



DUBROVNIK HOUSING CONSTRUCTION PROGRAMME





Subsidized housing construction programme – “POS”

- benchmark construction prices / high value of construction land, construction price, settling utility infrastructure costs in the area of the City of Dubrovnik
- Law on Socially Encouraged Housing Construction until 2016, Art. 28, paragraph 1 / rent is not prohibited / sale after repayment is possible

Subsidized housing loans for young people– “APN”

- housing loan up to a maximum of €1,500 per m² / maximum loan of €100,000
- the amount of the subsidy depends on the development index of the location where the property is bought or built and ranges from 30 to 51 percent.

Short-term rental

- Tourism / short-term rental reduces the housing stock / residential zones





Measures **The City of Dubrovnik**

- ▷ Subsidizing housing costs for young people up to 35 years of age
- ▷ Compensation for housing costs/ welfare category
 - ▷ Number of users: 250 - 300
 - ▷ Per year: 411,530.00 euros
- ▷ Compensation for housing costs (for users with guaranteed minimum compensation)
 - ▷ Number of users: 180
 - ▷ Per year: 159,400.00 euros
- ▷ Decision on renting apartments owned by the City of Dubrovnik / welfare category
 - ▷ Number of users: 163 apartments with original property holders
 - ▷ 93 return procedures



Having in mind the market prices of apartments in Dubrovnik and recognizing the fact that family and social policy is strongly influenced by the changes taking place in society (demographic recession), the City of Dubrovnik has approached solving this issue using its own model in order to ensure housing security for young people and their families and to enable them to remain in Dubrovnik.

THE CITY OF DUBROVNIK

the first local self-government unit having designed its own housing model



DUBROVNIK HOUSING CONSTRUCTION PROGRAMME

PURPOSE



to meet the housing needs of young people and young families through affordable housing and to improve the quality of life in the City of Dubrovnik.





PROJECT:
MOKOŠICA

39 apartments allocated to families from Dubrovnik

108 apartments

- 65 for veterans and victims of the Homeland War from the area of the City of Dubrovnik
- 43 apartments - City of Dubrovnik

The City of Dubrovnik

- donated land free of charge
- covered the expenses of municipal infrastructure
- released HRK 1.5 million from paying public utility charges
- financial assistance to the Ministry in the amount of HRK 10.8 million

43 apartments

- HRK 38 million based on the Sales Agreement/for the purpose of housing taking care of young people and young families



 In 2022, 43 residential units available for rent and owned by the City of Dubrovnik in Nova Mokošica were put out to tender on two occasions.

Transparency – live broadcast of application opening / data release / insight enabled



39 apartments allocated to Dubrovnik families



- freely negotiated rent of 2.65 euros m²
- one-room apartments 120 - 135 euros
- one-and-a-half-room and two-room apartments 160 - 185 euros
- two-and-a-half-room apartment 220 euros
- three-room apartment 266 euros

four one-room apartments for - doctors of the Dubrovnik Health Centre
- Institute for Emergency Medicine
- Dubrovnik General Hospital
- and for the needs of Maslina Children's Home



PROJECT:
REVIVING
THE OLD
CITY

Decision on renting out apartments in the area of the historic city centre (Old City) to families with several children

- Renovation of housing stock within the Old City owned by the City with the aim of renovating housing units and allocating them for use by families with several children.



6 new families in the Old City in 2024

- Using the right of first refusal, the City of Dubrovnik increased its housing stock in the historic centre by two apartments, with respective surface areas of 130.38 and 52.93 m².
- Continuation of a series of investments in social infrastructure - the new building of Marin Getaldić Elementary School inside the Old City

Keeping the city alive



in accordance with the first Croatian Management Plan



30 X 30 ○



30 families
30 thousand euros

- 900 thousand euros provided in the City Budget for 2024

30x30 is a grant of non-refundable financial resources consisting of two measures:

Measure 1 – for the purchase of a dwelling

Measure 2 – for the construction, extension or upgrading a dwelling

The deadline for submitting applications runs from February 17th 2024 until the insured funds are used up or until the end of the calendar year 2024, depending on which of the above circumstances occurs first.





50 new apartments

SOLITUDO

- in June 2023 a construction permit was issued for three buildings in Solitudo - 50 apartments for young families from Dubrovnik



75.906 m²

POBREŽJE

- urbanization for the purpose of providing housing
- an architectural and urban planning study was prepared for the Pobrežje area

Agreement on cooperation in order to ensure the conditions to provide housing for healthcare workers



- reducing emigration, providing housing for young people through affordable and safe housing, ensuring housing for people performing bottleneck occupations, increase in labor mobility

Overview and proposals - existing legal framework

Social Welfare Act

- it is necessary to introduce the concept of social welfare in a broader sense / measures aimed at achieving desirable and necessary demographic and development goals

Income Tax Law

Income Tax Ordinance - LGUs do not have to/are exempted from paying public liabilities for benefits in kind

or

- rent for housing at a price lower than the market price if these benefits are provided by the LGU to persons selected in a public tender that implements social policy programs intended for young people is not considered a benefit in kind

The Ministry of Finance issues an opinion that in the case mentioned (as amended/supplemented by the Ordinance), the condition of renting at the market price is fulfilled in accordance with the Law on Ownership and Other Proprietary Rights (Art. 391).

Law on Ownership and Other Proprietary Rights (Art. 391)

"Real estate owned by local self-government units and regional self-government units can be alienated or otherwise disposed of by the bodies responsible for their disposal only on the basis of a public tender and with compensation determined using the market price, unless otherwise specified by law.

Legal transactions concluded contrary to the provisions of this article are null and void."

If the rental and purchase price is lower than the market difference between the paid rent/purchase price and the market price, it is considered a benefit in kind on which public liabilities are paid. According to the opinion of the Ministry of Finance, in case of exercise of option rights to purchase shares, the amount for which public benefits were paid on the basis of benefits in kind is considered part of the market price/financially unacceptable for LGUs

Article 77 of the Law on Compensation for Property Confiscated During the Yugoslav Communist Rule

Proposal for an exception to Article 77, paragraph 1 - to enable local government units to acquire the right of ownership of property, in their area; the property said being the subject of compensation based on the provisions of this Act, in respect of which the request has been legally rejected. This applies to the case of property that serves or will serve the local self-government unit to carry out activities of local importance that directly meet the needs of citizens or is about property in which the local self-government unit has a justified economic interest.



Affordable housing initiative - The initiative for affordable housing is part of the renewal strategy for Europe, and its goal is to make buildings greener, create jobs and improve the quality of life / required compliance with EU regulations



Thank you for your attention!



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