



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra



Social Housing – Georgian Reality in International Context

AUGUST 2013

Swiss Agency for Development and Cooperation

Social Housing – Georgian Reality in International Context

August 2013

The findings and views expressed herein belong to the authors and do not necessarily represent the views and policy of the organizations participating in the project or sanctioned by them. Presenting titles and materials on the publication does not mean expression of the position by SDC concerning legal status of any country, territory, city or its government, or delimitation of their boundaries. Mentioning any commercial product or company shall not be considered as their promotion by SDC. Views, interpretations and findings expressed herein belong to the authors and do not necessarily represent the position of participating organizations.

Introduction

The dwelling always used to be and still is the key infrastructural field for any society. Modern Georgian society is not an exception with this regard. To date, radical political, economic or social changes, suffering post socialist world including Georgia during last two decades are reflected namely in dwelling.

In Georgia, this process first and foremost was expressed in almost full privatization of urban housing stock. Compared to soviet period, the structure of housing stock was totally changed – if previously major part of this fund in the cities was state/municipal/institutional, or social in its essence; today the need for social housing stock is not understood by broad society or the government. This segment of housing, which all over the world significantly contributes to the satisfaction of “housing hunger”, in Georgia cannot still find adequate political, legislative-normative or institutional support. While number of homeless people is being dramatically increasing in the cities of Georgia and this is preconditioned by many different factors. Often the problem of social housing is mixed with not less topical problem – decent accommodation of IDPs.

As for recent practice of establishment of social housing in our country, the pioneer in this is Swiss Agency for International Development, with the support of which social dwellings were constructed in 7 cities of Georgia in 2007-2013. This precedent arouse interest of local self-governing bodies and the issue of social housing is slowly becoming part of socio-economic development programs of certain cities of Georgia.

In this regard, we are just on first stage of a long way; responding to new challenge facing local self-government would be less effective without giving general picture. Due to mentioned collection, systematization and analyses of the materials on social housing describing international best practice and Georgian reality, is important, since their use will facilitate promotion of the issue of social housing and its respective establishment in sustainable urban development practice. The present analytical review facilitates namely to achievement of this important goal.

The presented material is practical; it is designated for the institutions and bodies interested in problems associated with social housing. Politicians, legislators and decision makers on several levels, municipal and social workers or researches and students in social sciences, developers and designers will obtain the information useful for them.

Particular data of the research are topical for 1st September 2013 and require permanent updating.

Authors:

Vladimer Vardosanidze – Professor, Faculty of Architecture, Urban Planning and Design – Technical University of Georgia, head of the working group;
Elena Darjania – Master in Architecture, assistant of the working group.

Editor:

Tamuna Tsivtsivadze – Senior Programme Manager at SDC Humanitarian Aid Unit

The report uses the papers by the students of bachelor program of GTU Faculty of Architecture, Urban Planning and Design – Ana Nikolaishvili, Mariam Tsiklauri and Khatia Berikashvili, in 1st semester of 2012 – 2013 – “Social housing – Research and Analyses”.

Acknowledgements

The present research is prepared in close cooperation of Swiss Agency for Development and Cooperation, Tbilisi City Hall and GTU Faculty of Architecture, Urban Planning and Design. We want to extend gratitude to the Vice Mayor of Tbilisi Ms. Sevdia Ugrekheldze, Senior Programme Manager of SDC Humanitarian Aid Unit – Tamuna Tsivtsivadze, SDC consultant Mr. Rolf Grossenbacher, head of social service of Tbilisi City Hall – Gia Mamrikishvili; dean of GTU Faculty of Architecture, Urban Planning and Design – Gocha Mikiashvili and the head of urban planning direction of the same faculty – professor Nino Imnadze; financial expert Mr. Ioseb Berikashvili – for his consultations on finding the dwelling.

Contents

Introduction	ii
Acknowledgements.....	iii
Resume	vii
1. Terminology	1
2. Situation in Georgia	4
2.1. Socio- economic condition	4
2.2. Demographic background	5
2.3. Migration and IDPs.....	7
2.4. Land Use	7
2.5. Situation in Tbilisi.....	8
2.6. Situation in housing sector of Georgia.....	9
2.7. Pilot project “Social housing in friendly environment”	16
2.7.1. Project overview	16
2.7.2. Selection of Beneficiaries.....	18
2.7.3. Studying social parameters of social housing among various target groups	22
2.8. Socio-cultural characteristics of Georgian reality	25
3. History of the issue in Georgia	26
3.1. Soviet era housing troubles	26
3.2. The Process of Privatization of Apartments.....	28
4. Housing Policy in Independent Georgia	30
4.1. Political Will and Legislative-normative base.....	30
4.2. Institutional Guardianship of the Housing Sector	36
5. Social Housing History and International Experience.....	42
5.1 Schematic Retrospective of Housing Policy of Great Britain.....	42
5.2 Best Practices: Example of Finland	44
5.3 Noteworthy Experience – Post Socialist Countries.....	49
5.3.1 Hungary Case	49
5.3.2 Armenia case	52
5.4 Privatization of Social Housing – Great Britain, Netherlands and Germany Cases	55
5.4.1 Great Britain.....	55
5.5 Architectural Projects of Social Housing, Implemented in Europe	58

6. Social Housing Financing Mechanisms – European Experience	73
7. General Functional and Normative Requirements for Standards of Social Housing.....	78
7.1 General Requirements	78
7.2 Requirements for Urban Planning Part	87
7.3 Requirements for Architectural Planning	91
8. Conclusions and Recommendations.....	92
8.1 Conclusions.....	92
8.2 Recommendations	93
References.....	96
Annex 1: Urban Planning and Architectural Standards for Social Housing Architectural Design..	98

List of Figures

Figure 1: Urbanization level in Georgia by regions, 2012.....	6
Figure 2: Population size in cities, in which the programs of social housing are being implemented, according as of 1 January 2011 (thousand)	6
Figure 3: Distribution of non IDP population of certain cities of Georgia by suitability of the dwelling	13
Figure 4: Number of the households applying for social dwelling (thousands).....	16

List of Tables:

Table 1: Distribution of households by main sources of water supply, Georgia (%).....	13
Table 2: Distribution of households by the type of toilet, Georgia (%)	14
Table 3: Distribution of the households by the types of utility services, Georgia (%)	14
Table 4: Dynamics of dwelling ownership forms in Helsinki and Finland (%).....	49
Table 5: Funds allocated for housing sector by the central Government of Finland, mln. Euros ..	49

List of Illustrations:

Illustration 1: Social Housing, Varketili III, Tbilisi, general view	18
Illustration 2: Social Housing, Varketili III, Tbilisi, view from the yard	21
Illustration 3: Social Dwelling in Tbilisi, plan of the ground floor	21
Illustration 4: Social Housing Carabanchel 16, apartment distribution scheme.....	60
Illustration 5: Social Housing Carabanchel 16, apartment typology	61
Illustration 6: Social Housing Carabanchel 16, ground floor plan.....	61

Illustration 7: Immobilière 3F social housing in Paris, France. General view.....	62
Illustration 8: Immobilière 3F social housing. Grounf floor plan	63
Illustration 9: Immobilière 3F social housing. First floor plan.....	63
Illustration 10: Immobilière 3F social housing. Second floor plan.....	64
Illustration 11: Izola social housing. Ground floor plan	65
Illustration 12: Izola social housing. First and second floor plan	66
Illustration 13: Izola social housing. Third and fifth floor plan	66
Illustration 14: Izola social housing. General view	67
Illustration 15: Marnes-la-Coquette social housing. View from the inner yard	68
Illustration 16: Marnes-la-Coquette social housing. Master plan, section.....	68
Illustration 17: Vienna social housing. Section and second floor plan	70
Illustration 18: Adapted soap factory. Master plan	72
Illustration 19: Social dwelling in a former soap factory. General view.....	72

Abbreviations

CECODHAS	European Federation of Public, Cooperative and Social Housing
ISSA	Institute of Systems Studies & Analysis
SDC	Swiss Agency for Development and Cooperation
UNDP	United Nations Development Program
UNECE	United Nations Economic Commission for Europe
UN Habitat	United Nations Human Settlements Program
WHO	World Health Organization
CHиП	Construction Norms and Rules
UNFPA	United Nations Population Fund
UN	United Nations
GTU	Georgian Technical University
TSU	Tbilisi (Iv. Javakhishvili) State University
Geostat	Georgian National Statistics Service
WISH	Workshop on international social housing

Legend

-	Not applicable
....	Insignificant value
n/a	Not available

Resume

Housing always used to be and remains very important infrastructural field for society. Namely, in dwelling are reflected radical political, economic or social changes, which affected dramatically post socialist world including Georgia, during last two decades.

After the “Rose Revolution” of 2003, the country implemented certain deep and comprehensive reforms and achieved economic increase. Despite of mentioned important challenges such as poverty and unequal development of different regions still remain topical. According to 2013 official data, 11.7% of population live below poverty line and get targeted social assistance, so called “subsistence allowance”.

Condition of Georgian housing sector is quite difficult, according to several indicators. According to the data of the First National General Population Census 2002, in the dwellings of all property types 17.8 square meters were allocated per capita. Before the collapse of Soviet Union this figure compiled 22 square meters, which is absolutely admissible even according to international standards. According to Integrated Household Survey, conducted by Georgian National Statistics Service (Geostat) in 2010, in Georgia 19.6 square meters were allocated per capita, while in Tbilisi this figure compiled 13.0 square meters. In 2010, in Georgia 2.7% of households lived in the dwellings where more than 3 persons lived in one room; in Tbilisi this figure is 4.5%.

More than 95% of housing fund are privatized, according to 2012 data, prices on real estate are higher in capital compared to other regions and the lowest price per 1 square meter in “white frame” was 480 USD per month, while in second hand apartments – 234 USD. In the same year in Georgia average monthly income of the household compiled 854.1 GEL (about 500 USD) in urban areas; besides, only commercial banks issue mortgage loans, with minimal interest rate 13% and as a rule require real estate and stable income as guarantee. Thus, low-income families seeking for dwelling in fact are not able to be provided with respective dwelling independently.

Provision of different services to dwelling is different by regions. With this regard, the best indicators are in Tbilisi. According to condition of 2010, central water supply to the houses or yards of the houses is provided to 74.2% of the households, in Tbilisi this figure compiles 99.6%, in Adjara – 97.6% and in other regions about 30%, while in Guria and Kakheti – less than 10%. Separate bathroom is available only for 57.7% of the households; while in Tbilisi for – 92.4%. Besides, in some cities water supply is scheduled, which makes current situation even more complicated. In Georgia 99.6% of households have electricity, while natural gas is supplied only to 42.2%, in Tbilisi – to 89.4%.

First National General Population Census of 2002, for first time identified new vulnerable category of population – “homeless households”; 788 households – 1748 persons all over Georgia.

Among them 114 households, with 427 members were identified in Tbilisi. 7655 applications requesting for dwelling were submitted to Tbilisi City Hall in 2011-2013.

With regard to social dwelling, rich international experience is available, especially in West European countries. New term for us – “social/affordable dwelling” is explained differently in different countries. According to general definition this is the dwelling of respective quality and location; besides, the price for such dwelling should not be more than the dweller’s capacity to cover other main subsistence expenses and fully benefit from basic human rights. As a rule, this is a state or municipality owned dwelling, which is further transferred in ownership to low-income families.

In 1990s, the post-soviet states introduced different understanding of dwelling policy. For several states – Poland, Hungary, Slovakia, Czech Republic, Lithuania, Latvia and Estonia –this was one of the criteria for joining European Union.

As a rule, property right for social housing is restricted, at least during first decade. This is kind of a guarantee that the state’s support is part of the social policy. The most popular tools of property are systems when building/apartment belongs to municipal company or a non-commercial NGO. To date, in conditions of high decentralization in European countries, main suppliers of social housing are local governments or non-commercial organization, while in Russia and Ukraine, state programs for provision of social dwellings are in operation.

The rules for selecting beneficiaries of social housing are different by countries. However, target groups always are composed of low-income vulnerable families, including: families with many children, single parents, young families, people with disabilities, elderly, homeless, ethnic minorities and so on.

There are several mechanisms for funding social housing, including state or municipal grants and subsidies for constructing new dwellings, tax system for the companies providing affordable housing, grants, subsidies and flexible long term loans for the housing seekers.

In Georgia, as in other countries in transition, development of social housing should be considered in broad context of social-economic changes. In the Soviet Union, housing was considered as social right of any citizen, guaranteed immediately by the state. Market principles in fact were not in operation in housing sector and the state used to control construction, distribution and operation of the apartments. In other words, state housing sector was accessible social housing, where the dwellers had the role of “tenant” and where rental and utility fees were subsidized for all tenants.

After the independence (1991), first national government made a reasonable step to privatization of housing fund, with particularly reasonable conditions; but the forces that came to power as a

result of coup d'états (1992), chose populist direction for privatization of housing stock. Privatization of apartments became an ending itself during the President Shevardnadze's governance; several normative acts published in this field were lacking political vision and were of Soviet nature. The apartments were transferred to the citizens, in fact, for free, with minimal formality; consequently the social group of "home owners" was created.

In Georgia housing crisis got started in the beginning of 90s, which was conditioned by internal wars resulting in great number of IDPs, ecologic disasters, "village-to-city" migration and city development focused just on commercial sector. Social housing, as such in fact stopped its existence.

In independent Georgia, the housing policy never became a priority for the government, neither on central nor on municipal level. Single attempts for highlighting the housing problems immediately crashed over illusive political will, financial difficulties or radically different, extremely liberal ideological vision. 20 years of dramatic history of our housing sector is a good evidence for the above mentioned.

In 1994, executive government bodies were entrusted to develop respective legal basis for implementation of housing policy; the annex of an ordinance included detailed action plan. However, for first time the problems of social housing were discussed on high level with presidential Order No 39 "On Concepts for Improvement and Stimulation of Housing Construction Conditions in Georgia", dated 20 January 1997. The governmental document – "Analysis of Current Housing Construction Situation in Georgia and National Program for its Improvement and Stimulation (Main Concept)" of 1996 was also important with this regard. It should be mentioned that in 1997 the draft law "On the Basis for State Policy on Housing" was elaborated in 1996 – 1997, which was rejected by the World Bank, supposedly due to its social orientation.

By that time previously existing groups of people claiming for social housing, were mixed already. Besides, the categories of beneficiaries were not formulated; they were spread over different normative acts and different allowances including for utility services were established for them. The draft of "Justification of National Program for Elaboration of the Tools for Provision of Social Housing for Vulnerable Population" elaborated by the Ministry of Urbanization and Construction in 2011, within the frame of "Economic Development and Poverty Reduction Program;" was not implemented.

In general, it could be said that during the period of the President Shevardnadze's governance, despite of the effort of governmental and nongovernmental organizations, the topic of social housing was limited with the issuance of normative acts. Practical steps were not made. The issue of social housing was just a subject of discussions of foreign and international organizations. For example: the report of MDG "Georgia 2004-2005; Economic Development and Poverty Reduction

Program”; “UN ECE Research of Housing Sector of Georgia 2007”, the recommendations of which are still relevant.

Today, in Georgia the main reason and result of poor condition in the field of social housing is that in fact respective institutional system is lacking in executive government. Two committees are operating in the Parliament, which should be focused on housing issues, however both traditionally are indifferent to this issue.

Executive government agencies, responsible for social housing are dramatically degraded. As a result of many years of restructuring of “interested” agencies, the problem of housing was fully lost within the Ministry of Economy and Sustainable Development. At the moment, department for spatial planning, several times changed, is operating at the ministry; housing is not clearly outlined in the Charter of the Ministry, it is just an ambiguous liability – “developing characteristics of housing sector”.

To date, inseparable sector of urban planning, construction and housings in fact divided into two agencies. On one hand, this is the Ministry of Economy and Sustainable Development and the Ministry of Infrastructure and Regional Development on the other. If the first has de jure responsibility for managing housing problems, the other is the agency de facto responsible for construction sector in general, of course except for IDPs. Since with the issues of the latter is dealing the Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees of Georgia, which is also responsible for “Development of state system for managing migration processes in Georgia and cooperation with the agencies of executive government in this field, within the field of its competence”.

The Ministry of Labor, Health and Social Affairs could act an important role in institutional provision of social housing problem. This role first of all should be expressed in development of sanitary-hygienic standards of social housing – for example in defining demographic parameters for settlement of the beneficiaries. The State Department of Statistics also has important role – development of detailed database of homeless people, for further analyses in the field of social housing.

In the situation, when central government clearly avoided legislative-normative, methodological and financial support of the social housing field, the problem landed on the shoulders of local government authorities. For known reasons, with this regard, Tbilisi appeared to be in the first place, although in the system of Tbilisi City Hall there is no special social housing oriented unit and this problem has become the responsibility of the Social Service and Culture Unit, we may say that Tbilisi local government already has experience of social housing management. Recently, Tbilisi Sakrebulo has been showing particular interest to this problem. Local governments of other cities and municipalities have also become more active – Batumi, Kutaisi, Rustavi, Zugdidi, Bolnisi, etc.

Despite of multitude of NGOs in Georgia, only the Association of Urbanists of Georgia dealt with the problems of housing, including social. Presently the Association has almost stopped functioning. Several NGOs have been established recently, which NGOs work on problems of homeless people, these are: “The Homeless of Tbilisi for Homes”, “Center for Social Programs and Development” and “Georgian Homeless People’s Rights Protection Union”.

To date, in terms of promotion and practical implementation of social housing issues, SDC is really distinguished among foreign organizations operating in Georgia. Namely this organization initiated the project “Social housing in friendly environment”, aiming at construction of residential houses for vulnerable population. Since 2007 until now 19 social houses are already constructed in seven cities of Georgia: Tbilisi, Kutaisi, Batumi, Zugdidi, Gori, Rustavi and Bolnisi. At the moment the last phase of the project is underway, with which SDC will finish its operation in this field in Georgia.

Today, legislative-normative basis for regulating social housing is lacking in Georgia. In particular, there is no normative act providing systemic vision of sustainable formulation of social dwelling. The dwelling issues are not outlined particularly in the “Constitution of Georgia” (1995); however, Georgia is signatory of certain international agreements acknowledging human rights for adequate housing.

Georgian legislation is avoiding the problems of affordable housing. The Law on “Social Allowances” (2006) is focused only on provision of shelters for homeless people, while affordable housing including social is beyond the interests of the Law. Social housing policy is outlined more precisely on level of functional-territorial planning and urban management. This issue is not outlined by Organic Law of Georgia “On Local Self-government” (2005); however according to this law “self-government unit is authorized for spatial territorial planning and definition of norms and rules for spatial territorial planning of self-government unit”. Georgian Law on “Basis for spatial planning and urban development” (2005) provides clear definition of this concept: “spatial – territorial planning – activity which regulates the use of settlement territories, land use, development and amenities, protection of environment and cultural heritage, spatial-territorial conditions for recreation, spatial aspects of transport, engineering and social infrastructure, as well as of economic development and territorial issues of resettlement”.

Change of the attitude of the most important legislative act for Tbilisi – Georgian Law “On the Capital of Georgia – Tbilisi” (1998), towards social housing is really striking. First edition of the law fairly acknowledged the importance of development of housing segment for the capital. This norm was removed from the final edition of the Law.

Based on the analysis of the legislation acting to date in the capital, we can conclude that positioning of social housing within territory of the city is reasonable in medium (RZ-5) and high (RZ-6) intensity Residential Zones determined by the Land Use Master Plan for city

development”. Besides, all the conditions provided for these zones should be adhered. In conditions of speed privatization and forecasted dynamic of development of social housing, it is essential to reserve land plots in two above-mentioned zones, for municipal housing stock, in order to avoid redeeming of lands for by the municipalities from private sector this time for market price, in order to locate social housing.

As for normative base for designing social housing, this part is not clearly provided in Georgian legislation. Before the collapse of Soviet Union housing construction was regulated by normative document issued in 1989 – “Residential buildings; construction norms and rules 2.08.01-89“ (Жилые здания. СНиП 2.08.01-89). Under conditions of non-availability of national rules, the term of mentioned documents was expired with the order of the Minister of Urban Development and Construction in 2001; however, the norms and rules for setting the standards for designing social housing were not provided in 2010 version of similar order. In general, it could be said that standardization policy is lagging behind the need in Georgia – in terms of both quality and quantity, as well as comprehensiveness of particular standards. Nowadays these design standards of Social Housing are elaborated by the authors of this paper.

The resent recommendations were elaborated based on study of problems of social housing in Georgia, in which the recommendations of UNECE survey were also used, of course with certain corrections and taking into consideration new realities; other parts of recommendations are of original character:

- Housing sector should become one of the publicly declared internal political priorities of the central legislative and executive authorities;
- In the Parliament of Georgia the Committee must be defined, for which formation of housing policy will become one of the main profile directions; lawmaking process should be in place in this Committee;
- Social housing issues should be adequately outlined by Georgian Law “On Social Assistance”, the term “social housing” should be defined normatively;
- The concept of National Fund of dwelling should be elaborated, providing respective place for social housing;
- Institutional part of housing sector management should be improved, in particular:
 - In executive government the responsibility for this sector should be transferred from the Ministry of Economy and Sustainable Development to the Ministry of Infrastructure and Regional Development, similarly to international best practice;

- Within the organizational structure of the Ministry of Regional Development and Infrastructure National Agency (Center) for Housing must be established, which, along with other directions, will develop social housing standards and technical regulations;
- Within the executive authority of local government (municipalities) relevant sub-divisions should be established, or specialists should be appointed to deal with social housing problems; they must undergo targeted training;
- Cooperation of Georgia with international and foreign organizations, first of all with United Nations Economic Commission for Europe (UN ECE) should be extended or recovered; also, with UN Habitat Program. In this context, Habitat-Georgia, national coordinating organization, abolished in 2005, should be rehabilitated;
- Forms of cooperation of central government and local authorities, as well as the government of Autonomous Republic of Adjara, in the field of social housing need to be found;
- Financial-economic tools/schemes for provision of affordable, including social housing for vulnerable households need to be developed;
- The lower limit of protected quota for social housing should be systematically foreseen in the budgets of central and local governments;
- System stimulating construction of social housing by developers should be created; for this, Public-Private Partnership (PPP) needs to be activated;
- The need for development of social housing shall be taken into consideration while developing master plans for using settlement lands, with conditioned of their dispersive settlement;
- It is important to create a credible, renewable and accessible information base of social housing, which will ensure:
 - Revealing homeless population on the level of each individual settlement in the materials of 2014 population Census;
 - Elaboration of Urban indicators system;
 - Establishment of Urban Laboratories on national, regional and local levels and their inclusion into international network;

- Once every two years, national report “Condition of Urban Development in Georgia” should be written and published, which report will reflect also the data on social housing;
- Law enforcement bodies should take immediate and effective measures against invasion into the sites meant for social housing;
- In the higher education system, social housing topic should be reflected in the curricula for architects and social workers;
- The problem of social housing should hold relevant place in the public relation (PR) system in the whole country;
- “Know how” of SDC and its partner City Halls shall be shared and used.

1. Terminology

Dwelling – individual house or apartment in an apartment building, which has individual entrance from outside or space for common use and which is designated for residence of a household.

Social housing – the dwelling owned by state, local self-government bodies, which in accordance with the legislation in force, is designated for accommodating vulnerable families. The owner of social housing defines financial-organizational forms of social housing and conditions for its use.

Affordable housing – the dwelling which has respective quality and location; besides its cost (rental) is not more than the dweller's capacity to cover other key expenses for subsistence, to fully enjoy basic human rights.

Adequate Housing – is defined by social, economic, cultural and other factors; its particular aspects are following: legally reliable ownership, services, housing – utility services and infrastructure, financial affordability, suitability for residence, convenience for people with disabilities, appropriate location and cultural compliance.

Dwelling for emergency situations – the dwelling, envisaged for short term use. Usually this includes hostels, shelters or overnight places. This service can be the starting contact point for those who look for long term social housing.

Housing stock – combination of housing premises, regardless of form of property and use, including: residential houses, special houses (hostels, hotels, shelters, flexible fund houses, elderly homes, boarding schools, and so on), office residential premises and apartments, military barracks and monastery premises, other residential premises useful for residence.

Dwelling management - main functions accepted by the dwelling owner. Usually, this means assessment of the needs of dwelling, renting the property, definition and collection of rent cost, maintenance and supervision of renovation works, as well as regulating relations between the landlord and tenant. Dwelling management or particular part(s) of management could be delegated to other legal or natural body.

Social service supplier (here) – the owner of social housing or partner organization, which facilitates, consults and protects legal interests of lessees.

Assessment of needs for accommodation – process of assessing of an individual or a household seeking for housing, which envisages assessment of the need for accommodation. This process can be implemented by the government, dwelling organization of dwelling supplier.

Social assistance – any financial or non-financial allowance, designated for the person with the need for special care, vulnerable or homeless individual or household.

Social assistance system – combination of activities funded, organized by the state or/and implemented under its supervision, dedicated to and aimed at improvement of social economic condition of vulnerable, homeless individual or household.

Beneficiary - individual or household, which receives various social allowances including social dwelling.

Homeless person – pursuant to Georgian legislation, homeless is an individual “not having definite place of residence, which is registered at local governance body as homeless”. This definition does not fully express the essence of the problem of homelessness.

Shelter - (1) service provider institution, which provides night stay and food for homeless individuals; (2) – short term, temporary dwelling for homeless individuals, which protects them from external conditions harmful for health.

Emergency shelter – usually, provides services to the groups of society, in undeliverable need for dwelling due to the disaster caused by natural, technical or anthropogenic factors.

Shelterless – individual not having place to sleep, this is the most visible form of homelessness. There are people among the shelterless, who lead chaotic life and cannot/do not want to stay on one place. Success of their accommodation greatly depends on provision of respective support or accessibility of temporary or permanent dwelling.

Living in unreliable dwelling – this condition can be the result of no access to permanent dwelling and at the same time reflect the need for support in thorough ownership of property. Provision of respective support, might be decisive in obtaining permanent dwelling. This condition includes people, who live in communal conditions against their will or whose safety is violated or are under the threat of violence.

Living in irrespective conditions – this condition includes the people whose facilities do not comply with standard living conditions or are densely settled; as well as who live in trailer or boat.

Property right - the owner’s right to dispose (sell, mortgage and so on) immovable property, including dwelling.

Cooperative property – real estate owned by cooperative, first of all dwelling. Based on general agreement, the dwellers of cooperative houses are lessors with the right to own the apartment.

Owners' association – union of the owners of the apartments used for residential or non-residential purposes, including commercial in multi apartment houses, the goal of which is maintenance and development of tenancy in common.

Condominium (here) - entire complex of real estate combined the land parcel within determined boundaries, and perennial plants and buildings on it; which is in joint tenancy of natural or/and legal bodies.

Cooperative (here) – volunteer union of citizens, which is established in purpose of provision of its members with dwelling – construction or reconstruction of dwelling; as well as for further management of multi-apartment residential house.

Squatting - capturing/invasion to the land or building without the right of property or use.

Lawful eviction – eviction from dwelling based on the Court's decision.

Evicted – individual or household evicted based on the Court's decision.

Household – the basic unit of society – unity of people, who are the subject of the rules of joint residence on one residential unit and are connected with common budget (its part), relative or/and non-relative relations. The household can be composed of one person.

Population census – entire process of collection, processing, assessment, analyses, generalization and publishing of social, economic and demographic data of the country population within the terms provided by the Law.

Person with disability – person which has such status in compliance with the Law on “Medical–social expertise”.

Subsidy – monetary or material assistance provided by the state/municipality or any other natural or legal body to self-government bodies, individuals or households.

Leasehold – based on leasehold agreement the lesser shall transfer to the lessee the subject for determined term. The lessee shall pay agreed rent to lesser.

Social norm of the housing area – minimal size of housing area determined by the law per one household member

Demographic comfort index of housing – number of household members per one housing unit (room) in particular dwelling, shall be calculated by the formula: $k = N: R$, where N is a number of household members, R is a number of residential units in the apartment.

Self-government unit – settlement (self-governing city) or unity of settlements (municipality), which has local representation and executive bodies of local self-government, has own property, revenues, budget, administrative centre and is independent legal entity of public law;

Own authority – authority of self-governing unit provided by the law, which it implements in accordance with the rule defined by Georgian legislation and with own authority.

Delegated authority – authority of state government body, delegated to self-government unit for implementation, according to the rule provided by the law, pursuant to the law or based on the agreement signed by local and central governments.

Gini Index - the measure of inequality of incomes and welfare of population. Gini coefficient demonstrates deviation of actual distribution of incomes from their equal distribution line. Gini index of equal distribution equals to 0, while of absolute inequality – to 1.

The median price – value which is in the middle of ranking (here): The median price is the midway point of all the houses/units sold at market price (or sold amount).

2. Situation in Georgia

2.1. Socio- economic condition

After the collapse of the Soviet Union, rapid economic decline started in Georgia. Sharp de-industrialization and mass unemployment preconditioned high poverty level, while total corruption in fact caused institutional collapse in the country. The state pension compiled equivalent of 6.5 US dollars and the state was incapable to provide regularly even this amount.

After “Rose Revolution” of 2003, economic growth got started in Georgia; facilitated by development of local entrepreneurship and increase of direct foreign investments. The country implemented certain reforms in following fields: public administration, judiciary, tax and customs system, foreign trade, permits and licenses. Significant investments were made in infrastructure, in particular in management of development of road and railways, as well as air transport. Despite of the above, the country still faces challenges: high poverty level, unemployment, trade deficit, unequal level of development of different regions, provision of affordable housing for urban population.

Despite of the fact that international financial crisis had negative impact on economic growth rates and in 2009 Georgian economy decreased by 3.9%, in 2010 the trend was changed and in 2012 this indicator compiled 6,1%. In 2012 GDP per capita compiled 5.812 GEL, while in 2013 this indicator was 2.277 GEL.

Besides, poverty and unemployment still remain the biggest challenges. According to statistical data of 2012, the share of population below poverty level is 9,7%; in case of using less conservative threshold, 45% of population live below poverty level. Inequality of incomes is also high – in 2012 Gini Index was 0,41; unemployment level made 15%; according to data of first half of 2013 11,7% of population receive social assistance, so called “subsistence allowance”.

According to the survey “Economic and Social Vulnerability in Georgia”, conducted by UNDP in 2012, people with disabilities are under the highest risk of exclusion. In 2012, 129599 persons with disabilities were registered in Georgia. Their employment level is very low, and access to education and healthcare is limited due to physical obstacles for mobility and financial problems.

Besides, it should be mentioned, that the government of Georgia is implementing targeted state policy concerning other vulnerable groups. Monthly allowance, temporary shelters and land plots for cultivation were provided for registered IDPs; they have an opportunity to receive free primary and secondary education and support in finding the job. Registered handicapped people receive pension according to the quality of disability.

Georgian government initiated programs aiming at social integration of people with disabilities. Poor families, applying for registration in database, receive social allowance. Based on the scores received as a result of assessment, the beneficiaries are provided with subsistence allowance, health insurance and/or electricity subsidies. Besides, the main gap of state policy in social assistance is negligence towards the problem of social housing.

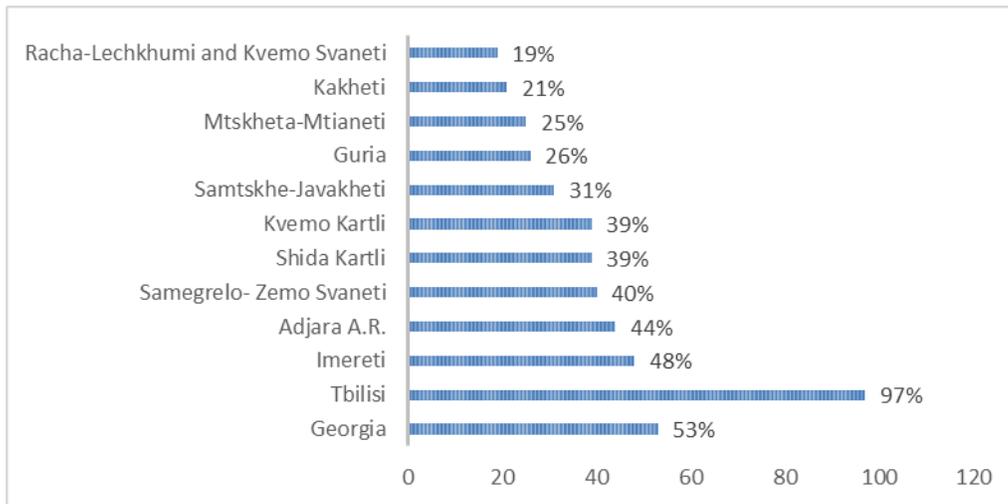
On 1 October 2012, Parliamentary Elections were held in Georgia. It was first peaceful, democratic change of government through elections in the history of independent Georgia. One of the key priorities of new political team is solution of social problems.

2.2. Demographic background

In Soviet period, population of Georgia was increasing permanently. According to the last population census conducted in that period (1989), 5,400.841 persons lived in Georgia. After the independence, population size reduced significantly due to ethnic conflicts in Abkhazia and South Ossetia and sharp economic decline. According to the first National General Population Census of Georgia of 2002, 4,371.535 persons lived in the country; according to assessments of 2011, this indicator was 4,469.200. The next population census is planned for 2014.

To date, 53% of Georgian population lives in urban areas and it is assumed that this indicator will reach 69% by 2050. However, urbanization level is quite unequal by regions; in Tbilisi considered as region within new administrative boundaries, 97,4% of population live in urban areas, while in other regions rural population size is higher than that of urban.

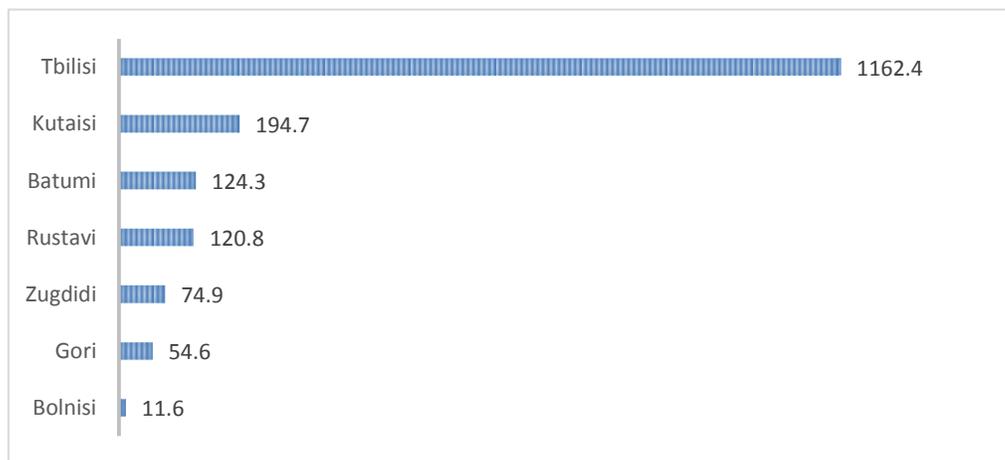
Figure 1: Urbanization level in Georgia by regions, 2012



Source: Geostat www.geostat.ge, 2012

Tbilisi is the only city in Georgia, population of which is more than million. Population of Kutaisi – second big city – was 196.5 thousand persons, as of 1 January 2013; as a result of changing of administrative border of Batumi, its population size increased and made 160 thousand; fourth city in size is Rustavi in which just 122,5K persons live. Population size in other cities of Georgia is not more than 100 000.

Figure 2: Population size in cities, in which the programs of social housing are being implemented, according as of 1 January 2011 (thousand)



Source: Geostat, www.geostat.ge, 2012

2.3. Migration and IDPs

Georgia is among the countries in which the level of external migration is too high. According to the data of 2002 population census, almost 20% of population has left Georgia since 1989. According to the calculations of the World Bank and UNFPA, about 1 million persons have left Georgia by 2005. Main directions for migration were Russian Federation, USA, Greece, Germany, Turkey, Austria and other EU member states, including France and Spain.

Internal migration always played important role in process of urbanization of Georgia. During Soviet period, migration of rural population to the cities was main source for the increase of cities. The above trend was continued after the independence as well. Basically, centripetal migration is caused by the fact that Tbilisi is the biggest labor market in the country. Despite of the fact that population migrated from villages, compensates number of migrants form capital and other big urban centers only partially.

In early 1990s, internal conflicts taking place in Georgia were followed by internal displacement from Abkhazia (1992-1993) and Tskhinvali region (1989-1992). Pursuant to article 1 of the Law “On Internally Displaced People” – “the IDP is a citizen or a person without citizenship who was forced to leave his/her place of residence and be displaced within the frame of territory of Georgia because of the threat imposed to his/her or his/her family member’s life, health or freedom, due to aggression of foreign country, internal conflict, or mass violation of human rights”.

According to 2013 data, 265 109 IDPs from Abkhazia and Tskhinvali region were registered in Georgia, which is about 6% of population of Georgia; 37% of IDPs live in Tbilisi, 34% in Samegrelo-Zemo Svaneti region, 10% - in Imereti (the Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees, 2013).

Great part of IDPs is still in hard social economic condition, including housing. In order to provide them with adequate living standard, central government elaborated and approved state strategy on IDPs (2007) and action plan of this strategy. The strategy defines two main goals of the state:

- Ensuring conditions for decent, safe return of IDPs and providing support to the IDPs, which returned chaotically to their permanent place of residence;
- Supporting provision of decent living conditions for IDPs and their integration in social life.

2.4. Land Use

Since 1970s, in fact all cities of Georgia, majority of towns and even certain villages were provided with master plans for development and reconstruction. After the collapse of centralized

state, due attention was not paid to spatial planning while transition to free market based relations. Pursuant to current legislation of Georgia, implementation of land use master plan is the competency of local self-government unit. However, today land use master plans complying with modern requirements are approved for following settlements: Chokhatauri Town (2007), Tbilisi City (2009), Batumi City (2009), Ambrolauri City (2012), Borjomi City (2012), Bakuriani Town (2012), Ureki Town (2012), resort Bakhmaro (2012). In 2013, elaboration of Rustavi and Poti land use master plans started for Rustavi and Poti cities; the tenders were announced for development of land use master plans for Mtskheta City and Tsageri Town, Kaspi City and Chkhorotsku Town.

On 25 June 2010, the Government of Georgia issued the Decree №172 “On Approval of the State Strategy of the Ministry of Regional Development and Infrastructure for 2010-2017 and Establishment of Governmental Commission of Regional Development of Georgia”. The above-mentioned document represents midterm strategy, which defines regional policy of the country for 2010-2017 and aims at provision of friendly environment for balanced development of regions.

2.5. Situation in Tbilisi

Tbilisi is the capital of Georgia and an important political, economic and cultural centre not just in Georgia, but in East Europe and South Caucasian region. It is situated on both sides of the river Mtkvari, along 33 kilometers, at 380-770 meters from the seal level; its relief has shape of amphitheater and is surrounded with mountains form three sides. The city is spread over 500km².¹

Presently, the population size of Tbilisi is 1,171.2. After the period of significant decrease of population, increase rate was quite small and in 2012 it made 1,4%. Main reasons for this were following: (1) natural increase is quite low due to low birth rate and (2) migration to the capital form other regions of the country does not compensate emigration from the capital to other countries (MDG 2007). Besides, average age of Tbilisi population is high. Mentioned demographic trend has negative impact on labor potential of the city, social and healthcare field; it sets specific requirements for social housing sector.

In 2006 before extension of Tbilisi boundaries, population density was 2.937 persons per 1 km². Density was the highest in Didube-Chugureti district, where in average 7.855 persons lived per 1km²; Isani-Samgori was the less densely populated district, where 2.323 lived per 1 km². After extension of the city boundaries, average density of Tbilisi population is 2 300 persons per 1 km².

¹In 2006 with the decision of the Parliament of Georgia several villages were incorporated in Tbilisi and new boundaries of the city were established, consequently the area of the city was increased up to 500 square kilometers.

At the moment the lowest density is in Didgori district, where in settlement – villages distributed on large territory just 30 thousand persons live (UNEP, 2011).

Tbilisi was always multi ethnic, however mass migration, which started in the 1990s, changed the picture. According to last population census (2002), ethnic minorities make 15,6% of Tbilisi population. Armenians, Russians, Azerbaijani and Ossetians are the biggest ethnic groups after Georgians.

Tbilisi is governed by Sakrebulo (City Council) and City Hall. The Elections of Sakrebulo are conducted once in four years; Mayoral elections are conducted through direct rule. Administratively Tbilisi is divided into 10 districts; all of them have their local governments, with limited jurisdiction. However, increase of number of districts and of the role of local self-governments based on subsidiary principle, is planned within the frame of local self-government reform.

In 2009 Tbilisi Sakrebulo approved land use general plan of the capital, which represents basic document of urban development. According to mentioned plan, territory of Tbilisi is divided into the zones of different destination; functional division defines the conditions for using and development of particular territories of the city.

Development of Georgian economy basically is associated with economic activity of Tbilisi. Namely the capital is the economic, commercial and financial centre of the country, 70% of country economy is in Tbilisi. In 2012 it was on the fourth position in "European Cities and Regions of the Future" in terms of business efficiency and fifth position in FDI ranking in terms of business attractiveness.

21% of population capable of working is employed in Tbilisi; besides, 45% of unemployed population of Georgia also lives in Tbilisi. According to official statistics, in 2012 unemployment level was 29,1% in Tbilisi (Geostat, 2012).

In 2012 average monthly income of households per capita compiled 269 GEL in Tbilisi, while the same indicator in whole Georgia is 218,4 GEL (UNEP, 2011). According to condition of May of 2013 5.4% of Tbilisi population live below poverty level and gets so called "subsistence allowance"; while the same indicator for whole Georgia compiles 9,2%.

2.6. Situation in housing sector of Georgia

Housing stock of Georgia is not structured normatively. However, 2002 first population census of Georgian population provides the following division:

1. By the type of dwelling:
 - Individual house;

- Part of individual house;
- Separate apartment;
- Common (communal) apartment;
- Hostel;
- Hotel, guest house or something like that;
- Other institution;
- Other dwelling;
- Non dwelling used for living.

2. According to the form of property of dwelling:

- Individual property of household (or of its member);
- Public property;
- Property of housing-construction association (former cooperative);
- Other form of property;
- Rental dwelling;
- Homeless.

Internationally admitted classification of housing stock by form of property and ownership is presented for comparison:

- Property of the private owner;
- Homeowners' associations;
- Housing–construction association (cooperative);
- Condominium;
- Social rent, when the dwelling is:
 - In state ownership;
 - In municipal ownership;
 - Owned by public/non-commercial organizations;
- Commercial rent;
- Squatted
- Other (religious organizations, corporations and so on).

According to condition of 2002 in all types of dwellings in average 17.8 square meters were allocated per capita. Before the collapse of Soviet Union this figure compiled 22 square meters, which is in compliance with modern standards. According to a comprehensive household survey conducted by National Office for Statistics of Georgia, space per capita compiled 19.6 square meters in Georgia, and 13,0 square meters in Tbilisi.

In terms of excessive housing, in 2010, in Georgia 2,7% of households lived in the dwellings in which more than three persons lived per one room; in Tbilisi this indicator is 4,5%. Based on the

research of the Institute for Social Survey and Analyses, situation in the country is much more difficult and 9,8% or every tenth family live in conditions of excessive housing – less than 4 square meters per person or 2 or more persons live in one room.

In 2007 United Nations Economic Commission for Europe carried out research of housing stock of Georgia, according to which 94,5% of housing fund was in private property in 2004. This indicator is quite high and common for post-soviet countries, where upon mass privatization of dwelling, state or/and municipal housing stock was in fact excluded. According to economic survey of social vulnerability carried out by UNDP in 2012, less than 10% of total population of Georgia lives in the house or apartment owned by the family. 40% of total population does not have land in ownership.

There is big difference between vulnerable groups. Less than 15% of IDPs have land in ownership, while in highland areas just 7% do not own land. It is to be mentioned that just $\frac{1}{4}$ of urban population owns land. Except for IDPs more than 90% of rural population owns land. Land ownership indicator in villages is ranking between 25% (families residing in low land areas) and 54% (highland areas), while just 8% of IDPs living in urban areas own land. As for rented dwelling, it is basically rented informally.

Since 2006 National Bureau of Enforcement evicted just 897 accommodations in Georgia, out of this 533 – in Tbilisi. As mentioned above, in most cases using rented dwelling is not registered officially and consequently much data are not available on this category of dwelling.

After the independence, due to the gaps in urban planning and governance squatting of land and illegal constructions took place, which were legalized by the Order of the President N 660 “On approval of the rule for making decision on legalization of sites or their parts constructed without permit and/or in violation of the project, by the agency responsible for agreeing the project and issuing permit for construction”, dated 24 November 2007. Just scarce statistics is available for subsequent period: according to the survey conducted in 2012 by the Department for spatial planning and construction of the Ministry of Economy and Sustainable Development, in 2011 in Georgia 35% of illegally constructed buildings were dwellings. Lately, the cases of misappropriation of property by vulnerable groups including IDPs, became frequent.

According to the study carried out by the Research and Consultation Centre of Ilia State University – “New constructions in Tbilisi”, the lowest cost for so called “white frame” was 480 USD per m² in Isani – Samgori district and the highest – 3000 USD in Avlabari (ref. Research and Consultation Centre of Ilia State University. *New Constructions in Tbilisi*. 2012). Average price for 1 square meter in used apartment in the capital varies sharply by districts from 234 USD in Lilo to 986 USD in Old Tbilisi (Kviris Palitra, 2012). According to the surveys conducted by the Ministry of Economy and Sustainable Development, in 2012 median price for two rooms apartment was ranking from 17 000 USD in Lilo to 80 000 USD in Vake and Vera districts; while

in Batumi median price of two rooms apartment was 37 000 USD. In other self-governing cities – Poti, Rustavi and Kutaisi – price for such apartment was 20 000 – 25 000 USD. The situation is similar in terms of renting prices: in the capital the renting price for two rooms apartment is ranking from 100 USD in Lilo to 500 USD in Saburtalo (Ministry of Economy and Sustainable Development, Spatial Planning and Construction Policy Department. *Urban Indicators: Georgia*. 2012).

In alienation of municipal land, the respective body is guided by normative price for non-agricultural land, which is different by the cities and territories in the cities and are defined by Municipality Sakrebulo. In Tbilisi the land could be procured via electronic auction and the price varies from 15 GEL to 310 GEL per m². The lowest market median price for non-agricultural land in Tbilisi is in Ponichala and compiles 6 USD, while the highest in Vera district – 600 USD. In other cities of Georgia, the price for one square meter land is highest in Batumi – 300 USD; then 160 USD in Kobuleti, 150 USD in Telavi, 130 USD in Gori, 80 USD in Ureki and Kutaisi; the price is 5 USD or even less in following towns of Georgia: Ozurgeti, Terjola, Sachkhere, Zestaponi, Kaspi, Tetrtskaro, Gardabani, Marneuli, Sagarejo and Kvareli (ibid).

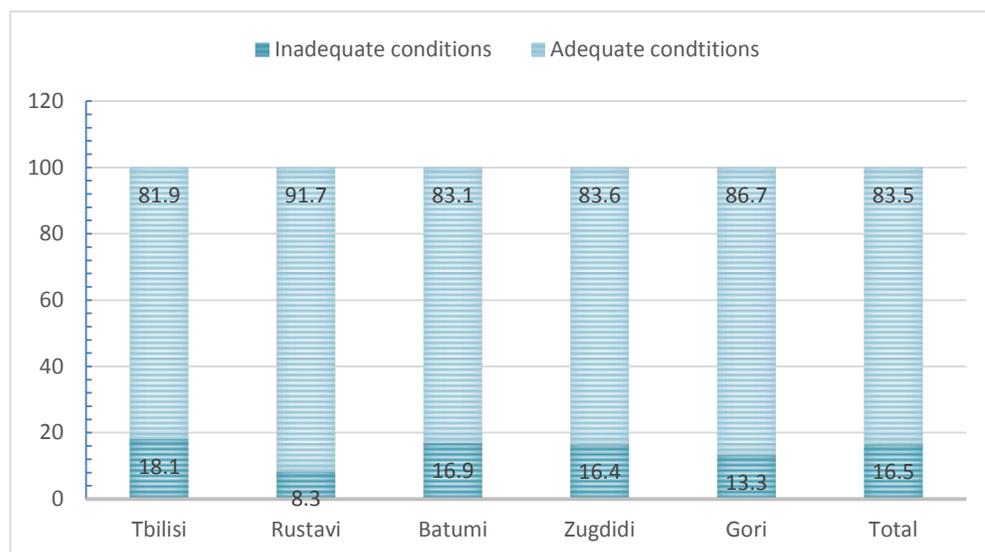
As it was mentioned, the investments implemented in housing sector on state and local level, basically are focused on the problems of IDPs. There are no state programs for funding dwellings of other category. The citizens have to gain all resources required for procurement of the dwelling. Mortgage loans are provided only by commercial banks.

During last few years mortgage market of Georgia increased significantly. Minimal interest rate for mortgage loan is 13%, almost all banks request real estate as collateral. Besides, while issuing loan the banks have established minimal threshold of family income, which is changed according to number of family members. Thus, mortgage loan in fact is inaccessible for low-income families seeking for dwelling, which do not have own real property.

In Georgia average monthly income of families residing in urban areas compiled 854 GEL (520 USD) in 2012. In the same year, 77% of income of the families residing in urban areas (426.9 GEL) were consumer cash expenditures; in particular 27% are spent for food, beverages, tobacco; 10% - for electricity; 8% for transport. Out of non-consumer cash expenditures 3% of the households' budget is spent for property procurement (ref. Ministry of Economy and Sustainable Development, Spatial Planning and Construction Policy Department. *Urban Indicators: Georgia*. 2012).

Form of property and number of square meters do not give full picture of the quality of dwelling and services associated with that. It was identified during the assessment of housing conditions of the most vulnerable families that 16.5% live in unsuitable environment.

Figure 3: Distribution of non IDP population of certain cities of Georgia by suitability of the dwelling



Source: "The survey of approaches and expectations of target groups against social housing", ISSA, 2010

Within the survey, respondents assessed their housing from 1 to 5 points according to certain parameters. Majority of the families indicated the need for renovation of dwelling as the main problem. Besides, according to the experts, infrastructure of multi-apartment houses constructed during Soviet period, is in poor condition in many cases. Major part of urban population lives in multi-apartment houses; in Tbilisi this figure compiles 65% (Tbilisi City Development Strategy – Volume I Tbilisi City Profile and SWOT, 2010).

In Georgia provision of different services for the dwelling is different by regions. With this regard the best indicator is in Tbilisi. According to condition of 2010, 74% of the households residing in Georgia were provided with central water supply system, in Tbilisi this indicator compiles 99,6%.

Table 1: Distribution of households by main sources of water supply, Georgia (%)

	2008	2009	2010
Water supply to the apartment	45.8	46.1	48.4
Water supply to the yard or neighborhood	25.0	26.9	25.8
Well in the yard of neighborhood	21.4	20.1	19.4
Natural spring in the yard or neighborhood	7.3	6.6	5.9
River, lake, stream, channel	0.4	0.3	0.2
Other	0.0

Source: Integrated household survey, Geostat www.geostat.ge

Table 2: Distribution of households by the type of toilet, Georgia (%)

	2008	2009	2010
Own flush toilet connected to sewage system	42.4	42.5	43.6
Shared flush toilet connected to sewage system	2.8	3.2	2.5
Flush latrine without sewage system (river, channel, gully)	4.8	4.9	4.6
Pit latrine with periodic cleaning	49.9	49.2	48.9
Other	0.2	0.2	0.4

Source: Integrated household survey, Geostat www.geostat.ge

46.1% of households of Georgia had private or shared flush toilet connected to central sewage system; in Tbilisi this indicator is 97,6%, in Adjara 57.6%, in other regions about 30%, and in Guria and Kakheti less than 10%. In Georgia 57,7% of households had separate bathroom, while in Tbilisi – 92,4%. Besides, in certain cities water through central supply system is provided by schedule, which makes the situation more complicated.

Quality of dwelling is greatly influenced by the services such as electricity, heating and gas supply. After the collapse of Soviet Union, communal economy was destroyed and population had to provide itself with heating and hot water systems, in 2010 about 22% of Georgian households used individual heating and hot water systems, in Tbilisi this indicator is two times higher.

99.6% of households residing in Georgia, are provided with electricity, while gas is provided to just 22%. Besides, in Tbilisi 89,4% of households get natural gas from central supply network. This indicator is relatively higher in Kvemo Kartli (47.1%) and Kakheti (35.3%). In other regions, basically liquid gas is used; for example in Adjara - 81.1%, Guria - 73.1%, Samtskhe-Javakheti - 67.9% and Samegrelo-Zemo Svaneti - 60.2%.

Accessibility of telephone and internet is significant indicator of the quality of modern dwelling. According to the condition of 2010, 45,3% of the county's households had land line telephone, out of them in Tbilisi 87.6%. In 2012 there were 429.228 internet users and 4,487.877 mobile network users in Georgia (Georgian National Communications Commission, 2013). It is to be mentioned that mobile connection is available on almost whole territory of Georgia.

Table 3: Distribution of the households by the types of utility services, Georgia (%)

	2008	2009	2010
Central hot water system	0.4	0.1	0.1
Individual hot water system	18.2	20.0	22.3
Electricity supply	99.0	99.4	99.6
Central system for gas supply	37.4	38.6	42.2
Supply of liquid gas (container)	34.3	35.6	37.4
Individual heating system	22.1	19.2	21.0

Source: Integrated household survey, Geostat www.geostat.ge

The cities of Georgia are provided with regular system of solid household waste collection. In most cases the waste is collected in containers and/or by “bell system”, every day or several times a week. In Tbilisi solid waste is collected every day (in some streets twice a day), by means of containers. Fee for the service is fixed in all cities, it is 0 – 1,8 GEL except Tbilisi (Ministry of Economy and Sustainable Development of Georgia, Department of Spatial Planning and Construction Policy, 2012).

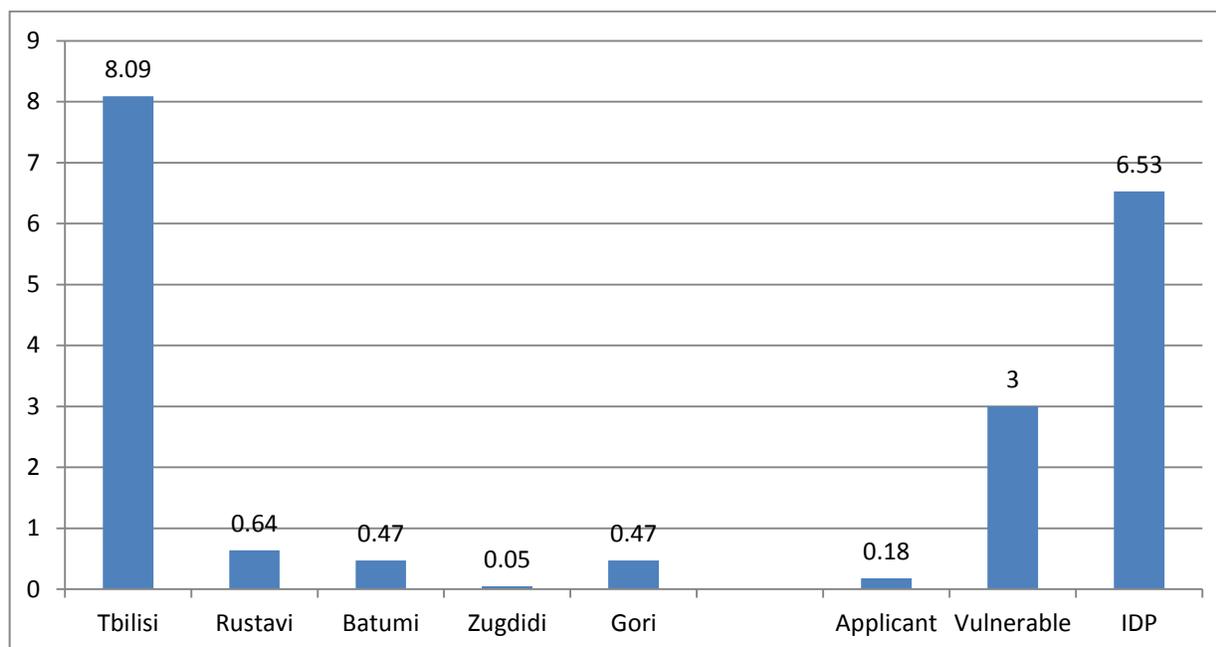
As it was mentioned, social housing is not determined normatively and there is no social housing policy on state level. However, based on the materials of 2002 population census, 72,000 households resided in own dwelling, all over the country. In average 10,4 square meters were available per person. Municipal form of apartment ownership is not mentioned in the census; presumably it is meant in the option “other form of property” included in the questionnaire, which was used by 4.306 households. 12.2 square meters were available per person in the dwelling of such category.

To date with the initiative and support of SDC, several cities of Georgia implement the program “Social dwelling in friendly environment” and 7 cities already have constructed the dwelling of such type transferred in municipal property.

In 2010 ISSA conducted and published “The survey of approaches and expectations of target groups against social housing”, with the order of SDC. The respondents conditionally are divided into three groups: 1. Applicant – person which applies to local government with the request for provision of dwelling; 2. Vulnerable person – which was registered in entire database of vulnerable people and rating score of which was less than 57 000 (very poor living conditions); 3. IDP – families which left Tskhinvali and Abkhazia regions during the conflicts in 1990s. According to the survey results, 8 090 households applied for social dwelling in Tbilisi, 640 – in Rustavi, 470 – 470 in Batumi and Gori, and 5 – in Zugdidi.

First population census of 2002 for the first time in Georgia identified new vulnerable category – “homeless households” – 788 households all over the country i.e. 1748 persons. In Tbilisi were identified 114 households with 427 members. From 2011 to 2013 in total 7655 applications with the request for dwelling were applied to Tbilisi City Hall.

Figure 4: Number of the households applying for social dwelling (thousands)



Source: The survey of approaches and expectations of target groups against social housing, ISSA, 2010

2.7. Pilot project “Social housing in friendly environment”

2.7.1. Project overview

Pilot project “Social housing in friendly environment” is initiated by SDC, under the auspices of which, similar projects were implemented in Serbia and Armenia in 2005. In autumn of 2007 the project implementation was started in Tbilisi, which was preceded by signing the memorandum between four parties: the Embassy of Switzerland in Georgia, Tbilisi City Hall, the Ministry of Refugees and Accommodation, the Ministry of Labor, Health and Social Affairs. In 2009 the project was joined by following organizations: Italian Development Cooperation and the United Nations High Commissioner for Refugees. The project scope was also expanded and based on respective memorandums, social housing, in addition to Tbilisi, was constructed in Batumi, Kutaisi, Zugdidi and Gori.

The goal of pilot project “Social Housing in Friendly Environment”, was provision of homeless people or vulnerable local or IDP population living in inappropriate, unsustainable dwellings or IDP collective centres, with sustainable, long term dwelling. Besides, the proportion of IDP and local beneficiaries was determined by memorandum and differed for each particular case., For example it was stated by the memorandum that in Tbilisi 60% of apartments should be provided to IDP beneficiaries and 40% - for local homeless people.

As it was mentioned, the project was based on the experience of SDC obtained in Serbia and in Armenia consisted of two parts:

1. Construction of social dwellings – 2 or 3-storey houses and amenities;
2. Training of the staff of municipal social service – which aimed at promotion of implementation of social dwelling in national social strategy, initiation of preparation of legislation for development of this element of dwelling in Georgia. Mentioned component was being implemented within the frame of parallel project of UNDP.

Land parcels necessary for construction of social dwellings and their provision with engineering technical infrastructure was responsibility of partner self-government body. The expenditures for construction and amenities of social dwelling were covered by Swiss party. After finishing the construction all social dwellings were transferred in ownership of respective municipality.

As for relations between the beneficiaries of social dwelling and local self-governments, they were identified in respective agreements between beneficiary family and local self-governments. These agreements mean the following: if the beneficiary family does not violate the conditions provided by the agreement or its social economic conditions are not improved, it will be provided with the dwelling during particular term upon signing the agreement. Upon expiry of mentioned term the beneficiary will be reassessed and if the family does not comply with defined criteria any more, it should leave occupied dwelling. The term defined for using social dwelling is different by cities, for example in Tbilisi it compiles 10 years and in some cities it's revised and updated every year.

Special focus is on the role of social worker, which is considered as key in administration of social housing. Social workers of City Halls worked with the dwelling beneficiaries – so called “host families” and partner City Hall in order to promote formation of social dwelling as reliable place. Social worker provides social services to the beneficiaries of social housing in order to prepare them for independent life. S/he studies the needs of beneficiaries and helps them to satisfy these needs, also supports them to establish normal relations with the neighborhood. Social workers implement permanent monitoring, for example separate office space is allocated in social housing of Tbilisi. It is to be mentioned that within the frame of UNDP project “Promotion of social services and social policy development” and with participation of Social Workers’ Association of Georgia special guides were elaborated for social workers and beneficiaries of social housing.

To date 19 social houses are constructed and operating in seven cities of Georgia: in Tbilisi 6 houses providing in total 52 individual apartments (2 social dwellings constructed in 2012 are not yet in operation); 3 houses in Batumi; 2 in Kutaisi; 2 in Gori; 2 in Zugdidi; 1 in Rustavi and 1 in Bolnisi.



Illustration 1: Social Housing, Varketili III, Tbilisi, general view

2.7.2. Selection of Beneficiaries

At first stage of pilot project “Social dwelling in friendly environment”, the beneficiaries of social dwelling were local homeless people as well as vulnerable and IDP population living in collective centers or in inappropriate and unreliable dwellings. At subsequent stages, this approach was changed and the beneficiaries were selected just from local population – homeless families or those living in inappropriate or unreliable conditions.

Due to the fact that the registry of homeless people or those living in inappropriate and/or unreliable conditions is not any more available in Georgia, the beneficiaries were selected based on the applications requesting for social dwellings submitted to respective municipalities or “entire database of vulnerable families” of Social Services Agency (among them were selected just the families which had the score up to 57.001). For example in Tbilisi City Hall in total 7655 applications for social dwelling were submitted in 2011 – 2013.

In case of IDPs the list of potential beneficiaries was developed by the ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees, based on the

consultations with its regional departments and the Ministry of Health and Social Affairs of Autonomous Republic of Adjara.

In order to consider the beneficiary as “local resident” of the municipality, within the project was provided the definition according to which the local resident is a person, who is registered in the settlement where s/he wants to get social dwelling at least for seven years. This indicator might be different by cities, based on justified position of self-governments.

Special questionnaires were prepared for potential beneficiaries of social dwelling, which was corrected taking into consideration peculiarities of each participant municipality. Family assessment questionnaire includes following criteria:

- The family complies with one or more provided categories – these categories differed by municipalities, however several key ones could be identified: (a) person with significant disabilities or child with disabilities, which lives together with family member(s); (b) war veteran or elderly person; (c) family of lonely parent with child/children under 18; (d) family with many children², rating score of which is not more than defined limit³.
- Maximum number of family members – the criterion differs by municipalities and family categories and is determined by 4-6 persons;
- The family has submitted all necessary documents (document of disability – I and II group; document on child’s disability; the document on registration as lonely mother; poverty rating score and so on);
- Information provided by authorized family member is fully reliable (for example information on real property owned by the beneficiary should be verified in Public Registry and so on);
- The candidate’s dwelling is in terrible condition and its improvement is critical;
- Social economic condition is extremely difficult;
- Hygiene is not normal, satisfactory;
- Physical health of family members is not satisfactory;
- Mental health (satisfactory/no aggression);

² Minimum number of children is different by municipalities.

³ Maximum rating score for beneficiaries of social dwelling is different by municipalities, for example in Bolnisi it compiles 30 000, while in Tbilisi - 57 000.

- No addiction on any substances (alcohol/drugs);
- Contagious diseases (no open form of tuberculosis);
- No problems with penitentiary system, no danger for society;
- There are people with disabilities (I and II groups) in the family for which care is taken (caring factor is important, since social dwelling does not insure care for beneficiaries);
- Family has many children and/or small kids;
- Employment, desire to find the job and skills for living without social support;
- Responsibility, experience and skills for living with others;
- Family environment is satisfactory, family members have positive attitude towards one another.

Potential beneficiaries of social housing are assessed by mobile groups of social workers. The candidates selected based on their assessment are viewed by the special commission in composition of the representatives of local government of participating municipality, SDC, UNDP and stakeholder NGOs, Ombudsmen's Office, Social Workers' Association of Georgia and so on. The beneficiaries selected based on the commission's decision are provided with social housing in accordance with terms and conditions provided by special agreement.



Illustration 2: Social Housing, Varketili III, Tbilisi, view from the yard

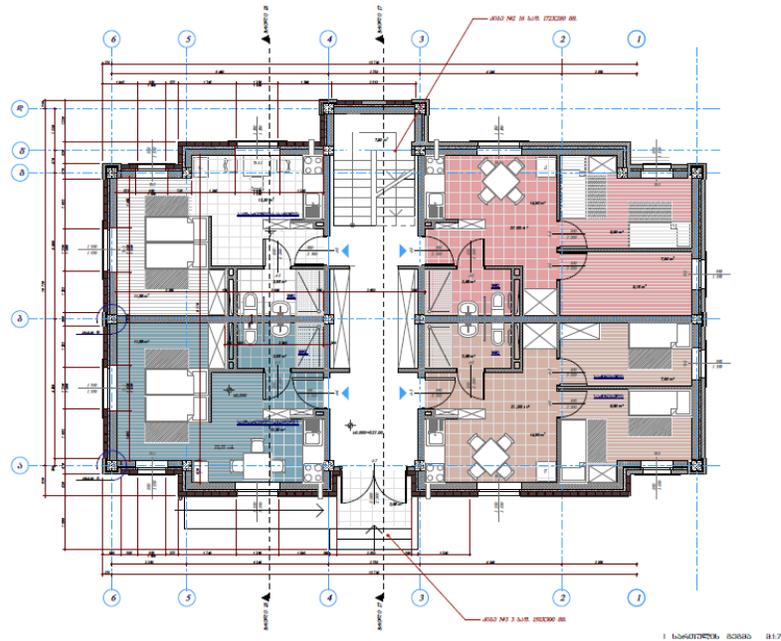


Illustration 3: Social Dwelling in Tbilisi, plan of the ground floor

2.7.3. Studying social parameters of social housing among various target groups⁴

In 2013, ISSA conducted a sociological survey in the following 4 cities of Georgia, where the social housings are functioning: 1. Tbilisi, Varketili social housing, which has been operating for more than 4 years; 2. Gori, where the social housing exists for 1 year; 3. Rustavi and 4. Bolnisi, where the social housing exists for several weeks only (the time period is given for the date of conducting the survey).

The aim of the study was to assess social parameters that had to be considered at the establishment of the social housing to avoid social tension and conflict between, on the one hand, the housing beneficiaries and on the other hand, the beneficiaries and the population of the surrounding buildings. Also, the study included studying the situation of infrastructure in the social housings, by taking exterior and interior, social services and forms of social organization into account. Below are given some of the main results, which are especially important during the planning and construction of the social housings in Georgia.

- Construction of the social houses in Gori, Tbilisi, Rustavi and Bolnisi did not cause significant social changes. The criminological situation, infrastructure, sanitation conditions, community/neighborhood cohabitation and an interest of local authorities towards the settlement have not changed.
- The beneficiaries of the social housing mostly have a positive attitude towards the population living in the surrounding buildings. There are no social tensions and conflicts among them.
- The population living in the surrounding territories of the social housing assesses the social housing positively. Residents of Rustavi like it the most (84.7%) and Gori residents are the most negatively disposed towards it (16.7%).
- The fact that the population would support provision of living spaces to the social house beneficiaries in "ordinary" residential buildings (social inclusion) can be considered as an expression of empathy towards the social housing beneficiaries. They also say they do not consider the beneficiaries as "others" who cannot be trusted.
- Mostly positive attitudes of the external neighborhood towards the social housing beneficiaries are further strengthened by their position that they would like to communicate with the beneficiaries as within the framework of the primary groups (i.e., the direct emotional relationship), as well as formal institutions.

⁴The study of "Social Parameters of Social Housing Among Different Target Groups" conducted by ISSA in 2013 is used in this chapter.

- As a result, the overwhelming majority of the beneficiaries do not feel isolated from the residents of the neighborhood settlements.
- The beneficiaries positively assess the location of the social housing, the common area, internal regulations and municipal representatives. From these factors, the social housing locations are the most positively evaluated, while the assessment of the overall space and internal regulations of the social house is mostly neutral. The only noticeable negative attitude is observed towards the apartments.
- Varketili (Tbilisi) and Bolnisi social houses do not have address, which may entail problems in using various services by the beneficiaries of these houses.
- In all four towns, shops, bus stops and schools are located around the social housings, but playgrounds, recreational parks/squares, agricultural markets and hospitals/polyclinics are rarely found. As the respondents note, none of the social housings are surrounded by a playground. The agricultural Market is only in Rustavi, a park/square – only in Tbilisi and the hospital only in Bolnisi. It appeared that there are the least of services on the territory around the Rustavi social housing, namely: the food store, the agricultural market, the bus stop and the school. The Varketili social housing has access to the most of services, where with only no agricultural market, the playground and the hospital/polyclinic.
- The Tbilisi, Gori and Rustavi social housing residents consider that the road to the social housing is comfortable neither for pedestrians, vehicle movement nor for people with disabilities. The cross-analysis demonstrated that the most persons of the retirement age and people with disabilities consider the road as uncomfortable for the pedestrians.
- The beneficiaries consider that first of all, the local authorities shall take care of the organization of yards in the social houses. The Rustavi and Bolnisi housing residents are more likely to consider that the social housing residents shall take care of their own yard rather than the residents in Tbilisi and Gori. Moreover, none of the respondents in Gori chose this possibility. Furthermore, more local socially vulnerable population expresses desire to take care of their own yards than the internally displaced persons.
- The population of the surrounding buildings on average have 2.5 times bigger apartments than the social house beneficiaries. What is considered as a desired area for the beneficiaries (approximately 64m²) is a real owned area for the neighborhood residents (average 68.42m²).
- As it turned out, the main problem in the social housing flats is the fact that the beneficiaries have small apartments. The second major problem is poor sound insulation. More than half

of the respondents consider thin room walls that cannot ensure comfort in the apartment as the problem.

- Neighborhood survey revealed several major problems, namely: there is not enough space in their apartments, flats are in need of repair, dampness of the apartments and molded walls, it is difficult to keep these apartments warm, bathrooms need to be repaired, walls are thin and it is hard to have coziness inside. As it turned out, the social house beneficiaries and their neighbors have similar problems. Moreover, the neighborhood residents list more problems than the beneficiaries.
- The importance of the existence of a common room is down plaid by nearly equal percentages of the beneficiaries in all three cities. This trend may to indicate that the beneficiaries do not have a pronounced need for the common space and the living room.
- The study revealed the beneficiaries would want the common rooms specially equipped for children, to have various events organized in these rooms and a good library. The majority of the beneficiaries never used the living room, but if used, there were basically used to discuss problems or for informational meetings.
- The majorities of the beneficiaries rarely or never used common balconies, basement stores and laundries. Those who do not use the common balcony, name their size and inconvenience of using them as a reason for not using them. Almost half of the beneficiaries never uses common laundry/washing machines. Only 32.5% often uses it. The residents of Bolnisi social house use the common laundries the most.
- It should be noted that the overall housing common area maintenance and utility payments are named as the main reasons for the conflict among the beneficiaries.
- Persons with disabilities encounter problems in movement and using bathrooms/toilets. The reason for this is the fact that they are not provided with special bathrooms or ramps inside the social housing.

It is particularly important that attitudes among the social housing beneficiaries do not match with the concept of the social housing and an "ideal type" of receiving the services of the social houses. The "ideal type" dictates that the social house beneficiary:

1. Agrees that the apartment of the social housing shall remain the state property;
2. Disagrees that the living in the social housing apartment shall be unlimited in time;
3. Is ready to leave the social housing as soon as has a possibility to pay rent;
4. Agrees that it would be fair that the state, after several years of living in the social house, starts requesting families to pay rent;

5. It is acceptable to have TV, a washing machine or other household things in common usage;
6. Agrees that his/her life is controlled during her/his living in the social house.

According to the survey, the share of the beneficiaries, who do not agree to any of the six relevance rules to the social house services consists the majority (52-55%) of the total respondents. An adequate attitude to one of the relevance rules has about one-third of the respondents, about 8% of the respondents agrees to two rules, and only about 4% agrees to three rules. It is interesting that none of the beneficiaries agrees to four or more conditions.

2.8. Socio-cultural characteristics of Georgian reality

A review of the world practice of the social housing development and functioning demonstrates that there is no general, universal scheme or formula for the effective management of the social housing. The formation of the relevant country-tailored practice is a difficult and lengthy process. Taking local specificities into account is one of the conditions of the success.

Today, the Georgian society is facing this multi-faceted task. Above, we have analyzed components of the problem such as the political will expressed towards this field, the legislative framework and the institutional arrangement. But, the socio-cultural situation and feelings of potential social housing beneficiaries are no less important. This is especially essential for making decisions on particular issues at local levels.

It should be noted that a large part of our population still lives with sustainable inertia of the Soviet mentality. Seventy years of totalitarianism successfully formed a particular type of human being – ‘Homo Sovieticus’. One of the main features for this type is a psychology of “dependent”. This feature is clearly observed in the current social homes, whose inhabitants do not demonstrate willingness and ability of self-organization, even when it comes to the organization and maintenance of their place of residence - including the yards. Especially alarming in this regard is indifference of the younger generation.

In the past two decades, a previously unknown category of the population – homeless has appeared in Georgia. Besides de-classed and/or demoralized people, an important factor is illiteracy of our population on issues related to market economy, namely banking or private loans, including mortgage loans, which in case of non-payment results in the eviction from the apartments and often causes homelessness.

A powerful demographic factor, such as an imbalance of the national spatial accommodation system, powerful "village-city"-type centripetal migration within the country is very important for Georgia, especially for Tbilisi.

Delayed response by law enforcement agencies to squatting and unskilled, often politically biased coverage of such cases by mass-media is problematic. An inadequate understanding of the specificity and less understanding of this field, especially by the government is an obstacle to the formation of the social housing sector. Often, terms - homeless, migrants and IDPs are confused and inaccurately identified by the responsible institutions. In the first two cases, mainly, this is the central governmental body – the Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees of Georgia, and in the third case - the local self-government bodies. The result of mixing the functions of these institutions is a placement of the different categories of beneficiaries in one social house, which leads to further difficulties in the management of the social houses.

An important socio-cultural factor is a sharply negative attitude to the renting practice among our population. Such attitude was developed in the late period of the Soviet Union, when state/municipal and departmental housing tenants in fact felt themselves as the owners of the apartments. Therefore, the attitude to privatize the social housing occupied by them is widespread among the beneficiaries of the social housing.

A substantial obstacle to the establishment of the viable social housing sector is a lack of awareness of the problem by the central legislative and executive authorities, in fact, complete ignorance and ignorance of purposeful cooperation with the local authorities in this direction.

Detailed and reliable statistical data of the social housing applicants that could be updated regularly, especially collection and availability of the revenue data has a practical importance. This problem shall be considered in the planning of 2014 census of the population and housing of Georgia.

3. History of the issue in Georgia

3.1. Soviet era housing troubles

The development of social housing in Georgia, as well as other countries with transitional economies has to be analyzed in the context of recent socio-economic changes.

It is well known that housing in the last period of the existence of the Soviet Union was viewed as a social right of every citizen, guaranteed by the state.

Market principles almost did not work in the housing sector and the state fully controlled housing production, housing allocation and maintenance.

The first attempt to humanize the housing-utility area in the Soviet Union belongs to the so-called "Thaw Period" of Nikita Khrushchev's governance era (1956-1964). At that time, construction of mass dormitory suburbs in peripheral areas of major cities acquired an unprecedented scale around the world.

Despite a series of negative events or failures associated with such urban planning policies (ugliness of housing architecture, dehumanization of the urban development, lack of statutory provisions, violation of the complexity of the development, isolation from the urban life, disorganized transportation, etc.) a new task of inner-city housing was basically taking place.

First time in the Soviet history, the inner-city accommodation vector was turned by 180 degrees. Instead of an illusory "public interest", a person and a family gained an importance. Communal housing was nearly abolished. As a result of providing families with individual apartments, the urban housing fund structure came closer to the demographic structure of the city population. Sanitary-hygienic conditions improved, attention was paid to the internal functional-planning organization of the apartments and zoning. Certain preconditions for individual development were created.

The term "social housing" was not used during the Soviet era, as in general the state policy was declared to be socially oriented. Talks about the existence of homeless or other socially excluded groups, unable to meet the basic requirements, were ideologically unacceptable.

The State municipalities managed the greatest proportion of the urban housing fund and considered as its obligation to ensure housing for all families. However, "social" criteria were considered to be the priority (e.g., veterans, households with many children, etc.).

Apartments in prestigious parts of the city were distributed according to the conjuncture "merit" (the Communist Party elite, the administrative-economic nomenclature, "labor heroes," etc.).

Either way, the state housing sector was available, where residents were perceived as "responsible tenants". Utility fees were subsidized, and in effect, were symbolic. Despite the large-scale housing construction, "housing hunger" remained an acute problem in big cities.

Several large-scale efforts to solve the housing problem were made during the "Perestroika" (Reconstruction) period in the Soviet Union (1985-1990). The last step in the direction was the state program "Housing-2000". The declared aim of this program was to provide every Soviet family with an apartment or individual house, with a condition of a gradual increase of the standard residential area.

This Program was utopian from its beginning. Its implementation became impossible without private economic initiatives. Therefore, the resolution of the Georgian Soviet Socialist Republic directive bodies of 22 September 1987 virtually for the first time allowed the construction initiatives of the population, which the government believes would help to mitigate the problem of housing.

It is likely that this decision would have remained on paper, if not for the tragic events in Tbilisi on 9th April 1989 when peaceful demonstration was attacked by Soviet military troupes. In order to calm down the population and "release steam", very soon, on May 18th, the Executive Committee of Tbilisi City Council issued a decision on "Building loggias, verandas, balconies and other auxiliary facilities at the expense of tenants in state and cooperative residential houses".

The resolution permitted constructions for up to 9-storey residential buildings and established extension designing, building and construction control procedures. Some of the restrictions concerned limitations on standard residential living area, sanitary-hygienic conditions and neighbor's agreements.

However, internal political fluctuations in Georgia, the practice of treasury theft and periods of total anarchy made proper realization of these initiatives impossible. Tbilisi was covered with ugly construction frames and their construction was not often completed due to the country's economic collapse.

Such practice of building extensions is unknown to other cities of the former Soviet Union, not to mention the practice of civilized countries. In addition to the problem of distorting the appearances of the city, technical conditions of the structures, their seismic stability and safety became a problem. The extensions built in Tbilisi and other Georgian cities turned many of residential buildings into so-called "vertical slums".

3.2. The Process of Privatization of Apartments

During Soviet times, the ownership right on real estate property, especially land, remained a tabooed subject. Some liberalization in this respect took place in the 1970s' with an introduction of a cooperative-legal organizational form of household gardens, which, with a missing content, but still gave a chance to the dwellers of large cities to own real estate (with strictly defined dimensions of the "garden house" and a limited area of a land plot).

After gaining independence (in April 1991), the first national Government of the Republic of Georgia drafted and published a draft law "On Privatization of Apartments" in September, 1991.

The draft law envisaged expiation of apartments with cash or state loans. According to this normative act, damaged flats (houses) were not subject to privatization. Establishment of "associations of individual owners" was considered for the purpose of managing the housing stocks. The apartments were eventually transferred to the ownership of citizens after full payment of its balance (not market) cost.

Money collected as a result of the apartment privatization had to be transferred to an account of a special fund and had to be directed for repairing and maintaining the apartments (houses). Thus, organizational and financial-economic aspects were quite well-calculated in the draft law on privatization of the apartments.

Today it is impossible to say how the management of the housing fund would have been performed by the government. Public life was radically changed by so-called "Tbilisi war", the exile of the first President and the establishment of the Military Council (December 1991-January 1992).

Already on 1 February 1992, the new Government made a reckless, but purely populist move - the Cabinet of Ministers issued a Decree #107 "On Privatization (free-of-charge transfer) of Apartments in Georgia".

With the directive, this with its results really the most important step created a mass layer of real estate (apartments) owners in Georgia having new social status. The population received apartments virtually free-of-charge, with minimal formalities. In later years, the privatization of apartments was spread to the whole Georgia and in 1999 reached a rare practice in the world - 86.6%.

Today it is clear that the privatization of the housing stock was conducted in haste, without proper preparation. Technical assessment, certification and inventarisation of housing were not conducted. Damaged apartments and houses were privatized, even in the first-order reconstruction zones. Informational-legal awareness campaigns of the population were not conducted.

The privatization of apartments was not clearly related to approved methods of the housing fund management, such as home-owners associations (condominiums). Financial-economic principles and mechanisms of operating the housing fund was not thought through. Finally, privatization was not related to the problem of allocation of land plots, ownership of multi-apartment buildings and condominium management.

Further steps of the Georgian government makes us think that privatization of the apartments has become an end in itself.

The #520 Resolution of the Cabinet of Ministers of 1994 expressed dissatisfaction with the pace of privatization and required local governing bodies "...to complete privatization, transferring of apartments (houses) in ownership by the end of 1994..."(Article 1, Paragraph B). The resolution also required to indicate citizen's name, first name, middle name, the exact address of the apartment (house), common and living areas, surrounding agricultural or other premises, apartment amenities, isolation and other during the free-of-charge transfer"(Article 1, Paragraph B). At the same time, nothing was said about the technical condition and seismic-endurance of the flats, the common shared property of neighbors and calculations of the owner's individual share in it.

An attempt to solve the problem of managing the privatized housing stock was made by the Civil Code of Georgia adopted in 1997. The fourth chapter of the Code defined the notion of Home-owners' Association and management principles of a common property. At the same time, the Civil Code abolished "The Residence Code of the Soviet Georgian Republic".

This chapter of the Civil Code did not work. In 2007 it was replaced by the special "Law on Apartment Owners", which, despite many flaws, is still valid. Initially, the home-owners associations hardly existed. The solution was found in the introduction of the co-financing programs of the Tbilisi Mayors House. To date, 6.000 home-owners associations exist only in the capital.

It is true that the government mobilized the electorate from these associations, but, on the other hand, a lot of work was also done - mostly within the sub-program of hydro-insulation of flats roof and restoring lifts.

4. Housing Policy in Independent Georgia

4.1. Political Will and Legislative-normative base

In independent Georgia, the housing policy never managed to become a part of a long-term, targeted and irrevocable policy. This can be said about central legislative and executive branches of the government as well as municipal level. Individual attempts of raising the issue of housing immediately came across ostentatiousness of the political will, financial difficulties of radically different, neoliberal ideological vision. This is evidenced by the 20-year dramatic history of the housing sector in Georgia.

In the period of transition to the market economy, hard social and economic situation of the country preconditioned aggravation of housing problems of the socially unprotected categories of

population, due to which many households lost their houses or continued living in inadequate spaces.

On the 8th of December 1994, Eduard Shevardnadze, Head of State of Georgia, issued the Order #240 “On Working Plan for 1994-1995 for the Purpose of Effective Implementation in Georgia of the Urbanization Strategy and Housing Policy and Participation to UN Habitat Program”. The task of the executive authorities was to develop relevant legislative base for the purpose of effective implementation of housing policy. The attachment to the Order described in detail the Action Plan and the topic of the analytic product.

It is important that in 1995, for the purpose of fulfilment of the Decree, a treasury enterprise Habitat-Georgia was established. It produced first National Report for the 1996 Istanbul Summit “Habitat-II”, in which the problem of housing held the leading position. The Report showed also the signs of social housing – in the chapter “The Goal of State Housing Policy”, out of five directions, one was the following: “Ranging of taxes for dwelling and utility services considering the best interests of low-income and socially unprotected groups; <...>”.

On 18th of April 1996, Eduard Shevardnadze, the President of Georgia, issued his Order #114 “On Establishment of Inter-governmental Commission Studying the Current Situation of Housing Development”. By this Order, the commission (which was mentioned in the text of the order as State Commission) was given a task by the President to “<...> study the situation of housing production within one month period and submit proposals for its improvement”.

This Order was followed by a more detailed Order #39 of the President of Georgia (20th January, 1997) “On Solution of Conceptual Issues of Improvement and Stimulation of the Situation of Housing Development in Georgia”. This Order was important because it was factually the first to touch the topic of social housing on the state level. Namely, along with other tasks, the Order established:

“8. The Ministry of Social Protection, Labor and Employment of Georgia <...>, Ministry of Urbanization and Construction of Georgia, together with other involved ministries and agencies, to submit proposals on provision under social norms with housing of socially unprotected, low-income citizens and those of other established categories.

9. For the purpose of creation of legislative and normative-methodological base necessary for housing development and stimulation in Georgia, the Ministries of Justice and Urbanization and Construction of Georgia <...> to submit corresponding two-year program”.

Such a Program entitled “Analysis of Current Housing Production Situation in Georgia and National Program for its Improvement and Stimulation (Main Concept)”, is dated 1996 and attention is drawn to two tasks in it:

“3-3. Elaboration of statement on state and regional funds for housing production development and solution of organizational issues of their formation. <...>. 3-6. Preparation of state decisions on the mechanisms of receiving housing under social norms by socially unprotected, low-income citizens and those of other established categories”.

Both tasks had their implementing ministries, out of which leading one was the Ministry of Urbanization and Construction, also financing sources and the deadline – first half of 1997.

It must be noted, that in 1996-1997 a draft “Law on Fundamentals of State Housing Policy” was developed; this draft law was rejected as defective by the World Bank, presumably, because of its social orientation. Namely, Article 12 of the Part 3 of the draft Law defined the “social usage housing stock” as follows: “The social usage housing stock represents the unity of all residential spaces, which are settled on the basis of a rental agreement taking into consideration the social norms of residential area. This stock is formed of state and public funds by public fund. While its establishment and distribution, mandatory requirement is ensuring of publicness. Privatization of social usage spaces is performed on the basis of legislation. Privatization of residential spaces in specialized residential buildings is not admissible”.

By that time, previously existing “queues” of those applying for social housing had already been messed, categories of beneficiaries were not systematically established; they were scattered over different normative acts. For example, the “Law of Georgia on Social Protection of Families of Dead, Dead from Wounds and Missing for Territorial Integrity, Liberty and Independence of Georgia”, in Article 7 explains the forms of special protection of such families:

“2.h) In case of being queued for housing, provision of housing out of turn, in compliance with rule set forth by the Law; <...>

3.c) Primary right for being provided with land in compliance with the rule and amount set by the Law, for the purpose of construction of residential building or arrangement of a farm.”

Apart from this, the draft Law set a number of benefits for this target groups, like: exemption from land and utility service (heating, water, gas, radio, telephone) fees and provision of part of electricity free of charge.

In 2001, under the “National Program for Overcoming Poverty and Economic Growth”, the Ministry of Urbanization and Construction of Georgia submitted a draft programme “Justification of National Program for Elaboration of Mechanisms for Provision of Housing for Socially

Unprotected Population”. This document recognized that “<...> the state, as an investor, factually suspended housing development processes. New constructions are performed with private investments, to satisfy the requirements of small part of well-off families”. It was underlined, that by that time, almost 9 000 residential buildings were in technically unsatisfactory condition and were subject to demolition; approximately 20 000 citizens were facing the risk of losing their houses. This project claimed, that it was necessary to “<...> create an informational base on housing problems according to individual groups of population;

- Establishment of mechanism for granting of status to socially unprotected citizens;
- Setting rules for construction of housing for the citizens with this status;
- Determination of term for social housing status;
- Determination of forms of conditions for providing social housing.”

The project implementation period was set between July 2001 and July 2002; the value of the project was set at 50 000 USD.

None of these proposals was implemented. The condition of Tbilisi housing stock became even more difficult as a result of the earthquake on 25th of April 2002, when 20 438 individual and apartment buildings were damaged. The government was forced to give promises to the victims. As a result, the social housing issues were shifted to the background of public conscience and political will.

It is not difficult to notice, that the above normative acts, their vocabulary still do not take the account of the new realities and represents an incompatible mixture of socialist economy and market principles. Probably, that is why the good will of establishment and activation of social housing in the forms proposed then, could not be implemented in the current reality.

In this situation, the initiative was passed over to academia and the Association of Urbanists of Georgia (NGO). In the projects implemented by this organization, the social housing problem was on the foreground. For example, within the framework of preparation works of new (4th) master plan of Tbilisi City, on the order of Tbilisi City Hall and Tbilikalakproekti, Ltd., in 2001, the Association developed and submitted to the client the scientific work “Sociological Analysis of Urban Development of Tbilisi City”. Part 1.3 of this work “Public/communal Housing Fund” was dedicated to the problems of social housing. Publications and speeches in mass media sources of the members of association served for popularization of this work.

In parallel, in 2001, organization Habitat-Georgia developed its second fundamental national report “The Condition of Urban Development in Georgia - 2000”. Part 3.4.5. of the report – “Social (Municipal) Housing” – was oriented towards emancipation and emergency of this form of housing. Discussion of the Report in the Government of Georgia had significant results – on

the 9th of June 2003, E. Shevardnadze, the President of Georgia issued his #252 Order on “The Condition of Urban Development in Georgia and the Measures for its Improvement”. One of the paragraphs of the order stated: “1.c) On the basis of the National Report, and taking into consideration the recommendation of the World Bank and other international organizations and experts, before the end of 2004, draft Law “On Management of the Housing Fund of Georgia” to be developed”. Order also set the priority of urban development and housing problem during the negotiation with international financial-economic organizations and donor countries.

Generally speaking, in the period of the rule of President Shevardnadze, despite the efforts of the Ministry of Urbanization and Construction of Georgia and NGOs, solution of the problem of social housing was limited to issuance of numerous ineffective normative acts by the central Government. Practical steps were never made.

First attempt to change this situation was made after the Rose Revolution, when specific signs of innovations initiated by young reformers showed up in the public life. In 2004, the “January Declaration” was published by architects representing the group of reformers, which declaration promised the Georgian society to improve the situation with urban development, including the issue of social housing. Due to further development of political events, this promise was forgotten, and the young “reformers” fit themselves comfortably in the decision-makers chairs.

Meanwhile, guardianship of the housing-communal sector was taken over by newly established ministry of Infrastructure and Development of Georgia, which, in 2004, by the initiative of Ms. Tamar Sulukhia, the Minister, immediately started working on state target program “Fundamentals of Housing Policy of Georgia”. An announcement about this was made at the Donor Conference in Brussels. In the document presented there the relevance of provision of adequate and affordable housing for the citizens of Georgia and the necessity of elaboration of social housing state and municipal programs were underlined.

The above mentioned “Fundamentals” project caused great interest in the professional community; open discussions on housing problems started. The program was supposed to be implemented within 6 month, in 2004. However, as a result of reorganizations (or abolishment) of the Ministry of Infrastructure and Development and transferring of its authority to the new Ministry of Economic Development, working on program was suspended. The country took the path of neoliberal social-economic policy. According to the public statement made by the “father” of this policy, oligarch Kakha Bendukidze, “market will sort out everything”. After this, solution of the social housing problem remained the subject of vain attempts of foreign and international organizations.

The 2005 “Georgian National Safety Concept” showed absolutely no interest to the housing sector. Challenges, risks and dangers to the country were seen in this concept only from

geopolitical and military point of view. It didn't say anything about urbanization or demographic processes, including migration trends; country renewal system; regional planning; urban development condition; degradation of housing stock and the need of social housing. Association of Urbanists of Georgia addressed Mikheil Saakashvili, the President of Georgia, with the proposal of filling of this gap, but it never got an answer, even negative.

Meanwhile, in 2007, UNECE with own initiative conducted a survey of the housing sector of Georgia, which, due to indifference of the Georgian side, was published in Georgian only after two years, without the label of "official translation" (UNECE, 2007). Apart from the survey part, important are the recommendations given in this work, which consist of 38 positions and are still relevant.

The recommendation part of the survey starts with "Housing policy framework"; the first recommendation focuses on the necessity of political priority of the housing sector. A separate chapter is dedicated to social housing – "Affordable housing for vulnerable households" (recommendations 26-31). It must be mentioned, that major part of the recommendations, including the topic of social housing, were not practically introduced in the Georgian reality.

In May 2008, the US non-governmental organization Habitat for Humanity International addressed the central government of Georgia and Tbilisi Municipality with the proposal of cooperation; however, despite of friendly reception of the representative of this NGO by the Parliament of Georgia and Tbilisi Sakrebulo, cooperation did not happen, mainly because of the Georgian-Russian war in August, 2008.

In this situation, academia circles and non-governmental and foreign organizations continued their activities. In 2009, publication of Ms. Natia Jokhadze, architect, made with the support of SDC – "The Concept of Social Housing Development in Georgia (Tbilisi Case Study)", was of turn-point importance. This work observes in complex the versatile problem of social housing and gives relevant recommendations and reasonable proposal for an action plan. Neither this work was followed by adequate specific steps from the part of the "involved organizations and agencies", which can be explained by the fact that in the period of the rule of the National Movement, the issue of social housing was beyond the interests of both legislative and central executive authorities.

Another hopeful moment when the political block "Georgian Dream" won the parliamentary elections in 2012. In December 2012, several groups of specialists addressed the leaders of the new government – Speaker of the Parliament of Georgia and the Prime-minister – with the proposal of system improvement of the fields of urban development and social housing, but these proposals were ignored in the classical bureaucratic way. One of the main reasons for that is the deformity of the structure (institutional set-up) of executive authority of the country.

4.2. Institutional Guardianship of the Housing Sector

Today in Georgia, one of the main reasons of the sad situation in the field of social housing, is factual absence of relevant institutional system within the executive authority. Even in the USA, the leading country of economic liberalism, Department of Housing and Urban Development (HUD) actively functions on the level of Federal authority. It is natural, that the same situation is in other countries, which are positioned left in terms of political orientation. With this background, Georgia is a country, frozen in the position of ostrich, which due to political infantilism and public irresponsibility of governments, replacing each other has crossed the critical edge.

Parliament of Georgia is traditionally indifferent to the housing problem. Within the parliamentary structure, there are two Committees, whose interest may include the housing problem. But Article 6 of the Resolution of the Regional Policy and Self-government Committee limits the authorities of the committee: “The field of performance of the committee includes legislative activity for the issues of local government, regional policy, social-economic and cultural development in mountainous regions; <...>”. As for Chapter 2 of the Resolution of Sectoral Economy and Economic Policy Committee – “Authority of the Committee”, it says nothing about the operation area of the Committee and limits itself to procedural issues.

During the last two decades, executive authority bodies responsible for housing suffered dramatic degradation. In Georgia, before independence, along with other agencies, there were State Committee for Construction and the Ministry of Housing and Communal Affairs functioning in the country. The first established and managed general policy of housing and construction and the second was responsible for diverse problems related to housing and relevant services.

After obtaining independence, reorganizations of the central construction agency of the country started. Initially, the agency retained its status – it was entitled the Committee for Architecture and Construction Affairs of the Republic of Georgia. In December 1995, its status went higher and it became the Ministry, which later took over also the functions of the Ministry of Housing and Communal Affairs.

After the “Rose Revolution”, this Ministry was abolished and in new conditions the Ministry of Infrastructure and Development was established, which, as it was already mentioned, by the personal initiative of the Minister, actively started systematic work on the issues of housing. Several months later this Ministry was factually abolished; its functions were cut down and passed over to the Ministry of Economic Development.

On the 10th of September 2004, the Order #77 of the Government of Georgia approved the Statute of the Ministry of Economic Development of Georgia. Article 2 of the resolution defines

the area of operation of the Ministry and its tasks; the long list of the fields of concern of the Ministry doesn't contain housing, which was probably considered as less important. Instead, this field is widely represented in the "Tasks and Competences" of one of the structural subdivisions of the Ministry – Department for Urbanization and Construction (A9.d): "<...> elaboration, coordination and management of communal and housing policy; <...> development of state programs and projects for construction and housing sectors; monitoring of implementation of construction projects financed by the state budget, international grants and loans; <...> development of structure for integrated state statistics of the housing funds of the country and coordination of works; <...> facilitation of creation of an integrated state information base in the housing-communal sector; determination of housing indicators taking into consideration international indicator system; <...>". It is not difficult to prove, that none (!) of the above listed tasks have been fulfilled so far.

By 2009, housing problem was formally included into the tasks of Urbanization and Construction Department of the Ministry, however, within the internal structure of the Department this direction was not organizationally reflected.

On 15th of July 2010, this Ministry also changed its name and now it is called the Ministry of Economy and Sustainable Development of Georgia. "Sustainable development" generally is a trendy notion and apart from economic growth, it contains two more components, indivisible from it, these are: ecological balance and social justice. Therefore, the name of the ministry does not reflect its activities, although its structure contains "The Department for Sustainable Development".

But this is not the main thing – It is much more important that as a result of many years of reforms of the "involved agencies", the housing problem is totally lost. Presently, within the structure of the Ministry of Economy and Sustainable Development there is this Department for Spatial Planning and Construction Policy, which changed its name many times; in the statute of the Ministry, the housing issue has been cut down and it turned into a vague obligation – "establishment of characteristics of housing sector"...

Therefore, today, the field, which is supposed to be an indivisible part of urban development, construction and housing, is torn between two agencies: Ministry of Economy and Sustainable Development on the one side and the Ministry of Regional Development and Infrastructure – on the other. If the first one has the *de jure* responsibility to manage the housing problem, the second one *de facto* leads this issue, definitely except for IDP accommodation. It would be enough just to recall the activeness of the Ministry of Regional Development and Infrastructure in early 2013, in Kakheti, in the process of mitigation of the hurricane results.

According to the majority of specialists, the field of urban and regional planning, development, monitoring of material environment (including housing) and creation of legislative base must be handed over to the Ministry of Regional Development and Infrastructure. This opinion is supported by the practice of the majority of European countries, where the above field is mainly included into the functions of the Ministries of Environment (and not environment protection! – so called “Scandinavian Model”) or the Ministries of Regional Development and/or Infrastructure, if not directly the profile Ministry. In December 2012, several groups of architects and urban specialists addressed the high authorities of the now Government with the proposal of steps to be made in this direction, but with no result.

To support this proposal, we include here examples of several countries (as of 1st of January, 2013; translation of the names of agencies is not official):

- Israel – Ministry of Construction and Housing;
- Germany – Federal Ministry of Transport, Construction and Urban Affairs;
- Lithuania – Ministry of Environment (involves spatial planning, urban development and architecture, construction and housing);
- Netherlands – Ministry of Housing, Spatial Planning and Environment.

The field of construction and housing is stands out even more in the institutional system of the post-soviet countries, which claim to be western-oriented, e.g.:

- Ukraine – Ministry of Regional Development, Construction and Housing Affairs;
- Moldova – Ministry of Regional Development and Construction.

The Ministry of Labor, Health and Social Protection of Georgia can play an important role for institutional provision of the social housing problem. His role first of all should be expressed in establishment of sanitary-hygienic standards and determination of demographic parameters of settlement of beneficiaries.

Participation of housing component in the methodology of determination of the cost of living should be posed as a separate issue. This component is simply ignored in the existing methodology.

The National Statistics Agency is guided by the document “Method of Calculation of the Cost of Living of an Employable Man”, conclusive practical norm of which establishes: “To calculate the cost of living the minimum value of consumer goods basket is divided by 0.7 (the share of food cost in the value of the cost of living is determined as 30%). The result represents the value of the minimum food cost for the given month for an employable man”.

By 1st of September, 2013, the above cost of living was determined at 145 GEL. According to the established method, food cost makes 101.5 GEL, non-food cost – 43.5 GEL. It is not difficult to notice that this figure is not realistic at all, even if transport and utility costs are taken in account.

It is important that the living cost calculation method avoids homeless households. This is evidenced by the “The Rule of Assessment of Social and Economic Condition of Socially Unprotected Households”, approved by the Order 31-1/1024 of 29th of September, 2005 of the Minister of Economic Development of Georgia. Article 3.2.a) of the Rule states: “Objective information is obtained by a social agent through visual observation of living conditions and checking correspondent documents”. Condition of the dwelling is assessed by the agent according to a 5-point scale. The Rule doesn’t even mention maintenance or rental costs.

Such a situation is not characteristic for other developing or transition economy countries, including post-soviet countries. For example, in Moldovan practice, housing has its own position in the list of cost of living. This list is as follows:

- Food products;
- Essential goods;
- Medical aid, sanitary, hygiene;
- Housing fees, utility service in accordance with set standards;
- Public transport (save for taxi), communication, personal and ritual services;
- Mandatory charges and physical person income tax.

In terms of social housing, the topic of indexing of the cost of living is also important. Here also, we use the example of one of the post-soviet countries, this time – Ukraine. In Ukraine, in 2000-2013, cost of living was corrected 31 times; as a result, this value has increased 4.4 times. Only in 2010 and 2012 correction was made 5 times each year. Moreover, annual increase in different years was between 0.3% and 17.7%. For this calculation, different social and demographic categories are considered as target groups.

The Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees of Georgia, with its long and awkward name (it’s not an accident that even on the web-site, they use its shortened name – Ministry of Refugees) operates on the basis of a Resolution approved by the Government of Georgia on 22nd of February, 2008. In 2010, Article 2 of the resolution – “Functions and Tasks of the Ministry” got an additional new task: “a) establishment of state system of management of migration processes of Georgia and coordinated performance with executive authority within the limits of its competence”.

In terms of social housing, this task is important, because major part of those who seek social housing in cities are village migrants, i.e. target groups of the Ministry. It is appropriate that these

groups remain under the guardianship of this Ministry, without pressurizing local government authorities responsible for social housing.

State Department for Statistics also has an important function. The fact that the first national census of the population of Georgia (2002) fixed the previously non-existent category of homeless persons, can be considered as a big achievement. It is also important that the upcoming census of the population planned for fall of 2014 pays special attention to this category of the population and creates a credible, accessible and detailed database for further analytical work in the field of housing.

In several years after independence, Georgia got involved in UN international network. Among these organizations there was UN Habitat Program, with the Headquarters in Nairobi City (Kenia). The mandate of this institution is facilitation of urban development and adequate housing in the whole world, particularly in developing countries and countries with transit economies, through methodological materials, expert consultancy, diverse projects, introduction of urban indicators, establishment of urban laboratories and other activities.

During certain period of time Georgia closely cooperated with this organization. Presently, these so very needed contacts are factually lost. In 1994-2004, this cooperation was led by an organization entitled “Habitat-Georgia”, established under the umbrella of the Ministry of Urbanization and Construction”. After the Rose Revolution, along with other lower organizations of the system of the Ministry, “Habitat-Georgia” abolished with no explanation so, that it didn’t even leave a legal successor.

In the situation, when central government clearly avoided legislative-normative, methodological and financial support of the social housing field, the problem landed on the shoulders of local government authorities. For known reasons, with this regard, Tbilisi appeared to be in the first place, although in the system of Tbilisi City Hall there is no special social housing oriented unit and this problem has become the responsibility of the Social Service and Culture Unit, we may say that Tbilisi local government already has experience of social housing management. Recently, Tbilisi Sakrebulo has been showing particular interest to this problem. Local governments of other cities and municipalities have also become more active – Batumi, Kutaisi, Rustavi, Zugdidi, Bolnisi, etc.

Several NGOs have been established recently, which NGOs work on problems of homeless people. These are: “The Homeless of Tbilisi for Homes”, “Center for Social Programs and Development” and “Georgian Homeless People’s Rights Protection Union”.

Among foreign organizations, Swiss Agency for Development and Cooperation (SDC) is distinguished in terms of actualization and practical introduction of the social housing topic in

Georgia. This was the organization that initiated the project called “Social Housing in a Friendly Environment”, which builds houses for IDPs and socially unprotected population. The Agency has implemented similar projects in Serbia and several cities of Armenia; Serbian model was used in Georgia.

Since 2007 and until present, 19 social houses have been built in 7 cities of Georgia – Tbilisi, Kutaisi, Batumi, Zugdidi, Gori, Rustavi and Bolnisi. Presently the project is in its final phase, which will complete SDC’s activities in Georgia in this field. Brief description of other international and foreign organizations related to the field of social housing is given in Natia Jokhadze’s above-mentioned work.

The most important step of involvement of academia in solution of social housing problems was made in 2012, when the Department of Architecture, Urbanization and Design of the Technical University of Georgia was involved in the project entitled “Sharing Technical Expertise of Social Housing with the Local Government Authorities”, implemented jointly by SDC and Tbilisi Town Hall.

Under the projects, the bachelor students of the Department of Architecture, Urbanization and Design of the Technical University of Georgia performed analysis and survey of social housing during the 2012-2013 semesters. Also, for students of architecture, the department elaborated a planning assignment – “Sustainable Social Housing in Friendly Urban Environment”. According to this assignment, under the Georgian-Swiss student competition, bachelor and master students of the GTU and students of Bern (Switzerland) University of Applied Sciences developed architectural projects of social housing for two sites in Tbilisi, selected by City administration. Project will last during 2013-2014 academic year and at the present stage the social housing designs will be developed also for some other cities of Georgia.

Under the same Project, with the support of Bern University of Applied Sciences, the Department of Architecture, Urbanization and Design of the Technical University of Georgia and the Department of Sociology of the Tbilisi Iv. Javakhishvili State University are holding negotiations on cooperation for elaboration of a new curriculum for students of architecture, which will provide teaching of social housing issues.

It must be noted, that the Department of Architecture, Urbanization and Design of the Technical University of Georgia already has the experience of working on issues of social housing: in 2007, a students’ workshop was held under the “WISH” program, with the participation of the Academy of Architecture of Mendrisio, Switzerland. Students developed ten architectural projects for social housing in Tbilisi. The same year, Professors Vakhtang Davitaia and Medea Melkadze prepared for students a project assignment “Social Housing”.

In 2010-2012, under the Master academic program of the Department – “Socio-cultural Fundamentals of Urban Development”, a master’s work “Social Housing in Tbilisi” was prepared by a post-graduate student Elena Darjania; supervisor – Vladimer Vardosanidze, Professor.

5. Social Housing History and International Experience

5.1 Schematic Retrospective of Housing Policy of Great Britain

Although, various forms of dwellings for the indigent are encountered at different stages of the history of the humankind, realization the necessity of social housing in its modern understanding started in Great Britain, in the middle of the 19th century, with the background of rapid industrialization. This socially important movement was preceded by landmark urban-sociological survey of Friedrich Engels “Condition of Working Class in England” (1845). By this time, 54% of the population of the country was concentrated in cities; vast majority of the people of all social classes rented their dwellings. Living conditions of workers were particularly hard.

To ease the situation, in the 1860s philanthropic societies started building multi-apartment houses, mainly in London. Apartments in these houses were rented out to workers for moderate prices. This approach was adopted later by owners of major factories and plants. We all know about “Peabody Houses” – houses built in London for poor families by an American benefactor George Peabody.

In 1869, in Liverpool, St. Martin’s Cottages were built – 124 apartments for working class people; this dwelling is considered as the first municipal (social) dwelling. In 1885, 6 multi-apartment houses were built on Victoria Square (Victoria Square Dwellings), poor residents of which were subsidized.

In parallel, relevant legislative environment started to form. In 1875, the Parliament of the Great Britain adopted an important initiative of general social reform – “Artisans’ and Laborers’ Dwelling Improvement Act”, which permitted local governments to remove slums and reconstruct residential neighborhoods; in 1885, local governments became responsible for settlement of evicted population.

In 1890, the “Housing of the Working Class Act” reinforced the right of the municipalities of London to build new residential houses instead of slums, with the condition of provision of dwelling for the half of the evicted population. In 1900, this act was refined – municipalities were granted the right to acquire residential territories beyond their administrative limits. In

1892, new issue of housing problems was actualized – organization of shelters for the homeless started with the funding of Lord Rauton, so called *Rauton Dwellings*.

The National Housing Program of 1918 - *Homes Fit for Heroes* – constituted a part of the after-war social policy, which was oriented towards improvement of the quality of dwellings; this program was important because it was the first to establish contribution of the government to the construction of municipal dwellings. With the help of a normative act issued the same year, again for the first time, were recommended the standards for municipal dwellings – dimensions of the house, number of rooms, engineering equipment (including bathrooms) and the principles of their urban planning organization.

In 1919, the Local Government Council of Great Britain issued the *Dwelling Manual*; based on this document, the Government adopted the “Housing and Town Planning Act”. The Act obliged all the local governments to study the need for dwelling and develop the housing plan, to submit to the Ministry of Health for approval. Moreover, the Central Financial Body of the country was given a task to issue housing subsidies to ensure retention of fixed low rental until 1927. Generally speaking, the Government took over the responsibility of provision of the working class with dwelling – by 1921, 170 000 municipal dwellings were built; however, in 1922, the Minister of Health terminated the project.

In 1923, the Conservative Government changed the vector of the housing policy – the Housing Act (so called Chamberlain Act) offered subsidies for private construction companies “to build houses for working class”. Local governments could continue building social dwellings only with lowered standards. In 1924, the Labour Government issued a new Housing Act, which facilitated expansion of dwelling construction by local governments through increase of subsidies. After this, by 1934, local governments built 493 000 houses; by this time, 31% of houses built after 1919, became municipal.

The 1930 Housing Act introduced the “sliding scale” of apartment rental – it was dependent upon the tenant’s income. The Act also set issuance of housing subsidies. The 1933 edition of this Act established financial norms for removal of slums and housing of evicted population, according to number of family members.

Development of housing policy in Great Britain is reflected in impressive statistical data and political documents:

- In 1919-1939, almost 4 million new houses were built, more than a quarter of them – 1.112 million – were built by local governments;

- In 1942, 12% of rented apartments belonged to local government or to the New Town Construction Corporation, and 58% - to private lessors; in 1983, the share was 29% and 11% respectively;
- The 1944 Housing Manual set higher standards for designing dwellings; namely, equipment of kitchens, which used to be a part the living room, was now included into a special kitchen design; balconies were supposed to be made on the sunny side, etc.;
- In 1946, a 10-year plan of housing development was announced, the leading role in implementation of which was left for the local government. This plan paid much attention to usage of progressive urban planning methods, social dimension of housing development, typologically, priority was given to multi-storey houses;
- By 1957, 2,5 mln individual houses and apartments were built, 75% of which – by local governments;
- Within the period of 1964-1969, 1,8 mln houses and apartments were built, the share of local governments was 50%;
- The standards of 1961 improved the design of dwellings – increased area, enhanced kitchens, better heating systems and switching to less stories and higher density (low-rise terraced housing).

As from 1979, as a result of neoliberal policy of “Thatcherism”, social programs were slashed; the problem of social housing was shifted to the background, investments in this sector were axed, the “right-to-buy” policy was introduced. Despite of this, in 1975, local governments owned one third of total national housing stock; in 1979, 40% of the population resided in this very sector. Modern housing policy of Great Britain is more flexible.

5.2 Best Practices: Example of Finland

In Georgia, to realize the problems of social housing and to determine the goals and the tasks of development of this field, it is necessary to get to know the world’s best practices. Choosing of such a successful country as Finland for this purpose was conditioned by several reasons.

The present picture in Georgia is, to certain extent, similar with the situation, in which Finland found itself in the period after the WW II in terms of housing and correspondent challenges.

As a result of the war, Finland lost a significant part of its territory and 10% of the housing stock, which led to a major wave of refugees and immediate necessity to settle them. Also, they needed to settle the war veterans and those who lost their homes because of the military operations, to

say nothing about other vulnerable groups of the population. An important factor at that time was domination of rural sub-culture and the “village-to-city” type migration.

In that period, the condition of the national housing stock of Finland was poor; this was evidenced by the statistical data as of 1960: only 16% of the apartments had bathrooms, 31% - central heating, 35% - toilet, 47% - running water and 89% - electricity. Average area of an apartment in Helsinki was 51,3m² with an average of 17,0m² per capita. Therefore, from the point of view of housing fund, the starting conditions of Finland was much worse than present situation in Georgia.

National Housing Production Board of Finland was founded in 1949 in response to severe lack of housing. Parliament of Finland immediately supplied performance of the Board with relevant legislative-normative base. As soon as the wide-scale housing reform started, the Government ensured priority, system and sustainability for it. From the very beginning it was recognized that dwelling as such necessarily represented *the public concern* and since then this principle has been running as a red thread along all the legal or normative documents or those expressing political will.

For example, the Constitution of Finland establishes: “The public authorities shall promote the right of everyone to housing and the opportunity to arrange their own housing.” (Chapter 2, Section 19). The program document of the state organization Housing Fund of Finland underlines the fact that the goal of the housing policy is to “create the conditions for good, reasonably priced housing in a way that promotes lifecycle quality, regional balance and social cohesion and choice”.

Such a political attitude is reflected at municipal level as well – in the action plans of Finnish cities. For example, the Housing Program of Helsinki, the capital of Finland, declares: “In its housing policy, Helsinki aims to provide its residents with a healthy, safe and pleasant city with quality housing for people at different stages of their lives, and with different standards of living.”

Thus, Finland initially chose not selective but universalist approach to housing development, which means that for improving the housing conditions, various aids are extended not only for vulnerable groups of the population and even households with medium and high income.

Moreover, it must be mentioned, that with time, the housing policy of the country was still gradually shifted towards *selective* approach, when more and more attention is paid to actual condition of housing need of beneficiary households and target vulnerable groups (children, elderly and disabled people).

Several aspects of housing policy of Finland is worth of noting. Firstly, the housing policy is holding the most important place in public political life of all levels. In Helsinki this is shown by reserving lands for social dwellings, while preparing urban planning documents for the approval of the City Council. It is also important, that both national and local governments use financial mechanisms to promote new affordable dwellings and rehabilitation of existing housing fund. For instance, in the 1980s up 50% of housing production used state subsidies; however, in 2003 this share went below 20%.

As of 2007, the Finnish housing fund used several mechanisms of dwelling construction, renovation and refurbishment; these are:

- Target loans to finance construction of dwellings for rent and “right to housing” type dwellings;⁵
- Subsidies for paying the interest rates of the loans obtained by developers from banks for construction of social dwellings for rent;
- Grants for modernization of the existing housing stock, including social dwellings (e.g., installation of elevator);
- So called “energy grants”, which are oriented towards reduction of energy use in dwellings;
- Grants for protection and maintenance of residential buildings recognized as cultural heritage;
- Grants for construction of dwellings for houseless, refugees and students;
- Grants for bank loans for construction of any type of dwellings.

Helsinki City offers housing developers additional benefits – accessibility of land. In these terms, compared to other cities, Helsinki holds an advantage – major part of the land within the administrative limits of the city is a municipal property.

Within the country, the city offers land plots to the developers in return of establishment of the lowest price and quality control. Under this project, to avoid dwelling speculation, the prices for reselling of the apartments are controlled.

One of the most popular instruments of housing policy is the type of so called “consumer support” – “housing allowance” for poor families, allocated from the state social security budget. To obtain such an allowance, economically lagging families address Social Insurance Institution to cover part of their housing expenses in case of usage of any type of dwelling. In 2004, in

⁵it must be noted here, that unlike Georgia, in Finland, as well as in other developed countries, living in rented apartments is a widely accepted practice – in 2004, the share of private housing stock in Finland did not reach 60%, in Helsinki this share was only 42%; to compare, the data of the same period in Sweden is as follows: in the country – 37% and in Stockholm – 28%.

Finland 160 000 households made use of such an allowance, which is about 7%. This figure will grow, if allowances allocated for students and elderly people are added to it. In spite of such impressive data, housing allowances make only 1% of the amount allocated for social security; while the main expenses of this budget line are composed of pensions, health care, allowances for children and unemployment.

Politicians claim, that today in Finland allocation of allowances for poor does not harm the market as significantly as the state financial assistance for construction. That is why, financial support of new constructions, provided by state, was replaced with individual target allowances.

The cornerstone of the housing policy of the country is social heterogeneity, i.e., planned neighboring of households with different income and status within urban planning units. E.g., in new residential neighborhoods of Helsinki, 40% of subsidized rented apartments and 60% of apartments rented out or owned based on free market principle are envisaged.

In 1970s, the share of subsidized dwellings built in suburbs of Helsinki for the purpose of settling the rural migrants was even higher; presently, wide-scale renovation works are being performed in these neighborhoods, to which commercial construction sites are added. It is important, that all the families, with no regard to its economic situation or the status of the dwelling, are using the same malls, recreation areas, schools and social service day centers.

It also needs to be underlined that combination of mixed status apartments in multi-apartment houses is very popular; this can be private, rented apartments and/or subsidized social dwellings. By doing so, the housing practice of Finland initially avoided spatial segregation of low-income households, their stigmatization and distribution of slums in urban environment.

In Finland, traditionally, attention is paid to architectural and artistic image of social housing – with their exterior they do not differ from residential buildings with different status. Moreover, famous architects, such as Alvar Aalto, actively designed social housing with highly artistic features. Another prominent architect, tireless apologist of social housing, architecture researcher, practitioner and teacher Hilding Ekelund developed standards for social dwellings.

Today, in Finland, to support strengthening of social and territorial identity of the population, neighborhoods with mixed status are distinguished with different functional and planning programs, pointedly reflected in relevant neighborhood slogans: “Vuosaari – living on the seaside”, “Arabia – city of art and design”, “Viikki – scientific park and ecological dwelling”. While designing dwellings, such planning tools and technologies are used, as are landscape architecture, green space inclusion, solar orientation of houses, efficiency and high quality of construction materials.

Presently, the Finnish housing fund, including social housing, is facing a time-bomb hazard. The thing is that after 40 years of maintenance (in 1960-1980 up to 20 000 municipal houses were built in Finland, which is a part of 350 000 in the whole country), major part of the housing stock is getting to the deadline of technical depreciation.

The second as important circumstance, related to depreciation is that in Finland, aging of the population with the background of dominating demographic model of households, caused increased requirements to the technical equipment of the dwellings. This, first of all, means arrangement of elevators in medium-storey houses. For the purpose of solving of this problem target grants are being allocated – both for social dwellings and privately owned houses.

Although low mortgage interest rate encourages many Finns to buy an apartment, the demand for social dwellings still remains quite high – in Helsinki, the proportion is two willing households per one dwelling; over the country, the number of applicants makes 87 000. In spite of this, those living in destitution (10-20% of applicants) are still satisfied, especially if they agree to settle in suburbs and regions. To mitigate the problem, within the framework of urban development plans of Helsinki, 3 500 apartment were built annually within 2004-2008. Average and specific area of apartments increased – respectively (in m²): 1970 – 54,8 and 20,7; 1980 – 57,8 and 26,9; 1990 – 60,3 and 30,7; 2004 – 62,1 and 33,7. Demographic trends, characteristic for Finland influenced the typology and physical parameters of social dwelling. The big number of young people, who moved to Helsinki in 1990s, created their own families and it is much easier for them to obtain a dwelling beyond the limits of the capital.

As for architectural and design standards of social housing, their physical parameters have increased, especially in terms of dimensions of the rooms. In 2004, the Helsinki Housing Program recommended an increase of average area of an apartment from 63m² to 75m² by 2008. The survey of housing sector revealed that the demand for well-planned outer spaces – parkings, asphalt free; bigger balconies, common use premises, individual storerooms and underground spaces for business, services and residents' hobbies – constantly increases. Transition from designing smaller apartments in multi-storey houses to so called low-rise high density dwellings can be considered as a general trend.

As far as the dynamics of dwelling ownership forms is concerned, the picture by years in Helsinki and the whole country is following:

Table 4: Dynamics of dwelling ownership forms in Helsinki and Finland (%)

	1950	1980	2005
Privately owned houses or apartments			
Helsinki	24.3	49.7	45.0
Finland	55.9	61.0	58.3
Dwellings for rent			
Helsinki	75.3	42.7	45.0
Finland	42.7	29.2	31.0
Other forms/undefined			
Helsinki	0.4	7.6	10.0
Finland	1.4	9.8	10.7

Finally, particularly interesting is the fact that the state (central Government) renders major financial support for the development of the field of housing.

It is notable that in 1991-2007, in Finland, housing allowances for households systematically increased and financing of housing production and renovation of existing housing fund has drastically decreased.

Table 5: Funds allocated for housing sector by the central Government of Finland, mln. Euros

	1991	1996	2001	2006	2007
Housing allowances (save for students and pensioners allowances)	215	378	407	433.5	439
Financing of construction and renovation	454	378	157	185	141
Reduction of mortgage interest rates	706	404	440	460	500

5.3 Noteworthy Experience – Post Socialist Countries

5.3.1 Hungary Case

In the period of communist rule, among the countries of the “socialist camp” Hungary was distinguished with high living standards and socially oriented housing policy. By the end of the 1980s, the share of the public rental sector in the structure of national housing fund was 25%; 2/3 of the housing taxes were covered by state subsidies. The state also issued long term, low interest rate (1-3%) loans for buyers of the apartments in the houses built by state owned construction companies.

In 1991, taking into consideration the new social and economic realities, the state offered its “old” borrowers two choices. First option considered paying back of half of the loan or transferring it to the market conditions and writing off the other half of it.

The second option proposed to increase the interest rate of the loan up to 15%. 78% of the tenants chose the first option. Along with this, the low-income households faced housing issues. It was necessary to elaborate new visions and approaches towards social housing.

To overcome this challenge, the Government of Hungary started developing housing policy, which turned out to be a difficult and lengthy process, requiring multiple changes of methods and tools.

The Government of Hungary had to work under constant fiscal pressure caused by the collapse of the socialist economy. As a result, the state initially avoided centralized management of housing sector – housing development subsidies were cancelled (both in private and public sectors); dwellings, construction organizations and banks were privatized; prices for utility services were liberalized.

Such an economic restructuring was followed by regional and social inequality, economic vulnerability, falling of housing standards, increase of unemployment. All these, taken together, changed the nature of housing problems in the country. Vulnerable social groups faced totally new problems like homelessness, unaffordability of housing, lack of financing sources, growing spatial segregation and, generally, system degradation of housing.

This field was hindered by the fact that on the political level housing was not recognized as the priority direction of development of the society from the very beginning. Much more attention was paid to macroeconomic stabilization, energy and banking sectors, etc. Such a fallacious approach is generally characteristic for the countries with transition economy, results of which are still aggravating the situation of the housing sector.

The first important step towards improvement of the situation was made in 1993 – the Law “On Housing” was adopted, which introduced the “right to buy (redeem)” dwelling, with certain exceptions – cultural heritage sites and buildings meant for rehabilitation could not be privatized. The price was determined as 10-15% of market price. As a result, the housing sector of Hungary became mainly private – in 2000, the share of dwelling rental equaled to 8%, only 4% of which was publicly owned. Although, from point of view of housing policy, mass privatization turn to be counter-productive, in the short term it showed fiscal results, because the state budget avoided issuance of significant housing subsidies.

Meanwhile, the housing crisis continued to deepen. The basic indicator of housing, which is the proportion of utility costs and household income almost doubled in 1990-2003 – it went from 11% up to 21%; while in 1989-1997, the household income per capita was reduced by 30-35% and reached the pre-reform level only in 2000.

The scheme of social dwelling in Hungary was established by the “Social Act” in 1993. The Act obliged local governments to provide housing allowances to the households, whose housing and utility costs exceeded 35% of their income. Detailed conditions of the allowance were set by local governments on the basis of relevant normative acts. These conditions envisaged the beneficiary selection system, number of household members, their maximum income and normative costs of maintenance of their dwelling.

Social programs of local governments were funded through two types of grants. One was based on established formula, a general grant, which complied with the “requirement” indicators. Such grants were not targeted and government could direct them to other directions. The second type of grant was a grant targeted directly towards beneficiaries and with these grants, local Government could cover certain part of housing and utility costs. In 2003, housing allowances covered 5% of households; however, 10-15% of the population experienced difficulties with paying their housing costs. Next step of the Government was the establishment of National Program of Housing Allowances in 2004. Households, income of the members of which was less than 150% of social minimum (as of 2006, this was 110€) and proportion of their housing costs and household income was more than 20%, were set as the target group of the Program. The Program was funded from the central budget, but its administration was delegated to the local governments. As a result of implementation of the Program, number of beneficiary households increased from 150 000 (2003) to 350 000 (2006).

In 2007, Government liberalized previously subsidized natural gas prices which made them equal to the world market price. To mitigate undesirable effect, National Program of Housing Allowances partially changed the allowances scheme and subsidized 15-30% of natural gas, consumed by households. Subsidizing did not cover high income households. Taking this into consideration, number of beneficiaries in the country made 2,1 million.

Local governments got involved in the decision-making process within the housing sector; it turned out to be holding such tools of management, as establishment of social dwelling rentals, selection of beneficiaries, distribution of apartments and establishment of service companies, usage of fixed-term and open-ended contracts. After 2001, local governments made decisions on selling of the apartments. Within the municipalities, the rental for social dwelling was determined as 30-40% of actual expenses; however, many households could not afford even this.

The 2000 housing support scheme included grant program, means for local governments in 5 directions: (1) rent sector, (2) energy saving renovation, (3) urban planning, (4) house rehabilitation and (5) renovation of dwellings, owned by the Church. In 2000-2004, as a result of implementation of the first direction, were built 5 729 units of social rental, 3 1888 – of prime cost rent, 909 – for young families and 2 997 – for elderly people.

In 2004, the Government suspended the social rental program due to its expensiveness. Instead, local government bodies were supposed to sign long-term contracts with developers for the purpose of construction of social dwellings, rental for which would be partially covered from the budget. This program did not prove worthwhile due to the conditions set by the developers.

In 2005, a new program was introduced, which was oriented towards involvement of private rental sector into the field of public interest. Under this program, local governments placed an application to allocate housing allowances for large (with many children) households, residing in private rented apartments. Central Government covered minimum 30% of the rent. The same amount was covered by local governments. Neither did this program achieved positive results, as one of the conditions was that the owner of the apartment should be registered in tax institutions, which was not convenient for them.

As conclusion, we can say that the Hungarian practice in the field of social housing was developing in three directions for two decades:

- Delivering housing allowances for poor households;
- Development of social rental sector;
- Support of low-income households in the sector of private housing.

In the country, the significant achievement is that the rights for housing of residents representing vulnerable groups are protected in cases like unemployment, health problems, family separation, etc. The main thing in the Hungarian practice is that the Government of the country – both central and local – keeps on seeking for and refining flexible, result oriented policy for development and management of social housing sector.

5.3.2 Armenia case

While observing the experience of post-soviet countries in the field of social dwelling, the practice of the countries, whose newest political and social-economic history becomes more and more similar with the recent situation of Georgia is particularly notable. Neighboring Armenia is number one such country.

The recent history of Georgia and Armenia is similar in many ways:

- After the collapse of the Soviet Union, both countries got involved in armed conflict, which led to multiple waves of IDPs and housing crisis; recently, Armenia has faced a new challenge – the problem of housing of migrants, fled from Syria as a result of military actions;
- Both in Georgia and Armenia, after announcement of independence, public housing stock was privatized and social housing development was terminated for a long time;
- Both countries suffered from natural disasters – earthquakes; in Georgia, this situation was complicated even more because of the problem of housing of “Eco-migrants” as a result of landslides in mountainous regions of Georgia;
- Both countries are characterized by similar demographic problems, among which, “village-to-city” and external (to foreign countries) migration, nuclearization of families (which increases the demand for apartments), aging of population and, accordingly, decrease of the number of employable citizens;
- The Georgian and Armenian populations, along with certain differences, have many identical, regional social and cultural similarities;
- Major part of housing stock of both countries are technically and morally depreciated;
- Big part of the population is in difficult economic condition due to unemployment; more and more people become houseless.

There are also significant differences; first of all, this is actualization of social dwelling problem on every level of administration in Armenia. Armenia effectively uses the assistance of international organizations and foreign countries in this field, which is consultancy and financing. Most importantly, an institution has been established, which leads the development of the social housing sector in the country, through cooperation with the municipalities. This is National Social Housing Association Foundation (ASBA).

Institutional partners of the Foundation are:

- Woonbron Social Housing Corporation (NL);
- Groen West Social Housing Corporation (NL);
- PUM – Netherlands Senior Experts (NL);
- UNDP representation in Armenia.

Financial and investment partners of the Foundation are:

- Dutch International Guarantee for Housing – DIGH Foundation (NL);
- Municipalities of Armenia.

ASBA is an associated member of a profile international organization CECODHAS (Federation of Public, Cooperative and Social Housing). ASBA regularly implements various activities and programs – international conferences dedicated to the social housing problems, training for beneficiaries, target housing development, etc.

Several main directions of ASBA and donors' concerted policy can be distinguished:

- Decentralization – projects are being implemented not in the capital – Yerevan or the second biggest city Gyumri, but in the regions;
- Local government is involved in the project; according to the partnership agreement, its contribution includes passing over land plots and/or suspended construction and adaptation sites with preferable terms and provision of engineering infrastructure;
- This is a long-term project – 20-30 years;
- Housing is meant for medium and low-income households; monthly maximum income of potential beneficiaries has been set;
- The philosophy of the project implies long-term renting and/or leasing;
- The preceding component of the project is the survey of the demand for social housing locally and determination of the number of potential beneficiaries;
- In term of architecture and planning, preference is given to energy saving, low-rise, high-density housing production and/or rehabilitation and adaptation of suspended constructions.

Based on these input data, the Foundation is presently implementing housing production project in 4 municipalities of Armenia.

Dilijan Town – the project implementation of which has started in this resort town is the first of the planned projects; it will be implemented in two phases: first phase – 50 apartments, second phase – 150 apartments. Preliminary survey conducted in Dilijan revealed 500 families in need of housing; among them, 200-220 are potential beneficiaries of the project. The project is meant for medium and low-income households. An area of 1,1 ha has been allocated in the town; 9 two-storey houses are being built and one four-storey house is being rehabilitated and adapted. The deadline for completion is November 2013.

Hrazdan Town – the center of the Kotayk Region, population – 60 000 (4th position among the towns of Armenia), distance from Yerevan – 50 km. the survey revealed 800 households having housing problems, among them 250 are potential beneficiaries. Construction of 48 apartments has already started. Duration of the project – 20-25 years.

Ashtarak Town – Aragatsotn Region center, population – 21 600, distance from Yerevan – 20km. 570 families in need of housing revealed. Number of potential beneficiary households is 230-250;

the minimum of their monthly income is set at 170 000-200 000 drams (416-489.5 USD as of 13.08.13 exchange rate).

Vanadzor Town – Lori Region center, population – 105 000 (3rd position among the cities of Armenia), distance from Yerevan – 128 km. 4 000 potential households and 3 280 families living in 3rd category dangerous structures have been registered. Number of potential beneficiaries reaches 8000. The project is meant for middle class; upper limit of monthly income – 250 000 drams (611.8 USD, as of 13.08.13 exchange rate). Presently 80 apartments are being built.

5.4 Privatization of Social Housing – Great Britain, Netherlands and Germany Cases

The issue of allowing or not allowing privatization of social dwellings is an important, socially particularly sensitive problem of housing policy of individual countries. Approach to his problem mainly depends upon the political and economic course of the Government.

Normally, privatization of this sector of the housing fund is supported by right wing, mainly neoliberal governments. Governments with ideologically balanced political orientation reveals more flexible and dynamic approach to these issues. This general statement is confirmed by the examples of the European countries with long tradition of development and management of social housing. However, their models radically differ from each other.

5.4.1 Great Britain

This country historically is considered as a pioneer of the field of social housing. By the end of 1970s, one third of the population of the Great Britain lived in the houses owned by central or local governments. Therefore, local government was almost the only provider of social housing stock here. But, in 1980s, the rule of neoliberal policy was followed by measures implemented towards the housing stock, which caused privatization of significant part of the social rental sector. In Great Britain, Generally, these measures represented a part of total privatization; in relation to housing, it was called the “right to buy”.

The “right” to buy the apartments was granted to the residents with certain conditions: at least three years of residing in the apartment, covering two thirds of the market value of the apartment – this discount increased by 1 % every year and reached the maximum of 50%. In several years, the indicator of occupation of apartment was reduced to 2 years and the maximum discount reached 60%.

The conditions of buying out of the apartments were eased in 1986 – respective indicators were made: minimum discount – 44%, with increase of the discount by 2% every year; maximum discount – 70%.

Within this period, privatization was not the only direction of the housing policy. In parallel, an alternative opportunity was introduced – local government transferred the social housing stock to non-commercial housing associations, which was called “Large-scale Voluntary Transfers” – LSVTs. Along with this, focus was shifted to the extremely poor part of the population – the 1977 Homeless Persons Act made the local governments responsible for finding permanent housing for homeless people.

The 2004 Housing Act increased the pre-privatization residence term from two to five years; in case if a privatized apartment was sold before 5 years from the moment of privatization, resident was to pay the discount amount. Moreover, if a privatized dwelling was sold before 10 years from privatization, local government would have the privileged right to buy it. In the following years, new regulations were introduced in the housing field, depending on the alteration of political vector in the Government.

By now, in Great Britain, 70% of the national housing fund is owned by residents, 18% belongs to so called “social lessors”, the rest 12 % is held by private lessors.

5.4.2 Netherlands

Presently in Netherlands, the share of social rental in the national housing fund is the biggest in Europe – it reaches 35%. This sector is mainly owned by “housing associations” established by residents, owning also a certain share of commercial renting houses.

The Dutch housing associations are also distinguished by confessional and political profile – catholic, protestant and general, confessionally neutral. The first and the second are closely linked to the Christian Democratic Party, the third – with Social Democratic. In parallel with the activities of the housing associations, local governments has been working on delivering of social housing since 1901; their target groups are poor households, not being able to pay the rental set by the housing associations.

Recently, the housing associations have become stronger. Some of them changed their legal status and turned into funds; this reduced the influence of the residents and increased the role of the managers of the funds. By 2007, there were up to 500 nonproduction housing associations in Netherlands; in average, they were owners of 4 500 housing units, the biggest of them owned 50.000-80.000 apartments and houses located in different municipalities and even regions.

As for privatization of social dwellings, Netherlands follows three directions:

- Transformation of municipal housing companies into housing associations;
- Increase of independence of social rental sector from the government;
- Selling dwellings to individual households.

Along with this, it must be noted, that annually, the number of units privatized through selling approximately equalizes with the volume of construction, which does not actually change the general picture of the national housing stock.

5.4.3 Germany

German experience drastically differs from those of Great Britain and Netherlands, where social housing is directly linked to the social status of the population. In Germany, the concept of social housing is related to the methodology of financing (subsidizing) of housing; this applies social obligations for certain period – for at least 12, but mostly 20-35 years. Different providers of housing – cooperatives, municipal or state companies, such as, e.g., railway or mail institutions, investors, insurance companies, banks, etc. – operate with these conditions.

During the last decade the situation has changed, which resulted in dramatic reduction of the number of social dwellings – from 4 mln in 1990 to 1,5mln in 2006. In the following years, 100000 units of social housing per year would lose the social status. As a result of the 2006 federal reforms, central Government drifted away from the social housing direction, which remained in the field of interest of only individual active municipalities.

Large-scale privatization became particularly intense with the conservative-liberal Government, when 230 000 apartments of the German Railway Housing Company were sold for especially low prices. Such a policy lasted with the next Government – the coalition of Social-Democrats (SPD) and the Greens and was terminated with the coalition of Christian-Democratic Party and SPD coming into power.

Municipalities started privatization of their housing fund in the late 1990s; the reason for that was mainly financial problems. Since then, approximately 730 000 municipal dwellings changed their owners; such a policy was particularly characteristic for eastern lands of Germany, e.g., only Berlin alienated 150 000 municipal apartments. Therefore, the German social housing policy was mainly dictated by fiscal interests of central and local governments; this problem has been a subject of intense debates of the society and media.

5.5 Architectural Projects of Social Housing, Implemented in Europe

During the last several decades, in developed countries, special attention in planning of social housing is paid to architectural and artistic aspects. This trend was initiated some hundred years ago; for this, a strong urge emerged after the WW I, with the background of severe housing shortage, elaboration of social theories conceptual urban planning and architectural designs and implementation of part of them in the countries that suffered from military actions – France, Belgium, Netherlands, Germany. Social housing held a special place in Germany, in the activities of Bauhaus School of Architecture. It is notable, that the best examples of social dwellings of those times, alongside with 35 sites in Germany, have been included in the UNESCO World Heritage List. The List includes a group of 6 sites, designed by classics of modern architecture – Walter Gropius and Bruno Taut. The List names this group as Berlin Modern Housing Estates. It must be mentioned, that the Bauhaus social housing philosophy, standards and design methods had decisive influence on massive housing production policy of the Soviet Union; however, in the USSR, this form of housing was identified with artistic and esthetic featurelessness.

Today, social dwelling, as a part of long-term urban policy, gradually strays from the featureless esthetics, characteristic for mass housing development. Famous architects more and more often participate in architectural contests. Such a trend is particularly strong in Netherlands, where public residential buildings created by so-called “Starchitects” are presented as an exemplary architecture and even represent important tourist sites of the cities.

Planning features of housing depend on natural climatic conditions, social and cultural aspects and the context of existing environment. However, in case of social housing, physical indicators of the unit, established according to sanitary-hygienic and construction norms, play an important role. Normally, a social housing unit is a small apartment in medium density neighborhood/block.

In designing of a social dwelling, special attention is paid to energy efficiency and reasonable usage of resources. Normally, minimal norms and standards regulating these issues are established on the government level for each new housing development.

Architecture and appropriate planning of social dwelling, especially from the point of view of urban design, greatly influences sustainability of the dwelling and success of the policy. The opinion, widely spread in the society that housing for low-income households is characterized by low quality of architecture, has been factually denied by architectural projects, implemented in different cities of the world during the last decade. In West Europe, social dwelling is distinguished by high quality of urban space and is considered as “exemplary” architecture for commercial estates.

From the architectural point of view, social housing is quite diverse – this can be a multi-storey apartment building or a individual townhouse. Also, in Europe, it is quite often that social dwellings are part of multi-function complexes. Below, there are examples of already implemented social housing projects, representing both, individual houses and mixed type buildings.

Social Housing Carabanchel 16



Aarchitects: Foreign Office Architects (Alejandro Zaera-Polo and Farshid Moussavi)

Location: Madrid, Spain

Date of construction: 2007

Area: 11.384 m²

Constructor: Jesus Hierro

Contract: 6,060.530 €

Source: <http://www.archdaily.com/1580/caranbachel-housing-foreign-office-architects/>

The project area represented a north-south oriented parallelogram, dimensions – 100x45m, located in a suburb to the south of Madrid. It is surrounded by residential neighborhood from three sides and from the west, there is a new city park. Maximum height and apartment nomenclature were set by regulations.

While designing the project, focus was placed on orientation of the building and linking to the park, adjacent to the western side. In the plan, the build represents a rectangle, divided by 13,4m long east-west oriented apartments (each apartment has draught ventilation). Thanks to such a solution, the western façade looks at the park and private gardens were arranged from the eastern side. Eastern and western façades have terraces, fenced with folding bamboo panels.

This is a six-storey building, with 7 sections of 1-, 2-, 3-, 4- and 5-room apartments. Each section has an elevator.

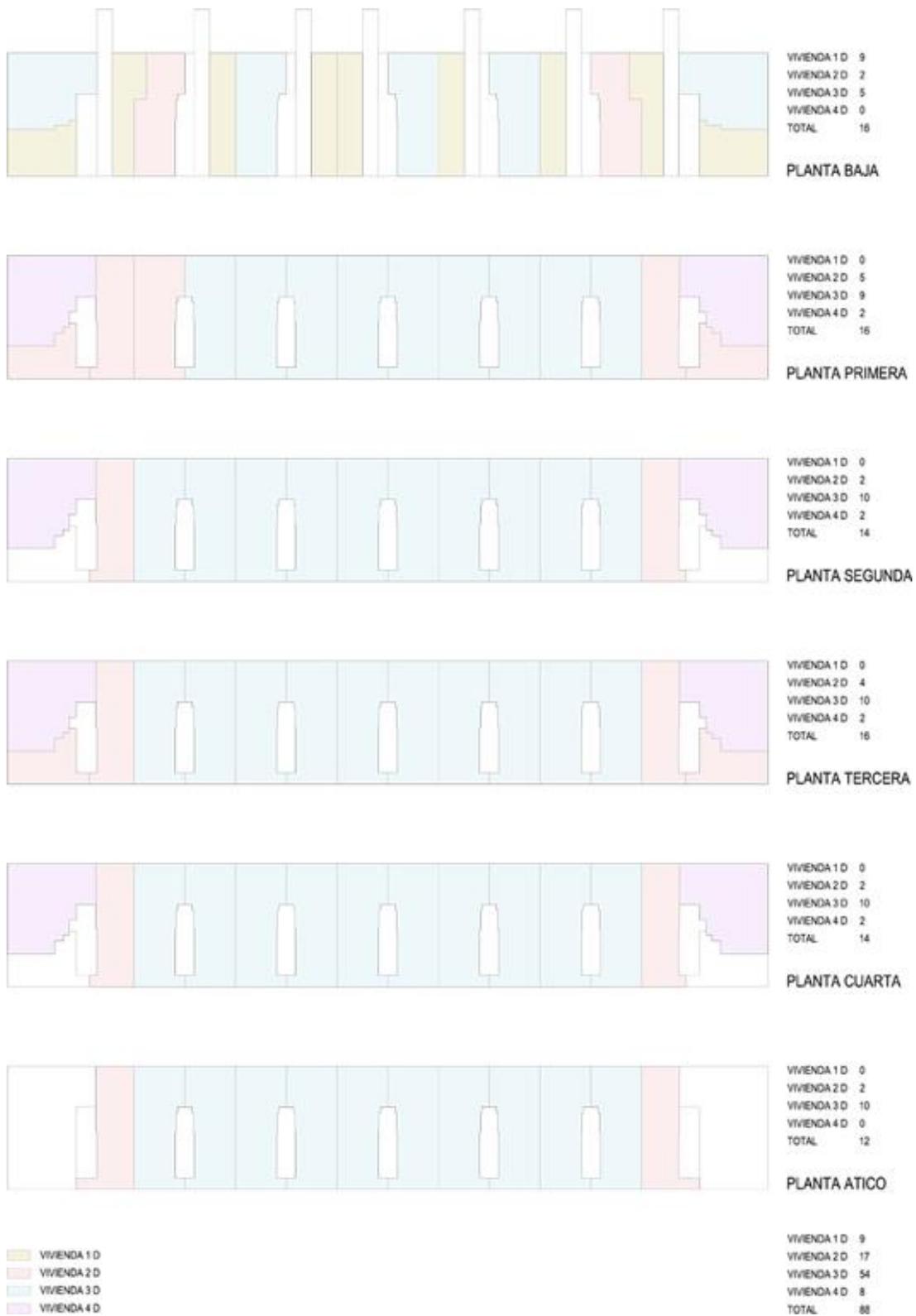


Illustration 4: Social Housing Carabanchel 16, apartment distribution scheme



Illustration 5: Social Housing Carabanchel 16, apartment typology



Illustration 6: Social Housing Carabanchel 16, ground floor plan

Immobilière 3F Social Housing



Illustration 7: Immobilière 3F social housing in Paris, France. General view.

Architects: Atelier Du Pont

Location: Paris, France

Project year: 2010

Source: <http://www.archdaily.com/91591/34-social-housing-units-in-paris-atelier-du-pont>

The project represents a 34-apartment social dwelling, built in the place of low-price residential building of the 1950s for its residents, commissioned by Immobilière 3F Social Agency.

In the plan, the dwelling represents a U-shaped 4-section building, with 2 apartments per section, built around the court-yard. Each apartment has two-side orientation – to the yard and to the street. All the rooms, including bathrooms (except one) have natural lighting.

Entrances are planned so that it is possible to turn them into small offices, which was caused by different lifestyles and composition of families of beneficiary households. Also, each apartment has additional spaces in the form of balconies, or terraces arranged on the roof.

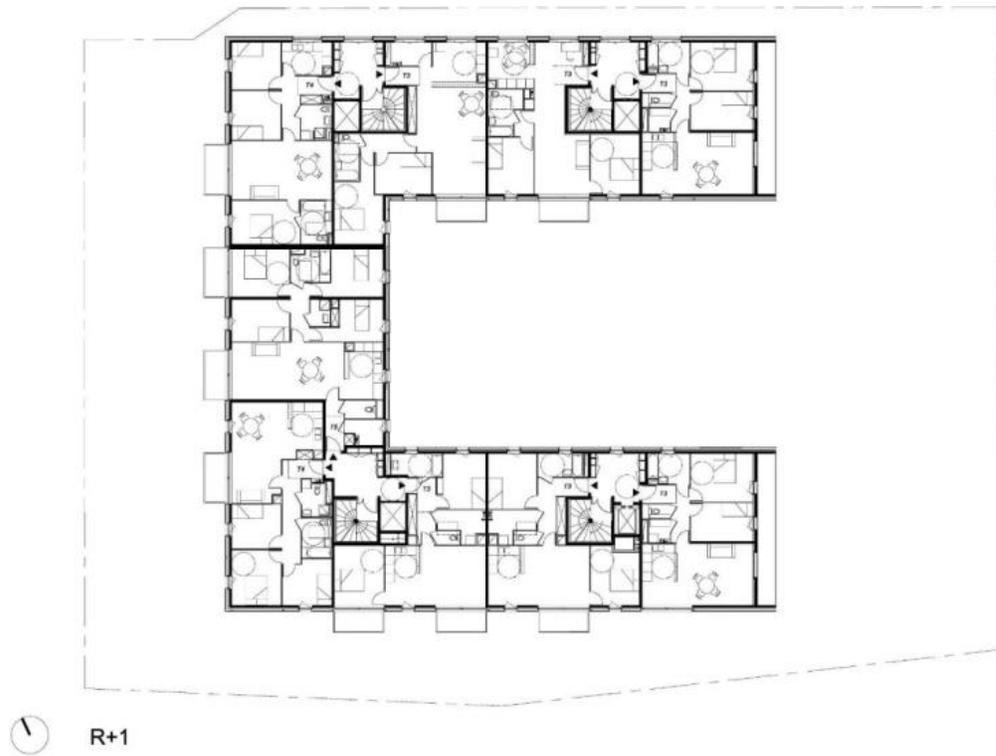


Illustration 8: Immobilière 3F social housing. Ground floor plan



Illustration 9: Immobilière 3F social housing. First floor plan



Illustration 10: Immobilière 3F social housing. Second floor plan

Social Housing in Izola



Architects: OFIS arhitekti

Location: Izola, Slovenia

Construction date: 2004-2006

Land area: 2.294 m²

Budget: 1.54 mln € (US \$2.42 M/ 1 building)

Source: <http://www.archdaily.com/3245/izola-social-housing-ofis-arhitekti/>

Social housing for young families was built to order of Slovenian Housing Fund and Izola community, under the Slovenian state program, which involves provision of low-income young

families with housing. For this purpose, the contract defined upper limit of the construction cost, which was 600 € per m² of total area.

The building consists of 30 small apartments (1-, 2- and 3-room), with minimal area determined by the standards of Slovenia. To make the building easy to adapt, apartments did not have partitions, which allowed easy re-planning of the inner area. Each apartment has its own porch.

The balcony modules have been planned to ensure natural ventilation and protection from direct sunrays of the apartments. Owing to air circulation, created by the balconies, the temperature inside the building is much lower in summer and higher in winter.



Illustration 11: Izola social housing. Ground floor plan



Illustration 12: Izola social housing. First and second floor plan



Illustration 13: Izola social housing. Third and fifth floor plan



Illustration 14: Izola social housing. General view

Marnes-la-Coquette Social Housing



Architects: LEM+ architectes

Location: Marnes-la-Coquette, France

Project date: 2013

Area: 3 338 m²

Source:

http://www.architizer.com/en_us/projects/view/marnes-la-coquette/53932/

The project represents a 44-apartment social dwelling, which was implemented on the order of social organization Immobilière 3F. It is located within protected area, at the edge of the Saint-Cloud Park, adjacent to railway station and highway. From the side of the noisy highway the complex represents a U-shape row of townhouses, which makes it possible to reduce noise from the side of the courtyard. Closer to the

railway station, there are individual one-apartment houses with yards. The complex consists of 1, 2- and 3-room one-level apartments and 4- and 5-room maisonettes.



Illustration 15: Marnes-la-Coquette social housing. View from the inner yard

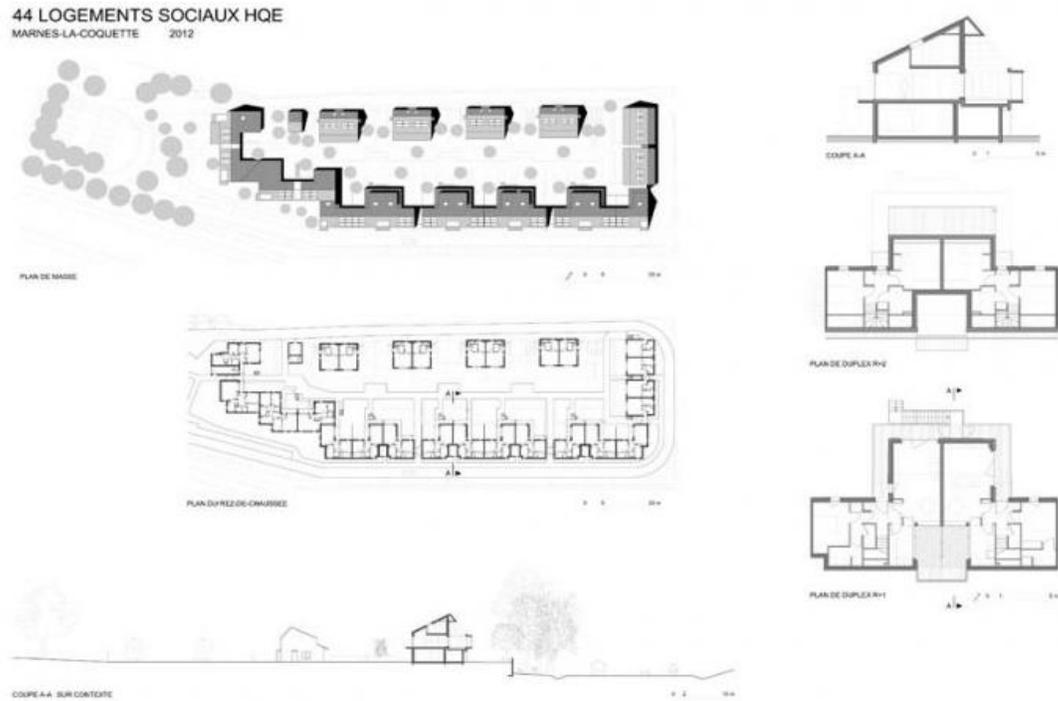


Illustration 16: Marnes-la-Coquette social housing. Master plan, section

Subsidized rental dwelling in Vienna



Architects: Sigs

Location: Vienna, Austria

Project date: 2003-2004

Area: 1 119 m²

Source: Housing in Vienna, Architektzentrum Wien, Vienna, 2008.

Under housing policy of the Vienna local Government, an abandoned four-storey administrative building was remade into a subsidized rental dwelling. For the purpose of using the building for housing, its interior planning was totally altered and several terraces were added. Total of 21 apartments were arranged. Additional spaces were rented out for various social purposes, like a club for elderly people.

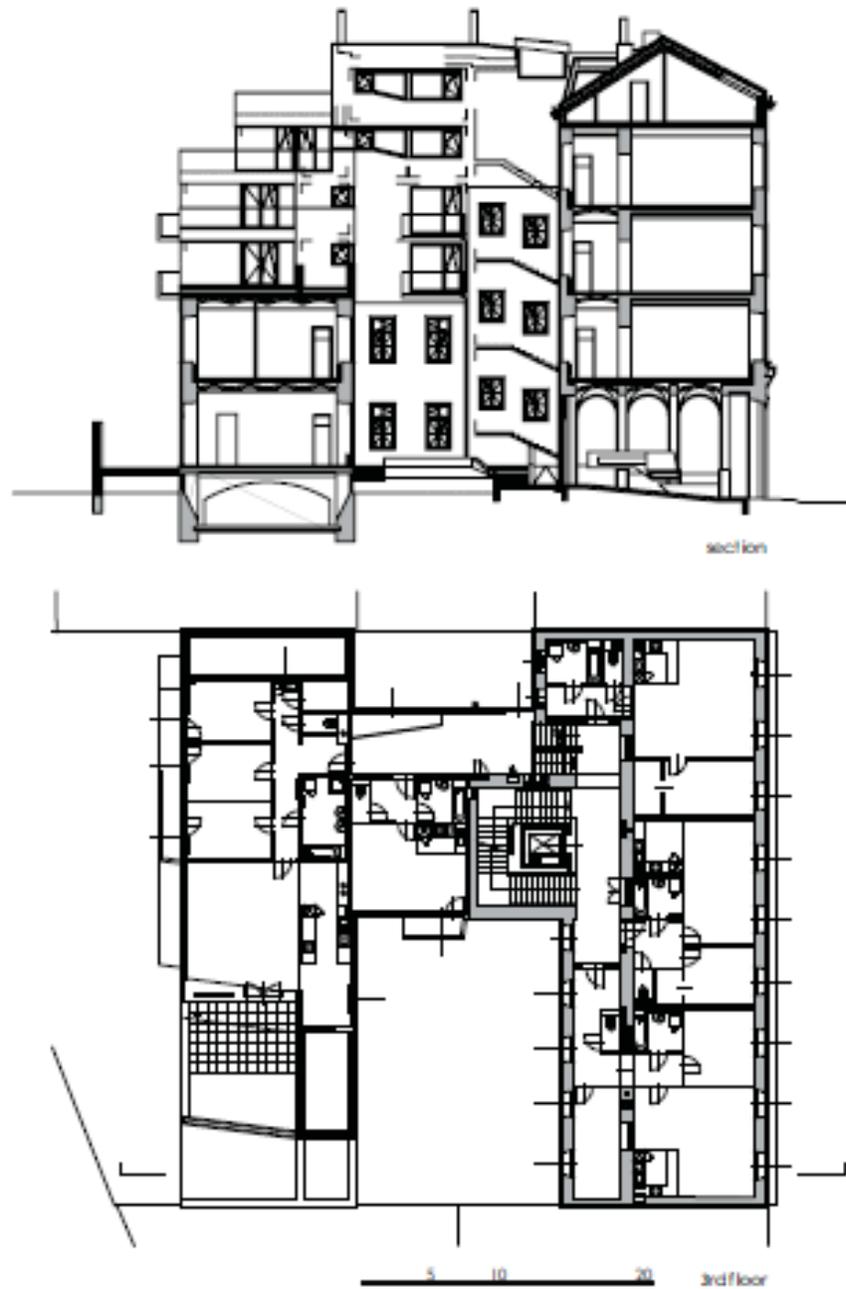


Illustration 17: Vienna social housing. Section and second floor plan

Social housing in a former soap factory



Architects: MDW Architecture

Location: Brussels, Belgium

Project date: 2011

Source: <http://inhabitat.com/former-soap-factory-cleaned-up-into-a-sustainable-housing-project-in-brussels/>

In Brussels, an abandoned soap factory was remade into a sustainable, energy efficient social dwelling. The project used following technologies and approaches: usage of solar power, new thermal insulation, collection of rainwater, glass loggias for each apartment. With these approaches, the abandoned industrial building turned into a resident-friendly and attractive place. From the architectural point of view, this is particularly distinguished example of regeneration and adaptation.

The social dwelling complex has 42 apartments, including studios, 1- 6-bedroom flats, elevators, maisonettes and cottages. Density is balanced with spaces meant for various social activities: place for gatherings, space for games, landscape park, garden, playground and promenade.

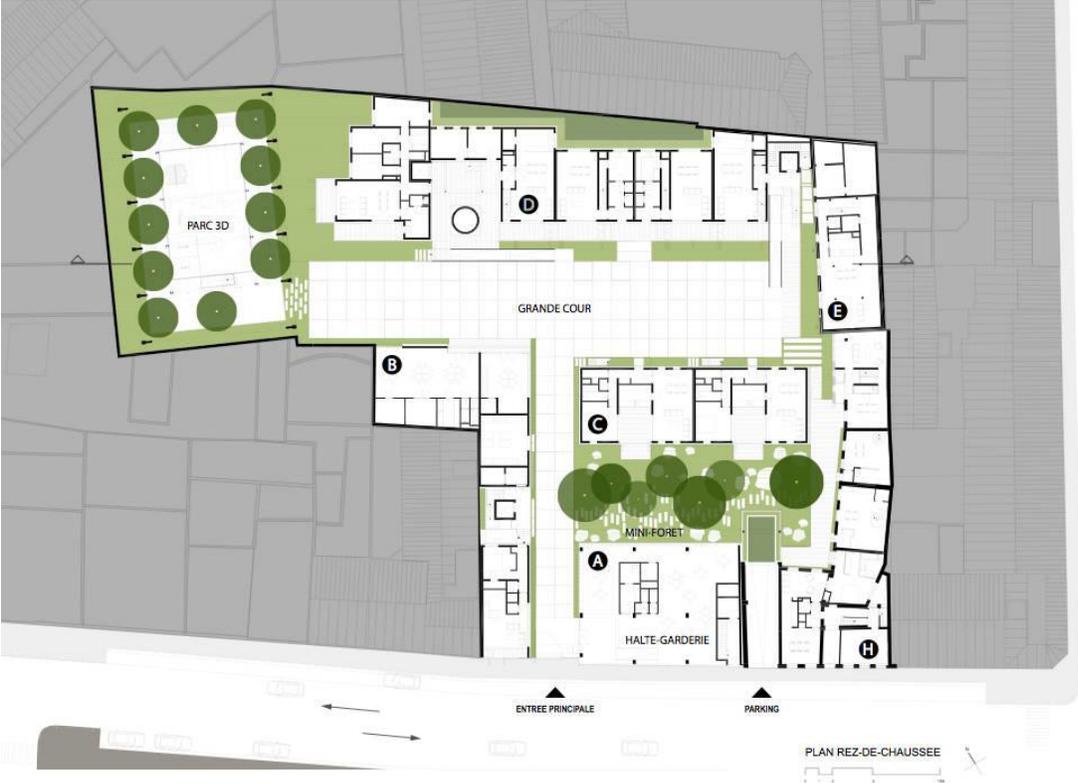


Illustration 18: Adapted soap factory. Master plan



Illustration 19: Social dwelling in a former soap factory. General view

Multi-apartment residential building “Silodam”



Architects: MVRDV

Location: Amsterdam, Netherlands

Project date: 2002

The residential building “Silodam” designed by a Dutch office MVRDV is located in a less developed north-western part of Amsterdam. The goal of the project was to revitalize the old dock and, for the purpose of making the neighborhood more diverse, provide housing for various groups of the population. Therefore, alongside with expensive luxury suites, small dwellings were also included into the plan, which dwellings have been rented out. This project of MVRDV is known as one of the most successful affordable housing.

6. Social Housing Financing Mechanisms – European Experience

Generally, the need for social/affordable⁶ housing emerges, when the rental or selling price for an apartment is so high, that a low-income household cannot afford it by its own and, accordingly, cannot ensure relevant quality of life. Proportion of the price of the dwelling and the income of the household is considered as an indicator of affordability of an apartment. This includes prices of both, construction/purchase and rental.

⁶ Based on European experience, social housing is not differentiated from affordable housing. That is why, this notion is used for both in this section.

It is believed that a dwelling is considered affordable if a household spends less than 30% of its income for it (Pittini, 2012). It is also known, that solution of the problem of affordability is possible through reduction of two main values – capital expenses (construction/purchase) and usage costs (costs related to maintenance). Below is given a brief overview of European experience of using approved methods of financing of social/affordable housing.

During the last decades, the list of mechanisms and sources of financing social/affordable housing has grown significantly longer. The above involves not only direct and indirect state financing, but also various methods of attraction of private capital to the sector. It must be noted here, that there is no universal method of financing social/affordable housing and each country has developed its own different system, fit for local program of housing policy. Below are listed main mechanisms, used in the EC member states:

- Grant – makes it possible to influence provision of housing in a very short term. It depends upon accessibility of financial resources and political will. As a rule, it is used together with other sources of financing;
- Cheap land – is traditionally considered as the main mechanism for development of social housing field from the part of local governments. It depends upon the amount of accessible municipal land and the situation on the land market;
- State loan – the most popular traditional mechanism of financing. In the long term, revolving loan liquidity insures the reinvestment potential. So called “soft loan”, which doesn’t need same guarantees, as private financing;
- Private loan – most important component for full and/or partial financing affordable housing. It is vulnerable to changeable financial conditions/environment and alternative investments. National strategies differ by efficiency and relevance of fund-rising and distribution mechanisms;
- Subsidizing of interest rate – such a subsidy covers part of the interest rate. Also, it is possible to determine the term of effectiveness of the subsidy;
- Private investment with tax remissions – compensates the investors for reduced revenue or imitation of revenue and reduction of turnover;
- Private investment with state guarantee – state guarantees with low financing cost to mitigate risk for financial institutions of the investors;
- Tax remissions for providers of affordable housing – different tax remissions for registered organizations, e.g., income and investment deductions, depreciation benefits, reduced sales and property taxes, exemption from capital profit tax;

- Organization’s own capital reserves and active surplus – housing organizations use their own capital reserves and surplus for new investments. This money can also be used to support relatively weak organizations, to facilitate innovations and competition;
- Tenant’s private capital – some models of financing envisage tenant’s contribution. It is possible that government helps low-income households in case of such contribution. Significant contribution allows a tenant to buy out the dwelling.

As it was already noted, financing strategies are different in different countries. This is related to institutional arrangement of the fields of housing, urban development and land management, as well as to management of investments directed to social housing sector, different ownership forms and the culture of housing usage. It must be noted, that different types of social/affordable housing can be financed through different mechanisms and by different levels of management. Below are briefly described models, used in different countries:

Austria – housing banks model – this system of financing consolidates several sources: on the one hand, these are long-term state loans issued with favorable conditions and grants allocated by provinces and, on the other hand, commercial loans (HCCB) from “housing banks” and private capital of developer or housing tenant.

Germany – tax remissions model – housing companies are private legal entities with several co-owners. Private investments are stimulated by tax concession. Public subsidy can be obtained by any housing provider.

Ireland – state grant model – grants are allocated from the central budget to established organizations for construction of social housing, and the legally established mediating financial institution issues low interest rate loans for land procurement. Central Government finances the interest rate; small grants are also available from the local government budget.

France – savings model – major part of new constructions of social housing are financed through loans issued by “Deposits and Consignment Fund”, which is supplied from tax-exempted savings. In France, any household can open such savings.

Switzerland – cooperatives model – uses several sources of financing, main of which are mortgage loans from cooperatives. Commercial loans, revolving loans and beneficiary’s contribution also represent important sources of financing. Liberal renting policy makes it possible to increase rental for covering expenses, including financing costs.

Netherlands – revolving fund model – registered social housing organizations use their independent financial resource, created through revolving capital. Central Fund for Social

Housing (CFV) and the Dutch Guarantee Fund (WSW) provide financial credibility and support reduction of financial costs.

Sweden – capital market model – municipal housing companies exempted from corporate tax are financed with commercial loan, which may have financial support in the form of municipal grant or from own resources of the Housing Ministry.

It is not surprising, that institutions, implementing the policy, try to elaborate such frame-schemes of social housing financing, which oblige housing providing and managing organizations to effectively manage the housing fund on the one hand and insure provision of relevant housing for target groups of the population without hindrance, on the other.

The most popular is the approach, when provider is obliged to retain zero balance or, in some cases, certain level of active balance. Such financial obligations can be set on national level (Netherlands) or by individual sites (Denmark). In this context, it is important to develop a mechanism for establishment of social housing rental, because the amount received from the owners of social housing insures covering of housing maintenance costs and in some cases, even accumulation of solid capital.

In Europe, there are several methods of setting the rental for social dwelling. Mainly, rental amount is determined based on four parameters:

1. Costs of construction and maintenance of dwelling – rental determined on the bases of this indicator is directly linked to the subsidy, as rental is determined with the difference of the costs of construction and maintenance of the dwelling and the amount of subsidy. In this case, the biggest problem is the risk of “padding” of expense account;
2. Economic value of dwelling – this means establishment of rental according to the value of the dwelling. This method is not related to the subsidy mechanism, however, normally, provider is obliged to insure provision of housing to the target group of the population on the account of the subsidy. This system works in England and Netherlands, where rental is determined based to the value of real estate, but is corrected according to the income of the beneficiary;
3. Income of the beneficiary – the key problem of this method is its financial viability, especially if beneficiaries of social housing are low-income families, whose income increases much slower, than the cost of maintenance of their dwelling;
4. Rental amount in other sectors of housing – in the countries, where private rental is also controlled, social housing rental is determined according to private rental. Normally, rental is set by the involved parties, through discussions and negotiation and is not related to any

clearly defined formula. The best example is Sweden, where the main decisive factor for setting the rental are links of the dwelling;

Recently, the role of the state and municipalities in financing of housing has been reduced and the main focus is made on partnership of public and private sectors (Public Private Partnership - PPP). The capital of social housing providers, housing stock and land owned by them represent a resource for development of new housing. Usage of this resource is particularly profitable for construction of social housing within urban renovation projects, which envisage an increase of density of population.

In some countries, while financing by own capital, an approach has been introduced, which implies selling of social dwelling to beneficiaries, already possessing housing, for the price lower than market. Normally, beneficiary is granted the right to buy out the dwelling after certain period of using it. The above is also caused by the fact that, maintenance of aged housing fund is more costly and unprofitable for certain reasons.

The best example of such an approach is so called “right to buy” in England. However, it must be noted, that this method barely responds to the needs of low-income and homeless households and is mainly directed towards the groups that are ready to contribute to financing of their own housing.

The above is mainly about financing of “housing provision” – reduction of construction and development costs; however, so called “needs financing” is as important, which, as you know, implies allowances for low-income households in the form payment of rental. Debates on these two types of subsidies in countries like Germany, Netherlands, etc., led to alteration of social housing policy. As a result, financing of construction of social housing was reduced and the funds allocated for the strategy of allowances meant for housing increased.

The main reason for these changes was the fact that the needs-oriented subsidies effectively work for improvement of housing conditions of target groups. On the other hand, such a subsidy increases the demand for housing and in cases when a country experiences housing shortages, it seriously influences the rental.

Therefore, efficient system of financing of social housing implies establishment of several parallel mechanisms of financing which would fit specific tasks and would be directed towards individual target groups of the population. At the same time, it is considered, that sustainability of the social housing sector is guaranteed by its direct link to the capital market, which is often achieved with the help of mediating institutions.

7. General Functional and Normative Requirements for Standards and Design of Social Housing

7.1 General Requirements

Standards of social housing is a complex, system notion: this notion should not be identified only with the typology of social dwellings, quality of materials, geometric parameters of living spaces or density of population.

Normally, in the countries where there is a deep historical tradition of functioning of social housing and/or systematic vision of its development, relevant standards reflect a whole spectrum of fundamental requirements to the living environment of the beneficiaries. These requirements are determined by national and/or local (municipal) normative acts or other political documents. Requirements include spatial arrangement and urban development aspects, architectural design, engineering/technical and social-cultural infrastructure, issues of protection of natural environment and health of the beneficiaries.

Recently, in developed countries, while planning social housing more and more attention is paid to cultural diversity, beneficiaries' lifestyle, their (re)integration in the city community. Special focus is made on ecological and economic aspects of social housing – energy efficiency and usage of renewable energy. The schemes of financing, management and maintenance of social housing, including participation of beneficiaries, must be mentioned separately.

Nowadays, Georgia lack such systematic and codified vision of sustainable formation of social housing, reflected in any normative acts; all the above conditions are even more important, when dealing with some specific social housing project. This naturally raises the question: who, which level of government, which body is supposed to determine norms and standards for designing and construction of social housing? Georgian legislation does not offer a comprehensive answer to this question. Analysis of the current legislative-normative base allows for clear-cut conclusion only in the part of the issue, which represents the urban planning aspect of social housing. Below are analyzed the components of current legislative-normative base of social housing formation, according to descending hierarchal order of their power.

The top document of this hierarchy – The Constitution of Georgia (1995) avoids the housing issue; its Chapter 2 – Citizenship of Georgia. Fundamental Human Rights and Freedoms – establishes such rights, but housing as such does not clearly appear in it. Several norms, not directly related to housing, are dispersed in various articles:

- “Everyone legally within the territory of Georgia shall, within throughout the territory of the country, have the right to liberty of movement and freedom to choose his/her residence” (A22, P1);
- “The state shall promote the prosperity of the family” (A36, P2);
- “Everyone shall have the right to live in healthy environment and enjoy natural and cultural surroundings. Everyone shall be obliged to care for natural and cultural environment” (A37, P3).

Alongside with this, the Article 3, Paragraph 1 of the constitution of Georgia establishes: “The following shall fall within the exclusive competence of higher state bodies of Georgia: <...> h) standards and models; <...> state statistics;”. Therefore, establishment of standards in the social housing field, based on the current institutional condition, is the priority of the Ministry of Economy and Sustainable Development of Georgia; and production of corresponding statistics falls within exclusive authority of the Ministry of Health, Social Protection and Labor of Georgia and the Department of Statistics.

Generally speaking, the content of the Article 39 of the Constitution of Georgia can be considered as a kind of recognition of the lack of human rights and relevant standards in relation to housing: “The Constitution of Georgia shall not deny other universally recognized rights, freedoms and guarantees of an individual and a citizen, which are not referred to herein but stem inherently from the principles of the Constitution.”

The ground for unconditional recognition of such rights was created by the “Universal Declaration of Human Rights”, signed by Georgia (in force in Georgia since 1994), which imperatively establishes, that: “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control”.

The right for housing was reflected in several other international treaties; among them is distinguished “International Pact on Economic, Social and Cultural Rights” (in force in Georgia since 1994). Article 11, Paragraph 1 of the Pact is about fundamental human rights: “The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions.”

Explanation of understanding of adequate housing is given by UN Committee on Economic, Social and Cultural Rights in the General Comment 4, published in 1991. It underlines, that “<...>the right to housing should not be interpreted in a narrow or restrictive sense which

equates it with, for example, the shelter<...> and <...>it should be seen as the right to live somewhere in security, peace and dignity <...>.”

The Committee emphasizes the notion of “adequate privacy”, which means “<...> adequate privacy, adequate space, adequate security, adequate lighting and ventilation, adequate basic infrastructure and adequate location with regard to work and basic facilities <...>”.

The Committee admits that it is impossible to set concrete universal parameters of “adequate privacy” for all UN member states and that is why it pays the main attention to general principles. Among them, key principles are:

- Legal guarantees – with no regard to the form of possession of housing, resident should be protected from persecution, illegal eviction, etc.;
- Existence of infrastructure, physical environment, utilities – which is extremely important for health, safety, comfort and food;
- Accessibility of financial resources – to ensure that any costs of a household related to housing are within the limits, avoiding the risk to the ability of satisfaction of other basic needs;
- Suitability for living – i.e., housing with adequate area should be protected from cold, heat, humidity, precipitations or other hazardous factors;
- Availability – adequate housing should be available for everybody, having legitimate right for it;
- Location – location of housing within urban environment should allow for normative accessibility of workplace, health facilities, educational institutions, other service facilities;
- Cultural appropriateness – special order of buildings, architectural and planning methods, common usage spaces, constructions and materials, colorist solution, variety of greenery and plant assortment should reflect the identity and preferences of specific community.

“European Social Charter” (1996; fragmentally ratified by Georgia in 2005) dedicated two articles to the issues related to housing:

“Article 30 – The right to protection against poverty and social exclusion

With a view to ensuring the effective exercise of the right to protection against poverty and social exclusion, the Parties undertake:

a. To take measures within the framework of an overall and coordinated approach to promote the effective access of persons who live or risk living in a situation of social exclusion or poverty, as

well as their families, to, in particular, employment, housing, training, education, culture and social and medical assistance;

b. To review these measures with a view to their adaptation if necessary.

Article 31 – The right to housing

With a view to ensuring the effective exercise of the right to housing, the Parties undertake to take measures designed:

1. To promote access to housing of an adequate standard;
2. To prevent and reduce homelessness with a view to its gradual elimination;
3. To make the price of housing accessible to those without adequate resources.”

By the time of ratification of the European Social Charter by Georgia, due to neoliberal social and economic policy, dominating in the country, these very articles of the Charter were not included into the list of articles, recognized by Georgia, as mandatory.

Social Policy (Basic Aims and Standards) Convention (1962; in force in Georgia since 1996) imperatively declares: “In ascertaining the minimum standards of living, account shall be taken of such essential family needs of the workers as food and its nutritive value, housing, clothing, medical care and education.” (A5, P2).

Generally, the accent should be put on the fact, that in Georgia, far more attention is paid to many-sided problems of IDPs, including provision of housing, rather than to the situation of homeless. This applies both to legislative-normative base and institutional system.

The Law of Georgia “On Internally Displaced Persons– Persecuted” (1996) is in force in Georgia; IDPs are guarded by UN profile organization UNHCR; within the executive authority system is functioning *The Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees of Georgia*; various kinds of aid are provided to IDPs by international organizations, individual countries or funds; NGOs are oriented towards the problems of IDPs, etc..

By the ministerial order “Principles, Criteria and Procedures of Implementation of IDP Long-term Accommodation Process” were approved. This normative act gives relevant consideration to departmental standards of IDP housing, which is reflected in the Attachment 1.5: “For the purpose of provision with long-term housing, standards for living area, considering the number of members of IDP families”. This standard establishes that 1-, 2- and 3-room apartments should be given to IDP households, with respective areas of 25-35m², 40-45m² and 50-60m². The

demographic comfort coefficient of peopling respectively: 1-2 persons (coefficient range is 1.0-2.0); 3-4 persons (1.5-2.0) and 5-6 persons (1.7-2.0).

The picture is totally different with homeless people and, in wider sense, families seeking for affordable housing. Georgian legislation avoids their problems. The Law “On Social Aid” (2006) seems to profile. Although the aim of the Law is “<...> establishment of social aid system <...>” (A1, P1) and covers “<...> persons legally permanently residing in Georgia in need of social care, poor families and homeless persons <...>”. (A1, P2), its general aspiration and specific norms are oriented only on homeless persons and provision of shelters for them – affordable housing, including social, remains beyond the interests of the Law.

By the Law, a “houseless person” is “<...> person without specified, permanent residence, registered with the local government authority, as a homeless person”.

Chapter II of the Law – Types of Social Aid – mainly oriented to 5 types of financial social aid (A6); non-financial forms of aid are limited to improvement of the conditions for children lacking parental care (A12). By the Law, it is the authority of the local government to provide housing for homeless people (A18,1,b). Also, the law restricts extension of the social aid by this bodies, even in the direction of creation of social housing: “<...> relevant bodies of the local government are entitled to additionally finance social aids, defined by the present Law, within their territories of authority, in compliance with the types of social aid, set forth by the present Law” (A24, p3).

The Georgian Organic Law on Local self-government (2005), article 16 - Exclusive Authorities of the Self-Governing Unit – establishes:

“1. Self-governing unit perform its exclusive functions in compliance with the rule established by the Georgian legislation independently and at their own responsibilities. Exclusive authorities of the self-governing unit shall be defined by the present Law.

2. Exclusive authorities of the self-governing unit are as follows: <...> spatial - territorial arrangement of the self-governing unit in compliance with the Georgian legislation; q. approval of priorities of social-economic development of the self-governing unit, of the municipal programs and plans;”

In relation with social housing, the key notion of this normative act is “norms and rules of spatial-territorial arrangement”. This notion is clearly defined by the Georgian Law on Spatial Arrangement and Urban Development Basics” (2005): “Spatial-territorial planning – activity, which regulates the use of settlement territories, land use, development and improvement, protection of environment and cultural heritage estate, spatial-territorial conditions of recreation,

transport, engineering and social infrastructure, also spatial aspects of economic development and territorial issues of renovation” (A2, p C).

As far as the normative base of social housing design is concerned, this part is represented in the Georgian legislation more vaguely and need relevant retrospective analysis.

As is known, before the collapse of the Soviet Union, almost all the housing fund represented affordable social housing. In the last years of the Soviet Union, mass municipal and departmental housing development was regulated by normative document “Residential Buildings. Construction Norms and Rules 2.08.01-89” (Жилые здания. СНиП 2.08.01-89), issued in 1989. In the conditions of existence of corresponding original Georgian norms, in 1990, the State Committee of Architecture and Construction of Georgia, active at that time, issued Georgian translation of this Soviet Union-wide norm.

After announcement of independence of Georgia (1991), in the country generally started establishment of national legislative-normative base. Alongside with this, to temporarily fill the existing vacuum, on the 5th of February 2001, Decree #3/26 of the Minister of Urbanizations and construction of Georgia “On Extension of Validity of Construction Norms and Rules, as well as of Other Normative Acts in Force on the Territory of Georgia”. The Decree consisted of only two articles and it was meant to retain the validity of factually all soviet norms and rules in the field of architecture and construction:

“1. Before elaboration and approval of national construction norm and rules, as well as other normative acts on the territory of Georgia, construction rules and norms, as well as other normative acts, valid until 1992, not contradicting to the Georgian legislation and international treaties, that Georgia is a signatory to, to remain valid.

2. Abolishment of current construction norms and rules, as well as other normative acts, shall take place in each individual case, as from the day of relevant new normative acts coming into force”.

On 4th of February 2006, the Resolution #45 of the Government of Georgia “On Recognition and Enforcement of Technical Regulations of Other Countries by Georgia” was issued. The resolution recognized for usage the norms and standards harmonized with “EC New and global Approach Directives”, also, technical regulations of 36 countries, listed in the attachment, in the parts, related to the issues of safety. Along with this, in parallel with usage of the above documents, the Resolution stated, that “<...> full operation of current documents in the field of technical regulation (GOSTs, construction norms and rules, sanitary norms and rules, etc.), based on international agreements, concluded with the Commonwealth of Independent States and its member-states, and shall be continued”.

Further, with the background of frequent and unjustified institutional reorganizations of architectural and construction sectors, nobody has taken care of elaboration of new normative acts; the Decree #1-1/251 of 18th of February 2010 of the Minister of Economy and Sustainable Development “On Usage of Norms, Rules and Technical Regulations Acting in Georgia before 1992 in the Field of Technical Supervision and Construction” can be considered as recognition of this fact. This Decree represented repetition-strengthening of the Decree of 2001, but with an important correction for social housing. The Decree established: “Norms, rules and technical regulations, as well as other documents of technical regulation and their parts, not contradicting to the Georgian legislation and having no alternative in the form of norms and rules or normative acts, acting in Georgia before 1992 in the field of technical supervision and construction shall be used on the territory of Georgia, before approval of relevant construction norms and rules, as well as other normative acts”.

Almost at the same time, in April 2010, changing of legal status of the current construction norms and rules and their registration in the form of standards was decided. This step was motivated by the fact, that, “since the significant part of construction rules and norms active before 1992 factually do not respond to the present requirements, it was considered appropriate to replace their mandatory status by the status of a standard, as a voluntary usage document, which was implemented through registration of significant part of Soviet norms as national Georgian standards”. This resolution applied to 1989 construction rules and norms “Residential Buildings”, which were registered as national standards with the following requisites: norm label – Construction norms and rules 2.08.02-89; registration number – 268-1.3-4387; registration date – 26.04.10.

In Georgia, normative content of the notion of standard is defined by the Georgian Law “Code of Product Safety and Free Turnover” (adopted on 8th of May 2012). One of the goals of this Code is declared to be “insuring technical regulations of the construction field and full compliance with requirements set forth by the legislation of Georgia for construction activities” (A1, h). The Code is based upon several general principles, including “application of safety mandatory requirements set by the government exclusively to regulated field”. Article 18.5 elaborates on full list of sites attached to the field of regulation; none of the housing types, including social, are mentioned in this list.

In other fields, an entrepreneur is entitled to choose and comply with safety requirements (A2.1.a.). In the field of standardization, priority is given to international standards. The Technical and Construction Supervision Agency, newly established on the basis of the Code, along with other functions and authorities, “elaborates construction and design norms, rules, technical regulations and standards within the field of its competence” (A16.2.k).

In descriptive and generalized form, the Code provides the main notions, like “technical regulation” and “standard” – “1. Every act, containing technical norms, mandatory for fulfilment, must be adopted in the form of a technical regulation; 2. Technical regulation determines main principles, protecting human health, life, property and environment. <...> 12. Should the necessity of adoption of a technical regulation emerges and there universally recognized international standards exist or their development is at the final stage, Georgia is obliged to use them or their parts as the basis”.

The procedure of adoption of technical regulations is defined by the article 58 of the Code:

“1. Technical regulation is adopted exclusively in cases, set by the law, establishing the purpose of the technical regulation and the field of its operation.

2. Technical regulation is adopted/published only by the law, relevant normative act of the President of Georgia or Resolution of the Government of Georgia.”

Chapter VI of the Code is dedicated to standardization in Georgia. Article 64 of the Code sets:

“1. Standard should be based upon generalized results of practical experience, science and technics and it should be aimed at efficiency of production and increase of conformity.

2. Standard is a means for satisfaction of requirements of technical regulation. Usage of a standard is voluntary. An entrepreneur may develop or use other technical approaches to satisfy the requirements of technical regulation, save for the cases, when technical regulation directly points to usage of specific standards.”

Article 66 of the Code sets basic principles of standardization, among which important is the unrestrictedness of the circle of participants to the process, voluntary usage of standards, priority of international standards. Procedure of development and adoption of standards is described in Article 68.

In the field of standardization, there are contracts tariffs set for services. These tariffs are determined by the Resolution #323 of 2011 of the Government of Georgia on “Approval of the Rule of Determination of Remuneration of Contract Tariffs of Paid Works (services) Performed by the Legal Entity of Public Law - Georgian National Agency of Standards, Technical Regulations and Metrology”. Table 1 of the Attachment 1 of the Resolution establishes tariffs for 5b types of services, among them development of Georgian National Standard (GNS) – 4 000 GEL; registration of entrepreneur subject standard (ESS) – 350 GEL, etc. Table 2 of the same attachment establishes “tariffs of standards” according to their volume (number of pages).

Generally, the standardization policy in Georgia lags behind the life necessity in terms of quantity, as well as systematicness and deepness of standard development. We can use as an example the standards of childcare related to the social housing problems (approved by the Decree #281/n of 26th August 2009 of the Ministry of Labor, Health and Social Protection of Georgia “On Approval of Childcare Standards”). Out of 15 standards, one standard #14 – “Consumer-oriented Environment” – establishes in a free narrative form, as an “execution indicator” of this standard:

“a) Building meant for provision of services satisfies following norms:

a.a) is easily accessible;

a.b) is clean;

a.c) is bright (with adequate nature light);

a.d) is well ventilated;

a.e) is provided with temperature corresponding to the season;

a.f) satisfies conditions of life and is equipped in accordance with service specifics.”

In this standard none of the specific architectural-planning parameter, functional-technological indicator or sanitary-hygienic norm is included; instead, following is named as one of the “execution indicators” of this standard: “g) each consumer has individual items of personal hygiene, e.g., towel, tooth brush, etc.”.

For comparison, it is interesting that in Russian Federation – legal successor of the Soviet Union – hygienic requirements generally establish the height of living rooms from floor to ceiling at minimum 2,5m; for some of climatic sub-districts – minimum 2,7m. Also, storey height of a social dwelling is recommended to be maximum 2,8m for some climatic sub-districts – maximum 3m.

On the basis of the analysis above, the following conclusion can be made concerning the height of rooms of social dwellings: this parameter cannot be less than 2,5; at the same time, national voluntary standard increases this parameter to 2,7m.

Such a lower limit parameter for a “full storey” or a storey relevant for living, is established by the Resolution #57 of 24th March 2009 of the Government of Georgia “On the Rules of Permission Issuance and Permission Conditions” (A3, p69): “A full storey – storey, average height of which from the point on the floor to the ceiling is 2,5m or more”.

Although this formulation seems clear at the first glance, it still leaves us with questions: how is the “average height” of floors calculated? What should be considered and points on floor and ceiling – their construction points, or covering points; and, most importantly, this formulations must be mentioning not the “height of the storey” (which is calculated from floor to floor of the storeys of the building), but the height of the ceiling of the rooms.

On 22nd November 2010, the Order #1-1/1839 of the Minister of Economy and Sustainable Development “On Announcement of Cancellation of the Order #3/26 of 5th February 2001 of the Minister of Urbanization and Construction on Extension of Validity of Construction Norms and Rules, as well as Other Normative Acts Operating on the Territory of Georgia” was issued. This order finally set voluntary status for normative parameter of residential buildings, with the conditions of considering minimal indicators.

7.2 Requirements for Urban Planning Part

On the level of ensuring renovation and regional and municipal development in the country, it is appropriate to simultaneously create social housing everywhere, where its necessity is clear and relevant. Importance of such simultaneousness is preconditioned by peculiarity of demographic situation in Georgia – so called “village-to-city” migration, mainly directed towards Tbilisi and less intensely to Batumi, Kutaisi and other relatively big cities.

Unified policy of social housing de-concentration would at least partially remove the pressure over the capital from the side of housing seekers, including rural migrants. The trend of such an approach can already be noticed, which is evidenced by examples of Batumi, Kutaisi, Rustavi, Gori, Zugdidi, Bolnisi, but this beneficial trend still doesn't have a unified, conscious, targeted state policy nature.

More concrete outline and, accordingly, practical standards are obtained by social housing policy on the level of functional and territorial planning of settlements and urban management. It is generally known, that adequate spatial planning and architectural design significantly facilitates sustainable development of social housing and, more widely – implementation of effective housing policy of the country.

Along with this, construction of social dwellings often is less coordinated with strategies or master plans of some settlement (city, town) development; such a construction is normally of sporadic nature. This can be explained by the marginal role which is unfairly but often given to this form of housing.

For decision-makers, social housing often represents an undesirable “headache”. Such a situation can be noticed in places, where former state or municipal rental housing sector is almost fully

privatized and well weighed, systematic state policy for social housing and sporadic decisions are often arguable due to standards and norms.

From this point of view, it is notable how the attitude of legislative act – Law of Georgia “On the Capital of Georgia, Tbilisi” (1998) changed to social housing. Initial version of the law recognized the importance of this segment of the housing fund for the capital.

Paragraph 1 of the Article 12 of the Law established the circle of the competences of Tbilisi Sakrebulo, among them: “r) creation of local housing and non-residential stock according to the rules set forth by the Law, determination of the rules of its disposal”. Article 35, Paragraph 2 contains the list of types of local (municipal) property; among these sites “<...> there may be buildings, municipal housing stock, etc.”. This commitment to the homeless residents of Tbilisi has been removed from the current version of the Law.

At the same time, in developed countries, territorial planning and architectural design get more and more closely linked to social programs and policy; there is a universally recognized trend of indivisibility of “hardware” and “software” inter-conditioned components of urban development.

In terms of social housing, this means that approved trend of promotion of social-cultural and functional-spatial integration of social housing in residential neighborhoods is clear. To avoid stigmatization and segregation, social housing must be included in development of other types of social housing. By doing so, leading cities try to avoid the fallacious practice of creating “ghettos” and facilitate strengthening of the sense of unity within diverse city communities.

Such an attitude requires targeted urban planning solutions in specific cities, which must be reflected in the master plan of settlement land use – at the stage of their designing or in already functioning housing production documents through relevant corrections.

It is notable, that the Georgian legislation creates a direct opportunity for that. For example, one of the tasks and guiding principles of the Law of Georgia “On Spatial Arrangement and Urban Planning Principles (2005) is “Integration of sectoral development programs and sectoral planning into spatial-territorial development policy and planning” (A4.2.j.). Also, the Law imperatively demands “ensure coherence of various sectoral plans implemented on different levels of hierarchy” (a5.1.s.). Apart from this, two articles of the Law are specially dedicated to this problem: Article 11 – “Coherence and Integration of Spatial-territorial Planning Documents and Sectoral Planning Documents” and Article 12 – “Thematic Documentation of Spatial-territorial Planning”.

Under the conditions of Tbilisi, the territorial structure of the main vital functions of the capital – including housing – is conditioned by the fundamental statements, which, in addition to the above Law, are included into two documents (by-laws). These documents are:

Decision #4-13 of 27th March 2009 of the Tbilisi Sakrebulo “On Approval of the Rules of Usage and Development of the Territories of Tbilisi”;

Decision #6-17 of 5th June 2009 of the Tbilisi Sakrebulo “On Approval of the Master Plan of Prospective Development of the Capital”.

Attachment of the first document – “The Rules” – are of practical nature; it is based upon the philosophy of zoning of the territory of the city and established principles of regulation of development. Territory of the capital is divided into 10 general functional zones, one of which is “residential zone” (RZ). On the next step of detailed elaboration, residential zone is divided into 6 specific residential zones – development zone, according to density and conditional storeys. It is notable, that in this part the document does not mention the forms and profile of ownership of dwellings, however, it doesn’t either set any restriction norms.

This position is partially filled with Attachment 1 of “The Rules” – “List of Permitted Types of Usage of Urban Construction Zone Territories”, which gives final list of two types of territories (specific zones) – “a) main permitted usage and development types of territory” and “b) permitted usage types and development of territory, requiring special zonal agreement”.

In the lists of both types attached to each specific zone, extensive lists of sites permitted for respective zones are included, however, social housing or even “affordable housing” is not included into them; this applies also to residential zones. Instead, in the lists under special zonal agreement of two residential zones (RZ-5 and RZ-6) include “nursing homes for children, senior citizens and others”. It would be logical to include social housing in these lists and extrapolate urban development parameters approved for the above zones.

Thus, in the conditions of Tbilisi, placement of social housing on the territory of the city normatively is possible within residential zones of medium (RZ-5) and high (RZ-6) intensity residential zones. At the same time, following development coefficients set for these zones must be followed: in the first case – land plot development coefficient $k-1=0.5$; land plot development intensity coefficient $k-2=2.1$; land plot vegetation coefficient $k-3=0.1$ and, in second case, respectively $k1=0.5$; $k-2=2.5$; $k-3=0.1$.

In the conditions of mass and rapid privatization of the lands of the capital and forecasted dynamics of social housing development, it is necessary to reserve land plots for social housing in the above two zones, to eliminate the possibility of buying out of land plots by municipalities

from private sector for market price. Adequate corrections should be made to “The Rules” and its attachment.

A land plot selected for construction of social housing must be provided with public transport, engineering-technical and social-cultural infrastructure. Placement of a social dwelling on particular land plot must be compliant with the current legislation, norms and standards.

Namely, placement of a project building in the conditions of Tbilisi City is regulated by Chapter VI of the above “Rules”. Paragraph 34 of this Chapter – “Placement of buildings within a land plot” explains that the boundaries of a land plot (the same as cadaster boundaries) may be of two types; (1) Public boundary of construction land – when a land plot is adjacent to a street or/and other public space and (2) Neighboring boundary of a construction land plot – when a land plot is adjacent to other construction land plot or a non-construction land plot, which is not a public space (in Article 1, Sub-paragraphs a) and b), is also explained boundary zone, which represents the space between construction land plot and neighboring boundaries which is less than 3m (A4)). This article describes in detail other mandatory conditions of placement of building within a construction land plot, and Article 35 provides with formula to calculate maximum height of building to be placed within the construction land plot.

While placing two or more buildings within one construction land plot, by establishing imaginary neighboring boundaries, the land plot is divided into correspondent numbers of plots; buildings must be placed the same way, as they would be placed on adjacent construction land plots (A36).

Vertical planning and landscaping of a construction land plot must be done so that precipitations from the construction plot don't get to the neighboring plot; precipitations getting on the street or other public space must not damage the street or other public space. If due to relief of the territory does not allow fulfilment of this condition, neighbor is obliged let the precipitation through his/her plot (A40, p3). The same principle of servitude applies to arrangement of engineering-utility networks (A40, p5).

While making the master plan of a land plot meant for a social dwelling, all types of urban construction restriction must be taken into consideration, e.g., high pressure gas pipeline restriction zone conditions, electricity transmission right-of-way and so forth. Master plan must be prepared in compliance with the main functional requirements of social housing – residential building placement zone, recreational zone, greenery and agro zone, special transport traffic zone. All the functional zones must be accessible for people with disabilities in wheel chairs. While planning of a land plot, landscape architecture methods must, small architectural forms, “city furniture” and outdoor illumination must be considered.

7.3 Requirements for Architectural Planning

One of the main sanitary-hygienic indicator of the quality of dwelling is the cubature of air per resident, which depends on the area of dwelling and height of ceilings. It is notable, that while designing a dwelling, the classic of architectural and construction norm setting, German expert Ernst Neufert, paid main attention to cubature of the rooms. It must also be taken into account, that the height of living spaces influences human body both physiologically (thermal influence of the ceiling, air exchange, microclimate) and psychologically (perception of space conditioned by human anthropology, ethnic and cultural habits, generation acceleration).

Normative area per capita is different in every country, in some cases this indicator is measured by number of rooms per capita (e.g., Germany, Italy, Netherlands, Portugal). In Italy and Lithuania minimum area is 14m². In Italy this norm applies only for first 4 residents, for any next resident only 10m² is added. In Germany, living space for social housing is defined separately, e.g., in Rostok maximum area for one resident is 45m² and additional 10m² for second resident. In some countries minimum area of residential unit is set, e.g., in Italy, Netherlands and Portugal. In Hungary, it is determined that at least one room of the dwelling must be more than 17m² (European Centre For Environment and Health, Bonn Office, 2006).

Generally, in foreign countries, the lower limit of the ceiling height of residential rooms significantly varies and makes (in meters, as of 1990): in the majority of European countries and USA – 2.5; Germany – 2.2 (however, recommendation of Ernst Neufert was 2.5m); Spain – 2.4; Italy – 2.6; Great Britain – 2.59. in southern countries, naturally, this indicator increases and equals to: India – 2.7; Philippines and Thailand – 2.59.

In the Soviet Union, in the 1950-60s, housing hygienists justified the height of living spaces in hot climate conditions at 3.0-3.2m. But, targeted mass housing production and, accordingly, promotion of economic factors meant to soften the severe lack of housing caused reduction of this indicator to 2.5 for all climate conditions in the country. Argumentation for this was based on two statements: (1) following the economic welfare of the country, normative (area) of provision of population with housing should increase, which, in its turn, increased the air cubature in apartments and (2) while designing apartments in southern zones, draft ventilation should be ensured, which would facilitate improvement of sanitary-hygienic conditions. Due to number of reasons, this expectation was not met.

On the basis of all the above and analysis of other materials, draft proposals for social housing designing norms and standards for the conditions of Georgia have been elaborated, discussion of which proposals and their testing in compliance with the set rules will allow for their introduction. These norms and standards are given in the *Attachment*.

8. Conclusions and Recommendations

8.1 Conclusions

1. During the last period of the Soviet regime (1970-80s), major part of the urban housing fund of Georgia was made up by social housing. More or less balance was achieved between housing demand and bringing to operation of newly built apartment buildings and settlement of beneficiaries queuing for these apartments. Fees for utility services and consumed resources were acceptable for all layers of the population. Maintenance of residential buildings was up to state/municipality and it was not distinguished by high quality.
2. After obtaining independence (1991) first national Government made a conscious step towards privatization of the housing stock, with certain reasonable conditions; but, the forces that came to power as a result of coup d'état (1992) chose populist direction of housing stock privatization. With the rule of President Shevardnadze, privatization of apartments turned into an end in itself; numerous normative acts issued in this field lacked systematic political vision and held the inertness of the Soviet times.
3. Housing crisis in Georgia showed up at the beginning of 1990s, which was preconditioned by great number of people displaced internally as a result of internal wars, ecological disasters, “village-to-city” migration flows and the fact that urban housing development was oriented only towards commercial sector. Social housing, as such, factually seized its existence.
4. During the entire period of independence, housing, as the most important social and technical infrastructure, has still not become the object of political will, systematic vision and targeted action of the Government. This is particularly obvious on the central level of both legislative and executive power. The first, during two decades, adopted only one Law on housing (“Law on Home-owners’ Association” –with the main purpose of managing the electorate) and the second just drowned the housing problem in the wilds of economic chaos.
5. Today, the field of housing, especially social housing, is suffering dramatic scarceness of legislative-normative base. While many other post-soviet countries are guided by housing codes reflecting new realities, or, in the worst case, individual laws, in Georgia this field remains solely up to international organizations or individual enthusiasts. With this regard, the Swiss Development and Cooperation Agency (SDC) is distinguished. Recommendations, developed on the basis survey by such a competent organization, as is United Nations Economic Commission (UN ECE), were not followed by any response, to say nothing about implementation.
6. In the current situation, the social housing problem has reached its critical point; Tbilisi municipality, with the support of SDC, implemented a social housing pilot project in Tbilisi, Varketili District. By now, Department of Architecture, Urban Development and Design of

the Technical University of Georgia and Ilia State University have got involved in this activity. This department is developing this direction in the format of teaching students, in cooperation with one of the universities of Switzerland. It is notable, that Tbilisi served as an example for other cities – Batumi, Kutaisi, Rustavi, Bolnisi, Zugdidi.

8.2 Recommendations

UN ECE “Guidelines on Social Housing: Principles and Examples” are partially used in the present main recommendations and recommendations developed on the basis of research „Country Profiles on the Housing Sector. Georgia”, conducted by the same organization and elaborated by Ms. N. Jokhadze, with certain corrections and taking into consideration the new reality. Other positions of the recommendations are original.

1. Housing sector should become one of the publicly declared internal political priority of the central legislative and executive authorities;
2. In the Parliament of Georgia the Committee must be defined, for which formation of housing policy will become one of the main profile directions;
3. National housing fund concept needs to be elaborated, in which concept social housing will hold a relevant place;
4. Institutional side of housing sector management needs to be streamlined, namely:
 - In the system of executive government the responsibility for this sector must be handed over by the Ministry of Economics and Sustainable Development to the Ministry of Regional Development and Infrastructure;
 - Within the organizational structure of the Ministry of Regional Development and Infrastructure National Agency (Center) for Housing must be established, which, along with other directions, will develop social housing standards and technical regulations;
 - Within the executive authority of local governments (municipalities) relevant sub-divisions should be established, or specialists should be appointed to deal with social housing problems; they must undergo targeted training.
5. Cooperation of Georgia with international and foreign organizations, first of all with United Nations Economic Commission for Europe (UN ECE) should be extended or recovered; also, with UN Habitat Program. In this context, Habitat-Georgia, coordinating organization, abolished in 2005 should be rehabilitated.
6. Forms of cooperation of central Government and local authorities in the field of social housing need to be found.
7. Financial-economic tools/schemes for provision of affordable, including social housing for vulnerable households need to be developed.

8. The lower limit of protected quota for social housing should be systematically foreseen in the budgets of central and local governments.
9. System stimulating construction of social housing by developers should be created; for this, Public-Private Partnership (PPP) needs to be activated.
10. While developing master plans for settlements, conditions for social housing development, with the condition of disperse placement, should be taken into consideration.
11. It is important to create a credible, renewable and accessible information base of social housing, which will ensure:
 - Revealing homeless population on the level of each individual settlement in the materials of 2014 population census;
 - Development of Urban Indicator System;
 - Establishment of urban laboratories on national, regional and local levels and their inclusion into international network.
12. Once every two years, national report “Condition of Urban Development in Georgia” should be written and published, which report will reflect also the data on social housing.
13. Law enforcement bodies should take immediate and effective measures against invasion into the buildings and sites meant for social housing.
14. In the higher education system, social housing topic should be reflected in the curricula of architects and social workers.
15. The problem of social housing should hold relevant place in the public relation (PR) system in the whole country.

References

- ASBA. (2013). National Social Housing Association, Armenia. <http://www.asba.am>
- Government of Georgia. (2004). The Government's Strategic Vision and Urgent Financing Priorities in 2004-2006. Donors' Conference, (p. 33). Brussels.
- Hegedüs, J. (2008). Social Housing in Transitional Countries – the Case of Hungary. Social Housing in Europe II. A Review of Policies and Outcomes. London: London School of Economics and Political Science.
- International Organization for Migration. (2008). Migration in Georgia: A Country Profile 2008.
- ISSA. (2010). Research of approach to social housing target groups and expectations. Institute for Social Surveys and Analysis.
- Muntti, C. (2007). Putting Finnish Housing Design into Context: The Helsinki Experience.
- Pittini, A. (2012). Housing Affordability In The EU, Current Situation and Recent Trends. CECODHAS. <http://www.housingeurope.eu/publication/research-briefings>
- Tbilisi City Hall & IHS,(2010). Tbilisi City Development Strategy – Volume I .Tbilisi City Profile and SWOT.
- UN ECE. (2007). Country Profiles on the Housing Sector. Georgia. New York and Geneva: UN.
- UNCT in Georgia. (2005). Millenium Development Goals in Georgia, Progress Report 2004-2005. Tbilisi.
- UNCT in Georgia. (2006). Progress Report, Economic Development Reduction Program. Tbilisi.
- UNEP. (2011). GEO-Cities. Integrated Environmental Assessment of the Condition and Trends of the Capital of Georgia. Tbilisi.
- Tbilisi Municipality, (2007). Millennium Development Goals in Tbilisi. Tbilisi: Poligraphi, Ltd. http://undp.org.ge/files/63_166_233693_MDGTbilisi-geo-small.pdf
- UNECE (2007). Observation of Housing Sector, Georgia. UN. New York and Genève.
- Gasman, F., Berulava, G., Tokmazashvili, M. (2013). Economic and Social Vulnerability in Georgia. UNDP. Tbilisi: Publishing house “Sezani”.
- Tbilisi Municipality. Press Release (dated: 2013/7/3).

Center for Economic Research and Consultancy of the Ilia State University (2012). New Constructions in Tbilisi City.

Government of Georgia. State Strategy for Internally Displaced Persons – Refugees (2007), Tbilisi. <http://scara.gov.ge/ka/2010-03-17-12-49-14/2010-03-17-13-55-32/61-idzulebith-gadaadgilebul-pirtha-devniltha-mimarth-sakhelmtsifo-strategia.html>

“KvirisPalitra” (16.07.2012). Apartment Prices by Tbilisi Districts.

<http://www.kvirispalitra.ge/economic/13027-binis-fasebi-thbilisisubnebis-mikhedvith.html>

Salukvadze, I. Gogishvili, D. (2012). “Extensions” in Residential Blocks of Tbilisi. Spatial and Social-economic Aspects. Modern Problems of Architecture and Urban Development, Scientific Research Magazine No 2, 134-135.

National Statistics Office of Georgia (2012). Official web-site: www.geostat.ge

Georgian National Communications Commission (2013). Statistical information http://www.gncc.ge/index.php?lang_id=GEO&sec_id=5706

State Department of Statistics of Georgia (2004). Results of the First National Census of the Population of Georgia in 2002, Social Service Agency (2013). www.ssa.gov.ge

Property Management Agency of the Tbilisi Municipality (May, 2013) <http://propertymap.tbilisi.gov.ge/>

The Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees of Georgia <http://test.mra.gov.ge/geo/static/185>

Европейская Экономическая Комиссия. (2005). Системы Финансирования Жилищного Сектора для Стран с Переходной Экономикой. Принципы и Примеры. Нью-Йорк, Женева.

Whitehead C. (2008). Financing Social Housing in Europe. Social Housing in Europe II. A Review of Policies and Outcomes. London: London School of Economics and Political Science.

CECODHAS (September 2009). Financing Social Housing After Economic Crisis. Proceedings of the CECODHAS Seminar. Brussels.

Annex 1: Urban Planning and Architectural Standards for Social Housing Architectural Design

1. General Provisions

1.1. As a rule, social housing is funded by central or local governments and is located in urban settlements – cities and towns (Daba). When central government is involved, it is essential to consider necessity to balance national settlement structure of Georgia as well as demographic tendencies in regions and whole country. First of all, this is important for management of undesirable migrations to urban centers. Therefore, it is efficient to allocate social housing, which is (co-)funded by the national or international organizations, in cities that are located in Regions of Georgia, rather than in the Capital City.

1.2. Territories that belong to the state or municipality and are allocated for social housing should be portrayed in Land Use Master Plans, Settlement Regulation Plans, Rules for Regulation and Usage of Territories and other relevant urban planning documents. Privatization of those territories should not be allowed.

1.3. Dispersive placement of social housing into existing settlement is highly recommended; this allows preventing psychological ghettoization, territorial segregation and social stigmatization. Moreover, it is advisable to integrate social housing into existing urban structure, social and cultural infrastructure, engineering networks and transportation system by means of functional planning and, if necessary, by improving existing facilities. Likewise, these requirements should be applied in case of reuse or adaptation of other buildings or their parts for social housing.

1.4. Inclusion of social housing units (adaptation) into so-called “economy class” housing estates with different functions or tenure types is allowed on the bases of mutual agreement of all interested parties.

1.5. Urban planning conditions, functional and architectural design standards presented below shall be the bases for design program approved by the client.

1.6. Social housing standards should not be less than average standards used in the country/region/municipality.

2. Urban Planning Conditions

2.1. Selection of a land plot for social housing development shall conform to zoning principles defined by Land Use Master Plan, Settlement Regulation Plans, Rules for Regulation and Usage of Territories and other relevant urban planning documents of the target municipality. In addition,

normative availability and accessibility of existing or planned socio-cultural infrastructure networks should take into account as well.

2.2. Recommended zones for social housing development in Tbilisi are Average Density Residential Zone (RZ-5) and High Density Residential Zone (RZ-6) with predefined development coefficients of a land plot. For the RZ-5: Maximum Ground Coverage Coefficient⁷ K-1=0.5; Maximum Density Coefficient⁸ K-2=2.1. For the RZ-6: K-1=0.5; K-2=2.5. For both zones, Minimal Coefficient for Green Area⁹ K-3 is 0.1.

2.3. When selecting a territory for social housing development in other Georgian cities, functional zones and land plot development coefficients should be defined in accordance to relevant urban planning documents.

2.4. Structure of settlement and housing types should be determined in accordance to local natural-climatic (including seismic), socio-cultural, financial, economical, technical, sanitation-hygienic and environmental conditions; furthermore, ensuring employment and recreational opportunities for the future tenants should be taken into account. Special attention should be given to usage of energy-saving and ecological technologies, constructions and building materials, likewise to encouragement of house maintenance easiness.

2.5. When determining a number of stores in the building, high costs of construction and exploitation of the normatively required elevator(s) should be considered.

2.6. Location of the social housing building(s) on the land plot should comply with relevant urban planning legislation; it should ensure access to the building(s) for special transportation vehicles.

2.7. Dead-ends designed on the land plot should have passing loops/U turns that will allow special transportation vehicles (i.e. ambulance, firefighters' engine etc.) to turn inbound.

2.8. Vertical planning (management of precipitation flows) and landscape design (fencing, functional zoning, greenery, lightning, canopy, places for rest and relaxation, internal pathways etc.) should be applied. All zones of the territory should be accessible for persons with disabilities.

2.9. Level of building's pavement, inner sidewalks and bike-lanes should be designed 15 cm upper than level of automobile road. Due to objective local planning restrictions, it is allowed to combine pavement and sidewalk if its total width is not less than 4.2 meters.

⁷ K1 - Maximum ground coverage ratio of the certain land plot to the area that can be covered under construction;

⁸ K2 - Maximum coefficient of density of site development or floor area ratio, that defines building's maximum total floor area (excluding the balconies and terraces) to the size of the parcel of land upon which it is built.

⁹ K3 - Minimal coefficient for greening the land plot; it defines a minimum size of the land plot that shall be used as a green area.

3. Building's Functional and Architectural Standards

3.1. Schedule of accommodation (ratio of number of rooms) of the social housing should be defined by the client for each case with regard to local conditions – general demographic situation, results of a specific research, household structure of a beneficiaries, concerns of people with disabilities and other positions. In addition, following nomenclature is recommended:

- 1- room apartment - 10 %;
- 2- room apartment - 40 %;
- 3- room apartment - 40 %;
- 4- room apartment - 10 %.

3.2. In some cases, design of 5- and 6-room apartment is allowed; this shall be predefined in design program.

3.3. Determination of apartment's nomenclature should respond following principles of accommodation:

- Ceiling of demographic comfort coefficient of the apartment shall be 2.0.
- 1-room apartment can accommodate 1-2 persons; 2-room apartment – 3-4 persons; 3-room apartment – 5-6 persons; 4-room apartment 6-8 persons; Number of persons for apartments designed for disabled persons should be set individually.
- Spouses sleeping place shall be designed in a separate room (bedroom) with consideration of a possibility to add a temporary sleeping place for a child under the age of 4;
- As a rule, sleeping places for adults are designed separately.
- It is allowed to design two sleeping places in the same bedroom (twin room), only in case when persons are members of the same sex, elderly or children, or members of the opposite sex under the age of 9;
- It is allowed to design one sleeping place in the living room.

3.4. In case of adaptation or reuse of existing building as a social housing, apartments' nomenclature and rooms' floor areas (sq. m.) shall be defined by the design program and should suit real parameters of an existing building, its construction scheme and technical feasibility of reconstruction.

3.5. In social housing, floor-to-floor height should not exceed 3 meters; furthermore, minimal height of living spaces should be 2.7 meters.

3.6. It is allowed to decrease height of living rooms and kitchens located on the mansard¹⁰, but for no more than half of their floor areas. Moreover, bedroom and kitchen located on the mansard should be not less than 7 sq. m. if floor area of a living room is at least 16 sq. m.

3.7. Design of living spaces on underground floor is not allowed; meanwhile, height of public space located on underground floor should be at least 3 meters.

3.8. Normative insolation should be ensured:

- For 1-, 2- and 3-rooms apartments – at least 1 room;
- For apartments with 4- and more rooms – at least 2 rooms.

3.9. Natural insolation should be provided in following areas: habitable rooms, kitchens, building entrance halls, staircases, common corridors in central-corridor residential buildings and public rooms. Besides, total area of all window frames should not exceed ratio 1:1.5 to total floor area; for mansard-floor, this ratio can be 1:8.

3.10. Length of common-use corridor should not exceed 24 meters in case of insolation from only one side/roost and 48 meters in case of insolation from two or more sides/roosts. In case when corridor is longer than 48 meters, “light pocket” should be arranged; its width should be ½ of its depth; it is allowed to use staircase for this purpose.

3.11. Design of an alcove-kitchen is allowed in a 1-room apartment, but electric stove and exhaust hood shall be provided.

3.12. It is allowed to ventilate 1- and 2-room apartments from the staircases or vertical ventilation shafts; otherwise, apartment should be ensured with two-sided or “corner” ventilation.

3.13. Staircase should have access to natural light and ventilation though glazed windows on every floor (half pace).

3.14. Arrangement of the following equipment - heating aggregate; waste-disposers; electro-glimmers; electricity, gas and water meters; post-boxes – is allowed if they does not decrease the normative width of staircases and platforms.

3.15. One-side facade orientation along south-west, north-west, west and north is not allowed.

3.16. Apartments for persons with disabilities shall be designed on a ground floor and meet all relevant technical reglaments.

¹⁰ Mansard (Garret) - Living space found directly below pitched roof, which fills the space between the ceilings of the top storey of a building and the slanted roof. Garret is considered as a complete storey if a distance from 3/4 of its floor area to the ceiling is 2.4 (with decimal precision) meters and above.

3.17. For pass-through transport entrance in the building, following minimal dimensions should be met: width – 3.5 meters, height – 4.25 meters.

3.18. One flight of stairs should consist of at least 3 steps and not more than 18. Staircases and platforms should have handrails and guards. Furthermore, Staircases and elevators' halls should have doors with lockers that separate those areas from other rooms and corridors.

3.19. Width of common corridor with a length less than 40 meters shall be 1.4 meters, while for longer corridors this value should be 1.6 meters; width of a gallery should be not less than 1.2 meters

3.20. Elevators should be designed in those buildings, which have upper full storey with floor elevation number of 13.5 meters. This parameter can be lessened to 12 meters in specific climatic conditions (1000 meters above sea level, hot and humid climatic subzone). Buildings with 9 and less storeys should have 1 elevator, while buildings with 10 and more storeys should be equipped with 2 elevators and one of them should be a freight-elevator.

3.21. Following measures are prohibited:

- Placing elevator's engine room above or by the habitable rooms.
- Designing elevator's shaft by the habitable rooms.

3.22. Apartments should have following areas: habitable rooms and supporting rooms - kitchen, alcove-kitchen, entryway, bathroom or shower room, toilet or combined WC, larder ("cold pantry"). Combined WC can be designed in 1-room apartments; for other cases, this parameter should be defined in design program.

3.23. Recommended zoning and arrangement of kitchen working space should be as follows: ladder or refrigerator – additional table/plate – sink – working table/plate – stove – service/preparation table/plate – dining table.

3.24. It is efficient to design movable partition walls between following areas: living room and entryway; living room and kitchen; living and other rooms.

3.25. Supporting rooms should be supplied with following equipment: kitchen (or alcove-kitchen) – sink and cooking stove; bathroom – bath and washbasin; toilet – flush-toilet; combined WC – bath or shower, washbasin and flush-toilet.

3.26. Parameters and configuration of both habitable and supporting rooms should satisfy ergonomic standards and suit necessary furniture and equipment.

3.27. Apartments, which are allocated for elderly or disabled persons, should have loggias and/or balconies; besides, these areas should be at least 1.4 meters wide in apartments for disabled.

3.28. Recommended types of flats and their floor areas should be considered as follows (in square meters):

- 1- room apartment - 28 – 38;
- 2 - room apartment - 44 – 53;
- 3 - room apartment - 56 – 65;
- 4 - room apartment - 70 – 77;
- 5 - room apartment - 84 – 96;
- 6 - room apartment - 103 -109.

3.29. Normative floor area of apartment for disabled person can be increased by 15%.

3.30. Normative floor area of apartment can be extended by 15% by providing loggias, balconies and verandas total areas of which should not exceed 10 sq. m.

3.31. Floor areas of rooms should be calculated in accordance to active legislation.

3.32. Habitable rooms and bedrooms in 2-, 3- and 4- room apartments should not be walk-through.

3.33. Living room in 1-room apartment should be at least 14 sq. m.; in 2- and more rooms apartments – at least 16 sq. m.; other rooms and kitchen – at least 8 sq. m. (2-places bedroom at least 10 sq. m.); Alcove-kitchen in a 1- and 2-rooms apartment should be at least 6 sq. m.

3.34. Combined WC can be designed in 1-room apartment. Toilet door should be opening outwards in all kind of flats. 4- and more rooms apartment can be provided with two combined WC.

3.35. Toilet entrance should not be designed from habitable room or kitchen. Toilet can be directly linked to habitable room only in apartment for disabled person.

3.36. It is prohibited to design WC above habitable rooms or kitchen of lower storey; this can be done only for the same apartment located on different levels.

3.37. The minimal width of supporting rooms should be as follows: Kitchen – 1.7 m; entryway – 1.4 m; apartment's inner corridor – 0.85 m (minimal depth 1.2). Mentioned parameters for apartments for persons with disabilities should be in compliance with technical reglament which is currently in force in Georgia.

3.38. It is possible to design entrances to the courtyard/garden on the ground floor of the building.

3.39. The design program should set compounds of public rooms and their floor areas; but floor area per capita with regard to total number of building's inhabitants should be conform with requirements below:

- 50 or less inhabitants - 2.2–2.5 sq. m per capita;
- 51-100 inhabitants - 1.9-2.0 sq. m per capita;
- 101-200 inhabitants - 1.3-1.4 sq. m per capita;
- 2001 and more inhabitants - 1.1 sq. m per capita.

3.40. Emergency exit from common rooms located on the underground floor should lead directly outside.

3.41. Building's fire safety should be ensured with regard to relevant norms and fire resistance of a structure.

3.42. Building should be ensured with drinking and service water supply, fire resistance water supply, sewage and organized water disposal systems.

3.43. Ventilation of building should comply with relevant legislation.

3.44. Electricity supply, telephone and internet system, TV wire, lightning-rod (lightning-conductor) of the building should satisfy relevant norms.

3.45. Non-organized drains can be applied in 1- and 2-storey houses; in this case, entrance(s) and balcony(s) should be ensured with light canopy and cornice board should be extended by 0.6 meters at least.

3.46. Design roof without attic is not allowed.