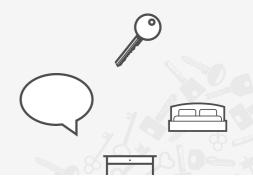


# HOUSING FOR ALL affordable. permanent. inclusive.



## **POLICY PAPER**

BAWO – Bundesarbeitsgemeinschaft Wohnungslosenhilfe Long version GOALS. STRATEGIES. ACTIONS.





## Preface

# Housing is a considerable challenge for our future society

Austria has developed a complex system of different housing and social policy actions to ensure an adequate housing supply for its population. This system is mentioned in international comparisons as a best practice model, and the quality of housing has substantially improved throughout the years. Despite that, indicators like the rising costs for housing, the availability of housing, overcrowded accommodations and the use of homelessness services point into a direction where housing has become more and more a challenge for social politics.

People with low income are particularly affected by this trend. In 2014 the expense of housing costs for tenants accounted for 39 percent of their income, but people in the lowest income quartile had to spend 50 percent of their income on housing.<sup>1</sup> Households with low income <sup>2</sup> are much more affected by the rise of housing costs over the past years, as well as by overcrowded accommodations and by poor housing standards.<sup>3</sup>

The basic conditions for housing act as a distribution mechanism for opportunities in life.<sup>4</sup> This is one reason why governmental governance mechanisms play an essential role to ensure distributive justice of housing. In order to guarantee the human right to housing, incentives, and political strategies are necessary to provide housing to a greater extent for all sections of the population apart from market forces.

International examples show that "Housing for all" can be achieved by a comprehensive strategy in housing and social policy.<sup>5</sup> This objective has to be pursued by providing sufficient and affordable housing for all and by improving the system of complementary monetary allowances for tenants. Individual needs, radical changes in life or emergency situations pose a special barrier to sustain housing and need to be taken into account especially.

## GOALS. STRATEGIES. ACTIONS.

By developing this policy paper BAWO contributes to the goal to provide "Housing for all" and the discourse around "affordable housing" has to be focused on people with low income. Our thanks go to the Department of Social Affairs, which funded the development of this paper and to the Austrian National Bank for providing organizational support and expert knowledge. The presented document is based on inputs of numerous experts in the fields of housing development, housing and tenancy rights, housing politics and homelessness services, who shared their knowledge with us in three workshops. Their active engagement was an essential support for BAWO. Therefore we would like to express our gratitude towards them all.

Our aim in the beginning of this project was to point out that homelessness services - regardless of their important role in supporting homeless people - cannot solve the housing crisis in a structural and sustainable way for homeless people and for other groups suffering from a housing shortage. The end of this project is marked by understanding that BAWO is part of a broader alliance of parties/players, which can, due to a particular position, promote "housing for all" with a specific focus on people with low income. Successfully building a bridge between players in housing and social politics was one contribution to positively promote "housing for all" as a crucial social challenge for the future. We are looking forward to many more contributions.

Elisabeth Hammer BAWO chairperson





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# The attitude

# Housing policy with a significant focus on people with low income

The Austrian housing policy is intended to serve a wide range of sections of the population. Therefore the relevant legal foundations correspond to the governments objective to provide adequate housing for all. With this focus, housing policies can be used as a powerful tool nationwide, on a Provincial level or in municipalities to enhance the social integration of broad sections of the population. They can also mitigate social and economic inequality, as well as regional polarization of the housing economy.

People with low income can benefit in principle from this relatively open alignment. A closer look at the actual organization of the housing policy shows, that the adequate supply of housing is insufficient for this population.

Even tough housing policies should still be considered to act as a social strategy for the population at large, prospective, well-balanced adjustments in the existing housing policy systems and a closer cooperation of housing and social politics, they have to ensure that people with low income are, again, reached in a better way.

People in precarious income situations rely on an affordable rental market in order to secure adequate housing, since obtaining home ownership is usually not an opportunity for them. Within the rental market all three market segments<sup>6</sup> - municipal housing, limited-profit housing and the private rental market - are required to offer housing to people with low income too. Rental payments should be considered a reasonable compensation for the provision of housing rather than providing real estate owners with an unrestricted possibility to accumulate wealth. Therefore housing policy strategies, which restrict profit maximization via rental payments or which implement framework



conditions to ensure housing aside off profit maximization, can be considered an important component to guarantee adequate housing in Austria and shall be reinforced.

The current shortage of affordable housing for people with low income makes it difficult to provide and ensure independent living for people with individual support needs.<sup>7</sup> A scaling -up of specific and focused interventions (such as specific allocation systems and special living situations) for this population seems to be inevitable. Regarding the risk of excluding effects and with the focus on securing similar services it is important to organize housing policies overall according to the focus on "Housing for all". Not only is this appropriate in terms of democracy and society, it will also ensure long-term sustainability. According to article 19 of the UN Convention on the Rights of Persons with Disabilities, it has to be guaranteed that placing a person in a special living situation takes place solely on one's own request.

With that in mind, it is necessary to take the needs of people with low income into account when developing the housing market. Access to affordable housing has to be organized in such a way that it is fully usable for people with low income and people with specific support needs. Access barriers have to be systematically reduced. In addition, strategies in employment and social policy have to be developed to ensure a live sustaining income for all people in Austria.

## The goal

## "Housing for all"

Housing outlines a central condition for inclusion and exclusion in society, which is especially powerful during life transitions; such as moving out of your parents home, starting a family, separation, changing one's residence or moving to a new country.<sup>8</sup> Keeping that in mind, the basic conditions for housing are of great significance.

BAWO considers **"Housing for all"** to be a goal that needs to be achieved for Austria. Thereby we focus on groups of people who have been inadequately taken into account by housing and social policies. This affects in particular people in precarious income situations, people living poverty, and those who don't have a supportive community or other resources to help them to handle a crisis situation independently. "Housing for all" is realized when the material and social criteria of "Housing for all" are coordinated on a political and operational level, and this coordination leads to a positive impact for each individual.

**"Housing for all"** can be achieved through a general strategy keeping the material and social criteria of housing in mind. Material criteria - including the quality and quantity of living space - are very much affected by instruments of housing policies and by the engagement of property developers and landlords. Social criteria of housing rely for their implementation on innovative social policies and social service providers. They make sure that permanent and independent housing can be sustained, despite personal, social or health-related limitations, according to an inclusive attitude of society. A significant link between social and material criteria can be found in a well developed social infrastructure. This includes counseling, educational and health services, services in the field of social security and recreation, cultural and sports facilities. All of those are provided in urban and rural areas. Therefore the social and zoning ordinances of the Provinces have to regard the needs of the separate regions as well as the needs of their population.

## Five material criteria

Enough adequate dwellings have to be provided to implement the objective of "Housing for all". A dwelling can be called adequate if it is affordable, permanent and inclusive and if it provides a high quality of living. Access has to be guaranteed also for people with low income and special support needs. The following five material criteria are significant for "Housing for all":

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Housing is affordable as long as the deduction of housing costs leaves adequate financial resources to meet other living costs. A reference budget of the ASB Schuldnerberatung GmbH demonstrates that in 2016 a single person household needed about 830 Euro monthly, after deducting housing costs but taking into account monetary services for housing (such as rent and housing subsidies), to cover all living costs and permit reasonable participation in civic life. For couples, the amount increases to 1.440 Euro.<sup>10</sup>

By measuring the burden of housing costs, a second and alternative indicator towards affordability on a social level can be developed. This indicator is especially significant for people with low income: If more than 25 percent of an income is spent on housing costs, affordability is no longer given.

## HOUSING QUALITY

The quality of housing is determined by key factors like not being overcrowded or posing a threat to one's health. Adequate and energy efficient heating, washing and sanitary facilities exist.



## HOUSING STABILITY

Housing conditions are stable if the usage of the apartment is long-term protected. Tenants rights are protected by a legal title and secured by housing policy standards. Therefore indefinite tenancy agreements (in addition to home ownership) qualify towards housing stability.

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Individuals have to be able to choose the location and type of housing they want to live in.<sup>11</sup> Downtown areas are also accessible for people with low income. The location provides access to necessary and desirable amenities such as education centers, local shops, mobility, health and social services. Employment and social integration are possible.

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Low income and special support needs<sup>12</sup> are taken into account when developing admission criteria and processes. The access to registration systems is open and on a low threshold level.

## Five social criteria

A sufficient number of adequate homes is a requirement - but not enough. "Housing for all" includes the opportunity to be able to live a meaningful life according to one's individual desires and needs - even though someone might need special support, resulting in financial, social and health limitations. Therefore a well developed social infrastructure for everyone is an important link. The following social criteria ensure permanent and independent housing, also during life transitions and crisis, regardless limitations or special support needs, according to an inclusive attitude of society:



#### SOCIAL INCLUSION

Social inclusion and a successful community life - all voluntary are supported. This means to give people access to participate in the designing process of their dwellings, the housing complex and the neighborhood. Another aspect is to prevent isolation and strengthen relationships and communities in order to ensure permanent and independent housing, regardless of personal, social and health limitations according to an inclusive attitude of society. Socio-spatial aspects are best possibly considered. Public space, for example, has to be designed in a way it welcomes different social groups.



#### **PROFESSIONAL SERVICES**

Professional services such as social work services, services for the disabled, and care services guarantee the chance to stay in an independent living situation even during times of financial, social and health limitations. If needed those services are outreaching and flexible, depending on one's individual needs.

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#### PREVENTION

Special services to prevent evictions are established to sustain housing and prevent homelessness. Outreaching services, that can intervene in case an eviction is imminent, have to be further developed and financial resources, dedicated to sustain housing, have to be available.

#### VOLUNTARINESS AND ACCESSIBILITY

The accessibility to supporting services is not restricted by allowance or social barriers. The use of those services has to be free of charge, voluntary, and anonymous by request. Usually, the user decides on the intensity, length, and direction of the support provided. Linking the actual use of support services to housing restricts the human right to housing and therefore has to be avoided.



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#### **AVOID DISCRIMINATION AND STIGMATIZATION**

Life preferences and housing preferences are different - depending on personal likes, the phase of life, family constellations and needs for safety and support. Diversity, freedom of choice and self-organization have to be encouraged. Discriminating and stigmatizing practices, addressed to a group of people or to a particular form of housing, have to be actively tackled.



## Strategies and actions

Housing is a human right. A comprehensive and interconnected strategy has to be developed to achieve "Housing for all" with the best possible implementation of the material and social criteria. As a result, adequate housing for all people in Austria can be provided. Housing and social policy strategies have to be aligned in this direction. From BAWOs perspective the following actions are necessary:

## Strengthening the rental market

An increased demand for purchasable property in succession of the financial crisis has led developers to build more (privately financed) condominiums than rental apartments. This compares with an increasing demand for affordable rental apartments for people with medium to low income<sup>13</sup>.

## Actions

#### ○ STRENGTHENING THE RENTAL MARKET.

The focus of subsidies for new developments or for renovations and the focus for the management of publicly funded housing has to be more on sustaining the amount of rental apartments and increasing the amount of subsidized housing.

## EXPAND HOUSING OPPORTUNITIES APART FROM THE MARKET AND FROM PROFIT MAXIMIZATION.

Housing policy strategies helping to implement housing opportunities apart from the market and from profit maximization, have to be enhanced.

#### MAKE LAW ENFORCEMENT EASY AND AFFORDABLE.

The enforcement of all rights and obligations, resulting from tenancy contracts, shall be made possible in a cost-effective way and through the civil proceeding.

## Make the tenancy law tenant-friendly again

46 percent of the Austrians live in rented houses and apartments; far more in Vienna. 64 percent of all Austrians with low income rent their apartments<sup>14</sup>. Therefore the housing policies provide effective tools to immediately improve the housing situation for this group.

The Tenancy Law (MRG) and the Limited-Profit Housing Act (WGG) have played an important role to improve the housing situation in Austria. Contrarieties in the system, having developed through the decades, make a reorganization necessary. To improve housing, especially for people with low income, an amendment is required that makes this field of law straightforward and transparent and focuses on legal security, affordability and on housing sustainability.

36 percent of people with low income, rent from the private rental market<sup>15</sup>. This traces back to the fact that part of the subsidized rental market requires high entry-costs. Entry requirements, that are determined by the immigration law and admission requirements related to long-term residency also exclude many people from more affordable market segments.

One important starting point to improve affordability and sustain housing in this market segment is the Tenancy Law. The Tenancy Law provides protective rules for tenants, referring to the rental fees ("Rent Restriction Regulations") and to the tenancy continuation ("Inventory Protection"). Part of the Inventory Protection include restrictions for landlords to terminate or limit the duration of rental agreements. This should help to balance the unequal position of people looking for housing and landlords.

A major concern is that rent restriction regulations lose their impact without Inventory Protection. Tenants, depending on continuation of their lease or fearing eviction are trapped in a relationship of dependency. Therefore it is more likely they fear to ask excessive housing costs back<sup>16</sup>. Initially, temporary tenancy agreements were only allowed in exceptional cases. But when the process of deregulation of the Tenancy Law started in 1994, they gradually were made easier.

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One consequence has been seen in 2013 when 67 percent of all new tenancy agreements were temporary<sup>17</sup>. Generally speaking, the price limit is often exceeded in temporary tenancy agreements<sup>18</sup>. Experiences of homelessness services show that short-term rental agreements, such as a 3-year lease, involve a considerable element of uncertainty. The concern about the extension of a lease agreement or about finding new housing options takes up a lot of resources, which would be needed in other areas of life. In addition, significant expenses arise with every time someone has to move.

Since 1994 limits in rental fees are regulated by a complex but rather vague reference value system. It does not provide solid guidelines for the maximum permissible rent. A location surcharge was also implemented in 1994. Subsequently rising land prices affect the regulated rental fees<sup>19</sup>. This leads to a decline in affordability and forces people with low income to live on the periphery.

Especially concerning is the fact that just a small and also declining percentage of all private rental apartments is included in (all) the protective rules. To give an incentive to developers for new housing construction, new buildings are excluded from the rent restriction regulations. A fixed date defines "new building". Therefore the scope of application of the Tenancy Law is not growing, according to the growth of the housing market. Independent of this, effective date exception rules were made<sup>20</sup>. This has led to a situation where only about half of all tenancy agreements, related to the private rental market, are subject to the Tenancy Law<sup>21</sup>, and the rules and regulations are not comprehensible and transparent.

## Actions

## AMEND THE TENANCY LAW (MRG) AND WORD IT CLEAR AND COMPREHENSIBLE.

This helps all involved to know their rights and obligations and obtain conclusion of contracts in conformity with the law.

### O TO MAKE THE MRG EFFECTIVE AGAIN, THE SCOPE OF APPLICATION HAS TO BE BROADENED UP.

The scope of application has to be widely expanded. The definition of "new building" has to be dynamic to make sure the scope of application broadens up.

#### ○ STRENGTHEN THE INVENTORY PROTECTION.

The MRG provides complete safety only for unlimited rental agreements. Therefore rental agreements have to be concluded unlimited in time, except a few, well-justified exceptions. Termination of a contract without references to any grounds for termination should further on be strictly the tenant's right.

#### **O** RESTRICT RENTAL COSTS EFFECTIVELY.

Rental costs shall be calculated by a standardized price per square meter, plus surcharges, minus deductions. Surcharges and deductions shall be completely listed in the Tenancy Law. Calculated surcharges and deductions have to be listed in the rental agreements.

#### ○ REDUCE OPERATING COSTS.

Operating costs shall be calculated only by the costs actually caused by the tenant. Other costs such as property tax, liability insurance, and owner's home insurance are no longer passed on to the tenants.

#### **O** ABROGATE LOCATION SURCHARGES.

Location surcharges involve a marginalization of people with low income. Therefore they shall no longer be permitted.

### REDUCE THE COSTS RELATED TO THE START OF A RENTAL AGREEMENT.

Real estate agent costs shall be paid by the ordering party. By limiting the maximum amount allowed for deposits to two gross rents, those costs will be lowered further.

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## Preserve and expand limited-profit housing

About 15 percent of people with low income live in apartments built by limited-profit housing associations. Those apartments are usually called "Cooperative Apartments". In general, the rent for those apartments is relatively low. But high entry costs (financing contributions) make the access too difficult for people with low income or without the asset. The access for people who are supported by homelessness services has been improved by innovative collaborations and relevant subsidy systems. Projects referring to this are important role models. Removing access barriers for people with low income is still a powerful tool to improve the housing supply for this group.

A keystone for preserving the limited-profit housing segment lies in the principle of asset commitment<sup>22</sup>. It keeps profits in the organization. It also makes sure that the bounded property of social housing associations does not get into private ownership or is added to general budgets. This prevents speculations and enhances the long-term and sustainable development of housing. An intervention announced by the Austrian government in their work plan for 2017/2018 is possibly threatening this principle. This change would encourage speculations about shares and the withdrawal of funds for limited-profit housing. Therefore it shall not be put into practice<sup>23</sup>.

The expansion of limited-profit housing is essentially necessary to satisfy the growing demand for affordable housing. High land prices pose a considerable barrier to this need.

## Actions

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## IMPROVE THE PROVISION OF LAND FOR LIMITED-PROFIT HOUSING.

Apart from preventing land speculation, rezoning and utilization of vacant industrial and business areas in suitable locations have to happen. Those newly gained resources have to be dedicated to limited-profit housing. Social housing has to be taken more into account when redesigning zoning and development plans. Regional authorities shall be able to differ from the principle of the highest bidder when offering public properties for sale if it is used to build affordable social housing.

## PRESERVE THE PRINCIPLES OF PRICE MAINTENANCE AND ASSET COMMITMENT.

Shares can be sold further on only for the initially paid price. No profit can be obtained by trading the shares.

## ○ ABROGATE THE LEGAL AND BINDING PURCHASE OPTION THAT HAS TO BE OFFERED FOR SUBSIDIZED RENTAL APARTMENTS.

It is absolutely important to keep limited-profit housing available for the rental market, and not to sell those housing units. In any case, profit orientated resale and profit orientated subletting of subsidized, and by the former tenant acquired apartments have to be inhibited.

## EXPAND PROGRAMS FOR SUBSIDIZED HOUSING WITHOUT ENTRY FEE REQUIREMENTS.

## Improve the access to limited-profit housing

To improve housing for people with low income, the preservation and expansion of limited-profit housing are necessary, as well as improvements to get easy access to limited-profit housing. The allocation of subsidized rental apartments is usually executed by local authorities. Proofing a minimum period of residency in a specific area is generally a requirement. Limited-profit housing associations play only a secondary role in this system. Limited-profit housing under objective aspects and especially have to take into account the need in housing, the household size and the income of a candidate<sup>24</sup>. To support a stronger social commitment, additional efforts have to be made by limited-profit housing associations. If necessary more concrete legal allocation rules have to be added. It seems to be especially relevant to make better use of cheap, fully funded apartments with low entry costs as a resource for housing under privileged population groups.



## Actions

#### ○ MAKE HOUSING ALLOCATION SOCIALLY EFFECTIVE.

Altogether the effectiveness of limited-profit housing has to be enhanced. Therefore appropriate instruments and strategies have to be developed and implemented. In the future, very reasonably priced apartments with low or zero entry costs shall be primarily assigned to people with low income. One option is to intensify the legal framework. Changes in general regulations are as well possible, as the implementation of specific regulations for older and cheap apartments<sup>25</sup>.

## Make better use of occupancy rights

Public authorities cannot only allocate community-owned apartments but also subsidized apartments at least to some extent. The amount of those apartments varies not only from province to province but also from one municipality to the other. While in Vorarlberg most of them are allocated by local authorities, less than half of the subsidized apartments in Vienna are allocated by local authorities.

The amount of these so-called occupancy rights is defined by housing subsidy regulations and other relevant policies of the Provinces.

As of now the allocation of subsidized apartments is an important resource for housing people with low income and people with special support needs. However, it is crucial to take sociopolitical objectives such as deinstitutionalization and inclusion in the allocation process into account and to enhance those possibilities.

## Actions

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#### REVISE THE ELIGIBILITY CRITERIA FOR SOCIAL HOUSING.

People with special support needs are preferred.

#### ○ DURATION OF STAY OR RESIDENCY IS NOT A CRITERION.

to get access to housing or for the waiting period.

#### O MAKE HOUSING ALLOCATION SOCIALLY EFFECTIVE.

Those apartments that meet the needs of specific life situations, such as accessibility or affordability, shall primarily be assigned those people who need them.

The current situation of the housing sector requires in many regions special allocation rules for people who are supported by social services (in particular homelessness services, services for the disabled, refugee assistance services). It would be more sustainable to organize the general allocation criteria in a more transparent and socially effective way to meet the needs of those people.

# Expand municipal housing and ensure its accessibility

Especially in Vienna the amount of municipal housing is a relatively high one. Other cities own very few apartments or they have been outsourced into limited-profit housing organizations. Although there is an increasing demand, the amount of municipal housing has not been growing similarly<sup>26</sup>. Nevertheless, this housing segment is an important resource for people with low income and also for people coming back to independent living, after they have stayed in an institution.

Especially in times of tight housing conditions, the access to municipal housing is important for people with low income and/or special support needs and therefore must not be restricted.

## Actions

- PRESERVE THE EXISTING MUNICIPAL HOUSING.
- O BUILD NEW MUNICIPAL HOUSING.
- BE AWARE OF THE OBLIGATION TO PROVIDE A SOCIAL SERVICE.

The housing needs of people with low income and of people with special support needs have to be met adequately. In times of tight housing conditions, there has to be a special focus on it.

## Encourage the usage of vacant apartments

Despite new housing developments, the housing supply can be increased by the use of existing but vacant apartments. An insufficient data situation makes it hard to assess if this would be a powerful tool to improve the Austrian housing situation. Considerable differences might occur on local levels. It is estimated that in some counties in Lower Austria the amount of vacancies in social and subsidized housing is about 10 percent and in some projects even higher<sup>27</sup>. Estimations for Vorarlberg believe that 3.000 to 5.000 apartments could be put to use with reasonable effort<sup>28</sup>.

The Fiscal Equalization Law 2017 could improve the data collection, as it establishes obligatory housing programs for the Provinces. To be able to provide the adequate amount of housing, the data collection about the existing supply and vacancies should be nationwide uniform.

Cooperations with social services can encourage the use of vacant apartments. Renovation/remodeling, for example, can be completely or to some extent taken away from the landlord - this refers to organizational and/or financial aspects. In return, social services get the right to offer the apartment for a reasonable price. Cooperations like that have been successfully realized in Austria and other countries.

## Actions

#### **O ESTABLISH RESPONSIBILITIES.**

National government authorities shall be enabled by the new Fiscal Equalization Law to control the development of the obligatory housing programs of the Provinces. Provincial Governments shall be placed under the obligation to fulfill housing programs and give account to the Provincial Parliament.

## ESTABLISH OBLIGATORY HOUSING PROGRAMS FOLLOWING A NATIONWIDE UNIFORM SCHEME.

Despite the quantitative, locally differentiated subsidized housing objectives, the general need for housing should be outlined. The need for housing has to be determined through systematic need assessments, which also includes the number of vacancies in the municipalities.

#### ○ DEVELOP A GUIDELINE TO DETERMINE VACANCIES.

Providing a guideline makes the determination of vacancies easier for the individual municipality. It also allows a nationwide comparable estimation of housing opportunities.

## ○ SUPPORT INNOVATIVE PROGRAMS.

Programs should be supported, if they connect the housing and the social sector, and make use of vacant apartments by providing them to people with special support needs.

## Stimulate needs-based housing development

It is hard to predict additional needs for housing. They depend on the growth of population, the reduced average household size, increasing vacancies and consumer behaviors (such as buying secondary homes, apartments as investments)<sup>29</sup>. Currently, a huge supply gap can be found in urban areas, where a concerning shortage of reasonably priced housing is occurring<sup>30</sup>. It is going to be essential to focus towards local housing needs and the needs of people with low income.

## Actions

#### **O BUILD MORE SUBSIDIZED RENTAL APARTMENTS.**

No support for housing construction as a mere object of speculation.

## EXPAND SUPPORT PROGRAMS FOR PEOPLE WITH LOW INCOME.

Compact floor plans, low square meter prices and low initial costs are key for this group of people.

# Make use of instruments in the zoning law towards affordable housing

Land in residential zones oftentimes is used differently. This is one major cause for the rising prices in the context of newly built apartments<sup>31</sup>. The zoning law provides instruments that can help to improve this situation, such as the possibility to reserve construction land for subsidized housing, increase the amount of construction land in residential zones or increase the level of allowed construction density in residential zones.

As of now 26 percent of the construction land in residential zones in Austria is not used for housing. Since there is no obligation to use the land according to its zoning, the owners can decide when they want to realize projects according to the zoning plan. Despite (increasing) construction land in residential zones, only some construction land is actually available. A surplus of construction land in residential zones is confronted with a high demand for available construction land<sup>32</sup>.

## Actions

#### ○ REINFORCE AFFORDABLE HOUSING AS A GOAL FOR THE ZONING LAWS.

### IMPLEMENT INSTRUMENTS TO THE ZONING LAW TO STRENGTHEN SUBSIDIZED HOUSING,

wherever they are non-existent.

 USE OPPORTUNITIES THE ZONING LAW IS ALREADY PROVIDING BY AGREEMENT ZONING ORDINANCES (VERTRAGSRAUMORDNUNG), SPECIAL ZONING ORDINANCES (SONDERWIDMUNG) AND THE OPPORTUNITY TO RESERVE LAND USE (VORBEHALTSFLÄCHE).

#### ○ SKIM OF PROFITS, WHEN ZONING IS CHANGED.

#### ○ TAKE ACTIONS TO MAKE MORE CONSTRUCTION LAND AVAILABLE.

This can happen by increasing the available construction land by planning ordinances on behalf of the government, terminated residential zoning, re-designation of construction land, expropriation for urban development projects, declaration of land reserved for special use, declaration of usage rights under the public law, collecting fees on vacant construction land, merging construction land, implementation of fees and duties, or by construction obligations by real estate property transfer ordinances.

O APPLY THE LAND SOURCING ACT (BODENBESCHAFFUNGSGESETZ) 1974.

# Steps towards incomes that are sufficient to secure a livelihood

Despite changes in the housing policies, shifts in labor market policies and in social policies are necessary to realize "housing for all". In recent years increasing costs for housing meet concerning trends of the labor market such as high unemployment rates, more precarious employment and a rise of part-time jobs. In Austria 8 percent of all people in working age<sup>33</sup> are not able to maintain an adequate standard of living, although they are employed ("Working poor"). Single mothers and noncitizen are particularly often affected<sup>34</sup>. At the same time, the legal foundations for subsidiary social benefits are tightened up regarding the amount and accessibility. Since the Art.15a B-VG about a nationwide means-tested minimum income has expired on December 31st, 2016, the Provinces are now allowed to establish their own welfare and minimum income laws. They are no longer required to obey nationwide minimum income such as tightening up eligibility conditions or reducing the payments. Vienna and Salzburg are exceptions.

Increasing wages, as well as nationwide higher welfare and social security benefits, are needed to achieve affordability. To assess the height of welfare and social security benefits the data collection of ASB Schuldnerberatung GmbH provides a reliable basis. They show that for 2017 a single-person household needs 1.393,- Euro to lead an adequate but modest life<sup>35</sup>.

## Actions

#### ○ HIGHER WAGES, ESPECIALLY FOR THE LOW-WAGE SECTOR.

Powerful instruments to fight the issue of poverty despite employment are higher minimum wages and the systematic decrease of non-wage labor costs for low wage workers.

## ○ RISE THE NET COMPENSATION RATE OF UNEMPLOYMENT BENEFITS.

Preserve the existing system of unemployment assistance. Downsizing the social security system, as the German Hartz-IV system, has to be avoided by all means.

# ○ NATIONWIDE AND POVERTY-PROOF MEANS-TESTED MINIMUM INCOME (BMS) STANDARDS.

BMS has to be compliant with the constitutional, the EU, and the international law as well as a poverty-proof amount. Particular attention has to be paid on consistent implementation in conformity with the law.

## ○ LEGAL RIGHT TO GET "ASSISTANCE IN SPECIAL LIFE SITUATIONS"

("Hilfe in besonderen Lebenslagen"). This means to be able to get financial assistance to sustain housing, to provide deposits or basic equipment for a new tenancy, etc.

# Standardize and increase financial benefits towards housing

Although the costs for housing-related subsidies are increasing, the existing system does not reduce poverty. High rents are, despite subsidies, hard to finance and therefore have to be paid through means intended to cover other life sustaining costs. The incomparability of housing subsidies and rental subsidies need urgent improvements<sup>36</sup>.

## SUBSIDIES HAVE TO BE ORIENTED TOWARDS THE ACTUAL HOUSING COSTS.

To sustain housing, financial benefits have to be oriented towards the actual housing costs. An effective Tenancy Law regarding the scope of application and rental cost restrictions is essential in this context. The systematic change from financial subsidies towards non cash contributions has to be stopped.

## CONNECT HOUSING AND SOCIAL BENEFITS AND STANDARDIZE THEM.

Different financial subsidies for housing shall be merged into one standardized benefit. The budgetary responsibility lies with the housing department, while the social department is responsible for the operational implementation.

#### O REDUCE BARRIERS TO USABILITY.

Financial benefits towards housing shall sustain housing for all. With that in mind barriers specific for each Province have to be reduced; examples of barriers are (full time) employment, tenancy versus sublease agreement, subsidized rental apartments.

## IMPLEMENT A LEGAL RIGHT TO FINANCIAL BENEFITS TOWARDS HOUSING.

# Comments and resources

<sup>1</sup>Wagner, Karin (2017): Wohnverhältnisse von einkommensschwachen Haushalten in Österreich. Impulsreferat im Rahmen des BAWO-Projekts "Leistbares Wohnen für einkommensschwache Menschen".

<sup>2</sup>People having an equivalised net household income below 60 percent of the median of all equivalised net household incomes in the state. The statistical literature describes them as "at risk of poverty". The amount for a single person household in 2016 was 1.185 Euro, adding 592 Euro for each additional adult in the household and 355 for each child under 14.

#### <sup>3</sup>EU-Silc 2016

<sup>4</sup>Tockner, Lukas (2017): Wie kann städtisches Wohnen wieder leistbar werden? Online unter: http://blog.arbeitwirtschaft.at/wie-kann-staedtisches-wohnen-wieder-leistbar-werden/?print=pdf [abgerufen am 31.08.2017]

<sup>5</sup>BAWO (2016): Integrierte Strategie zur Beendigung von Wohnungslosigkeit. Grundlagenpapier der BAWO unter Berücksichtigung der BAWO-Fachtagung. Online unter: http://www.bawo.at/fileadmin/user\_upload/public/Dokumente/ News/NewsInter\_national/20160906\_BAWOIntegrierte\_Strategie\_gegen\_WLK\_final.pdf [abgerufen am 18.10.2017]

<sup>6</sup>There is no official definition of social housing in Austria. Different forms of housing are provided "beyond" the regular housing 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 developers. Limited profit housing is regulated by the Non-Profit-Housing-Act. Social Housing is used as an umbrella term for municipal housing and limited profit housing.

<sup>7</sup>David, Evelyn / Heitzmann, Karin (2015): Österreichische Nichtregierungsorganisationen in der Armutsbekämpfung. Entwicklungen, Leistungen, Lücken. Wien.

<sup>8</sup>Reinprecht, Christoph (2017): Wenn wohnen arm macht. Zur Wiederkehr der Wohnungsfrage. Vortrag im Rahmen der BAWO Fachtagung 2017.

<sup>9</sup>Kunnert, Andrea (2014): "Vom Recht auf Wohnraum - Definitionen von "leistbar Wohnen" und Leistbarkeitsindikatoren in Österreich". In: Wippel, Jörg (Hg.): "Wohnbaukultur in Österreich". StudienVerlag. Innsbruck/Wien/Bozen.

<sup>10</sup>Dachorganisation ASB (2017): Referenzbudgets (Bugetbeispiele) – Ausgabengliederung (Österreich) Online unter: http://www.schuldenberatung.at/downloads/infodatenbank/referenzbudgets/Referenzbudgets\_2017\_Aktualisierung\_ EndV.pdf; Dachorganisation ASB (2012): Referenzbudgets. Online unter: http://www.schuldenberatung.at/downloads/ fachpublikum/asbFactSheet\_RefBud2012\_EndV.pdf

<sup>11</sup>The right to choose the location and type of housing someone wants to live in, is explicitly standardized in article 19 of the UN Convention on the Rights of Persons with Disabilities.

<sup>12</sup> "special support needs" is used as a generic term, to describe situations or times in life, when someone needs support. This often occurs during biographic transitions such as moving out of your parents home, starting a family, separation, changing one's residence or moving to a new country.

<sup>13</sup>Streimelweger, Artur (2014): Zur Miete oder in den eigenen vier Wänden? Zum volkswirtschaftlichen Mehrwert ausgewogener Wohnungsmärkte. In: Österreicher, Theodor (Hg.): Gemeinnützige Wohnungswirtschaft im Wandel: Grundlagen – Entwicklungen – Perspektiven. S. 149f sowie IIBW, FV Steine-Keramik (2017): Wohnbauförderung in Österreich 2016. S. 13

<sup>14</sup>EU SILC 2016

<sup>15</sup>EU SILC 2016; Allgemeinbevölkerung: 18%

<sup>16</sup>Stabentheiner, Johannes (2014): Mietrecht. S. 39f, 159.

<sup>17</sup>Moshammer, Bernhard / Tockner, Lukas (2016): Mietensteigerungen in Wien und Österreich. AK Wien.

<sup>18</sup>Wodicka, Erwin (2013): AK: Überhöhte Mieten für Altbauwohnungen in Wien. Online unter: http://diepresse.com/ home/meingeld/verbraucher/1389611/AK\_Ueberhoehte-Mieten-fuer-Altbauwohnungen-in-Wien

<sup>19</sup>Kadi, Justin (2017): Wie das Mietrecht die Mieten treibt und was die Politik unternimmt. S. 10. In: Dérive N° 68..

<sup>20</sup>Aixberger, Martin (2001): Die Entwicklung des Mietrechts in Österreich seit der Erlassung des Mietengesetzes. S. 28, 40.

<sup>21</sup>Amann, Wolfgang / Lugger, Klaus (2016): Österreichisches Wohnhandbuch 2016. S. 27

<sup>22</sup>in particular § 10a WGG

<sup>23</sup>Feichtinger, Alois / Schinnagl, Michaela (2017): Die Vermögensbindung als Eckpfeiler der Wohnungsgemeinnützigkeit. In: wobl. 30/Heft 4.

<sup>24</sup>§ 8 Abs. 3 WGG

<sup>25</sup>General regulations can be found in § 8 WGG; specific allocation regulations where developed for apartments related to the so-called "Schillingeröffnungsbilanzgesetz". See for instance https://www.ris.bka.gv.at/Dokument. wxe?Abfrage=Landesnormen&Dokumentnummer=LNO40007511

<sup>26</sup>Gutheil-Knopp-Kirchwald, Gerlinde (2016): Verteilungspolitik im Wohnungswesen – der Stellenwert der sozialen Wohnungswirtschaft. VWBF-Symposium 2016. Online unter: http://www.vwbf.at/content/aktuell/aktivpdf/Gutheil.pdf

<sup>27</sup>Amann, Wolfgang / Mundt, Alexis / Komendantova, Nadejda (2015):: Wohnungsbedarfsanalyse Niederösterreich.
 Wien: IIBW, im Auftrag der Kammer für Arbeiter und Angestellte für Niederösterreich. S. 67.

<sup>28</sup>Natter, Michael (2015): Eine Wohnung ist nicht alles – aber ohne Wohnung ist alles nichts...
Leerstehender Wohnraum in Vorarlberg: Quantifizierung, Ursachenanalyse und Entwurf einer sozialpolitischen
Entscheidungsgrundlage zur Wohnraumerschließung und Wohnraumsicherung unter Einbezug der Sozialen Arbeit.
Dornbirn, S. 62.

<sup>29</sup>Amann, Wolfgang / Lugger, Klaus (2016): Österreichisches Wohnhandbuch. StudienVerlag. Innsbruck/Wien/Bozen.
 S. 23.

<sup>30</sup>Amann, Wolfgang / Lugger, Klaus (2016): Österreichisches Wohnhandbuch. StudienVerlag. Innsbruck, Wien, Bozen. S. 11, 23.

<sup>31</sup>Kanonier, Arthur (2017): Auf dem Wohnungsmarkt sind die Preise für Wohnen – in Miete und im Eigentum – in den vergangenen Jahren deutlich gestiegen. Impulsreferat im Rahmen des BAWO-Projekts "Leistbares Wohnen für einkommensschwache Menschen".

<sup>32</sup>Kanonier, Arthur (2017): Auf dem Wohnungsmarkt sind die Preise für Wohnen – in Miete und im Eigentum – in den vergangenen Jahren deutlich gestiegen. Impulsreferat im Rahmen des BAWO-Projekts "Leistbares Wohnen für einkommensschwache Menschen".

<sup>33</sup> "Working poor": Individuals of working age (18 to 64 years old), who have been six month or more, full time or part time employed in the course of a reference year and whose income was, despite the employment, beneath the poverty line..

<sup>34</sup>BMASK (2017): Sozialbericht. Sozialpolitische Entwicklungen und Maßnahmen 2015-2016. Wien. S. 192.

<sup>35</sup>Dachorganisation ASB (2017): Referenzbudgets (Bugetbeispiele) – Ausgabengliederung (Österreich) Online unter: http://www.schuldenberatung.at/downloads/infodatenbank/referenzbudgets/Referenzbudgets\_2017\_ Aktualisierung\_EndV.pdf; Dachorganisation ASB (2012): Referenzbudgets. Online unter: http://www. schuldenberatung.at/downloads/fachpublikum/asbFactSheet\_RefBud2012\_EndV.pdf

<sup>36</sup>Amann, Wolfgang / Mundt, Alexis (2015): Leistbares Wohnen – Bestandsaufnahme monetärer Leistungen für untere Einkommensgruppen zur Deckung des Wohnbedarfs. IIBW. Wien.

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