

May 2020

Author:
Annette Kuhk
UIA Expert



The Urban Lab of Europe !

The E-Co-Housing project Journal N° 1

Project led by the City of Budapest, District 14 Zugló Municipality



HOUSING



The E-Co-Housing project

As availability of affordable housing is significantly decreasing in Europe and particularly in Hungary, the **E-Co-Housing** project aims to demonstrate that it is possible to create a model combining social co-housing with the highest standards for energy efficiency and smart IoT solutions. A strong and structured co-design process will involve since the beginning potential residents in the transformation of a brownfield site into a net-zero energy multi-story prefabricated modular construction with 35 units of different sizes. While the project will test new techniques to ensure low construction costs, a set of actions will be experimented in order to empower the inhabitants with the aim to create the basis for a regenerative social co-housing community. The overall business model and the related economic feasibility will be carefully assessed to ensure future upscaling in the city and beyond of the E-Co-Housing model.

Partnership:

- City of Budapest, District 14 Zugló Municipality
- HBH Strategy and Development Ltd.
- Energy and environment Ltd.
- ABUD Advanced Building & Urban Design Ltd.
- GreenDependent Institute Nonprofit Ltd.
- Hungary Green Building Council (HuGBC)
- Budapest University of Technology and Economics
- HABITAT for Humanity Hungary
- Zugló City Management and Public Services Company

Table of Contents

1	EXECUTIVE SUMMARY	4
2	SUSTAINABILITY AND SOCIAL JUSTICE	5
2.1	Housing crisis in Hungary	5
2.2	Zooming in on Zugló	6
3	THE E-CO-HOUSING PROJECT	8
3.1	Gizella út in a neighbourhood full of contrasts	8
3.2	More than a house	9
3.3	Shared practices with different project partners	10
3.4	Preliminary results	11
4	CHALLENGES	12
4.1	Continued commitment needed for socio-spatial transformations	12
4.2	The selection of ‘appropriate’ tenants	14
4.3	Support to slowly build a community	15
4.4	Lessons learnt	16
5	WHAT’S NEXT?	18
6	REFERENCES	20

1 EXECUTIVE SUMMARY

Since this is the opening journal for the E-Co-Housing project, it seemed useful to first situate the UIA project.

The journal starts with a concise description of the current housing crisis in Hungary. It then turns to the district of Zugló, in which the social housing project will be developed as a model for community building and for sustainable practices. The third chapter elaborates on the ambitions of the E-Co-Housing project, with a zoom-in on the specific location (Gizella út), the programme for the building, and a brief presentation of

the project partners in the social and technical working groups. The fourth chapter addresses specific challenges in the development of this UIA project. The interviews with local partners showed that 'Leadership' and 'Participation' are essential to be addressed in the current stage. The fifth chapter in the journal looks ahead and addresses the challenges in the next stages of the E-Co-Housing project, e.g. issues on the public procurement and organisational issues, on communication with beneficiaries, monitoring and on upscaling.

2 SUSTAINABILITY AND SOCIAL JUSTICE

The city of Budapest is by its origin, and in its development, a colourful, vibrant city of contrasts. With 1,8 million inhabitants in the 525 km² in the city, and 3,3 million inhabitants in the larger Budapest Metropolitan Area (7626 km²), it is a larger city in the European Union. Whereas the prosperity from the 18th and 19th century is reflected in central lanes and impressive urban structures from this age, even a casual visitor will experience that the contemporary city faces many challenges with regard to poverty and housing. Budapest has a low availability of social and affordable housing, which has further decreased in the last few decades when it became the responsibility of local authorities.

The E-Co-Housing project intends to provide a model for regenerative social housing communities. It develops as a cocreation with the municipality and residents. The UIA project addresses both issues of social justice and sustainability, focussing on community

2.1 Housing crisis in Hungary

The evolution of (social) housing in Hungary is meticulously described in the annual reports¹ on housing poverty by Habitat Hungary and their partners, who are also involved in the E-Co-Housing project. The authors state that there are three main interlinked challenges for (social) housing, i.e. the small quantity of units available, the poor quality thereof and the limited prospect for ameliorations through public interventions:

development and social cohesion, and ecological issues for the construction and the use of the social housing units. The E-Co-Housing project intends to develop a socially just and ecologically sustainable model, and it starts at a location in the Gizella út in the district of Zugló. Whereas one could argue that the housing project in itself is rather limited in size, the intended impact is much wider. The E-Co-Housing project starts from a tangible case, with the ambition to develop a model for social housing to foster the social resilience of the community, with at the same time a high ecological standard for the constructions.

We first turn to housing issues in Budapest and in Zugló (ch. 2). We then look at the objectives and partners for the E-co-housing project (ch. 3). This leads to a reflection on the challenges in the current stage (ch. 4) as well as the ones in the near future (ch. 5).

- Availability: With 2,5 % of public rental housing, Hungary has only a very small percentage of social housing. At the same time, prices on the private market for renting and buying doubled between 2011 and 2019. This results in rapidly growing housing poverty, and the need for social housing becomes even more pressing. Housings costs are high compared to the level of income, and the gap

⁵⁵ <https://bit.ly/3cckb6Q> (full link: see references)

between prices and wages is further increasing. As a result of this, about one third of Hungarian families is confronted with a considerable household debt. Combined with stricter regulations on mortgage lending, this leads to a larger share of the population that can no longer afford to be or to become a homeowner.

- **Quality:** As for the renting market, there is little regulation and a general lack of institutional actors. The stock for social housing is not only too small to answer the needs, it is generally also in a poor condition, e.g. lacking adequate sanitation, having leaky roofs, or issues of mould and damp. Also, the building structure, the quality of isolation or the energy installations are not adapted to contemporary needs. Consequently, the substandard quality of housing reinforces a vicious spiral of poverty, since it also has an effect on the inhabitants' health, on the energy bills they pay, and on the household debt.
- **Prospects:** There is no comprehensive housing policy nor dedicated ministry at the level of the national government. In 2014, social housing has been largely decentralised (cf. National Report on Housing in TENLAW project, by J. Hegedüs, V. Horváth, N. Teller, N. Tosics, 2015-²). In principle, the responsibility

shifted to local municipalities. In practice, they receive no government subsidies nor clear regulation or obligations. Many municipalities have no means for social aid or housing affordability, and support schemes for renovation are mainly targeting homeowners. This constellation has led to additional privatisation of state property. Furthermore, the access to social housing is regulated at local level, where a shift from need-based to market-based logics was observed.

“The Hungarian state has spent more on housing in recent years, but the vast majority (90%) of this budget supported access to homeownership mainly for the middle classes, or was simply not socially targeted.” (Posfai, 2018, p. 2)

It can be concluded that the starting position for social housing is very weak, i.e. with a small number of units available, of which a significant part is in poor conditions. The future prospects do not provide any relief either to people who live in dire conditions today: there are few regulations only, a largely decentralised system, a general lack of means at municipal level to structurally develop social housing, yet also a pressure to develop according to market-logics. The challenge for a project such as the E-Co-Housing project is hereby set.

2.2 Zooming in on Zugló

Zugló is one of 23 districts of Greater Budapest³. With a population of about 123.000 people on an area of 18,5 square kilometres, yet a significant part of green areas, Zugló is the third most populated district of Budapest.

The district has countless places that are popular among locals, and also among tourists. Most famous are the Széchenyi Thermal Bath, the Budapest Zoo and Botanical Garden, but also the Városliget (i.e. the second biggest park of

³⁵ <https://bit.ly/2Xc9j4W> (full link: see references)

³⁵ The division of Budapest into districts goes back to the 1930s. The XIV district has gained the name Zugló with the delimitation of Greater Budapest in 1950 (cf. <https://www.zuglo.hu/about-zuglo/>).

Budapest), the Vajdahunyad castle or the Capital Circus of Budapest. Our interest in Zugló focusses on housing, and particularly on social housing, since this is the targeted domain to develop urban innovations. The following zooms in on the actual conditions in the 14th district of Budapest, which are largely in line with the general findings from the Habitat housing report.

There are 2616 apartments in the Zugló district (31st of October 2018) that fall under the housing regulation for social housing. The dwellings can be further subdivided according to the utilisation (i.e. occupied or empty, recommended to sell, to renovate, to reclassify, etc.), to the level of comfort (i.e. described in 5 classes, from all-comfortable to emergency shelters) and according to the ownership (i.e. with 2043 apartments, which is 78.1%, owned by the municipality). The housing regulation requires the municipalities to update a utilization plan on an annual base, e.g. to decide which apartments could possibly be refurbished and which buildings would better be sold or demolished and replaced.

The majority of the housing stock are comfortable dwellings (i.e. almost 70% considered to be comfortable or even having all comfort needed), but a significant number of dwellings has no comfort: about 30% of the dwellings are in bad conditions or lack essential facilities such as warm water or sanitary facilities in the apartments.

With social housing in hands of local authorities, setting priorities is an important issue: municipalities also have their own buildings, as well as kindergartens, nurseries or school buildings to take care of. The refurbishment of individual units in social housing is just one issue on a long list of local responsibilities.

It is estimated that about 80 – 100 households are waiting to find affordable housing (cf. Interview with deputy mayor R. Szabó, 08.01.20). They are currently living with families or friends in overcrowded locations or in transition homes⁴. Some are also homeless, and actually living on the streets. On top of that, there is also a demand from the current tenants of social housing units to upgrade the conditions. The municipality receives a large number of demands for replacement of houses of poor quality: about 25% of inhabitants in social housing actually live in a house that is basically no more than an emergency shelter.

Rebeka Szabó, deputy mayor for the district of Zugló is responsible for housing issues. In an interview, she emphasised the importance of developing a twofold innovation in the E-Co-Housing project. On one side, the focus on sustainable practices allows to develop a housing project that counters the negative image of social housing, with a low level of comfort and poor energetic conditions. On the other side, the housing project also allows to mobilise social capital, which usually is not explicitly addressed or activated in social housing projects.



The deputy mayor elaborates on the objectives of the E-Co-Housing project, on a launch event with local inhabitants.

⁵⁵ The transition homes are not operated by the municipality, but by NGOs, contracted with municipalities.

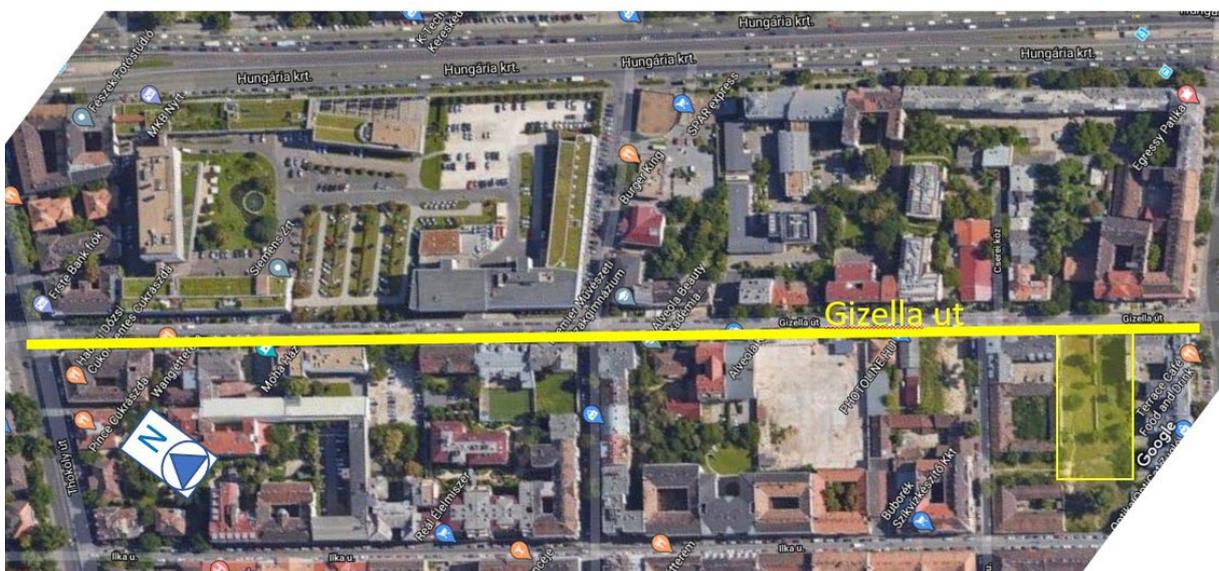
3 THE E-CO-HOUSING PROJECT

3.1 Gizella út in a neighbourhood full of contrasts

The neighbourhood is a mix of functions and qualities. When entering Gizella út from the larger Thököly út, where numerous busses pass, there is a pharmacy as well as several companies in buildings of four to five floors (e.g. Siemens). The biggest part of the street though is used for housing, with mostly apartments, and only rarely new buildings. There are few vacant plots, one of them shows an outdated poster for a large building project, whereas most plots have no indication at all about future plans. The plot for the E-Co-Housing project, which is owned by the municipality, is at the other end of the street (2.210 m²). A large billboard on the plot's fence provides essential information about the UIA project. It is a location where you do not need a car. Many different local and supralocal transport modes can be easily reached: the site is at a distance of 2.1 km from the Budapest Keleti

train station, 900 metres from the Zugló train station and a 300 metres walk to the stop for tram 1 and 41 at Hungária körút.

The neighbourhood, in which the plot is situated, is marked by striking contrasts, with a 610 million euros sports project and national pride, surrounded by many deprived and obsolete houses. The E-Co-Housing plot is right next to the Egressy út, which leads to the recently build Puskás Aréna at 400 metres distance. This multi-purpose stadium has a capacity of 67.215 visitors (with only 500 additional parking lots in the immediate vicinity). In size, it can compete with stadiums such as the Allianz Arena in Munich or Arsenal's Emirates Arena. The large national budget spent for this stadium stands in sharp contrast with the little means that local authorities have to refurbish the neighbourhood.



Aerial picture of Gizella út, with indication of the plot for the E-Co-Housing project

There are quite a few, relatively small-scale social housing units in the immediate surroundings, with an apartment building in Egressy út, multiple apartments in Cserei utca, a small 19th century building in the Gizella út, a shelter for homeless people at the corner of Cserei utca and Ilka utca. There are also a number of dilapidated houses in Cserei utca, which had to be cleared because they posed a danger to the inhabitants. The quality of the buildings is mostly poor, and the local authorities had to find replacements for

several buildings. There are few more social housing units at a distance under 3 kilometres (e.g. houses or apartments in Thököly út, in Tábornok utca, Őrnagy utca or Kövér Lajos utca), mostly with similar issues of multiple deprivation. The state of social housing in Zugló unfortunately reflects the general Hungarian housing crisis, with only a small quantity of units, which are generally in poor quality, and little to no local means to change the situation.

3.2 More than a house



The local slogan for the E-Co-Housing project

The E-Co-Housing project intends to provide ‘more than a house’ (in Hungarian: ‘több mint lakóház’). This local slogan for the project addresses different challenges at once. It stresses that E-Co-Housing has the potential to become an innovative game-changer for Zugló in a multidimensional approach to social housing:

- The project intends to create 25 to 30 housing units in the Gizella út, which is an attempt to substantially reduce the waiting list for social housing in Zugló. The project focusses on a segment that requires urgent action, i.e. the rental forms of housing in an institutionalised, public setting. Local authorities do not have the means to invest in publicly owned rental

housing, which is provided here through the European budget.

- The project does more than shortening the waiting list for social housing by numbers. It also intends to develop high quality residential units that consider contemporary standards for sustainability. The project has the intention to develop near zero energy buildings, to use recycled materials, to develop modular houses, and to reduce the water and waste flows. Investing in energy efficiency pays off, since it also results in lower energy bills for the users. As such, sustainable techniques can support to achieve social justice: the upfront investment in contemporary technologies

allows to substantially reduce the costs for daily use.

- Another important ambition in the E-Co-Housing project concerns the community development. The project intends to create a community of residents that cohabitate in a collaborative way, i.e. to support each other and to form a community of users. Both the definition of selection criteria for future tenants, the involvement in a co-design process and the planned training programme for candidate tenants are important instruments to foster and to steer this. It is intended to develop a strong community with a mixed group of residents in terms of age, social and family background. Specific attention lies on self-support and gaining a certain level of independence.

In the course of the project, many decisions need to be taken, i.e. to shape the design and programme⁵ for the buildings, to define the criteria for the selection of tenants and to develop the contents of the training programme. With diverse ambitions for technological and social issues, the art is to find a good balance here. For instance, an investment in energy-efficient techniques could possibly be weighed against the option to create one or even two more units instead. Then also, the housing units exceed by far the quality of regular social housing, which might equally attract interest of more middle-class segments in the population. It is then important to have clear and objective criteria to allocate the residences to the initially envisioned population.

3.3 Shared practices with different project partners

The E-Co-Housing project comprises a versatile set of objectives, with on one side social issues, and on the other side the technological challenges. With this diverse programme, also the group of participating organisations is varied. In fact, there are two working groups focussing on social and technological issues. The municipality of Zugló is the lead partner, and HBH Strategy and Development Ltd. is responsible for project management⁶, and coordination of work between partners. These are two central partners for the E-Co-Housing project.

Questions on community building, communication, social mobility, selection of users and strategies to introduce co-housing in social housing are then developed by the Budapest University of Technology and

Economics, HABITAT for Humanity Hungary (and their partner Periféria) and the Hungary Green Building Council.

As for the technical side, the ABUD Engineering Office Ltd. has all the know-how and experience to develop a sustainable design in a co-creative approach. The Energy and Environment Ltd. and Greendependent Institute Nonprofit Ltd. provide complementary insights on smart home design as well as on smart lifestyles. Last but not least, the Zugló City Management Company Ltd. will be involved for the maintenance of the new building.

The project hereby involves partners from all three corners of the 'democratic triangle' (cf. Zijdeveld, 1999) with local authorities, actors from civil society and economic actors. The

⁵⁵ The 'programme' for a building indicates the relative and absolute ratios of specific spaces in terms of their functionality, e.g. sleeping rooms, stairways, bathrooms, kitchen, collective rooms, etc. An inventory thereof is compulsory for a building permit.

⁵⁶ Including preparation of reports, risk management, quality assurance and external communication.

triangle is extended with actors who bring in specific knowledge, such as the university.

In this constellation with two rather different objectives and groups of experts to be combined,

3.4 Preliminary results

Early in the E-Co-Housing project, the Main Urban Authority and HBH made the necessary arrangements to bring the project architecture to live. The signing of the partnership agreement was a crucial milestone for all participants (July 2019). The Project Management Team, the two operational working groups on technical and social aspects, the Steering Committee and the Stakeholder Advisory Board guarantee the follow-up for the implementation, coordination and communication of the project, in accordance with the detailed project action plan.

Since the E-Co-housing project has been up and running since November 2018, the team has taken important steps in the implementation, i.e. to build a regenerative social housing project and community. The ambitions for the project have been presented to the press, the general public and the neighbourhood at two kick-off events. The two co-design workshops that were organised for users with a similar profile as the targeted users, and experts, lead to a much closer collaboration. Both the results of the workshops, the insights from the study of co-housing models from the University of Budapest as well the insights from in-depth technical studies on waste management, energy supply and water management were taken into account to design the buildings with twenty-seven individual units as well as collective spaces. The building permit was granted in March 2020, and the public procurement for a contractor is being prepared. The negotiation with authorities took longer than

it is challenging to create a well-functioning interface to balance out between the two groups. This is foreseen in the project architecture, but it remains an organisational challenge to be followed up closely also in the next stages.

estimated, given the innovative nature of the project. The working groups remained true to the original intentions of the project though to 'develop a sustainable project that stimulates sustainable behaviour'. For instance, it led to a modification in the building regulations to release the commonly required compulsory parking places. These kind of negotiations don't go overnight, it requires patience and perseverance. The selection of tenants, for which working group 2 has prepared an adapted version of the current scoring system (e.g. adding quota), also still has to be formalised with the authorities.

It is the ambition of the E-Co-Housing team to develop a model for regenerative social housing communities in a design with high standards for sustainability that can be transferred to other locations. Therefore, the results are shared via the project website, the websites of the main partners, two press releases, via annual newsletters and project leaflets, a Facebook and LinkedIn site, always with a recognisable logo, slogan and layout. Different project partners invested in good visuals (and a 3D and augmented reality presentation), written information and interviews, e.g. via the radio. The (intermediary) results are also presented in an international context, e.g. at a social housing festival in Lyon (May 2019) or the Cities Forum in Porto (January 2020) and on the joint web-conference of UIA and URBACT on Community-led housing models.

4 CHALLENGES

The UIA has identified seven challenges that can occur during the implementation of an innovative project. In this first journal for the E-Co-Housing project, we mainly focus on two challenges, which appeared to be particularly relevant in the current stage. This estimation is based on interviews with different project partners as well as on the analysis of first deliverables. The focus in this chapter lies on leadership and continued commitment for the implementation of socio-spatial transformations, and on the development

of a participative approach, i.e. on slowly building a community. Whereas this is the main focus in this journal, also the communication with target beneficiaries (and the selection of potential tenants), and organisational arrangements are relevant in this stage. We estimate that these issues might become even more important in the next stage, as do issues of public procurement (cf. chapter 5), monitoring or upscaling. The first challenge discussed here is **leadership**.

4.1 Continued commitment needed for socio-spatial transformations

Innovation does not only introduce new concepts, it also has to break with path dependencies, to deal with inertia and with risk aversion. As for social housing, there are some important path dependencies that explain the housing crisis in Hungary. There is a strong tendency of decentralisation, with at the same time limited means for the local context, which leads to low prioritisation of social housing. Whereas innovators often start from a vision for a long-term transformation, the current local setting is rather urged to focus on short term issues and on a strategy of 'putting out most urgent fires'. This strongly contrasts with a logic of innovations, whether it is market-oriented and technological modernisation, or social transformations. It requires strong leadership to look at current practices from a critical distance, and to introduce alternative concepts and approaches which also consider the longer term. The E-Co-Housing project proposes different transformations at once:

- The innovative approach to social housing is broader than 'providing physical spaces', it intends to also enhance the socio-economic conditions of the inhabitants through community development and active involvement, which seems to be in line with ambitions of *social innovation* (cf. Moulaert e.a., 2013).
- The housing crisis, being a central dimension of a long-standing problem of poverty, is not addressed as a top-down issue here, but rather as an issue of *joint problematisation*, focusing on technology and on social issues, addressing authorities, designers, civil actors and knowledge institutions. Moreover, it intends to address the actual potential users of the new housing site.
- The approach *transcends the 'short term fire-extinction'-strategy*: the active involvement of inhabitants could become a model for social housing in other locations as well.

The here envisioned changes pose multiple challenges for (local) leadership:

- The *support from the municipal authorities* is not only required for the project proposal, but also throughout the development of the project. In this, the leadership role is evolving: whereas the municipality has a role of an 'innovation seeker' when writing the proposal as a lead partner, its role shifts to an 'innovation integrator' to assure that the different project partners can collaborate in a constructive way during the implementation (cf. Nambisan, 2008). As an innovation seeker, the municipality had to find collaborators with similar values. As an integrator, the municipality faces the challenge to reconcile approaches for technological and social innovation, and to introduce novel approaches in a context with very limited means.
- Joint problematisation and the active involvement of inhabitants also poses a challenge for *social relationships between local authorities and inhabitants* of social housing units. Unlike earlier approaches, the E-Co-Housing model focuses less on hierarchy, yet more on collaboration and collective action. With this, the role of the municipality would shift over time from an active initiator to a committed facilitator and a more diffused form of leadership. It equally requires a different commitment from the inhabitants, who are invited to play a more active role in the development and the use of the housing units. Users are invited to participate in approaches to support collective use of spaces.

The challenge of leadership in a UIA project is a question of *continued positive commitment*. An important aspect here is the timing of the project, which might differ from the timeframe in which local authorities are operating. In the case of Zugló, the project was up and running for about a year when a partial shift of the political regime appeared with the latest local election in October 2019. Luckily, the committed vice mayor and the public servant, who were already involved in the project, stayed in place. What changed was that Zugló has a different mayor now, in a new coalition, with a new team for the mayor's office. Since the mayor was not involved earlier in the project, the first challenge was to inform the newly elected leader and its team about the objectives for this project. A regime change can lead to important organisational issues for the project. Moreover, it can also lead to normative shifts. It is important to identify these changes early on to be able to guarantee that the implementation of the project can continue as initially intended. As indicated earlier, it is crucial to have the committed support for this innovative project in different steps, e.g. in writing the proposal, in the definition of the housing project, for the definition of selection criteria for the future inhabitants, in the actual communication on the project with local partners, or in the support to civil servants to work on this project. Even little changes in these steps risk to shift the ambition level of the project quite drastically. Table 1 provides examples of these shifts *within* the frame of the project, with on one side the fully committed position at the initiation of the project, and on the other side a more reserved position, in which initial ambitions are somewhat weakened. Committed leadership is an important factor to guarantee that the initial ambitions are kept on board.

Table 1: Values and choices that can shift the ambition level of the project

Issue >	Administrative support	Project definition	Project definition	Joint problematisation	Selection of inhabitants
Committed position	Maximal, creative	Enabling technological investments	Focus on collective spaces	Continued collaboration and shift in responsibilities	Most vulnerable groups
Reserved position	Minimal, executive	Prioritising the need for space	Prioritising individual spaces	Minimal collaboration	A slightly stronger socio-economic position

The definition of criteria for selection of inhabitants is an important element in the E-Co-Housing project. It is developed with different partners, and as such prone to different interests

and logics. It can illustrate well how a small change in orientation would lead to a deviation from the initial intentions.

4.2 The selection of ‘appropriate’ tenants

The municipality uses a series of criteria to select candidates for social housing. According to the vice-mayor, the current system could be more specific, since it leaves an opening for interpretation and stretch of the criteria (cf. interview with R. Szabó, 08.01.20). The E-Co-Housing project therefore explicitly addresses these issues. The social partners such as Habitat (together with Periféria) and the university developed an alternative score system, intended to be more transparent and objective. It combines minimal quota and relative weights (e.g. referring to income, current housing situation, number of children, aspects of disability). Therefore, the proposed selection criteria for the Gizella project are more specific than the ones for the general waiting list for social housing in Zugló. It should introduce a stronger protection of the tenants, who usually sign a contract for 5 years. It is important then that the criteria cannot be changed easily when the contract is to be

prolonged: both for the start and in later stages, a proposal to change the selection criteria has to pass the council of the municipality for agreement.

The design of the criteria, the process of negotiation and the validation of the criteria requires *joint problematisation* at different instances (cf. Moulaert, MacCallum, 2019). In this, the positions and arguments of a knowledge institution, a local authority and an NGO can differ largely. The definition of ‘appropriate’ tenants can vary according to background knowledge, values and interests. For instance, the best practices in co-housing, which are studied by the university, are not necessarily examples of *social* housing. They therefore do not necessarily have the same local budgetary constraints. Whereas the ideas and concepts are valuable, it needs to be elaborated whether these can be implemented in a social housing context. Contrary to this, local authorities might risk to be

myopic, and to lose track of challenges in the wider housing and poverty crisis, yet also to give up on ambitions for technological innovation when faced with the real budgetary allocations and the long waiting list of tenants. Local authorities want to find ‘appropriate tenants’. The definition of what is ‘appropriate’ is a political choice though, e.g. to design criteria in a way that

it would lead current tenants to a better social housing location and/or to find locations for tenants who are on a waiting list, and not yet in a social housing entity. Finding a common ground for the selection criteria is a transdisciplinary challenge, in which different actors need to get out of their respective comfort zones.

4.3 Support to slowly build a community

The E-Co-Housing project addresses two resources, it builds physical spaces, yet also a community. It intends to build ‘more than a house’ (‘Több mint lakóház’), and to enhance economic conditions for a vulnerable population.

The project requires to both address the current inhabitants of the neighbourhood and the new inhabitants for the social housing project. The wider community is involved at two instances: first, the neighbouring inhabitants are informed about the project and a limited group is actively involved in a co-design process. The new inhabitants still need to be selected. They will be involved in a later stage, in a training programme.

The E-Co-Housing project is not a refurbishment of existing buildings: it proposes a new building and new concepts, for which the inhabitants are not yet known. This is a common challenge in urban planning projects and for instance architecture projects for collective housing: the planner takes decisions in absence of the actual user. According to the sociologist, who was involved in the co-design, the second best thing to do (cf. Interview with Viktor Bukovszki, 09.01.2020) is then to create a focus group with tenants in similar housing projects, e.g. from in social housing units in proximity to the site, as well as with professionals who already designed co-housing projects and who could show some reference projects. The focus group for co-design

was selected to be ‘as diverse as possible’ when it comes to age, gender, family status, educational background and employment status. The focus group intended to map the lifestyles of the participants, i.e. to better understand which spaces are used on a weekly, monthly or annual base. The second workshop was particularly dedicated to understanding how shared spaces could be used. This is a rather novel logic to be introduced in a structural way in social housing. Also, the consideration of environmental aspects and issues of sustainability are not usually on the agenda in this context. It was a challenge to explain how different aspects – both social and technological – could be addressed at once.

The third workshop included partial design proposals, with indications of spaces needed for technical facilities, entrances, circulation, etc. The focus group allowed discussing the potential of a room for ‘economic empowerment’, to be used as an incubator for economic activities to start own businesses. Another important issue was the question of maintenance and asset management, and the possible responsibility of users in this. The insights from the focus group workshops on activities and use of spaces provided an important input for the design of the social housing complex. Whereas this input is valuable for the design process, it did not come from the actual new inhabitants. It was provided

by people with a similar socio-economic profile as well as by designers from co-housing projects. It remains to be seen how the actual future residents actually cohabitate in a collaborative way, how common spaces will be used and

4.4 Lessons learnt

In this first journal for the E-Co-Housing project, we mainly focus on the challenge of leadership and participative approaches, which are related to the challenges of organisational arrangements as well as to the communication with target beneficiaries.

As a lead partner for the UIA project, the Main Urban Authority is essential in guiding the envisioned socio-spatial innovations. During the project, the role of the lead partner is evolving from active initiator to committed facilitator. The local authority leads the submission of the proposal, in which both elected officials and the administration (i.e. the vice mayor of the Zuglo district and the project coordinator) openly support novel imaginations to join social housing, co-design practices and concepts of sustainability. The objectives for the E-Co-Housing project are hereby set. The submission of a proposal creates a moment of convergence, in which different approaches are presented as a seemingly strong and balanced joined problematisation.

With every step of the implementation though, this convergence needs to be reconfirmed or even reinstalled. For instance, the realisation of the E-Co-Housing project illustrates that sustainability is only rarely addressed in social housing, that co-housing projects often develop in a setting of middle class incomes, or that the developers of sustainable techniques generally do not know the budget constraints of social housing. It requires a sustained commitment and effort to combine practices from a social housing

whether the spatial conditions can essentially also foster empowerment or socio-economic mobility, which is a quintessential aspect of social innovation.

context with sustainability logics, and to develop this as a co-design trajectory. The ambitions, approaches and discourse of different actors largely differ in a multi-faceted urban innovation, such as the E-Co-Housing project. The different logics have not necessarily merged in one setting earlier: a highly competent engineer might need to skill up to participate in co-design as much as an expert on the social housing crisis needs to skill up to better understand the integrative approach of sustainable techniques. The lead partners are repeatedly challenged to reconcile, to find a common ground between technical and social experts, and to make each other's concerns understood, without losing track of the initial ambitions of each partner. For instance, this challenge occurred in the design of the social housing project, in the development of criteria to select potential inhabitants or in the decisions on technical equipment and shared spaces.

The organisational architecture of the project helps here: a strong partner for internal and external communication as well as a multi-faceted link between the workings groups for technical and social issues helped to find a common ground for (renewed) joint problematisation. This does not only apply to the relation between the project partners and to the total sum and integration of respective contributions, it also applies to the relation with (potential) inhabitants and the users of the newly designed spaces. The users are challenged to participate in new lifestyles, in co-habitation

models and in sustainable practices. This illustrates the importance of addressing target beneficiaries early on, e.g. with a presentation of the objectives on a large billboard and a public event on site, as well as through co-design workshops.

Both in the relation between the project partners, as well as in the relation with beneficiaries, joint

problematization and a lead partner to support these processes are key to develop sound socio-spatial innovations. It is strongly recommended to foresee sufficient time to develop integrated conceptualizations, which need to be supported by an integrated organizational arrangement.

5 WHAT'S NEXT?

There is an 'order of things' in complex projects, which can limit the possibility to speed up. For E-Co-Housing, the timeline of the project needs to consider the timing of planning procedures, e.g. the time needed to obtain a building permit, the required time for public procurement and the actual construction time. This is a common challenge in projects that are executed within the timeframe of local, national or European programmes: a delay of the planning and construction is not at the risk and the cost of private developers then, but at the risk of the innovative consortium that is working under the programme conditions.

We argue that strong leadership and effective participation are essential for the successful deployment of a multidisciplinary innovation project. With such a project, the lead partners are challenged to reconcile and integrate different views, to oversee the initial objectives and to steer accordingly, also with a changed context (e.g. after elections, with changed prices for labour and resources, or changed working conditions due to the COVID-19 pandemic). Then also, participation and integration are essential to assure that all project partners in a multidisciplinary team are on the same page, and also that the users would support the basic choices in the project. Sustainability often seems to have a fancy side when it comes to the technologies, it has a challenging side when it comes to actual use and users though. Regarding the implementation, we see following challenges in the next steps of the project:

1. Meanwhile, the design for the building (with the co-design input) is finalised, and the building permit obtained. The next step is the

public procurement. It is paramount to find contractors who can provide the here envisioned sustainable techniques, possibly also with objectives of participation (e.g. for the design and maintenance of the garden). It is equally important to have reliable indicative prices for labour and resources, e.g. through pre-procurement.

2. The co-design workshops addressed people with a relevant profile for the envisioned social housing programme. In a next step, the criteria for selection of actual inhabitants need to be further finetuned and agreed upon at the municipal level. Clear, objective criteria can prove to be an important tool to monitor the profile of the inhabitants, and changes thereof over time. With clear tenant criteria, it should be easier to communicate with the target beneficiaries and users, in order to find adequate candidates.

3. A next important step in the participation will be the training of inhabitants, on sustainable lifestyles in relation to the here provided spaces, as well as on basic economic conditions. Whereas the training is provided by the social partners of the project, the inhabitants also get some insights on technological aspects. This ties to an important organisational challenge: the project architecture provides a structure with two working groups and multiple overlaps i.e. with a coordinating partner, as well as partners who are involved in both working groups. The proper handling of this structure can have far-reaching effects for the integrated development of social and technological objectives.

Last but not least, I would like to draw the attention on the scale of the E-Co-Housing project: based on the interviews and preliminary results, I am convinced that the here envisioned changes on micro-scale can potentially create an opening on the macro-scale. Here lies not only a challenge, but also an opportunity, since the former mayor of Zugló became the mayor of the entire city of Budapest on the 13th of October 2019. When Gergely Karácsony was still mayor for the district, he strongly supported the project, and he was in a pole position to promote

community building and to promote the idea that also the most deprived would get access to environmentally-friendly, low-maintenance housing. He pointed at the absurdity of the situation, where needy people live in circumstance that come with the highest cost (e.g. heating costs in poorly isolated rooms). With the move of this strong figure to a more powerful position, it can only be hoped for that the local innovations could set a spark for other locations in Budapest.

6 REFERENCES

Brown V., Lambert J. (2013), *Collective learning for transformational change*, London: Routledge. Cf. file:///C:/Users/Annette/OneDrive%20-%20BVI/Downloads/9780203105672_googlepreview.pdf

Hegedüs J., V. Horváth, N. Teller, N. Tosics (2015), *National Report on Housing in TENLAW project*, cf. https://www.uni-bremen.de/fileadmin/user_upload/fachbereiche/fb6/fb6/Forschung/ZERP/TENLAW/Reports/HungaryReport_09052014.pdf

Moulaert F., MacCallum D., Mehmood A., Hamdouch A. (2013), *The international handbook on social innovation: collective action, social learning and transdisciplinary research*, Edward Elgar Publishers.

Moulaert, F., MacCallum, D. (2019) *Advanced Introduction to Social Innovation*. Cheltenham: Edward Elgar Publishers.

Nambisan S. (2008), *Transforming Government through Collaborative Innovation*, Washington: IBM Center for Business and Government.

Posfai Zsuzsanna, for Habitat Hungary (2019), *Annual report on housing poverty in Hungary*, English summary. Cf. https://www.researchgate.net/publication/338408979_Annual_Report_on_Housing_Poverty_in_Hungary_2019_-_Executive_Summary, full report on <https://habitat.hu/mivel-foglalkozunk/lakhatasi-jelentesek/lakhatasi-jelentes-2018/koltsegvetesi-kiadasok/>

Zijderveld, A.C. (1999) *The Warning of the Welfare State: the End of the comprehensive state succor*. Brunswick New Jersey:Transaction Publishers.

Municipality of Zugló, website: <https://www.zuglo.hu/about-zuglo/>

Interviews

- 07.01.20 Rita Andrasek, XIV district of City of Budapest (Zugló)
- 07.01.20 Viktória Jónás, Péter Szuppinger, HBH
- 08.01.20 Julianna Szabó, BME
- 08.01.20 Periféria Policy and Research Center
- 09.01.20 Dr. András Reith, ABUD
- 09.01.20 Rebeka Szabó, Deputy Mayor, XIV district of City of Budapest (Zugló)

Urban Innovative Actions (UIA) is an Initiative of the European Union that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges. Based on article 8 of ERDF, the Initiative has a total ERDF budget of EUR 372 million for 2014-2020.

UIA projects will produce a wealth of knowledge stemming from the implementation of the innovative solutions for sustainable urban development that are of interest for city practitioners and stakeholders across the EU. This journal is a paper written by a UIA Expert that captures and disseminates the lessons learnt from the project implementation and the good practices identified. The journals will be structured around the main challenges of implementation identified and faced at local level by UIA projects. They will be published on a regular basis on the UIA website.



Urban Innovative Actions

Les Arcuriales
45D rue de Tournai
F- 59000 Lille

+33 (0)3 61 76 59 34
info@uia-initiative.eu
www.uia-initiative.eu

Follow us on **twitter**
@UIA_Initiative
and on **Facebook**.