



Union of Homeowners' Associations CAC

'Helping Homeowners' Associations into Maintenance and Renovation of their Homes'

The share of privately-owned apartments is very high in Bulgaria with many problems in the field of housing management and renovation:

1. The fast privatization and reorganization in the last decades have often resulted in ownership structures that do not favor the efficient long-term management of the buildings. Individual homeowners and homeowner associations do not have enough expertise to manage their buildings, to plan and implement major renovation projects;
2. The maintenance of these buildings has been and often still is not adequate to keep the buildings in an acceptable state over a longer period of time. The rate of major renovation is too low to upgrade a substantial share of the stock in a reasonable period of time;
3. Homeowner' associations do not have adequate representation on a national level and have hardly any influence on national policy making and regulation;
4. The financial management for both day-to-day management and for major renovation projects is poor. The financial resources are often lacking;
5. The share of energy expenditures in the average household budget is large, particularly for heating, while at the same time the awareness on energy saving measures is low;

The Union of Homeowners Associations in Bulgaria (CAC) is an independent non-profit organization that has been created to unite homeowners and homeowners associations in condominium apartment buildings. It has been established on the basis of the major principles of association – voluntary membership, democratic governance and control.

The main goal of CAC is:

To provide legally sound, institutionally sustainable, financially stable and professionally competent representation at local, national and international level of homeowners associations in Bulgaria in regard to the rights and interests of Bulgarian homeowners as well as to the current national housing policy, the Condominium Law to be enforced, the implementation of the National Housing Renovation Program and the accession of Bulgaria to the European Union since January 2007;

The objectives of CAC are:

- To achieve a change in mentality of homeowners towards community participation and working together;
- Promote and practically support the self-organization of homeowners into homeowners' organizations;
- Support homeowners' organizations in management, housing management and renovation;
- Support the national and local government establishing an adequate policy and legal framework for housing management;

The CAC has been established early 2007 with support from the Matra Program of the Netherlands Government. It has partnerships with the following organizations:

- Woonbron (social housing company from the Netherlands)
- Housing+ Foundation
- CAP SD Energy and Climate Consultants
- HAL – Habitat League for Homeowners' Association Romania
- EKYL – The Union of Co-operative Housing Associations Estonia

The funding needs CAC:

- The Union of Homeowners' Associations (CAC) has been established on the bottom up principle of civil society initiative without any financial support from the state, the region and the local authorities;
- CAC is a nongovernmental organization in public favor aimed to represent, support and protect the rights and interests of its members the homeowners' associations in Bulgaria;
- CAC has been established also to support the overall housing reform in Bulgaria from the civil society perspective of the community based organizations including those of the homeowners in condominium multistory apartment buildings. Therefore, the further strengthening of CAC is vitally interrelated with the future development of the housing sector in Bulgaria. Thus, organizational expansion of CAC is expected to go in moderate rate with serious emphasis on the representative and consultancy mission;
- The ongoing activity of CAC, its mission and type as organization lead to the need of transparent public financing from local, national and international sources, project based funding and financial support from donations. The fund raising from the private sector are to be carefully considered as supplementary and event based;

The financial needs of CAC can be broken down as follows:

- Funding of core activities of CAC. This includes office and other operational costs, and the cost of the basic activities of CAC (help desk, newsletter, some government lobby activities, and minimum dissemination and promotion activities);
- Funding of CAC special programs and projects as part of its 2010 program;

CAC does not receive any public financial support. Also, at the moment, no significant contribution can be expected from membership fees. In its early years, therefore, the implementation of CAC program will depend on support from donors and partnerships.

The activity planning of CAC for 2010 has been approved by the Managing Board on the basis of the following main principles:

- In 2010 CAC will as primary task support the overcoming of legal, regulatory, economic, financial, institutional, social and cultural obstacles for the successful implementation of the newly adopted and enforced Condominium Law;
- At this stage, CAC will focus to support the local authorities and the initiative groups of homeowners to establish relevant organizational bodies according to the provisions of the Condominium Law;
- CAC will support the elaboration of the new housing policy for energy efficient management and renovation of condominiums in Bulgaria;

Activity Plan of the Union of Homeowners' Associations CAC in 2010

Core Activities of CAC in 2010

According to official data from the Ministry of Regional Development and Public Works the implementation of the newly adopted Condominium Law faces serious problems. No more than 2% from the condominiums in Bulgaria have had general assembly in order to constitute representative body – homeowners' association or general assembly of the condominium as it is stated by the Condominium Law. The enforced since May 2009 Condominium Law provided six months period for this procedure but nevertheless the situation is sharply negative with clear evidence of the occurred and officially reported failure in implementing the law. The new government elected in August 2009 shows serious intentions to put the housing policy and the energy efficient renovation of the existing condominium stock among the strategic priorities of the Ministry of Regional Development and Public Works. Special working group of housing experts is to be established at the Ministry in order to redirect and speed up the reform in the housing sector in Bulgaria, which was heavily undermined for the last more than decade. The not working Condominium Law is reported to be among the main obstacles for the mass energy efficient housing renovation and subsequent management and maintenance of renovated condominiums. Crucial for this failure is the lack of political will and capacity at local level of governance in Bulgaria where is focused and concentrated the governmental power and responsibility to implement the Condominium Law. The housing reform is fully stuck and decisive efforts are needed. Therefore, the Union of Homeowners' Associations has to put as main priority of its activity the support to the implementation of the Condominium Law and the lobbying for necessary amendments in order to overcome the occurred legal, regulatory, economic, financial, institutional, social and cultural problems.

1. Participation in the Working Group on Housing Policy and Energy Efficient Housing Renovation at the Ministry of Regional Development and Public Works

Tasks:

- To give professional expertise from the perspective of the homeowners and their future associations in representing and protecting the interests and rights of the homeowners;
- To provide relevant good practices and experiences and to work for their adequate incorporation in the current legal and regulatory provisions as well as in the implementation practice to be defined;
- To support the elaboration of a comprehensive packages of legal documents that will regulate in its overall complexity the implementation of the Condominium Law;
- To participate in the planned reconsideration of the National Housing Renovation Program from 2005 and its adaptation to the new governmental goals related to the energy efficiency in housing;
- To work for the proper liaison of the Condominium Law and its subsequent regulations with the updated national policy for energy efficient housing renovation;

2. Capacity building for homeowners' associations and local authority administration

CAC aims to fill in the gap in mediation between local authorities and homeowners and to support the work of municipalities in organizing of homeowners in registering their associations. Therefore, CAC will concentrate on the following pilot program:

- Selection of a pilot municipality where CAC experts will strengthen the capacity in dealing with homeowners and thus to attune and speed up the process of implementation of the Condominium Law;
- Professional support to organize homeowners into homeowners' associations and to train the elected managing staff in governance, management, maintenance and energy efficient renovation of condominiums;
- Professional assistance to the newly established homeowners' associations in their communication with public authorities and utility providers;

CAC will disseminate the practical results and give feedback policy recommendations to the Working Group on Housing Policy and Energy Efficient Housing Renovation at the Ministry for Regional Development and Public Works;

3. Edition of practical handouts for homeowners' associations

Specialized deliverables in support of homeowners' associations:

- Edition of handout on how to establish a homeowners' association as actions, documents and procedures;
- Edition of handout on the rules of living together and solving the problems;
- Edition of handout on management and maintenance of common parts and elaboration of long-term property management plan for the condominiums;

4. Development of CAC help desk in support of emerging HOAs

Tasks and activities:

- Provision of interrelation between CAC help desk and local authorities departments responsible for the registration of homeowners' associations according to the provisions of the Condominium Law;
- Provision of electronic and on spot access to professional support for emerging homeowners' associations; Permanent updating of CAC web-site;
- Provision of electronic and on spot professional support for energy efficient renovation of existing condominiums;
- Edition of CAC newsletter as platform for information and discussion of topics related to homeowners' associations movement in Bulgaria; Obligatory direct access from the CAC web-site; Permanent updating and increase of recipients' list including active homeowners, initiative groups of homeowners and established homeowners' associations; Edition of CAC newsletter in hard copies for information purpose;

Project Programs of CAC to be continued in 2010

CAC participates with expert input in two international projects that support the primary directions for the work of CAC in 2010:

- EBRD project 'Assistance with the instigation of refurbishment of multi-storey condominium buildings'

The work under the project involves campaigning activities to attract initiative groups of homeowners interested to take subsidized loans for energy efficient renovation of their condominiums under REECL;

- Objective: To consult and assist the homeowners' associations to address the thermal rehabilitation at the level of entire multi-storey apartment buildings;
- Scope of activity: Identification of homeowners' associations interested in thermal rehabilitation of their apartment buildings, survey among apartment owners on barriers preventing from collective refurbishment of entire building, provision of energy efficiency advice, preparation of energy assessment reports and design of technical documentation of measures to be implemented;

- Power House Europe Project

The activity under the project aims to support the establishment of a National Platform Power House Bulgaria that will be an institutional tool for dissemination of good practices and know-how in energy efficient renovation of existing condominiums with the active involvement of residents.

Long-term Programs of CAC to be continued in 2010

- Program for community development and urban regeneration;

The activity of CAC under this program will be focused to provide further professional support during the implementation and execution of an Urban Regeneration Plan in Poduene Center housing estate (quarter 166) of Oborishte District Municipality in Sofia as well as within new project initiatives of partnering organizations.