

SOCIAL HOUSING LAW
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Subject

Article 1

This Law shall regulate the conditions and manner of exercising the right to social housing and other issues relevant to social housing.

Social Housing

Article 2

The social housing, under this Law, shall represent the housing of a specific standard, provided to individuals or households, which are not able to solve the problem of housing due to social, economic or other reasons.

Housing of an adequate standard, pursuant to paragraph 2 of this Article hereof, is the housing compliant with the following postulates: availability, legal security, accessibility of the housing object to persons with reduced mobility and persons with disability, stability and duration of the building, aseismic and architectural designing, construction of the building, health protection, environment protection, protection from natural, technical and technology disasters, fire protection, explosions and industrial incidents, thermal protection, energy efficiency and noise and vibration protection.

Right to Social Housing

Article 3

The right to social housing, under this Law, can be exercised by natural persons who do not own an apartment i.e. other housing unit (hereinafter: housing unit), i.e. persons whose housing unit does not have adequate standard and who can not provide a housing unit from the income they earn.

The right pursuant to paragraph 1 of Article hereof, can be exercised by Montenegrin citizens with residence within the territory of Montenegro, if he/she fulfils the conditions set forth by this Law.

The right referred to in paragraph 1 of Article hereof, can also be exercised by a foreign citizen and person without citizenship, whose status is regulated according to this Law, i.e. international agreement.

Priority

Article 4

The priority in exercising the right to social housing, according to this Law, have in particular: single parents i.e. legal guardians, persons with disability, persons over 67 years old, the young who were children without parental care, families with children with disabilities, members of Roma and Egyptians (RE population), displaced persons, internally displaced persons from Kosovo who reside in Montenegro, foreigner with permanent residence or temporary stay whose status of displaced or internally displaced person was acknowledged and victims of family violence.

Social Housing Programme

Article 5

The Government of Montenegro (hereinafter: the Government) shall adopt the social housing programme, pursuant to the proposal of the competent statutory authority dealing with housing issues (hereinafter: the Ministry).

The social housing programme shall define the development goals of social housing, in line with regional, overall economic and social development, as well as social housing development and other important elements for social housing.

The programme under the paragraph 1 of Article hereof shall contain priority groups, pursuant to Article 5 of this Law, average amount of resources and criteria under which the resources defined by the programme can be used, in accordance to this Law.

The Programme under paragraph of this Article shall be adopted for the period of three years.

Local Programme of Social Housing

Article 6

According to social housing programme the local self-government body shall adopt the local social housing programme (hereinafter: the local programme).

The local programme shall contain the following:

- persons, i.e. groups of people within the local self-government territory whose social housing issue shall be treated, pursuant to this Law,
- the scope and conditions for allocation of resources to business companies, natural persons and housing communities, together with the manner of refunding, pursuant to this Law and
- detailed parameters and criteria for establishing the cost of the rent for usage of housing objects, according to this Law.

The local self-government unit shall present the draft of the local programme to the Ministry for approval.

In the process of granting the approval pursuant to paragraph 3 of Article hereof, the Ministry shall verify its conformity with the social housing programme.

The Ministry shall evaluate the conformity of the draft local programme with the social housing programme within 30 days from the receipt of the draft local programme.

The draft local programme, which is not harmonized with the programme under Article 5 of this Law, shall be returned for further elaboration.

Local programmes of the local self-government units shall be adopted for the period of one year upon getting the approval under the paragraph 3 of Article hereof.

Competence of Local Self-Government Unit

Article 7

In the area of social housing the local self-government unit can do the following:

- 1) Collect data needed for development and adoption of the local programme (screening and analysis of existing housing fund and housing needs etc.)
- 2) Manage projects of construction of housing objects,
- 3) Conduct activities of housing objects renting,
- 4) Develop new financing programmes of social housing and promote partnerships between public, private and non-profit sectors within the social housing area,
- 5) Organize maintenance activities of housing objects for social housing and
- 6) Perform other activities within the social housing area, in line with this Law.

Criteria for Exercising Social Housing Right

Article 8

The exercise of the right to social housing for persons within the groups of people defined under Articles 5 and 6 of this Law, shall be provided by using the following criteria:

- 1) Existing housing situation,
- 2) Income and assets,
- 3) Duration of uninterrupted stay or residence, in the place where the housing issue is being solved,
- 4) Number of household members,
- 5) Disability,
- 6) Health condition and
- 7) Age.

Detailed criteria referred to in paragraph 1 of Article hereof, according to the social housing programme, shall be determined by the Government regulation, i.e. local self-government unit, pursuant to the local programme.

The regulation referred to in the paragraph 2 of Article hereof shall be adopted by the local self-government with previous consent of the statutory authority competent for social housing issues.

Family Household

Article 9

Members of the family household, under this Law, shall be the persons who live with the person referred to in Article 3 of this Law in a common household, such as:

- Spouse or person who lives in common-law relationship with the person referred to in Article 3 of this Law,
- Children born within marriage or out of the marriage, adopted or step-children and
- Other individuals who are to be maintained by the person referred to in Article 3 of this Law or his/her spouse by force of the Law.

Financial Resources for Social Housing

Article 10

The financial resources for social housing, according to this Law, can be provided from:

- 1) Budget of Montenegro,
- 2) Budget of local self-government units,
- 3) Donations,
- 4) Funds from loan repayment, approved in accordance with this Law,
- 5) Loans and
- 6) Other resources, according to the Law.

The method and detailed criteria for using the funds referred to in paragraph 1 of this Article shall be defined by the Government regulation, i.e. local self-government unit.

Method of Social Housing Provision

Article 11

The social housing, according to this Law, shall be provided by:

- 1) Buying or construction of housing objects for social housing, for the purpose of renting,
- 2) Allocation of buildings for construction of housing objects for social housing,
- 3) Allocation of building material for construction of new or reconstruction of existing housing object,
- 4) Provision of subsidies for social housing, according to the Law,
- 5) Provision of long-term loans to business companies, natural or legal persons and housing communities in order to provide housing objects for social housing,
- 6) Provision of financial resources for setting up partnership of public, private and non-profit sector in the area of social housing.

Prior to construction of the buildings for social housing referred to in the paragraph 1 sub-paragraph 1 of Article hereof, an invitation to bid shall be advertised for urban and architectural preliminary design.

Rent

Article 12

The housing objects for social housing constructed or bought with funds of the Budget of Montenegro or other resources provided by the Government, according to Article 11 paragraph 1 sub-paragraph 1 of this Law, shall be assigned to local self-government unit on which territory they are built, for the purpose of renting, pursuant to provision of this Law regulating the procedure and method of housing object renting.

The housing objects for social housing constructed or bought with funds from the budget of the local-self government unit pursuant to Article 11 paragraph 1 sub-paragraph 1 of this Law, shall be rented according to provision of this Law regulating the procedure and method of housing object renting.

Housing Objects Renting Procedure

Article 13

The procedure for renting of housing objects shall be initiated by the competent local government body by advertising a public call for lease of apartments, according to the local programme.

Public call referred to in paragraph 1 of Article hereof shall contain:

- Criteria on which basis housing objects will be given on lease,

- Data on applicant (name and surname, place of stay i.e. address, nationality, number of household members, number of members maintained by the applicant, proof that the applicant is a beneficiary of the family material support, assets, profession and other data important for conducting the procedure referred to paragraph 1 of this Article),
- Number and structure of housing objects which will be given on lease,
- List of documentation which to be submitted along with the application for public call referred to in paragraph 1 of Article hereof,
- Note saying that the application of the applicant whose documentation is incomplete or untimely submitted shall not be considered,
- Public call deadline,
- Place and time for submission of documentation, i.e. application for the public call,
- Basic elements of the lease agreement, according to the Law (parties to the agreement, their rights and obligations, rent, prohibition and limitations or other).

The public call referred to in paragraph 1 of Article hereof shall be advertised at the notice board and web-site of the competent local administration body, competent social welfare centre and one daily printed media at least, distributed throughout Montenegro.

More detailed procedure of housing objects lease shall be regulated by local self-government regulation.

Lease Agreement

Article 14

The housing objects shall be given on lease by signing the lease agreement.

The agreement referred to in paragraph 1 of Article hereof is concluded by the competent local administration body and person referred to in Article 3 of this Law within 30 days from the final decision on housing object lease.

The lease agreement is concluded on definite time and not longer than 20 years, without the possibility for extension.

Notwithstanding paragraph 3 of Article hereof, the lease agreement with persons having the priority in exercising the right to social housing pursuant to Article 4 of this Law can be concluded for the period longer than 10 years.

The agreement referred to in paragraph 1 of Article hereof, apart from elements prescribed by the Law, shall contain data from the decision on giving on lease the housing object, data on persons using the same housing object with the lessee, i.e. living with the lessee in the same household and the manner of participation of the lessee in maintenance of the housing object given on lease.

The competent authority of the local administration shall keep records on concluded lease agreements referred to in paragraph 1 of Article hereof.

Issues related to lease agreement which are not regulated by this Law shall be regulated by provisions of the law dealing with contractual relations.

Housing object Area

Article 15

The person referred to in Article 3 of this Law can be given an apartment of maximum 25 m² for one-member household, i.e. not more than 7 m² for each additional member of the household.

The total area of the assigned apartment cannot be larger than 85 m².

Prohibition of purchase and other limitations

Article 16

The housing objects given on lease, according to this Law, cannot be purchased, inherited, given on sublease nor alienate.

Rent

Article 17

For utilization of housing object referred to in the lease agreement, a rent shall be paid.

The cost of the rent shall be determined based on the amount of household income of the lessee, size of the housing object and expenses for maintenance of the housing object and common parts of the housing object.

The rent cannot be smaller than the amount necessary for covering the costs of regular maintenance of the housing object, according to the law regulating rights and obligations of condominium owners and in relation to housing object maintenance and maintenance of common parts of the housing object.

The lessee – beneficiary of the right to family material support can be exempt from paying the rent, on the basis of decision of the competent local administration body, in line with the law.

Maximum rent cannot be more than ten times greater than the minimum amount of rent referred to in paragraph 3 of Article hereof.

Rent Amount Modification

Article 18

If the amount of the rent is changed due to modification of criteria for rent definition, the lessee shall pay the modified rent without the agreement alteration, on the basis of calculation of the lessor.

Assignment of Lease Agreement

Article 19

In the case of death of the lessee, rights and obligations from the lease agreement pass to a household member who fulfils the conditions for lease agreement conclusion, according to this Law.

Household member referred to in paragraph 1 of Article hereof shall demand the conclusion of lease agreement, within 60 days from the day the change occurred.

The competent local administration body shall conclude the lease agreement with a household member referred to in paragraph 2 of Article hereof, with rights and obligations of the lessee, upon establishing that he/she fulfils conditions for lease agreement conclusion, according to this Law.

Lease Agreement Termination

Article 20

Lease agreement shall terminate if:

- The lessee or a member of his household, acquires the ownership right, i.e. lease right to another housing object,
- The lessee does not pay the rent, according to the lease agreement,
- The lessee has given incorrect data or has hidden important data for establishing the fulfilment of conditions for exercising the right to social housing,
- Ownership status of the lessee changes (income increase or similar) and
- The lessee ceases to fulfil other conditions established by the agreement i.e. this Law.

The lessee shall free the housing object of objects and persons within 30 days from the day of lease agreement termination.

Construction Site Allocation

Article 21

The construction site for housing object construction, in Montenegrin ownership, can be allocated, i.e. given on lease to person referred to in Article 3, paragraph 2 of this Law, by Government decision, i.e. local self-government unit, according to the law.

The construction site referred to in paragraph 1 of Article hereof, can be given on lease to a foreign citizen or person without citizenship referred to in Article 3, paragraph 3 of this Law, by Government decision, i.e. local self-government unit, according to the law.

The procedure for allocation of construction site the local self-government unit shall be subjected to the provisions under Article 13 of this Law.

Building Material Granting

Article 22

The local self-government unit can grant building material to the person referred to in article 3 of this Law, for construction of new or reconstruction of existing housing object.

The conditions for building material granting for construction of the new housing object are: possession of the building lot and building permit.

The procedure for building material initiates by advertising a public call for construction material granting.

The public call procedure shall be subject to provisions referred to in paragraph 3 of Article 13 of this Law.

Conduction of Works and Building Material Quantity

Article 23

The construction works or reconstruction of the housing object shall be conducted by the person who was granted the building material, in his own organisation.

The quantity and type of granted building material shall be determined according to the type and scope of works necessary for construction of new i.e. reconstruction of existing housing object.

The value of building material for construction of new housing object cannot be greater than the value of material necessary for construction of a living space of a size defined in accordance with Article 15 of this Law.

The deadline by which the person referred to in Article 21, paragraph 1 of this Law shall build, i.e. reconstruct the existing housing object, shall be defined by the agreement on building material allocation.

Social Housing Subsidies

Article 24

The subsidies for social housing shall be granted by the Government decision, i.e. local self-government unit.

The subsidies for social housing shall be acquired by:

- 1) Covering the rent cost,
- 2) Subsidising lending rates for commercial mortgage loans granted to the beneficiary for purchase or construction of housing object;

- 3) Covering the costs for quality improvement of housing object;
- 4) Covering the costs of improvement of housing conditions (by granting loans under favourable conditions, providing grants or similar).

Loan Granting

Article 25

Long-term loans to business companies, natural or legal persons and housing communities shall be granted by the Government decision, i.e. local self-government unit.

Long-term loans to business companies, natural or legal persons and housing communities for the purpose of provision of housing objects for social housing can be granted for:

- 1) Construction or purchase of housing objects for collective housing,
- 2) Construction or purchase of individual housing objects,
- 3) Improvement of housing conditions and
- 4) Legalisation of an informal housing object.

More detailed criteria and procedure of loan granting referred to in paragraph 1 of Article hereof, shall be regulated by the Government.

Private Public Partnership

Article 26

Private-public partnership in the area of social housing shall be established in accordance to the agreement concluded pursuant to the Law.

The funds for establishment of public, private and non-profit sector partnership can be provided by the Government, i.e. local self-government unit, pursuant to programmes referred to in Article 5 and 6 hereof.

Housing objects that are constructed or bought, according to the agreement referred to in paragraph 1 of Article hereof, can be assigned or given on lease, pursuant to this Law.

Exercised Right

Article 27

The person who exercised the right to social housing according to one condition referred to in Article 11 of this Law, cannot exercise that right on another basis defined by this Law.

Supervision

Article 28

The supervision over implementation of this Law and regulations enacted on the basis of this Law, shall be conducted by the Ministry.

The supervision over implementation of bylaws which shall be adopted by local self-government units pursuant to this Law, shall be conducted by the competent local administration body, in line with special regulations.

The inspection supervision over implementation of this law, shall be conducted by the administration body competent for activities of inspection supervision.

Deadline for Programme Adoption

Article 29

The social housing programme shall be adopted within six month from the day of entering into force of this Law.

The local self-government unit shall develop the draft local programme of social housing within three months from the day of entering into force of the programme referred to in paragraph 1 of Article hereof.

The local self-government unit shall adopt the local social housing programme within 30 days from the day of obtaining consent referred to in Article 6, paragraph 3 of this Law.

Deadline for Passing Bylaws

Article 30

On the basis of authorisation set forth by this law, bylaws shall be enacted within a year from the day this Law entered into force.

Entering into Force

Article 31

This Law shall enter into force on the eighth day from the day of its publication in the "Official Gazette of Montenegro".