into operation the housing depending on the funding sources in 2007-2010 (mln. m²)
Affordable Housing Legislation

- The Law of Ukraine “On the World financial crisis influence prevention in spheres of construction and housing development” (Art.4)
- The Housing Code of USSR (Art.9)
- The Land Code of Ukraine (Art.134)
- The Internal Revenue Code of Ukraine (Art.165,197)
- The Law of Ukraine “On using the defense lands” (Art.4)
- The Law of Ukraine “On Town Planning Regulation” (Art.40)

- Construction mechanisms (purchase) of the affordable housing by the State support
- Affordable housing waiting list
- Funding sources of the construction the affordable housing
- Conditions of construction reduction in cost
- The main housing requirements (area limitation per person, constructive and engineer decisions, energy efficiency specifications)
- The improvement of existing legislation for purpose of exclusive efficient mechanism implementation
“Affordable Housing” Definition

- **Affordable Housing** – construction the house sectors and apartments (accommodation) by the State support.

- **State support** to affordable housing construction is aimed to cover 30% of construction (purchasing) costs and to issue mortgage credit on favorable terms in authorized bank.

- **The State support right** is given to citizens who need housing improvement according to the legislation.
Draft Law of Ukraine “On affordable housing support to the citizens of Ukraine”*

- Mechanisms are described in detail mentioned in previous Law of Ukraine

- Confer powers on:
  - The Cabinet of Ministers of Ukraine;
  - Central bodies of executive power on construction, architecture and municipal economy;
  - Local self-government bodies;
  - Local bodies of executive power

* Examined the Parliament of Ukraine in the 1st reading
The State Target Social and Economic Program on affordable housing construction (purchasing) for 2010-2017

- Decree of the Government of Ukraine from 11.11.2009 № 1249 “On approval the State Target Social and Economic Program on affordable housing construction (purchasing) for 2010-2017”.
Planned performance of the State Target Social and Economic Program on affordable housing construction (purchasing) for 2010-2017

- The State Program foresees the construction and purchasing **265,8 thousand apartments (16,6 mln. m²)** during 2010-2017.
- The costs for Program implementation are **88 499,7 mln. Hrn.** without a glance of inflation including:
  - from the State Budget – **23 234,8 mln. Hrn.** (26%),
  - from local budgets – **5 442,8 mln. Hrn.** (6%),
  - at the expense of other sources – **59822,1 mln. Hrn.** (68%).
- At the expense of population costs involved at the framework of the Program, it economic effect will be more essential than from direct budget assignation.
The State Target Social and Economic Program on affordable housing construction (purchasing) for 2010-2017 (Planned performance)

Family number that are planned to be provided with the housing

Expected financing at the expense of all sources (mln. Hrn.)
The Law of Ukraine
“On Town planning regulation”
Documental system of town planning activity

- Territorial planning master plan of Ukraine
- Territorial planning master plan of region (oblast)
- Territorial planning master plan of separate regions
- Zoning
- Detail territory plan
- Master plan of human settlement
- Architectural requirements and restriction

Expertise and public hearing
Territory Development Regulation

Obligatory expertise for all objects

Town planning projection of objects

Basic data
1. Architectural requirements and restriction
2. Object projecting task

Technical conditions of engineer assurance

Architectural Council (deliberative body)

Expertise of objects (4-5 cat.) (inv. of the responsible experts)

Construction passport for private houses

Project is not obligatory
Expertise
Building work license
Construction and declarative start of operation

Building work license

Act on start of operation

Certificate

Construction of town planning objects

Informing the State Architectural Building Inspection about the start of operation (for the construction passport objects)

Declaration on building start (objects of 1-3 cat.)

Building work license (object of 4-5 cat.)

Declaration on start of operation (object of 1-3 cat.)

1. Act on start of operation
2. Certificate (for objects of 4-5 cat.)
The National Project
“Affordable Housing”

Approved by the Governmental Decree
from 08.12.2010 №1256
The Ministry of Regional Development, Construction and Municipal Economy

Memorandum on Cooperation

The State Agency for Investment and National Project Coordination of Ukraine

SFU “The State Fund for Youth housing”

Agreement

SE “The National Project” “Affordable housing”

implementation

The State Target Social and Economic Program on affordable housing construction (purchasing) for 2010-2017

“The National Project” “Affordable housing”
The forming procedure and register the citizens needing the housing improvement

- concrete forming procedure and register-keeping;
- concrete terms of its implementation;
- observance of the legislation on information protection;
- competency of the bodies of executive power.

Approved by the Governmental Decree from 11.03.2011 №238
Practical steps of reduction in price the affordable housing construction

- Issuance of estate for affordable housing construction without auction
- Exemption from payment to social and transport infrastructure development in human settlements
- Definition the architectural, planning and technical norms and requirements
- Reduction in price the mortgage housing credits
- Low taxation and mechanism tax credit practice
- Economic and heat-efficient housing projects
- Energy-efficient innovative technology implementation
- Involvement the technical park, investment and innovative development
- Local raw material, home-produced material and product usage
Organizational and methodic housing program maintenance by the Ministry

- Working out the methodical recommendations, forms and tables for preparation of regional housing programs
- Explanatory work and methodical support
- Data collection, analysis and generalization the performance
- Program implementation monitoring
Condition and further development of the construction project base of the affordable housing

The Ministry worked out:

- Nomenclature of the affordable and social housing economic projects
- Amendment № 1 SCN V.2.2-15-2005 “Houses and buildings. The main provisions”
- Project – affordable housing standard
Affordable housing principles

Minimization
Min allowable flat plotage,
Sanitary and hygienic level

Demographic dependence
Family age and sex structure

Compactness
Compactness of flats

Integrity
Planning decisions of the house and territory
Thanks for attention !!!