

# Housing cooperatives in France - 2016

# Social housing

- ▶ 4.3 million dwellings 10M people
- ▶ **Total social (rental) housing stock:** 19% of total housing stock. (Vincent Lourier. FNSC-HLM)
- ▶ **Total co-op housing stock:** More than 300,000 housing units were built in 100 years by HLM co-operatives, the vast majority of which provide access to ownership.
- ▶ The number of HLM co-operatives rental apartments is 23,622. The HLM co-operatives represent less than 1% of the total housing stock.
- ▶ Over 4 million people are looking for housing every year, 1.3 million of whom are seeking affordable housing.

This housing crisis is affecting not only low-income households, but middle-income households as well. Fundamental needs are changing, demand is more heterogeneous and, as in many countries,

France is undergoing deep economic and social mutations, including the growing number of wage earners working at the minimum wage.

- ▶ Sixty per cent of the social housing developed each year for low income household ownership is built by HLM co-operatives.

# Recent History

- ▶ Postwar
  - ▶ Like everywhere in Europe major housing shortage
  - ▶ 1947 General law on cooperatives did not include housing
    - ▶ State-driven social housing
    - ▶ Community-led
      - ▶ Castors - collective projects to build individual houses 12,100 housing units between 1948 and 1952
      - ▶ Cooperatives – collective ownership Between 1950 and 1965, with 35-year 2% mortgages, 140 HLM co-operatives were established, representing some 130,000 units.
- ▶ 1971 law prohibits dual role - collective ownership and individual rental
- ▶ 2005 Habicoop – created to promote housing cooperatives
- ▶ 2010 Coordin'ation – promote cohousing
- ▶ 2014 new Housing law specifically includes cohousing

# FFCH - Habicoop

- ▶ Created 2005 to promote participatory housing cooperatives
- ▶ 2 roles
  - ▶ Lobbying
  - ▶ Accompanying projects
    - ▶ How can groups work together to make effective decisions
    - ▶ Technical aspects legal, financial, relationships with other actors, regulations, normes, choosing partners and suppliers
- ▶ In 2015 split the two activities
  - ▶ Federation represents the movement of community led housing cooperatives
    - ▶ Membre of FNSCHLM – national Federation of Cooperative Housing Societies, which build social housing
  - ▶ Regional structures which accompany projets, organise and animate their regional network

# Coordin' action

- ▶ Union of 14 associations which cover the spectrum of cohousing in France
- ▶ Created in 2010
- ▶ Participated in workshops leading to articles in 2014 law
- ▶ Regular national conferences 2010, 2012, 2015
- ▶ 2014 law created 2 legal frameworks for cohousing:
  - ▶ Cooperatives
    - ▶ Build or renovate collectively – resulting property is collectively owned
  - ▶ Collective property developer
    - ▶ Build or renovate collectively – resulting property is a condominium

# Financing social housing in France

- ▶ Caisse des dépôts et Consignations receives savings account deposits
- ▶ Capital used to finance social housing
- ▶ With current interest rates these « social » loans don't have competitive interest rates but can be reimbursed over 40 to 50 years

# 3 recent examples

- ▶ Village Vertical Villeurbanne – Villerbanne Lyon suburbs
- ▶ Chamarel – Vaulx en Vélin Lyon suburbs
- ▶ Abricoop - Toulouse

# Village Vertical Villeurbanne

- ▶ 14 apartments = 10 familles + 4 young adults in assisted housing
- ▶ 9 financed by social housing loans + 4 by very social housing loan
- ▶ History

2005 : 4 families of 30 year olds start the project and create the association.

2006 : VV signs convention with Habicoop and becomes national pilot project.

2007 : Start partnership with social housing cooperative Rhône Saône Habitat to finance and build VV

2008 : local authority allocates land, architects chosen

2009 : start design phase

2010 : created cooperative society

2011 : land purchased, building starts

2012 : partnership with association ALLOJ to manage 4 very social apartments

2013 : moved in

Since 2013 : setting up day to day management

# Village Vertical Villeurbanne 2

9



# Chamarel 1

10

- ▶ Designed by senior citizens for senior citizens
- ▶ The four-story building will include 14 one-bedroom apartments of 45 m<sup>2</sup>, two two-bedroom apartments of 63 m<sup>2</sup>, as well as public spaces on the ground floor, including two guest bedrooms, a common room with a kitchen, a workshop, a laundry room and an office.
- ▶ All the apartments will be identical (double orientation, similar kitchen equipment etc.) in a concern for equity.
- ▶ Wide sliding doors and facilities for adaptation over time.
- ▶ Functional for people as they age The building's location also guarantees ease of access to public transportation, businesses and services.
- ▶ 2.46 M€ three loans totaling 1.7 million euros. (Crédit Agricole granted a 275 K€ loan reimbursable over 50 years for the property and a loan of a bit more than 1 M€ for the building for 40 years. Moreover, 612 K€ were borrowed at a zero percent interest rate over 20 years from CARSAT, a bank for retirement insurance and worker health.)
- ▶ Elderly people succeeded in borrowing 75% of the total cost over a 50-year repayment period! The mortgage lenders ended up agreeing because the project brought them good publicity."

# Chamarel 2



# Abricoop 1

12

- ▶ 17 apartments designed by an architect the group hired and paid for.
- ▶ Built by social housing company using a standard form of contract for plans based purchase.
- ▶ The plot belonged to the social housing company within a redevelopment zone destined to create 3000 dwellings in 3 phases of which 90 will be cohousing.
- ▶ The social housing company is building 3 other buildings on adjacent plots and manages roads and connections to water, sewage etc.
- ▶ At cost + 4% fee, covers risk, insurance, funding and management.
- ▶ Building close to passive.
- ▶ 2.63 M€
- ▶ 2.3 K€ m<sup>2</sup> for « social » 3 K€ m<sup>2</sup> for « non-social »
- ▶ Partners: Toulouse City and Metro, OPPIDEA, CARSAT, ADEME, Region

Montants de **redevance mensuelle**  
à l'entrée dans les logements :

Logements <sup>Equivalent</sup> **PLAI**

$$\begin{array}{|c|} \hline 6,40\text{€} \\ \hline \text{Loyer} \\ \hline \end{array} + \begin{array}{|c|} \hline 0,00\text{€} \\ \hline \text{Epargne} \\ \hline \end{array}$$

$$= 6,40 \text{ €/m}^2 \text{ de Surface Utile}$$

Logements <sup>Equivalent</sup> **PLUS**

$$\begin{array}{|c|} \hline 7,50\text{€} \\ \hline \text{Loyer} \\ \hline \end{array} + \begin{array}{|c|} \hline 0,50\text{€} \\ \hline \text{Epargne} \\ \hline \end{array}$$

$$= 8,00 \text{ €/m}^2 \text{ de Surface Utile}$$

Logements **PLS**

$$\begin{array}{|c|} \hline 9,20\text{€} \\ \hline \text{Loyer} \\ \hline \end{array} + \begin{array}{|c|} \hline 1,50\text{€} \\ \hline \text{Epargne} \\ \hline \end{array}$$

$$= 10,70 \text{ €/m}^2 \text{ de Surface Utile}$$

Logements **Libre**

$$\begin{array}{|c|} \hline 10,80\text{€} \\ \hline \text{Loyer} \\ \hline \end{array} + \begin{array}{|c|} \hline 2,20\text{€} \\ \hline \text{Epargne} \\ \hline \end{array}$$

$$= 13,00 \text{ €/m}^2 \text{ de Surface Utile}$$

# Abricoop 2

14

