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English Summary

## Bundling of Measures for the Redevelopment of Prefabricated Construction Buildings

Mit Förderung des Bundesministeriums  
für Raumordnung, Bauwesen und Städtebau

Weeber und Partner  
– Planung und Forschung im Bauwesen und Städtebau –

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Brief Report:

## **Bundling of Measures for the Redevelopment of Prefabricated Panel Construction Buildings**

Bundling of Measures for the Redevelopment of Prefabricated Panel Construction Buildings. Between the years 1990 and 1996, roughly one third of the industrially constructed housing stock in the new Federal States was repaired and modernized. However, the available resources are insufficient for the financing of all measures which have been recognized to be sensible and necessary.

The attempt to completely redevelop and modernize a few buildings only served to emphasize the deficiencies in the remaining stock to an even greater extent. In order to give more equal consideration to their housing stock, more and more housing companies are redeveloping their buildings in several stages by attempting to set priorities. Despite this division, it is still intended to achieve an whole series of demanding goals without cutbacks or additional expenditure:

- ▶ The stock of buildings is to be secured against progressive damage
- ▶ Vacancies in their apartments are to be avoided
- ▶ The housing satisfaction of the occupants should be secured
- ▶ The increase in rent should not be too great a burden for the tenants
- ▶ The social well-being in the settlements should be preserved.

### *Bundling of Measures from the Point of View of the Housing Companies*

The practice of redevelopment in the last five years allows for an examination of the various procedures employed by the housing companies. They can reveal how a division and scheduling of required repairs and modernisation work is possible under economic restrictions. Discussions were held with executive employees of housing companies and other experts to determine the criteria on the basis of which the measures are to be selected and bundled:

- ▶ Financing feasibility (in particular the limits of subsidisation and rent increases)
- ▶ Urgency for the securing of the building substance
- ▶ Required reduction in the operating costs
- ▶ The technical organisational and building economy contexts of the building measures
- ▶ The current and concrete imminent living demands of the tenants
- ▶ The willingness and ability of the tenants to pay
- ▶ The sustainability of the measures with regards to
  - residential satisfaction
  - future, more extensive stages of modernisation
  - resonable maintenance cycles.

The ultimately valid priorities can often only be determined when redevelopment is imminent:

- ▶ The subsidies, which are mostly decisive for the ability to finance the intended measures, are only clear in the short term
- ▶ The alignment of the concept with the tenants can only be effective within an estimated timeframe
- ▶ The measures must often be designed to suit current structural damage and deficiencies.

These circumstances have contributed to the fact that long-term strategies often only exist in a vague form. Nonetheless, an overall planning - at least in a rough form - is made necessary by the consideration of factors such as urgency, unity and suitable 'interfaces' between the measures and the bundles of measures. More detailed plans are drafted for more imminent measures.

### *Inhabitant-Orientated Bundles of Measures*

Due to the fact that certain groups of occupants are increasingly avoiding, i.e. moving out of the prefabricated panel construction settlements, the housing companies will be forced to give more consideration than ever to the needs of the occupants in the development of their housing stocks. Although it is true that the wish to move is considerably less pronounced in redeveloped houses in comparison to such which have not yet been redeveloped, the nature and the purpose of the redevelopment will increasingly influence this behaviour in the future.

The redevelopment of the settlements of industrial housing construction always remains a social question, as it is necessary to continue to offer housing for all low-income sections of society; this means that restrictions in the ability to find financing are commonplace. Inhabitant-orientated repair and modernisation in this sense is:

- ▶ a more pronounced orientation towards the residential wishes of the tenants in the selection and design of the bundles of measures and
- ▶ a more pronounced orientation towards the financial possibilities of the tenants in the selection of the bundles of measures
- ▶ a more pronounced community formation through intensive tenant participation and tenant support

The requirements of the tenants are an essential element in a large part of the primary goals which were already mentioned - avoid vacancy, secure satisfaction with the accommodation, preserve social well-being, avoid high rents. They are practically decisive for achieving these goals with low expenditure and well spread measures.

A survey was necessary in order to investigate the needs of the occupants against this background. Up until now, a survey of this nature had been lacking in terms of the constellation of topics and the structure of questioning. The occupants of redeveloped and undeveloped housing provided information on the following topics:

- ▶ Classification of the (still required and already implemented) measures on the basis of priorities
- ▶ Evaluation of the success
- ▶ Evaluation of the rent increases in a relative sense to the success
- ▶ Assessment of the decision-making processes, which measures were implemented
- ▶ Disturbance by the building work
- ▶ Tendencies or intentions to keep the accommodation or to move away.

In an overall sense, the tenants have the same views as the housing companies regarding the necessity of redevelopment, however, in detail questions, they differ in their evaluation:

- ▶ The contexts are less obvious to the tenants in the case of technically motivated measures
- ▶ The tenants use tighter yardsticks of urgency with regards to measures which lead to an increase in rent
- ▶ The tenants sometimes place high expectations in the success of a measure, which are then not completely fulfilled.

Using this co-operation, the housing companies can avoid to a greater extent limping behind the requirements and needs or to make investments on the basis of false assumptions which the tenants do not expect. However, they must combine with this tenant-related strategy the required considerations for the long-term qualification of their tender (differentiation with regards to the standards, size and rent prices of the accommodation) and the development of new tenant groups.

In the case of redevelopment measures, it is particularly important to include the affected tenants in the planning and to prepare them for the disturbance. Good support and regular information during the phase of construction - by competent contacts - should be self-evident,

- ▶ If the tenants are to be subjected to considerable disturbance as a result of the building work,
- ▶ If many organizational details have to be managed,
- ▶ If there is a large number of tenants requiring special aid.

The tenant support itself can be managed by the housing company itself, commissioned tenant support groups or by offices specialized in social planning. On the basis of previous experience, the following are sensible:

- ▶ The owners and the builders will be at the tenants disposal for any questions they have about rebuilding
- ▶ Inclusion of the caretaker
- ▶ Tenant committees
- ▶ Regular information sheet

### *Differentiated Redevelopment Concepts*

New facades, house entrances and grounds have already in some instances given the settlements a more individual appearance. However, nothing much has altered the distinctive standardisation inside the houses. It will be necessary in future to give consideration to differences in layout, standard and price. Individual concepts for different buildings using differing but tangible quality improvements are necessary. In this context, it would be possible to create offers for other residential forms, such as joint accommodation for young families or parts of families.

The further differentiation of the housing on offer also requires changes in the layout plans. A frequent desire is for more surface and light in the bathroom and kitchen areas (relocation to the exterior walls). Additionally, families with children want larger childrens' rooms and kitchens (reductions in the number of rooms, possibly changes in the partitioning).

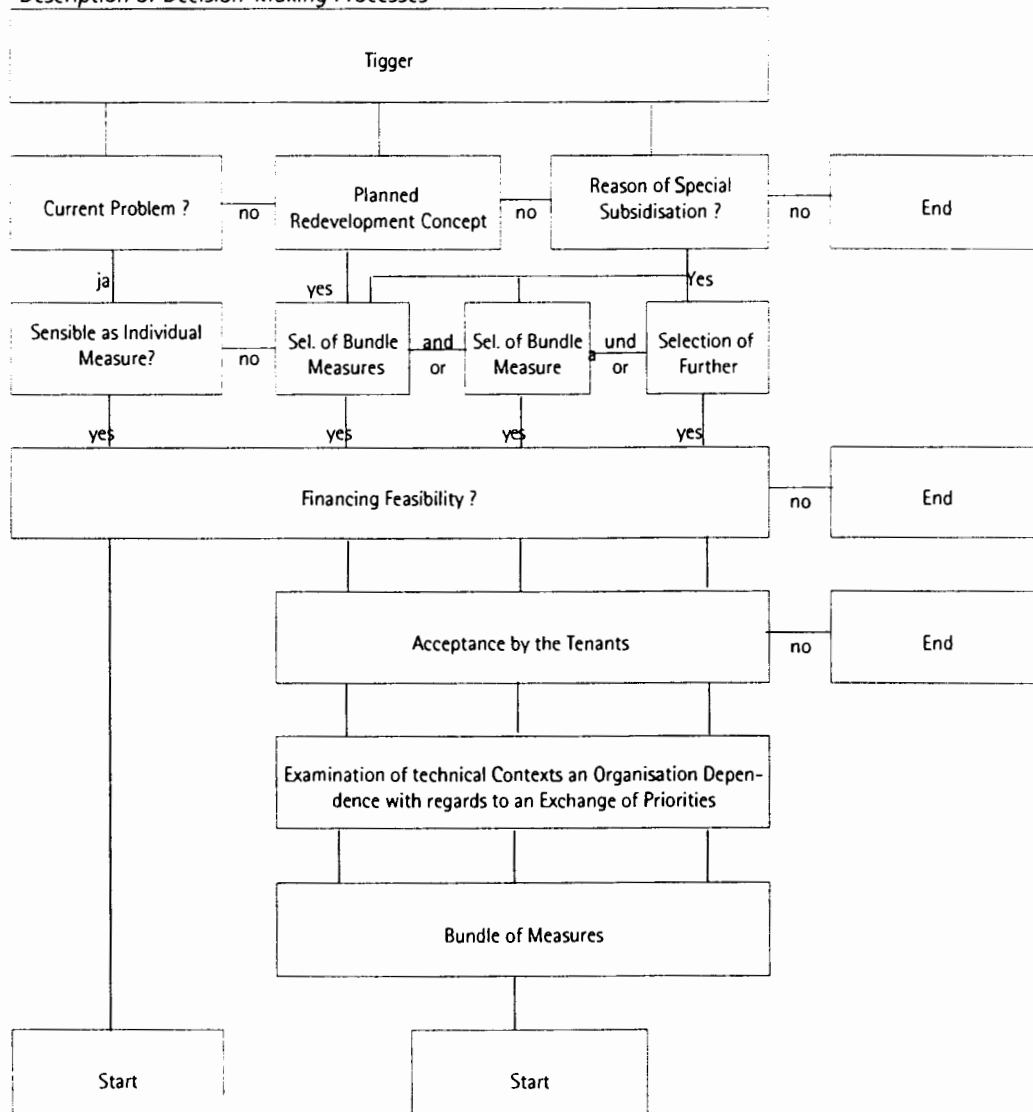
Finally, it is practically impossible to provide accommodation for elderly people and for people with special needs without changing the layout.

### *Dismantling and Demolition*

In structurally weak regions which are located far from the conurbations, it is possible to observe a sometimes dramatic increase in vacancies in the prefabricated panel construction settlements. Even if the greatest efforts are made, not all housing companies will succeed in reversing this tendency.

The demolition or dismantling - i.e. down to three stories - of certain buildings can then be part of a forward-looking strategy, if a well planned concept for the dispersal helps in qualifying the remaining stock and in stabilising the social circumstances within the settlements. It is possible to create space for new buildings, provided that this is beneficial for the differentiation and harmonisation of the offer of accommodation. The new construction of housing need not necessarily be carried out by the housing companies themselves. Even owner-occupied and terraced houses cause a further city development and social differentiation.

### *Description of Decision-Making Processes*



### *Current Updating and Improvement of the Framework Conditions*

In order to implement the goals which are important from the point of view of the housing economy and in the sense of customer-orientation, not only the will of the companies is required. Their financial possibilities are essentially dictated by the subsidies. It is not only the extent of the subsidies which effect the activities of the housing companies but also the contents of the subsidy regulations. The subsidy regulations differ from state to state. Both the regulations and the extent of the subsidies may change from year to year.

It is only possible to implement a planned development of the stock of accommodation which is designed to meet the needs of the housing companies and the occupants if the medium to long-term possibilities for action are made easier to understand and to assess.

It is therefore necessary to design the subsidy programmes in a more long-term fashion (i.e. in the sense of a medium-term financial planning) and to make them more flexible with regards to current tasks and opportunities.

It would then be possible to tie the subsidisation to long-term redevelopment concepts. The subsidies would then be essentially at the disposal of the housing companies for the implementation of their own strategies and could therefore achieve a more targeted alignment to the specific requirements in a certain stock of accommodation and a certain demand structure. The sensible use of subsidies within the framework of a long-term strategy would reduced many friction losses and lead to a greater efficiency of the resources used.

*Average grading of House and Apartment*

*(Grade 1 to 5, 1 for very good, 5 for unsatisfactory / order in brackets)*

<i>Classification</i>	<i>Undeveloped Building</i>	<i>Redeveloped Building</i>
<i>Apartment</i>		
<i>Layout</i>	2.5 (3)	2.3 (7)
<i>Living and sleeping areas</i>	2.1 (1)	1.8 (2)
<i>Bath</i>	2.9 (6)	2.2 (6)
<i>Kitchen</i>	2.6 (4)	1.8 (2)
<i>Heating</i>	2.3 (2)	2.1 (5)
<i>Building</i>		
<i>Entrance area</i>	3.2 (9)	2.4 (8)
<i>Stairwell</i>	3.5 (12)	2.8 (11)
<i>Appearance of the exterior facade</i>	3.0 (7)	1.7 (1)
<i>Storage space/cellar</i>	3.2 (9)	2.8 (11)
<i>Windows</i>	3.6 (13)	1.8 (2)
<i>Grounds</i>		
<i>Green areas/outside areas</i>	3.2 (9)	2.8 (11)
<i>Parking facilities</i>	3.9 (14)	3.4 (14)
<i>Quality of the residential area</i>	3.1 (8)	2.6 (10)

*Evaluation of the rent increases necessitated by modernisation*

<i>Households</i>	<i>much too high</i>	<i>slightly too high</i>	<i>appropriate</i>
<i>poor</i>	26 %	50 %	24 %
<i>with low income</i>	12 %	39 %	49 %
<i>with average income</i>	5 %	19 %	76 %
<i>with higher income</i>	-	-	100 %
<i>all households</i>	17 %	36 %	47 %