

- CREN - Croatian Real Estate Newsletter

filipović
business advisory ltd.

Volume 52, February 2011

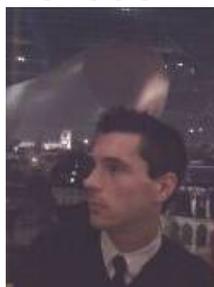
CREN PATRONS



TABLE OF CONTENTS

1. INTERVIEW Vedran Ivanković, D.Sc., BSArch	2
2. THE SEVENTH ANNUAL INTERNATIONAL CONFERENCE ON THE REAL ESTATE MARKET IN CROATIA.....	10
3. A PUBLIC INVITATION from The Podi Šibenik Ltd. company owned by the city of Šibenik	11
4. STATISTICS.....	13
4.1. Statistical Reports of the Central Bureau of Statistics from the	13
Area of Construction.....	13
4.1.1. Building permits issued, December 2010.....	13

TOPIC OF THIS ISSUE - INTERVIEW:



Vedran Ivanković, D.Sc., BSArch

**Apartment Buildings from the Modern Period and How Elite Housing Depends on Urban Planning
Croatian and French Perspectives**

1. INTERVIEW

Vedran Ivanković, D.Sc., BSArch



Apartment Buildings from the Modern Period and How Elite Housing Depends on Urban Planning

Croatian and French Perspectives

Could you please introduce yourself to our readers?

I have a doctorate in architecture and urban planning and I work as senior research scientist at the Department of Urban Planning of the Zagreb Faculty of Architecture. I engage in scientific and professional work. I have published more than 20 scientific papers in Croatia and abroad, and the highlights of my professional work are the following projects: a business and apartment building in Preradovićeveva 17, a villa on Šestinski vrh, several urban planning-architectural projects, which were awarded at tenders, cooperation in the development of spatial plans, and interior design projects in Croatia and France, including the new Croatia Airlines office in Paris.

You spent two years in Paris as the head of the postdoctoral scientific research project “Planning the City

after the Second World War and the Influence of Le Corbusier in Croatian Architecture and Urban Planning” at the Le Corbusier Foundation under the patronage of the Government of the Republic of France. What was the subject of your research?

In broadest terms, I engaged in research into the entire urban planning work of Le Corbusier, studying his relationship to Croatian architects, and researching the possible influence he had on Croatian architecture and urban planning, particularly in the period after the Second World War.

Could you briefly describe the topic and conclusions of your work on this postdoctoral project, with respect to the comparison of the work of the Croatian architect Drago Galić and the most important architect of the modern period, Charles-Éduard Jeanneret, globally

known under his pseudonym Le Corbusier.

When we talk about the work of the Croatian architect Drago Galić, we primarily think of the architecture of his post-war apartment buildings, although his professional style was actually developed in the period between the two world wars, and the testimony to this are the „Jakšić“ villa on the Lapad peninsula, and the „Filipčić“ villa in Zagreb (the latter in cooperation with Drago Ibler, now demolished). So that the comparison of the two architects you mentioned boils down to a comparison of the well-known Marseille L'Unité d'habitation built in 1952 and Galić's two apartment buildings in Zagreb, in Ulica grada Vukovara at numbers 35-35a (1951-1955) and at 43-43a (1955-1959), which were often described as the copies of Le Corbusier's apartment building in Marseille. Those two buildings, the Croatian Unités, are some of the best creations of Croatian apartment building architecture in general. And although Le Corbusier is undoubtedly the architectural pioneer of this specific form of collective housing, which came into being at the turn of the 4th and 5th decades of the 20th century – and I emphasize “architectural”, because the visions of a “voluntary community”, in the form of phalansteries, have been well known ever since Fourier's model of the Versailles, which developed from the foundations of Saint-Simon's theory of the industrial society running the world – from the planning perspective, if compared to Le Corbusier's two-storey apartments in Marseille, the apartments in Galić's apartment buildings in Ulica grada Vukovara in Zagreb are significantly more comfortable and better designed. Galić's project of two-storey apartment buildings progressed far beyond those

of Le Corbusier, especially with respect to the dimensions of the rooms (for instance, the construction width of the living room is twice the size), and the exposure of the living area to sunlight and the natural lighting of the kitchen are even more studious than those of Le Corbusier. In short, these are the main advantages of the Croatian model of collective housing, which doubtlessly corrected many omissions of the European late modern period, and which improved the planning and conceptual design of apartment building architecture of the 1950's, which had certain flaws.

In the 1950's – a turbulent time for modern architecture – Galić, even more than Le Corbusier, supported what we could call „l'ancien régime“ and thus – in his collective vision shaped in a way that satisfied the political requirements and the propaganda of that moment in history – he provided every Croatian family with a classic two storey house.

Galić's path as a planner, which rounds up his own efforts in searching and finding, and his somewhat paradoxical merger of the classic and the avant-garde, implicitly represented a step away from all then known European tendencies.

You lived in Paris for two years, and as part of your research you visited apartment buildings and apartments designed by Le Corbusier and his followers. For whom were these apartments designed and what is their status on the property market today?

Today, these buildings have a cult status, thanks to their author. The buildings from the 1930's were designed for rich industrialists or for the market – again, meaning rich

industrialists or merchants. Apartment buildings in Rue du Docteur Blanche and Rue Molitor in the 16th arrondissement attain high prices, primarily due to their location and image that this elite part of Paris enjoys. The prices reach about EUR 10,000 for a square meter. The apartments in the Marseille Unité are significantly cheaper because of the relationship between prices in Paris and Marseille, and due to their location in Marseille: 256 boulevard Michelet, which is not an elite city arrondissement. Thus, these apartments in an apartment building, whose building costs were significantly higher, are now significantly cheaper than those in Paris. In addition to the location, there is also a difference in the social and ideological context, and this also influences the price to a great extent.

As far as the followers of Le Corbusier in France are concerned, unlike Croatia, their projects have more or less a negative connotation for the public, because the concept of collective (mass) housing is primarily related to the suburbs of Paris, which represents a negative social and cultural context, due to immigration.

What to you is elite housing? Could you – in view of your experience and scientific work – compare elite housing in Paris and in Zagreb, and provide some examples?

Elite housing today is not the same as it once was. But “once”, on the other hand, signifies various periods of history. The fifties were the post-war period, and they were characterized by a specific social and political context. As they represent continuity from the modern movement (persecuted by the Nazis during the Second World War), which developed from the avant-garde

of the beginning of the century, and was politically left-oriented, the fifties were mostly oriented towards building apartment buildings, that is collective housing of large dimensions, which from today’s standpoint are not attractive. Their lack of attractiveness results primarily from the vulgarisation of the Le Corbusier model and of the whole modern movement, by building over-dimensioned buildings without sufficient cultural, social or even commercial or catering facilities. An example of this in Zagreb is the „Mamutica“ building, and there are a series of examples from the Parisian suburbs, which experienced the greatest expansion during the time of the Fourth Republic. The well-known formula from that time is „désert français“ according to the model by Jean-François Gravier.

It would be difficult to compare elite housing in Paris and Zagreb without giving a long introduction. The elite quality of housing depends on a series of factors, which are sometimes relative categories, but when we speak of the model of luxury Paris housing today, we still mean the buildings and apartments for the privileged class from the second half of the 19th century, which were built during the Second Empire, during the great reconstruction by Baron Haussmann and Napoléon III. And Georges Eugène Haussmann was – as he himself confirmed in his extensive memoirs – a right winger, even imperialist. His eclectic model, with numerous design innovations sublimates many principles of apartment design – the model, in which architecture and the individual expression of the architect are fully subordinated to a perfect vision of urban planning. The quality of urban space achieved by Haussmann is the most important factor of elite housing, and it includes:

the width of the streets, rows of tree, tiled pavements and large open areas, parks or park-forests such as Bois de Boulogne, which – along with the River Seine forms the longitudinal area of the 16th arrondissement.

An earlier example of this is Napoléon I and the elite apartments for high ranking bureaucrats along the Jardin des Tuileries in Rue de Rivoli, by two architects: Charles Percier and Pierre-François-Léonard Fontaine, the founder of the Empire Style.



Image 1: Rue de Rivoli: Charles Percier and Pierre-François-Léonard Fontaine. The view from Jardin des Tuileries.

In Zagreb, things are somewhat different, although here, luxury should be primarily measured by the size of the free, unbuilt-up space around the building, and the vicinity of large parks and park forests. The concept of apartments with large glass panes, built at only 5-6 m distance to the next building, looking into somebody else's private rooms, does not satisfy the basic modern prerequisites, to classify this as elite housing. Those prerequisites are the following: exposure of the interior and exterior to sunlight, and the shape of the outside space, towards which these apartments are oriented. The villa at

Šestinski vrh 55, alongside the park forest of the Presidential residence, with four apartments, not built for the market, but for owners known in advance, provides a specific design of every individual housing unit, and contains a whole series of planning innovations, which were applied for the first time in Croatia. Every apartment is thus the specific "product" of its author – one has a turning wall, the other large turning mediapan partitions, weighing 400 kg each, which were mounted by a crane, the third was built without any elements of carpentry, with tempered glass doors without a frame etc.

All the apartments are oriented towards the park forest of the Presidential residence and, due to the quantity of glass and light, they are almost fully transparent, so that during the winter solstice the sunlight passes through the interior all the way up to the northern part of the garden. State of the art materials were used for the heated floors, and the insulation of the

building surpassed even the German DIN standards.

Unfortunately, this level of planning and design is a rare case in Zagreb, and elite housing boils down to an incompetent understanding of this concept by various investors – profit seekers.



Image 2: The villa at Šestinski vrh 55. Architects: Vedran Ivanković, Tatjana Barišić-Antolić. The surroundings of the villa are typical of Haussmann's architecture.

The subject of your doctoral thesis is Ulica grada Vukovara and modern visions of Zagreb in the 20th century. Could you present briefly to our readers the development of this very important street in Zagreb, and the path that led to the urban plan of this area. In other words, could you briefly present the history of urban planning development in the 20th century Zagreb?

At the beginning of the 20th century, following the second regulation plan of Zagreb from 1887, Milan Lenuci presented the first urban vision, which envisaged the expansion of the city to the banks of the River Sava. Up until then, Zagreb had never been a city on the river, and occasional flooding reminded it of the unaccessibility of the neighbouring aluvial plain. The railway

through the city center, which was planned in the mid 19th century, built on the embankment, to serve at the same time as protection against flooding, became surplus in Lenuci's vision of 1907, because the new plan of Sava embankments was to make it possible to conquer the area of Trnje for good. Already back then it had become clear that the railway had to be removed if there was to be full integration of the suburbia of Trnje and the Lower City. The proposal by Lenuci of 1907 of two central railway stations, which would make it possible for the city to spread to the suburbs of Trnje, was rejected. But this project did not envisage any important avenue or city traffic road at the location of what is today Ulica grada Vukovara, and then the suburban Varaždinska cesta. It was only in the post-war vision by the architect Vladimir Antolić, in the regulation plan of 1949, presented by the former Urban Institute of the People's Republic of Croatia, the first and the highest urban planning institution in the state, that the building of a major boulevard or avenue was envisaged. The initial idea was that it would have its visual beginning in the shape of the highrise of the Dom tiska at the pivotal point of the street, in the area of Trešnjevka. Transversally, the major avenue should have been crossed by extensions of the following streets: Runjaninova, Gundulićeva, Miramarska, Draškovićeve, and primarily the axis of Zrinjevac park, as the main city axis. These streets were supposed to cross Ulica grada Vukovara, or as it was then called, the Moscow Boulevard, and administrative skyscrapers were planned at four large

crossings – this can be clearly seen in Antolić's sketches for Ulica grada Vukovara and the planned development of Trnje from the end of 1940's. The main characteristic of Antolić's vision was shaping the central area of Zagreb by sparse and relatively low buildings, in order to preserve the view from the south towards the Old Town and the cathedral, whereas the area along the River Sava was kept as unbuild green belt – a large area of parks and green recreational zones – the free space, which was to define the recognizable identity of the city to this day.

Antolić's vision is at the same time the first vision that definitely connects the old and the new Zagreb, by removing the railway in the centre – or to put it more precisely, it is the first after the 1930-ties, that is, after the international tender for the regulation plan of Zagreb of 1931, and the first after the vision of the development of so-called "Southern Zagreb" on the left bank of the River Sava of 1937, which was presented by Juraj Neidhardt from the Le Corbusier's office in Paris, and which was then published by the renowned Parisian journal „L'Architecture d'aujourd'hui“. Later on, the greatest Croatian architects dealt with visions of Ulica grada Vukovara: Božidar Rašica, Juraj Neidhardt, Nikola Dobrović, Neven Šegvić, Antun Ulrich, then the Slovenian architect Edvard Ravnikar, the Dutch architect Jacob Bakema, and the famous American theoretician Peter Blake took it as an example of the failure of Le Corbusier's urban planning.

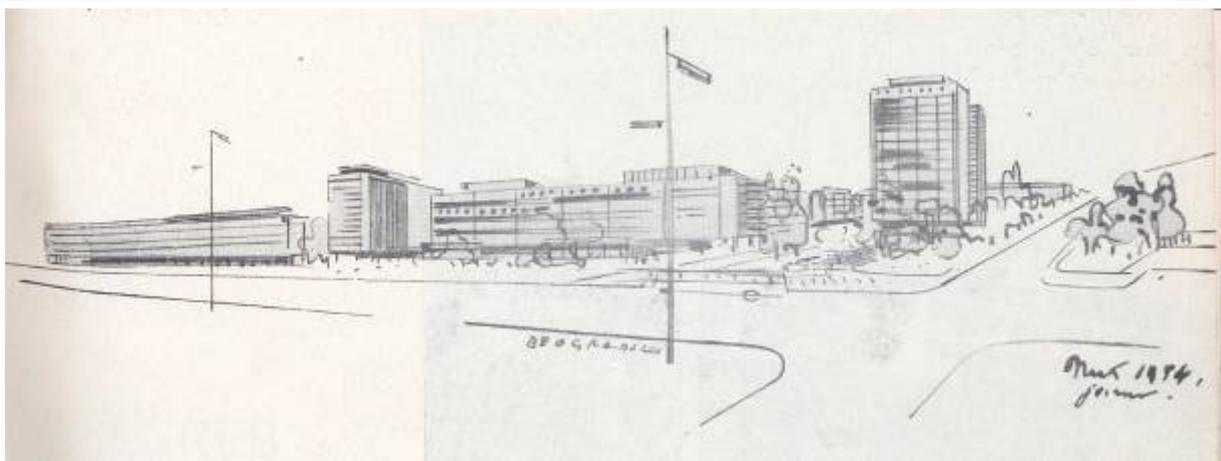


Image 3: Ulica grada Vukovara in the vision by the architect Božidar Rašica from 1954. The crossing of Ulica grada Vukovara and Savske ceste.

Today Ulica grada Vukovara is Zagreb's business centre with business premises and towers from the period of socialism, but also a large number of new business premises. How would you assess the architectural and business quality of those buildings and what is your vision for the future development of that street?

There are relatively few buildings and towers from the time of socialism: the FER building by Julije Golik, the „Zagrepčanka“ by Slavko Jelinek, and the fantastic commercial building from the 1960's by Marijan Haberle (who designed the Lisinski concert hall) in Miramarska (today the Croatia osiguranje building) for which Haberle received the Vladimir Nazor award in 1970 for his life's work. The small Jadranfilm building (today Croatia Lloyd) by Božidar Rašica at Ulica grada Vukovara 62 is a business building in the form of a pavilion, and shows very well the principle of moderate growth and the business ethics of the socialist era. Its ground

plan is very functional even for today's outlook on working space.

The business buildings and towers from the capitalist period have imposed themselves much more aggressively on the space, sometimes exceeding even the dimensions of the socialist realist boulevard, which was the initial idea from the end of the 1940's, as Moscow Boulevard. In more recent visions of the future of the construction of Ulica grada Vukovara, there have been major oversights. A contest was held recently for a business tower for Erste Bank, in front of Galić's building at numbers 43-43a. Its construction would destroy the unique concept, still preserved today, of a major traffic route with low pavilion buildings in the foreground and higher buildings behind – for housing, and the background, the third row from the street, being the only acceptable place for higher business towers.

An example of possible building in the third row from Ulica grada Vukovar is the prize winning business tower in Miramarska, which was the work of yours truly.



Image 4: The business tower in Miramarska from 2009. The view from the intersection of Ulica grada Vukovara and Miramarska. Architects: Vedran Ivanković, Matija Vaniček, Nino Virag.

Ulica grada Vukovara to the east of Držićeva has been devastated by unplanned construction. The new business towers at the intersection with Heinzelova have been designed and built completely out of context and with

no urban dialogue with these major streets. They are the worst thing that could have happened to Zagreb and its traditionally well thought-out architecture and urbanisation.



The Seventh Annual International Conference
on the Real Estate Market in Croatia

The Regent Esplanade Hotel
ZagREb, Croatia April 14 & 15, 2011

Joie de vivRE

Conference starts with the first panel:

Let's REDiscuss -
WHERE ARE WE AND
WHERE ARE WE GOING?

Speakers:



Prof. Ljubo Jurčić, Ph.D.
Faculty of Economics and Business at University of Zagreb



Borislav Škegro, M.A.
Partner, Uvedo d.o.o. Private Equity d.o.o.



Marko Škreb, Ph.D.
Chief Economist, Privredna banka Zagreb d.d.

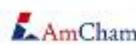


Sandra Švaljek, Ph.D.
Director, The Institute of Economics, Zagreb

Organizer



Patrons



Golden sponsor



Silver sponsors



Sponsor



Special Guests



Official rent-a-car



Media sponsors



Details about the the Conference, the Conference program and applications are available on
www.filipovic-advisory.com

3. A PUBLIC INVITATION

The Podi Šibenik Ltd. company owned by the city of Šibenik announces,

a Public Invitation

for a private partner to present participation interest i.e. a private entrepreneur or associated private entrepreneurs who, in cooperation with the company Podi Šibenik, will realise the project „Šibenik Logistics and Goods Terminal“ (hereinafter: the Terminal).

The project will be implemented in accordance with the contract with the Podi Šibenik Ltd. company, with the application of the public-private partnership model, i.e. a Contract on PPP.

1. Project Description

The Podi Šibenik company plans, with the support of the city of Šibenik, to realise a logistics and goods terminal within the economic zone PODI in Šibenik.

Podi is a central zone in Dalmatia, situated along the A1 highway and 5km away from the city of Šibenik. Please have a look at all the detailed information on the PODI economic zone at www.podi-sibenik.com or at the Management of the company Podi Sibenik Ltd. whose contact data can be found below.

The Terminal itself is envisaged as a combination of several segments:

- The management building – the core place accommodating all activities needed by the entrepreneurs within the enterprise zone (e.g. bank, store, restaurant, post office, lawyer, kindergarten etc.)
- Customs – the customs office, shipping agent and similar activities
- Warehouses – a customs warehouse and a distribution warehouse with a general purpose
- A parking lot for trucks – a parking lot which would ensure better working conditions both for the customs and for the transportation workers (truck scales, video supervision etc. available)

2. Terminal will be situated on the site designated as K.O. Dubrava K.Č. 4132/28, covering 33,174 m².

3. The site has the necessary infrastructure.

4. The entrepreneurs are free from paying:

a) community contribution for production activities completely, and for other business activities 50%

b) community contributions in the first year of business 75%, in the second year of business 50%, and in the third year of business 25%

5. The letters of intent must contain:

a) Name and the headquarters of the interested legal or natural person

b) Contact data

c) Court register excerpt

d) a brief description of the project (planned activities and framework schedule)

6. The interested investor may have a look at the documentation for the said project at the Podi Šibenik company and, if announced in advance, view the future location of the Terminal. A documentation preview and visit of the site can be arranged at the phone number 022 218-041 on work days from 9 to 2 or at the e-mail address info@podi-sibenik.hr.

7. Letters of intent should be addressed to the company Podi Šibenik, Velimira Škorpika 17b, 22000 Šibenik or to info@podi-sibenik.com, by 10th March 2011 at the latest.

8. By means of a public invitation to present interest, Podi Šibenik is trying to determine the interest of the potential private partners to participate in the implementation of the Project according to the PPP model on the market. If such exists, Podi Šibenik will continue with the procedure in accordance with the Law on Public-Private Partnership and implementation regulations.

Showing interest is not a precondition for participation, nor does it oblige the potential private partners to participate in the public bidding procedure and it does not put them in a more favourable position compared to the other potential offerors who have not showed interest upon this invitation. However, by showing interest, the potential private partners can influence the further development and implementation of this Project.

Podi Šibenik retains the right, based on this invitation, not to choose any of the received interest statements. Podi Šibenik also retains the right not to start the procedure of public bidding in order to choose a private partner.

In the procedure of showing public interest, Podi Šibenik is obliged to keep the data relating to the candidates and their documentation confidential.

Director
Vjeko Kaleb

4. STATISTICS

4.1. Statistical Reports of the Central Bureau of Statistics from the Area of Construction

4.1.1. Building permits issued, December 2010

In December 2010, there were 974 building permits issued, which was by 10.9% less than in December 2009. The total number of building permits issued in the period from January to December 2010 was by 14.1% lower as compared to the same period of 2009. In December 2010:

- by types of constructions, 84.7% out of the total number of permits were issued on

buildings and 15.3% on civil engineering works

- by types of construction works, 79.6% of permits were issued on new constructions and 20.4% on reconstructions.

According to permits issued in December 2010, it was expected for 1 428 dwellings with the average floor area of 86.1 m² to be built.

Advice: Building permits issued, December 2010, Central bureau of statistics, Zagreb, 2011.

PUBLISHER:

Filipović Business Advisory Ltd.

Trg bana Josipa Jelačića 3/V
10000 Zagreb – Croatia
Tel: +385 1 481 69 69
Fax: +385 1 483 80 60
e-mail: cren@filipovic-advisory.com

It is our wish that the Croatian Real Estate Newsletter / CREN be a source of speedy and quality information for all who are active in the real estate sector – developers, planners, contractors, mediation agencies etc. Please send your comments, proposals and opinions to cren@filipovic-advisory.com to help us improve CREN and make it the leading medium on the Croatian real estate market.

Editorial staff: Vladimir Filipović – editor-in-chief, Marija Noršić, Petra Škevin and Natalija Vulić.