

JOURNAL

PROJECT

Yes We Rent! -
Leveraging vacant
private property to
build up a cooperative
affordable housing
scheme

📍 Mataró, Spain

TOPIC

Housing

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Yes, we rent! Journal 3: the seven major implementation challenges

See on UIA
website



'Yes, we rent!' in a nutshell

The UIA project 'Yes, we rent!' of the city of Mataró is about reactivating private vacant flats for the rental housing market below-market price to households in need of affordable housing. The city offers incentives and support to owners to leave their empty flats with the 'Yes, we rent!' affordable housing scheme, promotes the establishment of a tenant cooperative responsible for the scheme in the future and uses the renovation of flats for the capacity building of troubled adolescents to improve their working skills for the labour market.

This journal describes the implementation challenges of the 'Yes, we rent!' project within the seven challenge categories identified by the UIA programme for the implementation of innovative projects.

Executive summary

The "Yes, we rent!" project is progressing. The training of young adults to improve their chances in the job market has finished, the tenants housing cooperative is founded, further members are recruited and first members have moved into the flats acquired through the project. The biggest challenge for the project is the acquisition of private, vacant flats for the housing scheme, only a smaller number of flats could be acquired by now, but the municipality together with the cooperative will continue their efforts – but further approaches need to be considered. A general challenge is the different tempos and time requirements from the UIA project and the development of an independent, self-responsible cooperative. It also seems to be becoming apparent that a further cooperation between the city and the cooperative beyond the official end of the "Yes, we rent!" project will be required. The municipality must remain in a position of responsibility for the project's approach.

Project Update

[Reactivating private empty flats for the 'Yes, we rent!' housing scheme](#)

The 'Yes, we rent!' project continues to attract new, private empty flats to the housing scheme. This through a [communication campaign](#) and directly by approaching owners. However, it is a very challenging task: so far, the

city administration contacted more than 300 owners and presented them the housing scheme as an alternative to have their flats empty. Yet, no more than 30 owners have signed up their vacant flat for the housing scheme. A key problem for many owners seems to be that their houses or flats require a much higher investment than the grants the project can offer. Therefore, many owners cannot or want not to finance the necessary rehabilitation for the reuse.

Nevertheless, the city of Mataró wants to continue the efforts to attract empty flats by reinforcing its communication campaign and continuing to contact directly owners of empty flats. Moreover, the Housing Department of Mataró City Council has set up a programme to search for empty flats with the double objective to inform owners that they could be fined, keeping their flats empty for more than 2 years, and to offer the Yes We Rent! and other public programmes as an alternative.

In addition, the newly established tenants housing cooperative, who will be in charge of the attracted flats, will start to contact owners, too. A further idea could be to attract owners, who have provided their flats to the housing scheme and are satisfied, as "ambassadors" for the communication campaign and potential reference person for interested owners. Owners might be better able to convince other owners than a representative of the municipality. For generally interested owners also an information meeting together with the "ambassadors" could be organised.

Establishing a tenants housing cooperative

The tenants housing cooperative 'Bloc Cooperatiu' was founded in February 2021 as already described in an [article](#). Since then, the 10 founding members have attracted 57 further members to the cooperative, which all feel ownership of the cooperative and the idea behind. Currently the cooperative manages 25 flats, which have been attracted through the "Yes, we rent!" project, in which live 32 members of the cooperative. For the assignment of the flats the cooperative members have defined a mechanism. Two of the co-founding members have taken over the (paid) technical secretariat of the cooperative, coordinating the further development and technical management of the cooperative (before a technician paid through the UIA project was in charge). In doing so, the members have taken on further responsibility for the cooperative.

Furthermore, the chair of social economy from [Tecnocampus](#) has elaborated a business plan and a preliminary version of the viability plan. Tecnocampus discussed the plan in several meetings with representatives of the cooperative and the municipality to ensure it meets the needs of the cooperative. The business plan determines among others the minimum amount of flats and the conditions for the cooperative to be sustainable. The current situation is that these conditions are not in place yet for the cooperative to be able to continue the "Yes, we rent!" housing scheme in its full scope on a financially independent basis. Concerning this matter, the municipality considers to extend the cooperation with the cooperative beyond the life-time of the project until the conditions for their sustainable functioning is achieved. To explore meaningful forms of cooperation between the city, the municipality has set up an advisory board with people involved in the project and both national and international experts on housing policies and innovation on public administration.

Find further information in the [zoom-in](#) about the cooperative.

Training youngsters neither in employment nor in education for the labour market

[Salesians Sant Jordi](#), responsible for the training of the young adults, has started with the second training group for the rehabilitation of the "Yes, we rent!" flats. The training programme consists of combined theoretical and practical training in different training modules ([further information](#)). The observations for improvement from the first training round were included in the new training programme. Unfortunately, due to COVID restrictions, the visits to companies in the construction and renovation sector had to be cancelled. Nevertheless, the training of the 2nd cohort was finished in the summer 2021 with the practical part of the training, renovating three empty flats. Since then, Salesians Sant Jordi continues to monitor all the young people who have participated in the training, whether they have resumed further training, they are looking for a job or they are working. The intention is to accompany them in the itinerary that they have made during their participation in the training programme as well as to improve their labour competences not only to look for a job, but also to keep it.

Challenges

Political and administrative leadership

Fear of "failure" of the project

In the first half of the project, there has been a strong political support: Mayor and councilors took part in public events presenting the project. Although political support remains, there is an increased political perception that the number of flats attracted to the project - fewer than envisaged - could be seen as a failure by the public now that the local election draws closer.

In response to this, the project team is in constant contact with the political representatives of the City Council to inform them about both successes and challenges of the project. The focus is more on the positive impacts of the project than the numbers. The success is that the tenant's cooperative has been created, 20 members have access to affordable housing by now and in the long run the city will have a new player with the cooperative in the rental market, that will be in charge of maintaining and enhancing the "Yes, we rent!" housing scheme.

Taking responsibility for the city's project idea beyond the UIA lifetime of the project

The innovative project idea was born out of the municipality itself. As a core element of innovation, the foundation of a cooperative was developed, that is to continue self-independently the project after the end of the UIA project in its own financial responsibility according to the specifications of the project idea. This means that the long-term responsibility for the project was transferred to an external organisation (cooperative) that did not yet exist when the project idea was developed and accordingly could not be involved in this idea. With this, they have made "the calculation without the landlord". It could not be clarified "together" whether the specifications and tasks for the cooperative were possible and in the interest of the cooperative in the given period and scope. In the moment, it has turned out that the establishment of the cooperative, mainly based on voluntary work, and its economic independence will take longer and will probably require further cooperation between the cooperative and the city beyond the official end of the UIA project. Here, the political and administrative leadership is called upon to take further responsibility for its project idea in order to secure the success of the project in the long term or to enter into a longer-term cooperation that is profitable for both sides. To explore meaningful forms of cooperation between the city and the cooperative, the project team has founded an advisory board with people involved in the project and national and international experts to think about.

Cross-department working

Getting support from the relevant departments

Innovative projects usually require cross-sectoral cooperation. This is the case with the "Yes, we rent!" project, too. The cross-department coordination was difficult at the beginning, when new procedures and legwork had to be introduced. To ensure cooperation, the project team established regular coordination meetings with the political leaders under the supervision of a political advisor. At the technical level, regular meetings with the other departments involved take place to inform of the needs of the project regarding public procurement, budget management, human resources, necessary legworks, etc. Concerning technical cooperation with other departments, the support of the General Manager of the City Council has been crucial to convey the message that innovation and creativity were important to deliver results.

Participative approach for co-implementation

The "Yes, we rent!" project relies on two key players for the long-term success of its approach: the cooperative with its members and the owners providing their vacant flats to the "Yes, we rent!" housing scheme.

Time requirements for founding the cooperative from scratch without prior involvement

A key challenge is the establishment of the cooperative without any preparatory work, through predominantly voluntary work, in a relatively short period of time and under relatively concrete project specifications.

Founding a cooperative takes time. Although there is normally an existing, enthusiastic group of people that want to find a cooperative, in case of the "Yes, we rent!" there was not such group. First, the municipality had to activate interested people and they had to find each other to build up a sense of community. This needed time, in particular to develop enthusiasm and a positive group dynamic, which are essential for project developments that are based on community and volunteer work. In addition, forming a group of enthusiastic people under COVID 19 restrictions was made even more difficult because people could not meet physically or only to a very limited extent.

At the same time, members need to feel ownership of the cooperative. This requires the cooperative to be aligned with the interests of the members. Since there were essential specifications pre-set by the UIA project, there were certain limits to the design of the cooperative concerning the interest of the members. This led to frictions and doubts about the cooperative and required additional time to "bring the members along" (create an

understanding for the pre-specifications by the project).

To extend the time for founding and establishing the cooperative, the project team asked for an extension of the UIA project.

Need of organisational and technical support and leadership for the founding of the cooperative

The founding of a cooperative requires organisational and technical know-how and experience. The UIA project had foreseen and installed such a person to support the founding of the cooperative. However, it turned out that the person could not provide the necessary leadership and experience for steering and coordinating the group of volunteers, helping them to take decisions, leading on what to work and take decisions on, etc. With the replacement of the person the situation improved. Also, the installation of a paid technical secretariat for the day-to-day work of the cooperative, managed by 2 founding members of the cooperative, was an important step to advance as it supported the empowerment of the entire group. The provision of external technical support i.e. for the development of the business plan or for legal advice was another important key to deal with the challenge.

Convincing owners of vacant flats to let their flats to the “Yes, we rent!” housing scheme

Besides the different activities by the project to activate owners to let their empty flats to the “Yes, we rent!” housing scheme, the numbers of the acquired flats is still too low to make the cooperative sustainable in the medium term. For further information see “Project update”.

Communication with target beneficiaries and users

Reaching the owners during the pandemic situation

General communication with owners had been planned at neighbourhood meetings and events. Due to the COVID-19 distancing measures these could not take place. As the social distancing measures are still in place, the communication campaign has been reinforced through written media and local radio and TV.

Public procurement

Social clauses in public procurement

The project idea was to hire companies through public tender for the renovation of the acquired flats and that these companies would cooperate with Salesians Sant Jordi to involve the trained young people in the renovation works. However, due to the procurement regulations, however, the municipality could not introduce a clause in the tender that the companies had to link up directly with Salesians Sant Jordi. But a social clause could be introduced that the companies had to work with any organization employing or working with young people from a disadvantaged background. Finally, the commissioned company did not choose to work with Salesians Sant Jordi and the trained young people could not be involved in the renovation works. Despite working closely with the procurement department, a legal solution could not be found. Instead, the municipality provided other flats for the practical training of the young adults.

Monitoring and evaluation

GDPR restrictions

The legal requirements of the General *Data Protection* Regulation (GDPR) make it difficult to Tecnocampus and IGOP, responsible for the monitoring and evaluation, to receive access to the city administration data (and other sources) to be able to monitor the project as planned in the evaluation scheme. This required the two partners to clarify all binding steps of the data protection regulation and, based on the results, to work out together with the city council a legal framework and a procedure to obtain legal and periodically the data of the different city administration units and other sources. Moreover, with other institutions legal documents had to be prepared to get data access for the monitoring of the project. This circumstance required time and familiarisation with a new matter on all sides. To facilitate this, the partners hired external legal support to prepare the legal frameworks. As the project continued, relevant data could be retrieved first at a later stage of the project for the monitoring.

Vague or changing objectives and project course

Innovative projects cannot be planned in all details from the beginning, and they evolve. This is also the case for

the 'Yes, we rent! project. As the project has evolved and gained focus over the time, also objectives, outcomes and potential impacts became clearer and even changed. This demanded the adaptation of the evaluation scheme and data frame during the ongoing monitoring process. Thus, the project could not be monitored the same way as planned in the beginning.

COVID-19

COVID-19 – like everywhere – had its impact on the monitoring of the project. Due to the COVID-19 restrictions interviews and direct observations could not be carried out as planned. Focus group discussions had to be postponed. As solution interviews were shifted online and the observations concentrated on online-meetings of the project partners and the 'driving group' of the cooperative. This shift from qualitative evaluation fieldwork to "online" fieldwork demanded its time.

Lack of input or collection of data by project participants

For the monitoring, data had to be collected and provided by project participants. But some participants did not comply with this to the extent required filling in monitoring documents or collecting relevant data as requested in the evaluation scheme. The reasons may have been that the importance for the data collection was not seen. To counteract this, Tecnocampus tried to encourage partners to fill in questionnaires and monitoring forms, explaining the necessity and meaningfulness of the evaluation of the project. In support they set up a data register and follow-up system.

Moreover, some administrative units, not directly involved in the project, did not comply with the data provision as expected. To gain their commitment, extra meetings were organised to explain the importance of the required administrative data for the evaluation of the project. Also, examples of legal frameworks from other projects were presented to gain their support.

Upscaling

Acquiring further members and integrating them into the cooperative

In the beginning, in particularly active members with rather high social capital joined the cooperative. After the official establishment of the cooperative, new members have joined the cooperative with a rather difficult situation accessing affordable housing. These members might be more interested in merely having an affordable flat than building up and participating in a vivid cooperative. The cooperative has to develop "rules" to balance these two "different" profiles of more active and maybe less active members.

Ensuring the long-term economic sustainability of the tenant's cooperative

The tenant's cooperative is established and the number of members is increasing, but the current viability plan does not yet show a sustainable financially self-sufficient future for the cooperative. Because of that the project team considers a further cooperation between the cooperative and the municipality.

Acquiring and holding further flats

The success of the "Yes, we rent!" project depends on acquiring further flats and keeping them in the long term for rents below the market price; and to make them available for the practical training of young adults to improve their job experience. For this, the cooperative needs sufficient staff and financial resources, in particular to continue with the acquisition of flats and the incentive scheme for the owners the municipality has introduced. Key will be, too, the capacity of the cooperative to convince owners to let their flats with the cooperative, even after the first 5-years contract will have been expired. This requires among others to point out not only the economic benefits, but also the non-monetary values e.g. peace of mind, reducing risks of squatting and complicated relations with tenants, making a contribution to the community, etc. It should also be considered whether the cooperative can be put in a position to buy flats or whether the municipality buys up flats that are rented through the cooperative. Such and other forms of cooperation between the municipality and the cooperative needs to be investigated to ensure a sustainable and economic feasible cooperative in the spirit of the "Yes, we rent!" project.

Conclusions

The "Yes, we rent!" project is progressing. The training of young adults to improve their chances in the job market

has finished and the focus is on further support for the young people in their job search. So far, this approach has been successfully implemented, although the medium-term impact remains to be seen whether a larger proportion of the young people will have found a job.

The founding of the cooperative, which is to continue the legacy of the "Yes, we rent!" project, was also a milestone of the project. Further members were recruited and the first members have moved into the flats that were acquired through the project. Baseline documents for the functioning of the cooperative are largely in place. The main challenge, however, is to put the cooperative in a position where it is able to continue the legacy and goals of the "Yes, we rent!" project (financially) self-sufficiently. This will probably require further cooperation between the city and the cooperative beyond the official end of the project, which was not originally planned. However, the continued cooperation also represents an opportunity for both sides. The cooperative can help putting the municipal housing policies on a broader base, inject citizen social capital and collective efforts into the housing policies and potentially circumvent some of the bureaucratic constraints that city councils have to work under. On their side, municipalities can bring cooperative housing to a new level by acting as legal guarantors, facilitating access to finance and buildings and by providing technical support. But the cooperation brings also tensions. Municipalities and cooperatives depart from different (working) cultures and operate in different normative frameworks that do not converge too easily. I.e. the principle of self-organisation that forms the DNA of the cooperative can come in conflict with the financial and legal accountability that municipal administrations work under.

The biggest challenge for the project, which was not expected to be as strong as it is, is the acquisition of private, vacant flats for the "Yes, we rent!" project. Despite greater efforts by the municipality, which were complicated by the pandemic situation, only a small number of flats could be acquired by now. This is partly due to the greater need for investment in the flats than expected, which a large part of the owners are apparently not ready to finance. But it is also unclear to what extent it is "worthwhile" to leave the flats empty instead. Further approaches need to be considered to acquire these flats for the affordable rental housing market in Mataró.

Another challenge is the conflict between the time requirements of the UIA project and the time requirements for the development of an independent, self-responsible cooperative from scratch. The UIA project timeline has required the cooperative to advance quickly in the definition of its model and baseline document, whereas the cooperative required time to build up a positive group dynamic and to consolidate the group to be able to take shared decisions and work on the establishment of the cooperative. These different "tempos" have pushed both the cooperative and the project to take certain decisions without having enough information and to work within a scheme of trial and error. Also as the founding of the cooperative bases on voluntary work by its members and the group dynamic - in a pandemic state - the time of the members (volunteers) to work on the model and baseline documents of the cooperative is limited, having to start at the same time to work on the day-to-day management. This also leads to the extent of time for the establishment of the cooperative and requires external, technical support to help them to take the "right" decisions.



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