Redevelopment of “Khu Tap The” in Hanoi city

How to make a livable and inclusive living environment

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Abstract
Under central planned economy, Hanoi received great economic and technical assistance from Soviet Union. Urban development in Hanoi, thus very much influenced from Soviet style of development by subsidized public housing called ‘Khu tập thể’ (KTT). KTTs are collective housings built during 1960s and 1980s with the concept of ‘microrayon’ (Bater, 1980). Most of large scale KTTs developed base on detailed plans by technical and financial supports mainly from Soviet Union, North Korea or China: Kim Lien, Giang Vo, Nguyen Cong Tru, Thanh Cong, etc. Each KTT was a self-contained residential community consisted of number of 4-5 story apartment blocks, parallel arranged with monotone architecture. These KTTs were state own and house to civil servants, military or state factory workers. KTTs usually attached with facilities: schools, kindergarten, market and play yards…Housing standard applied in these KTT building was very low: 2-3 m2/person. In primary buildings built in 1960s, kitchen, toilets or bathroom were shared among several households in the same level of the building. KTTs building were prefabs with concrete panels. After many decades, quality of the building is degraded; especially conjunctions of panels are in dangerous condition.

After many decades, there have been a great transformation of KTTs. Land uses have been changed, building coverage ratio has been much increased, open spaces, greenery, play yards have been encroached. KTT buildings have been degraded and need to renovate and redevelop. Since 1990, based on the quality survey of some apartment buildings which was in dangerous conditions Hanoi city and MOC implemented some projects to prevent subsidence for 4-5 story buildings; strengthening the connection node of some panel-prefabs.

Renovation and redevelopment KTTs in Hanoi city have become important issues. Many studies have been done, series of policies on improving the KTTs have been implemented by Hanoi together with MOC. However, many obstacles are still that need to be solved.

Based on the results of survey done in 2015 with team members from MLIT1, this paper aims to (1) examine the transformation of KTTs under the new political economy and (2) understand the obstacles of effort to redevelop KTTs in Hanoi city and (3) propose improvement measures to redevelop KTTs as livable and inclusive living environment.

Policies related to renovation and redevelopment of KTT in Hanoi city:
Before the Renovation 1986, there were no comprehensive housing policy. KTTs were built by subsidize housing program. Housing were regards as a state, social goods rather than private valuable commodity. This program limited to only state cadres, military and state factor workers, however, the program can provide for one third of demand for government employees\(^1\).

Under Renovation, transformation from centrally planned to socialist-oriented market economy, housing and land are changed commodities. In 1990s, series of policies enacted to encourage market-let socialization of housing instead of state –led subsidized housing.

Currently, new released policy documents have made decision No. 48 of Hanoi PC soon become out of date: Hanoi Capital Law mentioned about KTTs redevelopment/renovation in accordance with development control by Hanoi Capital Master Plan, Resolution No. 17/2013 by Hanoi PC followed the Capital Law stipulated measures of renovating, reconstructing old apartment buildings, depilated housing, renovating and rehabilitant ancient houses, old villas and other architectural works which were constructed before 1954.

This important resolution mentioned 2 principles: (1) KTTs redevelopment/renovation has to obey Hanoi Capital Master Plan for the year 2030 and vision to 2050 approved by Prime Minister by Decision No. 1259 dated 26/07/2011; (2) Renovation/ redevelopment of KTT should obey the Construction Law and Housing Law. Regarding measures of implementation, the Resolution stipulated more vibrant measures that more emphasized on not only the developers but also the role/responsibilities and benefit of tenants.

**Investment Implementation:**

- Encourage negotiation between developers and tenants to ensure the role/responsibilities and benefit of tenants by contributing their land use right or housing ownership
- Allow the B-T project implementation for state funding project.
- In case of projects implemented in 4 old inner districts, City will organize to build temporary/resettlement housing outside the city.

**Incentives for tenants in the project:**

- Tenants have flexible choice to buy housing in resettlement housing project or any social housing projects in the city
- In case, resettlement housing stock is not enough and have to resettle outside of 4 inner districts, K-coefficient can be applied as 1.5 times.
- City will support tenants incapable to buy or rent the dwelling not less than 45 m\(^2\).

**Implementation of policies in renovation and redevelopment of KTTs in Hanoi city**

**Category of KTTs in Hanoi city:**

From 1954, Hanoi started to build KTTs for state cadres at small scale and 1-3 story building. From 1960, Kim Lien KTT was the first large scale and comprehensively developed in Hanoi city.
According to Narumi (2003), Ministry of Construction recorded 19 KTTs in Hanoi city, of which 13 KTTs recorded with mapping data, the other 6 KTTs could not find relevant data.

Latest data from Hanoi PC reported there are about 1156 4-5 story apartment building and 10 2-3 story apartment housing in 25 projects of KTTs redevelopment. This number of 25 is not accurately to show number of KTTs with original structure in Hanoi city.

**Figure 1: Location of major KTTs and new planned UMRT in Hanoi City**

Based on above mentioned resources, study team record 20 KTTs as major KTTs in Hanoi

- Category by location: (indicated by map): (1) KTTs locate in 4 old historical districts (within ring road No 2), (2) KTTs locate from ring road No. 2 to No. 2,5, (3) KTTs locate nearby UMRT


- Category by progress of redevelopment/renovation project (based on data from HAUPA) data are not consistence and very difficult to check and trace back. There are 4 groups:(1) Group A: includes KTT buildings being invested for construction according to the statutory detailed planning 1/500: 04 Projects and some small Projects; (2)Group B: includes KTT buildings have been subjected to social survey, with approved planning work, in the process of study, making design for detailed planning 1/500: 22 Projects; (3) Group C: includes the Projects in the process of measurement, social survey: 14 Projects; (4)Group D: includes the Projects with assigned works but have not been implemented yet: 03 Projects.

**Progress of implementation.**

After the approval of Hanoi Capital Master Plan to 2030 and vision to 2050 dated December 9th 2009, there is no progress of renovating KTT building in the city due to some reasons:
- Development control regulated by newly approved Hanoi Capital Master Plan (2009): (1) Policy of reduction of population from 1.2 million to 0.8 million in inner city in accordance to newly approved Master plan, (2) Restriction of high rise building in inner city (lower than 7-9 stories), (3) Completion of Zoning planning of Hanoi city in accordance to Hanoi Capital master plan has not been done, thus, new regulation on KTT redevelopment has been confused by its legality and overlapping to the other policy documents. These three key points have stopped 14 projects among total 25 projects (56%). Most of new projects are proposed around 20 story apartment buildings, higher FAR and of course to increase the population in the project sites,

- Ensure the equity of project: (1) Most difficult question is how to balance the triangle of Government -Developers-People. Government has not enough budget to finance to redevelop those public housing, developer, naturally try to get profit and people want to enlarge their living space as much as possible but at lowest price. (2) New point in Resolution 17 of Hanoi allow people to join redevelopment project by contribute their own housing assert. Thus, people have more confidence to work with developers. Government supports developers to get new urban development project outside the city in order to make benefit to cover the cost of compensation and construction in these redevelopment projects. However, there is not adequate infrastructure in new living areas outside the city that preventing people to move out. (3) Most of people who live in KTTs are low and middle income.

- Fund for temporary settlement housing: Hanoi City has been making effort to prepare stock of temporary/resettlement housing to support developer on resettlements.

- Self-financial development scheme, coefficient of resettlement. There has been a big problem of imbalanced financial recourses of project. At that moment, calculated coefficient for resettlement household was 2.1 to 2.9 times. Developers expected that the value of the increased of FAR (in accordance to Detailed plan) for new redevelopment building could cover the cost of construction but it did not happen in the reality.

**Conclusion**

In conclusion, after many decades, living environment in KTTs has been severe deteriorated due to the illegal extensions from ground floor to upper floors, deterioration of buildings, encroachment of public and open space. Since population density and building height are saved by city master plan, developer cannot gain a enough profit. Institutional system are not well organized. (ex. Residential people cannot join redevelopment project as stack holder). Assessment procedures are not well organized. Solutions to collective housing rearrangement: (1) To introduce land and housing ownership exchange. To clarify the roles and responsibilities of stakeholders in KTT redevelopment projects. (2) To designate spatial zone, and deregulate building height and FAR together with incentive system. It is important that Government subsidize or share the investment cost of public facilities (parking etc..) infrastructures implementation cost to promote redevelopment project.

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1. JICA, 2014 The Study for Basic information on the housing sector in Vietnam, final report
2. Ibid. i