

Alternative housing

Not only is alternative housing back, but it is gaining ground and, above all, is starting to be included in public housing policies. How, however, can the authorities encourage this phenomenon instead of hobbling it with inappropriate regulations? That is the purpose of this contribution, which is based on Belgium's experience. This talk is divided into three parts: first a general introduction about the context of alternative housing's current rise, next a description of the main types of alternative living arrangement, and, finally, a review of **the public means for supporting¹** this type of lodging.

1. The context of the current rise in alternative housing

Whether we look at rentals or purchases, the housing sector has long adopted the individual model, and massively so. Currently, properties are basically bought or rented by a single individual or household. And yet, today, close to a half-century after the communal movements of the Sixties, we once again see the notion of community surfacing in the area of housing. Alternative housing seems to be making a comeback.

By definition, no one model of alternative housing exists. The variations on the theme are numerous and scattered around every part of the country and include community land trusts, solidarity housing, Beguine convents for the elderly, artists' colonies like the 'Bateau-Lavoir' building in Paris, group living schemes for people with mental disabilities (integrated, in this case, in Peul community houses), the mobile dwellings of travellers, residential squats, solidarity-based community savings groups, intergenerational housing, residential caravans and trailers in camping and caravanning parks (in Wallonia), exchanges for group purchases of former industrial wastelands, residential complexes for former inmates, collective shelters for the homeless, and waterborne accommodation (riverboats and barges). What is more, cohousing and group living schemes can be for rentals or acquisition, deliberate or more circumstantial, and accompanied by social assistance or not. Whilst, finally,

¹ Autre interprétation : a review of the ways that governments can support this type of lodging ?

certain structures are instigated – and managed – by institutional players, the majority of these **housing communities** are the result of private initiatives in a bottom-up approach.

The phenomenon may be rather diffracted, but the origins always go back to the same root: The occupants all felt that a community arrangement was the best way at a certain point in their lives truly to gain access to and find fulfilment in an accommodation. Be that as it may, the idea is now catching on amongst a variety of population groups: the elderly (who are keen to escape their solitude), ex-inmates (who lack relays upon release from prison and whose histories of detention often put off owners of rental properties), the beneficiaries of social assistance (who are keen to share some particularly onerous categories of overhead: rental guarantees, utilities, and so on), members of the upper middle class who want to band together in order to buy lofts in the city centre, workers at the start of their careers and who, before starting a family, want to extend their ‘happy-go-lucky’ student days a bit and invest with friends in housing in a somewhat more upscale neighbourhood than they could otherwise afford, and so on.

Of course, material necessity is primarily what led people to opt for more communal living arrangements. Pragmatism prevails in today’s full-blown housing crisis. However, once people’s situations stabilise, this does not prevent more ideological stands from replacing the initially purely financial concerns. Whilst these schemes were thought up at the outset as original responses to the housing crisis, they must not be reduced to stopgap measures or default solutions. They required their own justification long ago. To state it clearly, their main role today is to restore social ties.

2. The main types of alternative housing

Solidarity housing, first of all, refers to group living in which at least one of the members is in a socially unstable situation. The popularity of this formula is on the rise, notably because, through cohabitation with other residents, it enables the

underprivileged household to embark on a process of social reintegration (one that starts in the dwelling itself).

Senior citizens, for their part, are often faced with a dilemma when it comes to housing: either, exhausted by the difficulties of running a single-family house at their age, they leave their homes for a senior citizens' residence (but usually against their will), or they decide to remain in their homes, but entire parts of the house remain empty (as the children fly the coop), which makes the aforementioned management problems even worse. When measured by this yardstick, intergenerational housing, which consists in housing young people on the upper floors of a building occupied (on the ground floor) by a senior citizen, in a way overcomes this dilemma. In any event, it succeeds in meeting two needs at the same time: The elderly can stay in their homes whilst enjoying the (reassuring) presence of someone else on site, and young people have an opportunity to find low-cost housing.

Even more fundamentally, this living arrangement helps to (re)instate social cohesion, since the young people finding themselves doing favours for the senior citizens (running errands, for example, doing handiwork, and so on) and vice versa (receiving parcels when the young people are at work, minding children, and so on).

People are imaginative when it comes to home ownership, too. Acceding to home ownership remains problematic due to the high market prices, prices in which the land itself weighs heavily (about a quarter of the total amount). Now, a legal mechanism that makes it possible to neutralise the land's value does exist. It is the separation of land ownership from ownership of the building, as materialised by superficies (or the building right) and *emphyteusis* (that is, leaseholds of up to 99 years).

Another difficulty in this area has to do with the fact that the many different kinds of aid granted by the public authorities to first-time buyers are subject to no obligation to be returned to the community. Concretely, the buyer is free to resell the property, after a certain period of occupancy, and to pocket the capital gains all alone. (Even worse, the capital gains are exempt from all taxation if they are made at least five years after the initial purchase).

The community land trust is a scheme originating in the U.S. that meets these two concerns. Built on a similar mechanism of separating property rights, it remains

the 'eternal' master of the soil but sells the dwelling units to households that agree to leave 75% of the capital gains made at the time of resale to the CLT. The CLT has a pre-emptive right to the property when it comes up for sale, but will use its share of the capital gains to lower the sales price for the next buyer. In this way, access to home ownership is guaranteed in the long run for the less privileged members of society. Last but not least, the CLT is under tripartite management (by the resident, public authorities, and neighbours) so as to ensure the various projects' harmonious development and to avoid the traditional NIMBY effect.

The CLT scheme, which is widely supported (both financially and legally) by the public authorities, is currently being tested and consolidated in the Brussels Region, where some half a dozen projects are under way. The first 'ribbon-cutting' ceremonies should take place in the coming years.

In a real estate transaction in Belgium, the purchaser of a property must make a down-payment (usually 10% of the total amount) upon signing the sales agreement. Now, the mortgage – possibly a subsidised mortgage – is not yet granted at this stage. It will be granted, if one is necessary, in the ensuing months (and at the very latest on the day of the deed's transfer, which must take place at most four months after the sales agreement). As a result, the door to ownership is barred to all those who do not have sufficient resources of their own to make this down-payment.

To get around this obstacle, groupes d'épargne collective solidaire or solidarity-based community savings groups, piggybacking on the principle of the African *tontine*, sprang up in Belgium a few years ago. Concretely, the members of the group pay a set amount per month ahead of time into a common pot that each of them will be able to dip into, in turn, to draw the money required to make the down-payment. Then, when the bank grants the mortgage, this loan will reimburse the pot, thereby providing an opportunity for another member of the group to buy a property; and on the cycle goes.

These community savings groups are tried and true, with a long history behind them. Each year they have given dozens of households with extremely low incomes the chance to become property owners despite everything. Today, a total of no fewer than 250 households belong to one of these groups.

Finally, the magnitude of the vacant buildings problem is such that growing numbers of squatters, who are forced to adopt such tactics by the cruel lack of council housing, are moving into empty buildings and settling into them for the duration. The authorities long fought against this trend, but mindsets are starting to change and the squats are gradually being regularised. In Brussels, for example, the social housing companies that have to deal with squatters are henceforward empowered to sign 'precarious occupancy agreements' with squatters pending the onset of work in the vacant building. Both sides benefit from the arrangement: the occupants *cum* tenants thus find lodgings, even if they are temporary, and the landlord saves the building from deteriorating too rapidly (whilst avoiding the municipal tax and/or regional fine levied in such cases). In any event, these units would have remained vacant otherwise, so they might as well be used to accommodate households in difficulty. What is more, such a solution generates some rental income (although it is admittedly small compared with the investment made by the housing company if only to bring the premises in compliance with the minimum safety requirements).

3. The merits of legal consecration

However important regulations may be, they do not dictate the way people live. On the contrary, the housing crisis and – more positively – the need to restore social ties through housing have changed behaviours in this area. Residential patterns are changing, and it is up to the law to espouse these changes (without, for all that, **shackling these mechanisms**, which as a rule arose from civil society's inventiveness, with legal prescriptions²). Moreover, the housing arrangements that are presented as being alternative are no longer all that alternative and might even become the *dominant* type of housing in the future.

How could government boost the spread of these types of housing most effectively? We could look at the details of the Belgian **housing regulation**³, but that would be of extremely limited usefulness to us here. It seems more worthwhile, in

² « locking these mechanisms, which... inventiveness, into a prescriptive straitjacket »

³ Quelle réglementation ? Belgian housing regulations ? Belgian housing code ? (mais il y en a plusieurs, n'est-ce pas ?) autre chose ?

contrast, to look at the advantages that official consecration of these different mechanisms in the country's codes, laws, and other regulations, even in the constitution, might procure.

In our opinion⁴, it makes sense for four reasons:

First of all, this consecration is extremely important in legitimating and recognising the work done (by members of the associative movement, as a rule). It bolsters their approach with the power of the State. That is already an achievement, even more so given the fact that, at the time of their inception, the spread of such innovative projects could be seen, from outside, as somewhat quixotic.

Next, this consecration gives the government the necessary power to grant possible subsidies. Lawmakers may not set definitions simply for the purpose of defining things: a legal scheme is supposed to accompany these definitions. More prosaically, that means that government funds must be channelled into these novel projects.

What is more – and this is the third benefit –, this official recognition consolidates the legal security of these emerging forms of residence. That can only help to stabilise these still somewhat fledgling housing schemes and, above all, to foster their growth.

Finally, and more specifically, the fact that the notions of solidarity housing and intergenerational housing, for example, are enshrined in law will enable the residents of such dwellings, once a 'label' is set up, to get the full social allowances that are granted to people who live alone instead of the reduced rate for cohabitants. What is more, this will be done *structurally*, which is greatly preferable to the case-by-case decisions that are taken today. In addition, this label would make it easier, from a town-planning perspective, to subdivide single-family homes into multi-dwelling unit buildings and make it possible to waive certain health rules.

⁴ « our opinion » si vous parlez pour une équipe ; « my opinion » si vous êtes seul