

1. *Yes, We Rent!* An introduction

This series of articles provides a summary of the discussions held with the *Yes, We Rent!* Advisory Council on how to consolidate and build on the projects' legacy in Mataró.

***Yes, We Rent!* in a nutshell**

The *Yes, We Rent!* initiative from Mataró City Council, and co-funded by the EU's Urban Innovative Actions Programme, supports citizens' right to housing. The project takes on two of the challenges currently facing local housing policy.

Challenge 1

How can private rental property –particularly property that has been vacant and off the market for an extended period– be used to provide affordable housing?

Mataró City Council encourages landlords to lease their empty flats to the *Yes, We Rent!* affordable housing scheme by offering up to €18,000 to cover renovation works (including energy saving measures) and organizational support to do this, a guaranteed rental income (albeit below market value) and the management of the rental payment.

With its experimental and innovative setup, *Yes, We Rent!* hopes to create a replicable organizational and economic model for generating affordable housing stock through public-cooperative collaboration.

Challenge 2

How can the potential of community initiatives and cooperatives be harnessed to generate and develop affordable housing in partnership with initiatives like *Yes, We Rent!* (collaborative housing).

As part of the *Yes, We Rent!* initiative, Mataró city council initiated and supported the creation of the tenants' cooperative "Bloc Cooperatiu", with a view to harnessing the potential for self-help and empowerment inherent in such structures. The idea was that Bloc Cooperatiu become a new agent on the local housing market with the potential to redress the balance of power between landlords and tenants.



This scheme is quite unique not only in southern Europe but also across Europe.

A cooperative managed by tenants, and the use of vacant flats kills two birds with one stone.

**Sonia Arbaci Salazero, University College
London**



Yes, We Rent! shows that there are more options than just rental housing –where if you cannot afford it, you become dependent on social assistance– and the classic home ownership model which has its own risks...

Michaela Kauer, City of Vienna



Yes, We Rent! fills a gap by putting a cooperative in charge of rent intermediation between private owners and tenants. This position is usually taken by organizations that limit themselves to a technical or managerial role.

Joaquín de Santos, CLT Brussels



What I find very interesting about Yes, We Rent! is this element of setting up a cooperative, which is quite unique. My impression is that in other models, associations act as intermediaries, but there's not this idea of involvement of residents and collective management, which is really interesting and very promising.

Alice Pittini, Housing Europe

The housing affordability crisis

In recent years, a shortage of affordable housing has become increasingly acute not only in Mataró but across most of Europe, affecting metropolitan areas particularly severely.

A key trigger for this crisis has been the dramatic decline in public investment in housing over the last decades, made more acute by the 2008 financial crisis. More recent developments such as the financialisation of the housing market –the dominance of the financial market on housing markets (Aalbers 2017)– and tourism rental platforms (Garcia-López et al. 2020) have only aggravated this problem.

For low and middle income groups in particular, the constant decline of affordable rental housing has led to decreasing options and a worsening position on the housing market. This situation is manifest, for instance, in the shares of housing-related costs in household budgets, which across OECD countries represents more than one third for the poorest 20% of households (OECD 2020). In the EU, 25% of tenants renting at market prices spend more than 40% of their disposable income on housing costs (Caturianas et al. 2020).

The dynamic in housing affordability has been a downward trend over the last decade. Between 2007 and 2019, rents (measured in real prices) rose across the EU, with the exception of Greece and Cyprus. Some countries– such as Lithuania, Czechia and Hungary registered increases of between 70 and 100% (Caturianas et al. 2020). It is important to stress here that this data is based on national averages, and that in urban areas the affordability crisis is typically even more dramatic.

“All indicators at European level point to the fact that the rental sector is increasingly concentrating people with lower incomes. This is also where we find people spending more for housing as a proportion of their income. So tenants with low incomes have seen their housing costs increase over time.

In parallel, the social housing sector has been, if not decreasing, let's say, “not increasing”, compared to the needs that we see on the ground in most countries. If you combine these elements, there is clearly a problem that needs to be solved and you need to mobilize all the potential resources to try to tackle this affordability issue.”

Alice Pittini, Housing Europe

There is a wide consensus that in the current situation, more public investment in affordable and social housing is needed. Organisations like the OECD see such investments not only as a necessity to improve housing affordability, but also as a socially and environmentally sound investment for a sustainable recovery (OECD 2021). There is a consensus that a variety of actors and policy instruments need to be brought together in order to reverse the trend. Among these, in particular supply-side measures for increasing the actual offer of social and affordable housing need to be increased

The mobilization of previously unused housing and the creation of a cooperative in Yes, We Rent! is one innovative contribution to this strand.

Aalbers, M.B., 2017. The variegated financialization of housing. *International journal of urban and regional research*, 41(4), pp.542-554.

Garcia-López, M.A., Jofre-Monseny, J., Martínez-Mazza, R. and Segú, M., 2020. Do short-term rental platforms affect housing markets? Evidence from Airbnb in Barcelona. *Journal of Urban Economics*, 119, p.103278.

OECD 2020, *Housing and Inclusive Growth*

Caturianas, D. et al., *Policies to ensure access to affordable housing*, Publication for the committee on Employment and Social Affairs, Policy Department for Economic, Scientific and Quality of Life Policies, European Parliament, Luxembourg, 2020.

OECD 2021. *Building for a better tomorrow: Policies to make housing more affordable*. OECD Employment, Labour and Social Affairs Policy Briefs).

“I think we have to keep aiming at a mix of private initiative, public social housing, the different associations, and cooperatives to create a more varied and rich housing environment. It is important to have a portfolio of options that can play different roles, at different times.”

Alice Pittini, Housing Europe

The housing situation in Mataró

The housing market in Mataró has several characteristics that are typical for the whole of Catalonia and Spain, which make access to affordable rental housing particularly problematic.

It is characterised by a low degree of regulation, with limited powers for the city council; it consists of a large majority of owner-occupied housing (75%) and a social housing sector that is totally incommensurate to demand (about 260 units compared to almost 1400 households on the waiting list). With just 19% of the market, the rental segment is small, has little elasticity and highly volatile prices.

Mataró's housing market in numbers

Inhabitants Mataró:	127000
Share of owner-occupied housing:	75%
Share of rental housing:	19%
Social housing units:	265
Households on the waiting list for social housing:	1345
Vacant flats that are off the market (estimation):	2759

The financial crisis in Spain has led to many evictions in the city. A first wave consisted of homeowners who were unable to pay down their mortgages. A second wave set in when housing prices and rents started to rise again, and were not accompanied by income development.

“There is a global problem of access to housing. The rental market is completely subordinate to buying and selling, and people who need housing feel the impact of the ups and downs of this market, when housing administrators look you in the eyes and say: it is three months' deposit. You pay all the charges and get abusive contracts that would be declared invalid –if you had the money and went to court.”

Lluís Ferrer, Bloc Cooperatiu

In this situation, *Yes, We Rent!* aims for the privately-owned vacant flats to become the basis for a new segment of affordable housing in the city. It provides incentives to owners to cede their flats by paying for renovation and the management of the rent (see the second article of this series for details on how the project incentivized owners to cede their flat). Importantly, the setting up of a cooperative with the support of the city council to manage the flat has the wider objective to reorganize the currently atomized relationships between individual tenants and owners, and instead establish the cooperative as a new actor with stronger bargaining power on the local housing market.

At the end of its pilot phase, *Yes, We Rent!* had mobilised 61 flats. These units are managed by Bloc Cooperatiu, a tenants' cooperative founded through the project.

The articles of this series will reflect on the challenges encountered by *Yes, We Rent!*, the solutions found, and above all, on the steps that can be taken to consolidate and build on the project's legacy in Mataró and beyond.

Articles in this series

1. *Yes, We Rent!* an introduction
2. Using vacant private property to produce affordable housing
3. Public-Cooperative collaboration in the production of affordable housing
4. Beyond the “select few”– the inner workings of a socially diverse housing cooperative
5. Economic and institutional sustainability

Yes, We Rent! Advisory Council

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Yes, We Rent! Partners

Mataró City Council

Mataró City Council initiated and coordinated *Yes, We Rent!*, with the objective to improve affordable housing policies through the cooperation between the Council and citizens.

Fundació Unió de Cooperadors

The Foundation of the Cooperative Union represents the social economy side of the project. One of the tasks of this organization has been to support the process of setting up a tenants cooperative “Bloc Cooperatiu” in Mataró.

IGOP – UAB Barcelona

IGOP is an urban affairs research institute that has accompanied the creation of the tenants' cooperative scientifically and participated in the tenant empowerment.

TecnoCampus Mataró

TecnoCampus has evaluated the effects of the intervention piloted by *Yes, We Rent!* in its housing market context and assessed key economic questions of the project, e.g. how the incentives for owners have worked and under which conditions the housing scheme can be financially sustainable in the long term.

Salesians Sant Jordi

Salesians are an NGO that trained young people at risk of social exclusion in construction works that it conducted in some of the flats that were mobilized in *Yes, We Rent!*

Diputació de Barcelona

The Provincial Council is a key partner for the transfer of the *Yes, We Rent!* model to other municipalities of the Barcelona Province and beyond.

