

Upscaling the Vienna Model of Social Housing to the EU level

10th Anniversary of the Irish Housing Agency

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Vienna and its region



- **Vienna** with 1.9 mio. inhabitants (2020), 51,2 % women, **population growth expected to reach 2 million by 2027**
- **Vienna Region** 2,7 mio. Inhabitants (2019), together with Lower Austria and Burgenland goes **beyond borders to Slovakia**
- **High quality of life** with 1st place in „Quality of Living Ranking” since 2009 by Mercer

Vienna Social Housing: A win-win situation

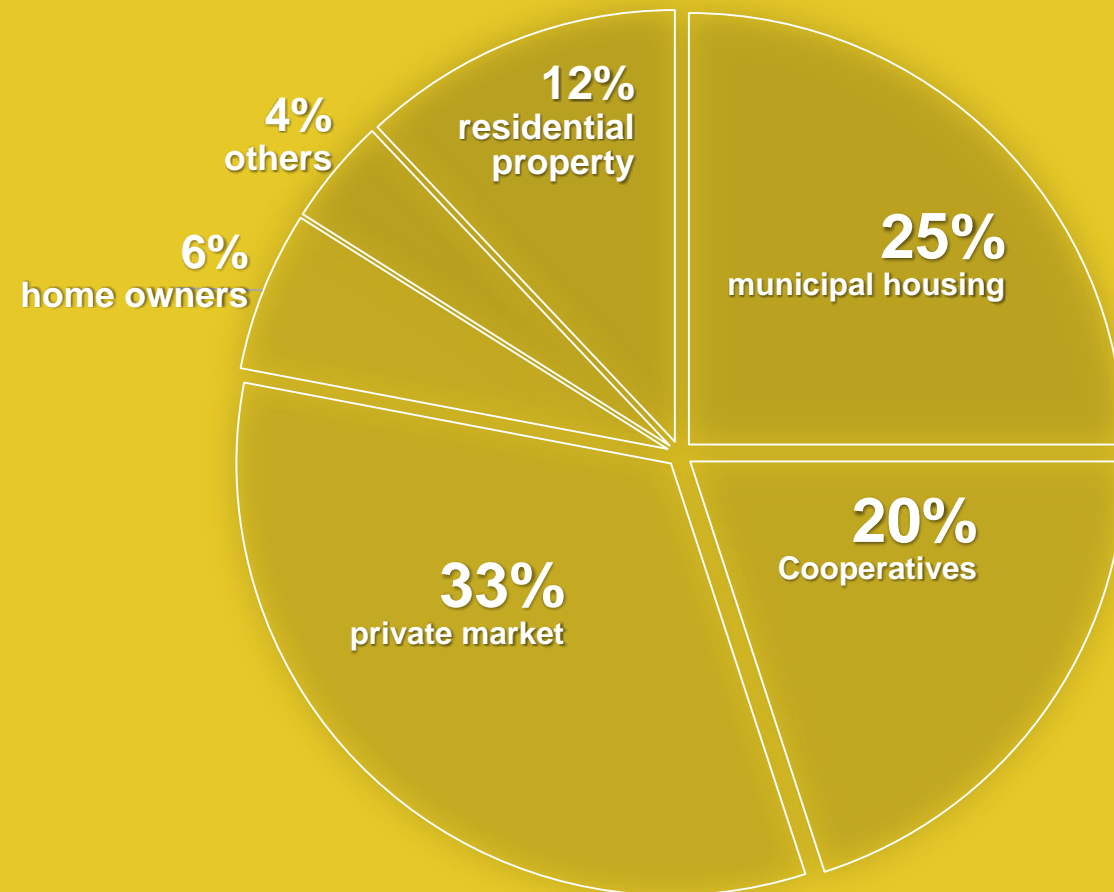
- 1919-1934: 66.000 dwellings built under the first municipal housing programme
- 1 in 4 citizens live in municipal housing, 2 in 3 in municipal, cooperative or publicly funded housing
- Unique combination of quality of life, price effects, capped rents, tenant protection, job creation and social mix
- The Austrian model is recommended as best practice by the OECD

Housing in Vienna: a city of tenants

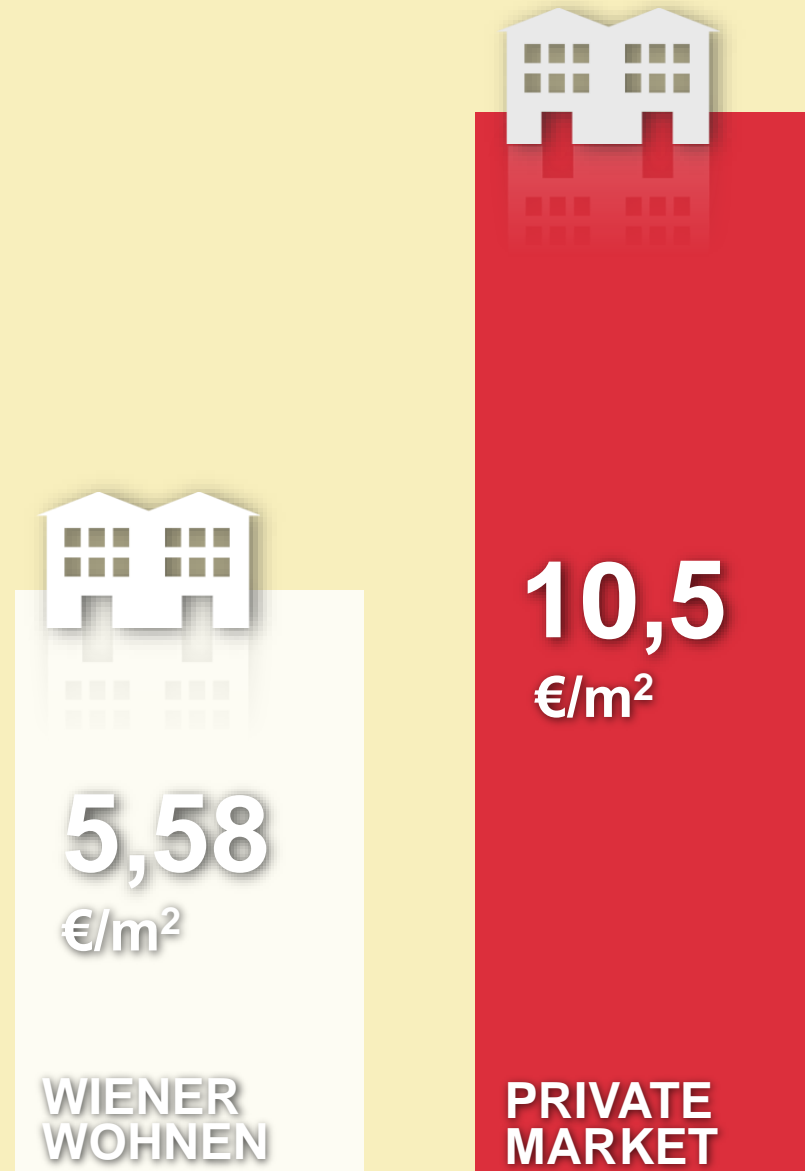
- Governance & instruments in Austria & its 9 regions
- Vienna Housing Promotion and Renovation Act
- Gentle Urban Renewal Strategy
- Gender Planning and Urban Development
- Vienna Land Fund
- Developers' competitions for new construction
- Building Code with category „subsidised housing“
- Tenants' protection and legal dispute settlement
- 14.000 units under construction today



The housing market in Vienna

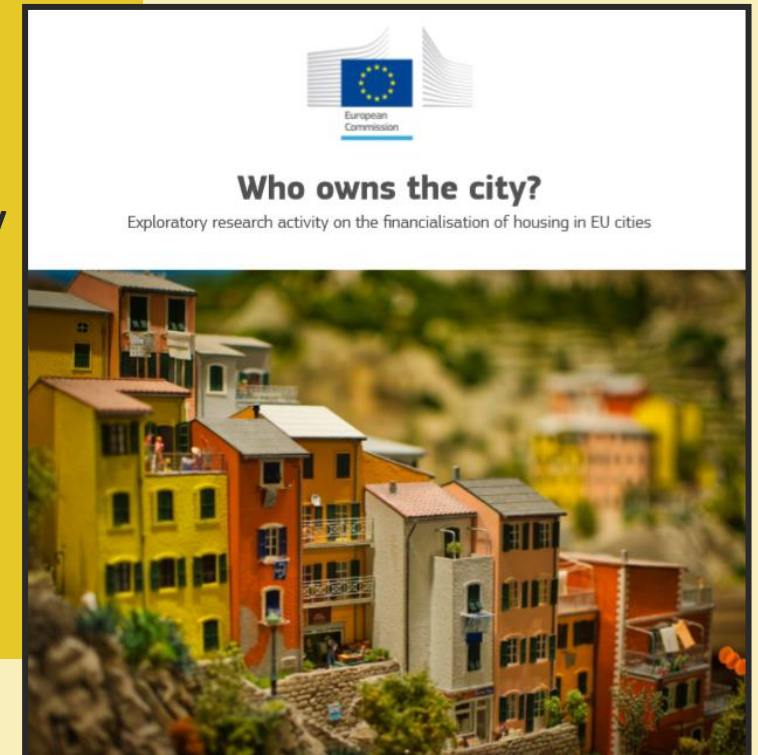


Low rents – social stability

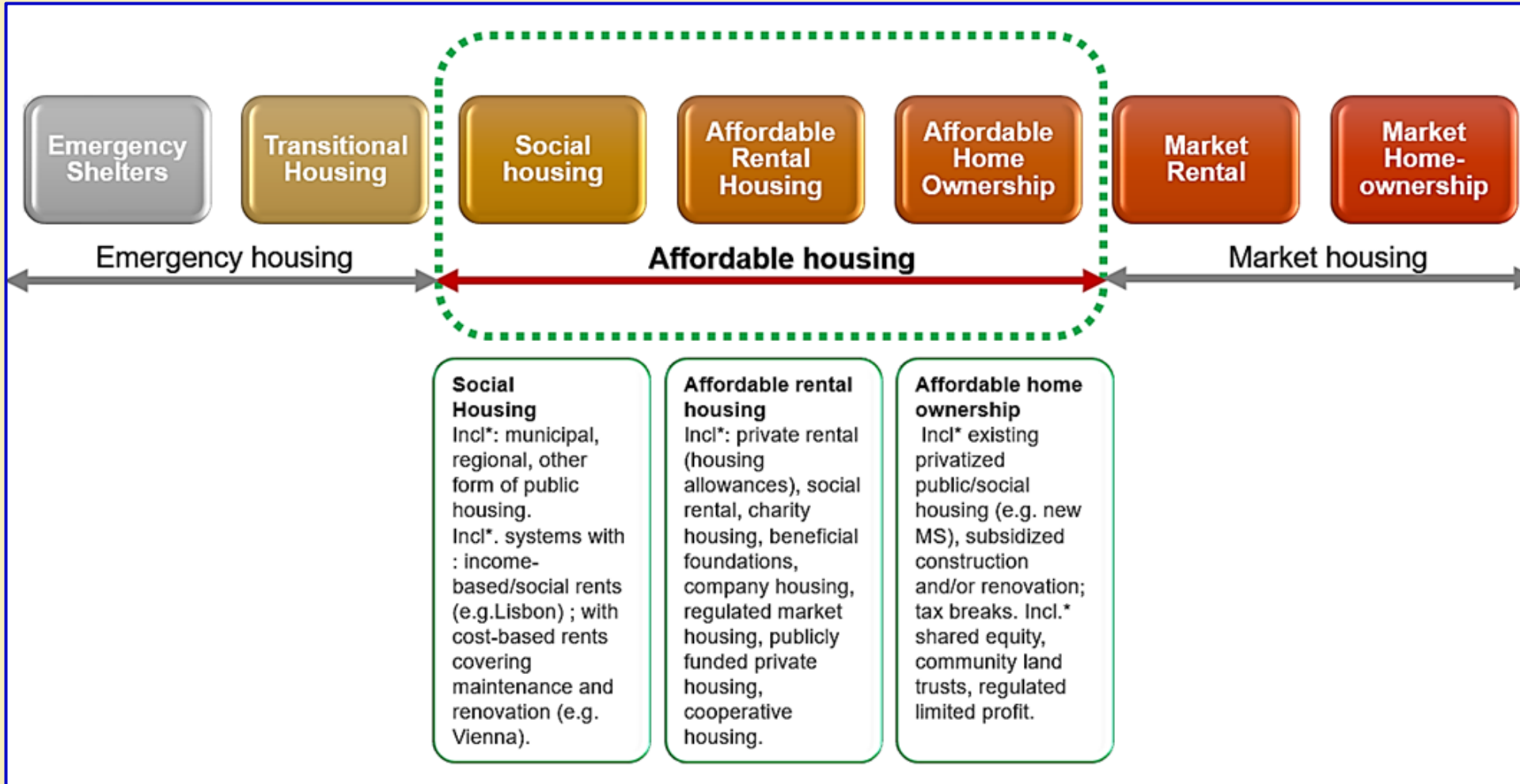


Reasons for the Housing Crisis in European cities

- Lack of investment in social and affordable housing
- Financialisation of the housing markets, including risk of money laundering
- „Touristification“ and gentrification
- High costs for construction and building ground, scarcity land
- Low regulation and state intervention
- Taxation reliefs for institutional investors
- State intervention low

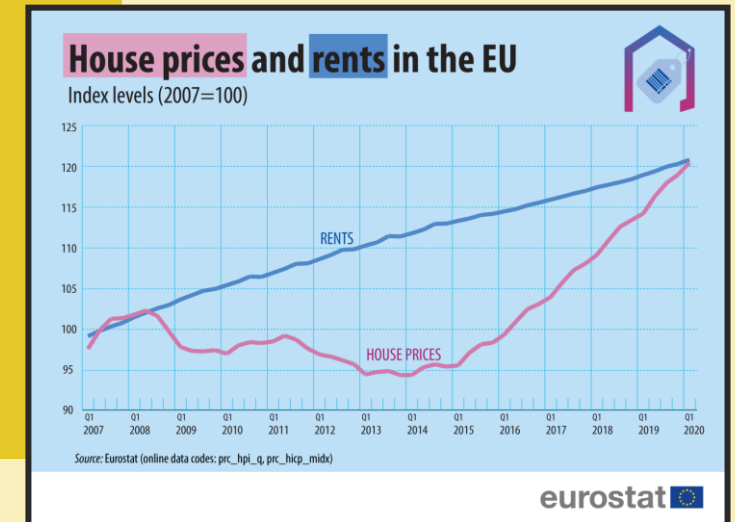


The Housing Continuum (Urban Agenda for the EU Housing Partnership)



Effects of the Housing Crisis in European cities

- Lack in investment leads to overheated and fragmented housing markets
- Social and territorial segregation within the city boundaries
- Middle income families cannot afford a home, rise in homelessness
- High risk of energy poverty, especially of women
- Rising precarity, unhealthy and overcrowded housing
- Discrimination of vulnerable groups and social housing systems as a whole



Vienna is different

- ✓ High quality of life
- ✓ Price decreasing effect of high share of municipal, cooperative and publicly funded housing
- ✓ Capped rents, rent regulation and zoning law favour social and affordable housing production & renovation
- ✓ Tenants' protection, indefinite rental contracts as the default option, dispute settlement in place
- ✓ City housing investment at 500 mio. euro/year
- ✓ Maintaining social mix all over the city
- ✓ **Viennese are proud to live in municipal flats**



Public benefits of affordable housing

- ✓ Active planning and housing policy strategy
- ✓ Definition and securing of quality criteria in housing construction
- ✓ Social policy component, promotion of a socially sustainable city
- ✓ Rights based and participatory approach
- ✓ No segregation or “renovictions” due to gentle urban renewal
- ✓ Investment is securing of more than 20,000 jobs
- ✓ Boost for sustainable construction methods
- ✓ Focus on a healthy living environment
- ✓ Neighbourhood-based and participatory approaches
- ✓ Clear women empowerment commitment



Europe has to deliver on housing now

- **De-blocking investment** in social and affordable housing (change in EU State Aid, better use of investment clause of the European Semester)
- MFF and EU-recovery to **support housing investments** (improvement of EU housing data base to cover all tenures and levels of government)
- Setting the **housing cost overburden rate at 25%** of the income of the household instead of 40% (Social Scoreboard)
- Empower cities to **combine different funding and financing sources** (capacity building) & develop **stable and long-term financing systems** (revolving funds)

Europe has to deliver on housing now

- The Green Deal's **renovation wave** has to be **inclusive, participatory, with a clear gender focus** (Affordable Housing Initiative, energy poverty)
- More **control and legal accountability of short term holiday rentals** (platform economy, Digital Services Act, Digital Market Act)
- Measures against **financialisation and money laundering** (transparency registry for real estate)
- **Governance of EU housing initiatives has to take cities & regions, social, public, cooperative and affordable housing providers and tenants unions on board**



A common approach: good housing for all

- ✓ Put **people at the center**: involve, empower, emancipate
- ✓ Involve **capable stakeholders** to co-design, co-manage, co-own
- ✓ **Protect citizens from speculation, eviction and homelessness**
- ✓ **Protect cities from gentrification, financialisation and touristification**
- ✓ Set **goals and processes** in a **transparent and accountable** way on all levels of management and government
- ✓ Account for **long-term nature of housing** in all aspects of policy
- ✓ Promote **multi-level, multi-stakeholder policy framework**
- ✓ Create **diverse, affordable and protective housing systems**
- **The market does not deliver; we need the return of the state**



Useful links

Social Housing in Vienna

<https://socialhousing.wien/>

Smarter Together Project

<https://www.smartertogether.at/>

IBA Vienna 2022

<https://www.iba-wien.at/en/>

EU Urban Agenda Housing Partnership

<https://ec.europa.eu/futurium/en/housing>

ERHIN – European Responsible Housing Initiative

<https://www.responsiblehousing.eu/>