

Degraded condominiums in urban regeneration

Synthesis of the visit and first learning points

This short paper is supposed to be a first step of the capitalisation of the meeting. It allows keeping track of what has been discussed in Budapest, for those who assisted and those who did not. This paper does not replace the report, which is to be issued until our next meeting in June.

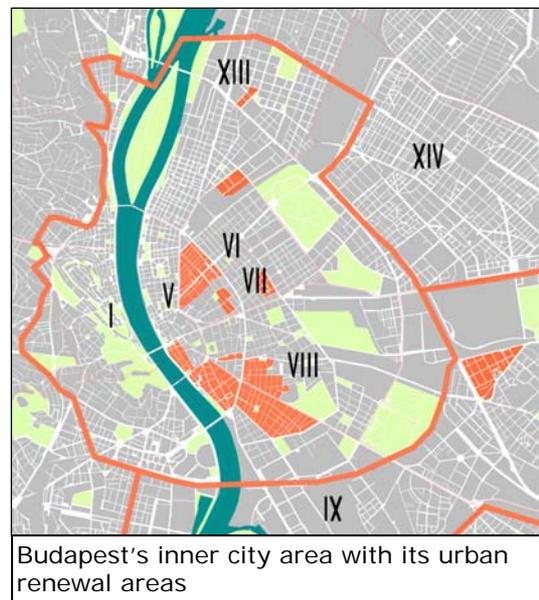
The first part summarises the visits of several projects and organisations in Budapest. In the second part we have drafted the emerging main learning points from the workshop. Please send your feedback to: awagner@grandlyon.org

Introduction to the workshop topic

Definition of the framework

The development of different types of condominiums is the result of several evolutions: an increasing urban density and an increasing percentage of private property within the existing housing stock. The functioning of these condominiums is often difficult and cause problems especially in the framework of necessary urban regeneration projects. Even if the quality and the physical conditions of these condominiums vary a lot in the different European cities, the management of such co properties in the framework of urban regeneration seems a common challenge for the REGENERA cities. The privatisation of important shares of the housing stock and the resulting urban and social problems of today in Budapest were of central importance to the discussions of our meeting.

Condominiums in lack of maintenance, not having any support from housing companies and which are home for the most vulnerable populations who have no access regular social housing constitute the most complex situations.



Five elements were central for the discussion of the issue of condominiums during our work session in Budapest.

1. First, there is a need to explore the characteristics of the concerned housing stock in the different REGENERA cities. As there seems to be an important diversity within the different cities regarding the quality and the type of the housing stock as well as its jurisdictional status.
2. The second question discussed in Budapest concerned the management, the maintenance and the transfer of property in condominiums. It is important to question the way rights and obligations of each stakeholder are established, how decisions are taken and how these are implemented.
3. The third question concerns the conflicts in the functioning of co-properties, condominiums.
4. Public and private intervention: legal and financial framework
5. How to react on degradation and how to work on renovation?

Visits

The overall topic for the workshop has been degraded condominiums within urban regeneration project. This means that the network not only discussed the technical aspects of dealing with degraded condominiums, but especially the visits aimed to show the projects under all their aspects: notably urban, social and economic.

All the projects visited are situated in Budapest's 8th district, Józsefváros. This inner-city district is characterised by its diversity: high percentage of Roma population, university, derelict housing, a potentially valuable old housing stock, high quality refurbished housing and new developments.

On the idea of REV8, the district has been partitioned into 11 quarters, where people can better identify themselves and can influence development.

Rev 8 - a local development company

Rev 8 is a local development company, whose shareholders are the 8th district and municipality of Budapest. A multidisciplinary team working on urban, social, economic aspects. New in Budapest. The company works on the basis of contracts with the district. All actions above 20 million HUF (77 000 Euro) have to get permission from the assembly of the district and also the assembly of the municipality of Budapest.

Corvin promenade project (1999-2013)



The Corvin Project aims to introduce a high quality pedestrian zone with a mix of housing units and shops and restaurants on the ground floor. Important demolition measures are needed to introduce this new urban structure. The restructuring and demolition is financed by the District, for the new constructions private developers are responsible.

Total cost of project is 143 billion HUF (550 million Euros), of which 17 billion HUF (65 million Euros) is what the district has to cover.

The share of privately owned flats was 30 % in the area of the

promenade. Those housing units had to be bought back by the District in order to prepare the necessary demolitions.

Political decision: in this very deteriorated area a 'big bang' type intervention (large scale demolition) is needed, which will change the prejudices against Józsefváros. In other areas, such as Magdolna quarter, interventions with the aim to keep the original population, with more social aspects were decided.

In order to find suitable solution for the inhabitants who had to leave because of the demolitions, Rev 8, the local development agency has been working for more than a year with the residents, to find satisfactory solution for everyone. 60% of the concerned persons wanted rental housing, which they got within the district. The rest wanted sell their apartment and did not accept to be provided with another apartment elsewhere. Some families wanted much more money than the market value of their flat.

New developments in district 8: Futó street

Futó street was also very deteriorated up till some years ago, with many empty plots were no one wanted to invest. The change came with the



Budapest property boom around 2001-2002. All the new houses are condominiums, developers build for sale. The target population is the middle class families who do not want to leave the city to suburbs.

Small community based organisations

Lujza 14: Tenants' organisation within a Roma dominated district owned tenement house. A very active Roma representative is fighting for the house which, according to the plans of the district local government, will not be renovated in the foreseeable future. After the meeting with the director of the local development company during the visit, the coverage of the building by the social renewal programme is discussed. The tenants' representative complained not having received any information on this programme before, which is probably not completely true, as she participated in the Mátyás tér public meeting where this program has been announced.

Magdolna quarter

As one of the 11 quarters of the 8th district, with 12 000 inhabitants Magdolna has always been one of the poorest parts of the city, due to the railway station to which poor people arrived from the Great Plain. There was also a Jewish character and Roma musician families lived here as well since WWI. Today the Roma population is multi-layered, with middle class musicians. The Municipality started the pilot project for social renewal and Magdolna became the largest pilot area of the three selected. There was a long term agreement between the two local governments signed.

The Magdolna programme has more 'pillars':

- Special programme for the tenants, handling them as quasi-condominiums.
- Programme for creating communities.
- Public space program
- Safety program, educational program,

REV8 the public owned development company is building up a close cooperation with local communities.

The value of plots is now ten times higher; the value of flats three to four times since first steps has been taken.

The Csiga Café

The Csiga Café is a remarkable, lively place in the most badly reputed area of the 8th district.

Oran the Irish owner of Csiga described the Magdolna quarter and Rákóczi tér as a ghetto, being isolated within the city, to where people from outside never go. The task is to change the prejudices against such areas, to invite people to come here (75% of the guest of Csiga come from other parts of the city!) to show them that this part of the city is as normal as other parts. He stated that it is not enough to renovate or change the buildings, to fight against the prejudices is at least as important!

All negative things have positive sides: it was only in this deteriorated part of Józsefváros that it was enough for him to have 15 000 USD to start such a business.



A primary school in the Magdolna neighbourhood

Péter Horváth, Principle of Erdélyi utca school

Since the introduction of free choice of school in 1985 this school has lost an important

share of its pupils and only gipsy children remained (at 100%). The local government could have shut down this school and allocate the gipsy kids to other schools. The local government chose another way, asking the teachers to work out a special method. Full day school: teaching in the morning, special activities in the afternoon (excursions to different parts of the city). The aim is to prepare these kids for the secondary school. Also, two extra lessons were introduced to teach Roma history and culture.

Therefore, the school needs specialised, highly qualified teachers, (9 of the 31 have university instead of only high-school degrees and 8 of the 31 teachers are from gipsy origin). The local government puts more money to here than to other, less problematic schools.

On the idea of REV8 the school will be opened for the residents, the cellar is being renovated in order to introduce leisure facilities. From September on the school will include a secondary school. There is a hope that this will increase the status of this school. This makes also easier for kids to enter secondary education.

There is a joint interest between the school, local government, REV8 to improve the neighbourhood together with the residents.

The programme started in 2002, it is too early to evaluate its impact. 10% can be the functional illiteracy among the residents.



Gyorgy Molnár, councillor District 8 local government explained from a district perspective the goals of the project and its links with the district development.

The current school programme including the introduction of computer based art education is supposed to help to achieve within 8-10 years that kids coming to this school represent the composition of the population. Magdolna will never become a rich area. However the colourfulness of Jozsefvaros should be brought back, the deep poverty should disappear. Currently financing is only available for three years. He hopes that EU funding will be available, including the possibility to refurbish residential housing.

Discussion

The discussions of the first day of the meeting were focused on general presentation of Budapest, its urban development and its urban renewal policy. Notably the massive privatisation of the housing stock, leading to a multitude of condominiums all over the city was an important point related to the workshop's topic. On this background, during the second day, different above mentioned projects were visited and allowed a discussion based on concrete examples in the last part of our workshop.

In the core of the different discussions were the following aspects:

- The advantages and disadvantages of privatisation
- Facilitating urban renewal in Budapest through new structures:
 - multi-disciplinary teams trying to link urban and social aspects of the projects
 - two-tier action area approach: within the framework of a municipality defined programme districts can bid with their neighbourhoods to get the action area title
 - find an efficient equilibrium between public control of urban development, increase the flexibility of public action through the creation of development companies and attracting private investors.
- How to organise integrated interventions and how to assure their sustainability (the case-study of the 8th Budapest district showed a high dependency on the political support. A political change on district level could question the current policy)
- How to organise the link between actors/management of local projects like Rév 8 and the local authority's administration. How do the actors of local projects work with local administrations in different fields: physical regeneration, social action, education etc.?
- The importance of education within a regeneration project. This concerns the involved professionals as well as the need for good education in schools to maintain and attract population.
- The overall importance of image change for the success of regeneration.