

What role for housing associations in community-led housing? Learning from practices in Europe

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1. Introduction

1.1. Background

The global economic crisis resulted in the worsening of an already acute housing crisis in most European countries, characterised by a chronic lack of supply, rising house prices and rents and growing homelessness. Widespread austerity measures have driven further the steady reduction of State financial support to housing production and brought about restricted market lending opportunities for both housing providers and households. As a result, not only vulnerable groups, but also increasingly middle-income groups are facing different forms of housing exclusion.¹

Within this context, recent evidence² points to the re-emergence of an interest, both academic and practical, in a range of citizen- or community-led housing initiatives (CLHIs) aimed at pooling together time, knowledge and resources in a joint effort to provide housing by and for themselves. These initiatives are not new; different forms of cooperative housing have existed since the early XX century in different parts of Europe. Later on, the 1960s and 1970s saw the proliferation of grassroots groups, especially in North-Western Europe, the USA and Canada, seeking more community-oriented lifestyles through the establishment of different forms of resident-led housing projects. The steady rise of housing exclusion in Europe, even pre-dating the global economic crisis, has given rise to the resurgence of these initiatives, although in new guises, both in the UK and many other European countries.

Amid these initiatives are a wide array of CLHIs, including Community Land Trusts (CLTs); co-housing projects, different forms of self-organised housing, experimental work-life communities, ecological housing communities, and new settlements based on community asset ownership, amongst others. Features that run across these different types of housing endeavours include user participation, establishment of reciprocal relationships, mutual help and solidarity, and different forms of crowd financing and management, amongst other aspects. Sometimes these initiatives are targeted to specific socio-demographic groups, such as elderly people in general or elderly women specifically. Intermediaries such as secondary enabling cooperatives, micro-credit institutions, umbrella agencies from within the sector and other non-governmental actors (e.g. UK Co-housing Network, Mutual Housing Group, Self-help-housing.org, CLT Network) sometimes play an important role to stimulate and support these types of housing solutions.

Collaboration with established housing providers

Amongst the less studied aspects of these initiatives, however, are the links that grassroots actors have with established housing providers, be it public, not-for-profit or co-operative, to enable them fulfil their goals. The multi-dimensional nature of housing provision requires complex interactions between different actors and sectors, from land acquisition to development, maintenance, governance, etc. This means that grass-roots actors willing to engage in housing co-production initiatives need to partner with a wide range of established institutional actors across the aforementioned sectors in order to make their project work.

In addition, there are a variety of reasons why established housing providers might want to engage with these initiatives, including the aim to empower residents and local communities where they operate and their wish to “refresh” their approaches through working and learning from new grassroots actors.³ However, despite the growing number of CLHIs in the UK and the rest of Europe, there is little systematic knowledge about the types of partnership arrangements (formal or informal) that these initiatives are putting in place. This study aims to contribute to fill this gap by providing an overview of these collaborations in a selection of European countries.

1.2. Aims and scope of this report

This draft report presents the preliminary findings of the study. This document should be read as work in progress and serve as a basis for comments and suggestions leading to the final report to be delivered in September 2014.

The draft report is structured in three parts: following this introduction, chapter two presents the information gathered in this initial round of data collection, under six headings, each corresponding to a different research question. Chapter three presents a set of preliminary conclusions arising from these findings. In addition, sections on references and key resources to consult are included at the end of the report.

1.3. Methods and selection of cases

For the preparation of this report, research was conducted to gather information about a selection of CLHIs in European countries so as to identify key characteristics, obstacles, enablers and mutual learning of these initiatives. Special attention was paid to identify collaboration experiences between institutional housing providers (such as housing associations and/or their equivalents in each country) and grassroots groups.

Following an initial scoping exercise, three countries were selected on the basis of a series of criteria (see point 3.1). Concrete cases of recent community-led housing initiatives in these countries are presented in chapter 3. Data was collected through a combination of desktop research and phone, Skype and face-to-face interviews with key informants. The latter included a range of practitioners, experts, community representatives and advocates from across Europe. A full list will be provided in the final report.

1.4. Structure of this report

The aim of this study was to identify good practice examples of different types of CLHIs in Europe, with a view to extracting lessons on how these initiatives work, which are applicable to the UK context. The report is structured in five chapters: following this introductory chapter, chapter 2 provides an overview of the main types of community-led housing initiatives that can be found in Europe. Chapter 3 presents findings of this study, including a brief overview and 3 country-case studies, each containing concrete project examples. Chapter 4 elaborates on the main findings, focusing on lessons learned on types of collaborations with social housing providers, main challenges and enablers. Chapter 5 concludes with some final reflections, including the relevance of these examples for the UK.

2. Main types of community-led housing initiatives

In view of the wide variety of types of community-led housing initiatives that can be found across Europe, it is useful to begin by providing some general definitions of the most widespread types, namely: “housing cooperatives”, “community land trusts” and “co-housing”. Other similar types of initiatives that fall under the wider umbrella of community-led housing initiatives will be defined in a glossary to be added at the end of the final report.

2.1. Housing cooperatives

According to the International Co-operative Alliance (ICA), a housing co-operative is a housing business that is a consumer co-operative mutually owned by its members, which complies with the ICA’S Statement of Co-operative Identity and operates in accordance with the ICA’s Co-operative Principles and Values (see figure 2.1.).

Figure 2.1

The cooperative principles in the Declaration on the International Co-operative Identity (International Cooperative Alliance, 1995)

These principles are guidelines by which cooperatives put their values into practice:

- **First: Voluntary and open to all**
- **Second: Democratic Member Control Power**
- **Third: Member Economic Participation**
- **Fourth: Autonomy and Independence**
- **Fifth: Education, Training and Information**
- **Sixth: Cooperation among cooperatives**
- **Seventh: Commitment to the community**

A housing cooperative is a legal entity, which owns real estate, consisting of one or more residential buildings; it is one type of housing tenure. There are different co-operative housing models in different countries, but what characterises housing co-operatives compared to other housing providers is that they are jointly owned and democratically controlled by their members, according to the principle of “one person, one vote”. This has clear implications for the way they operate compared to other actors on the housing market.

The co-operative housing movement has a long history. The first independent housing co-operatives were formed in the mid-19th century, when Viktor Aimé Huber initiated the construction of several dwellings in Berlin. Many co-operatives that are over 100 years old still exist today and are increasingly widespread in Europe and beyond.

In some countries, co-operative housing has been historically, and still remains, an important part of the housing market. For example, housing co-operatives manage over 2,5 million dwellings in Poland, approximately 20% of the total housing stock in the country, 17% in the Czech Republic and Sweden and 15% in Norway. In many others, such as Canada and the United Kingdom the co-operative housing sector is relatively small but is an exemplar of the benefits that flow from resident-member control of housing and the neighbourhood.

On average, 10% of Europeans live in housing co-operatives. Housing co-operatives often manage to provide housing at costs that are below the price of a similar home in the open housing market. The reason for this is that the prime objective of housing co-operatives is to provide good quality and affordable housing in the interests of their members, and not to maximise profit for developers or shareholders. At the same time, real estate owned by housing co-operatives or associations is less subject to speculation and represents a long-term investment, which helps keep rents and prices for co-operative housing at relatively low levels.

The cooperative is membership-based, with membership granted by way of a share purchase in the cooperative. Each shareholder in the legal entity is granted the right to occupy one housing unit. A primary advantage of the housing cooperative is the pooling of the members' resources so that their buying power is leveraged, thus lowering the cost per member in all the services and products associated with home ownership. Another key element is that the members, through their elected representatives, screen and select who may live in the cooperative, unlike any other form of home ownership.

2.2. Community Land Trust (CLT)

The community land trust (CLT) is a model of affordable housing and community development that has gradually spread throughout the United States, Canada, and the United Kingdom over the past 40 years. More recently, this model has also been adopted in (and adapted to) other European countries, such as Belgium and France (see next chapter).

CLTs typically take the form of a non-profit organization that develops and stewards affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. CLTs aim to balance the needs of individuals to access land and maintain security of tenure with a community's need to maintain affordability, economic diversity and local access to essential services.

Since 1992, the defining features of the CLT model in the United States have been enshrined in federal law (Section 213, Housing and Community Development Act of 1992). There is considerable variation among the hundreds of organizations that call themselves a community land trust, but ten key features are to be found in most of them (see table 2.2-1):

1 Non-profit, tax-exempt corporation	A CLT is an independent, not-for-profit corporation that is legally chartered in the state in which it is located. Most CLTs are started from scratch, but some are grafted onto existing non-profit corporations. Most CLTs target their activities and resources toward charitable activities like providing housing for low-income people and redeveloping blighted neighbourhoods.	2 Dual ownership	A non-profit corporation (the CLT) acquires multiple parcels of land throughout a targeted geographic area with the intention of retaining ownership of these parcels forever. Any building already located on the land or later constructed on the land can be held by the CLT or can be sold off to an individual homeowner, a cooperative housing corporation, a non-profit developer of rental housing, or some other non-profit, governmental, or for-profit entity.
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Table 2.2-1

The 10 key features of a Community Land Trust

<p>3</p> <p>Leased land</p>	<p>Although CLTs intend never to resell their land, they can provide for the exclusive use of their land by the owners of any buildings located thereon. Parcels of land can be conveyed to individual homeowners (or to the owners of other types of residential or commercial structures) through long-term ground leases. This two-party contract between the landowner (the CLT) and a building’s owner protects the latter’s interests in security, privacy, legacy, and equity, while enforcing the CLT’s interests in preserving the appropriate use, the structural integrity, and the continuing affordability of any buildings located upon its land.</p>	<p>4</p> <p>Perpetual affordability</p>	<p>The CLT retains an option to repurchase any residential (or commercial) structures located upon its land, should their owners ever choose to sell. The resale price is set by a formula contained in the ground lease that is designed to give present homeowners a fair return on their investment, while giving future homebuyers fair access to housing at an affordable price. By design and by intent, the CLT is committed to preserving the affordability of housing (and other structures) – one owner after another, one generation after another, in perpetuity.</p>
<p>5</p> <p>Perpetual responsibility</p>	<p>The CLT does not disappear once a building is sold. As owner of the underlying land and as owner of an option to re-purchase any buildings located on its land, the CLT has an abiding interest in what happens to these structures and to the people who occupy them. The ground lease requires owner-occupancy and responsible use of the premises.</p>	<p>6</p> <p>Community base</p>	<p>The CLT operates within the physical boundaries of a targeted locality. It is guided by – and accountable to – the people who call this locale their home. This “community” may encompass a single neighbourhood, multiple neighbourhoods, or, in some cases, an entire town, city, or county.</p>
<p>7</p> <p>Resident control</p>	<p>Two-thirds of a CLT’s board of directors are nominated by, elected by, and composed of people who either live on the CLT’s land or people who reside within the CLT’s targeted “community” but do not live on the CLT’s land.</p>	<p>8</p> <p>Tripartite governance</p>	<p>The board of directors of the “classic” CLT is composed of three parts, each with an equal number of seats. In this way, control of the CLT’s board is diffused and balanced to ensure that all interests are heard but no interest is predominant (“leaseholder representatives”, “general representatives” and “public representatives”, respectively).</p>
<p>9</p> <p>Expansionist acquisition</p>	<p>CLTs are not focused on a single project located on a single parcel of land. They are committed to an active acquisition and development program, aimed at expanding the CLT’s holdings of land and increasing the supply of affordable housing (and other types of buildings) under the CLT’s stewardship. A CLT’s holdings are seldom concentrated in one corner of a community. They tend, instead, to be scattered throughout the CLT’s service area, indistinguishable from other owner</p>	<p>10</p> <p>Flexible development</p>	<p>There is great variability in the types of projects that CLTs pursue and in the roles they play in developing them. Many CLTs do development with their own staff. Others delegate development to non-profit or for-profit partners, confining their own efforts to assembling land and preserving the affordability of any structures located upon it. Some CLTs focus on a single type and tenure of housing, like detached, owner-occupied houses. Other CLTs take full advantage of the model’s unique flexibility. They develop housing of</p>

Table 2.2-1

The 10 key features of a Community Land Trust

occupied housing in the same neighbourhood.

many types and tenures or they focus more broadly on comprehensive community development, undertaking a diverse array of residential and commercial projects. CLTs have created facilities for neighbourhood businesses, non-profit organizations, and social service agencies. Land is the common ingredient, linking them all. The CLT is the social thread, connecting them all.

Source: Adapted by the author from Burlington Associates in Community Development, LLC (2003)

2.3. Co-housing

A cohousing community is a type of intentional community composed of private homes supplemented by shared facilities. The community is planned, owned and managed by the residents – who also share activities, which may include cooking, dining, childcare, gardening, and governance of the community. Common facilities may include a kitchen, dining room, laundry, childcare facilities, offices, internet access, guest rooms, and recreational features. Cohousing is meant to facilitate interaction among neighbours for social, practical, economic and environmental benefits.⁴ Though most cohousing groups seek to develop multi-generational communities, some focus on creating senior communities.

The contemporary concept of cohousing originated in Denmark in the 1960s among groups of families who were dissatisfied with existing housing and communities that they felt did not meet their needs. Today, hundreds of cohousing communities exist in Denmark and other countries, mainly in North-Western Europe. There are more than 300 cohousing communities in the Netherlands (73 mixed-generation and 231 senior cohousing), with about 60 others in planning or construction phases. There are also communities in Germany, Austria, the United Kingdom and other parts of the world. In the United States there are more than 120 operating communities with more than 100 others in the planning phases. In Canada, there are 9 completed communities, and approximately 15 in the planning/construction process.

Cohousing started to develop in the UK at the end of the 1990s. The movement has gradually built up momentum and there are now 14 purpose-built cohousing communities. A further 40+ cohousing groups are developing projects and new groups are forming all the time. Cohousing communities in the UK range from around 8 households to around 30 households. Most are mixed communities including single people, couples and families but some are only for people over 50 and one is only for women over 50 years. The communities themselves range from new developments built to modern eco standards to conversions of everything from farms to Jacobean mansions to former hospital buildings and are in urban, rural and semi-rural locations.

Because each cohousing community is planned in its context, a key feature of this model is its flexibility to the needs and values of its residents and the characteristics of the site. Cohousing can be

urban, suburban or rural. The physical form is typically compact but varies from low-rise apartments to townhouses to clustered detached houses. They tend to keep cars to the periphery, which promotes walking through the community and interacting with neighbours as well as increasing safety for children at play within the community. Shared green space is another characteristic, whether for gardening, play, or places to gather. When more land is available than is needed for the physical structures, the structures are usually clustered closely together, leaving as much of the land as possible "open" for shared use. This aspect of cohousing directly addresses the growing problem of suburban sprawl.

A non-hierarchical structure employing a consensus decision-making model is common in managing cohousing. Individuals do take on leadership roles, such as being responsible for coordinating a garden or facilitating a meeting.

* * *

Different versions of the above three basic models of community-led housing initiatives have developed in various European countries since the early 2000's. While they share the core features of earlier waves of community-led housing initiatives, they respond to a radically different historical context. We will explore these new features in the next chapter.

3. Examples of recent community-led housing in European countries

3.1. Overview

Broadly speaking, the main types of such initiatives correspond to national and regional variations of the three basic models developed in the previous chapter.

Co-housing and new forms of cooperative housing can be found mainly in Austria, Denmark, Germany, Sweden and Switzerland. These initiatives take a variety of organisational and legal forms, and have different origins in terms of the initiating partner. In Germany, where these projects have a long tradition dating back to the squatting movement in the 1970s, there is a mix between bottom-up initiatives and initiation by established providers. In Berlin, the city's Senate Department for Urban Development and the Environment supports community-oriented, multi-generational building and housing through the "Netzwerkagentur Generationen Wohnen Berlin". This agency assists those seeking advice free of charge and links existing know-how with relevant stakeholders concerning multi-generational housing. A similar situation happens in Austria; realizing the need to "refresh" their members, old cooperatives are seeking out new residents and facilitating their involvement in these projects. In France, where the social housing sector is relatively large and well resourced, established providers such as public companies and cooperatives are increasingly taking the lead to organize these initiatives and identify demand.

Compared to housing cooperatives and co-housing, Community Land Trusts have a much shorter history and have only recently emerged in the European community-led housing landscape. As seen in the previous chapter, the CLT model was born in the US in the 1990s, and the first country to adopt it in Europe was England in the early 2000s. In 2006 to 2008, a National CLT Demonstration programme led by Community Finance Solutions, with support from Carnegie UK Trust and Tudor Trust, supported a number of pilot projects. In 2010 the National CLT Network was established to support the growing CLT movement and advocate on behalf of CLTs. There are now over 150 CLTs and the use of CLTs has started to spread to all part of England and Wales⁵.

Today, there is an emerging CLT movement in Europe. The first CLT in Belgium was established in Brussels in 2010. In France CLTs have also begun to emerge and the association "Community Land Trust France" was launched in December 2013 to promote the model more widely as well as to lobby for a specific legal framework. In addition, there are discussions at the moment to establish CLTs in Italy. It is important to take into the very different stages at which CLTs are across Europe, as well as the great variety amongst them. The "original" US model, while an inspiration to European countries, has been adapted in very different ways to the vast array of national cultures, institutions, political and legal frameworks.

In this chapter we will focus on community-led housing initiatives in three European countries where we found evidence of a variety of recent experiences: Austria, Belgium and France. Table 3.1 provides an overview of the main features of these initiatives in the countries under study.

Selection of case studies

These examples provide a variety of situations regarding the following criteria:

- **Type of (social) housing system:** Each country featured in this report represents a different type of (social) housing system; as the first column shows, Austria belongs to the (ever-decreasing) group of European countries with a relatively large social housing sector (23% of the total

housing stock in the country) with a broad-based allocation criteria (i.e. a variety of income groups are eligible for different types of social housing subsidies). Belgium, on the other hand, has a very small social housing sector (only 7% of the total housing stock nationally), which is very targeted towards low-income people. France is somewhere in the middle: with a sizeable social housing stock (16% of the total housing stock), social housing providers cater for a variety of groups through a range of instruments targeting people on different income ranges. In this context, the UK would share different features with each of these countries; while (still) amongst the countries with a relatively large sector in Europe, its allocation criteria is very targeted.

- **Presence of one or more types of community-led housing initiatives:** As explained in the previous section, CLHIs can be found mainly in Nordic and Western European countries. In most of these cases, these initiatives are rooted in earlier waves of cooperative housing and cohousing. In this regard, in most of these countries both the culture and institutional frameworks have integrated these types of housing projects in one way or the other. However, it is also interesting to consider examples of recent initiatives that have emerged in countries where there are no such precedents. What happens when community groups want to build their own affordable housing in a country that doesn't have a legal or policy framework where these do not fit? And are institutional actors, notably established housing providers, willing to accept or even embrace these new actors? Through examples in three very different contexts, we will explore what happens in each of these cases. In the case of CLT, as we have seen earlier, while the UK is in pole position in Europe in terms of number and level of collective organisation of these initiatives, we have included an outstanding example of a pioneering urban CLT in Brussels, which has achieved great visibility, political support and citizen's engagement. We believe that this example can provide a contrast to the UK examples and help us think 'outside the box'.
- **Relationship with institutional housing:** The examples chosen in each of these countries present a range of collaboration relationships between community groups and different types of institutional actors active in housing provision. In the case of social housing providers, these examples show a wide range of situations, from non-collaboration and rivalry to successful partnerships. These different situations illustrate different possible scenarios and bear lessons on different types of strategies to handle them.
- **Recognition of these initiatives by national/regional legal and policy frameworks:** In each of these cases, CLHIs are being officially recognized either through their integration in existing legal and policy frameworks for (social) housing provision (Austria) or through the adaptation of these frameworks to fit the specific characteristics, needs and aspiration of these groups (France) or even further, by the creation of a new category within existing legislation to recognize a new modality of housing provision (Brussels capital region). Again, the diversity of these situations will shed light on the variety of legal and policy solutions that can be found to suit the needs of these new initiatives.

In addition, the table summarizes the **types of funding sources** that have been devised in each country to carry out these initiatives.

In the remainder of this chapter, we will look in more details to different aspects, in particular those pertaining collaboration between established providers and grassroots groups.

Table 3.1

Overview of Community-led housing initiatives in four European countries

	Type of (social) housing system	CLT	Co-housing	Relationship with established housing actors	Legal and policy framework	Funding sources
Austria	Broad	-	Yes	Housing providers and local authorities	Integrated within wider system of housing subsidies	Mainly public subsidies and loans from housing banks with some individual contribution (e.g. capped rents)
Belgium	Targeted	Yes Pioneering CLT initiative in Brussels	Yes Mainly middle-class groups	Support from regional authorities Tension with established social providers	Recently recognized but currently under review	Mix of individual's contribution, public subsidies and market loans
France	Mixed	Yes Emerging interest	Yes "Habitat participatif"	Increasing collaboration with regional and regional authorities and with established housing providers	Recent and gradual recognition	Mix of individual's contribution and public subsidies

3.2. Austria

3.2.1. Context

Social housing in Austria

While there is no official definition of social housing in Austria, there are different forms of housing provision “beyond” the market. Municipal housing (or public housing) is rental housing provided by municipalities. Limited profit housing is rental and owner-occupied housing provided on a non-profit basis by investors, which are regulated by the Non-Profit-Housing-Act and have access to public subsidies (Limited Profit Housing Associations). The Federal Provinces provide funding through housing promotion schemes, which define the type of housing and providers that can access funding. These also define rent limits and income limits for (future) residents.

All together, the social housing stock currently represents about 23% of the total housing stock in the country. Out of the total social housing stock, 60% is owned by municipalities and public companies, but municipalities have withdrawn from new construction over the last decade. The main sector is currently the Limited-Profit sector, which includes cooperatives and companies. A smaller part of subsidized housing is provided by for-profit providers.

Austria has a very structured system for financing provision of social housing. It combines long-term public loans at favourable conditions and grants defined at the level of federal provinces, with commercial loans raised via HCC Bonds and developer/tenant equity. Promotion of social housing is also supported by municipal land policy. Rents are calculated on the basis of costs combined with rent limitation defined by the subsidy schemes. All providers must apply income limits defined by the different Promotion Schemes of the federal provinces. Limited-Profit Providers also have to apply additional social criteria determining priority in the allocation of dwellings. Furthermore, Federal Provinces as well as public owners of housing companies can claim a certain number of dwellings to allocate them themselves.

Social housing in Vienna

Social housing in Vienna plays an exceptional role housing its residents; almost 60% of all Viennese households live in subsidised homes, 220,000 of these are in rented public housing. The city invests in the completion of 5,000 to 7,000 subsidised apartments per annum — about 80% to 90% of the volume of new homes completed every year.

The City of Vienna has developed a comprehensive model for a social, planned and environmentally sustainable housing policy since the end of the First World War, and continues to develop today. At the start of the 1980s subsidised urban renewal emerged as a key arena for putting housing policy into practice, leading to the internationally widely respected model of socially oriented urban renewal. This is termed ‘social’ as the City provides renovation grants to ensure that rents remain affordable even following extensive renovation work. During the renovation work, tenants are either able to remain in their homes or are provided with alternative accommodation. This means that socially weaker strata of the population are not forced into areas where rents are lower, thereby preventing the formation of ghettos.

Subsidised housing in Vienna is the key instrument in the creation and securing of affordable housing, and for safeguarding and promoting a high quality of life in Vienna. Grants and subsidies are given from both an object-oriented as well as a subject-oriented perspective to achieve three goals: the building of new homes, the renovation of existing buildings and as direct financial support for low-income households. Object-oriented support goes directly to the developers to reduce the financing

costs, and so the subsequent sales prices and levels of rent. The key aim of this policy is to provide everybody living in Vienna with high quality affordable homes.

As the largest homeowner in Austria, the City of Vienna is responsible for 220,000 of its own rented apartments, however in more recent years the majority of social housing developments have been completed by not-for-profit housing associations. These are given tax advantages and are obliged to reinvest most of the profits in building new homes. Rents are clearly regulated, with the general guideline being the economy rent to cover the cost of the financing plus gross running costs.

The raising of financing for subsidised new homes is based on fixed, purpose-linked proportions of income tax, corporation tax and of the housing subsidy contributions made by those involved, which are divided among the nine federal states of Austria according to the laws governing revenue sharing. This financing provides a secure basis for the forward-looking planning of social housing on a major scale.

Recent developments

Public housing promotion has undergone a substantial reform in the last few years. Until 2008 the central state distributed a defined amount out of the federal budget to the provinces for the purpose of housing promotion. From 2009, the central state withdrew from financing. The former budget dedicated to housing promotion is integrated is now the overall budget of the provinces, and it is up to the provinces to decide how much of it to spend on housing promotion. Following the economic and financial crisis, the provinces are facing financial restrictions, which will also affect housing. As a result, the number of housing units receiving public grants decreased by 25% in 2010.

Community-led housing initiatives in Vienna: Cooperation between housing authorities, developers and housing projects

The number of community-led projects in the City of Vienna has been increasing over the last years. Today, baby boomers who experienced first-hand the earlier wave of community-led housing initiatives in the 1960s - 70s are restarting these types of projects. While some of these still exist, there are new groups emerging. This is the core group leading these initiatives today. According to one key informant, amongst the most interesting developments in the field of housing in Vienna at the moment is the increasing adoption of these ideas by housing associations. The offer comes often from the housing associations. It is not so much about a group contacting the housing association. The beginning was no more than 4 or 5 years ago. The partnership usually includes an active group of baby boomers and housing associations doing a professional project. This partnership makes things easier in terms of legal and financial form. The housing association decides to create a special body and do the management for them.

A number of enabling conditions for the realization of community-led housing projects can be highlighted in the case of Austria, and more specifically, of the City of Vienna. First, the fact that in Austria there is public finance available for these projects as part of a broad scope of subsidies for new construction, where eligibility is linked to income conditions (Gefoerdertes Wohnen). A second enabler is the launch of the "Initiative for Collaborative Building and Housing" in 2009, which acts as a platform of relevant actors to improve conditions for such projects. Ever since the take-off of this initiative, this topic has been gaining public attention and now the City of Vienna is faced with the challenge of dealing with a growing demand for self-organized housing.

A third enabling factor in the realization of these projects is the availability of land and property for collaborative housing. A case in point is the current development project in an area on the outskirts of Vienna, called Seestadt Aspern (see case box 3.2.1). Here, properties have been directly made available to such project groups for the first time. These groups have thus gained a very good position with respect to their partners, such as banks and property developers.

Case box 3.2.1 Seestadt Aspern, Vienna

The Seestadt Aspern development is located in a former airfield in the outskirts of Vienna. Through self-determined planning and construction processes, five different housing projects with their respective models have emerged. It can be distinguished between projects that are truly self-managed and those that cooperate with developers. Three of these projects are self-organized. One of these is based on private-ownership while in the other two projects members will rent their flats from a housing developer, which will use this money to pay off construction loans. In addition, these residents are expected to pay an initial deposit. Two other projects are being built with developers. One of these is in that residents will have individual rental contracts, and will be organized among themselves in an independent organization, similarly to the woman's project [ro*sa]²² (see point 3.2.2). In the other project, the residents' organization acts as a general tenant of the developers and in the future will have the option to purchase the entire building. This gives more influence to the building group on the distribution of the various individual credits and rental payments, meaning the differing financial resources of the residents can be considered.

Due to Aspern's suburban location, projects to be built there must make special efforts to recruit their members. The majority of those looking for such a project would prefer a historical building in the city centre. However, as in most European cities, buildings in such locations in Vienna are hardly affordable. The challenges for self-organized housing communities are great due to new building sites usually being awarded through competitions only open to developers. In these type of competitions, the City generally offers larger sites geared toward more complex construction projects. However, in this particular development, the City aims to ensure that land and housing subsidies are awarded according to the respective housing policy criteria and given to the projects most suitable for each location.

Source: Author's elaboration on the basis of Institute for Creative Sustainability:experimentcity (2012) and interview with Heidrun Feigelfeld.

As shown in the Seestadt Aspern example, in large and complex development projects expected costs must be agreed in advance and preliminary draft plans have to be submitted within three months. These short planning phases tend to inhibit the realization of smaller community-led housing projects. In particular, projects seeking neighbourly synergies above and beyond housing needs, for example the development of a neighbourhood theatre or day care centre, are often unable to organize their financing quickly enough. The housing project Wohnprojekt Wien solved the problem of land acquisition by cooperating with a housing developer in such a competition. With this partnership the core (community) planning group was able to maintain their say in design decisions. This success is already showing a gradual opening up housing policy in the City of Vienna for this type of "housing experiments".

3.2.2. Case study: The women's housing project [ro*sa]²²

The women's housing project [ro*sa] ²² : Key facts	
Legal status	Subsidized rental flats (option to buy after 10 years); land and building are the property of the building developer WPV-GPA (a housing association).
Date of creation	2002 (project completed in 2009)
Costs and financing	<ul style="list-style-type: none"> • Project co-funded by WWFSG § 15 • Own contribution: total average € 439.37 / m² • Basic Charges: € 229 / m² and construction costs: € 209 / m². • Rent: Starting at € 6.67 / m² per month • Garage 66 € / month • Deposit: ca. 432 €/m² incl. shares of community spaces • Total project costs: 6.660.000 € • Purchase option after 10 years.
Type of housing	<p>New multifamily building; 100 residents (0–70 years old); e.g. single parents, graduates, unemployed.</p> <p>Total: 699 m²</p> <p>Community kitchen, workshop, library, rooms for baby buggies and bicycles, community roof terrace with sauna and relaxation room as well as laundry, broad corridor as communication space; garden.</p> <p>Building site 1505 m²</p> <p>Total living area 3326 m²</p> <p>Number of flats 41 (30–127 m²)</p>
Partners	Strong cooperation between inhabitants, architects and non-profit housing providers; developer and City of Vienna made project feasible.
URL	http://www.frauenwohnprojekt.org/ Developers is the WBV-GPA (www.wbv-gpa.at)

The origins

The women's housing project [ro*sa]²² (22 for „Danube City,” Vienna's 22nd District) is located in Vienna. It originated with the architect Sabine Pollak from the Köb & Pollak Architecture office, who had been greatly involved with gender and housing issues and had the idea of a community housing project developed specifically for the needs of women. Pollak believed the potentials of the future residents' group should be taken advantage of and their knowledge incorporated into the project planning. Therefore in 2002, Pollak organized project discussions through various feminist groups. A considerable number of women living alone attended these early meetings and expressed their special housing preferences. Design elements that feature widely amongst the aspirations of future residents were small apartments, accessibility, many common areas and large transition zones between community and private spaces. As many of the single mothers and older women had only limited financial means, affordable rents were another key challenge for the project. Out of these discussions an organization was formed which then developed the collaborative housing project's idea.

Partnership with limited-profit housing provider (housing association)

In addition to its gender focus, there was cooperation with a variety of stakeholders who facilitated the development of [ro*sa]²². During the planning phase it became evident that the group needed a supporting organization for the project because the potential risk of vacant units could not be accounted for. A partner was found in the Wohnbauvereinigung für Privatangestellte (Housing Association for Private Employees - WBVGPA), which has since assisted other similar projects. Despite this support, the search for a property initially proved difficult, but finally, the City of Vienna was able to help out in finding two suitable sites. Due to this the women's organization was split and two projects were implemented: [ro*sa]²² to the north and ro*sa KalYpso to the south of the Danube.

Target group and eligibility

In line with the project's aspiration strengthen the social position of women, its concept called for leases to be signed only by women. This idea, however, came into conflict with the Vienna Housing Agency (Wohnservice Wien), which decides on the allocation of one third of the building's flats. For the other two thirds of the apartments the [ro*sa]²² organization has two months time to propose tenants, who then finalize their leases with the WBV-GPA. When the WBV-GPA does select new tenants, they are required to inform their applicants early on about the concept and expectations of [ro*sa]²². In some cases, people allocated to this project were not interested in the women's community activities, and hence conflicts emerged. Male family members also live in the building. In view of the high demand for flats in this project, the organisation operates a waiting list.

A key aspect for the project's sustainability is affordable rents, which are ensured in the long term by Vienna housing subsidies. After ten years, however, there is an option to buy the flats. Therefore, it is planned to reach an agreement with the WBV-GPA and the owners, through which an apartment resale would only be possible to women interested in the project.

Design

The private living areas were designed individually, but planned with a standard system: bathrooms and storage rooms are located on the interior walls, living rooms face outward and kitchens are integrated into the living spaces. The extra-wide corridors allow people to meet each other often, and are equipped with seating areas and especially loved by children as a play area. Sometimes residents jokingly say they are proud of their laundry room with "Vienna's best view". This is right next to the roof terrace, where vegetables and herbs are sprouting in flowerbeds. The green roof oasis complements the community garden behind the house, where children also like to play around.

Community life

After an initial two years of getting to know each other community life gradually flourished. Meals are often cooked on weekends in the communal kitchen. On Saturday afternoons, a group meets for handicrafts and pottery in the workshop. Neighbourhood guests also attend the regular garden parties or other events such as baby get-togethers, film screenings and photo exhibitions. The in-house library is particularly important to the community. Feminist literature, among others, is there for residents to browse through and discuss. The [ro*sa]²² organization, which was founded during the planning phase, also holds its occasional meetings here. A library was opened and named after the deceased Austrian politician and women's rights activist Johanna Dohnal.

3.3. Belgium

3.3.1. Context

Social housing in Belgium

Since 1980 the three Belgian regions (Wallonia, Flanders and Brussels Capital) are fully responsible for their own housing policies and for the allocation of funds from the regional budgets. Social housing in Belgium is provided both for rent (7% of the total housing stock) and for sale, but tenures vary across the three regions.

Belgium has seen an accelerating increase in the square meter prices of new building plots from the mid-'90s onwards. The rising costs and shortages of new residential land are at the root of rising house prices. Belgium has experienced a prolonged price boom since the mid-'80s: prices have been rising averaging around 4-5% in real terms each year. Overall prices by 2005 were around 115% higher in real terms than when the price upturn began, which puts Belgium as one of the higher long-term price increase EU countries. Housing expenditures accounted for 25.9% of total households' expenditures in 2004. Real rents in the private sector overall rose by 18% between 1990 and 2000, far less than the increases in capital values of dwellings over the same period. Nevertheless rents have recently started to increase, especially in the lowest quality dwellings, affecting low-income people the most.

A variety of providers are involved in the social housing sector: municipalities, public companies, foundations, co-operatives and non- for profit organizations. More specifically, "public housing" is a generic definition including all dwellings managed and let either by a public or by a private body, and financed by public authorities. "Social" dwellings are for people in difficult social and financial conditions, while "intermediate" dwellings are for people whose situation is less precarious. Allocation of social dwellings is based on a combination of income ceilings and priority target groups. The system varies according to the different regions: in the Brussels region it is based on a computerized waiting list with a further special emergency system.

Recent developments

An improved economic environment and low mortgage interest rates have helped to boost consumer confidence in house purchase over the past two years. Furthermore, the tax system is highly favourable to property ownership. Today, 68% of households are homeowners: the expansion of home-ownership has been at the expense of private renting at 23%, while the production of social housing has remained stable since 2001.

In the city of Brussels, a variety of income groups are experiencing increasing difficulties to access decent housing; housing costs (both rents and sale prices) doubled between 2000 and 2010. There is a chronic deficit in social housing and gentrification of many central neighbourhoods due to urban renewal plans and projects, often resulting in the displacement of lower income households. Consequently, numerous families are facing a dilemma: either stay in a small, expensive and unhealthy dwelling, or leave Brussels.

3.3.2. Case study: The Community Land Trust Brussels (CLTB)

Community Land Trust Brussels: Key facts	
Legal status	Double headed organization: Not-for-profit foundation (Fondation d'utilité Publique - FUP) and Not-for-profit association (Association sans but lucratif – asbl)
Date of creation	2010
Financing	Public support (Housing Secretary of State of the Brussels Regional Government) 5-year public grant of € 2 mill as part of a large budget allocation for housing in the region. In addition, private inputs from the sale of housing.
Type of housing	Low-income home-ownership
Partners	15 Civil society associations, inhabitants, public authorities, the Regional Housing Fund (Fonds du Logement de la Région de Bruxelles-Capitale)
URL	http://www.community-land-trust.be

Origin and development of the initiative

The Community Land Trust Brussels is an integrated housing model allowing low-income households in Brussels, which are neither able to access decent housing in the market, nor eligible for social housing, to enter a long-term housing project and become owners of their home. The CLTB project originated from two local initiatives that focused on low-income families trying to access housing.

- 1) *The CIRE* (Coordination and Initiatives for refugees and foreigners) is one of the main associations helping migrant people and refugees arriving in Brussels in their daily life through providing administrative, practical and legal support.

In 2004, this association created collective savings groups (GECS/ Groupes d'épargne collective solidaire) to support low-income families with their budget management and help them access housing. These groups of low-income families that engage in a long-term (3 years) innovative saving process. They shared savings collectively to create the necessary deposit for house buying through an intermediary body, the Regional Housing Fund (Fonds du Logement Bruxellois - FLB). An agreement was made with this Fund: if a household within the group found a house and followed a series of training activities proposed by the group, the Fund would give back the deposit to the group. This training was intended to equip participants with basic notions of what home-ownership entails, covering issues such as property rights, housing regulations, the functioning of the syndicate of co-owners, etc.

Every two months, the group would meet and provide support to each other in the complex path towards home-ownership. Since its creation, this system has allowed 80 low-income households to own their home. Currently, 8 groups are active or in preparation in the Brussels Capital Region. Yet the rising housing prices have made it increasingly difficult to access funds.

- 2) *The Neighbourhood House Bonnevie* in the district of Molenbeek developed an eco-building project involving local low-income families between 2005 and 2010. The project, called "Espoir" (Hope), was the product of self-build efforts by 14 families. This project was the first social

passive house in the Region, and was sold to CPAS families (families benefiting from public social aid).

These collective endeavours paved the way for finding a co-owning model for those on a low income. There was an urgent need to control the housing speculation and avoid that the collective effort to make housing affordable for low-income families disappeared if and when the housing was sold at market price.

The inspiration

In 2008, these two initiatives heard of the Community Land Trust model at a Conference on Housing Cooperatives in Lyon. This model had just been distinguished by the «World Habitat Award» granted to the Champlain Housing Trust (Burlington, Vermont), a CLT. The award included bursaries for associations to visit the CLT in Burlington and learn about this model. In 2009, representatives from the Brussels projects travelled to the USA to visit the experience and on their return home started to lobby the regional political leaders to establish a CLT in Brussels.

In May 2010, 15 local associations wrote a charter detailing the necessary conditions to implement a CLT in Brussels and formed a Platform. In 2010 a 2-year feasibility study begun, financed by the Brussels Capital-Region (the Secretary of State for Housing) to adapt the original CLT principles to the Brussels context.

In 2012 the Community Land Trust Brussels gained official recognition through the inclusion of this model in the Housing Code (Code du Logement) as well as by the Regional government's commitment to a 5-year public grant of € 2 mill as part of a large budget allocation for housing in the region ("Alliance Habitat" – a political pledge of € 670 mill for all sort of housing measures e.g. allowances, grants, etc. over the 5-year period). A first subsidy of € 670.000 was granted for the purchase and the renovation of an empty building at the Verheyden street, in Anderlecht. This building, which used to be a parish house, is being transformed into 5 homes for larger families and 4 studios adapted for the disabled on the ground floor. The plan is to also build a community garden and a space for community facilities. Five other pilot projects are being under examination in Molenbeek, Schaerbeek and Anderlecht.

How CLTB works today

The Brussels CLT Platform coordinates the different projects. It functions under two legal forms: as a not-for-profit Foundation that owns the land, and as a not-for-profit association (ASBL) that manages the land.

The target group is low-income families, ranging from persons receiving the Integration Income (9.616 €/year) up to persons reaching the upper limit of social mortgages access (40.000 €). There will not be any income review (i.e. means testing) for residents whose income increases over time, unlike in social housing: CLT is a global long-term project that is supposed to help people engage in their life and neighbourhood.

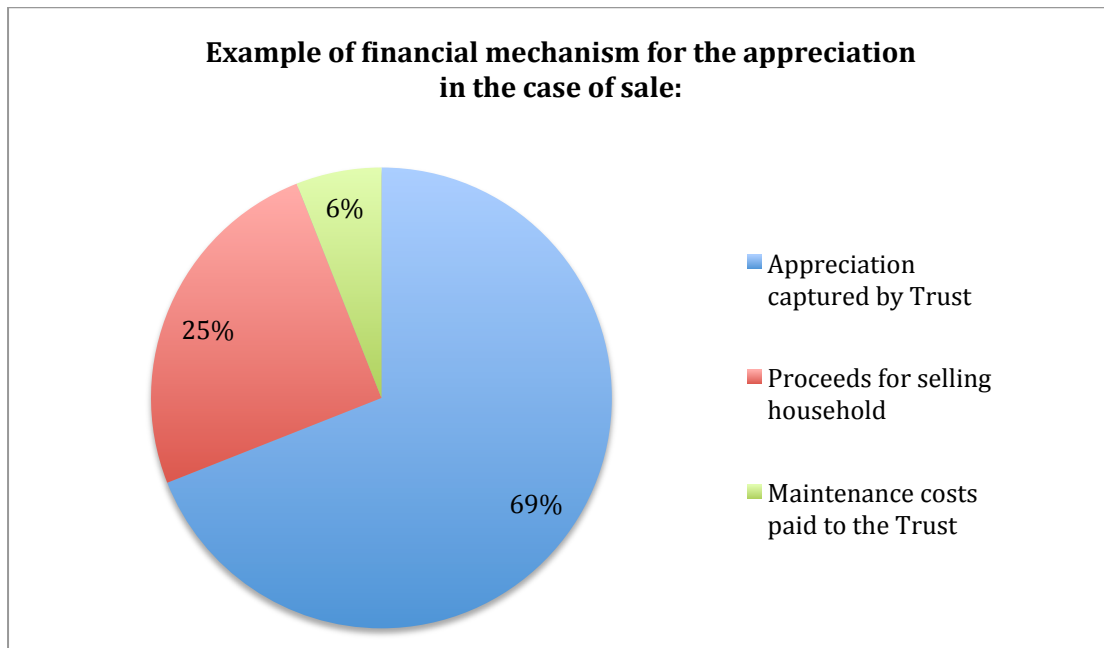
The CLTB has 7 functioning principles:

1. Distinction between land trust and existing housing; a leasing contract is made with the owner of the housing, the land remains the trust's property.
2. Right to use the land
3. Accessibility to low-income persons
4. Perpetual preservation of public subsidies and private fund from housing speculation

5. Equal governance between the users/inhabitants, the neighbourhood civil society and public authorities
6. Stewardship of the inhabitants: trainings
7. Mix of functions and openness to the neighbourhood

The CLTB is still in its primary phase, involving different families but it ensures the respect of its main principles through practical rules and financial mechanisms for the model's long-term stability. For instance, the input subsidies are preserved in case of the sale of housing: most of the appreciation of the housing over time remains the CLT's property (see figure 3.3.2-1).

Figure 3.3.2-1



Every household will also pay a minimum rent for the trust to ensure the good functioning of the space and the housing quality over time.

Lessons learned

When asked about the main lessons learned so far out of this experience, representatives interviewed for this study identified what they described as three main challenges:

First, the project relies to a large extent on the government's financial support, which is subject to political changes. Initially, the Housing Minister of the Brussels region adapted the housing code to include CLT and committed funding to it because she supported the group politically. Now, with a change in political priorities, the initial financial commitment is under review.

There are 2 types of housing supply subsidies in the Brussels region:

- a) Up to EUR 350 per m² to buy land;
- b) Up to EUR 450 per m² of built-up land for renovation.

In total, this represents an average of EUR 700 per m², which is not enough to cover the real costs of an affordable housing project. There is the need for pooling individual mortgages in addition to government funding.

Second, there is a limitation in being tied to housing legislation. This means that these subsidies can only be spent in residential dwellings, and not in common areas or community infrastructure. This has to do with the origin of the initiative, which was born under the wing of the then Housing Minister, who adapted the Housing Code to include the CLT model. Given the multiple aspects of a CLT, this model should also have links with wider urban and planning regulations and hence be eligible for other types of urban/social investments to realize its multiple goals.

Linked to the above, a key difference between the USA and Belgian model is to do with the multi-functionality of the project. In the USA, multi-functional areas are achieved by building mono-functional buildings one next to each other. In Europe, it is necessary to work with multi-functional buildings (existing or new), which adds complexity in terms of ownership, financing, building and management. The challenge is how to solve that in a CLT.

Third, rental housing is not part of the project. Its leaders consider this a weakness. They would like to have rental housing as part of the CLT, as it would add to the original aim of social diversity. The lack of this tenure is linked, on the one hand, to the origins of the project (low income home ownership), and on the other to tensions with the established social rental providers, who have expressed no interest in working with the CLT.

3.4. France

3.4.1. Context

Social housing in France

Social housing in France, known as “*habitation a loyer modéré*” (HLM), accounts for 4.5 million out of the 27.8 million of principal dwellings in France, accommodating 16% of households in the country. There are currently three main ‘types’ of social housing, targeted at households on different income levels: standards social housing (PLUS), ‘very social housing’ (PLAI), and upper income social housing (PLS).

Social housing is built and managed by HLM organisations as well as, to a lesser extent by semi-public enterprises (Société d’économie mixte, SEM) and some non-profit associations. HLM organisations include both publicly and privately owned companies acting on a non-profit basis and under the control of the Ministry of Housing and Finance. The HLM sector also comprises anonymous cooperatives companies HLM, which are companies with variable capital based on the cooperative principles of democracy and transparency. They are active in the fields of social homeownership, construction and management of social rental housing and property management.

Most of the funding for new construction comes from finance loans, where the main lender is the Caisse des Dépôts et Consignations (CDC) which provides funds from the ‘Livret A’ accounts. The latter is a savings fund with regulated interest rate and not subject to tax. Every French household has the right to open a tax free Livret A Savings Account at their local bank. Their savings are pooled by the CDC, which pays a fee to the banks for collecting the funds and a defined interest rate. Other sources of financing include employers’ grants and discounted loans (the so called “1% Logement”, which was designed to promote housing for employees), and guarantees from local authorities or the HLM guarantee fund (CGLLS). The typical financing scheme for an operation in 2009 was as follows: 76.5% from CDC loan (Livret A); 10% equity capital; 8% local authorities’ subsidies; 3% state subsidies; 2.5% employers’ grants 62%.

Rents are based on the net construction cost, which is lowered by subsidies from the State and local authorities and tax incentives. Housing benefits are also available to help the poorest households paying the rent. On the other hand, if a household’s income increases to the point that it exceeds the income ceiling, rents rise accordingly.

Access to social housing is limited by income ceilings, which are set at the national level by specific regulation and vary according to the area where the dwelling is located as well as the number of household’s components. Income ceilings are set at a level that virtually includes a large proportion of the population to be accommodated in social housing allowing for a certain degree of socio-economic mix. Nevertheless, over the past three decades the sectors has seen a constant increase in the proportion of poor households, with currently 35% of all HLM households on incomes below the poverty line. Furthermore, the Law on the Right to Housing, commonly referred to as DALO, introduced in 2007, establishes priority access for applicants facing extreme housing exclusion.

Recent developments

The awareness – and/or the own experience - of the acute housing crisis that has increasingly affected France even before the global economic crisis is one of the factors at the origin of the mobilization of people for community-led housing projects. Many groups have indeed formed in response to increasing difficulties to access housing, be it for cost reasons, inadequately met needs by the established offer, inadequate location, etc.

In this sense, both tenants and (aspiring) homeowners complain about the increasing difficulties to access the private housing market (the land in agglomerations being too expensive) as well as social housing (pressure on this segment of the stock is increasing year by year).

3.4.2. Community-led housing initiatives in France

Since the early 2000s, residents have increasingly played a central role in many housing development operations in France, indicating a willingness to regain a sphere whose design is mainly orchestrated by professionals. In France, community-led initiatives today generally fall under one of four main categories:

1. *Self-promotion of housing projects* for home-ownership, especially by middle-income households.
2. *“Militant housing projects” by cooperatives*: in these types of projects, it is about de-linking the cost of production from the market. They have a strong lobby by Habicoop, an association created in 2005, which promotes and supports residents’ cooperatives and advocates the recognition of the legal status of “residents’ cooperative”.
3. *Collaboration between residents and social housing providers*: HLM organisations are often approached by organized groups seeking to embark on a community-led housing project. On other occasions, HLM operators are at the forefront of these initiatives, identifying demand and organising the process. An example of the latter can be seen in case box 3.4.2.

On a conceptual level, most of the projects in either of the above categories share similar values and aspirations, which in France have been grouped under the umbrella term *“habitat participatif”*.

“Habitat participatif”

The concept of *“habitat participatif”* or participatory habitat (i.e. housing) can be described as an alternative approach to the design and / or management of private and social housing developments. It is characterized by a strong participatory dimension, which puts residents at the centre of a collective conception of their “habitat” or housing project. This approach embodies the need, felt by more and more people, for housing to bear a renewed social link not only amongst inhabitants of a specific project, but also to contribute to the wider diversity of the city, both intercultural and intergenerational. Groups of people form around a common desire: to develop and collectively manage a building or a residential complex in which they share spaces, such as a meeting room, laundry room, guest room, garden, etc.

In organisational and legal terms, these initiatives can be broken down into a variety of forms ranging from classical condominium to non-speculative cooperative housing. They are based on the principle of sharing cost and space (land, construction, consumption, etc.) and aim to contribute to the integration of social economy principles into the local economies. These practices usually go beyond the scope of a particular scheme or individual housing and are linked to a wider agenda that aims to encourage experimentation and creativity in the way to plan, build and live. They may carry or be characterized by ecological and social values, to different extents, which results in choices of construction methods, materials and programming of the operation in accordance to these values.

In many cases, professionals involved in these initiatives accompany the project leaders in the definition and implementation of the operations. A national network of professionals for participatory habitat (RAHP) was formed in order to share this project approach and develop a professional reference.

Case box 3.4.2

The Viry housing project by Haute-Savoie Habitat

In this project, the HLM organization Haute-Savoie Habitat devised the housing programme and trained a group of future inhabitants. Due to its geographical proximity to Switzerland, this organisation has longstanding ties with CodHa, a Swiss housing organization, and was inspired by their involvement in community housing projects.

The housing project consisted of three buildings: one with social rented and the other two for higher income households.

The organisation has chosen not to involve future residents to participate in a number of technical decisions. Thus, the planning application was filed before the resident group was constituted. However, the latter will be responsible for determining the use of the common room and outdoor spaces (kitchen, playground, etc.). In this sense, this project resembles conventional operations as the project design will not be defined but only finalized with the future residents, who "will among others participate in collective decisions on common areas and apartments (removal of walls, floors, etc.).

But beyond these aspects, the social housing organization expects that residents will become and stay involved in the management of their dwellings over the long term, especially as residents of the three buildings will share common areas. The organization hopes that a residents' association can be established and reported on the drafting of an environmental agreement or a charter of good neighborliness.

Communication about the project and selection of residents operate initially through the Journal of the eco-district and municipal newspaper. Public meetings, the first of which took place in early October 2010, are also organized. A blog is also dedicated to this project.

Sources: Author's elaboration on the basis of Antoine Bouchez, director of development for Habitat Haute-Savoie. <http://habitatcooperatif.blogspot.com>

Legal framework and political support

The increasing significance of the involvement of residents in the development of the place where they live has been given official recognition ever since the implementation of the Law of 27 February 2002 on democracy and proximity⁶. This law mandates the creation "neighbourhood councils" in agglomerations with more than 80,000 inhabitants. More recently, the law "ALUR" of 24 March 2014 provides statutory recognition to this growing trend and aims to provide greater clarity on the place that social housing organisations can play alongside communities.

While participatory and cooperative housing initiatives have entered the local sphere in many parts of France, they are also gradually settling into the national landscape, not least thanks to significant lobby by associations, notably Lyon Habicoop. As a result of these advocacy efforts, an interdepartmental working group was set up in 2010, bringing together members of the Department of Housing, Planning and Landscape (DHUP), representatives of the Treasury Department, representatives of Caisse des Dépôts et Consignations, the National Association of Cooperative and FNSCHLM (Fédération Nationale des Sociétés Coopératives d'Hlm). Its mission is to study the practical implementation of residents' cooperative housing projects.

3.4.3. Case study: “Le Village Vertical”, a residents’ cooperative in Villeurbanne

Le Village Vertical - Villeurbanne: Key facts	
Legal status	Cooperative society. Residents have a double status of owners of collective areas and cooperative tenants of their dwelling.
Date of creation	2005
Financing	<ul style="list-style-type: none"> • Cost of the operation: € 2,500,00 • Cost of construction: € 1,350/m² (excl. VAT) (2008) • Cost of land: € 150/m² (subsidy of Grand Lyon) • Contribution of the group (9 households in 2008): € 300,000 plus loans
Type of housing	<p>Income and tenure mix (rental only):</p> <ul style="list-style-type: none"> • Ca. 60% social rental • Ca. 30% “very social” housing in partnership with organisations working on the social inclusion through housing for vulnerable groups (incl. people facing poverty, frail elderly, disabled). Dwellings let to a registered social landlord for this purpose. • A small proportion of private rental.
Partners	<p>Habicoop, HLM cooperative Rhône-Saône-Habitat, the city of Villeurbanne, Grand Lyon and the General Council of the Rhone-Alpes region.</p> <p>Project management by HLM cooperative Rhône-Saône-Habitat (social housing provider).</p>
URL	http://www.village-vertical.org/

The project

This is the first residents’ cooperative created in France in the XXI century; hence it is often referred to as a pilot experience. The project includes 14 homes, nine social housing, and four very social housing. The group benefited from a public subsidy in the form of a plot of land given to them by the Grand Lyon administration in the ZAC (Zone d’Aménagement Urbaine Conditionnée⁷) des Maisons-new, Villeurbanne.

They are collectively the sole owner of their building, and each household rents its dwelling, as part of a democratic management forbidding speculation and any profit. They use common spaces such as terraces, laundry room, common room with kitchen, vegetable garden, etc.

Values

The values inspiring this project are proclaimed by the group as

“to create true neighbourhood solidarity, in a project on a human scale conviviality, responsibility, savings, mutual aid, ecology and democracy (...) We want to people at the heart of their housing project; in partnership with various professionals, so we designed the space we collectively own.”⁸

Solidarity and care for the vulnerable features as an important value of this project. For example, four units are allocated to young people whose situation requires social support. In addition to

professionals, the neighbours are committed to ensuring volunteers amongst them to work with these people on a daily basis.

The group's aspiration is that in a few years, this way of living will become commonplace. Beyond the construction of the Vertical Village, the group wants to work in developing the concept of cooperative people, and assist with future Habicoop cooperatives and other cooperatives Lyon.

Environmental aspects

This project aimed from the onset to keep its impact on the environment to a minimum, as well as to lower the cost of housing. Therefore they chose to design an urban green building in partnership with their architects. The environmental values inspiring these choices are summarized in the following extract from the project's website:

"For us, the real social housing is environmentally friendly, because the eco-home reduces costs. The real ecological habitat is collectively to implement collective solutions, and economies of scale. It is urban, we want to avoid as much as possible pollution related to transportation."

The Vertical Village is seen as an urban ecology lab; first in its design: insulation, heating, healthy materials, solar panels, for example; but also in the ways of life it promotes (i.e. waste management, limiting the car in the city, purchasing, trade in services between neighbors, etc.).

Governance and management

All decisions regarding collective life are taken jointly and democratically within the assemblies and village councils, according to cooperative principles. Each village is a signatory to the Charter of the Vertical Village. Different management aspects of this project are done in cooperation with a variety of institutional partners including local authorities (City of Villeurbanne, Lyon; General Council, Rhone-Alpes region), and social economy actors (Habicoop). The building is managed by the cooperative HLM Rhône Saône Habitat. An association called AILQJ is in charge of accompanying households in "very" social housing. The group subsequently developed a range of bed & breakfast (the alternaccueil), which will initially occasionally host their families and friends. This is also seen as a way of promoting this type of project amongst visitors. An Autolib car sharing station is to be located close by Lyon Parc Auto, and their vegetable garden is open to others in the neighborhood. The common room will accommodate activities supported by neighbours.

Milestones in the life of the project:

2005: Establishment of the group Vertical Village, assembly of the association.

2006: First formalization of partnerships. Work on architectural feasibility.

2007: First work on the legal and financial arrangements.

2008: Completion of the land search.

2009: Architectural design.

2010: Creation of the cooperative society.

2011: Provision of ZAC land. Construction of new homes begins.

2013: Installation of vertical villagers in their homes.

Lessons learned

There is recognition of the difficulty in starting these projects; there are no clear guidelines given the relative small number of these projects and the lack of an established “template” on how to do things. Each experience is breaking new ground and writing its own rules.

Innovative projects such as this require the establishment of co-production mechanisms on a range of aspects, such as setting up the legal and organisational structure of the project (in this case, a residents’ cooperative), providing homes for social ownership, ensuring the environmental quality of the buildings, arranging the provision of parking spaces, etc. This means a challenge to the way professionals usually do things, which is based on narrow technical capacities with little synergy across users and producers.

The group recognized the importance of having a third party acting as facilitator of the process. In this case, Habicoop played this role. The introduction of this figure enables conflict resolution between different parties and smoothens the communication process overall.

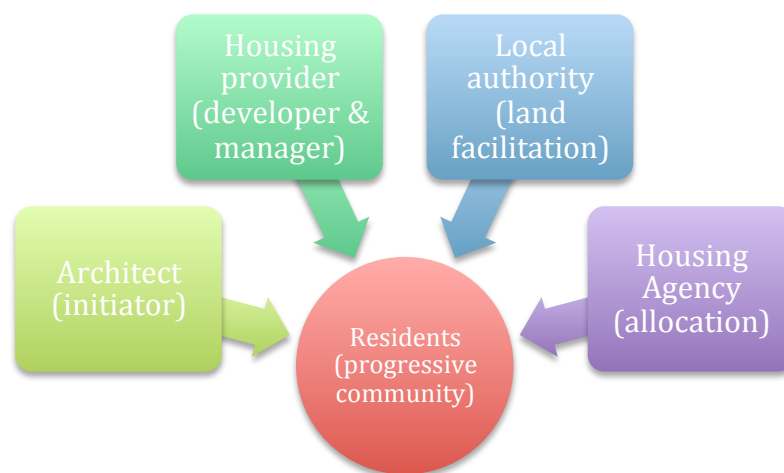
There is a persisting degree of mistrust from pre-existing residents towards the residents’ cooperatives, who are perceived as middle-class gentrifiers. In this regard, the challenge is to find the right mechanisms to build trust between original residents and newcomers.

Beyond the practical aspects of the project, the group feels that it is important to reflect on how to scale up these initiatives while preserving their autonomy and freedom of action.

4. Emerging findings

Through the cases presented in this report we see that there are different types of collaboration relationships between, on the one hand, community groups seeking to carry out a housing project and, on the other, a variety of institutional partners - be it from the public, private or voluntary sector. These relationships and the types of institutional actors involved are illustrated in figures 4.1-A, -B and -C.

Figure 4.1-A The women's housing project [ro*sa]²² – Vienna, Austria



In this project, the initiator was an individual with a vision, an architect, who called on a wider group of interested individuals to shape up the concept of the project. Once an initial group of residents achieved common ground on what they wanted their housing project to be, they reached out to possible institutional partners who could help them achieve this role. In this case, a housing association took the role of developer and manager. In addition, the housing association channelled funding to the project (subsidies, bank loans) and manages the allocation process of dwellings under local authority conditions. An additional key partner was the City of Vienna, who assisted in the identification of suitable land (always difficult to find and access in urban contexts). A third relevant partner in this project is the Vienna Housing Agency, who cooperates with the allocation of housing to people under social housing conditions of eligibility. Through the gradual allocation of dwellings to eligible households, the residents' community as such developed progressively. This is in fact a common feature of this type of projects: a small group with a common vision take the lead and once the project materializes, recruitment of other residents takes place.

Figure 4.1-B Community Land Trust Brussels (CLTB) – Brussels, Belgium

Out of the three projects featured in this report, it could be said that the CLTB is the most complex project in terms of its origins and development. The project was born of the confluence of a variety of housing-related initiatives and actors with different agendas, who came together around a shared vision of bridging the provision gap between a very small, restricted social housing sector and an increasingly unaffordable mortgage market. The process developed through several stages, and the CLT form emerged almost as a product of serendipity. As the figure 4.1-B illustrates, the initiators

were two not-for-profit organisations working with experimental ways to provide homes for ownership to low-income households. While in the case of CIRE, the main driving force was to help people excluded from the mainstream housing provision mechanisms (immigrants and refugees) to achieve ownership of their home, the Neighbourhood House Bonnevie had a strong environmental driver, led by architects committed to this vision. The combination of both initiatives brought together the social and environmental components that characterize this project. The desire to bring this model further led its leaders to look for alternative models abroad, and so the CLT came into the picture. In that sense, it could be said that the CLT is highly experimental in the Belgian context, as this type of housing model was unknown and untested in this country until then. Finally, the key enabler in this initiative was the political support from the regional housing minister at the time, which committed funding and legal recognition to the project. However, the flipside of political support is its volatility, which may turn strength into threat.

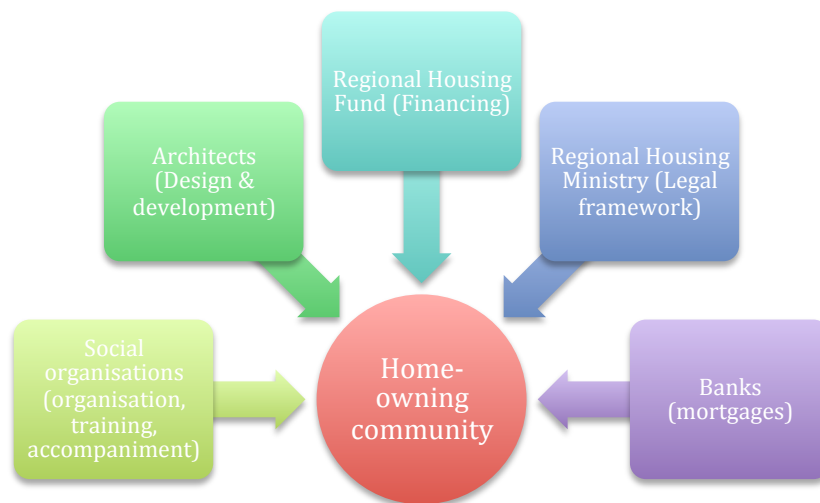


Figure 4.1-C Residents’ cooperative “Le Village Vertical” – Villeurbanne (Lyon), France



This example is considered pioneering in the French context, as it is the first residents’ cooperative in the country. Compared to the other two projects presented in this study, it is the case with the most consolidated “community” element from its onset: the vision and concept for the project was thought and brought forward by a group of residents who took part in every stage of the process as a group. Key partners were then sought by the group to assist them with the implementation of their idea: the local authority facilitated the land from a pool of public land available to projects in qualifying areas (ZAC); a cooperative housing provider took charge of the development and management of the

housing; social organisations specialised in catering for special needs provided support with these. Nonetheless, it is worth noting the key role played by the Habicoop association, which acted as facilitator of the entire process by bringing partners together and advising the group. Habicoop's mission is to help the formation and successful developments of these initiatives in France.

Collaboration with (social) housing providers

In two cases (Vienna and Lyon), established housing providers were key partners in these projects, taking on the role of developers and property managers. In both cases, these relationships were established from the early stages of the project. It is worth noting, however, that in these particular cases the initiative did not come from the housing providers, but from the community groups. Nonetheless, as we have seen in the overview to this chapter, there is evidence that in both countries there is an increasing interest from established providers to take the lead in identifying demand for and organising these types of projects.

Community groups see many advantages in these collaborations, as social housing providers can facilitate the access to land and (market) loans. As seen in the case of Vienna, large-scale and complex developments, such as Seestadt Aspern are beyond the reach of small groups and require a bigger institutional partner to bring them on board. Furthermore, social housing providers can access a variety of supply-side subsidies for housing to which only registered providers may apply. In addition, social housing organisations are also in charge of allocation of social housing, either directly or on behalf of the local authority. This may bring opportunities as well as potential conflicts for the specific housing projects. For example, as we have seen in the women's project in Vienna, the City's allocation criteria (implemented by the housing association partnering with the initiative) tended to clash with the specific target groups of this particular project. The result was a compromise in the proportion of allocations that each party would be in charge of. In France, this is a field where the rules are under review in order to allow a wider range of income categories into a project. However, there is often a tension between the addressing the housing crisis (i.e. priority groups) vs. having a wider range of income groups in these projects (i.e. including middle income households).

While there is recognition that established housing providers, such as housing associations and cooperatives, in practice relationships between these are not always collaborative. In some cases, there are even tensions between them, for example, when community housing groups are perceived as competing for already scarce (public) resources. A case in point is Brussels, where there is no collaboration with the local (social) housing providers. According to interviewees from the CLTB, social housing providers see the CLTB (and more generally, the eventual expansion of this type of projects) as threatening their position as the main provider of low-income housing. In a context where social housing is already a relatively small sector, established providers would be unwilling to share the limited resources allocated for building new social housing with new actors. This perception, however, should be checked against the view of providers.

Types of partnerships

In general, it is possible to distinguish two types of collaboration with social housing providers, depending on who the initiating party was: A. Projects where the initiative came from a community group (or a group of residents) such as in the Austrian and French cases, or B. Projects initiated by a social housing organization, such as HLM Viry, Haute-Savoie (case box 3.4.2.).

Type A: Projects initiated by a community group

In these projects, the community group plays a central role. However, they seek to partner up with local authorities and/or with a social housing provider to assist them with a variety of legal and

technical aspects. As we have seen, there are different levels of involvement of each of these actors in community projects. In these projects, contractors are usually chosen by the community group or proposed by the planner, the social housing provider, or selected through a call for tender.

Type B: Projects initiated by the housing provider

Evidence from France suggests that projects on the initiative of a housing provider do not result, to date, in levels of participation as high as projects where the community was the initiator. This can be explained by the provider's need to ensure the feasibility of the project within a period close to that of "traditional" operations. In this sense, the future inhabitants make their contribution to the project programme only once the permit is filed. In addition, usually local authorities are also involved in this type of initiatives.

Funding sources

As our cases illustrate, project funding may come from different sources in varying combinations (see table 3.1) by the group of people (capital, loan), local authority (a grant, assistance in land acquisition, etc.) or the social housing provider (own resources; public subsidies; market loan, etc.). In the Austrian example, there is a well-established and diverse system of supply and demand subsidies available to a wide range of income groups. This allows community initiatives to be integrated in the public subsidy system without much need for adaptation. Something similar holds true for France, although eligibility criteria are more restricted than in the Austrian system. In Belgium, there is a deeper divide between those eligible for social housing (targeting people on low incomes exclusively) and the rest of the population, who are geared towards market home-ownership. In the case of the CLTB, this divide is reflected in the exclusive (original) focus of the project on social home-ownership targeting low-income families, who were excluded both from the established social rental sector and from market home-ownership. This may partly explain the absence of social rental in the project. From a financing point of view, the lack of significant public subsidies (both demand and supply) for housing means that community-led housing initiatives have a few options left: either they manoeuvre their way to the open market (such as through the pooling mechanism organized by CIRE), or they have to rely on ad-hoc, politically-driven influx of public funding for specific initiatives. As explained in the next point (challenges), this situation creates an uncertain environment for the long-term life of these initiatives, as well as for the emerging of new such projects.

Key challenges and enablers

Table 4.2.1 provides an overview of key enablers and challenges found in the cases presented in this report. As we have seen through the evidence presented on the case studies, **key enablers** in these types of projects are:

- **Facilitation of land** through partnering with local/regional public authorities, and/or with established social housing providers. The latter either have direct access to earmarked land (or buildings) for social housing, or can help these groups through a direct line to public bodies who may be able to release land for this purpose.
- **Access to (social) housing subsidies**, again, is facilitated through partnership either with housing associations that can channel these funds, particularly in the case of public grants for new social housing construction or through access to loans in the private market at more favourable rates.
- **Development and management** by specialised, professional providers, is considered an asset when it comes to organising these key aspects of the projects. Community groups often do not have the knowledge and/or the capacity to organise provision on a scale beyond individual

dwellings. While the community may want to take over some aspects of management once the project is built, if the relationship with the social housing provider is positive and residents are happy with the quality of this service, evidence shows that they would be happy for the housing provider to continue performing this task.

- **Other enablers** mentioned included: involvement of a facilitator/mediating body; political support to the project; production of a solid evidence base (e.g. studies) to support the realization and public acceptance of the project.

	Enablers	Challenges
[ro*sa]22 Vienna, Austria	<ul style="list-style-type: none"> • City of Vienna facilitates land • Housing subsidies from the City of Vienna 	<ul style="list-style-type: none"> • Initial search for land proves difficult • Conflicting allocation criteria between project's aims and Vienna's housing service
CLTB Brussels, Belgium	<ul style="list-style-type: none"> • Feasibility study • Political support (Green party housing minister) 	<ul style="list-style-type: none"> • Rising house prices • Excessive dependency on government subsidies (subject to political changes) • CLT tied to housing law (restrictions to use subsidies for non-residential infrastructure) • Lack of rental tenure / non cooperation with social housing providers (rivalry)
Village Vertical, Villeurbanne (Lyon), France	<ul style="list-style-type: none"> • Facilitator (Habicoop) • Local authorities facilitate land • HLM cooperative developer and manager 	<ul style="list-style-type: none"> • Persisting mistrust from pre-existing residents (fears of gentrification, etc.) • Pioneering project means lack of guidelines, need to start from scratch • Challenge to scale-up without compromising original values

Key challenges mentioned include the flipside of the above enablers, notably difficulties to identify and access suitable land in high-pressure urban areas. In addition, other challenges mentioned referred to wider issues such as trust building, maintaining original project values while scaling up, tackling affordability, balancing the project's specific target groups with wider social (housing) needs, achieving tenure mixes, developing a suitable legal and policy framework to fit the specific characteristics and needs of these type of projects. Overall, it could be said that many of these challenges tend to be context specific, and are related to the characteristics of each country's housing systems. This is particularly the case with the different situations with regards to access to public funding for social and affordable housing in each case. When thinking of applying these lessons to the UK context, where (public) funding conditions for social and affordable housing are rapidly changing, this is certainly an aspect to reflect upon.

5. Emerging conclusions

The development of a range of new community-led housing initiatives in many European countries since the early 2000's responds to a series of factors. On the one hand, a strong environmental agenda has become increasingly popular amongst wider sections of the population, who seek to integrate environmental concerns (i.e. eco-housing, sustainable construction methods, etc.) to social and economic aspects. The latter include linking their housing to the wider neighbourhoods and urban areas where they are located, enabling interaction with other residents and fostering the local economy through the support of small shops. In addition, there is a growing desire for greater freedom from the a housing offer by developers (both private and "social") that is considered restrictive and out-of-pace in relation to the changing needs and aspirations of different types of households.

Another important factor in the development of these types of initiatives is the long standing 'housing crisis' in many parts of Europe, even pre-dating the global economic crisis and ensuing austerity measures that have had a major impact in the availability and affordability of housing for middle class and low income populations. In a context of increasing housing exclusion where governments are drastically reducing investment in new housing and restrictive market financing for affordable and social housing, alternative housing solutions are being increasingly sought. Community-led housing initiatives are part of this new landscape of housing solutions, by and for a variety of groups whose housing needs are not met by the established offer.

For this type of housing provision to expand, however, it is necessary to think of sustainable (i.e. long term) funding mechanisms and of a legal and policy framework that provides stability for investors and developers willing to play a role in them. In the case of the UK, it would be useful to think about the following aspects:

- Do the housing aspirations of British households match the values on which these initiatives are based?
- What sustainable financial sources could be make available to this projects?
- Would the State be willing to establish funding mechanisms for these self-organised groups to apply for?
- How can British housing associations support the development of these initiatives?

This report has provided a snapshot of the many and diverse range of community-led initiatives taking place around Europe. It is meant to inspire a discussion amongst British housing providers on how they could engage with these models in the UK context and turn this into part of their strategies and portfolios.

Notes

¹ Parker, S. (Ed.) (2013). *The squeezed middle: The pressure on ordinary workers in America and Britain*. The Policy Press.

² See, for example: Moore, T and Mullins, D (2013). *Scaling-up or going viral? Comparing self-help housing and community land trust facilitation*, in: *Voluntary Sector Review* 4(3), 333-354; Knorr-Siedow, T. (2010).

ON THE HAUS-A self-organised housing sector is taking root in Germany. Thomas Knorr-Siedow investigates the lessons to be learnt, in: *Roof*, 35.

³ Czischke, D. (2014). *Social Innovation in Housing: Learning from Practice across Europe*. Discussion paper for the Chartered Institute of Housing, UK.

⁴ See, for example: McCamant, Kathryn; Durrett, Charles. *"Cohousing: A Contemporary Approach to Housing Ourselves."* Berkeley, Ca.: Ten Speed Press, 1994, and Durrett, Charles. *"Senior Cohousing: A Community Approach to Independent Living."* Gabriola Island, B.C.: New Society Publishers, 2009.

⁵ See www.communitylandtrusts.org.uk

⁶ Law No. 2002-276 of 27 February 2002 on local democracy, available at: <http://www.legifrance.gouv.fr>

⁷ ZAC stands in French for "zone d'aménagement concerté", a public development operation zone under the Town Planning Code to substitute for zones to be developed as a priority.

⁸ <http://www.village-vertical.org/>