

# URBAN CHALLENGES, HOUSING SOLUTIONS

Understanding cities  
vacant housing  
potential to provide  
adequate affordable  
housing solutions



FEANTSA

## BRIEF HISTORY OF

the project:  
better  
understanding  
urban vacancies

FEANTSA is the European Federation of National Organisations Working with the Homeless. To address homelessness, FEANTSA has developed its work on housing: sourcing housing for housing first, mobilisation of vacant housing, financing and investment of affordable housing solutions, prevention of homelessness in helping people remain in housing, etc. In this context, FEANTSA is proposing to explore cities' work to better understand local needs and build together potential solutions to address homelessness and housing exclusion at city level.

## FIVE CITIES, ONE GOAL: AFFORDABLE HOUSING

FEANTSA has been analysing the profiles of five different cities in order to showcase a diversity of contexts. We have worked with the cities of Odense (Denmark), Thessaloniki (Greece), Leuven (Belgium), Lyon (France) and Mataró (Spain), while also bringing in examples of work identified as inspiring from Dublin (Ireland), Strasbourg (France), Los Angeles (USA) and Helsinki (Finland). These are examples of good policies and practices and do not intend to offer a complete analysis of the issue, but do aim to reflect a diversity of models, identifying common trends and differences, providing a platform for discussion as well as further exchange and support between cities.



## THE EUROPEAN HOUSING CONTEXT

### A housing crisis

## A HOUSING EMERGENCY, IN NUMBERS

Rent increase 2010-2021

**+ 15,3 %**

House prices 2010-2021

**+ 30,9 %**

Estimated minimum number  
of homeless people in Europe  
in any given night

**700 000  
people**

Euro area annual inflation  
November 2022

**10 %**

Percentage of EU population  
living in urban area

**75 %**

More information:  
<https://ec.europa.eu/eurostat/web/housing-price-statistics/data/database>

Europe is facing a housing crisis, characterized by a lack of access to affordable & social housing, contributing to an increase in the number of homeless people.

Eurostat's house price index shows that, even before the 2022 inflation surge, house prices were already up by 8.8 % in the euro area and by 9.2 % in the EU during the third quarter 2021, compared with the same quarter of 2020. From 2010 until the first quarter of 2021, rents increased by 15.3% and house prices by 30.9%. This situation is particularly marked in urban areas where financialization of housing is contributing to drive prices up.

According to the World Bank, in 2022, almost three quarters of the EU population lived in cities, towns and suburbs, with a considerable diversity of realities between access to housing in peripheral towns and in major metropolitan areas such as Lyon, or Madrid.

More information:  
<https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=EU>



# THE POLICY CONTEXT

## The Green Deal and Renovation Wave

In 2020, the European Commission proposed its strategy for a "renovation wave". The main objective of this initiative is to trigger massive renovation in Europe to improve energy performance and contribute toward achieving climate neutrality. A key pillar of this strategy is the legislative proposal for revision of the "Energy Performance of Building Directive" (EPBD), including a proposal for the establishment of mandatory energy performance standards to the residential sector.

For FEANTSA, this initiative could provide an unprecedented opportunity to support low-income groups in the energy transition and thereby address housing exclusion. The Renovation Wave and EPBD underline on several occasions the attention to be given to tackling energy poverty and worst-performing buildings but, beyond the narrative, do not yet propose adequate dedicated funding or concrete mechanisms to address the social impact risks such as gentrification, rent increase and renoventions.



## A New European Bauhaus

The New European Bauhaus - another European Commission initiative - is aiming to foster cross-sectoral cooperation towards a green transition that will impact buildings towards sustainability, inclusion, and beauty.

This presents opportunities for cities willing to address the issues of vacancies and affordable housing.

As an example, the EUI-Innovative Actions autumn 2022[1] call for proposals has focused on the New European Bauhaus and how to support cities to generate innovative solutions in particular in the following areas:

- Regenerating urban spaces
- Adapting and transforming buildings for affordable housing solutions
- Construction and renovation in a spirit of circularity and carbon neutrality
- Preserving and transforming cultural heritage

[1] More information:

<https://www.urban-initiative.eu/calls-proposals/first-call-proposals-innovative-actions>

[https://www.feantsa.org/public/user/Resources/reports/2022/2\\_Briefing\\_-\\_Renovictions\\_in\\_Europe.pdf](https://www.feantsa.org/public/user/Resources/reports/2022/2_Briefing_-_Renovictions_in_Europe.pdf)



## EMPTY HOUSING IN EUROPE: A BLURRY PICTURE

There is no recent and clear overview of vacancy in Europe. In 2014, about 11 million homes were estimated to be unoccupied, with an average above 20% in Mediterranean countries. 2022 OECD data reveals a diversity of realities, between countries but also between rural and urban areas.

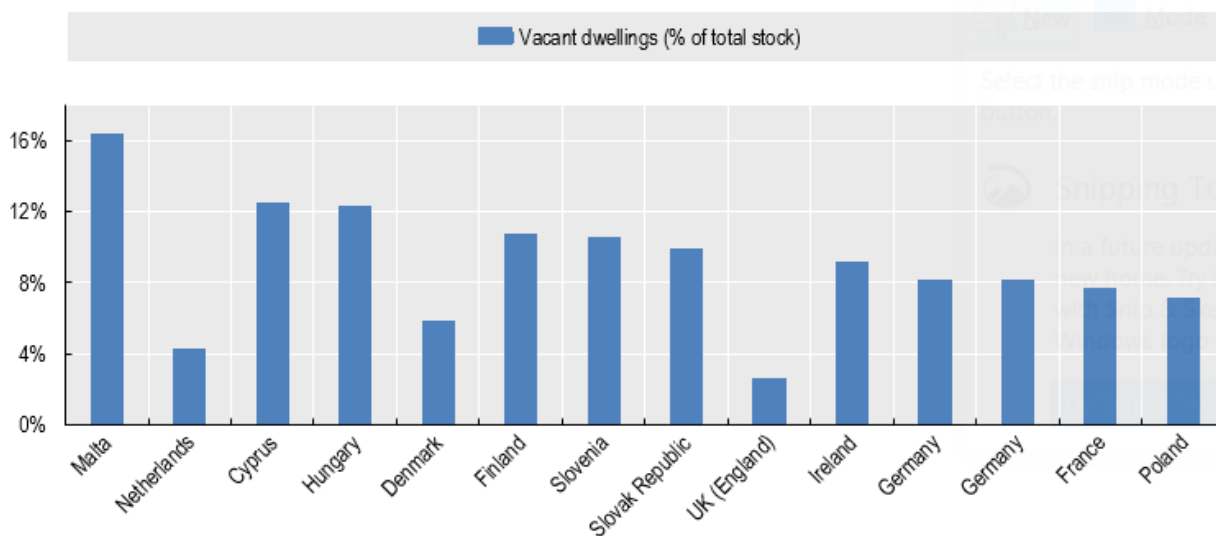
OECD's data shows that in most countries, empty dwellings are most common in rural rather than urban areas. However "the share of dwellings in urban areas is less than 60% of the total dwelling stock in Sweden (58%), Slovenia (56%), Romania (55%), Austria (54%) and Latvia (51%).

More information:  
<https://www.oecd.org/els/family/HM1-1-Housing-stock-and-construction.pdf>

**"A dwelling is considered to be occupied if it provides the usual place of residence to a household, which can include one or more persons. Among dwellings that are not occupied, we define as vacant dwellings those that are not: secondary or holiday homes or dwellings meant for seasonal use"**  
**OECD 2022**

**Figure HM 1.1.2.a: Vacant dwellings in selected countries**

Percentage of vacant dwellings, out of the total dwelling stock, 2020 or latest year available



Source: OECD 2022, HM1.1.4b: Housing construction

## KEY CHALLENGES FOR CITIES IN ADDRESSING VACANCY

Research estimates a 'healthy' vacancy for a housing market to be 3 to 5%

There is a difference between 'natural' and 'problematic structural' vacancies. Defined as 'problematic' vacancies are the empty dwellings that are likely to remain vacant for longer periods of time (over 6 months). Causes for such long-term vacancies vary but include overoptimistic pricing, dwellings unfit for habitation (reluctance to invest in refurbishment), inherited dwellings, owners not able to deal with the dwelling e.g. due to health reasons, change of occupants, voluntarily out of the market (investment).

Vacant housing at city level can be the source of local difficulties, by fostering conditions for vandalism, deterioration, and lack of security.

FEANTSA has identified the following challenges linked to vacant building mobilisation for cities:

- Identification of the vacant sites: lack of data available on where vacancies are and their nature.
- Heterogeneity of the vacant housing stocks (commercial vacancy and residential vacancy, black rental housing market, secondary residence, social and private sectors).
- Geographical and typological mismatch between supply and demand.

This report is based on a mixed of primary data collection (interviews, online peer exchange) and secondary data (desk research, internal documents provided by cities, and statistical analysis). It was based on an open call to towns and cities.



# LOCAL URBAN REALITIES INTERLINKED WITH NATIONAL HOUSING POLICIES

## GREECE

Greece has been facing a housing crisis characterized by high demand and high rental prices, a situation which has worsened with the recent increase in energy prices. Data by the Bank of Greece reveals that nationwide prices have increased by 31,2% since the second quarter of 2018 (a rise of +34.3% for new houses and +29.3% for older houses).

Despite these, Greece has been recorded as having the highest percentage of vacant houses among all EU Member States. According to the 2011 census, out of a total of 6,384,353 dwellings, 2,249,813 (35.3%) were vacant<sup>[2]</sup>. Considering the proportion of new build homes, inadequate construction standards and the high number of vacant dwellings, the energy and structural upgrading of the housing stock has become an urgent matter. Yet, upgrades have mainly involved partial upscaling of single apartments, rather than entire buildings, benefiting mainly single property owners able to afford the cost. When the upgrading is not intended to improve the use value of the property and living conditions of its owner-user, it is intended to increase its exchange value.

[2]<https://greekreporter.com/2014/09/03/one-in-three-greek-houses-is-vacant/>



**Nationwide prices  
in Greece have  
increased by  
31,2% since the  
second quarter of  
2018**



## Thessaloniki: deepening the municipality's understanding of the housing stock

Thessaloniki is the second-largest city in Greece, with over 1 million inhabitants. Housing prices have increased by 32.2% in the last four years, while in the other big cities in Greece this figure stands at 18.6%.

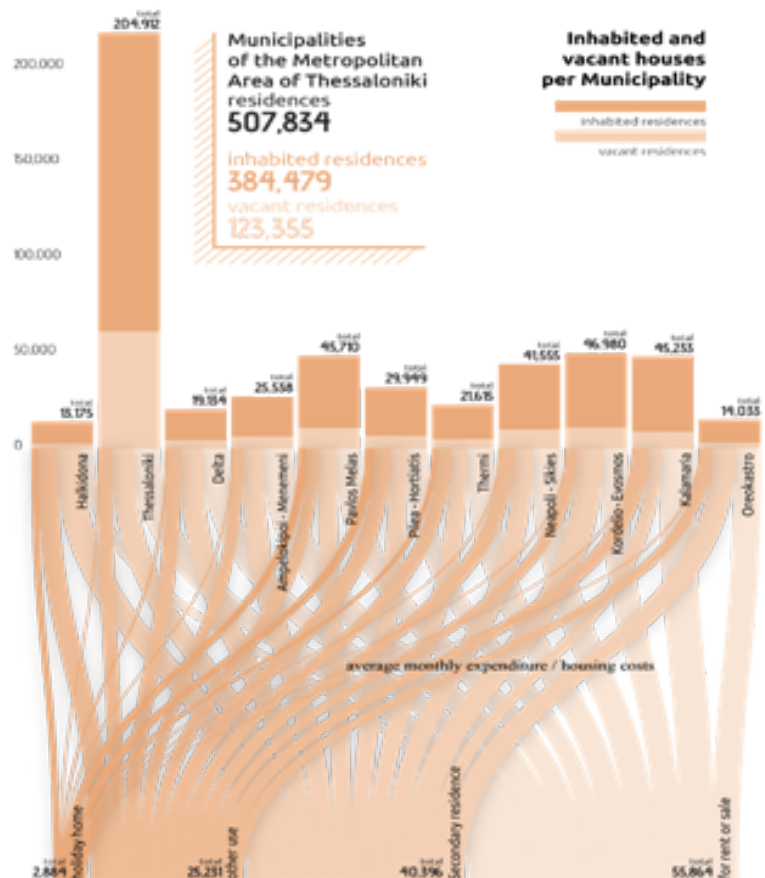
According to a 2022 in-depth report on social and affordable housing by the municipality of Thessaloniki, vacancy is one of the key challenges affecting the lack of affordability of housing in the city.

The official 2011 census data show that The Municipality of Thessaloniki has the largest share of vacant residences with 28.3% of the stock. Using data from the Hellenic Electricity Distribution Network Operator (DEDDIE), the citywide study cross-checked vacancy figures by analysing electricity disconnections. Accordingly, almost one third of the stock in the municipality of Thessaloniki remains empty, with at least 42% having previously had residential use.

There are two main categories of vacant dwellings:

- (1) temporarily vacant with the intent of it being rented or sold
- (2) vacant for a long period of time because it is used as a holiday home or as a secondary residence.

The census reports 38,840 properties in the municipality of Thessaloniki without electricity supply, including 42% (16,400) for residential use. A peak of disconnection took place in 2011-2012 and during the financial crisis. From 2011 to 2015, an average of 2,254 properties were disconnected annually, which is far greater than before 2011 (1,180 properties per year.)



Source: Affordable HousingThessaloniki, Meriç Özgüneş, Dafni Chatziantoniou, Social resilience and Integration Department, MDAT S.A, page 63

In 2022, the municipality has worked on mapping the housing stock to provide an estimation of the number of available dwellings (mainly analyzing the public stock) that can be turned into social and affordable housing. The study also provides a legal analysis of the dwelling status as well as conditions under which their use can be transferred to housing provision bodies such as the Social Rental Agency. The research also provides an estimation of the state of the stock in terms of renovation, upscaling needs and energy performance. Finally, the study looks into the housing stock that has been transferred through sequestration to funds, banks and other financial institutions and explore potential collaboration to transfer use for social and affordable housing provision.

In addition to data collection, the Development Agency has also set up a Housing Observatory and a Social Rental Agency to mobilize previously unused and empty public and private housing stock.

Source: "Social housing baseline studies", 2020, Major Development Agency of Thessaloniki and the Aristotle University of Thessaloniki. <https://www.housing-solutions-platform.org/single-post/new-report-on-social-and-affordable-housing-in-thessalonik>

## Naoussa: a shrinking cities paradox

Naoussa is a municipality located 70 km away from Thessaloniki, of about 18 000 inhabitants. Naoussa is considered a "shrinking town", as its population has been decreasing due to its inhabitants moving out.

HARTA (Housing Affordability in Real Terms Act) is a research and intervention group aimed at highlighting the housing challenges faced by small towns and peripheral municipalities in Greece. It also evaluates how housing resources can be reused based on economically and socially affordable terms. HARTA analyses the paradox faced by small towns who have both a high number of vacant dwellings and a high pressure on the housing market.

HARTA has in particular focused on identifying data to demonstrate and analyse this paradox. To do so, it has developed a community-based mapping of vacant housing.

Key findings:

- Vacancy cause: people leaving the town (shrinking municipality). The whole town composition has changed. It is estimated that 1/3 of the housing stock is empty (4000 out of 15 000). The paradox is that refugees can't find access to housing.
- There is a housing and employment mismatch, driving population away from small municipalities like Naoussa.
- There is possible employment in Naoussa, but there are difficulties in accessing housing for refugees who face discriminations.
- The challenge in mapping the housing stock is to understand who owns the dwellings.

More information:  
<https://www.hartact.gr>



## DENMARK

After an increase in the number of homeless people in Denmark from 2009 to 2019, affecting in particular young people (every third homeless person is a young person aged between 18 to 29 years old), a February 2022 count showed a decline in the number of people experiencing homelessness, the total being 5800 individuals.

A current challenge at national level is access to affordable housing (especially in the bigger cities) and maintaining socially balanced housing areas. The new homelessness and housing strategy (2022) aims to address this challenge and particularly support municipalities to make a better use of their unused housing stock.

In November 2021, a political agreement with a plan to combat homelessness was published in Denmark. The new national homelessness strategy aims at reducing the number of people experiencing homelessness significantly and to abolish long-term homelessness. Combining housing and social policy, the strategy seeks to remove barriers that have previously prevented a successful implementation of Housing First at the national level.

The new national homelessness strategy proposes, amongst other things:

- A framework for cooperation between municipalities and housing organizations to cooperate on joint objectives, such as addressing homelessness.
- 900 million kr. for the construction of approximately 2,250 new affordable housing units (3,500 kr./470 euro).
- 150 million kr. to finance a temporary reduction of rent in 1,800 existing housing units.

One of the main objectives of the strategy is to better use the existing housing stock and to prioritise municipalities with the greatest needs. With the new strategy and work with municipalities, 4,000 public housing units with a particularly low rent will be established with funds from the Nybyggerifonden (a fund from the Landsbyggefonden, the "National Building Fund"). The National Building Fund, established in 1967, provides funding for large-scale renovations, development and social efforts in the existing areas of social housing. It is a rotating fund and acts as a savings account for the whole of the social housing sector in Denmark.





### Odense: a housing guarantee

Odense is the third largest city in Denmark with a population of about 180,800 people (Metropolitan area of Odense, 383 388 people, OECD 2021[2]). Odense has successfully reduced its homeless population by 44% over the last ten years while in the same period, the homeless population at national level has increased by 29% in Denmark.

Through an agreement signed by both politicians and public housing companies in 2019, the municipality of Odense has established a housing guarantee for homeless people. With the housing guarantee both politicians and housing companies have committed themselves to solving obstacles in the future regarding finding cheap housing for homeless and socially vulnerable citizens.

With this new housing guarantee, put in place in February 2019, homeless people in Odense will be offered a home within 3 months.

These homes will be provided by social housing providers. The housing guarantee comes into effect when the citizen is approved for municipal housing. From a financial viewpoint, in the case of Odense, the housing guarantee does not lead to any additional expenses for the municipality because it is cheaper for homeless people to have their own homes than it is for the municipality to cover a homeless person's stay at an institution.

The housing guarantee is anchored in a Housing First approach and made possible thanks to cross-sectoral cooperation between municipalities, the public housing sector and NGOs.

However, public housing in Odense, only amounts roughly to 25 % of the housing stock, while 25% is the private rental market, and the rest is privately owned. For Odense, the key challenge is a lack of data on vacant stock, particularly on the private rental sector. The private market has to be further analysed so that its composition and pricing system are better understood. National authorities have recognised the importance of this challenge and it is expected that some funding will be made available in the future to address this gap. A potential response to vacant housing is to look at how to recycle unused industrial buildings into housing and to better understand EU-funding opportunities.

The challenge faced by municipalities across the country is to both build and maintain affordable housing, and to reduce or eradicate homelessness in a sustainable way.

[2] <https://stats.oecd.org/Index.aspx?DataSetCode=CITIES>



## BELGIUM

There is no recent overall national data on homelessness in Belgium. The King Baudouin Foundation has supported research teams (from KU Leuven and UCLouvain CIRTES) in organizing a 2021 point-in-time counts in four cities and regions: Charleroi, Namur, the southern part of West Flanders and the Vilvoorde area. The results show that homelessness is present both in larger cities and smaller towns, and showed a total of 3,847 people were recorded as being homeless. Among them one third of all adult homeless people were women, while one quarter of all counted people were children.

Vacant housing is mainly a regional competency. In Flanders, the "Sociaal beheersrecht" has been set to combat vacant and derelict buildings. Its objective is to temporarily withdraw units identified as vacant and place them under the management of a social housing organisation, with a view to repair and rent to vulnerable households.

In Wallonia, since 1 September 2022, a regional decree enables municipalities to identify vacant buildings by allowing information relating to water and electricity consumption to be shared. .

### Leuven

Leuven's first homelessness count took place in February 2020. Based on the ETHOS Light approach, it found that 466 adults and 90 children were in situation of homelessness in Leuven. While it included a diversity of profiles, the majority (178 adults and 18 children) were "sofa surfing", or staying with family and friends. The next homeless count is scheduled for October 2023 and will include neighbouring villages, which will allow for a more comprehensive regional understanding of homelessness, as well as further knowledge regarding the best approaches to tackle it.

At the same time, the key challenge for the city to address homelessness and provide affordable housing is access to social housing, with 4000 residents currently on a social housing waiting list. More social housing is particularly needed to develop Housing First initiatives.

Leuven city uses several tools to incentivize property owners to address vacancies, such as an "empty home tax" or a "residence tax". One is a "empty home tax" second residence tax. As of January 2023, the tax is € 1,500 per empty home and € 108 per room or studio smaller than 60 m<sup>2</sup>,

<https://leuven.be/belasting-tweede-verblijven>

Another tool is the above mentioned "Sociaal beheersrecht", that has enabled the city to address the situation of 20 vacant residential units. Amongst these, the city took ownership of one that will be rented through a Social Rental Agency. Five have been bought by the city through the "right to first buy" (the right to first buy gives the municipality the first opportunity to purchase a property). The other owners have taken actions to renovate their dwellings and rent them upon being contacted by the city.



More information: <https://kbs-frb.be/fr/denombrement-sans-abrisme-et-absence-de-chez-soi>

## IRELAND

Ireland is facing a particularly acute housing crisis, characterized by both an affordability crisis and an availability crisis with housing shortages. A stocktaking by Daft.ie [3] reports that, in 2022, the available housing stock remains very low, with acute shortages at national level earlier in 2022: from over 55,000 homes available in 2010 to just 7,300 homes in early 2022. This is directly contributing to a homelessness crisis in Ireland, while as of July 2022, Peter McVery Trust reports that 10,568 people were accessing emergency accommodation in Ireland[2]. The Irish department of Housing statistics confirm a constant increase in the number of adults accessing local authority managed emergency accommodation[3].

### The Irish National Housing Strategy: "Housing for all"

Eradicating homelessness is one of the declared top priorities of the current Irish government, which launched the new Irish housing strategy- "Housing For All" [1] with over 200 specific actions, including increasing the supply of housing, expanding the Housing First programmes and refurbishing vacant properties. The strategy pays particular attention to people experiencing homelessness. Ireland also recently established an inter-governmental housing commission[2] to ensure a long-term commitment for housing solutions.

Some of the biggest issues that Ireland is facing is an undersupply of social and affordable housing and vacant properties. The Peter McVerry Trust estimates that there is between 125,000 to 185,000 vacant residential properties in Ireland, the majority of these being located in urban centres. That's why, it has launched the "empty homes project" to mobilize all sort of vacant buildings: pubs, offices, shops, schools, monasteries, etc. The program relies on the public "repair and leasing scheme" that provides a 60,000 euro interest free loan to private owners of vacant buildings in an area of social housing needs.

[1] Irish House Price Report Q3 2022,

[https://ww1.daft.ie/report?d\\_rd=1](https://ww1.daft.ie/report?d_rd=1)

[2] <https://homelessnessinireland.ie/>



This program is targeted at owners who cannot afford to adequately upgrade their dwellings.

It's a loan to finance upfront repairs. In exchange, the unit should be rented for a minimum of 10 years below market price.

Ireland has brought forward several other programs to address vacancies such as the "buy and renew" and "capital assistance" schemes. The Croí Conaithe (Town) scheme, which translates as 'The Living Heart', will involve providing a grant to first-time buyers and owner occupiers to support the refurbishment of vacant properties where the level of vacancy is high. It will also see serviced sites made available at reduced cost to support self-build home ownership. A new Compulsory Purchase Order (CPO) programme will also be launched. The website "Vacanthomes.ie" also encourages and enables grassroots identification of vacant housing. Its' a central portal for individuals to anonymously log possible vacant properties and alert local authorities who can then follow up with the owners to see whether the house can be re-used quickly.

[1] <https://www.gov.ie/en/publication/ef5ec-housing-for-all-a-new-housing-plan-for-ireland/>

[2] <https://www.gov.ie/en/campaigns/2ae5e-the-housing-commission/>

[3] <https://www.gov.ie/en/collection/80ea8-homelessness-data/>

[4] Darragh O'Brien, Minister for Housing in Ireland, 15 June 2022, Helsinki, Housing Solutions Platform event at the International Social Housing festival.



### Dublin: partnership with NGOs for vacant building mobilisation

According to Mary Hayes, Director at Dublin's Region Homeless Executive (the lead statutory local authority in the response to homelessness in Dublin), there are more people entering homelessness than leaving it. Since the beginning of 2022, for every family exiting homelessness services to a tenancy, there were three families entering homelessness. For each adult exiting homelessness to a tenancy, nearly four people enter emergency accommodation for the very first time.

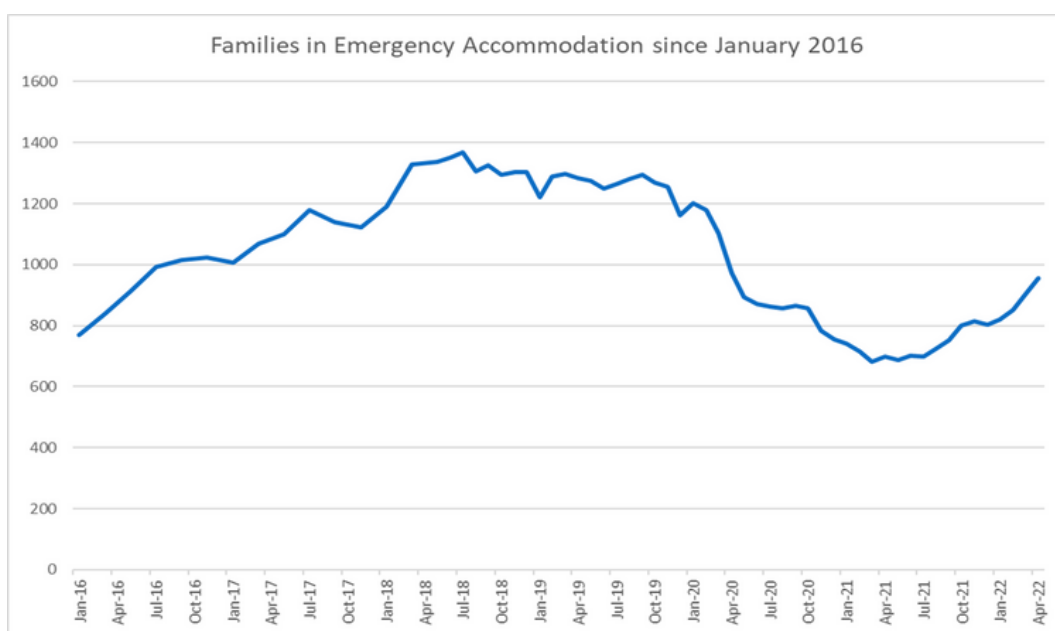
Dublin is operating in the context of a national housing plan[1] including two key schemes focused on improving the existing housing stock:

- the "repair and lease scheme" (for landlords) that aims at properties that have been vacant for more than 12 months. The program offers a grant of 60,000 euros (from the national budget plan) for house repairs.
- The second scheme "buy and renew" supports local authorities in purchasing and renewing housing units in need of repair and makes them available for social housing use.

Another very interesting scheme carried out by the Dublin City Council is the "Living Over the Shop" program, a part of the "Living City Initiative", a tax incentive scheme to assist and encourage people to live in the historic inner city areas of Dublin City. While this programme has potential it has not yet achieved its full outcome.

The "living over the shop" scheme works toward the development of residential accommodation over existing commercial premises. It enables for instance some flexibility in minimum standards relating to residential accommodation refurbishment schemes, provided the accommodation upholds certain quality standards and makes effective use of underutilised spaces. This scheme has the potential to significantly increase Dublin's housing stock, as the city has considerable amounts of underutilised floorspace above commercial premises.

[4] <https://www.gov.ie/en/collection/80ea8-homelessness-data/>



Graph: Mary Hayes; FEANTSA Dublin Policy conference, June 2022

## FRANCE

France's housing market has an estimated 8% vacancy rate, although the situation varies greatly across the country. Vacancy rates are particularly high in rural areas, especially in the centre of the country (22% of dwellings are vacant in Vichy for example). There is a mismatch between housing needs and housing availability, with an added affordability crisis in big cities such as Paris, Lyon or Bordeaux.

### Vacant housing for Housing First

In 2021, the French housing minister unveiled a new national pilot program, open to 68 regional authorities, to facilitate identification of vacant housing through a new software, the "Zéro Logement Vacant" digital tool. This digital tool relies on national data drawn from tax and property databases to identify vacant dwellings. The program also supports housing managers to incentivize owners of long-term vacant housing to put them back on the market (through financing of works, rental intermediation, legal aid ...) and to monitor the progress of files.

Last but not last, the National Agency for the Improvement of Housing is set to release specific funding to support the strategy.

### Lyon: "no return to the street"

The metropolis of Lyon has a homeless population of around 18,500 people, 2,500 of which are rough sleepers.

Lyon established in 2018 a five-years strategy to address homelessness through Housing First. The core of the strategy was to increase the availability of housing for Housing First. At the end of the first lockdown in 2020, the State, Lyon Metropole, NGOs and housing corporations worked together to further their Housing First approach to launch the "Zéro retour à la rue" plan ['No return to the streets']. Additionally, 500 social housing units were made available: they were rolled out at an average of 80 units per month, whereas at the beginning of the year it was 20 per month. The supply of temporary and supported housing for those who cannot access social housing (such as boarding houses, group facilities, private apartments, modular housing, etc.) was also increased under this plan.



The strategy is based on cooperation with a wide range of actors including social housing providers and local NGOs, who deliver the case management support according to Housing First principles.

### Driving action against vacant housing

Lyon is a founding member of the national association of local authorities "Acting against vacant housing", created in 2022 and chaired by Suzanne Brolly, vice-president of the Strasbourg Eurometropole.

The city also took part in the above-mentioned national pilot project to facilitate the mobilization of vacant housing through a specific software, the "Zéro Logement Vacant".

As part of its vacant housing mobilisation, the metropolis of Lyon identified and contacted 1,200 property owners of presumed vacant housing in 2022 to offer them solutions for renting out their property. These solutions included subsidies for renovation and assistance in rental management.

More information:

<https://zerologementvacant.beta.gouv.fr>



## A BETTER UNDERSTANDING OF THE RENTAL MARKET AND CAUSES OF VACANCIES

Identifying potential empty dwellings for residential use



### Strasbourg's strategy to utilise vacant housing

The Eurométropole of Strasbourg and the National Habitat Agency (ANAH) have developed several instruments to encourage and facilitate the renovation of housing. The basis of the strategy was to acquire further information relating to the amount of vacant dwellings but also the reasons behind these vacancies.

The first step was to set up a test partnership with two municipalities (Vendenheim and Schiltigheim) to establish a link with local actors and understand why these properties were vacant. Owner interviews helped to identify the causes including negative rental experiences (unpaid rent or damage to the property), difficulties managing the property (perhaps as a consequence of the owner moving into sheltered accommodation, death or fear of administrative procedures), difficulties planning and delivering renovation work (including applying for a loan or overseeing the work) and prejudices against low-income households. The study also clarified the owners' profiles: many were small landlords or elderly (and therefore with limited ability to access additional finance). In some cases, required renovation work did not require loans or subsidies and could have been achieved by refurbishment or minor restoration.

As a response, the Eurometropole and ANAH developed a toolbox designed for the needs of landlords and low-income tenant households. Amongst other things, they created a certification procedure between the French public body for housing and owners who agreed to rent a dwelling to vulnerable households for a minimum period of 6 or 9 years. In exchange, the owner can benefit from tax cuts, grants and subsidies.

For more information:

50 out-of-the-box Housing Solutions for the Locked Out (solution 16, page 42)

<https://www.strasbourg.eu/logements-vacants-des-solutions-simples-existent>



## Better understanding the private housing market

### Ireland Residential Tenancy Board

The Irish Residential Tenancy Board (RTB) is a public body set up in 2004 to foster a better understanding of the private rental sector, with the aim of supporting and developing a well-functioning rental sector. Its role is to regulate the rental sector, provide information and research to inform policy, maintain a national register of tenancies, resolve disputes between tenants and landlords, initiate an investigation into a landlord's conduct, and provide information to the public to ensure tenancies run smoothly and no issues arise. The idea is also to provide an alternative to judicial proceeding in solving tenant-landlord conflicts, through extra-judicial dispute resolution that is cheaper and faster than the judicial one.

Its main functions are:

1- Information and support to landlords, tenants and the public on their rental rights and responsibilities. It also provides data on the rental sector, such as the Quarterly Rent Index, which allows monitoring trends in the rental sector, but also allows individuals to check and compare rents in particular locations.

- 2- Lease registration

All private residential landlords, Housing Associations and landlords of Student Specific Accommodation must register their tenancies with the RTB. It enables the RTB to collect important data on the sector.

- 3- Dispute resolution

RTB replaced the courts in dealing with the majority of disputes between landlords and tenants through its Dispute Resolution Service which offer resolution of dispute through mediation or adjudication, with an option to appeal through a Tenancy Tribunal.

4- Provide policy advice to the Government on the private rented sector.

### About the RTB



More information:  
 #SimonTalks March 2022: Insights  
 into the Rental Sector  
[www.rtb.ie](http://www.rtb.ie)

# TRANSFORMING AND ADAPTING NON-RESIDENTIAL VACANT BUILDINGS INTO AFFORDABLE HOUSING SOLUTIONS

From emergency accomodation to long-term adequate housing solutions



## Los Angeles' "Home Key"

In November 2020, Los Angeles County in the state of California started to acquire hotels for emergency accommodation, this was the project 'Roomkey'. The idea was to convert temporary motel units into provisional housing that would then become permanent and long-term. The second phase of the project, called "Home key", focused on transforming these temporary hotel emergency solutions into long-term sustainable housing.

The project was financed by the state of California, which provided a budget of 60 million dollars, enabling the acquisition of 20 properties (16 motels, 2 multi-family, 1 cooperative housing building, 1 nursing home) resulting in 1,040 units at a cost of \$238,032,553 or \$228,877K/unit..



## Acquisition Process



**Key Challenges:** Appraisals, different set of building criteria for transient v. non-transient housing, condensed schedule for due diligence



### **Finland's Housing First: Helsinki, a pioneer in transforming congregate emergency accommodation into long-term housing**

The Y Foundation (Y Saatio) handbook "A home of your own" explains how Housing First developed in Finland. It pictures for instance the story of the Alppikatu 25, Salvation Army night shelter, one of the first transformations of a large emergency accommodation centre into individual housing units. Starting in 1937, the shelter accommodated over 400 men and in the 1970s, the 80 bed dormitories were converted into bedrooms for one to six people. Residents had to abide by strict rules concerning alcohol consumption and schedules for instance. In 2009, the Salvation Army converted the shelter into supported housing, in line with Housing First principles. The renovation started in 2012, enabling the creation of 81 independent apartments.

More information:

Upcycling Buildings by FEANTSA, the Abbé Pierre Foundation (FAP), and the Council European Development Bank (CEB).  
[https://www.feantsa.org/public/user/HSP\\_Upcycling\\_buildings\\_EN.pdf](https://www.feantsa.org/public/user/HSP_Upcycling_buildings_EN.pdf)

Y Saatio, A home of your own

<https://ysaatio.fi/en/housing-first-finland/a-home-of-your-own-handbook>

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## INCENTIVISING AND PUNISHING PROPERTY OWNERS

Beyond social renting: incentivising owners to rent to a housing community

### "Yes we rent", Mataró, Spain

Mataró is a city of about 122,000 inhabitants, 30 kilometres north-east of Barcelona, where an growing percentage of the population is struggling with the increased cost of housing.

"Yes We Rent!" is an innovative urban action, aiming to transform vacant private property into an affordable cooperative scheme.

The municipality has launched the initiative by offering owners a guaranteed rent (that they will receive a fixed amount for a rent) as well as financial and organisational support to renovate properties. Beyond the well-known example of Social Rental Agencies, the municipality is currently working towards the development of a housing cooperative. The idea is that the owners will provide their dwellings directly to the housing cooperative, and that the municipality will slowly take a lesser role in the project.

This initiative was started in February of 2020, when 50 citizens came together at a meeting to start developing the cooperative. The cooperative was not formally constituted until February 2022, but by September of that same year, 95 members had joined, representing a total of 61 flats (100 people remain on the waiting list).



### Owner incentives provided by Yes, We Rent!

- subsidies for renovation of up to € 18,000
- a guaranteed rent income (20% below official rent index price) for the entire duration of the contract with the city hall
- a reduction of up to 70% on local property tax
- technical and legal advice on how to bring the flat up to the necessary standards
- practical support with the renovation project



## Sanctioning owners by empowering municipalities

### Fining to long-term vacant housing in Amsterdam

In September 2022, to help mitigate Amsterdam's housing shortage, the public authority proposed to address long-term vacancies with new regulation to force owners to rent or risk a fine. The current legislation already states that a declaration must be made if a house remains unoccupied for more than 6 months. Failure to report the existence of a vacant property can lead to a fine of €2,500. After receiving notification of a vacant property, the city authorities contact the owner to agree on an action plan to address the vacancy as quickly as possible. As a last resort, after 12 months the city can appoint a tenant. The new regulation states that a rental property that is fit for habitation cannot remain vacant for more than 2 months. Owners must report vacancies. The fine for failing to report a vacancy is now €9,000 for professional property owners and €4,500 for other offenders.

### New tax power for municipalities in Austria

The Austrian states of Salzburg and Styria passed laws granting local municipalities the right to tax empty flats. The vacancy tax applies to flats that are not used at all, as well as to holiday homes.

The law entered into force in Styria in October 2022, and will come into force in Tyrol and Salzburg from January 2023. The tax rate is set by each municipality.

### Ireland's vacancy tax

The 2022 Vacancy Tax (VHT) has been set to increase the supply of homes for rent or purchase. It will be applied to residential properties which are occupied as a dwelling for less than 30 days in a 12-month period. The tax will be charged at a rate of three times the basic rate of Local Property Tax (LPT) applying to the property. VHT will be a self-assessed tax. However, some criticize it as a missed opportunity. Amongst other things, the definition of vacancy means that a house will not be considered vacant if it has been occupied for 30 days in a 12-month period.

More information:

<https://www.amsterdam.nl/en/housing/obligation-homeowner/#:~:text=Failure%20to%20report%20your%20vacant,to%20live%20in%20your%20property.>

<https://www.lexology.com/commentary/real-estate/austria/pitkowitz-partners/austria-introduces-vacancy-tax>

<https://www.rte.ie/brainstorm/2022/0930/1326149-vacant-homes-tax-budget-2023-missed-opportunity/>

# CONCLUSION



Homelessness rates have increased in the past 10 years in most countries in Europe. The recent spike in inflation and consequent cost of living crisis is making access to affordable adequate housing an even more pressing issue today.

Often driven by unaffordable housing, lack of supply and lack of long-term political commitment, the issue of affordable housing is a priority for many local municipalities.

To bridge the gap between homelessness, affordable housing solutions and vacant building mobilization, cities must often rely on a national or regional policy framework. Some examples of what these frameworks can do to facilitate the work of cities when addressing the vacant housing stock is:

1. Building acquisition: public authorities can acquire vacant buildings and renovate them to make them suitable and available for low-income renters.
2. Tax incentives: Governments and regional authorities can provide tax incentives to landlords to rent, particularly to low-income groups.
3. Vacant property registration & penalization: Governments can require landlords to register their vacant properties and impose fines or penalties on those who leave properties vacant for extended periods of time.
4. Public-private partnerships: public authorities can partner with private developers, investors or social service providers to construct and manage affordable housing for low-income renters.

Beyond national frameworks, the European Union is also offering a support for urban actions. The Green Deal and its Renovation Wave, the New European Bauhaus and the European Platform on Combatting Homelessness are providing frameworks for policy action. European funding also plays a key role, for instance through the European Regional Development Fund (ERDF).

Cities must use this opportunity and seek support from a local, national and European level, to deliver concrete solutions to address homelessness at local level through vacant building mobilisation.

They are the best placed because:

- 1) they have a better understanding of the specific needs and challenges of their communities, including the availability of vacant buildings, and can tailor solutions accordingly.
- 2) they can engage with the local community, including homeless individuals and service providers, to gather input and ensure that the solutions proposed are effective and respond to the needs of the community.
- 3) municipal local approach allows for the coordination of efforts between different departments, such as housing, social services, and planning, to ensure that all aspects of the problem are addressed.
- 4) Municipalities can quickly respond to changes in the local housing market and adjust their strategies accordingly to best address homelessness.

This publication aims to inspire local agencies and municipalities to exchange ideas and share best practices, to re-purpose vacant buildings as both emergency solutions and as long-term housing.



## Main sources

### **OECD Housing and construction statistics**

<https://www.oecd.org/els/family/HM1-1-Housing-stock-and-construction.pdf>

### **Investigate Europe - The empty house: a window into Europe's vacant property problem 14 December 2022 By Pascal Hansens and Wojciech Cieśla**

<https://www.investigate-europe.eu/en/2022/the-empty-house-a-window-into-europes-vacant-property-problem/>

### **Y Saatio - A home of your own**

<https://ysaatio.fi/en/housing-first-finland/a-home-of-your-own-handbook>

### **FEANTSA & Fondation Abbé Pierre - Upcycling buildings: converting multi-unit non-residential buildings into permanent housing for those in need**

[https://www.feantsa.org/public/user/HSP\\_Upcycling\\_buildings\\_EN.pdf](https://www.feantsa.org/public/user/HSP_Upcycling_buildings_EN.pdf)

### **FEANTSA & Fondation Abbé Pierre - Living well with shrinkage: challenges and opportunities for housing in shrinking regions**

<https://www.housing-solutions-platform.org/single-post/living-well-with-shrinkage-challenges-and-opportunities-for-housing-in-shrinking-regions>

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