

LJUBLJANA HOUSING & JOBS

Housing is **a basic need** for every human person. As a decisive factor in social cohesion, housing is **a condition for access to employment** and the realisation of fundamental human and social rights.

Housing represents one of the main areas of expenditure of European households. Affordable and decent housing constitutes **an essential part of quality of life**.

The Council of Europe Development Bank



City of
Ljubljana

INVEST SLOVENIA



HOUSING & JOBS

EXCEPTIONAL DEVELOPMENT ADVANTAGES OF LJUBLJANA

Ljubljana has many development advantages as a capital city. With 280,000 inhabitants it is by far **the largest city in Slovenia**. It also represents university, cultural, political and administrative centre of Slovenia. Most likely it is the only place in Slovenia opening possibilities for further population growth, despite ageing population and depopulation trends.

For example, Maribor has the population of approximately 110,000 and loses around 1,000 inhabitants every year.

Ljubljana is the only place in Slovenia with a medium- and long-term potential to achieve a critical mass, which can help overcome development or modernisation blockages in the Slovene society and economy. At least on paper, Ljubljana has the critical mass of knowledge, talent, creativity, high technology and innovation. Last but not least, it is the only place in Slovenia that can establish and maintain the basic preconditions for sustainable economic development.

THE ENTRY THRESHOLD IS TOO HIGH

From the point of view of development, the biggest problem of Ljubljana lies in a **too high entry threshold to the city**. The entry threshold denotes a set of factors that allow people to move to a city, find employment there and take advantage of their creative potential. From the point of view of entering the labour market, an extremely important role is played by high-quality and accessible kindergartens and schools that ease the burden on parents, especially mothers. Another important factor aimed at lowering the city entry threshold and/or easing the burden on individuals and families is care for older family members.

The most important city entry factor is affordable housing. Affordable homes allow creative individuals to move to and create in a city. Conditions for establishing new companies and marketing innovative ideas are also considered to be city entry factors.

Source: Finance, Urban Vehovar, 2010

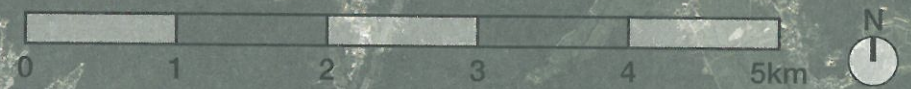
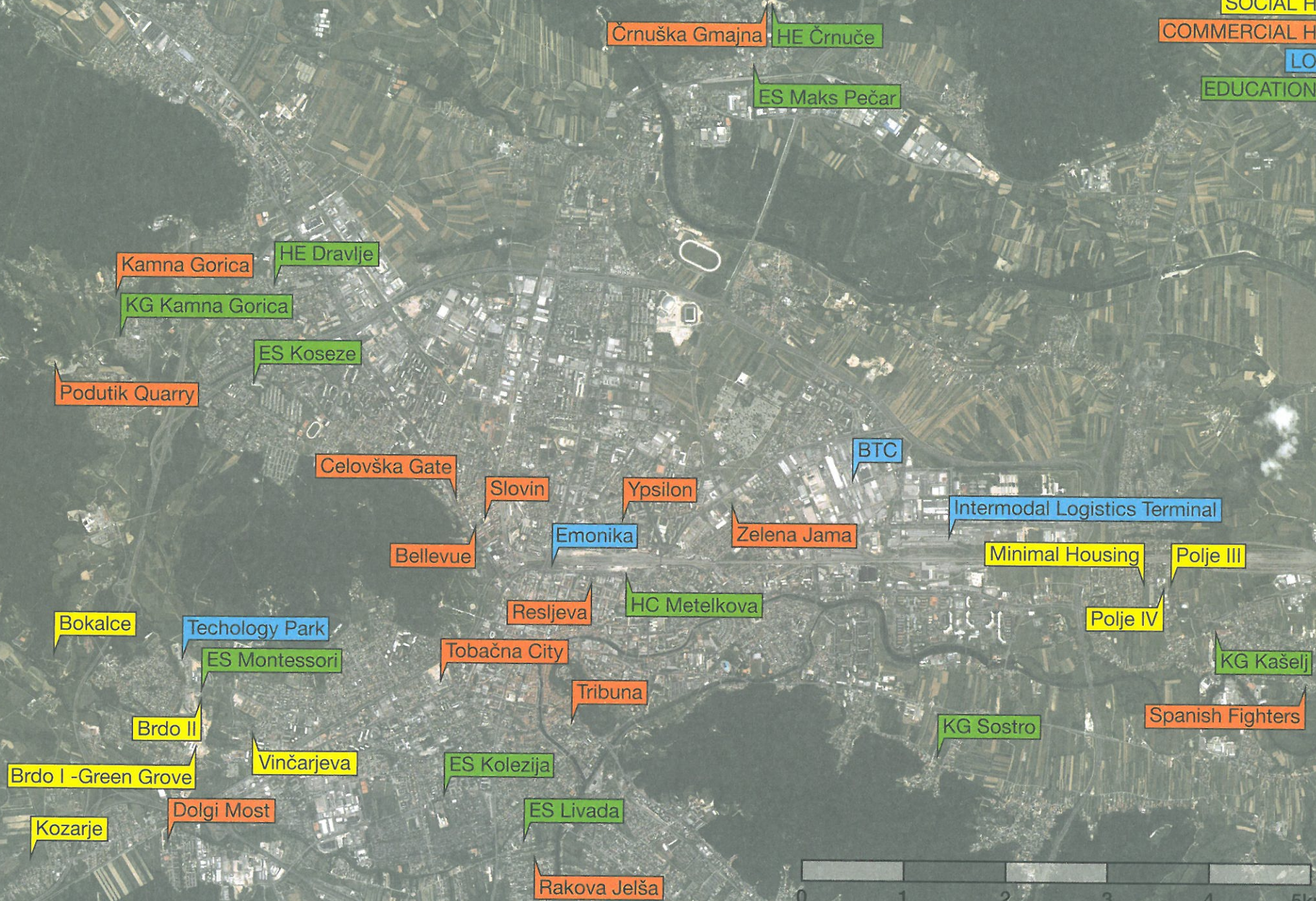
LABOUR MARKET AND SOCIAL POLICIES IN SLOVENIA

Housing issues most likely also play a significant role in fertility outcomes in Slovenia. There is a **lack of adequate housing**, prices are high, and there are long waiting lists for non-profit housing (Stropnik and Šircelj, 2008 and section below). Like in southern European and Asian OECD countries, young people in Slovenia face great difficulties moving out of the parental home, and housing costs are often mentioned as a reason for not having many children. So all in all, it looks as if **the low fertility rates are as much a labour market and housing problem as a real family policy problem**. Providing adequate and affordable housing to vulnerable groups remains a challenge. Slovenia has an intermediate place within EU states in terms of affordability of housing. In terms of the size of dwellings, Slovenia is at the top of European average; with 114m² average living space it is just behind Luxembourg (126m²) (TARKI, 2008). The number of new dwellings has been increasing steadily over the past three years, but the share of social apartments in total new apartments remains at only 5% (IMAD, 2008). Furthermore, the **stock of tenant apartments remains modest** – less than 10% of households live in a rented dwelling. This situation is a result of the vast privatisation of the housing stock in the early 1990s when social housing was often sold off to the tenants and employers ceased to provide housing. Since then, excessive investment in real estate has been encouraged by advantageous fiscal provisions (Stropnik and Šircelj, 2008). Hence, access to housing by young families is hindered by lack of supply and high prices. In Slovenia around 48% of men and 39% of women aged 18 to 34 live with their parents (the second highest percentage among EU countries). New subsidies (for leasing dwellings and for first purchase) have been introduced in 2007 in order to ease this problem for young families.“

Source: OECD reviews of ISBN 9789264-06894-0:3 OECD 2009, chapter 3. Social policy and family assistance

HOUSING, SOCIAL SERVICES & JOBS 2014-2016

- SOCIAL HOUSING
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SOCIAL HOUSING IN SLOVENIA

SLOVENIAN HOUSING STOCK

The housing stock in Slovenia was comprised of 844,656 housing units in 2011. The majority of these were to be found in one- or two- apartment buildings (61%), while 36% of housing units were situated in multi-apartment buildings. **The average area of apartments was around 80 m².** At present, there are around 175,000 apartments, which are officially empty. Since the number also includes secondary homes (such as holiday cottages and seasonal dwellings) and units, which are not appropriate for living, the actual number of empty apartments is somewhat smaller. (SURS, 2012)

In February 2013 the Housing Fund of Slovenia (HFRS) announced a tender for 382 market rental apartments. There were 275 applicants, out of whom only 148 enclosed complete documentation. (HFRS, 21.3.2013) The reason for such a small number of applicants probably lays in the rent price, which is considerably higher than the rent for the non-profit apartments. The rent for dwellings, offered by the HFRS, amounts to EUR 180 on average, which is the same price as offered by the Housing Fund of Ljubljana. It is odd that the HFRS is still more inclined towards supplying market housing, even though it follows from his own medium-term document that there is around **8,300 non-profit units needed.** In Ljubljana alone, the number of needed non-profit apartments is around 3,300. (Business policy for the period 2012-2016, 2012, pp. 28-29)

Considering the number of vacant dwellings, idea of the Government buying these and renting them under non-profit conditions seems appealing. It would certainly mean killing two birds with one stone. On one hand, it would prevent these dwellings from ruining, and on the other, it could offer an affordable solution for many households in need. However, since this measure demands the consumption of public (taxpayers') money, the entire process must be conducted transparently. In addition, it must be conducted in such a manner that maximizes the welfare of citizens by purchasing the apartments in the regions where the need for affordable housing is widespread and it must not serve as a solution to bad investment decisions of banks. (Cirman in Marn, 2010, p. 60)

NATIONAL HOUSING FUND

The Housing Fund of the Republic of Slovenia is a public fund, established under the Housing Act to finance the National Housing Programme and promote construction, renovation and maintenance of apartments and houses. Its role is regulated by the Housing Act. In the interest of the State, **the Fund** operates in the entire territory of Slovenia and, in accordance with its business policy, **finances and promotes the construction, renovation and maintenance of apartments and residential buildings by:**

- carrying out real estate activities in the public interest;
- investing in the construction of dwellings and construction land;
- stimulating various types of owned and rental housing (freehold and leasehold property);
- granting long-term loans at a decent interest rate to legal entities in order to get non-profit rental housing;
- granting long-term loans at a decent interest rate to individuals in order to purchase apartments of the Housing Fund.

Apart from the tasks listed in the Instrument of Incorporation, the Fund also carries out the tasks included in the National Housing Saving Scheme and Housing Grant for Young First-Time Homebuyer Families Act. According to this Act the Fund is required to perform all procedures accompanying the annual public call for awarding housing grants.

Source: Špelca Mežnar, Tamara Petrovič International School for Social and Business Studies, The paradox of slovenian housing stock – lacking a proper management?



BRDO I - GREEN GROVE NEIGHBOURHOOD

Gross Floor Area: 64,568m²

Number of apartments: 650

Number of parking lots: 1,198

Investor: The Housing Fund of the Republic of Slovenia

Architects: Dekleva Gregorič Architects, Bevk Perovič arhitekti

Planned investment: EUR 135,000,000

Deadline: 2015

Contact: tajnistvo@ssrs.si



On the site of a former brickyard in Vrhovci, the Brdo residential neighbourhood is being built under the name Zeleni Gaj - Green Grove. The new neighbourhood is set in a peaceful site, surrounded by green areas on the nearby hill, in the vicinity of a kindergarten, primary school, supermarket and public transport. The dwellings will be grouped in several integrated residential areas, each consisting of four to eight residential building of different types with the underground parking garage for the residents. They will have direct access to the Ljubljana bypass ring road - Brdo exit.



F4 AREA



F6 AREA



F5 AREA



F5 AREA



F3 AREA - PROTOTYPE HOUSE



F3 AREA - PROTOTYPE HOUSE

BRDO II

Gross Floor Area: 55,152m²
Number of apartments: 461
Number of parking lots: 965
Investor: The Housing Fund of the Republic of Slovenia
Architects: Gužič Trplan Architects
Planned investment: EUR 100,000,000
Deadline: 2015
Contact: tajnistvo@ssrs.si



HOUSING



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MONTESSORI

SOCIAL HOUSING IN LJUBLJANA

PROVISION OF NON-PROFIT RENTED HOUSING IN THE MUNICIPALITY OF LJUBLJANA

The Public Housing Fund of the Municipality of Ljubljana (the Fund) is responsible for provision of municipal non-profit rented housing, implementation of the local housing strategy and provision of specific housing programmes in Ljubljana.

About 280,000 inhabitants live in the Municipality of Ljubljana in 109,953 dwellings. Before privatisation of community owned housing (1991-1994) and restitution (1991 onwards), municipal rented dwellings on the municipal territory consisted around 12,000 units -12% of the total housing stock in the city. After privatisation the number of municipal housing stock was marginalised to current 4,175 municipal non-profit rented dwellings - 4% of all dwellings in Ljubljana. This number represents 20.73 % of the whole non-profit rented housing units with 20,138 apartments in Slovenia.

Current demand for municipal non-profit dwellings has been calculated to **approximately 4,000 units**. The fact that less than 10% of potential tenants succeed on the 2 year tenders for non profit social housing is showing, that a lot has to be done on the field in question. Unfortunately the Fund is able to provide only about **130 municipal dwellings per year** mainly due to inadequate financial resources, high demand for social housing and availability of building land for provision of social housing.

High land prices and housing rents in private rented sector are one of the reasons for a **very high number of applicants** for municipal non-profit rented dwellings. Therefore, the gap between supply of and demand for affordable housing is very high in Ljubljana. For many households the only available option at the moment is the construction of single-family house in suburban and rural areas outside the Municipality of Ljubljana.

In order to provide more non-profit rented dwellings, the Fund is forced to implement housing projects on less attractive inner-city locations, such as at the former premises of low-quality housing north and east from the inner-city, at the brownfield sites, former industrial and military land close to the city centre, in buildings of former workers hostels and in medieval core, where the Municipality of Ljubljana owns buildings property.

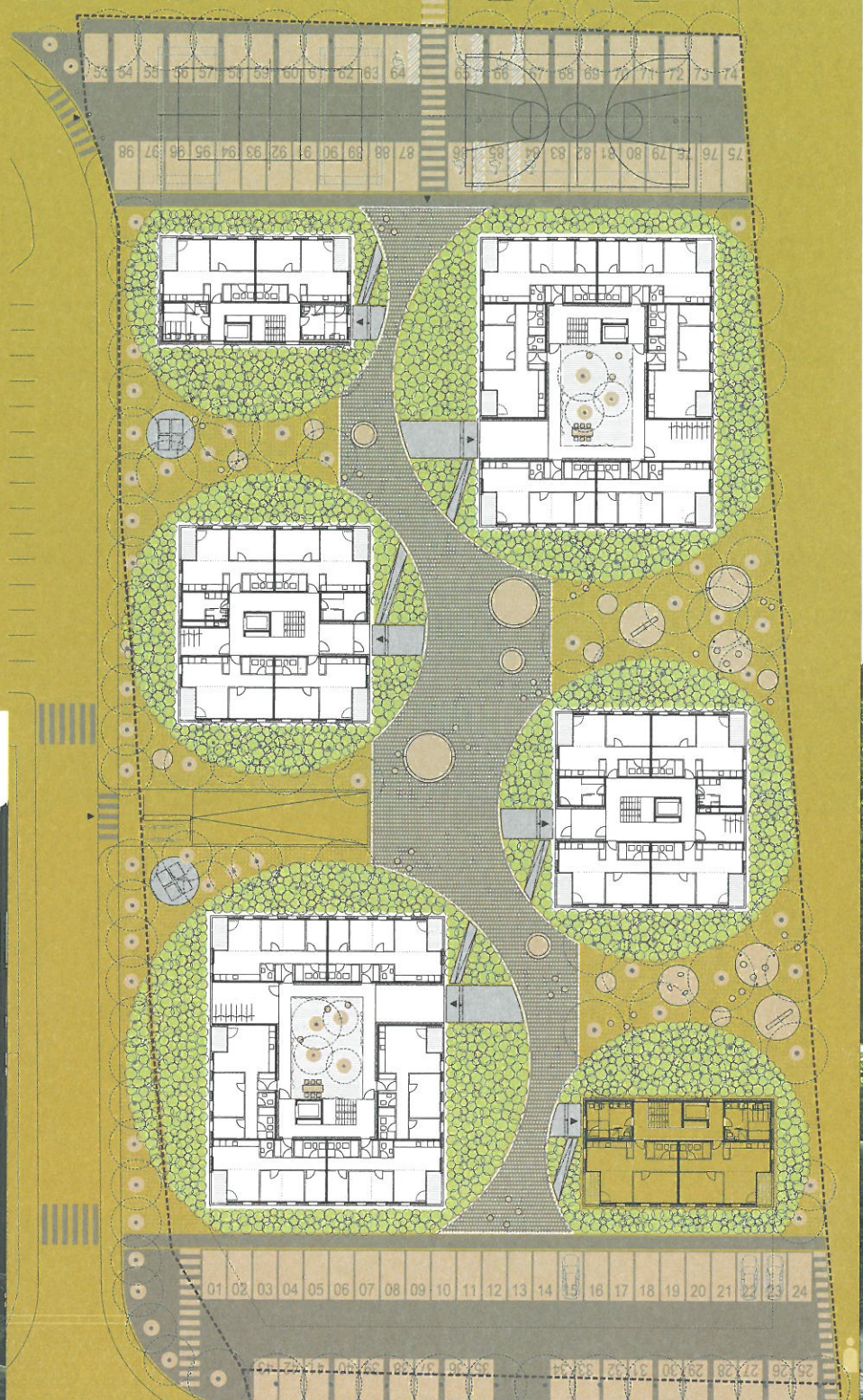
The **most important principles** the Fund implemented through preparation of each housing project are the following:

- definition of appropriate settlement typology, which is in line with existing spatial and social environment of the neighbourhood;
- definition of housing typology with respect to the size of households, and social characteristics of prospective tenants;
- available investments needed for housing projects;
- rationale choice of construction technology and building types needed for efficient housing management and minimal maintenance costs;
- considerations for energy efficiency, quality of building materials and equipment, to satisfy the costs and appropriate use of housing, and
- environmentally friendly housing design (architecture) with respect to local identity and specific characteristics of the neighbourhood.

POLJE III

Gross Floor Area: buildings: 9,650 m²; basement: 5,135 m²
Number of apartments: 148
Number of parking lots: 212
Investor: The Public Housing Fund of the Municipality of Ljubljana
Architects: Bevk Perovič Architects
Planned investment: EUR 10,500,000
Deadline: 2015
Contact: jss.mol@ljubljana.si

Polje III is a completely new housing project, located close to from already realised similar projects by the Fund (Polje I, Polje II), in the east part of the city. In this new site the Fund will develop six apartment blocks with 148 dwellings (9,650 square meters of apartments and 5,136 square meters of garage). The apartments will be used for social housing. The potential tenants are the ones with lower socioeconomic status, therefore the Fund seeks to develop units that will be robust, easy to maintain and will have running costs as low as possible. At the same time these apartments must provide a good living standard. This project is under construction; deadline for completion is April 2015.



INTERMODAL LOGISTICS TERMINAL LJUBLJANA

SLOVENIA AND LJUBLJANA GATE RE-DEVELOPMENT

Slovenia borders Italy on the west, the Adriatic Sea on the southwest, Croatia on the south and east, Hungary on the northeast, and Austria on the north. Its **favourable geographical location** means that Slovenia has been on the crossroads of land routes between both the East and the West and the North and South for centuries. Ljubljana, the capital of Slovenia, lies **on the crossroad of two major trans-European corridors** TEN-T corridors, namely corridor V. TEN-T (east-west direction) and corridor X. TEN-T (north-south). The city is situated on a natural passage leading **from Central Europe to the Mediterranean** and toward the East called the Ljubljana Gate. With its single port of Luka Koper, it offers the **shortest connection** to the Mediterranean, the Middle East and countries in the Far East.

The **general objectives for future** development of the Ljubljana Urban Region are to:

- Provide a basis for intermodal transport,
- Reduce negative impacts on the environment,
- Overcome the impact of disability,
- Strengthen the common market in the spirit of economic cohesion.
- Create new jobs and development of knowledge with high added value, promotion of growth and starting up new innovative businesses,
- Improve employability, activity and qualifications of individuals, as well as development-oriented transport and energy infrastructure,
- Improve social cohesion by extending the use of information communication technology and social infrastructure.

TRANS-EUROPEAN TRANSPORT NETWORK

