



THE STRATEGICAL POLICY OF PERUM PERUMNAS (NATIONAL URBAN DEVELOPMENT CORPORATION) TO REALIZE SUITABLE HOUSES WITH THE VERY LOW PRICES

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I. INTRODUCTION

Perum Perumnas (National Urban Development Corporation) is the only housing developer owned by the government of Indonesian Republic as BUMN (Badan Usaha Milik Negara/State-owned Corporation), which was established on June 18th, 1974 based on The Government Regulation / PP No. 29/ 1974 Juncto PP No. 12/ 1988 Juncto PP No. 15/ 2004.

As the company that executes the society housing completed with the facilities development and policy, Perum Perumnas has **Vision** of:

“ Independent to providing the qualified and affordable housing ”

To realize the vision as the BUMN, the Perum Perumnas **Mission** includes:

1. To improve the development of residential and settlement in urban areas.
2. To provide decent and affordable housing and human settlement for middle to low income people.
3. To provide consultation and legal service in the field of housing and human settlement.
4. Site and services the authorized land, planning based upon the objective, to utilize based upon the venture need, to provide/ to advertise the land part in the shape of houses and developed lands.
5. To execute other venture supporting to the achieving of the objective and purpose of the company.

In order to create a society service increase, Perum Perumnas is divided into 7 (seven) areas, which are controlled through Regional offices located in the Province Capitals. One of the offices is Perum Perumnas Regional V, which is located in Semarang with the working units of: Central Java, Special Administrative Territory of Yogyakarta, South Kalimantan and East Kalimantan.

Perum Perumnas Regional V has an asset of undeveloped land in Jeruk Sawit location of Gondangrejo district, Karanganyar Region, Central of Java Province with the width of 188,065 m²; the land was owned since of 1996.

In order to hold the anniversary of Hari Kesetiakawanan Sosial Nasional (HKSN)/ National Social Solidarity Day, it is necessary that social solidarity spirit be increased to support the poor society in the central government, district/ municipality government, BUMN, cooperative and other institutions that are called to complete this national social problem, such as the housing development for Low Income society.



The program of housing development for low-income society, which has been in the planning, has the same synergy as other institutions that have the same purposes to inhabit the industrial workers with very low purchasing power, which are concentrated on the radius of ± 7 km from the location of Jeruk Sawit, Karanganyar Region that the market prospect recently has not been managed.

II. PURPOSE

- VI.1. To support the program of central government in order to realize Gerakan Nasional Pengembangan Sejuta Rumah (GNPSR)/ the National Movement of One Million Houses Development, this has been established by the government of RI.
- VI.2. To support the accomplishment of houses, which is very needed by the industrial workers especially the Type of Healthy Simply House (Rumah Sederhana Sehat) is RsH. 21, RsH. 23 & RsH. 27, with the price of Rp. 17 millions until the maximal of Rp. 30 millions synchronized with the ability of the purchasing power.
- VI.3. To increase welfare especially for the low-income industrial workers, which never gain to purchase the affordable houses, so that it could anticipate the possibility of the social gap.

III. PROBLEM

The real basic problems in order to realize the housing development for the low-income society especially industrial workers in Karanganyar Region Central of Java Province are:

1. Jeruk Sawit field owned by Perum Perumnas with the width of 188,065 m², which had been owned since the year of 1996, is a land that has much high level of management difficulty either technical or the land contour, which has both a high sharp hill so that it needs higher production cost, and a difficult way in to the location, which pass village road that is needed to be widen and reconstructed. As the results, the higher the production cost, the higher the house pricing, which is in the end based on the market view, it is impossible that the customer could afford to purchase the house.
2. The recent financial condition generally has become better than before, however for Low-Income Society, a part of basic needs is still unaffordable, moreover the house price, even though it has been supported by governmental subsidized interest of Home Ownership Loan, nevertheless the credit is still unreachable.

One of the housing development objectives in Indonesia is Low-Income Society, including the industrial workers with the salary of Rp. 350,000, - until Rp. 1,500,000, - monthly (minimal UMR) that have low purchasing power ability, which cause Low Income Society so difficult to realize the dream of having their own houses.

IV. DISCUSSION

IV. 1. Location General Description

The Griya Lawu Asri Housing location is in Jeruk sawit Village Gondangrejo Sub-district Karanganyar Region Central of Java with the width of 188,065 m², which its ideal condition needs way in/ out access and the land completed that affect the cost needed with the location general description as follows:

- 1.1 The distance from surakarta City is \pm 6 km.
 - a. The distance to the main street (Jl. Tentara Pelajar, Surakarta City) \pm 4 km through village road ROW 8 m, which needs reconstruction.
 - b. The land condition has sloping angle of 0 — 10%, which are farmland and hard plants.
- 1.2 Easy-reachable electricity network.
- 1.3 There is a naturally dumping line system in the middle of the location.
- 1.4 The land water surface of \pm 15 m depth.
- 1.5 It is located on free-polluted location without any industrial manufacturer around.
- 1.6 The market consideration:

It could complete the house need for part of societies in Karanganyar Region and Surakarta City citizens.

To fulfill the low-income industrial workers purchasing power, it needs to construct affordable houses, which are in the range of Rp. 17 millions until Rp. 30 millions with a full support of housing subsidized facility through the subsidized Home Ownership Loan.

IV. 2. The Development Plan

1. The Technical Standard of the House Development
The development of industrial workers housing is being planned with the technical standard for the housing, which is proper, healthy, safe, harmonious and well-organized, such as:
 - a. The completion of proper water and drainage tunnel.
 - b. The completion of air circulation, sunlight, and electricity.
 - c. The completion of house layout.
 - d. The completion of environment prevention.
2. The Applicant Requirements
 - a. Industrial workers/ Civil Servant, which has not had their own houses.
 - b. The minimal working period of 5 years.
 - c. If either husband/ wife is working, only one may apply for the house.
 - d. The applicant has never achieved Subsidized Home Ownership Loan, Down Payment Support), Civil Servant Housing Fund System (Bapertarum) for Civil Servant, Housing Down Payment Loan (PUMP) of Worker Social Insurance (PT. Jamsostek) for Industrial Workers.



3. The Planning Principle
 - a. The width of productive land of $\pm 60\%$, public and social facility of $\pm 40\%$.
 - b. The plan of lots : 1075 units, consist of RsH.21/60 = 200 units, RsH.27/84 = 162 units, RsH.36/84 = 101 units and Kiosk 21/84 = 12 units.
 - c. The land price estimation basis is NJOP year 2006 of PBB/Land and Building Tax office, with the lowest amount of Rp. 7,150, - and the highest of Rp. 14,000, -.
 - d. As the selling decision basis that is not more than Rp. 30 millions, it has been calculated that the infrastructure Departemen of Public Works support on the funding; Regional Government Budget of Karanganyar Region, Regional Government Budge of Central Java Province, and National Budget of Central Government.

IV.3. The Development Execution

Perum Perumnas Regional V and the government of Karanganyar Region equalize upon the shape of the establishing of the program of 10,000 Units of RsH (Rumah Sederhana Sehat/ Healthy Simply House) within the price of Rp. 17 millions until the maximal price of Rp. 30 millions, especially; the Serba Usaha Karanganyar Bersatu Cooperative and PT. Usaha Mandiri Bersama, which is arranged within MoU (Memorandum of Understanding). Whereas the RsH price could gain a maximum result of Rp. 49 millions based upon the Minister of Public Housing Act Number: 03/PERMEN/M/2007 upon the Housing and Settlement Accomplishment with the Housing Subsidy Facility Support through subsidized Home Ownership Loan.

The execution of Griya Lawu Asri Industrial workers Housing Development Phase I had built 200 units of RsH, which simultaneously was completed based upon the devotee's development that had passed the banking selection. The execution of Phase I had been legitimated by the President of RI Dr. H. Susilo Bambang Yudhoyono on December 20th, 2006 along with the anniversary of HKSAN (Hari Kesetiakawanan Sosial Nasional/ National Social Solidarity Day).

IV. 4. Objective

The objective of the program of Griya Lawu Asri Industrial workers Housing Development in Karanganyar Region is workers with Regional Minimum Salary (UMR) within the maximal of Rp. 1,7 millions/month, which work on the Palur Industrial Park, Jaten sub-district and that have not had their own houses, which rent room of boarding house, or improper rental house.

Phase I is to develop $\pm 1,075$ units in the location of Jeruksawit Village. Phase II is to plan the land liberation and to develop in the location of Sukosari, Kaling, Bulurejo, Kebun Jeruk and Plesungan village with the house production capacity of $\pm 2,000$ units and to search new locations so that it is targeted that within 3 up-coming years, there would be realization of development and advertising of approximately 10,000 units.

IV. 5. The Completed Effort

- 5.1. To complete meeting & coordination with Central and Province HKSAN team.
- 5.2. To complete meeting & coordination with Karanganyar District Head and staff.
- 5.3. To complete meeting & coordination with the Credit Funder Bank for the applicant selection and until the credit agreement preparation.
- 5.4. To complete the land measuring and certification process promptly with National Land Board of Karanganyar Region.
- 5.5. To complete the joined team forming with the private sector.

V. THE POLICY CONSIDERATION

- VI.1. The house advertising price with the maximal of Rp. 49 millions is on the priority of the proportion of 81.4% with the maximal advertising price of Rp. 30 millions within the consideration of the accomplishing of the housing subsidy facility support through subsidized Home Ownership Loan, which is a down payment subsidy of Rp. 5 millions and Rp. 7 millions for RsH 23 and RsH 27, whereas Rp. 9 millions for RsH 29.
- VI.2. The Industrial Workers along with Jamsostek members can use Home Ownership Loan Healthy Simply of Jamsostek (KPRSHJ) through BTN Bank with the facility of Housing Down Payment Loan (PUMP) of PT. Jamsostek for the maximal of Rp. 10 millions and the interest gap subsidy addition of 2% whereas PNS could use PUM (Pinjaman Uang Muka/ Down Payment Loan) Bapertarum with the maximum of Rp. 10 millions.
- VI.3. Based upon the regulation, the housing subsidy facility support through subsidized Home Ownership Loan healthy simply housing project is the building width of 21 until 36 m², the parceling width of 60 until 98 m², the maximum building price of 75% of the type C office house price, and the maximum land price is similar with the house construction price.
- VI.4. The program of industrial workers housing development is the Central Government concern to the low-income society through the related Ministers, they are: the Minister of Public Housing, the State Minister of BUMN/ State-owned Corporation, the Minister of Cooperatives, the Minister of Social Affairs, the Minister of Public Works, the Minister of Finance, the Minister of Internal Affairs, the Head of National Land Board and Nation Elements, such as: Dekopin (Dewan Koperasi Indonesia/ Indonesia Cooperative Board), Perum Perumnas/ National Urban Development Corporation, Private Company and The Region Government of Karanganyar.
In order to realize the industrial workers housing, each party gives support and help appropriate to its funding ability, so that the program could be realized and designated as the national model.
- VI.5. The Housing Community Exploitation Program, with the following efforts:
 - The increase of environment quality upon the vile area, traditional village, fisherman village, and ex-transmigration village.

- The facility and technical support, the house reconstruction on the vile area, traditional, fisherman village and ex-transmigration village.
- The exploitation of poor society in city and village area.

VI. CONCLUSION AND SUGGESTION

VI.1. Conclusion

- a. The concern of the Central Government in order to realize the National Movement of One Million Houses Development by developing Griya Lawu Asri Industrial Workers Housing in Jeruk Sawit Village Karanganyar Region Central of Java Province, which is completed into synergy by Perum Perumnas Regional V and the Government of Karanganyar Regioan upon the nation elements supported by the Government of Central of Java Province and the related Ministers.
- b. In order to realize Griya Lawu Asri Industrial Workers Housing development, each party gives support and help appropriate to its funding ability, so that the program could be a realization.
- c. Griya Lawu Asri Industrial Workers housing could directly be experienced by the industrial workers with low income in order to give welfare to their family with the completion of the need of a affordable, healthy, safe, harmonious and well-organized house.

VI.2. Suggestion

- a. Griya Lawu Asri Indstrial Workers housing development in Jeruk Sawit Village Karanganyar District, Central Java Province has to be an appropriate pioneer, model and applicable to District Government and Municipality in the Republic of Indonesia.
- b. The related intsitutions, central, province, district and municipality government or the society elements have to strive simultaneously in order to realize programs that could complete the low-income society's need, including the need of the houses to anticipate a social gap.