

social and affordable housing

in Thessaloniki





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This report is an extended summary of key findings of the **“Social housing baseline studies”** which was conducted in 2020 with the cooperation of the Major Development Agency of Thessaloniki and the Aristotle University of Thessaloniki.

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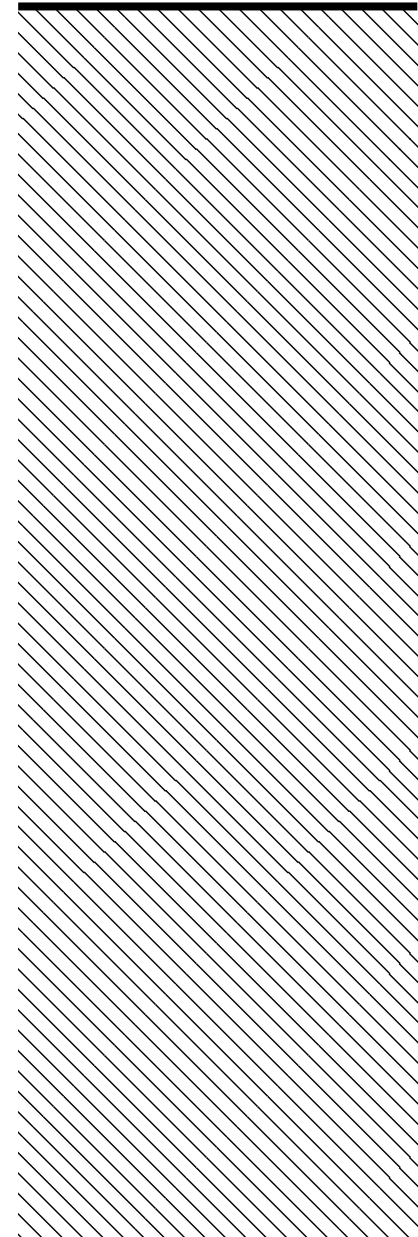
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The Major Development Agency of Thessaloniki (MDAT) as a Local Administration Development Organization aims to support the development activities of local administrative actors, including the social and private sector, providing specific services, and shaping the conditions for the proportionate development of its area of responsibility. Housing is a crucial parameter of equal and balanced local development in every city. To that end, MDAT provides operational support to its partners, the local administration authorities, in the implementation of their housing policies.

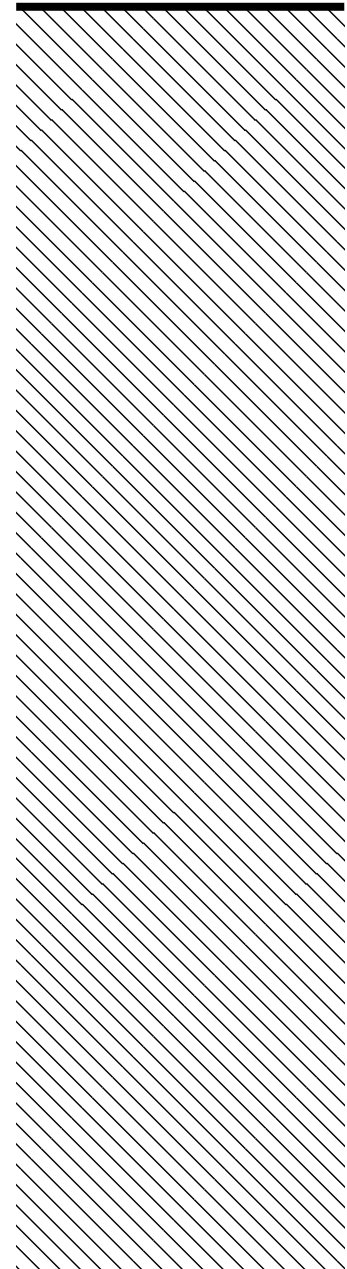
The Major Development Agency of Thessaloniki, in cooperation with the Aristotle University of Thessaloniki, utilized the high level of expertise and experience of the research team and we now have the opportunity to present the results of this partnership.

We would like to thank the Open Society Foundations for their contribution to this common purpose and we hope that the report in hand will mark the beginning of an innovative intervention, for Greece, on housing policies.

We also wish to thank Heinrich Böll Stiftung for contributing to the dissemination of this work.

Michael Koupkas

Deputy Mayor for Finance,
Municipality of Thessaloniki



Although the issue of housing in our country is not high on the public agenda, at the Municipality of Thessaloniki we have realized over time that in order to achieve fair, balanced and sustainable local development, we have to methodically shape our housing policy.

We firmly believe that Local Administration, together with suitable local partnerships and networking, offers an adequate political basis for shaping and implementing housing actions and interventions. These actions shall -among other things- include the provision of social and affordable housing for all fellow citizens.

We are aware of the fact that access to safe, decent and sustainable housing conditions constitutes a fundamental human right which is enshrined in international and European conventions. It is also an essential element of the work to improve the situation of vulnerable social groups experiencing or being exposed to social exclusion.

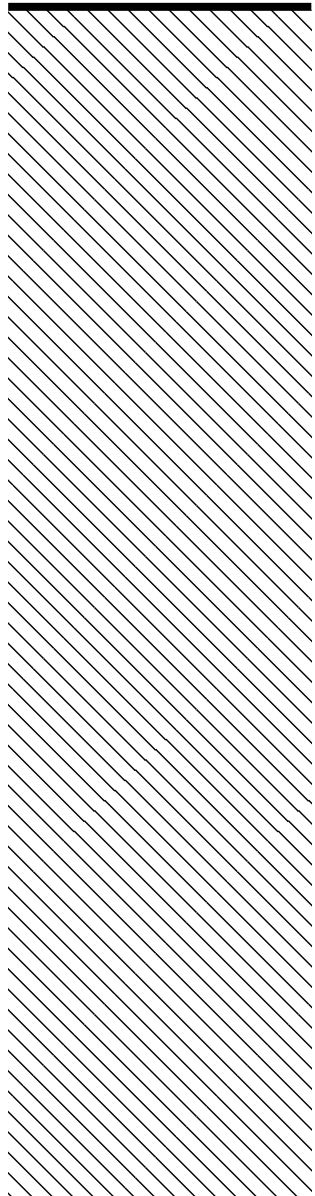
Accurate data and scientific knowledge are the necessary conditions for the design of a realistic and effective housing policy. To that end, we aimed to identify and take advantage of financial and other resources and tools which could permit us to conduct field research on housing demand and supply in the area of Thessaloniki.

Thus, we formed a strategic partnership with theMDAT using funding from the Open Society Foundations as well as the great experience and expertise of the AUTh research team, responsible for conducting the present research. It is a pleasure to present a comprehensive and scientifically supported research on housing in Thessaloniki, and we hope that it will constitute a basis for the design of a housing policy which will provide the tools for sustainable and durable local development by alleviating housing exclusion, dealing with energy poverty, facilitating urban regeneration and the capitalisation and upgrading of housing stock in the city.

We would like to thank everyone who contributed to the success of the field research in hand.

Michalis Goudis

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Everything starts from housing. Access to affordable and decent housing constitutes a fundamental human right, recognized as such by the UN, and not arising as a result of person's financial status. In other words, such an important issue cannot depend on the economic means with which someone earns a living in the so-called "Free Market". This argument has never been inscribed on the Greek mentality, as here we approach housing as a personal matter.

The state, with few exceptions such as the Greek Workers' Housing Organisation or the rent subsidies provided from time to time, has remained a far cry from shaping a comprehensive housing policy. The priority and vision of the majority of governments since WWII has been to facilitate access to homeownership, as was also done in most of the Mediterranean countries, where the highest levels of homeownership have been recorded.

This status, this autopiloted course, linked to the doctrine of the automatic regulation of the market no longer provides responses to everybody's needs, as is clearly noted in the research for Thessaloniki. We have before us a new housing reality. It is indicative that according to the majority (56%) of the participants in the research the minimum net income that a household needs to meet its needs is higher than its available income (363€ more)! It is also indicative the number of vacant

dwelling that exist and/or those that have been disconnected from the electricity network during the last decade in the Municipality of Thessaloniki.

Taking into consideration the fact that housing markets have clear local characteristics, which means that the abovementioned data may differ from place to place, we shall now have the tools which better correspond to the particular problems. It is not by chance the fact that lately, many European cities have taken initiatives on housing issues either in order to face extreme social exclusion (homelessness) or to secure sustainable choices for their citizens. Access to affordable and decent housing is the basis for fair cities, which is, after all, relevant to the right to the city, according to Lefebvre.

Cities like Thessaloniki, having the particular housing identity described in the present research, will have a great disadvantage in the long term if considerable parts of their population will not be able to participate equally in the city's social and professional life. At Heinrich Böll Stiftung we firmly believe in the importance of equal opportunities, and, in that sense, housing has the same importance with other provisions such as healthcare, education etc. The solutions proposed by the research can be an important stepping-stone for MDAT and the collaborating Municipalities to shape a new housing strategy. We will support this framework aiming to change the way of thinking on housing locally. This change can also inspire other Greek cities facing similar challenges.

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Π

1 INTRODUCTION

This chapter underlines the need for affordable housing in Greece today examining the basic indexes and characteristics of housing, such as housing cost and household expenditures.

Our knowledge about housing in Thessaloniki is very limited as the last relevant study was published almost 30 years ago¹. It appears that the accommodation of the housing question during the late post-war era, via the land-for-flats system (antiparochi), the fragmented and widespread small landownership and the high ratio of homeownership has led to limited interest in academic research and public discourse -at least as far as the majority of the population is concerned.

Nevertheless, in the context of radical developments over the past decade, the housing question has resurfaced in an imperative manner. During the financial crisis, market trends came at a downturn (e.g., price falls, decline in construction activity), while on a societal level housing difficulties have been generalized, affecting a considerable part of the population (shrinking incomes, rising taxes, surge in non-performing loans, increasing energy poverty). At the same time, the management of what has become known as the "refugee crisis" drove a significant number of people to housing precariousness and deprivation. Lately, the considerable growth of the property market, marked by an increase in investment interest, the expansion of the short-term (tourist) rental sector, the revitalization of construction activity etc., altogether contributed to rising housing prices

and the ensuing escalation of housing problems which had initially appeared at the beginning of the financial crisis. Finally, during the very time the study informing the report in hand was being conducted, the effects of the Covid-19 pandemic and the related measures remained uncertain.

This report outlines the findings of a city-wide research on affordable housing, conducted in 2020, through cooperation between the Major Development Agency of Thessaloniki (MDAT) and the Aristotle University of Thessaloniki. It begins by highlighting the need for affordable housing in today's Greece through an analysis of recent developments in the housing sector and in housing costs. It then explores the categories of the population in housing precariousness and gives an account of housing supply in metropolitan Thessaloniki. The aforementioned chapters depict the current situation in the focus area of the survey. These three chapters depict the current situation in the study area, followed by an overview of innovative affordable housing schemes in Europe, and a review of the Greek legal framework and governance possibilities with the aim of shaping an affordable housing policy in Thessaloniki. The report concludes with the presentation of the proposals deriving from the study.

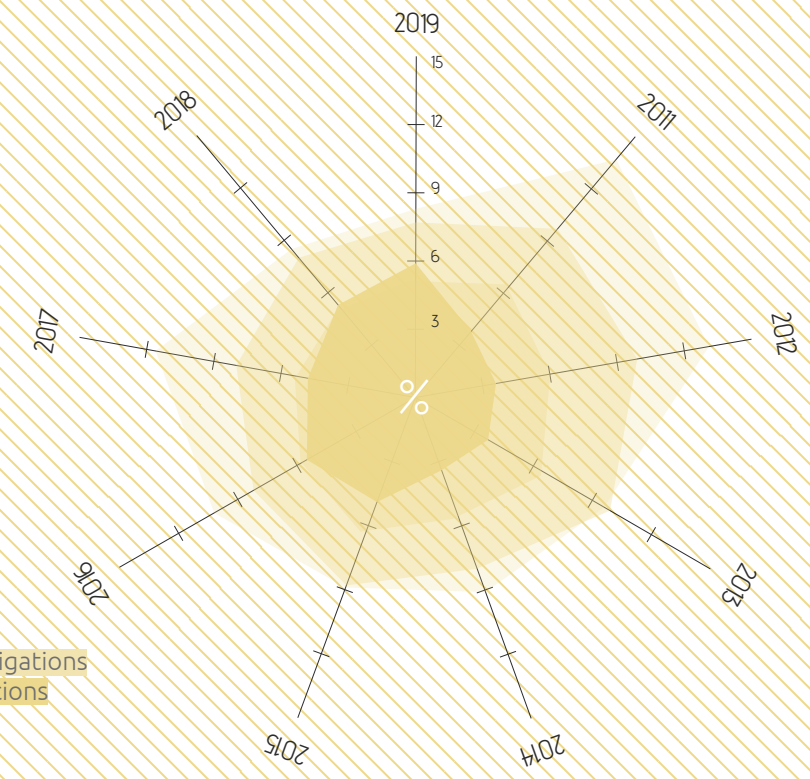
The need for affordable housing in Greece today

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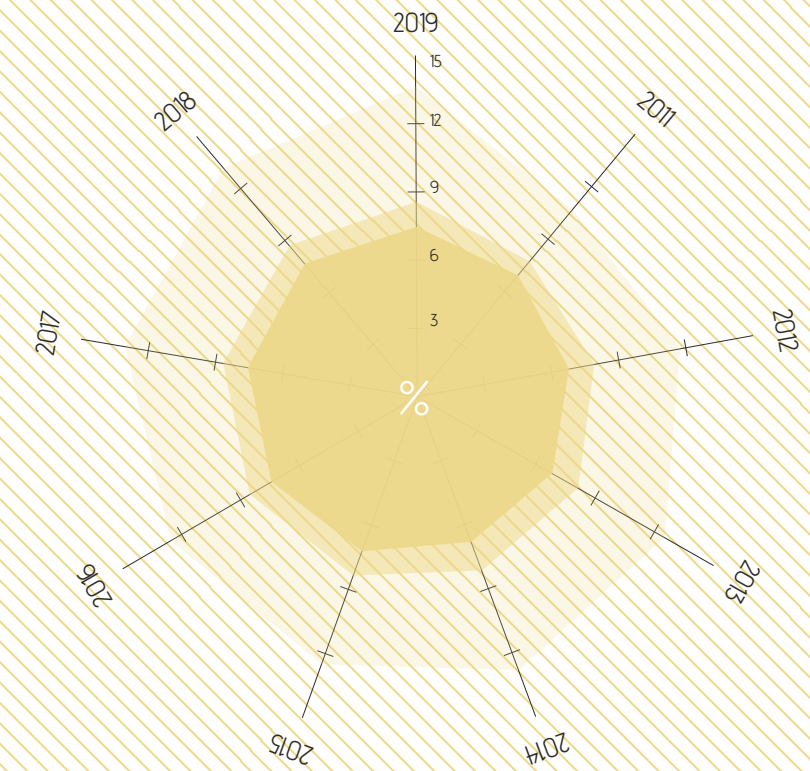
Over the previous decade, the financial crisis and recession, austerity policies, institutional reforms, a resurgence of investment interest, together with other factors, such as migration and the inadequate responses to refugee flows since 2015, have significantly modified the housing landscape and related needs in the country. According to the Survey on Income and Living Conditions (EU-SILC)², the annual household income fell by €5,564 or 37.6% between 2010 and 2016, and despite the recent economic recovery, it remains low. The reduction of incomes led to a dramatic increase

in the percentage of the population facing the risk of poverty¹ which peaked at a quarter of the population in 2012-13 and remained as high as 18% in 2019 (almost 700,000 households, more than 1,880,000 people). In the Region of Central Macedonia, this percentage is approximately 2.5% higher compared to the rest of the country. Moreover, there are clear disparities between different categories of households and population, reflecting inequalities in both their characteristics and their prospects: for example, this concerns

Percentage of people living in a household with an equivalent disposable income below 60% of the national median income.



Lack of basic housing amenities per tenure status, 2011 - 2019



Overcrowding rate, poor/non-poor population, 2011-2019

22.7% of the population that has not finished secondary education, 37% of single parent families, 45% of the unemployed, and 57% of nationals of non-EU countries aged 18-64 years old³.

Focusing on the variables concerning housing conditions, the same survey reveals the fact that households paying rent (13.2% of the total) are more exposed to the risk of poverty compared to owner-occupiers

while they are also deprived of basic housing amenitiesⁱⁱ. Inadequate housing conditions are experienced by people living in dwellings with leaking roofs, damp walls, floors or foundations, rotten door or window frames, dark rooms, absence of indoor bathroom facilities, etc.

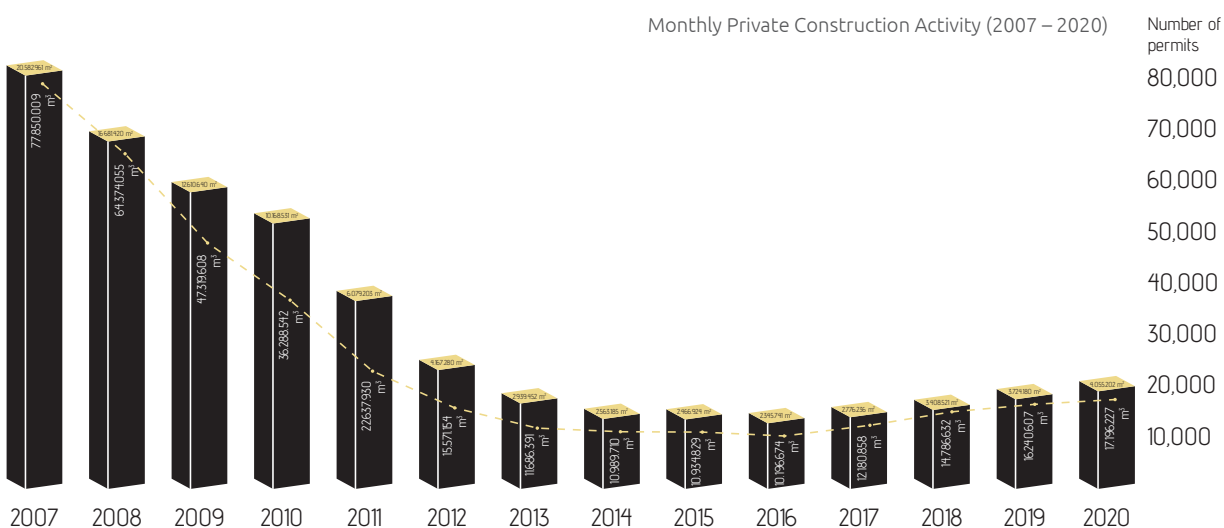
Furthermore, the percentage of the population living in overcrowded conditionsⁱⁱⁱ has slightly but steadily increased over the previous period and now affects 28.7% of the population, while it is particularly high among the poor population (45.7%).

A household is considered overcrowded and to lack enough space when it does not contain: one room for the household, one room per couple, one room per single member over 18 years of age, one room per two same sex single members of the family 12 to 17 years of age, one room per different sex single members of the family 12 to 17 years of age, one room per two single members under 12 years of age.

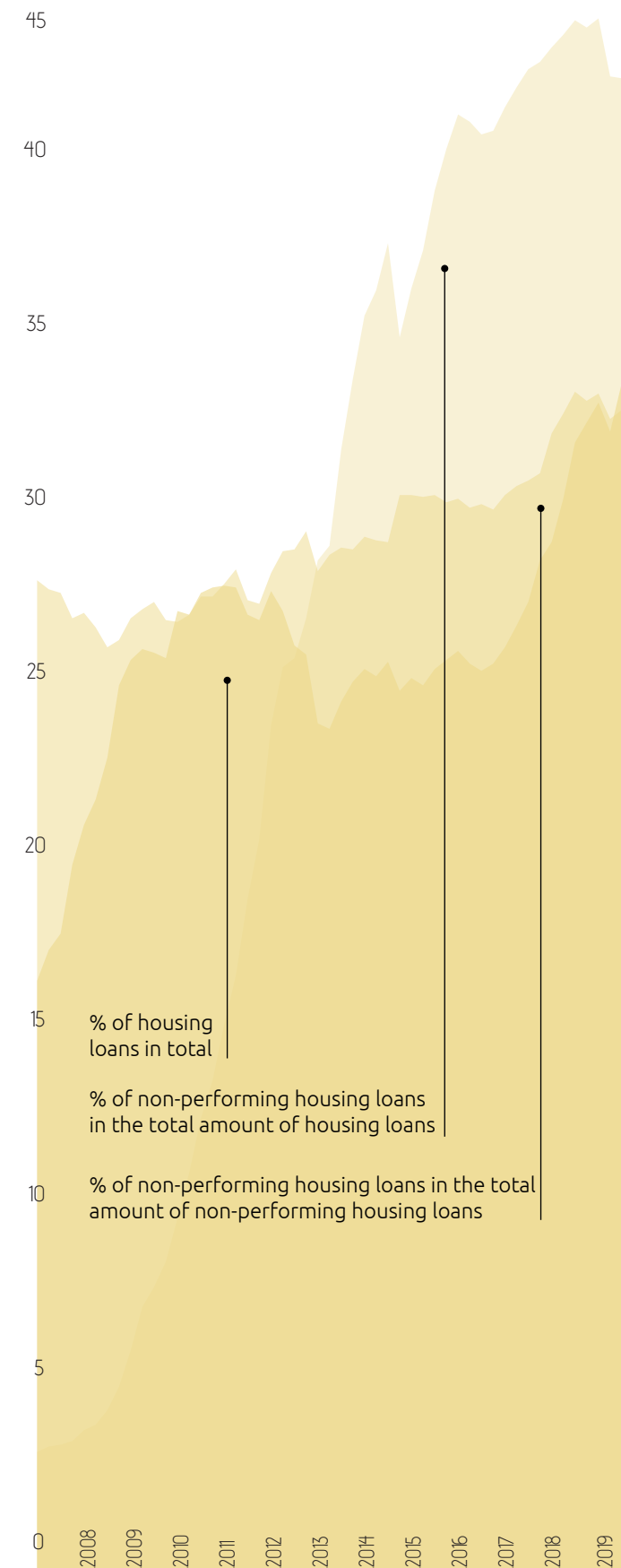
Additionally, it is worth mentioning that during the last decades access to homeownership through residential loans has been a widespread trend. Almost one out of ten households living in an owned residence in the region of Central Macedonia

have financial obligations in the form of a loan/mortgage, while 7.2% of all households are staying in a residence provided free of charge. According to data from the Bank of Greece⁴, even though the number of residential loans has only slightly increased, the ratio of so-called "red" loans among the non-performing loans (NPL) swelled during the financial crisis. Moreover, the percentage of NPL itself dramatically increased among the residential loans reaching a peak in spring 2019, when almost half of the residential loans (45%) were not performing. This development is particularly critical, as the legal framework for the protection of the primary residence is currently under amendment, while property auctions, a mechanism facilitated by online platforms, have been restarted. In 2018 almost one out of four notary deeds in the catchment area of the second instance court of Thessaloniki concerned property auctions⁵, while indicatively in July 2020, 144 out of 278 registrations in total concerned electronic auctions of primary residences.

Lastly, we have to emphasize the fact that the financial crisis had a significant impact on the property market which led to dramatic falls in prices and the breakdown of the construction sector, which decisively restrained the renewal of the country's housing stock.⁶



% Evolution of non-performing loans 2002-2019

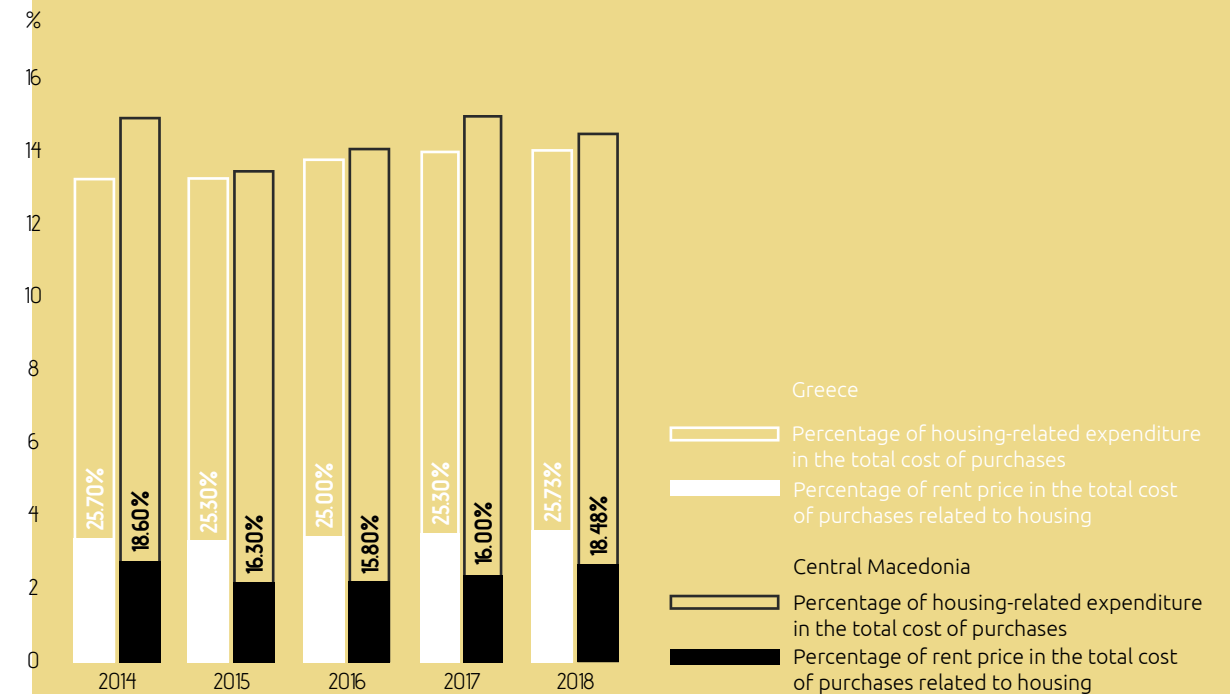


HOUSING COSTS AND HOUSEHOLD EXPENDITURE

policies, consumer prices have risen steadily, as well the price of goods and services linked to housing which actually saw the highest increases precisely when salaries were at a record low. According to the data derived from the Household Budget Survey of ELSTAT⁸, in 2018, 46% of households in the region of Central Macedonia had a monthly income up to €1,450 (compared to 36.5% of the national population), while just 28% of households had a monthly income over €2,800 (which was 37.3% for the country overall). Average monthly expenditure in Central Macedonia amounted to €1,383.52, with housing costs amounting to 14.5% (€201).

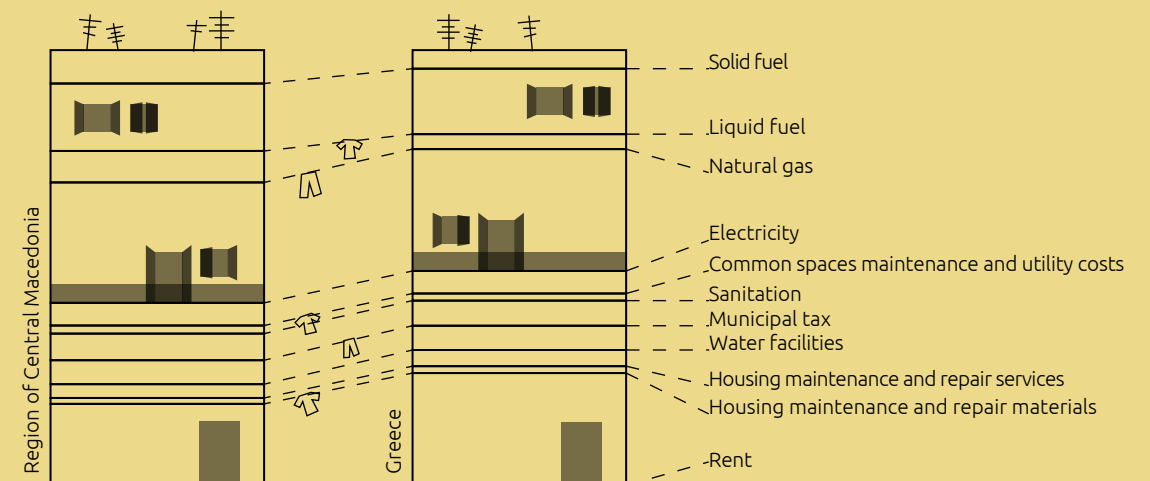
It is worth mentioning that the share of housing expenditure varies according to key features of the households or those of household head. For households with younger heads, housing expenditure are an extra burden (i.e., almost 25% of the average monthly expenditure for household heads up to 24 years of age). This reflects to a certain extent the higher rate of rented residences in these households. The same applies with regards to the household size, with single member households carrying an additional burden in comparison to households with more members.

Furthermore, it appears that housing expenses are proportionally higher for households with lower total monthly spending and lower income. For example, for households with an average monthly consumption of €750 housing expenditure reaches 30%, while for households



Average monthly household expenditure & housing costs, in Greece & in the region of Central Macedonia, 2014-2018

Breakdown of household housing expenditure in Greece & in the region of Central Macedonia, 2018



50% Electricity and heating costs

spending €3,500 per month the relevant expenditure is less than a tenth of their outgoings.

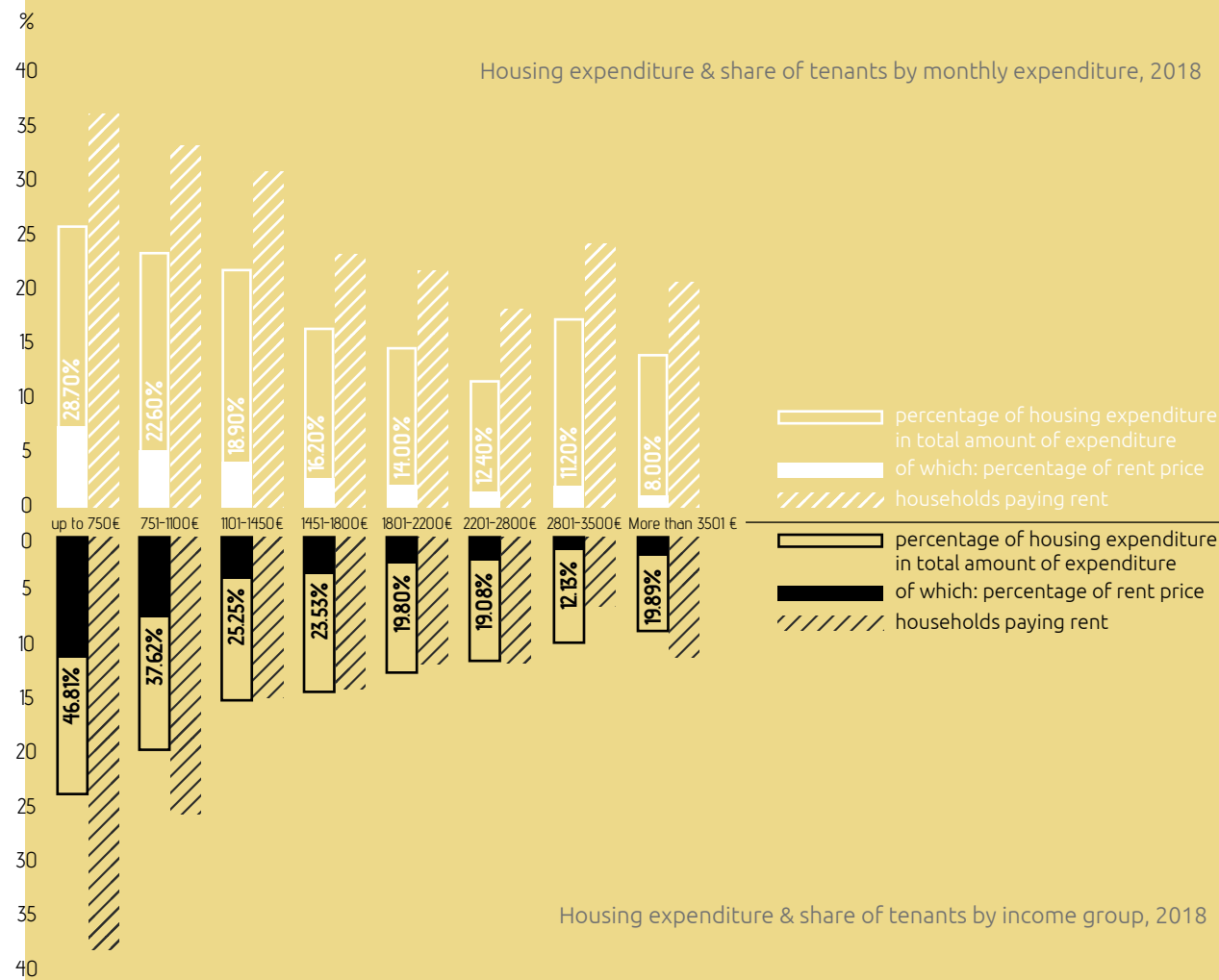
According to EUROSTAT, a household is considered to be bearing a disproportionate burden of housing costs if this exceeds 40% of its income.

Based on data derived from EU-SILC the percentage of Greek households burdened with disproportionate housing costs increased significantly during the last decade - from one out of four households in 2011, to one out of two in 2015 - and remained high at 36.2% in 2019. These figures are by far the highest in Europe, a fact that is particularly alarming. Based on EUROSTAT data, in 2018 the next highest percentages among EU countries were recorded in Bulgaria (17.9%), United Kingdom

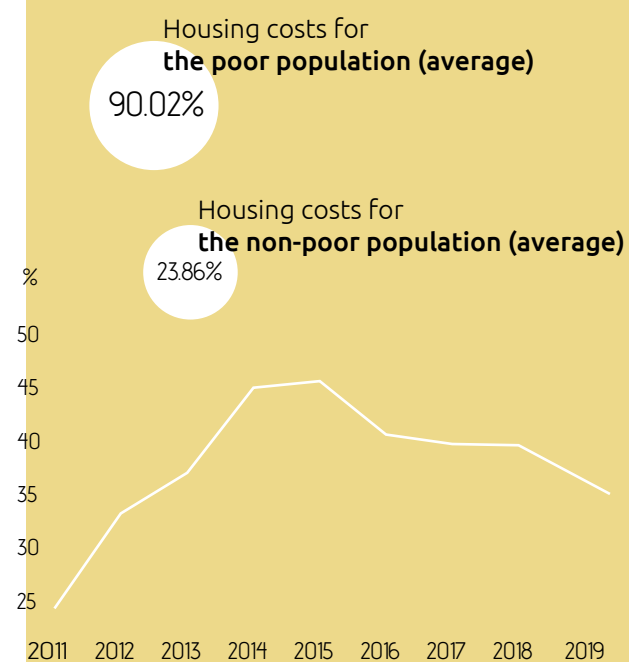
(15.1%), Denmark (14.7%) and Germany (14.2%)⁹. Moreover, housing cost overburden in Greece is dramatically high for poor households (amounting to almost 90%).

The housing cost overburden is reflected in the difficulties that a considerable share of households face in meeting financial obligations such as paying their rent or mortgage loan instalments (30.4%), utility bills (32.6%) or even in their incapacity to ensure sufficient heating during winter (17.9%). These percentages skyrocketed during the financial crisis and still remain at alarmingly high levels, while they are likely to be affected by the recent increase in rent prices.

Housing expenditure & share of tenants by monthly expenditure, 2018



Housing expenditure & share of tenants by income group, 2018



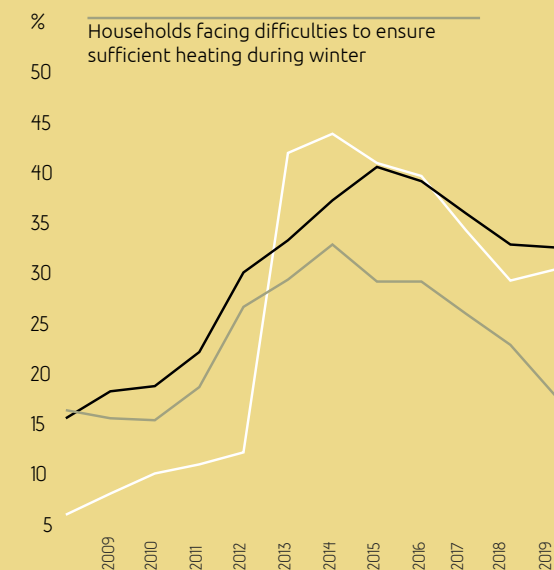
Housing cost overburden, 2011-2019

Difficulties in affording housing costs, 2011-2019

Households facing difficulties to pay rent or mortgage loan instalments

Households facing difficulties to pay utility bills (electricity, water, natural gas, etc.)

Households facing difficulties to ensure sufficient heating during winter



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2 Hellenic Statistical Authority, Population, Employment and Cost of Living Statistics Division, Household Statistics Section, Press Release "Risk of Poverty" and "Material Deprivation and Cost of Living" (2019 and previous years), Timeseries 02. Survey on Income and Living Conditions (SILC) – Indicators (2011-2019). <https://www.statistics.gr/en/statistics/-/publication/SFA10/2019>.

3 The Hellenic Statistical Authority also notes that the population groups which are by inference poor, such as the homeless, persons living in institutions, illegal economic immigrants, Roma who are on the move and change residence etc.' are underrepresented in the survey.

4 Sectoral Statistics Division, Justice Statistics Section, Table A.35: Notarial deeds by type, 2018, Timeseries E07: Notarial deeds by type and value of stamp (1998 – 2018), <https://www.statistics.gr/en/statistics/-/publication/SJU24/->.

5 Sectoral Statistics Division, Justice Statistics Section, Table A.35: Notarial deeds by type, 2018, Timeseries E07: Notarial deeds by type and value of stamp (1998 – 2018), <https://www.statistics.gr/en/statistics/-/publication/SJU24/->.

6 Hellenic Statistical Authority, Building Activity Survey, <https://www.statistics.gr/en/statistics/-/publication/SOP03/->

7 Siatitsa 2020, see above, p. 44.

8 Hellenic Statistical Authority, Population, Employment and Cost of Living Statistics Division, Household Statistics Section (from 2008 and onwards), 2018, Press Release and selected Tables (2018 and previous years). <https://www.statistics.gr/en/statistics/-/publication/SFA05/2018>

9 <https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tespml140&plugin=1>

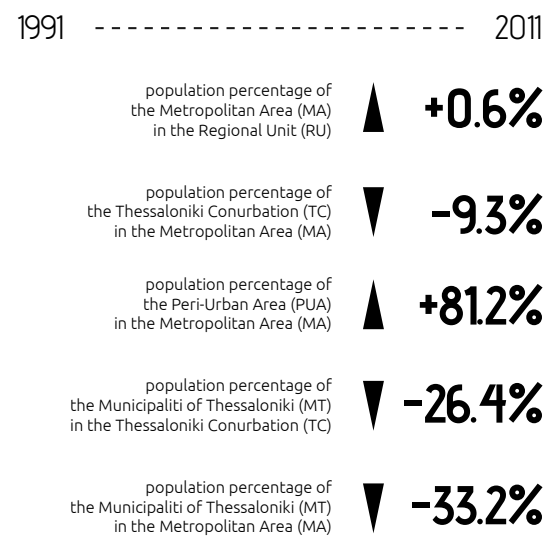
PRESSURES IN THE HOUSING MARKET AND HOUSING NEEDS IN THESSALONIKI

This chapter analyses the social geography of housing in Thessaloniki and presents the pressures in the housing market as well as the housing needs, with the aim of approaching affordable housing in the city.

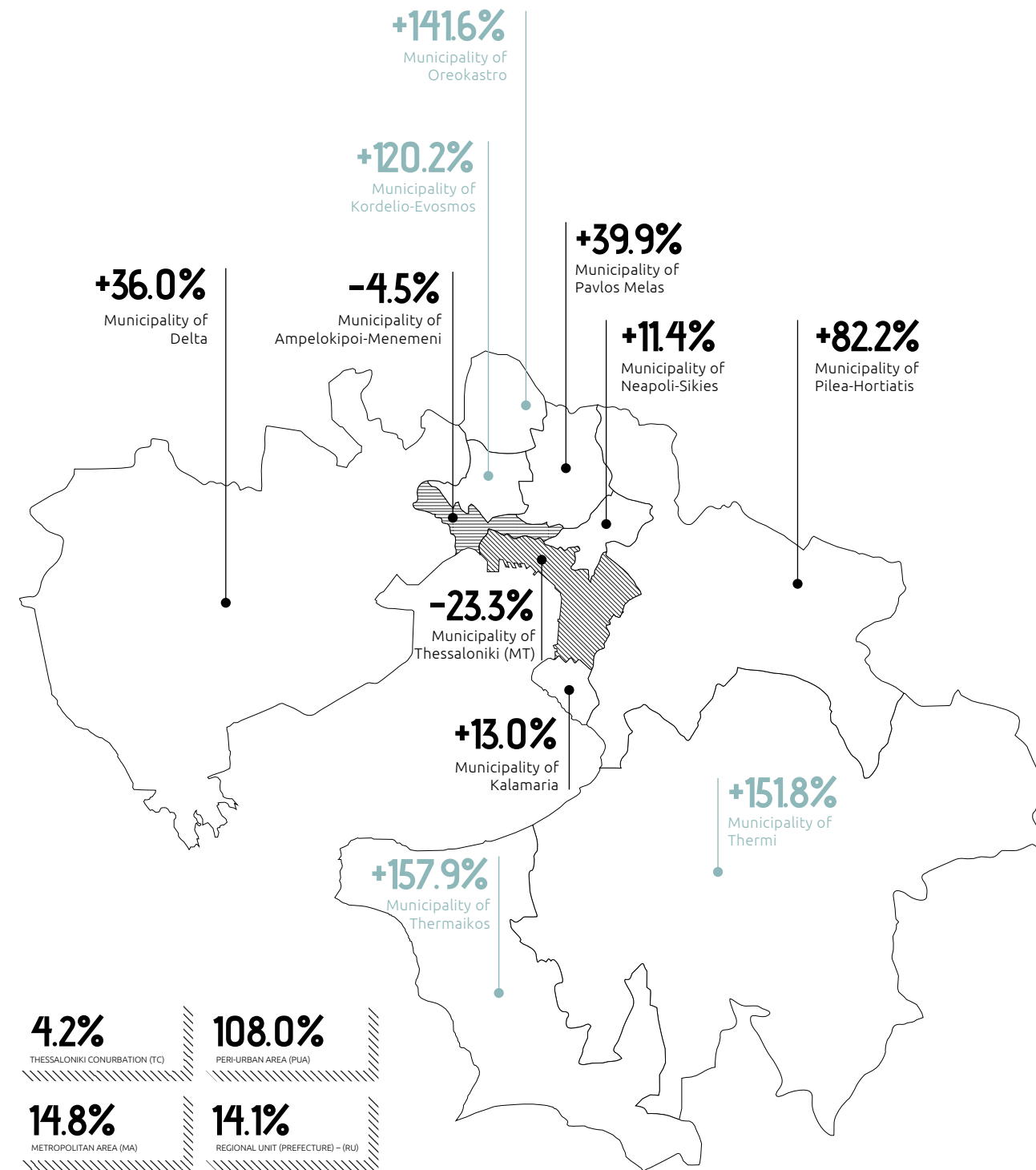
EVOLUTION OF THE POPULATION, RESIDENTIAL SOCIAL GEOGRAPHY AND HOUSING CONDITIONS

According to data derived from the Population Census conducted by ELSTAT, over the past three decades the population of the Metropolitan Area of Thessaloniki has been redistributed along the lines of two basic trends: **the shrinking of the densely populated core of the urban fabric and suburbanization and urban sprawl**¹. Despite the population increase of Thessaloniki Conurbation, its share in the overall population of the Metropolitan Area is declining, mainly due to a population decrease in the Central Municipality. The latter's share in the total population of the Metropolitan Area decreased from half in 1991 to less than a third by 2011. Suburbanization and urban expansion were accompanied by a geographical diffusion of economic activities combined with the emergence of new areas of mass consumption and recreation in both the northwest and the southeast parts of the city, though without a shrinking of the economic activity in the urban area complex or the historical centre of Thessaloniki².

When it comes to the **social geography of housing**, social classes in Thessaloniki are relatively mixed



and dispersed across the city, while the levels of socio-housing segregation are considerably lower in comparison to northern Europe. Still, there are spatial patterns of social stratification in the social geography of the city, which can be observed in the **contrast between the working class and lower middle-class districts of the northwest part of the city and the middle-class districts of the southeast part of Thessaloniki**. This contrast is mirrored in the geography of the housing market, and the housing and rental prices.



Basic population trends in Greater Thessaloniki by Municipality

Furthermore, in the more densely populated sections of the urban fabric and especially in the Municipality of Thessaloniki, which is characterized by high levels of social mixing, social segregation has a **“vertical” dimension**. On the upper floors there are more spacious flats, usually occupied by homeowners with a higher level of education and jobs involving higher skills (and salary), while the lower floors are made up of smaller apartments, occupied by tenants with lower levels of education who work in lower skilled professions, as well as by migrants.

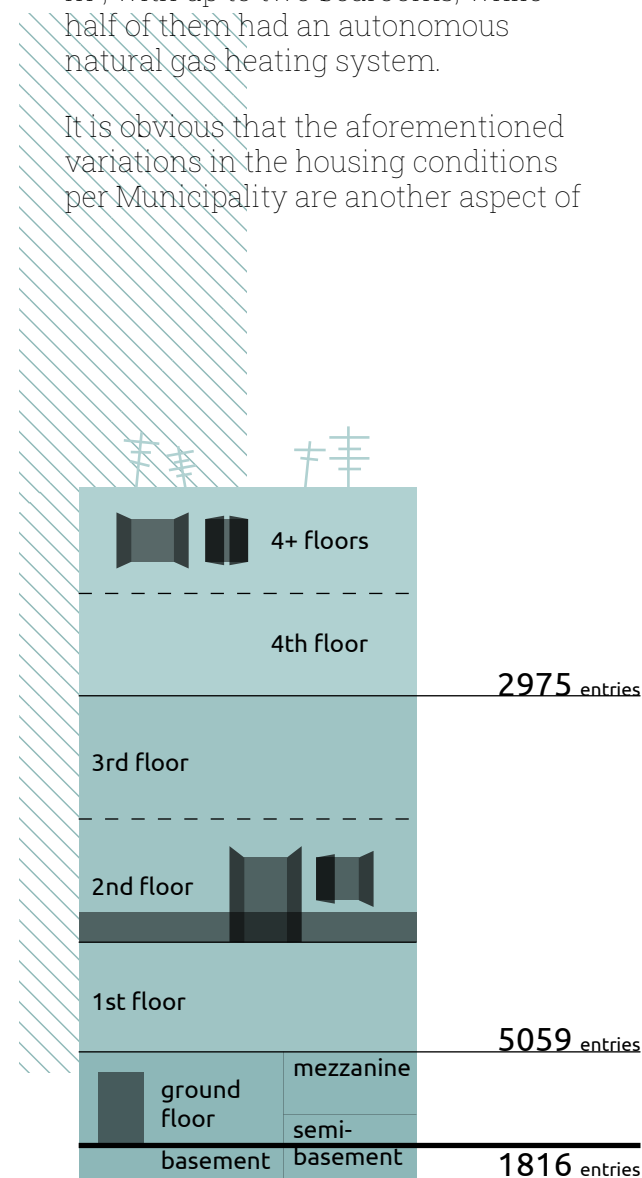
As far as **housing conditions** are concerned, three-quarters of the population of the Metropolitan Area of Thessaloniki live in self-owned residences, some 22% in a rented residence, and the remainder in a residence provided free of charge. It is worth mentioning that almost a tenth of the homeowners have financial obligations related to their home (mortgage), while tenants tend to live in smaller apartments and to move more frequently³. Expectedly, the share of tenants is higher (29%) in the Municipality of Thessaloniki,

followed by the most densely populated municipalities of the Conurbation: Neapoli-Sikies, Kordelio-Evosmos, Ampelokipoi-Menemeni, Kalamaria. Almost a quarter of households lack sufficient space, with the higher shares encountered in the Municipalities of Kordelio-Evosmos, Ampelokipoi-Menemeni, Pavlos Melas and the Municipality of Delta. Most (71.5%) live in a residence with central heating with this percentage reaching almost 90% in the outer Municipalities of Pilea-Hortiatis, Thermi and Oreokastro where there is newer housing stock available. On the contrary, in other Municipalities with older housing stock, considerable shares of the population live in residences lacking central heating (35% in the Municipality of Ampelokipoi-Menemeni, 27% in the Municipality of Thessaloniki, 20% in the Municipality of Kalamaria). It is worth mentioning that two-thirds of residents in the Municipality of Thessaloniki, 63% in the Municipality of Ampelokipoi-Menemeni and almost 50% in the Municipality of Neapoli-Sikies live in dwellings that were built before 1980.

According to spitogatos.gr, a property website where housing advertisements are posted, in October 2020, there were 9,850 residences available for rent in the Municipality of Thessaloniki. More than 50% of the available dwellings were in the first three floors of the buildings, the vast majority of which were less than 100 m², with up to two bedrooms, while half of them had an autonomous natural gas heating system.

It is obvious that the aforementioned variations in the housing conditions per Municipality are another aspect of

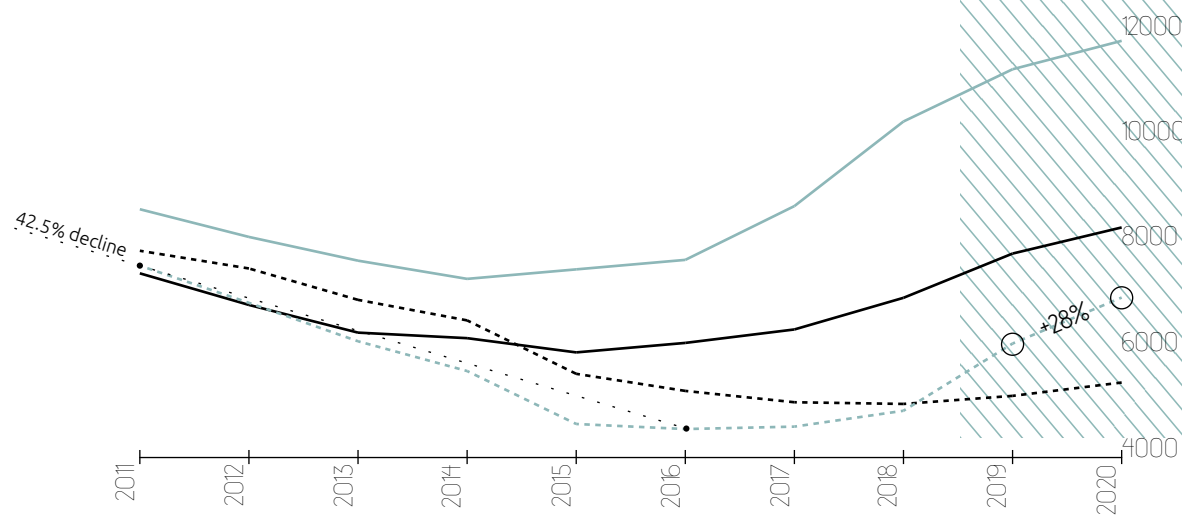
the geography of social stratification and related inequalities. **Less privileged social strata face harsher housing conditions**. For example, employees in low skilled professions are more likely to pay rent and reside in older dwellings of smaller size and without heating. Similarly, people of lower educational levels live in old, small, and without heating residences, even if they are owner-occupied. Finally, immigrants usually occupy rented accommodation (82%) which is smaller, older and without heating.



Floor of dwellings available for rent in the Municipality of Thessaloniki

Pressures

During the past five years, the revival of the housing market led to sharp price increases, especially in the Municipality of Thessaloniki. According to data published by the property website spitogatos.gr, the price index of housing for sale dropped by 42.5% from 2011 to 2016 and has increased by the same rate since then. Also, since 2018 prices especially in the Municipality of Thessaloniki increased rapidly, exceeding those of the adjacent municipalities. It is indicative to note that the average sales price per m² during the first quarter of 2020 rose by 28% compared to the same period in 2019. The changes in the market for rented dwellings were even more radical, as prices in the Municipality of Thessaloniki had already begun to rise by 2014, partly as a result of the growing demand during the financial crisis.



Evolution of the housing for rent/sale price indices, Municipality of Thessaloniki & Regional Municipalities

- - - - - Housing sale price index, Municipality of Thessaloniki — Housing rent price index, Municipality of Thessaloniki
- - - - - Housing sale price index, Regional Municipalities — Housing rent price index, Regional Municipalities



Since 2016, rental prices skyrocketed in the Municipality and in 2020 exceeded the pre-crisis levels by 38%. Indicatively, at the beginning of 2020, the median rent per m² was 9% higher than in 2019, mainly due to the repercussions of the pandemic. These increases were felt even more acutely in certain areas beyond the city's historical centre: for example, according to the real estate agent REMAX, while the mean rental prices per m² rose in total by 16.7% between 2016 - 2020 in the Municipality of Thessaloniki as a whole, the growth was 34% in the Upper Town, almost 35% in Toumpa and nearly 54% in Harilaou. The overall trend over the last few years is thus rising and rental prices in particular remain at high levels, even if the growth rate has slowed down.

The growing demand for quality properties for long-lettings, together with the minimal so far decline of the short-term rental market due to the pandemic, have both contributed to

recent increases in rents. It currently appears that the focus is mainly on neighbourhoods where students are usually accommodated which are located around the area of the University Campus, e.g., there is high rental demand in downtown Thessaloniki for renovated studios up to 50m² or for one-bedroom flats, with an average rent of €350. In the rest of the Municipality there is a high demand for larger dwellings of 60m² to 100 m² with two bedrooms and with an average rent of €400 to €550. In the west part of the city the demand is mainly for dwellings up-to-20-years-old, of 60m² to 90 m² with two bedrooms and an average rent of €250 to €400. In eastern Thessaloniki, there is a greater demand for similar dwellings yet at a considerably higher rent, between €350 and €500.

EXPANSION OF THE SHORT-TERM RENTAL MARKET

Lately, however, the expansion of the short-term rental market, basically through the Airbnb platform, constitutes a major development in the property market of Thessaloniki. More specifically, in the Municipality of Thessaloniki the available pool for short-term rental properties doubled between the first quarter of 2017 and mid-2020. These figures might have even tripled if it had not been for the Covid-19 pandemic. The same applies to other Municipalities in the Metropolitan Area of Thessaloniki, where during the same period there has been an increase in the number of dwellings that have been registered as short-lettings, while in many Municipalities these numbers have doubled. In total, during the second quarter of 2020 there were 2,426 short-term rentals available in the Metropolitan Area⁴. The majority of these were available for short-term rental as entire dwellings.

The discussion on the behaviour of short-term rental companies is of great interest, nevertheless it is

unclear how they affect rent increases as well as housing availability for long term rentals. As for the latter, it seems that a considerable portion of the dwellings registered on short-term rental platforms were actually not available in the long-term rental market, as they were either located in business buildings or were vacant properties. Consequently, the impact of the platforms is ambiguous since it is considered that the renovated stock of the short-lettings might provide high quality long-term rental housing stock in times of low prices.

In the recent past, the shift to the short-term rental market had led to the renewal of a considerable part of the housing stock due to renovations and it also led to the revival of construction activity, while simultaneously offering an extra income mainly to small landlords⁵.

Still, there is obviously a negative impact while together with consequent shifts in the structure and type of activities particularly in certain areas of the historic

centre- it appears that it has already triggered a distinctive touristic form of gentrification that could possibly change the image of the city and ultimately lead to the displacement of permanent residents.

Short-term rentals are perhaps the most visible aspect of a growing investment interest in city's the property market, a factor considered to have overall contributed to the increase in prices. Even if the international investment interest has remained limited and rather hesitant up to now, it is still a very recent development and one that is expected to expand, following international trends but also relevant institutional adjustments.

For example, the Golden Visa (a permanent residence permit for investors) provided for in Law 4251/2014, requires a minimum investment of €250,000 in property assets: even though in February 2020 the number of Golden Visa beneficiaries in Thessaloniki was just over 300 which is only 4% of the total

Decrease
from the first half
to the second half
of the year 2020
~20%

Dwellings available for short-term rental on the Airbnb platform, Municipality of Thessaloniki, 2017-2020⁶

number of dwellings

3000

2500

2000

1500

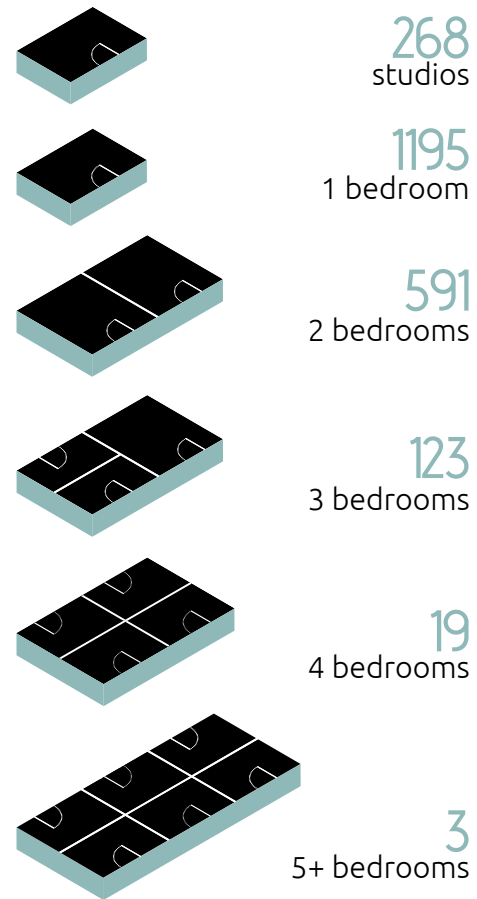
2017

2018

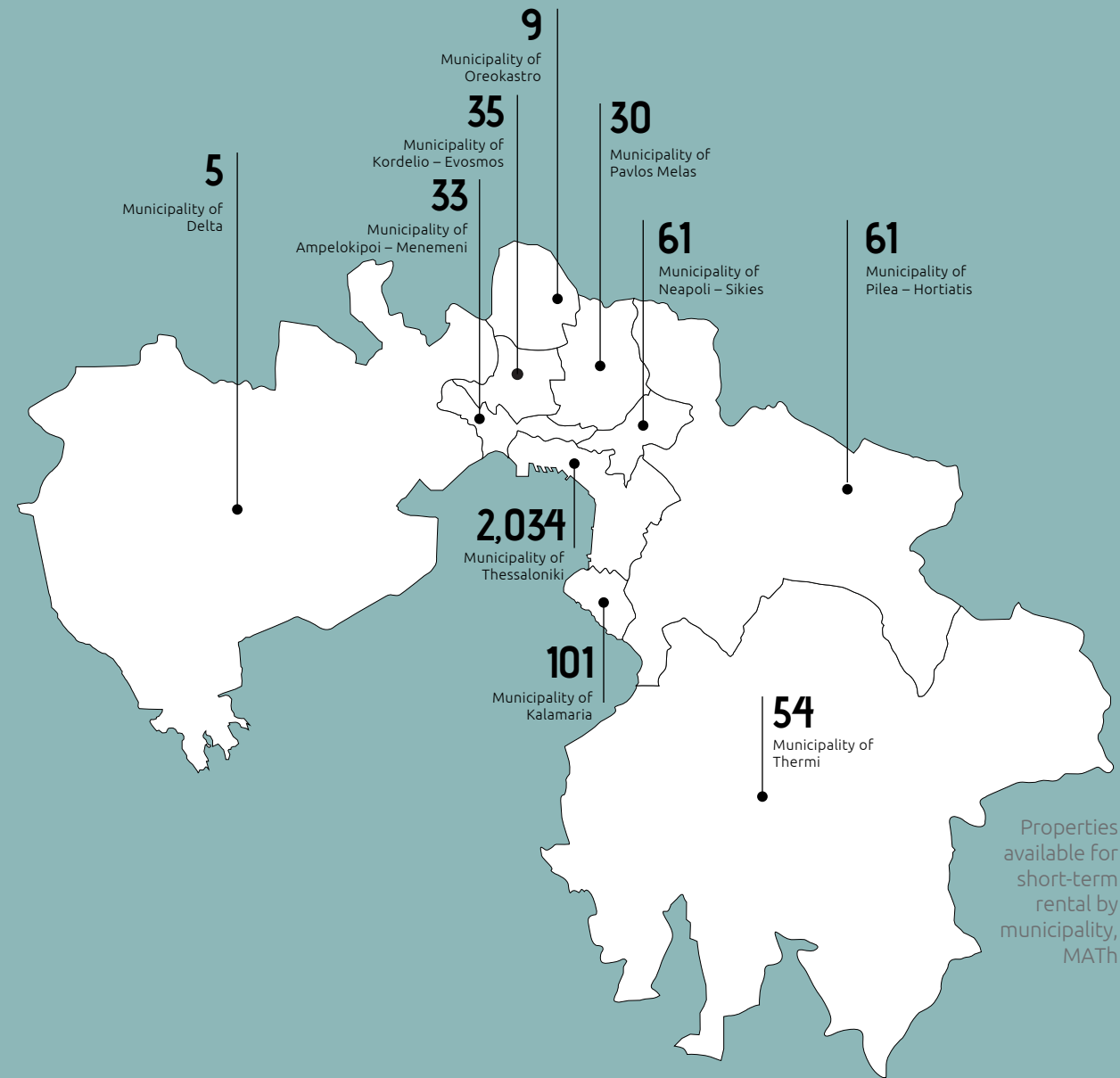
2019

2020

number of such residence permits in Greece, this figure is still more than double what it was at the beginning of 2019. Furthermore, Real Estate Investment Companies (REICs) were introduced under Law 2778/1999, which was amended by a series of laws (4141/2013, 4209/2013, 4281/2014, 4416/2016 and 4514/2018). REICs are private companies whose purpose is property market investments, with most of their portfolios pertaining to commercial property, and whose main source of income is rent. Lastly, a rather special category is private student housing, as student housing has recently emerged as the most important medium-large-scale investment focus of the housing sector.



Properties available for short-term rental by number of rooms, Municipality of Thessaloniki

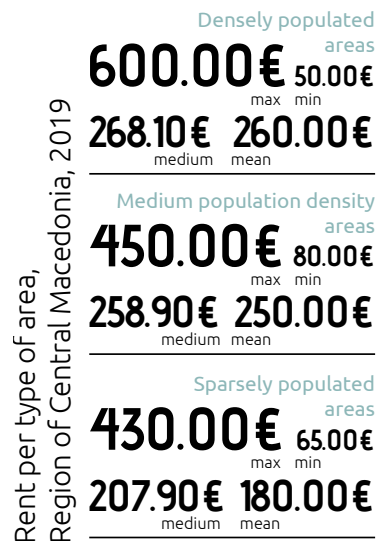


Properties available for short-term rental by municipality, MATH

Needs

APPROACHING HOUSING COST OVERBURDEN IN THESSALONIKI

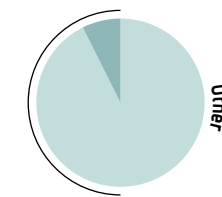
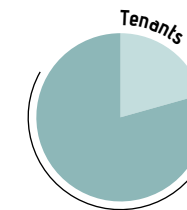
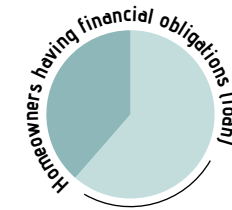
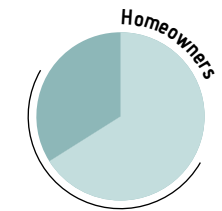
According to analysis of the EU-SILC microdata from 2019, the average total disposable household income in the densely populated areas of the region of Central Macedonia amounts to €15,165 annually (€1,263.77 per month, which is €128 more than in the region as a whole). The average total monthly



housing costs (which includes not just rent or mortgage payments but also electricity, water, natural gas, and heating bills etc.) amount to €429. For households residing in a rented apartment or for those who have financial obligations related to their owned residence, the mean percentage of the rent or monthly mortgage instalment amounts to 40% of their total housing cost, the mean rent being €268 and the mean mortgage instalment €161. It appears that there is a correlation between the housing cost and the year the inhabitants purchased or rented their residence: this means that the more recently the household purchased/moved to the current residence the greater the housing cost.

If we combine this data, we can calculate the share of the housing costs in the total disposable income and hence examine the extent they may be a burden. Almost 37% of

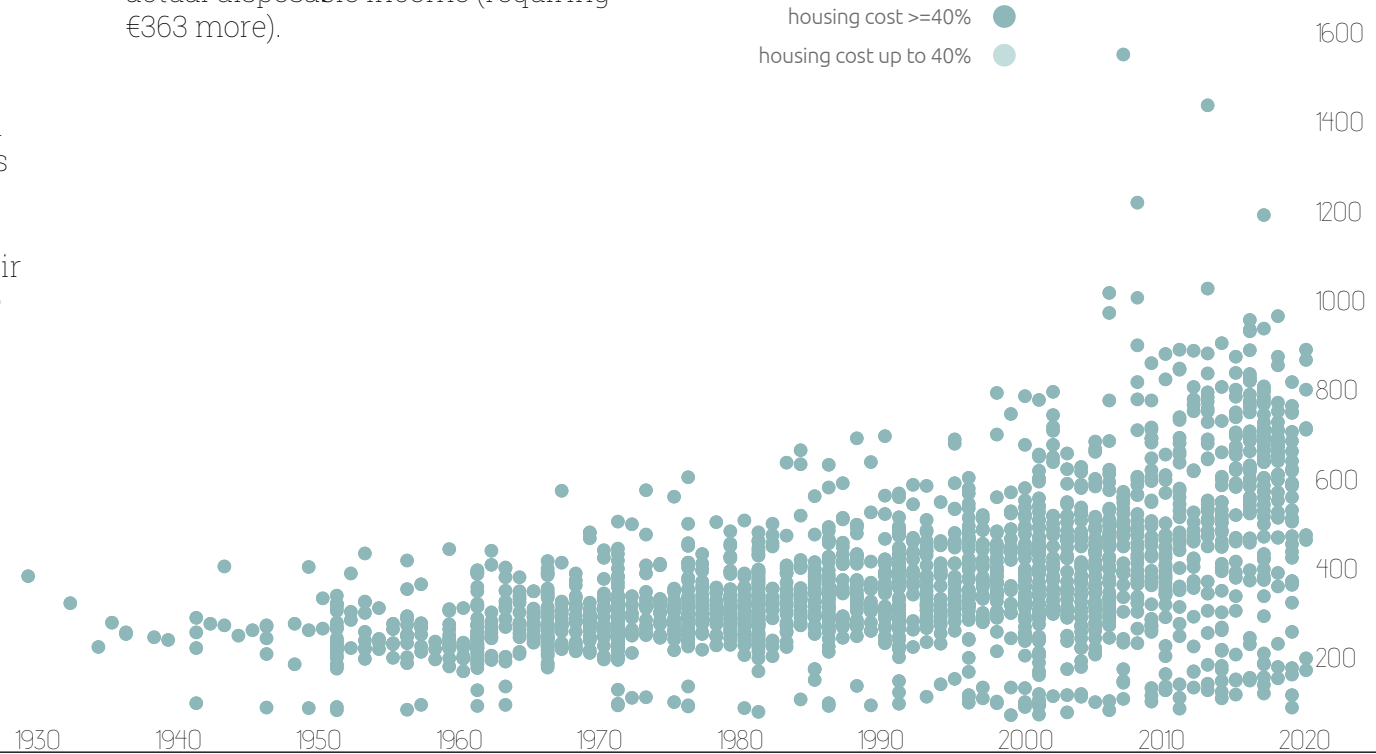
the households in the region are overburdened by housing costs and for 60% of them housing costs exceed half of their income. One out of three households who own a residence and without any financial obligations are overburdened by their housing costs, while the same applies for 38.6% of those with an outstanding mortgage and a tragically high 80% of households paying rent. As could be expected half of the households in the region claim that the total housing cost constitutes a "considerable burden" on their income, while one out of four households found it difficult to pay the bills last year, almost 8% had difficulties paying rent or mortgage instalments and 14.5% declared they didn't have the financial means for sufficient heating during winter. Notably, a majority (56%) of households estimate that the minimum net monthly income required to be able to meet all their needs considerably exceeds their actual disposable income (requiring €363 more).



Housing cost overburden per tenure status, Region of Central Macedonia, 2019



Correlation of housing cost and time of moving in current residence, Region of Central Macedonia, 2019



APPROACHING HOUSING AFFORDABILITY IN THESSALONIKI

According to EUROSTAT, a household shoulders a disproportionate housing cost overburden when these costs exceed 40% of its income, “affordable housing” can then be defined in the opposite way, i.e., when a household’s total housing costs represent less than 40% of its disposable income. Since it has been observed that it is mainly those households occupying a rented residence who are essentially overburdened by housing costs, we are focusing on the case of rented residences.

Based on the data collected, the different categories of residences, in terms of location and size that a household could rent, have been examined, such as:

/ A young employed person earning the minimum wage: 50m² apartment in Oreokastro.

/ A single woman, earning the average monthly wage of employees insured at the Greek Single Social Security Entity (EFKA): 50m² apartment anywhere in the west part of the city or in Panorama, Pilea or Thermi.

/ A single man earning the average monthly wage as defined by EFKA: 50m² apartment anywhere in the west part of the city and in Panorama, Pilea or in Thermi. 75m² apartment in Ampelokipoi, Stavroupoli, Oreokastro or Polichni.

/ A couple/roommates earning the minimum wage: 75m² apartment anywhere in the west part of the city or in Pilea or Thermi.

/ A couple, earning the average monthly wage as defined by EFKA: 75m² apartment anywhere in the west or east part of the town and in the Municipality of Thessaloniki, apart from the historical centre and Paralia (sea front). 100m² apartment anywhere in the west and in Panorama, Pilea or Thermi.

In order to define a (minimum) measure of availability and cost of flats to rent, the study developed different (hypothetical) scenarios according to different types of households, following two methods:

/ The first method began by looking at data on the average and minimum salary, based on which we have calculated the threshold for an “acceptable” (maximum) housing cost, and a respectively “acceptable” rent. We then examined data from

the rental market in Thessaloniki, by property size and area, based on which we have identified available options of flats to be rented by households with different financial capacity⁷.

/ The second method began by defining the minimum acceptable standards, in terms of size and number of rooms, for households of different size and composition. We then conducted relevant rental residence searches in a property advertisement website, took stock of the total number of results, recorder the cheaper options available and their key features, and estimated the minimum monthly income a household should have in order to be able to rent these dwellings⁸.

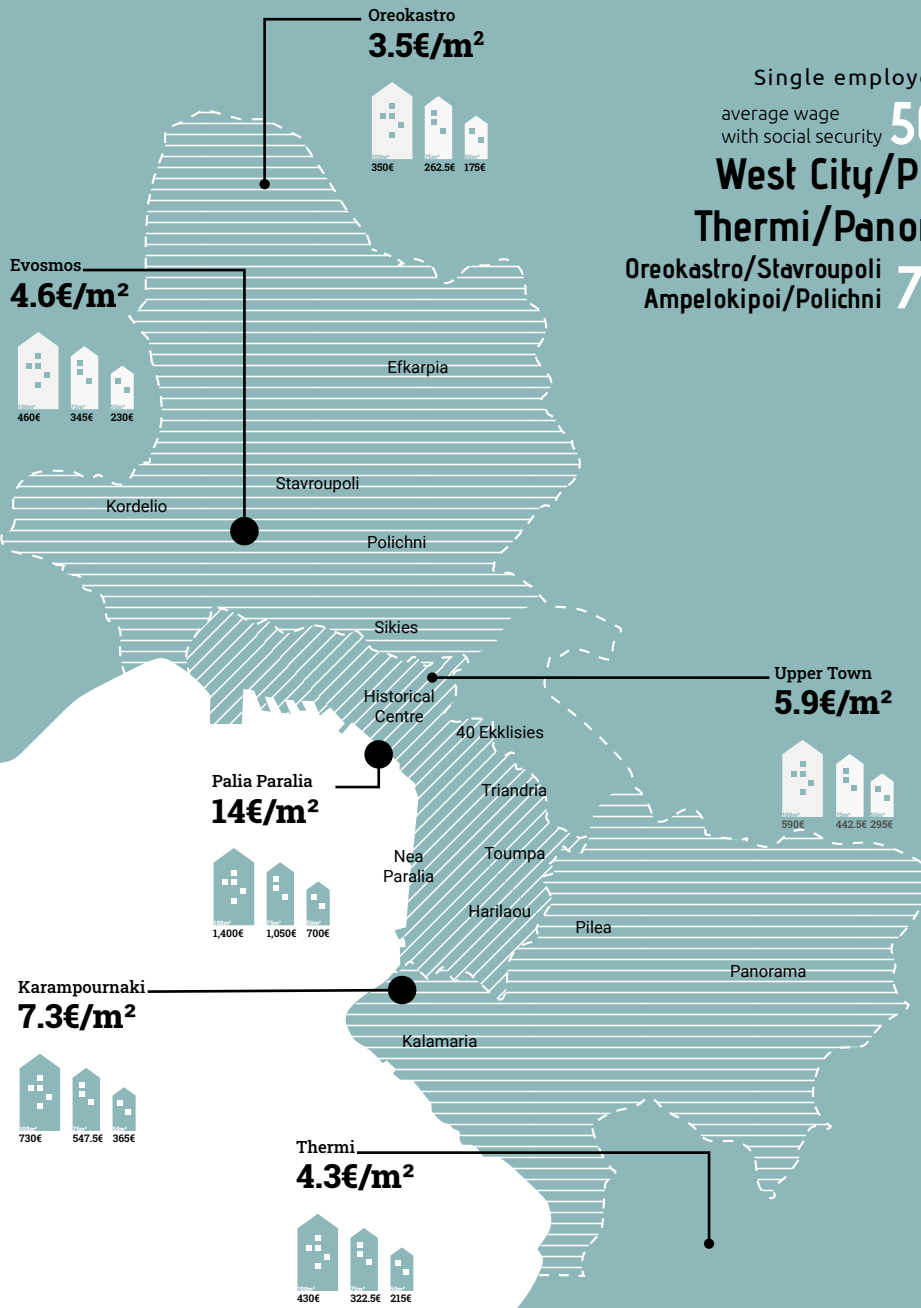
Even if the trend of increasing rental prices seems to have stabilized in 2020, within the context of the pandemic, we conclude that **the available choices for households seeking affordable rented housing in Thessaloniki are extremely limited.** We have to note that the changes of recent years have the potential to alter the population geography of the city, since, for example, the Municipality of Thessaloniki has become “unaffordable” for many

categories of households. This is exacerbated by the fact that further basic household expenditures for ensuring a decent living were not taken into consideration.

While the “cheaper choice” that is depicted here should only be considered as indicative, it nevertheless, allows to define the meaning and content of affordable housing in Thessaloniki. It certainly provides a measure of the minimum rent prices and the minimum incomes by which we can identify “affordable” apartments for rent, as well as the areas and characteristics of the (cheaper) available choices at these prices. Also, it reveals the extremely limited availability of affordable housing in the city. If, for example, the last case concerned a family in which both parents work and receive the average monthly wage as stated above, the range of options for residences to rent at “affordable prices” would be just seven in the Municipality of Thessaloniki and 19 in the adjacent municipalities. Lastly, it is also to be noted that the available choices in the city’s rental housing market that could be considered affordable do not necessarily fulfil the basic standards of decent living conditions.

Average rent for different size dwellings per area

● maximum price ● minimum price



Young employed person
minimum wage
50m²
Oreokastro

Single employed woman
average wage with social security
50m²
West City/Pilea/Thermi/Panorama

Single employed man
average wage with social security
50m²
West City/Pilea/Thermi/Panorama

Oreokastro/Stavroupoli Ampelokipoi/Polichni
75m²

Couple/roommates employed
minimum wage
75m²
West City/Pilea/Thermi

Couple employed
average wage with social security
75m²
West City/East City Municipality of Thessaloniki
apart from the historical centre and the sea front
West City/Panorama Pilea/Thermi
100m²



REFERENCES

1 A. Giannakou and P. Hatziprokopiou (2019) "Urban form and socio-spatial stratification: reconstructing 'in between' terms based on the case of Thessaloniki", Minutes of the conference "City under construction: plans, processes and practices for space in Thessaloniki, Department of Urban and Regional Planning and Development / School of Architecture, Aristotle University of Thessaloniki, 28/9–1/10/2018. http://southeuropean-cities.arch.auth.gr/sites/default/files/Conference_Proceedings_1.pdf, Research Unit for South European Cities & University Studio Press 29-39.

2 Giannakou and Hatziprokopiou, 2019, see above.

3 The data are derived from the analysis of the EU-SILC microdata conducted in 2019, which concerns the densely populated areas of the region of Central Macedonia and basically the main urban fabric of Thessaloniki. See "2019_Users'fileofSurveyonHousehold Income and living conditions" from the public use files available on ELSTAT website (<https://www.statistics.gr/en/public-use-files>).

4 According to the database of the website airdna.co—There are no data concerning the case of the Municipality of Halkidona in that website.

5 Crosby D., Furter J., and Pierce, B. (2018) "Expanding economic opportunity through Airbnb in Thessaloniki, Greece", Worcester Polytechnic Institute & Creativity Platform, available at; https://web.wpi.edu/Pubs/E-project/Available/E-project-060418-061929/unrestricted/Urban_Airbnb_Report.pdf.

6 Source: www.airdna.co, same processing.

7 We have used the average monthly (gross) salary for employees insured with EFKA, whilst rent prices per m2 come from the real estate company RE/MAX Greece's annual national report on rentals for 2020, <https://www.remax.gr/news/538>.

8 Calculations were based on a subsequent amendment of the law on tax exemptions for primary residence (ar.14, par.3, L.1591/86, Government Gazette Issue Nr. 50/A), where housing needs are considered to be covered if the total net residence size is at least 35m2 for one person and 60 m2 for two persons, which are increased by 12 m2 for every extra person. Additionally, the minimum spaces required so that households do not live in overcrowded conditions are: one room for the entire household, one room for every couple, one room for every two persons of the same sex between 12-17 years of age, separate rooms for persons of different sex, one room for every two children below 12 years old.

3 PEOPLE AND HOMES

This chapter analyses the characteristics of the main recipients of local Affordable Housing Policies, together with the basic categories of housing stock in Thessaloniki.

People

3.1

Priority recipients of Social and Affordable Housing policies at a local level are individuals and households, living permanently or temporarily in Thessaloniki, who lack an owned-residence, and are living under **precarious conditions**:

- / **in terms of income**, that is either they lack a stable source of income or any income at all, or have low income or are about to have a source of income within a reasonable period of time
- / **and/or in terms of housing**, meaning that they are either accommodated in an inadequate and/or temporary residence (i.e., living in shelters, as temporary guests etc.) or are eligible to exit from social care facilities (such as rehabilitation facilities, mental health units)

In the aforementioned broad categories, we can identify the main target groups, as defined in the study:

- / Low-income households lacking a self-owned residence

- / Students whose permanent residence is outside Thessaloniki
- / Refugees and asylum seekers
- / Homeless people

Despite the continuity and overall functioning of the urban space in the Metropolitan Area, not all Municipalities face the same problems, nor do they have the same priorities. The Municipality of Thessaloniki for instance concentrates the largest part of the population facing housing difficulties, while at the same time it is subjected to intense pressure when it comes to increases in property prices due to limited availability, congestion of commercial and touristic business and high demand. In addition to that, the Municipality has recently developed the most and largest housing programmes for homeless people and refugees.

In the table below, there is a total summary of the quantitative data which have been gathered, while each category is further analysed in greater detail.

	METROPOLITAN AREA		MUNICIPALITY OF THESSALONIKI
	people	households	
LOW-INCOME HOUSEHOLDS			
Beneficiaries of the guaranteed minimum income benefit (GMI) /Social Solidarity Allowance (SSA) (income €0-5,400) (August 2020).			
Renting their residences	13440	7540	33.5-37.5%
Provided their residence free of charge	4185	-	13%
Are registered as homeless	590	-	45%
Beneficiaries of housing benefits (September 2020) (Income: from €7,000 individual income to €21,000 family income)			
	32840	-	42%
STUDENTS			
Students at Aristotle University of Thessaloniki, beneficiaries of housing benefits (July 2020)	5775	-	-
REFUGEES & ASYLUM SEEKERS			
Refugees/asylum seekers in camps (temporary accommodation facilities) within the Regional Unit (October 2020)			
In the Camp of Diavata	885	300	
Refugees/ asylum seekers accommodated in apartments (ESTIA) (March 2020)			
Having received an eviction statement (October 2020)	500		
Refugees accommodated in apartments (HELIOS) (April 2020)	225	130	32-36%
Estimated number of homeless refugees/immigrants (October 2020)	700	-	-

LOW-INCOME HOUSEHOLDS

In order to estimate the size of the population with (very) low income in the metropolitan area, data concerning the recipients (applications – households) and beneficiaries (household members – population) who are eligible for basic welfare benefits have been examined: the Guaranteed Minimum Income Benefit (GMI, former Social Security Allowance/SSA)¹ as well as the Housing Benefit².

¹ The Guaranteed Minimum Income Benefit is a social welfare programme providing income support, supplementary social services, and empowerment services (i.e., assistance for the beneficiaries' professional rehabilitation). The beneficiaries of this programme are both "single-member" or "multi-member" households (guests or families are considered to be members of the latter category, as well as adult descendants in education up to 25 years old, regardless of their place of residence), and also "homeless people". There are certain income and property eligibility criteria (based on calculations of movable and immovable assets), while the declared income may not exceed €5,400 independent of the number of household members.

Regarding the **Guaranteed Minimum Income Benefit**, in April 2020, a total of 18,845 households whose members exceeded 33,600 people, received this allowance in the metropolitan area as a whole. Their distribution does not correspond to the distribution of the population but mirrors the city's social geography. More than a third are accommodated in the Municipality of Thessaloniki and almost 50% in the northwest Municipalities of the Conurbation. The majority (55.3%) are single-member households, while there is a strong presence of single-parent families. More than a third of the beneficiaries belong to the 36-55 age group and half of them live in self-owned dwellings. There is a considerable number of people housed in residences provided for free (12.7%), especially in the Municipality of Delta (41%)! The vast majority (68.6%) have zero income, with this percentage being more than 70% in the Municipalities of Thessaloniki and Delta.

² The Housing Benefit is a rent subsidy welfare programme helping households who live in rented primary residences. The "eligible units" are "single-member" (adults living alone who are not students) and "multi-member" households (including guests or families, as well as adult descendants in education up to 25 years old, regardless of their place of residence), and people provided for free or renting part of a household's primary residence. There are certain income and property eligibility criteria (movable and immovable assets) as well as criteria of (legal and permanent) residence in the country. The total income may not exceed the amount of €7,000 for single-member households, plus €3,500 per additional member (€7,000 for the first minor member of single-parent families, and the same amount for each dependent child), while it cannot exceed €21,000 annually, independently of the household composition.

Regarding specifically households who pay rent, a total of 32,840 in the metropolitan area receive **Housing Benefit**ⁱⁱ: almost 38% are in the metropolitan area receive single-member households, 34.5% are households of two or three members and 27.5% are households of four or more members. Single-member households are overrepresented in the Municipality of Thessaloniki (more than half of the beneficiaries), while there are lower percentages (17.5 - 18.5%) in the neighbouring Municipalities. The annual income of the vast majority amounts to €5-10,000, while those with the lowest incomes (€0-5,000), 28.7% of the total, are particularly concentrated in the Municipality of Thessaloniki (37.2%).

Almost one out of five Housing Benefit beneficiaries also receives the GMI. To give a sense of proportion, low-income households currently (in 2020) staying in a rented accommodation and receiving the allowance represent a third of the total number of (almost 102,500) households renting their residence as recorded in the 2011 Census: 28% in the Municipality of Thessaloniki, but nearly a half of tenant households in the Municipalities of Delta, Pavlos Melas, Ampelokipoi-Menemeni and Kordelio-Evosmos.

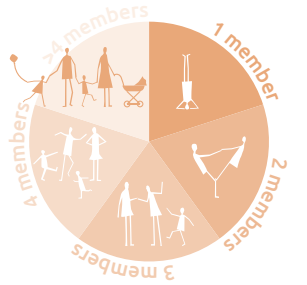
Guaranteed Minimum Income Benefit (GMI)

Beneficiary household & Composition of beneficiary household by Municipality, 2020

applications total **18,845**
Total number of household members **33,607**

applications **310**
household members **586**

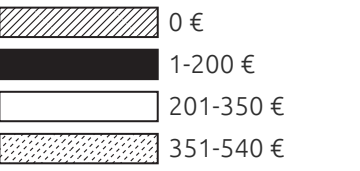
Composition of beneficiary household by Municipality (members %)



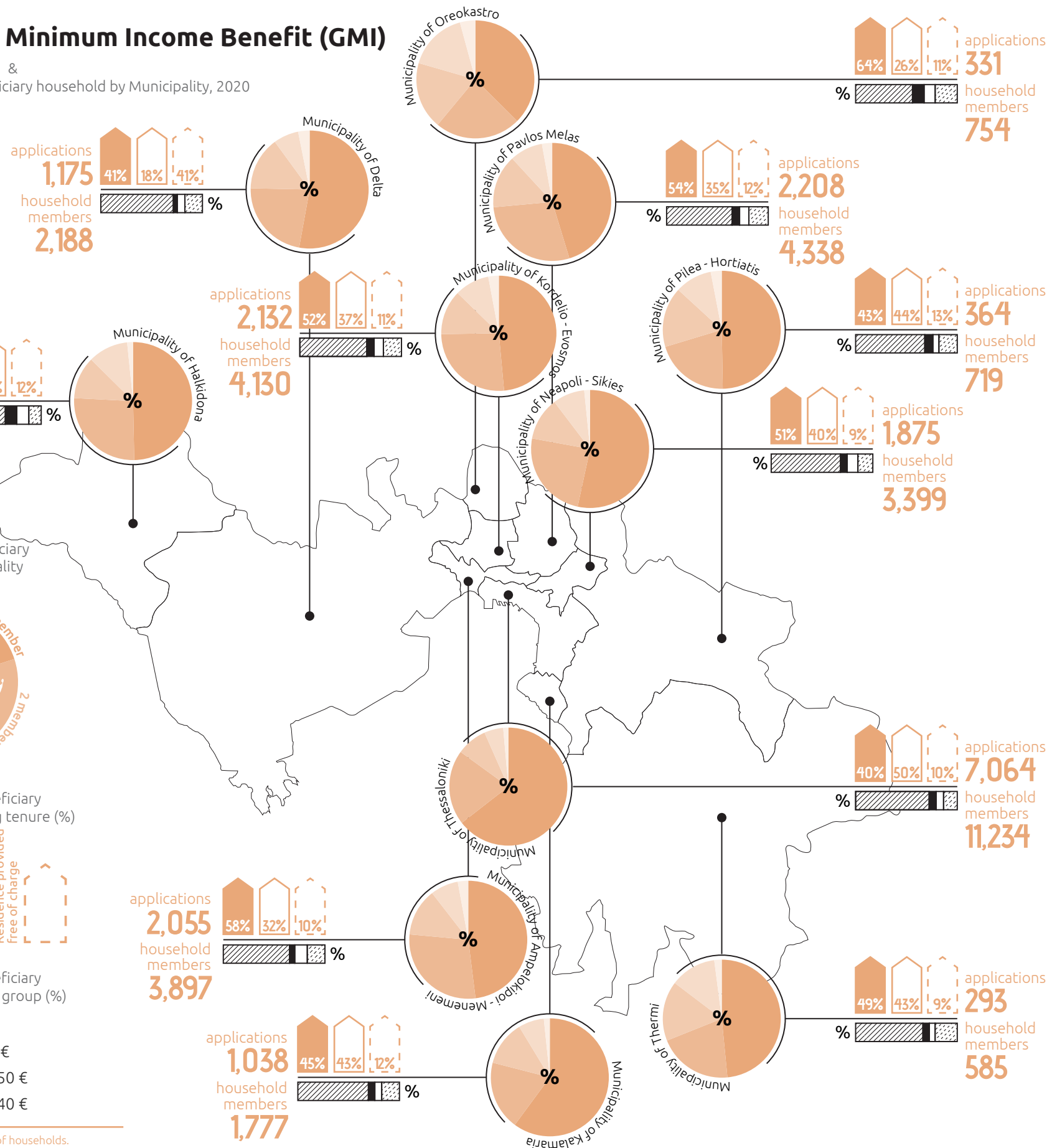
GMI: Members of beneficiary household per housing tenure (%)



GMI: Members of beneficiary household per income group (%)

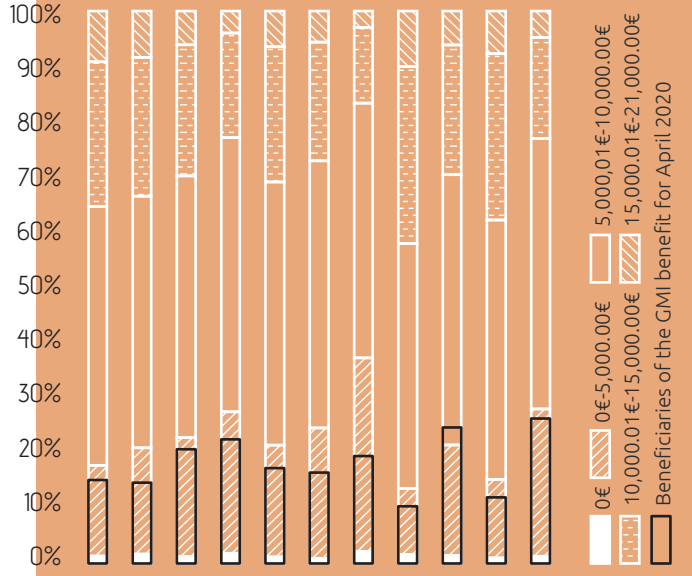


1_Based on the composition of households.

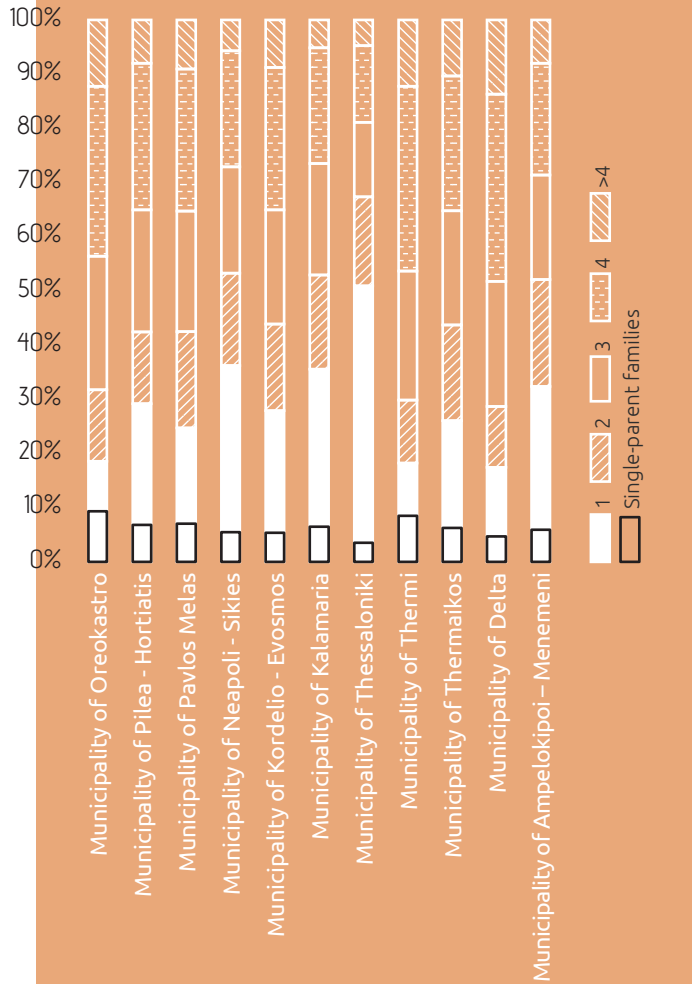


Housing Benefit beneficiaries 32,840

Beneficiary household per income group (€ %)



Composition of beneficiary household (members %)



1 2 3 4 >4
Single-parent families

STUDENTS

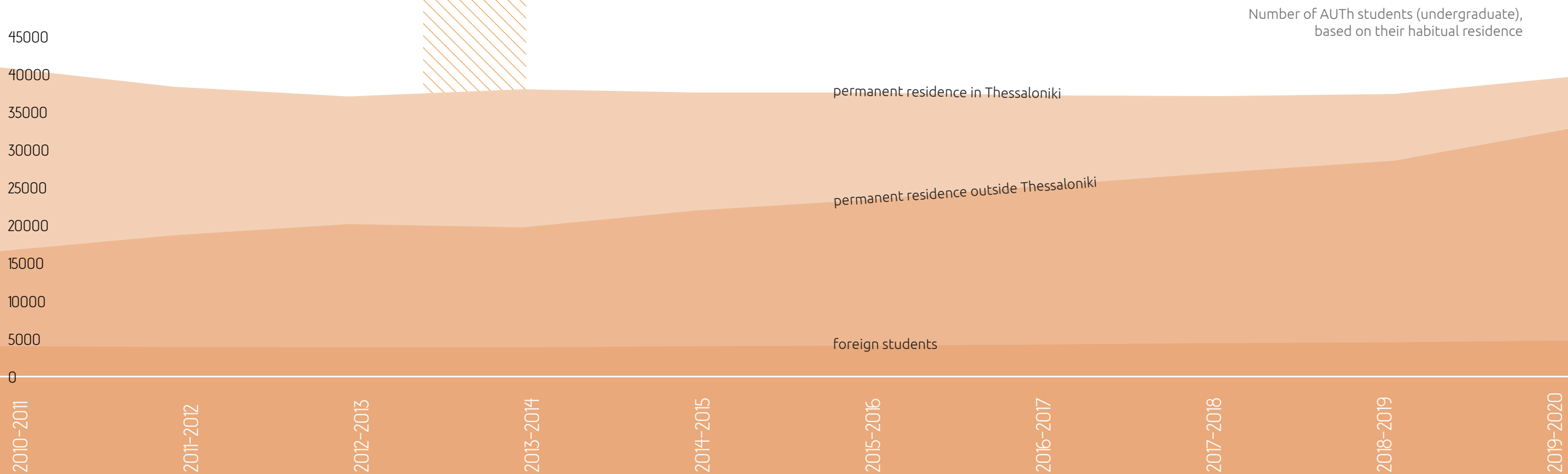
Thessaloniki is known as a “student city” as, especially in the central areas of the Municipality of Thessaloniki, there is a vibrant student presence and their economic, social, and cultural footprint is particularly strong. That footprint has consistently affected the housing market, since the stable demand for rented residences from students coming from other parts of the country, has shaped not only the character of certain neighbourhoods but also the behaviour of rental property landlords. For instance, owners tend to avoid/postpone the renovation of the “student” housing stock or, more recently, large property

owners have begun to get involved in the student housing market. In addition, the recent increase of rent prices was first observed in the student housing market already since 2017.

The student population of the Aristotle University of Thessaloniki (AUTH) alone has been increasing over the last decade and by academic year 2019-20 had reached over 88,000, a total growth exceeding 25% since 2010-11. Indicatively, there are also approximately 33,000 students at the International Hellenic University, while 15,340 students are registered at the University of Macedonia³. This

growth is mainly due to the arrival of students from other parts of the country or from abroad.

A portion of the students coming from low-income families are beneficiaries of the student housing allowance⁴: in 2018-19, 5,775 AUTH students received this allowance, i.e., 8.2% of the AUTH undergraduate student community. Furthermore, during 2019-2020, 1,370, mainly undergraduate students, were accommodated in the AUTH student residences (4% of all undergraduate). It is worth mentioning that the other two academic institutions of the city do not offer an equivalent student residence stock.



IMMIGRANTS AND REFUGEES

According to the 2011 Census, there were approximately 70,000 foreign nationals residing in the metropolitan area. More than three-quarters of them lived in rented accommodation representing one quarter of tenants in the city. More than a third resided in the Municipality of Thessaloniki, with significant concentrations in the Municipalities of Delta, Thermaikos and Ampelokipoi-Menemeni⁵. During the second half of the past decade, migration patterns in Greece have been radically changed and the city now hosts proportionally significant numbers of asylum seekers and refugees. In 2019, almost a tenth of the asylum applications countrywide have been submitted at the Regional Asylum Office of Thessaloniki (7,387). In total, from 2015 to 2019, almost 35,000 asylum applications were submitted in Thessaloniki.

In short, the refugee population of the greater study area was accommodated in:

- / **Four temporary accommodation facilities** (camps) in the Metropolitan Area of Thessaloniki (Diavata, Lagadikia, Vagiochori, Volvi), where 3,000 people were accommodated as of October 2020 (23-30% women, 40-50% children, 715 households).
- / **Rented apartments under the ESTIA accommodation scheme**, where 3,880 people were accommodated (i.e., 1,360 households) in March 2020.
- / **Housing facilities under the HELIOS project**, implemented by the International Organization for Migration, where in April 2020, 224 recognized refugees (131 families) were accommodated. Given the expansion of the project in the thereafter, these numbers were estimated to have quadrupled by mid-October 2020⁶.
- / Almost 720 unaccompanied minors were in mid-October 2020 accommodated **outside**

refugee camps, according to data from the National Centre of Social Solidarity.

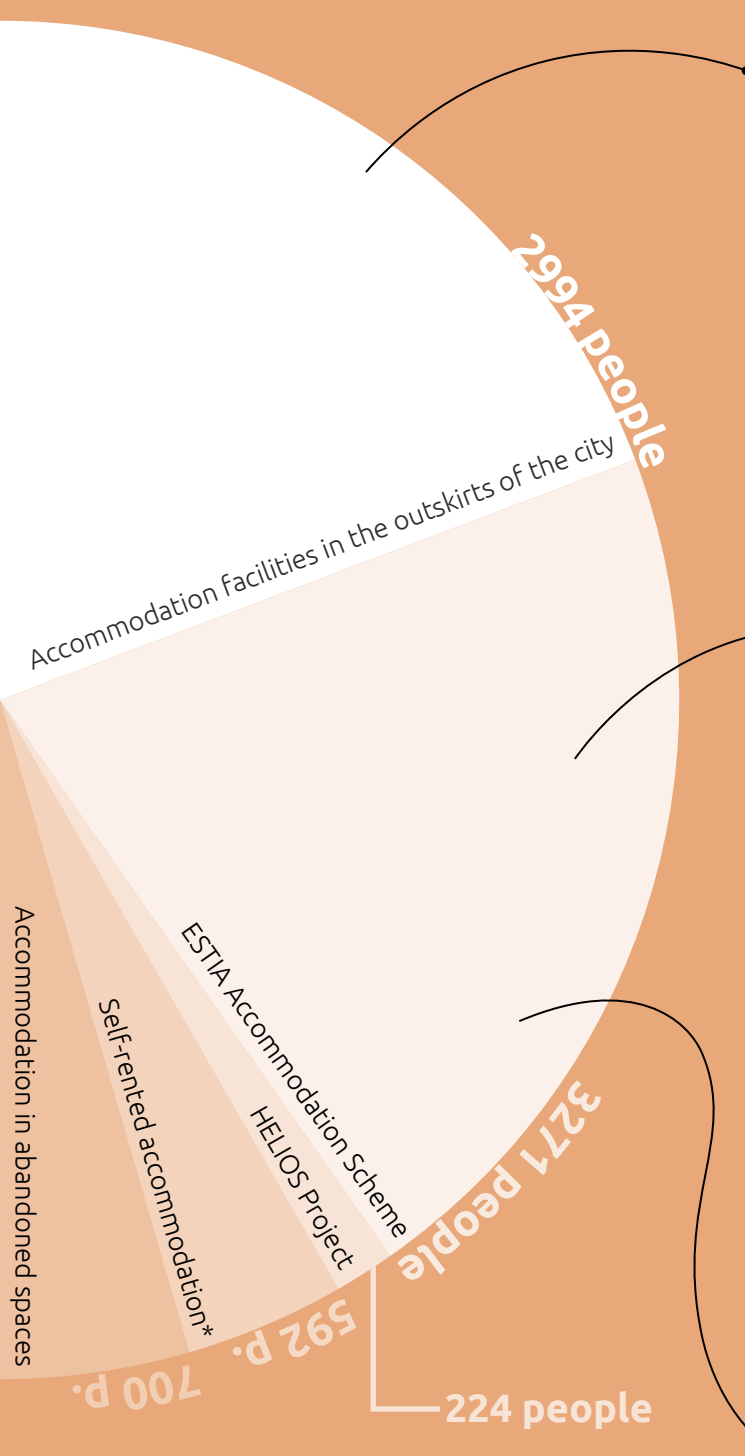
- / An indefinite number of asylum seekers were accommodated in **hotels** located in the Metropolitan Area of Thessaloniki, rented by the IOM.
- / **Self-rented accommodation:** Based on field research, 592 people (482 households), asylum seekers and refugees, were estimated to reside in rented apartments in the summer of 2018⁷. Today, these figures might have increased.
- / **Abandoned spaces** such as empty warehouses, abandoned railway wagons etc. at the old Railway Station in the west of the city. In autumn 2020, responsible authorities estimated the number of homeless refugees at about 700.

It is worth mentioning that, as part of the broader spirit of solidarity and support to migrants and refugees

in 2015-2016, quite a few solidarity initiatives have focused on the issue of housing, whether temporary or permanent. Many people found refuge in squats and social spaces of the city, while new housing squats emerged. In total, it is estimated that immigrants and refugees were accommodated in ten such facilities in the Municipality of Thessaloniki, the largest among them being "Orfanotrofio" in Toumpa, which hosted about 100 people for a few months⁸. These **self-organized housing initiatives** were short-lived as compared, for example, with similar ventures in Athens. Nevertheless, there have been – and most probably still exist – smaller scale "solidarity housing" attempts, whether in vacant houses⁹, directly hosting people or families, or through support networks that help them to find a house or assist them in paying the rent. This experience provides interesting and potential instructive perspectives on the search for alternative housing solutions for the initial accommodation of refugees and immigrants.

Number of asylum seekers in different accommodation facilities

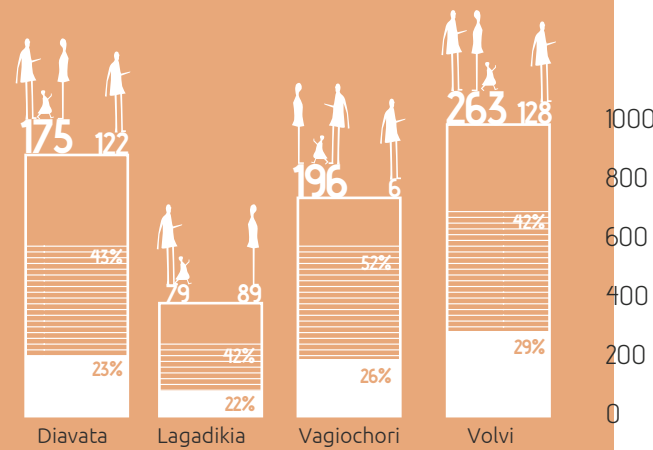
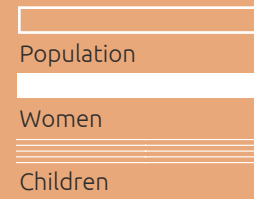
(2020 data)



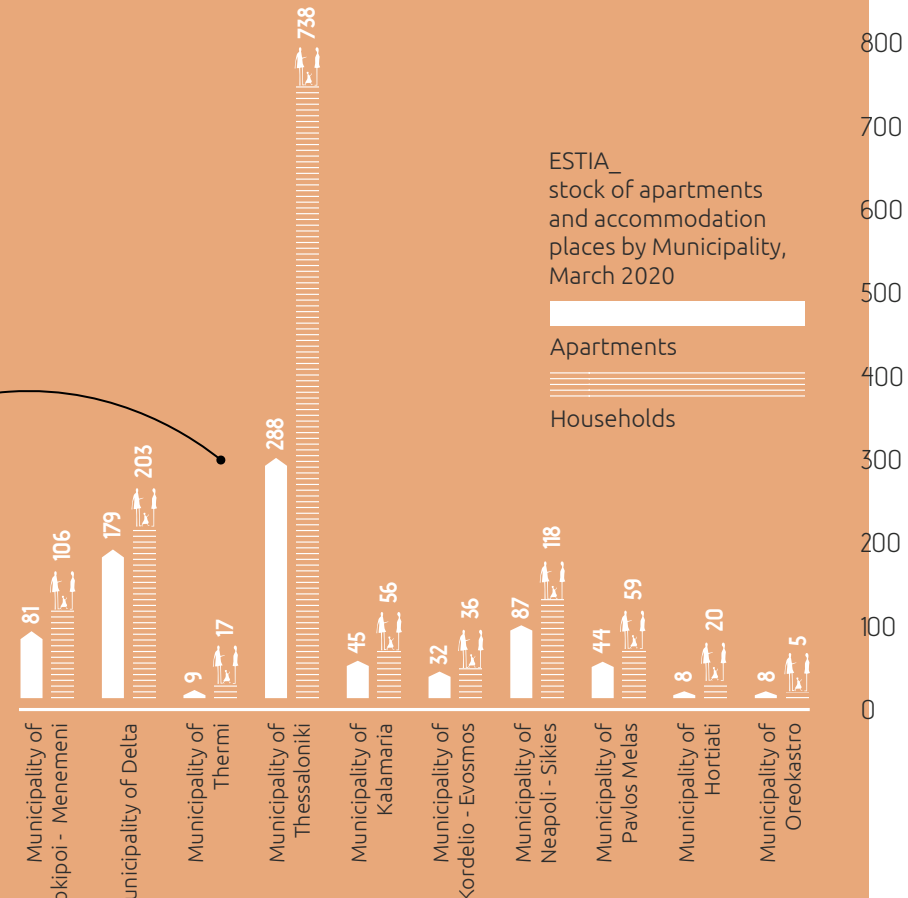
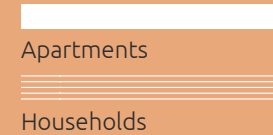
An indefinite number of asylum seekers is accommodated in hotels located in the Metropolitan Area, rented by the International Organization for Migration.

*2018 data

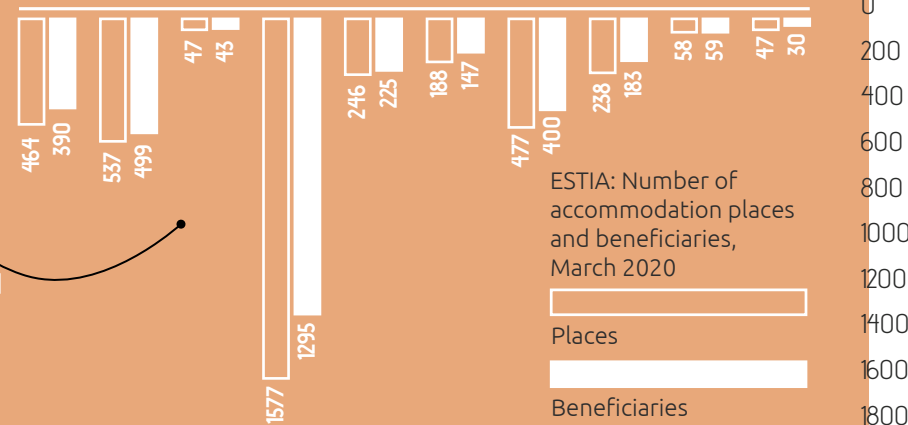
Asylum seekers and refugees in temporary accommodation facilities in Thessaloniki, October 2020



ESTIA_ stock of apartments and accommodation places by Municipality, March 2020



ESTIA: Number of accommodation places and beneficiaries, March 2020



720

unaccompanied minors were 2020 accommodated outside refugee camps

HOMELESS PEOPLE

In 2018, a pilot census conducted by the Ministry of Labour¹⁰ recorded 380 homeless people in the Municipality of Thessaloniki, of which the following categories responded to a questionnaire: 126 residing in accommodation facilities, 83 in supported apartments, 100 living on the street, while there were a further 71 who were found to be living on the street but did not respond to the questionnaire. Those living on the street were mainly men, of Greek nationality, 18-64 years old, who had previously lived in a rented apartment and ended up on the street due to economic hardships. For half of them it was their first time living on the street. In April 2020, among the beneficiaries of the GMI, 589 were homeless people (1.7% of the total number): the number was reduced from 734 people in 2019 and 773 in 2018. Almost half of those recipients in 2020 (264) lived in the Municipality of Thessaloniki, while considerable shares lived in the Municipalities of Delta (16%) and Pavlos Melas (15%).

Houses

3.2

The main categories of housing stock are the following:

- / Private property for rent
 - / Immediately available
 - / In need of energy upgrades, refurbishment and/or restoration for change of use
- / Vacant or abandoned private property, as above
 - / Public property or property belonging to other institutions (banks, foundations etc.)
 - / Immediately available
 - / In need of refurbishment and/or restoration for change of use.
- / Land plots/areas belonging to public sector or other institutions (banks, foundations etc.) available for the construction of new affordable housing units

The following table focuses on the first two categories of private property and provides information on the data examined, sketching a picture of the scale of housing supply.

	METROPOLITAN AREA	MUNICIPALITY OF THESSALONIKI
housing stock (2011 Census)	508,000	40.50%
occupied	384,500 (25% rented)	38% (33% rented)
vacant	123,400 (1/4 of the stock)	47%
of which: for rent or for sale	55,400 (45% of vacant)	46%
secondary residences	40,100 (32% of vacant)	49.5%
for other reasons	27,900 (23% of vacant)	44.5%
property disconnected from the Hellenic Electricity Distribution Network Operator (DEDDIE) (Autumn 2020)	77,735	44-50%
among which: previous residential use	37,235 (48%)	14,800-16,400 (42-43%)
advertisements of residential property for rent (Spitogatos.gr, October 2020)		9,850
property for short-term rental (Airbnb, June 2020)	2,430	84%
dwelling belonging to or managed by real estate companies (summer 2020)	<400	-
primary residence auctions (estimated number, July 2020)	145	23.5%
dwelling rented within the framework of accommodation/integration schemes for asylum seekers & refugees	<900	37%

HOUSING STOCK

According to the 2011 Census, there were approximately half a million dwellings (507,834) in the metropolitan area. Given the reduction of construction activity over the past decade, this number is not expected to be significantly altered. The largest portion (40%) are located in the Municipality of Thessaloniki. The vast majority of all dwellings (81.1%) is concentrated in the municipalities of the “urban continuum” of the study area (Thessaloniki, Kordelio-Evosmos, Pavlos Melas, Kalamaria, Neapoli-Sikies and Ampelokipoi-Menemeni).

The intensely urbanised character of these Municipalities is reflected on the **type of housing** prevailing in of them. More specifically, in these six Municipalities the percentage of dwellings within blocks of flats is more than 50% of the total, while in other Municipalities houses are the main dwelling type.

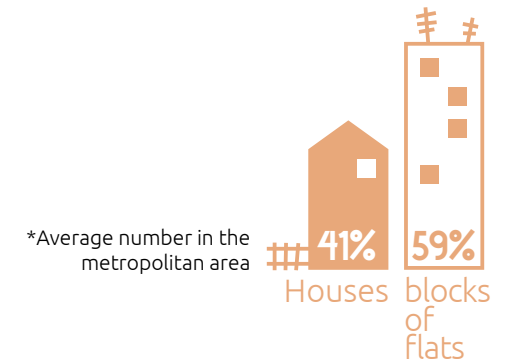
Also, there is a considerable differentiation in terms of the age of the housing stock. In general, the housing stock is relatively new, with half of the residences in the metropolitan area built after 1980. Expectedly, the older residences are located in the Municipality of Thessaloniki, where the majority of them (61%) were built during the period 1961-1980, while the most significant proportion of the newest housing stock can be found in other Municipalities, such as the Municipalities of Thermi, Kordelio-Evosmos and Oreokastro.

Correspondingly, there are differentiations in terms of **size and number of rooms**. More than 70% of the housing stock in the six urban Municipalities have up to three rooms (90% in the Municipality of Ampelokipoi-Menemeni), while the vast majority (90%) do not exceed 120m² – which is the reverse of the

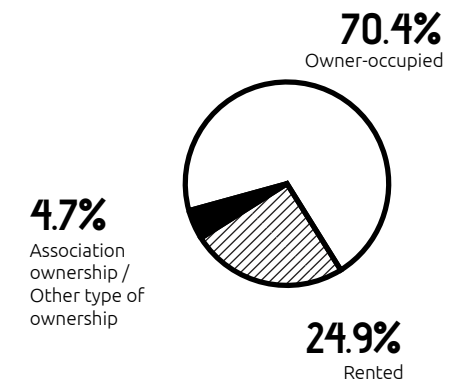
situation in the Municipalities outside the urban fabric.

Almost 85% of the residences in the study area are owner-occupied. The lowest percentage of owner-occupied residences is to be found in the Municipality of Thessaloniki.

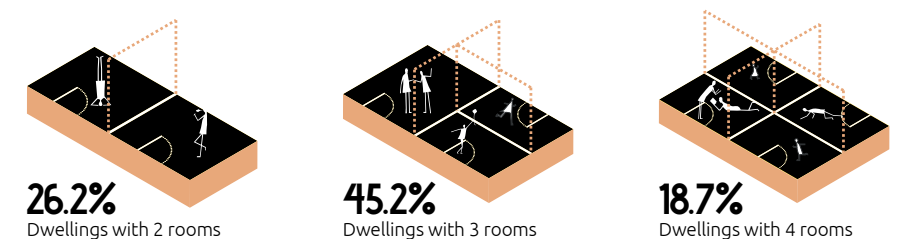
Type of housing



Ownership type



Number of rooms



507,834 dwellings

40.4% are located in the Municipality of Thessaloniki

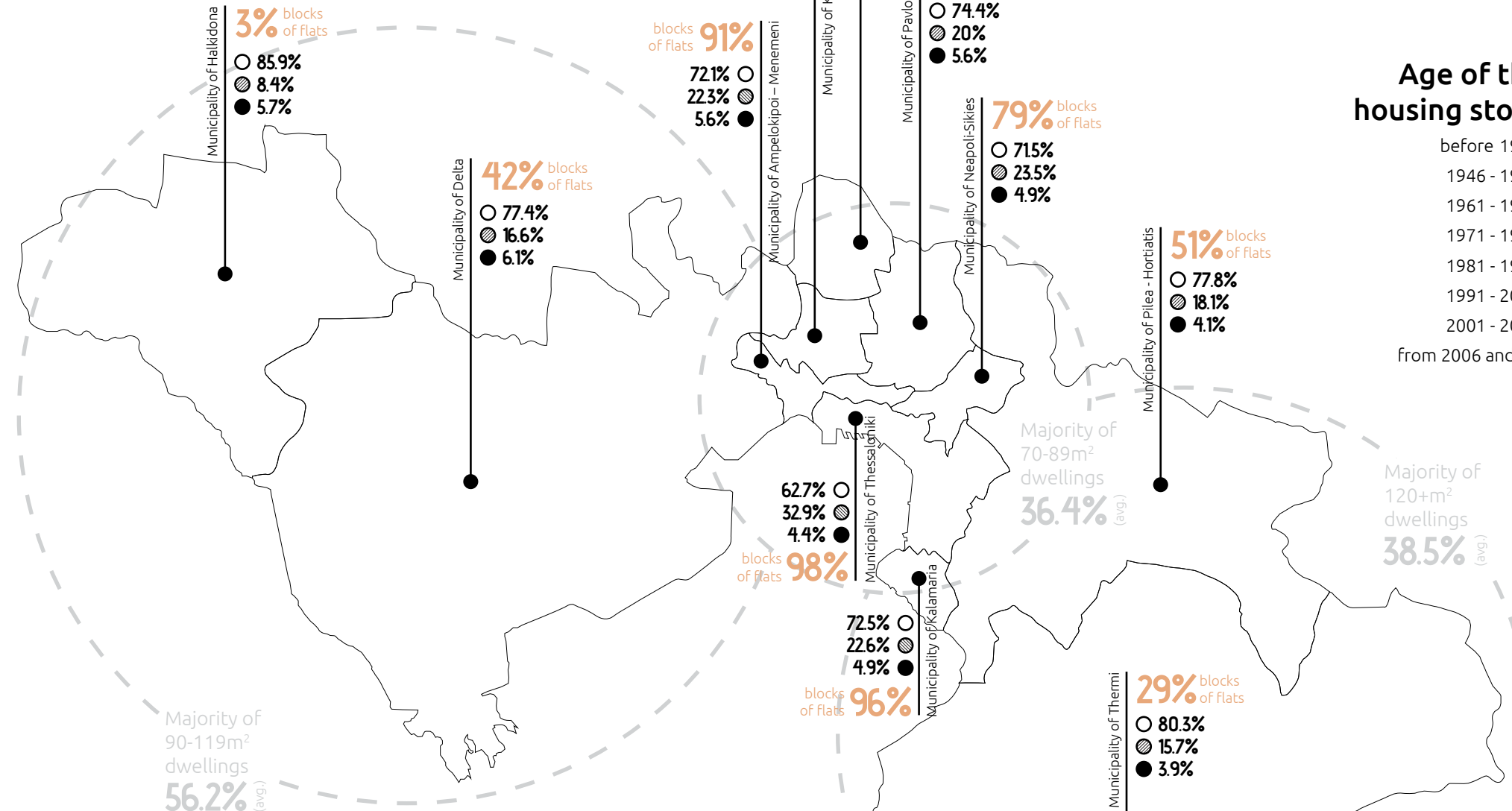
Ownership type

- Owner-occupied ○
- Rented ●
- Association ownership ●
- Other type of ownership ●

Age of the housing stock

- before 1945
- 1946 - 1960
- 1961 - 1970
- 1971 - 1980
- 1981 - 1990
- 1991 - 2000
- 2001 - 2005
- from 2006 and on

70,000
60,000
50,000
40,000
30,000
20,000
10,000
0



Majority of 90-119m² dwellings
56.2% (avg.)

Majority of 70-89m² dwellings
36.4% (avg.)

Majority of 120+m² dwellings
38.5% (avg.)

Municipality of Ampelokipoi – Menemeni Municipality of Thessaloniki Municipality of Thermi Municipality of Delta Municipality of Kalamaria Municipality of Kordelio - Evosmos Municipality of Neapoli-Sikies Municipality of Pavlos Melas Municipality of Pilea - Hortiatis Municipality of Halkidona Municipality of Oreokastro

LARGE INSTITUTIONAL LANDLORDS – PROPERTY MANAGERS

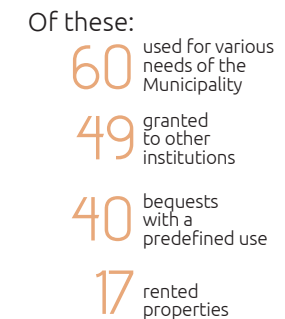
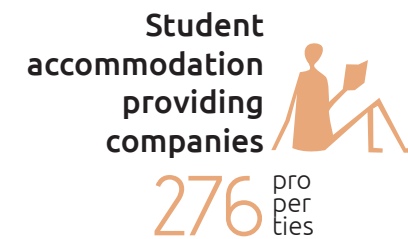
The number of properties under the management of large institutional landlords in the broader area of Thessaloniki is rather limited. Even though data are not available for the total housing stock owned by large property managers, a conservative estimation is that it cannot be more than 500. A considerable portion of these (mostly housing designed to accommodate students) are of limited interest as they are small and due to their specific market conditions, their prices are very high.

We can classify the large institutional landlords in the following manner:

- / **Nine (9) Real Estate Investment Companies (REICs)** in Thessaloniki, owning just 32 properties.
- / **Six (6) student accommodation providing companies** which manage/own 276 properties, while there are a number –unfortunately undefined for the time being– of

private buildings with apartments only available to students. It is important to note that usually the available apartments are not larger than 50m².

- / **Foundations:** The legal framework provides for a rather inflexible means of managing the properties owned by foundations, while each foundation applies its own policy. The following foundations are worth noting:
 - / **Harisio Nursing Home of Thessaloniki**, which is the most important landlord in Thessaloniki (owning about 40 residences). Due to liquidity problems, the foundation has difficulty covering its operating costs and maintaining its relatively old housing stock. Consequently, every year it sells a small number of its older properties to cover operational expenditure.

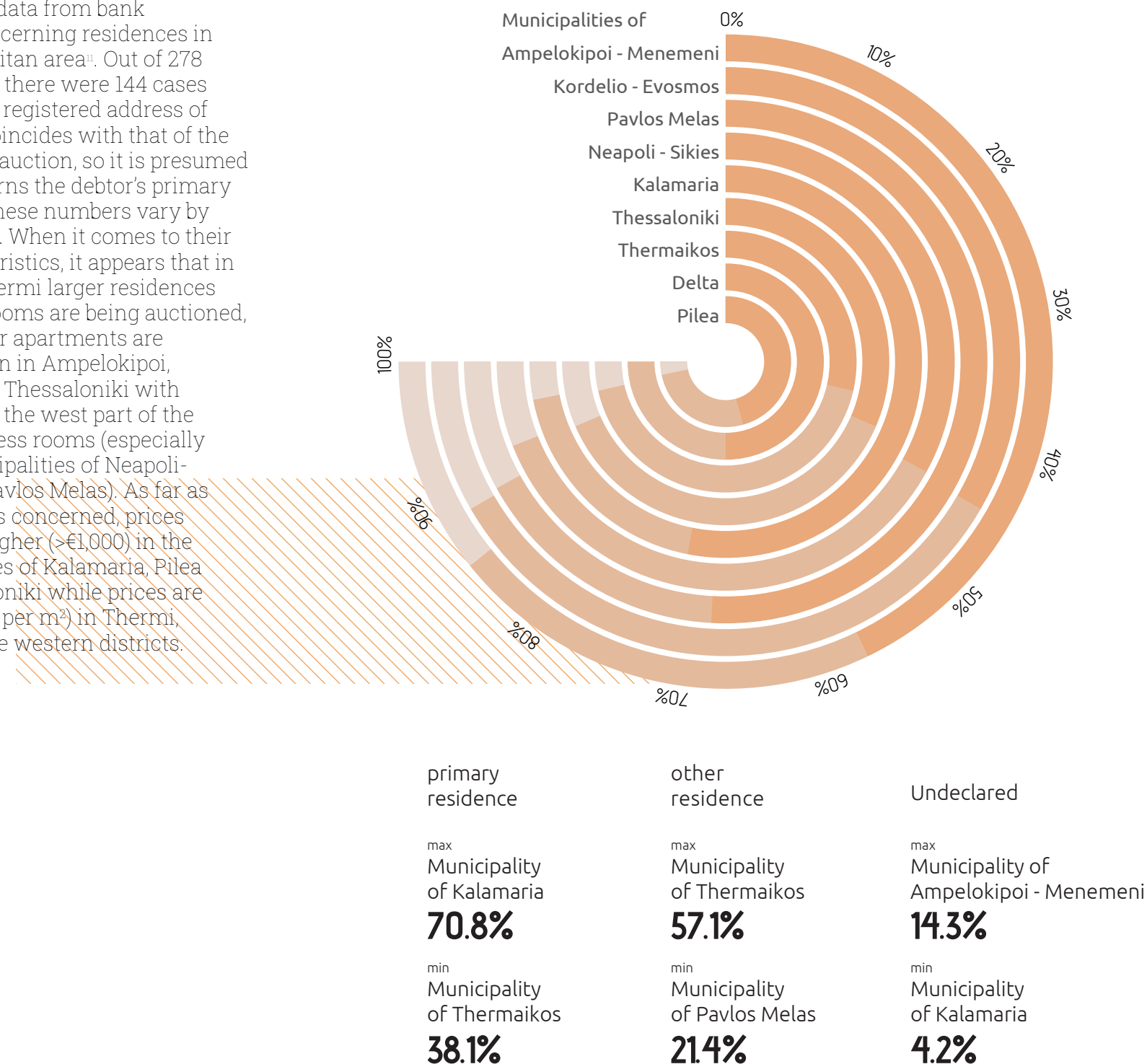


- / **The Jewish Community of Thessaloniki**, which is focused mainly on the historic centre.
- / **The Church of Greece** via the Office for the Management of Church Property.
- / **Municipalities** own significant property holdings, however, the large variety of types and of properties, as well as their means of acquisition, it is difficult to fully utilise them. A typical example is that of the Municipality of Thessaloniki which owns 190 properties (land plots, plots with buildings, and buildings). Of these, 60 are being used for the various needs of the Municipality, another 49 have been granted to other institutions (mainly educational/cultural, social, and sports institutions), yet another 40 are bequests, which means that their use is to a great extent predefined, and finally 17 are rented properties.

Lastly, in this context we should also mention **Banks as well as Credit and Loan Receivables Servicing Companies**, which acquire ownership over many properties through various mechanisms (namely foreclosures/auctions of non-performing loans) and it is expected that many dwellings will be added to this category in the coming years. In recent years, all banks have established property management services (e.g., the National Bank of Greece – www.realestateonline.gr, Piraeus Bank – Intrum Hellas), while third-party companies also play a

crucial role in the management of these bank portfolios (e.g., UCI – www.uci.gr/). The study examined indicatively data from bank auctions concerning residences in the metropolitan area¹¹. Out of 278 registrations there were 144 cases in which the registered address of the debtor coincides with that of the residence at auction, so it is presumed that it concerns the debtor's primary residence. These numbers vary by municipality. When it comes to their key characteristics, it appears that in Pilea and Thermi larger residences with more rooms are being auctioned, while smaller apartments are under auction in Ampelokipoi, Kordelio and Thessaloniki with properties in the west part of the city having less rooms (especially in the Municipalities of Neapoli-Sikies and Pavlos Melas). As far as the first bid is concerned, prices per m² are higher (>€1,000) in the Municipalities of Kalamaria, Pilea and Thessaloniki while prices are lower (<€750 per m²) in Thermi, Perea and the western districts.

Estimated number of primary residences among the properties under auction per Municipality (July 2020)

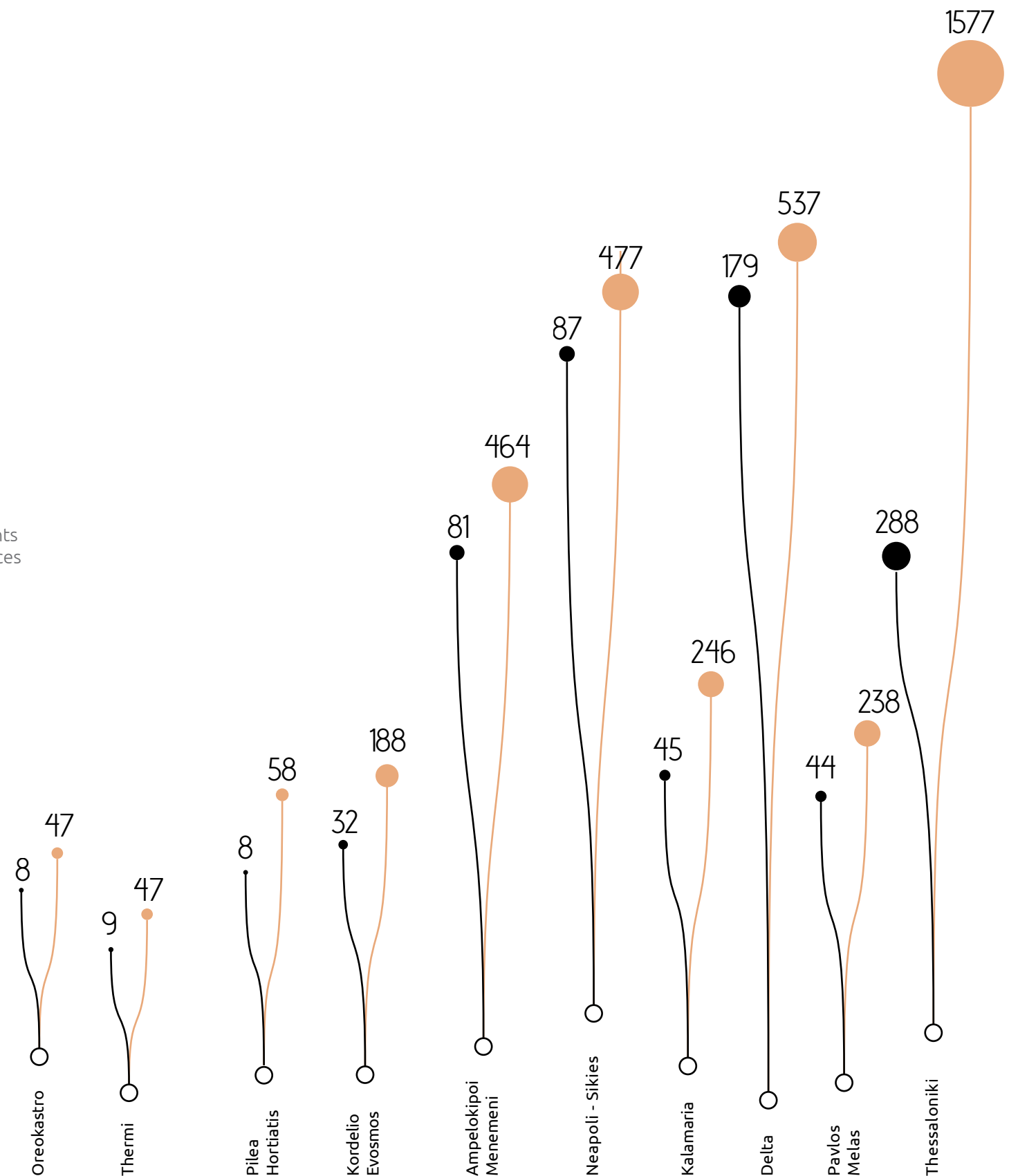


HOUSING STOCK PERTAINING TO ACCOMMODATION SCHEMES UNDER IMPLEMENTATION

It is estimated that 900 apartments in the metropolitan area are rented in order to accommodate vulnerable population groups as part of the implementation of accommodation schemes. Most of them -780 in March 2020- are part of the ESTIA programme for the reception of asylum seekers: more than a third in the Municipality of Thessaloniki, one out of four in the Municipality of Delta, just over one tenth in the Municipalities of Neapoli-Sikies and Ampelokipoi-Menemeni. During the same period, 80 apartments were rented under the HELIOS programme providing integration support to recognised refugees a number which is expected to have increased in the meanwhile. Lastly, almost 55 apartments were rented at the beginning of 2020 (January) under the "Housing and Work" scheme for people and households living in homeless shelters, on the street or in inadequate accommodation.

ESTIA: stock of apartments and accommodation places by Municipality, March 2020

● Apartments
● Places



THE QUESTION OF VACANT HOMES

According to 2011 Census, out of 508,000 recorded residences, 123,355, i.e., 24% were registered as vacant. Just less than half (47%) of the total vacant residences in the study area were located in the Municipality of Thessaloniki, which is the Municipality with the largest proportion of vacant residences, with 28.3% of the residences being vacant. There are two main categories of vacant dwellings: (1) those which are temporarily vacant with a view to being rented or sold and (2) those which have been vacant for a long time or permanently because they are either used as holiday home or secondary residences.

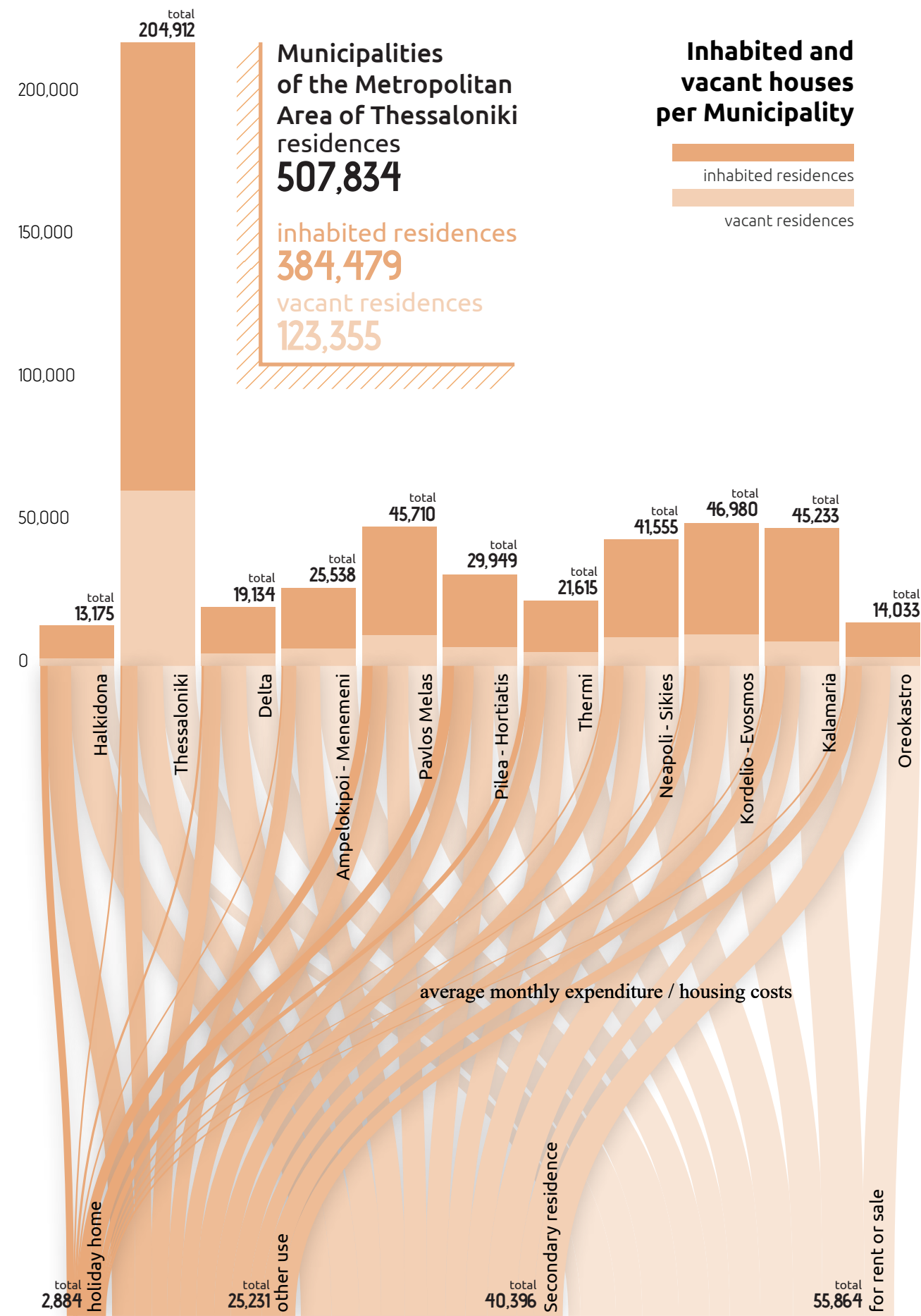
The aforementioned findings raise important questions:

what the character and specific features of this unexploited housing stock is, what are the reasons why these residences are

no longer used and, lastly, what kind of policies could be implemented for these dwellings to be inhabited again?

It goes without saying that if even a portion of the vacant homes returned back into use, there would be a shift in the housing supply curve, ultimately resulting -in the medium-term- in the creation of a new equilibrium point at lower price levels.

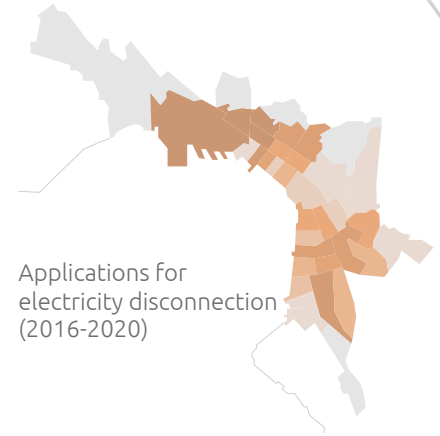
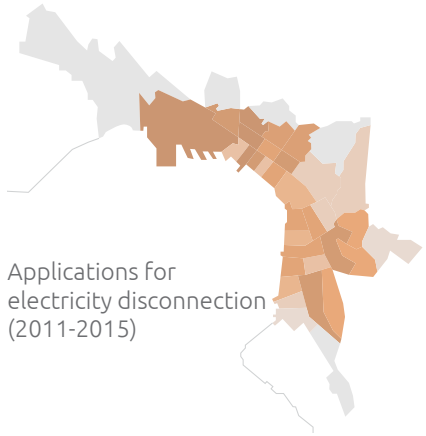
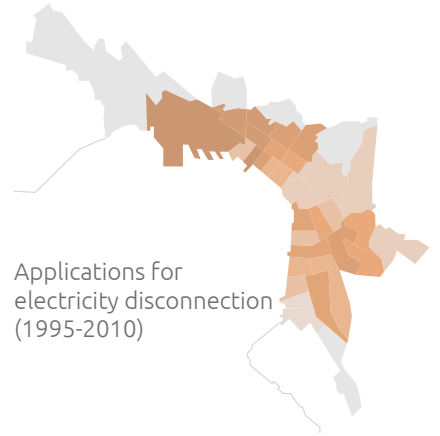
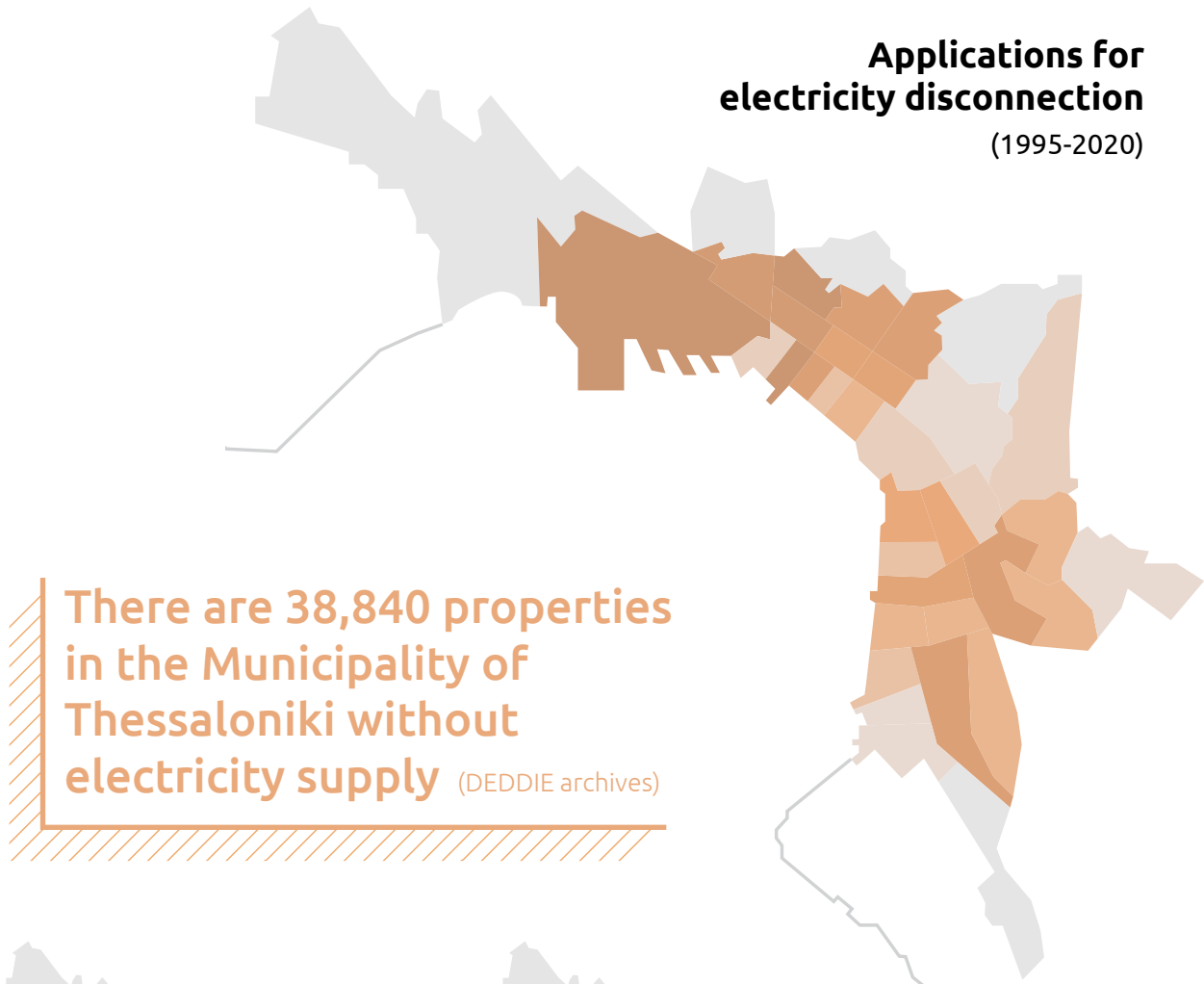
A second source of data concerning vacant houses is the archives of the Hellenic Electricity Distribution Network Operator (DEDDIE) of the properties without electricity supply. According to this data, there are 38,840 properties in the Municipality of Thessaloniki without electricity supply from DEDDIE, of which 42% (16,400) previously had residential use. Tracing the rates of electricity supply disconnections from 1994 to now, we observe that there was



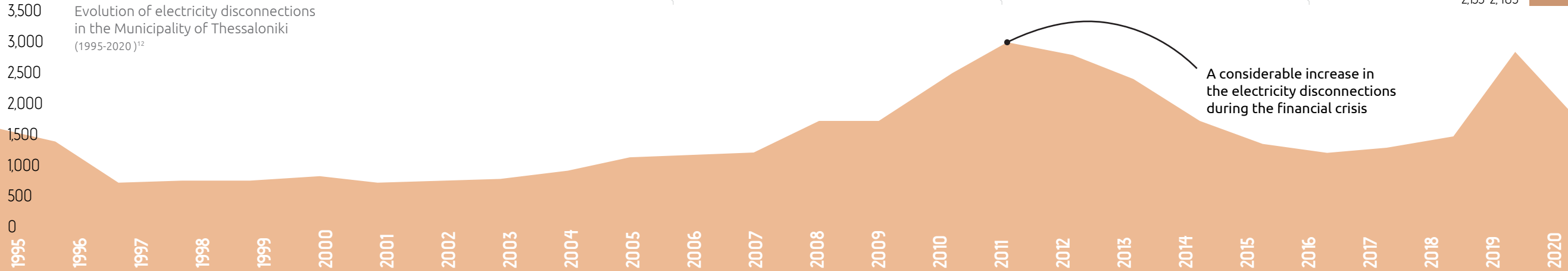
Applications for electricity disconnection (1995-2020)

a peak during 2011-2012 and a considerable increase in electricity disconnections during the financial crisis. From 2011 to 2015, an average of 2,254 properties were disconnected annually, which is far greater than before 2011 (1,180 properties per year) and even larger than that of the current period (1,736 properties per year). Taking into consideration the data available for early 2020, it appears that this increase is likely to continue. A similar trend emerges from data regarding the rest of the Municipalities of the metropolitan area. It is indicative that in 2011-2012 there was a simultaneous increase in electricity disconnections in all Municipalities, especially those of the urban core, while a corresponding increase has been observed in 2019-2020.

The geography of properties without electricity supply is of particular interest. Focusing on the Municipality of Thessaloniki, we observe that the vast majority of the disconnected properties are mainly located in two areas: at the western entrance of the city and in some parts of eastern Thessaloniki, namely between Harilaou and Kato Toumpa. Although there are some differences in how electricity disconnections evolved over time, these are still not significant enough to create considerable divergences. More specifically, during the pre-crisis period (1995-2010), there is a large volume of disconnections in the west side of the city, which seems to change from 2015 and on as the phenomenon expands to other parts of the city as well.



- 1-151
- 152-544
- 545-677
- 678-812
- 813-1,020
- 1,021-1,120
- 1,121-1,269
- 1,270-1,679
- 1,680-2,134
- 2,135-2,403



REFERENCES

- 1 See information on the website of the Greek Organization of Welfare Benefits and Social Solidarity (OPEKA), available in Greek: <https://opeka.gr/elachisto-engyimeno-eisodima-kea/plirofories>
- 2 See information on the website of OPEKA (available in Greek): <https://opeka.gr/oikogeneies/epidoma-stegasis>
- 3 The data are indicative as they are mainly derived from the Wikipedia, without a specific year of reference: https://en.wikipedia.org/wiki/University_of_Macedonia
- 4 See information about the housing allowance for students, on the website of the Greek Ministry of Education (available in Greek) <https://stegastiko.minedu.gov.gr>
- 5 See. Pratsinakis, M., Hatziprokopiou, P., Grammatikas, D. and Labrianidis, L. (2017) "Crisis and the resurgence of emigration from Greece: experiences, aspirations, and the ambivalence of mobility decisions". In B. Glorius and J. Domínguez-Mujic (eds.) *European Mobility in Times of Crisis: The New Context of European South-North Migration*. Bielefeld: transcript verlag, pp. 75-104.
- 6 <https://greece.iom.int/sites/default/files/HELIOS%20Factsheet%20October%202020%20W3.pdf>
- 7 *Thessaloniki: Profiling of Refugees, Asylum Seekers and Third Country Nationals not registered with the Asylum Service. Potential and Obstacles to Local Integration*, coordination: K. Mæhlumshagen, preparation S. Boskou and M. Lundkvist-Houndoumadi, <https://www.jips.org/uploads/2019/12/Greece-Thessaloniki-profiling-report-Dec2019.pdf>
- 8 For the housing squats of refugees and immigrants in Thessaloniki see Karaliotas, L. and Kapsali, M. (2020) "Equals in Solidarity: Orfanotrofio's Housing Squat as a Site for Political Subjectification Across Differences Amid the 'Greek Crisis'". *Antipode*, <https://doi.org/10.1111/anti.12653>. Also see: Tsavdaroglou, Ch. and Lalenis, K. (2020) "Housing Commons vs. State Spatial Policies of Refugee Camps in Athens and Thessaloniki", *Urban Planning*, 5 (3): 163–176 DOI: 10.17645/up.v5i3.2924.
- 9 https://www.typosthes.gr/thessaloniki/201589_ayta-einai-ta-y-po-katalipsi-ktiria-sti-thessaloniki
- 10 Initial results available in Greek (May 2018), see <https://government.gov.gr/wp-content/uploads/2018/07/APXIKA-AΠΟΤΕΛΕΣΜΑΤΑ-Μάη-2018-2-1.pdf>
- 11 All the auctions (278) have been registered of housing loans posted on the websites landea.gr and e-auctions.gr concerning the Municipalities of the metropolitan area up to 10/07/2020. Suspended auctions have been excluded in order to ensure the accuracy of the results. For the purposes of analysis, it was assumed that whenever the address of the borrower (or one of the borrowers in a case of more than one with different addresses) coincides with the address of the property under auction, it was assumed that it most probably concerned the primary residence of the borrower.

4 EXAMPLES & OPPORTUNITIES

This chapter presents not only the evaluation of “good practices” for the production and provision of affordable housing, but also the opportunities that the institutional framework of Greece offers

Examples – practices in Europe

4.1

This section provides a brief evaluation of models of “good practice” aimed at producing and distributing affordable housing. The examples that were chosen are practices implemented in some European countries and include the following elements, among others:

- / Co-housing, collaborative housing,
- / Social Rental Agencies,
- / Housing cooperatives and associations,
- / Community Land Trusts – CLTs,
- / Shared homes, co-living,
- / Matching schemes and family hosting,
- / Intergenerational housing,
- / Revolving investment funds.

In addition to that, basic principles of national and metropolitan housing policies have been studied in order to comprehend the framework under which these schemes and actions are implemented and also to clarify the policies that could further strengthen these efforts. In a nutshell, these principles are:

- / The prevention of extreme homelessness through early detection mechanisms (Australia, Canada),
- / A holistic approach engaging with the causes and effects of the lack of housing (Norway),
- / The adoption of affordable housing policies within the framework of broader housing strategies and not only in terms of homelessness or affordable housing (Portugal),
- / The transfer of successful policies applied in various countries with adequate adaptation according to the particularities of each country (Housing First policy, Finland).

BASIC PRINCIPLES OF AFFORDABLE HOUSING STRATEGIES

The prerequisites for the implementation of efficient, coordinated, and structured responses to housing crises and homelessness are:

- / Comprehending the specific needs at a local level through the collection and analysis of appropriate data
- / Maximizing the participation of all stakeholders and people involved in the process of decision making, planning and implementation of the projects and,
- / The coordination of the managing bodies implementing housing programmes (aiming to

avoid fragmentation or conflict of competencies and targets, as well as duplication of services).

The examples that have been examined on an international level are those of Canada and Portugal, each for different reasons. The former is an exemplary case of the creation of an observatory which collects real-time data. The Portuguese case is provided in order to comprehend the importance of having a framework law for housing which directs national policy and organizes relevant actions with a view to providing a comprehensive and not fragmentary approach to the issue.

COMPREHENSIVE DATA COLLECTION CONCERNING HOMELESS PEOPLE: THE CASE OF CANADA

The Canadian government has created the Homeless Individuals and Families Information System (HIFIS) with the aim of optimizing the collection and analysis of data on homelessness and in order to maximize access to this data for all stakeholders. HIFIS is a database that is updated in real-time, offering immediate access to all the housing services providers from the same region so they can coordinate their efforts better. HIFIS:

- / Supports client (beneficiaries) intake, programme assignment and case management
- / Assists with available housing inventory and matching with beneficiaries
- / Offers templates for reporting in a well-documented manner
- / Includes communication tools to support collaboration
- / Provides privacy and confidentiality controls to protect data
- / Allows transfer of data to support reporting, analysis, research, and decision making.

PORTUGUESE HOUSING POLICY

A rapid rise in rent prices together with a sharp decline in incomes, and the rise of unemployment as a result of the recent financial crisis and the implementation of austerity measures within the framework of the 2011 to 2014 Memoranda of Understanding led to an acute housing crisis in Portugal. In 2016, the new government focused on housing issues by creating the *Parliamentary Committee on the Environment, Territorial Planning, Local Government and Housing*. This committee was given the task of drafting the *Framework Law for Housing*, which was approved in July 2019³.

The law in question includes **definitions** on housing matters and defines the **responsibilities** of the central government, the regional governments, and the municipalities. It also includes provisions on cooperative housing, makes a distinction between urban and rural housing, establishes measures for the control of **evictions** and sets the goals for the drafting of the **National Housing Strategy** (by March 2020)⁴ as well as relevant **Local Housing Schemes**. The law emphasizes the social function of housing, and this approach leads to measures prioritizing the use of public properties or affordable housing and prohibiting tenant evictions across the city of Lisbon – unless the state is able to provide similar accommodation⁵. Additionally, the law includes special protective measures for young people, the elderly, the disabled and families with young children.

It is worth mentioning that the law provides for the temporary requisitioning of **vacant or abandoned dwellings** and apartments by the Municipalities in order to renovate them and allocate them as social housing. The building is returned to the landlord and the cost for the restoration works of the Municipality is paid off (from the income generated by the rent), while tenants have the right to remain in the dwelling for a period up to five years from the time the dwelling has been returned to the landlord

It also creates a mechanism whereby not only individuals, but

entire neighbourhoods will be able to lodge complaints about housing quality, ongoing construction, or proposed developments in an attempt to democratize a sector that has seen soaring rent increases amid the “touristification” in Lisbon’s city centre⁶.

Lastly, the law includes special provisions for the promotion of **cooperative housing** in Portugal, stipulating the concession of public land plots and buildings to cooperatives for the construction of affordable housing thus ensuring their right in rem (surface rights) on the property [7].

MUNICIPALITY OF BARCELONA

At the metropolitan level, the case of the Municipality of Barcelona has been studied due to the comprehensive approach it offers on housing management issues. Some of the measures for the support of vulnerable social groups are the following:

- / Financial aid for housing arrears (rent and mortgage)⁷,
- / Grants for renovation and restoration works⁸,
- / Mediation and legal advice for the prevention of evictions⁹,
- / Enlargement and optimization of the management of public housing stock,
- / Promotion of contracts based on the “masovería” model, which involves free use of the dwelling in exchange for the tenant providing renovation costs (in public and private dwellings),
- / Incentives for small property landlords to register their dwellings for social housing schemes (see also Chapter 5.3.1),
- / Assistance for the local housing offices of the municipalities and the creation of information points on the right of access to energy as a means to combat energy poverty, the provision of mediation services for the settlement of disputes with energy providers, as well as advice services for reducing consumption¹⁰,
- / Establishment of a **Cooperative Housing Committee** functioning as a working group within the framework of the Barcelona Council for Social Housing, a **tender procedure for granting seven undeveloped public land plots** to cooperatives proposing a different (from social rented housing) model such as cohousing and mediation with ethical banking institutions of the city facilitating access to funding.

Moreover, the Municipality has established a **Housing Observatory**¹¹ which collects housing data for the entire metropolitan area. This data is open and accessible to everyone. It is also of interest how the Municipality has sought to apply a participatory and inclusive housing policy.

Main stakeholder

Municipality of Barcelona

Partners

- / **Bodies engaged with housing issues:** the Housing Council, the Barcelona Housing Consortium, the Housing Offices, the Municipal Housing Board (PMHB) and the Unit Against Residential Exclusion (UCER).
- / **Municipal Urban Planning Bodies:** Urban Planning area, Barcelona Gestió Urbanística SA (BAGURSA), Foment de Ciutat SA and the Municipal Institute of Urban Landscape and Quality of Life (IMPUIQV).
- / **Municipal Social Welfare Bodies:** The Municipal Area of Attention to People, the network of housing offices and social services centres and the Office of the Irregular Settlements Plan.
- / **Social Organizations** working with housing issues as well as vulnerable beneficiaries,
- / **Regional Institutions:** Housing Agency of Catalonia, Metropolitan Area of Barcelona and the Metropolitan Housing Observatory

Spain

Hungary

Great Britain

Belgium

Italy

Germany

La Borda

Cooperative "La Borda"

Bolsa de Vivienda de Alquiler de Barcelona

PPP HabitatgeMetropolis Barcelona

VESZOL

cooperative with the collaboration of the Municipality and other foundations

Empty Homes Community Grants

NGOs, Municipalities

LILAC - Low Impact Living Affordable Community

LILAC Cooperative

Homeshare

Local shareholders (NGOs, charitable organizations, Municipalities)

CaLiCo - Care and Living in Community

Cooperative

Community Land Trust Bruxelles

CLT Bruxelles

L'Espoir

Social Housing Complex L'Espoir

Acer Reggio Emilia

Region of Emilia

Sharehaus Refugio

Charitable organization (Berlin City Mission)

Cooperative housing

Social Rental Agency via PPP (Public-Private Partnership)

Social Rental Agency

Social Rental Agency

Landlords' cooperative (mutual home ownership scheme)

Intergenerational home sharing

Cooperative
CLT

Community Land Trust (CLT)

Revolving Loans
Cooperative

Public Association of Social Housing

Welfare accommodation, home sharing

Low-income individuals and families

Low-income individuals and families

Vulnerable beneficiaries, homeless etc.

Low-income individuals and families

Vulnerable beneficiaries, homeless etc.

Low and medium-income individuals and families

Students
Young people

Elderly

Low and medium-income individuals and families

Vulnerable groups

Elderly
Women

Beneficiaries of Social Housing

Institution revenue

Regional and EU funding

Sponsorship

Low and medium-income individuals and families

Immigrants

Region

Solidarity Savings Fund of Revolving Loans

Low-income individuals and families

Regional

Affordable rent prices and benefits (to the landlords) guaranteed, stable income

Immigrants and refugees

Charitable organization sponsorship

Accommodation of refugees for a limited period of time (up to 18 months) Building granted by the Municipality

Community shares

Municipality and central government

loans by ethical banking institutions

Affordable accommodation (note: the land plot has been granted to the Cooperative by the Municipality).

Eco-friendly construction

Reduction of energy poverty

Municipality
Metropolitan administration

Private Associations (PPP)

loans from the European Investment Bank (EIB) and the Council of Europe Development Bank

Affordable rent prices and benefits (to the landlords):
guaranteed, stable income

guaranteed, stable income

funding for the renovation costs

European Union

Employment and Social Innovation Programme "EaSI"

Offering accommodation, social integration, and support

Public and private properties

National resources

Affordable rented housing

Engagement of vulnerable beneficiaries (and/or tenants) with the renovation works

Subsidies

Loans

Community shares and membership fees

Cooperative housing

Environmental planning

Housing Partnership Programme

Lloyds Bank Foundation for England and Wales and the Big Lottery Fund

Accommodation in return for a minimal payment

householders and home sharers pay a small management cost

European resources: ERDF (European Regional Development Fund)

3rd Call for Urban Innovative Actions Award

Inter-generational accommodation

community infrastructure

common spaces

Involvement of the beneficiaries in the planning

Creation of social housing

Funding for housing loans

Low rent prices

Creation of social housing

Funding of housing loans

Low rent prices

Construction of low-cost dwellings note: the land-plot has been granted by the Municipality

Great Britain

LILAC
Homeshare
Empty Homes Community Grants

Belgium

L'Espoir
CLT Brussels
CaLiCo

Germany

Sharehaus Refugio

Hungary

VESZOL

Spain

Bolsa de Vivienda de Alquiler de Barcelona
La Borda

Italy

Agenzia per l'Affitto (ACER Reggio Emilia)

The examples mentioned below have been chosen with the goal of covering as many innovative affordable housing models as possible. The effort was made to collect data from European countries so as to be able to adopt some aspects of these schemes and thus shape a solid proposal for affordable housing in Thessaloniki.

BASIC CATEGORIES OF AFFORDABLE HOUSING MODELS AND SCHEMES: REPRESENTATIVE EXAMPLES

Example

Implementation / management entity

Scheme type

Basic category of beneficiaries

Funding (main sources)

Main goals / positive outcome

THE THREE AXES OF AFFORDABLE HOUSING: A BRIEF PRESENTATION OF REPRESENTATIVE EXAMPLES

Examining and analysing the available examples allows us to identify three basic dimensions/issues that each affordable housing policy or programme has to take into consideration, or in other words, the following three axes of affordable housing::

1. Recipients (beneficiaries)
2. Housing stock (old and new), and,
3. Urban governance& financial sustainability.

RECIPIENTS (BENEFICIARIES)

The term "recipients" of the programme or policy in question refers to the categories of beneficiaries, the eligibility criteria and the additional measures that can be included in the planning to support them

CATEGORIES OF BENEFICIARIES

The exact definition of the categories of beneficiaries essentially affects the other characteristics and terms of the programme since their needs and their financial capacity determine to a great extent the social character of the project and ultimately the amount of rent reduction relative to the current commercial value of the properties.

The categories of beneficiaries are respectively evaluated on a case-by-case basis, in line with the needs of the area and the goals of the particular programme. In the cases in question, the categories comprise:

Beneficiaries

Programme

Homeless persons, accommodated in homeless shelters	VESZOL Empty Homes Community Grants
Low-income individuals and families	VESZOL, Bolsa de Vivienda Empty Homes Community Grants La Borda LILAC
Persons with Disabilities (PWD)	Empty Homes Community Grants
Individuals suffering financial difficulties related to their accommodation (rent arrears, housing loan)	VESZOL
Individuals who recently moved to the area in question for professional reasons	VESZOL
Beneficiaries of social housing schemes or of welfare grants (on the basis of the criteria established in each country)	VESZOL Empty Homes Community Grants La Borda
Elderly people	ACER Regio Emilia
Long-term unemployed	Empty Homes Community Grants
Immigrants	Empty Homes Community Grants
Ex-drug or alcohol addicts	Empty Homes Community Grants
Ex-offenders/prisoners	VESZOL Empty Homes Community Grants
Students and young people	ACER Regio Emilia, Empty Homes Community Grants

ELIGIBILITY CRITERIA

The **access criteria** set by each programme are determined by the profile of each target group. In general, these criteria may be economic, demographic and/or social in nature.

/ The two objectives of the **economic criteria** are the following: on the one hand to prove the need for the beneficiaries to be included in the programme and on the other hand to prove their capacity to cover the living cost in the dwellings offered by the programme.

/ The social criteria are related to the need of the beneficiaries to provide necessary supporting documentation from welfare services, as well as other preconditions such as the number of children, marital status etc.

/ The **demographic criteria** refer to nationality, location, gender, sexual orientation, age, etc.

It is worth noting that the above-mentioned criteria do not necessarily exclude/include a beneficiary from the programme (at least not all of them), but they can be used as a “points system” in accordance with which the most vulnerable beneficiaries will be prioritized. In that way, an attempt can be made to alleviate the multiple difficulties and obstacles that a beneficiary faces due to origin, gender, family, or financial status.

As happens with each category of beneficiaries, eligibility criteria differ on a case-by-case basis, yet there are certain continuities and similarities among the cases in question, which are shown in the table below:

Criteria

Programme

Financial

Residence permit	Bolsa de Vivienda
Certificate of registration on the social housing beneficiaries' registry	Bolsa de Vivienda
Not in the process of being evicted	ACER Regio Emilia
Deprived of rights of use or access to housing in the area in question	ACER Regio Emilia
Do not own property	ACER Regio Emilia
Minimum income, proof of financial capacity to cover rent cost	Bolsa de Vivienda
	LILAC
	CaLiCo
Maximum income	Bolsa de Vivienda
	La Borda

Social

Certification issued by welfare institutions	Bolsa de Vivienda (Social integration report)
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Demographic

Location or certification of residency in the Municipality where the programme is implemented	ACER Regio Emilia
	Bolsa de Vivienda
	CaLiCo
Age	Homeshare UK
	ACER Regio Emilia
Immigrant/refugee profile	Sharehaus Refugio
Gender (focus on empowerment of women)	CaLiCo

SUPPLEMENTARY SUPPORT MEASURES FOR PROGRAMME BENEFICIARIES

Apart from access to affordable housing, the majority of the programmes provide for supplementary measures, in order to ensure further support for beneficiaries. It is significant that the programmes seek to tackle the underlying causes exacerbating limited access to affordable housing, on the basis of the special characteristics of beneficiaries as described in each case.

The supplementary support measures can be categorized as follows:

1. Information – consultancy services,
2. Financial support and,
3. Support to sub-categories of beneficiaries in line with their needs.

The additional measures taken by the case studies in question in order to fulfil their goals and provide assistance to their beneficiaries are the following:

HOUSING STOCK

The policies which are implemented in order to accumulate housing stock might include one of the following measures or a combination of them:

- / Increasing the supply of empty apartments and dwellings available for rent
- / Construction of new dwellings and,
- / Implementation of rent price controls.

Briefly, the creation of housing stock which will afterwards provide affordable housing solutions includes two stages:

- / Property identification and
- / Property construction, purchase, or rental at lower prices than those of the market, providing incentives to landlords.

INCREASING THE EMPTY APARTMENTS AND RESIDENCES OFFERED FOR RENT

In the case studies there were four ways of identifying potential properties:

- / Through local social networks, contacts with local communities (EHCG),
- / Advertising campaigns in local media (Bolsa de Vivienda, EHCG),
- / Webpage of the programme publishing an informative brochure and a brief form for expression of interest (communication by initiative of the stakeholder) (Bolsa de Vivienda, ACER, Reggio Emilia, Homeshare UK),
- / Information from Municipalities and Communities concerning vacant properties in the area in question (EHCG).

Additional measures/benefits

Programme

Information/consultancy services

Creation of a platform providing information to beneficiaries related to the targets set by the programme	ACER Regio Emilia
Information and/or facilitation of access to additional sources of income (e.g., Benefits)	ACER Regio Emilia
Consultancy services for financial management	VESZOL
Legal consultancy services	Bolsa de Vivienda
Support in finding a house	Bolsa de Vivienda

Financial support

Provisional financial support in cases of emergency (e.g., loss of job, urgent health issues)	ACER Regio Emilia
	Bolsa de Vivienda
Financial support (e.g., rent subsidy, subsidy for paying off a housing loan)	Bolsa de Vivienda
	Empty Homes Community Grants
Possibility of selling cooperative shares in cases of extraordinary financial difficulty	Sharehaus Refugio
	LILAC
Solidarity fund for less financially stable inhabitants	La Borda
	VESZOL
Support in job searching	Empty Homes Community Grants
	Sharehaus Refugio

Support for sub-categories of beneficiaries in line with their needs

Access to support facilities for elderly people	CaLiCo
	Empty Homes Community Grants
Access to women's support services	CaLiCo
	CaLiCo
Access to educational programmes	Sharehaus Refugio
	VESZOL
Social welfare services (psychological support, mediation, development of skills, crisis management)	Bolsa de Vivienda
	Homeshare UK

Property identification is not limited to the aforementioned means. There are other ways to search for and identify properties, such as:

- / Communication with property agencies and public or private property management associations,
- / Cooperation with NGOs, charitable foundations and Social and Solidarity Economy (SSE) entities as to the properties they manage, and,
- / Cooperation with private companies within the framework of corporate social responsibility actions for the granting of property they own.

According to the Census conducted in 2011, Greece has the highest share of vacant houses among EU countries (35.3%, 2,249,813 dwellings)¹². Even though this is an international phenomenon, its causes vary depending on the place and time.

The existence of a considerable number of empty buildings and apartments in Greece and in Thessaloniki constitutes a great opportunity for the identification of properties for the implementation of affordable housing solutions.

Residents' initiatives for reusing abandoned buildings are mentioned in the relevant bibliography as "self-help housing". According to the association Self-help-Housing.org the term refers to "Self-Help Housing' involves groups of local people bringing back into use empty properties that are in limbo, awaiting decisions about their future use or redevelopment. It differs from "self-build housing", which involves constructing permanent homes from scratch"¹³. Acquiring property can be done either through short-term or long-term tenancy agreements, or through purchasing a property and including it in the portfolio of the association, in order to gradually expand its assets¹⁴.

Apart from the obvious benefit of generating affordable housing solutions, reuse of abandoned buildings has multiple benefits, including the following:

1. empowerment of the individual and the community,
2. employment opportunities,
3. learning opportunities,
4. improving the security of the community and region,

5. addressing the degradation of the area,
6. owners bringing vacant buildings and apartments back into use¹⁵

In the majority of the case studies the aim is to include the utilization of public properties, while for strategies at a metropolitan level, as in the case of Barcelona, the goal is the reuse of vacant buildings or various programmes that offer incentives to individuals to include their unused properties. In order to investigate the design and implementation of such programmes several cases have been examined, such as Bolsa de Vivienda in Barcelona and Empty Homes Community Grants (EHCG) in the UK. The first one (Bolsa de Vivienda) is a Social Rental Agency entering into property leasing agreements with a priority on landlords of vacant dwellings and apartments. The latter (EHCG) is a housing scheme gradually acquiring properties and thus generating its own housing stock through the purchase of vacant buildings and dwellings, the leasing of buildings belonging to public entities and housing associations and lastly, by entering into long-term leasing agreements. In the case of EHCG, the property management entities gradually increased their stock using dwellings they had purchased as guarantees for future borrowing to buy new buildings and

apartments and enlarge their housing stock. Some of the stakeholders in question rent a part of their stock to social or small enterprises in order to supplement their sources of income (e.g., Giroscope, Hull). It is worth noting that the participation of municipalities as partners in the governing bodies of the case studies significantly facilitated the access to municipal properties and their utilization within the framework of affordable housing schemes.

Together with actions targeted at finding properties, the entities in charge of housing schemes have to create an elaborate and multi-layered incentive system to attract landlords so they will include their properties in the scheme for long periods and at lower prices than the current market rates. These incentives are mainly financial, but they also aim to provide a sense of security to the landlords (guarantee of property maintenance, on-time rent payment) and certain services (legal assurance, renovation support, administrative support-mediation for prompt issuance of permissions, certificates etc.). Home energy upgrades and support for the issuance of energy performance certificates are usually an incentive to landlords so they will include their properties. Some representative examples are Bolsa de Vivienda, ACER Reggio Emilia and Empty Homes Community Grants.

Incentives	Programmes
On-time rent payment	Bolsa de Vivienda
	ACER Regio Emilia
	VESZOL
Legal defence insurance policy	Bolsa de Vivienda
Legal and technical consultancy for the property	Bolsa de Vivienda
	ACER Regio Emilia
Property damage insurance	Bolsa de Vivienda
	ACER Regio Emilia
Assistance for the issuance of energy performance certificates or other permits where needed	Bolsa de Vivienda
	ACER Regio Emilia
Payment of lump-sum benefits	Bolsa de Vivienda
	(€1,500 in case the apartment was empty)
Access to interest free housing loan	VESZOL
Financial support for paying off a debt in case of pending legal issues	Bolsa de Vivienda
	(Barcelona, Spain) (up to €6,000)
Property tax subsidy	Bolsa de Vivienda
	(50% of the property tax, which is a subsidy and not a tax increase)
Funding for renovation costs	Bolsa de Vivienda
	(100% cost funding, up to €20,000, on the condition of a 5-year contract and after the evaluation of a property assessor)
	Empty Homes Community Grants
Renovation consulting and support	VESZOL
Housing energy upgrade	Empty Homes Community Grants

CONSTRUCTION OF NEW HOMES

Building new homes is another way to increase housing stock. This strategy has been implemented by Bolsa de Vivienda de Alquiler de Barcelona, La Borda, LILAC, CaLiCo and L'Espoir. This can be implemented on land plots purchased by the implementation body of the project or on those granted by a public entity (e.g., the Municipality).

The managing body of the programmes concerning the construction of new dwellings might be a cooperative, an entity emerging from cooperation of public and private entities, a PPP (Public-Private Partnership) or even an implementation

body in charge of a broader programme for urban regeneration.

Environmental planning principles also tend to be adopted by the programmes/models that include the construction of new homes.

Both La Borda and LILAC stand out for adopting environmental and bioclimatic planning

Apart from the environmental benefits, bioclimatic planning significantly contributes to the reduction of energy consumption and thus to reducing energy poverty which is one of the challenges that low-income households frequently face.

URBAN GOVERNANCE AND FINANCIAL SUSTAINABILITY

The third axis is urban governance and financial sustainability, and it concerns the organization of the administration and decision-making process of the management entity as well as how the financial sustainability of the project will be ensured.

PLANNING GOVERNANCE AND IMPLEMENTATION OF ACTIONS PROMOTING AFFORDABLE HOUSING SOLUTIONS

The way in which the **managing bodies** of each programme are organized and governed is of paramount importance. This can be a partnership of public, private, or non-profit associations, or governed on the basis of cooperative principles, i.e., in line with the equal participation of public entities, non-profit organizations, beneficiaries of affordable housing programmes and, in some cases, residents of the areas where residential units are located (e.g., CLT Brussels).

In the case of **Social Rental Agencies** and of non-profit social rental organizations, special management bodies are established to undertake the planning and implementation of the project. These bodies are established with the cooperation

of the Municipalities and/or the regional/metropolitan administration with non-profit organizations and form partnerships with other bodies aiming to implement various aspects of the project (e.g., property renovation, evaluation and dissemination of the results).

Usually, affordable housing cooperatives are founded from the very early stages of the project or programme in question, and they start with the establishment of a community of members who will, at a later stage, be accommodated in the buildings/residential complex that will be constructed or in the properties which will be purchased and renovated by the association. Their governance is subjected, like all cooperatives, to the principles

set out by the International Cooperative Alliance (ICA)¹⁶.

Lastly, certain programmes have been implemented by **non-profit entities and organizations**. This is the case with Empty Homes Community Grants which is a nationwide programme implemented locally by various non-profit entities that have been selected through an evaluation procedure.

It is worth mentioning that apart from the creation of the managing body,

the majority of the case studies were based on the cooperation and partnership of

several different (in terms of identity and responsibilities/projects) entities and groups assuming different roles and complementing each other

For example, programmes including special categories of beneficiaries such as women, young and old people, immigrants, and refugees also frequently rely on the support of NGOs, groups or initiatives for the organization of specific programme actions and the provision of specialist support.

FUNDING FRAMEWORK AND FINANCIAL SUSTAINABILITY OF THE PROGRAMMES

In order to understand the funding framework and how the financial sustainability of housing programmes is ensured, two issues have to be taken into consideration:

firstly, how to secure initial investment capital and secondly, the sources of income for covering the programme's operating expenses.

Affordable housing programmes often secure their initial funding from more than one source, through public subsidies, loans from financial institutions or ethical banking institutions, loans from EU bodies, and sale of shares and titles (in the case of cooperatives). The **financial sustainability** of a programme is secured by the creation of an **income** system covering its operating expenses. Income can be generated not only through

conventional sources such as rents and membership fees (cooperative members, landlords etc.), but also by renting spaces for commercial use at market prices or in the case of the cooperative La Borda, through the collection and sale of statistical data.

Source of funding / income

Public entity	
Regional	ACER Regio Emilia
	La Borda
Municipality	ACER Regio Emilia
	Bolsa de Vivienda, La Borda
Central government	Empty Homes Community Grants LILAC
EU programmes	VESZOL (Employment and Social Innovation Programme) (‘EaSI’)
	CaLiCo
Grants and donations	
Grants, subsidies and donations	Empty Homes Community Grants
	LILAC
Loans	
Loan from commercial banks	Empty Homes Community Grants
	LILAC
Loans from ethical banking institutions	La Borda
European Investment Bank (loan)	Bolsa de Vivienda
Council of Europe Development Bank (loan)	Bolsa de Vivienda
Loan from SSE entities	La Borda
Sale of cooperative shares and titles	
Issuance of participatory titles	La Borda
Purchase of cooperative shares	La Borda
Income	
Rental of commercial spaces at market prices	La Borda,
Contributions from beneficiaries (e.g., rents, contributions from cooperative members)	ACER Regio Emilia
	Bolsa de Vivienda
	Empty Homes Community Grants
	La Borda
	LILAC
Contributions from landlords	ACER Regio Emilia (lump sum upon the rental agreement)
Collection and sale (to research organizations) of data concerning residential energy performance	La Borda

Opportunities based on the institutional framework in Greece

4.2

In Greece, the housing policies implemented by the Municipalities have an extremely limited scope and basically focus on securing housing for vulnerable groups of the population and tackling homelessness. They also address urgent housing problems though without these being implemented in a comprehensive manner in either scope or depth. The experiences of the Municipalities vary depending on their will to implement such policies at a local level and on their staff having a multidisciplinary background and expertise in the subject.

From the perspective of an institutional framework, the attempts of the Municipalities are not consolidated in a particular scheme or model of local social housing policy, even if housing policies in Greece -with all their peculiarities- form part of the South-European welfare models, where

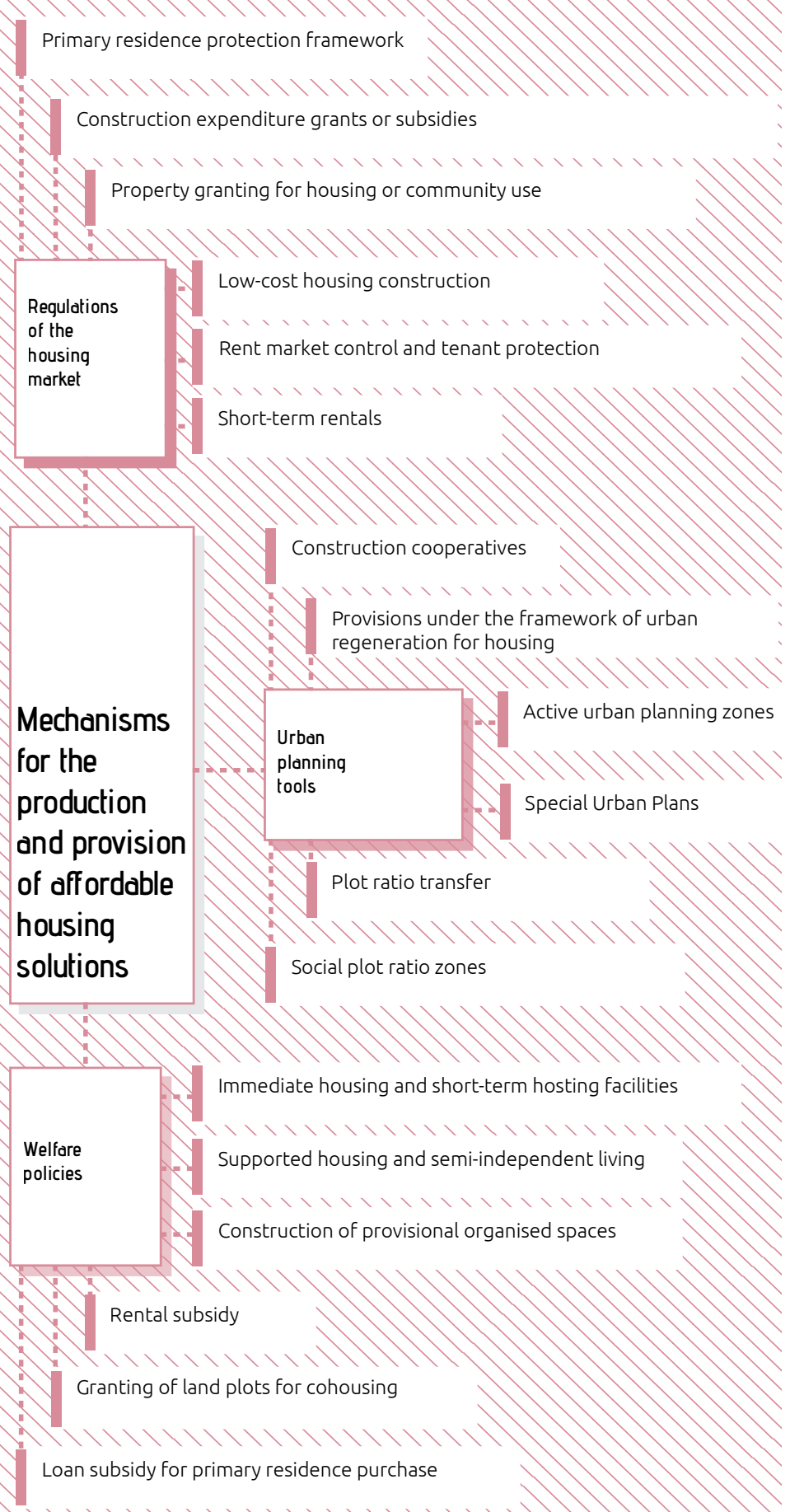
family and solidarity networks play a crucial role⁷. Considerable institutional gaps (in terms of competency and governance) exist, which hinder relevant attempts. These minimal and incomparable activities of the Municipalities are based on a multitude of short-sighted institutional provisions, which have been laid out "from above" in an attempt to provide solutions to pressing housing problems. In the past, there was also limited but institutionalized activity of social housing stakeholders on a national level (Ministry of Welfare, Workers' Housing Organization, Public Company for Urban Planning and Housing). Just before and during the financial crisis, there have been new developments in the housing market and rent prices⁸, which shaped the country's structural and systemic housing problems, and which demand multi-layered institutional regulation beyond the state's current welfare approach.

The basic assumption here is that the development of a comprehensive local social housing policy requires the improvement and enrichment of the relevant legislation in order for it to be promoted and implemented. This needs to be secured and mobilized as part of a cohesive national (public) social housing policy, so it is fully equipped with a wide range of legislative tools responding to the contemporary housing security needs of all persons living permanently or temporarily in our country. It will thus strongly contribute not only to social cohesion within the competitive economic environment of the property market, but also to the management and production of residential property and new governance processes, as shaped in the post-crisis era⁹.

MECHANISMS FOR THE PRODUCTION AND PROVISION OF AFFORDABLE HOUSING

The mechanisms to produce and provide housing fall into three categories, each of which are subsequently divided into sub-categories:

- / Welfare housing policies containing regulations in favour of particular categories/groups of beneficiaries,
- / Regulation of the housing market relating to the population in general (tax relief, social housing tenancies etc.) and,
- / Tools for urban planning or improvement of the housing stock.



The provisions in question are evaluated below in terms of the way they contribute to shaping the framework of how different types of affordable housing may be offered.

WELFARE POLICIES

In recent years, a series of **welfare programmes providing for the support of vulnerable groups** (e.g., homeless persons, refugees etc.) have been developed. These programmes are part of “Transitional housing” policies which manage, with varying degrees of success, to support the target groups. The most successful programmes are those that from the outset planned to combine housing actions with social inclusion support actions. The expertise gained through the planning, management and implementation of these programmes (innovative funding, identification of beneficiary groups, ways to locate and provide housing, etc.) as well as cooperation with various entities, is a significant feature that lays the foundation for a more comprehensive framework for the generation of affordable housing solutions.

Most of these programmes can be locally activated, but they have –by definition– a short-term time frame.

Welfare programmes providing rental subsidies constitute an important aspect of the current institutional framework, targeted at “Prevention”, “Policies for home-ownership and renting” and offering support to vulnerable groups. These are also short-term schemes and they do not secure long-term accommodation as subsidies finish at the end of the programme.

In the past, there have been housing loan subsidy programmes for purchasing a first home and for granting land plots, addressed to the Roma community or repatriated ethnic Greeks. These are significant examples of the importance of

housing policies for vulnerable groups aiming at "Social housing & inclusion" and "Home-ownership policies". Even though the lack of an efficient housing loan repayment mechanism was problematic, it initially facilitated the purchase of a residence for particular social groups, on an operational and political level and at a conjuncture of social and economic needs. Nonetheless, this practice simply postponed the difficulties for the future, since today a considerable number of the original recipients are again at risk of homelessness.

Current social housing welfare schemes, despite their weaknesses or failures, as well as the old state housing programmes (Workers' Housing Organization etc.) that have since been withdrawn, provide the scope and the necessary elements with which a comprehensive social housing policy should be created: eligibility criteria, established procedure for granting housing benefits, targeted or specially designed housing stock, funding frameworks, governance structures and designation of management bodies and implementation mechanisms.

Based on these schemes, which serve as comprehensible and feasible social housing policy "examples", new programmes –not only short-term but also medium and long-term ones– could be created and oriented towards population groups with increased housing support needs over recent years, in terms of securing affordable housing.

REGULATIONS IN THE HOUSING MARKET

This category refers to institutional provisions and policy aimed at "Prevention" and "Policies for home-ownership and renting", thus contributing considerably to the prevention of loss or the purchase of a residence. Such regulations could be used to provide incentives to individual landlords, in order for them to grant their properties to Affordable Housing Schemes. Such incentives are, for example, the upgrading of housing via the Greek Home Energy Savings Programme or within the framework of dynamic reconstruction programmes of housing units or even tax reliefs for repair costs. Many of these regulations can be activated for short-term or medium-term actions, but they could also be further reinforced institutionally by explicitly including the term "affordable housing" in the relevant legislation.

URBAN PLANNING TOOLS

Urban planning tools refer to housing policies for owner-occupied and rented dwellings, urban regeneration and development, and social housing. The institutional framework usually provides for complex procedures, with many stakeholders at local and national level. They are also tools that they either remain inactive or require extra legal regulation and modernization, with provision made for specific terms related to affordable housing in order for them to be effectively activated within the framework of a general housing policy (e.g., construction cooperatives). Nevertheless, the new Special Urban Plans stand out since with all the institutional mechanisms for accelerated implementation, they serve as a new "paradigm" of urban development in the national planning legislation that is expected to mobilize investments in the housing stock through renovations and the building of new housing units. These regulations are proposed to be designed for medium and long-term actions, together with Municipality policies for urban regeneration.

FINANCIAL TOOLS

The financial tools that have been analysed in this category refer to "Policies for home-ownership and renting" and for "social housing and integration". These tools can be used to form an affordable housing scheme, mainly through the long-term rental of private properties, utilization of vacant/abandoned private properties or utilization of public properties and public benefit organizations. More specifically, Public-Private Partnerships (PPPs) can be used either to produce new housing units or for urban regeneration programmes aimed at securing affordable housing solutions. Most of these tools can be locally activated not only for short-term rentals but also for medium and long-term actions, together with Municipality policies for urban regeneration.

STAKEHOLDERS

Stakeholders are divided in four major categories.

The first category comprises central state stakeholders. Their responsibilities are: (a) tax relief, incentives, public property, community property and bequests (Ministry of Finance) or (b) restoration policies, housing standards and regulations, energy upgrades, urban planning legislation (Ministry of Environment and Energy). Additionally, many of them oversee particular organizations, such as the General Secretariat for Gender Equality (Ministry of Finance) and the Department of Social Housing Policies (Ministry of Labour), which are responsible for housing policies targeting specific groups, such as women-victims of gender-based violence and homeless people.

The second category refers to local entities (Decentralized Administration, Regional Bodies, Municipalities, etc.). The institutional

framework of these entities has been essentially (but not entirely) shaped by the Kallikratis programme (Law 3852/2010) and by the Code on Municipalities and Communities (Law 3463/2006). Focusing on the Municipalities, we observe that their competencies are limited, they appear sporadically in their areas of responsibility, and they have been formed in a cumulative manner and in response to particular circumstances. Nevertheless, they could be jointly activated in order to develop an affordable housing scheme at the local level, on qualitative terms but with graduated intensity and scope. This attempt can be further facilitated and strengthened by the Metropolitan Region and eventually by new competencies of the Decentralized Administration.

A part of the research has also covered the issue of stakeholders that have closed down, such as the Worker's Housing Organization and the Public Corporation for Housing

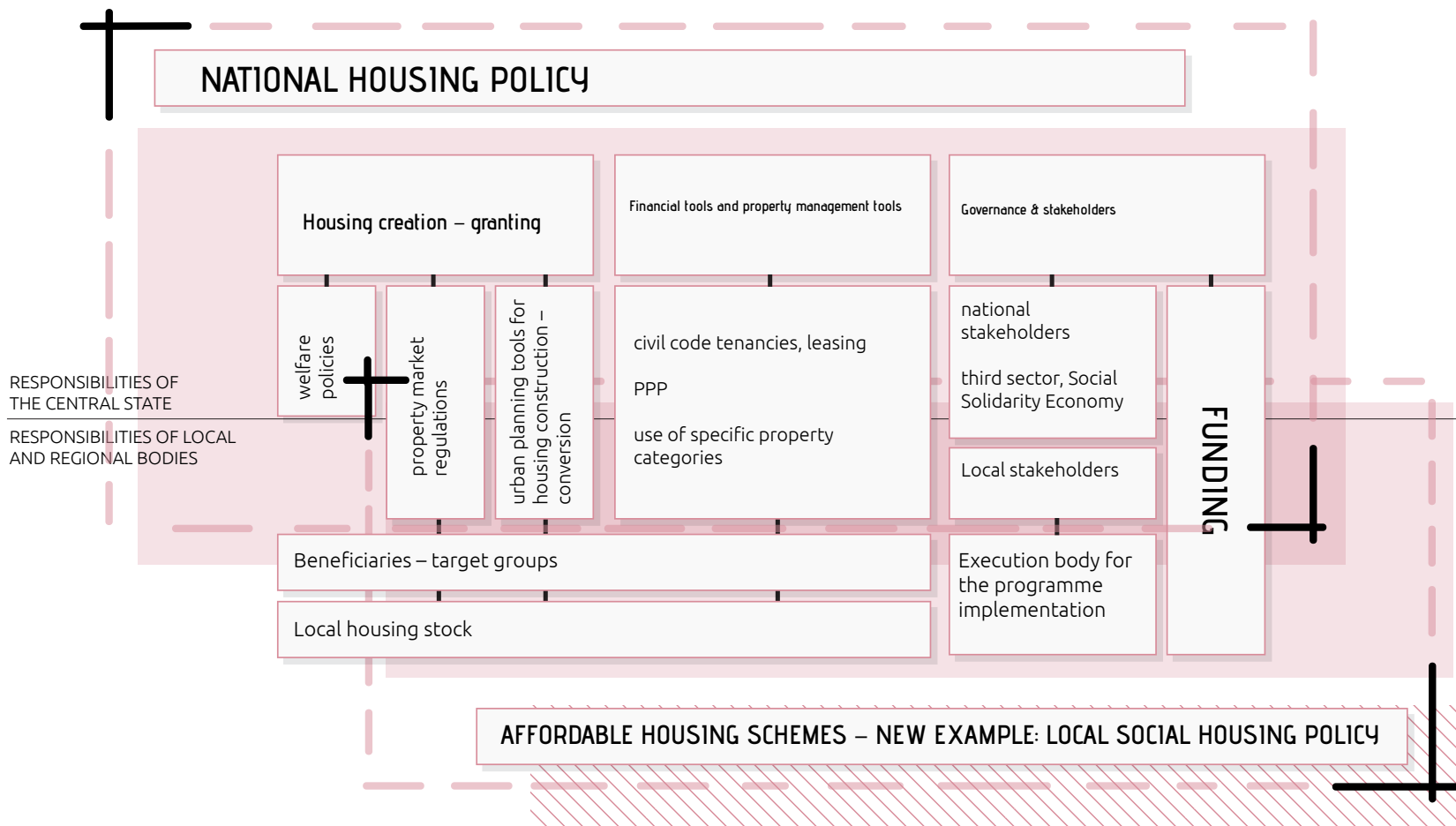
and Urban Development. According to the records and the analysis of their responsibilities it became clear that such entities played a significant role in the organization and management of housing policies during crucial periods, where there was an urgent need for the housing of vulnerable beneficiaries, providing important elements of necessary operational organization.

Lastly, the fourth category analysed were Non-profit legal entities, such as urban cooperatives, trade unions and, SSE bodies (e.g., Social Cooperative Enterprises). These bodies could cooperate with local entities and participate in multiple ways as groups implementing affordable housing policies. It is worth mentioning that in recent years a new institutional framework has begun to develop and provide assistance to SSE bodies. This framework already offers these bodies the possibility of participating in collaboration schemes with local authorities or with property management entities, but it still needs

IDENTIFICATION OF GAPS/WEAKNESSES OF THE INSTITUTIONAL FRAMEWORK & PROPOSALS FOR IMPROVEMENT

In conclusion, there is a variety of stakeholders with (direct or indirect) responsibilities concerning accommodation and housing but at the same time there is fragmentation of their responsibilities

The institutional framework covers a broad spectrum of public and private legal regulations in order to discern on a case-by-case basis whether a particular provision can contribute to the planning of efficient generation and provision of affordable housing, or whether the legislative restrictions and gaps hinder effective solutions for that purpose.



The lack of specific legal provisions on “affordable housing” de facto renders the relevant legal framework incomplete as introducing affordable housing regulations could potentially resolve many issues from a legal and practical perspective.

However, this does not necessarily mean that the legal framework in place cannot be utilized adequately in order to shape such initiatives.

Within the existing legal provisions there are many tools offering responses to crucial matters, such as the generation of housing stock, the provision of incentives, property management and the contractual commitments between the parties.

We have to underline that the adoption of specific solutions in relation to the current institutional framework is majorly influenced by the core objectives of the planned action. For example, putting private property to use differs greatly from the utilization for similar purposes of state properties or properties belonging to public entities, local government etc. Additionally, the eligibility criteria of the beneficiaries/recipients of an affordable housing programme and the evaluation of their housing needs as well as the criteria for supporting them are parameters that to a great extent define the regulatory framework of potential affordable housing schemes

as the free provision of housing differs significantly from providing housing in exchange for an affordable rent, both in terms of its justification and its regulatory and legislative status.

In addition, adopting specific affordable housing directions also depends on whether their pursued outcomes have a short or long-term horizon. Taking that into consideration we could assume that the oldest urban planning tools used to generate affordable housing, as are provided for in relevant urban planning legislation, cannot easily produce immediate results, due to the extremely lengthy procedures of urban planning. New urban planning tools, on the other hand, aim at important medium to long-term impact regarding housing stock production and renovation, but they are not yet widely regarded as tools with recognizable results in housing production and require dynamic processes to engage public and private entities that have thus far proved difficult.

SOCIAL HOUSING

Specific legislative regulations on social housing do offer the necessary tools on various essential parameters, such as the adoption of eligibility criteria for social housing schemes, the provision of specific obligations for the beneficiaries etc. Nevertheless, the majority of the social housing provisions already implemented are oriented towards a welfare housing policy, which facilitates housing either through subsidies to the beneficiaries or by constructing and granting independent housing complexes. Still, these solutions do not provide sufficient housing stock that is financially affordable and could provide secure and continuous housing for beneficiaries.

TENANCIES AND PROPERTY MANAGEMENT

A key conclusion from the research on the institutional and legislative framework is that the use of private properties (belonging to legal entities or individual persons), through a set of private legal regulations covering tenancies and property management, is more suitable to the concept and goals of "affordable housing" programmes.

Firstly, in this way existing housing can be immediately accessed (e.g., private apartments) and thus important housing stock can be generated in a short time, without following time-consuming administrative procedures. Furthermore, the freedom of contract between the landlord and the tenant allows contractual terms to be determined in a very flexible way so as to achieve the desired results.

The practices followed by housing schemes, such as ESTIA and HELIOS, as well as the many Social Rental Agency models implemented in various European countries, are mostly based on such contractual arrangements, using tenancy law as their main tool. Obviously, there are certain problems and weaknesses in the above cases as well.

The main goal of the investigated actions is securing financially affordable housing solutions. The lack of established mechanisms for the determination of the commercial value of the residences is problematic for finding the exact means to define a low rent. Another issue concerns the limitations imposed on the right of the landlord to terminate the tenancy or to waive the right of rental readjustment, as such terms may be considered abusive during the judicial review (depending of course on the real circumstances of each case).

COOPERATIVES

The case of building cooperatives in the current legislative framework is similar to that of Housing Cooperatives, as observed internationally, as a means for shared capital to be gathered and how this corresponds to housing stock. The geographical and spatial elements mentioned in the Greek context reflect the conditions, the understanding, and the housing needs of the past social and economic conjuncture in our country (ex-urban development, generation of new housing stock in a particular area, etc.) in their current form cannot cover the necessary framework for an affordable housing model.

Housing Cooperatives could be adopted as a means for the creation of social housing, but this would be based mainly on private initiatives by members of a cooperative and consequently on informing and raising public awareness about affordable housing issues. It would also be based on incentives (e.g., tax reliefs etc.) considering the legal independence and the cooperative's autonomous administration, as well as the freedom of its members to associate and dispose of their property as they wish. It is also necessary to examine the (regulatory-legislative) framework under which cooperatives could establish a partnership with affordable housing entities and/or be put under closer management control/supervision/authority, within a specific affordable housing scheme.

As far as building cooperatives are concerned, a revision of the relevant provisions towards the cooperation of owners of properties dispersed throughout the urban fabric could also be proposed from a national policy perspective, aiming at establishing affordable housing policies and for the urban regeneration of Greek towns in general.

Furthermore, the relevant legislative framework provides the tools for public entities, such as local administrative authorities, to grant their property for public benefit purposes. The justification for such concessions cannot be disputed when it concerns granting property to vulnerable groups. Nevertheless, granting housing in exchange for financial remuneration (even if this is lower than property market rates) could potentially cause the competent authorities to call into question the

purely public benefit nature of such actions. Legislative initiatives to explicitly incorporate the concept of "affordable housing" (which is not widely understood) within the broader notion of social housing, as an specific facet of social policy implemented at local level, could possibly overcome obstacles in the process of Legal Entities of Public Law or Local Authorities granting properties for use under affordable housing schemes.

Taking into consideration the above-mentioned situation, the tools provided by the relevant legislation are insufficient as they essentially hinder the implementation of actions for the promotion of affordable housing policies. The lack of specific affordable housing provisions makes it very complex to plan such actions based on the set of regulations described in this section.

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5 PROPOSALS

This chapter is a composition of the research conclusions with the goal to shape a set of measures for the adoption of local affordable housing policies in Thessaloniki.

Moving on to synthesize the results of the study and with a view to shaping a set of proposals for the adoption of local affordable housing policies, we should underline that the implementation of “models” with specific characteristics requires the **adoption of a broader local strategy as well as a new social housing policy**. In this sense, it is necessary to embrace a broader approach (compared to that of the past) on social housing, in order to incorporate the concept of **“affordable housing”** within its remit, which is entirely new for the present Greek social reality and legal framework. Even though this concept is related to that of social housing, it is not identical, at least in how the term has been defined in legislation and relevant housing schemes.

In this respect, we should clarify that **the concept** of an affordable housing **“model”** is broader than that of the various affordable housing “schemes”, actions or programmes that may be implemented within the framework of particular policy initiatives adopted by responsible entities (local authorities, local development agencies, etc.). More specifically, different scenarios of implementing affordable housing programmes may vary and differ depending on specific terms and factors, such as the profile of the beneficiaries and their eligibility criteria, the scope and sources of funding, the available housing stock, the exact process of property management, etc. Thus,

the proposals for the adoption of particular affordable housing “models” (or “schemes”, “actions” etc.) focus on designing a holistic mechanism, directed towards a comprehensive (local) housing policy framework which will allow for the implementation of social housing schemes. The terms of these schemes may vary, alternate, and adapt to the goals and needs of each action.

In the following paragraphs, these directions and proposals are analyzed following a set of questions, based on which potentialities, solutions, methodologies, implementation tools and alternate scenarios are developed:

1. **What affordable housing schemes/models** can be implemented in Thessaloniki, and what will their function and content be?
2. **Which social groups** are the potential **beneficiaries** of these programmes, which criteria will be used for selecting specific individuals/households, and what will be the conditions for their participation?
3. **Where** should be the focus of the attempts to **create affordable housing stock** in the city, which is the main “pool” of this stock and how can this be mobilized?
4. **Which entities** will design, implement, and manage these programmes, under which cooperation schemes and governance frameworks will they function, and what will be the main financial tools and funding sources?
5. **What kind of additional, complementary, or parallel actions and policies** are required and **how will** the proposed models **be further supported and developed?**

What?

The proposals

5.1

The Greek context is characterized by peculiarities, such as large proportion of private homeownership, considerable housing stock belonging to small landlords, shortage of property stock belonging to public, municipal or non-profit entities, absence of professionalised tenancy services, absence of a social housing policy, etc. Taking into consideration these peculiarities, and based on the research of innovative and effective practices abroad, the experience gained from housing programmes implemented in Greece, and the study of the current legislative framework, we argue that there is an array of schemes/models and ways to develop housing programmes, actions, interventions, and policies on a local level to ensure that a significant number of individuals will have access to affordable and dignified housing.

The proposals are summarized as follows:

1. Development of Social Rental Services

- / with direct renting/purchasing of a property pool and subletting
- / with mediation of rental contracts between individuals and beneficiaries
- / with partnerships with non-profit affordable housing providers

2. Partnerships/Local agreements with third parties,

For example, working with social solidarity economy and non-profit

organisations; universities when it comes to students; social welfare centres for disabled individuals; institutions for elderly people, etc.

- / Mobilization of stakeholders and interested parties
- / Support actions for the development of the affordable housing field: support for the creation of Social Solidarity Economy and non-profit affordable housing providers
- / Development of an appropriate/supportive institutional framework (incorporating elements of the existing framework) and funding tools.

3. Mobilizing societal interest & encouraging social support and solidarity schemes in the housing sector

- / clarification of the concept of affordable housing in the Greek and local context and establishment of a "common vocabulary"
- / cultivation of a corresponding "culture" to encourage housing solidarity initiatives (e.g., intergenerational housing for students or matching schemes for ex-prisoners)
- / design of a platform to facilitate the above, possibly mediation and monitoring

4. Construction/renovation of residences that will be provided as affordable housing solutions, following the CLT pattern and building on the PPP framework

- / construction on public land and/or renovation of existing public or abandoned buildings (e.g., offices, old industrial buildings etc.)

/ utilization of the institutional framework for construction cooperatives, with the support of the Municipality, with the aim of constructing and renting homes to their members

/ focus on both social and environmental objectives (bioclimatic buildings/energy upgrades)

5. Comprehensive urban intervention plans

- / utilization of the institutional framework for urban regeneration through the Special Urban Plans, Comprehensive Urban Development Plans and Integrated Territorial Investments with the goal of intervening in the building stock (private and public), so as to develop infrastructure and services, as well as to improve and environmentally upgrade public spaces,
- / adoption of specific measures to retain the urban fabric of the areas in question, as a means to avoid gentrification and the deleterious effects of social segregation phenomena.

Obviously, these proposals differ in terms of both their institutional and funding requirements, and the timeline required for their implementation. Some of the previously mentioned programmes and actions may be immediately implemented and function in parallel and/or in combination with each other, while others are distinctive and refer to long-term and conditional proposals.

Based on the above evaluation, the study shows that the most suitable

affordable housing implementation model is one which focuses on concluding housing contracts with affordable rent. Chapter 4.1 analyses several affordable housing models, the implementation of which is based on the **renting of properties from individual proprietors/owners/managers, which are then made available to the recipients of affordable housing programmes.** The benefits provided to the parties through a tenancy agreement have already been described in Chapter 4.2. Thus, the focus of the proposals

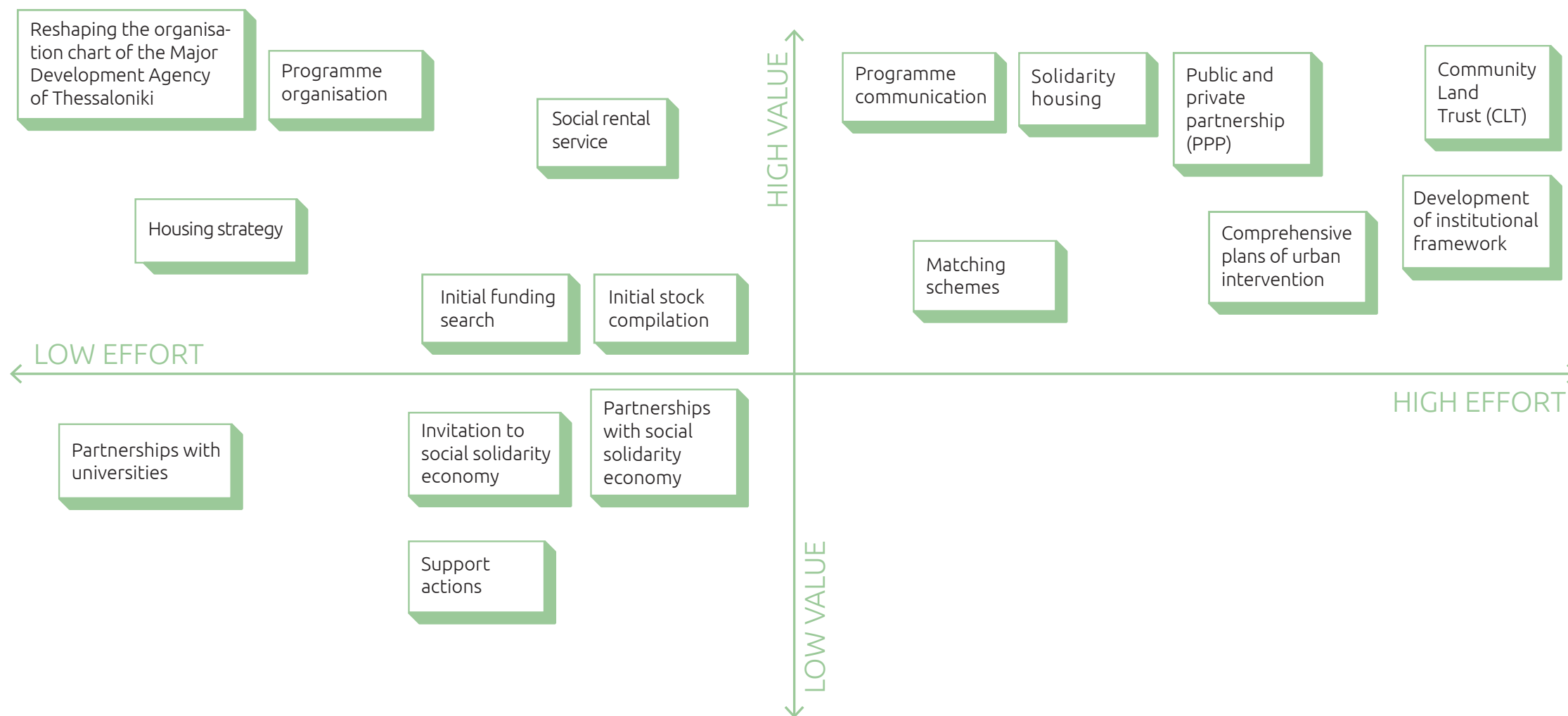
is the model of providing “social rental” services, **i.e., agreeing a tenancy contract at a rental price that is lower than the market rate of the property in question.**

This is the scheme described in more detail here, while the following paragraphs analyze additional possibilities, methods, tools and alternatives linking key features of “social rental” to some of the other proposals mentioned above.

The **function** of the “social rental” model is based on the conclusion

of agreements by which mutual commitments are made by the key stakeholders, which are the following:

1. the owner of the property to be rented,
2. the programme's implementation partner, which guarantees that the property is provided at an affordable rent and,
3. the beneficiary of the property, who benefits from the programme by renting the property at an affordable rent price.



We must underline that the concept of affordable housing refers to securing housing at affordable rent and thus differs from the provision of housing at no cost. Nevertheless, the two versions can alternate in a model based on “social rental”, with the essential differentiation being that the beneficiary of the programme does not enter into a tenancy agreement with the property owner/manager (as such an agreement requires financial compensation), but rather has a loan-for-use agreement, with which the use of a property is granted for free for a definite or indefinite period of time.

In setting up an affordable housing model based on social rentals, the following basic alternatives can be adopted in terms of contractual commitments:

1. **Mediation of tenancy agreements between individual owners and beneficiaries:**

the implementation entity mediates the tenancy agreement between the individual owner and the beneficiary without this entity acquiring the right to use the property.

This is probably the most feasible solution in terms of time and administrative burden, as it leads to the immediate establishment of a tenancy relationship between the owner and the beneficiary and, hence, to the immediate provision of the property to the social rental beneficiary. Furthermore, based on the experience of relevant practices e.g., the HELIOS scheme,

this solution enhances the autonomy and social inclusion of the beneficiaries.

However, in order to enter into a tenancy agreement with a rental price lower than the current market prices, the entity in charge should **be actively involved in the negotiations** prior to the conclusion of the tenancy agreement, **provide certain incentives** so as to achieve the desirable result, and develop **monitoring/support/mediation mechanisms** to supervise the terms of the tenancy, to intervene in the event of non-compliance with these terms, to resolve potential disputes, etc. Otherwise, providing mere brokerage services which simply present the opportunity of entering into a tenancy agreement would render the agreement exclusively a transaction between the tenant and the landlord, with questionable results as to the “affordability” of the housing in question.

Consequently, in order for the entity implementing the affordable housing programme to substantially contribute to the terms of the tenancy agreement, it is necessary for **both parties (the entity and the owner) to provide commitments** so as to safeguard the “social rental” character of the agreement, based on the affordability of the rental price. Such commitments can be achieved through a specific contract and/or agreement, as

well as through the monitoring/support/mediation mechanisms mentioned above.

2. **Direct rental/purchase of a property pool and subletting:**

The implementation entity can rent properties under favourable terms, attracting prospective landlords by providing certain incentives (e.g., the solvency of the entity as tenant, guaranteed payment of rent, performing improvement or renovation works, the long-term duration of the lease, etc.). These properties can subsequently be **sublet to the programme's beneficiaries at a low rent**. The use of the property can obviously also be given to the entity for any legal purpose, such as providing housing free of charge.

The essential difference with the first option is that it is the entity which defines the terms of the tenancy agreement and, thus, has the ability to define the rental price. Additionally, this practice allows for the free provision of housing to the beneficiary, instead of a tenancy, depending on the social-welfare remit of each planned action (see for instance the ESTIA accommodation scheme).

This option presupposes additional administrative burden, as it includes extra management activities regarding the housing stock.

3. **Partnerships with housing providers:**

The two alternatives above can be implemented –possibly as supplementary options– through **partnerships between the implementation entities and non-profit affordable housing providers (Unions, NGOs, Social Solidarity entities)**, which will take charge, in part or in totality, of the required activities and functions, possibly in combination with parallel actions or supportive services, depending on the beneficiary's profile.

Such partnerships may be concluded, e.g., with Programmatic Contracts, capitalizing on the existing experience of implemented housing programmes for asylum seekers, refugees, and homeless people.

Below, we further explain the basic parameters of a social rental “model”, as well as alternatives for shaping a comprehensive local policy in relation to the “three axes” of affordable housing (see chapter 4.1): beneficiaries, housing stock and the framework of urban governance and financial sustainability.

For whom? The beneficiaries

5.2

It is obvious that the data concerning the beneficiaries of a local Affordable Housing policy (chapter 3.1) reflect a broad and static image that must be updated and better defined within the framework of a cohesive local housing policy. It is possible that new needs may arise under the new Insolvency Code, if, for example, indebted households find themselves having to rent the residence which formerly belonged to them. In the long term and if the immediate housing needs of the most vulnerable groups are covered, the focus of this policy could be addressed to a broader spectrum of social groups.

In the process of materializing a strategy of affordable housing, the implementing body (Major Development Agency of Thessaloniki) should focus on the **prioritization of the target groups**, their specification and the evaluation of potential beneficiaries/recipients. There is a number of managerial and political issues in that respect:

- / The prioritization and specification of the target groups must be made in the context of administrative capabilities,

available housing stock, financial resources, etc.

- / However, the distribution of the available resources is to a great extent an issue of political priorities and commitments,
- / In terms of management, several issues are still under examination, such as whether applications for participation should be addressed directly to and evaluated by the implementation entity or if other municipal social services departments will eventually be involved.
- / Nevertheless, the examination of international examples as well as the experience of housing programmes and basic social benefits allow us to define **general categories of criteria for the inclusion and participation** of individuals and households in affordable housing schemes in Thessaloniki:
- / **Economic** criteria have two goals: on the one hand, to establish the needs of the beneficiaries that are to be included in the programme and on the other hand to prove their ability to cover the cost of living in the residence provided by the programme.
- / **Social** criteria concern the verification of the beneficiaries' needs with the provision of necessary documentation issued by Welfare Services, though they may also include other conditions such as marital status, number of children etc.

- / **Demographic** criteria may refer to nationality, locality, gender, sexual orientation, age, household composition (e.g., single-parent families) etc., identifying different target groups on the basis of their needs and giving qualitative characteristics to social housing policies.

It is worth noting that the agreed criteria need not strictly lead to inclusion in/exclusion from the programme (at least not in their entirety) but can also be used for the creation of a **"points" system** that will give priority to those beneficiaries who are most in need. This will mitigate the multiple difficulties and exclusions that a beneficiary might face due to their origin, gender, marital or financial status.

The proposed affordable housing model can be based on the payment of all or part of the "social" rent, i.e., rent which is lower than current property market rates (for properties with similar characteristics, in the same area etc.), which will be a source of (self) funding and financial sustainability. Still, as already mentioned, it is unclear (whether, to what extent and) how much low-income, or no-income households can contribute to the rent. So, the goal is to provide social housing with a full rental subsidy to households lacking any financial means, by making use of supplementary social benefits (e.g., housing benefits), under specific terms and for a reasonable period of time.

Based on the previously mentioned factors, it is proposed that the **participation of the beneficiaries in paying the housing cost** of affordable housing schemes should be **graded in line with their financial capacity**, e.g.:

- / full coverage of the housing cost by the programme for a determined period of time,
- / scaling participation of the household in sharing the housing cost and/or partial coverage of the housing cost as a percentage of their income
- / full participation of the household in paying the (affordable) housing cost

Especially for the most vulnerable and precarious groups or beneficiaries with a particular background and profile it is proposed to **provide the necessary supplementary services and actions**, even if they do not form part of the social rental services (see below).

Different policies for different categories of beneficiaries are needed, which must correspond not only to the specific profile and criteria of inclusion/exclusion to affordable housing schemes but also to the current social policies and other aspects of local development policies.

It is also recommended that the **duration of the tenancy** of the proposed model be **long enough** to create **stability in the provision of housing** and thus securing the material and emotional stability of the beneficiaries. This is a way to overcome the uncertainty and instability of various current programmes, which are of limited duration (usually one year), and which are renewed according to available funding. The long duration of a tenancy agreement can be an extra incentive for the owners, as it offers a guaranteed rental payment in the long term (see below). Ensuring housing continuity and stability also requires specific provisions in cases where the beneficiary's situation changes adversely, e.g., by supporting the continuation of the tenancy if they temporarily cannot pay the rent, with scaling subsidy or an (interest-free) loan.

Lastly, **matching "demand" with supply** is not straightforward and requires special attention. Reasonably, in order to avoid "welfarization", beneficiaries/recipients should have the opportunity to choose the residence which best corresponds to their needs in terms of features and location. In relation to the latter, we should underline the need to leave them the option to move where affordable housing stock is located without exclusionary terms respecting people's desire to remain in a familiar environment, for example in the neighbourhood where critical services or infrastructure (e.g. schools) are located and where they are surrounded by family and other social support networks.

Where and how? The stock

5.3

Based on the analysis of the different types of housing stock in Section 3.2, it is clear that

the property pool which could immediately provide residences for a local policy on affordable housing in the city is one based on small landownership,

for which **adequate incentives** must be designed. In fact, the portion of this pool which could be critical for this policy would be the vacant homes. As already mentioned in Section 3.2, the available data shows that the number of vacant properties in the metropolitan area is between 25,000 and 40,000. Considering the difficulties in evaluating the exact number (type and condition of the properties, reasons why they are not available on the market), it is estimated that the vacant residences which could be brought back into use in the city are at least 5,000 to 10,000.

In order for an affordable housing programme to be sustainable, effective and with a high social impact, when assessing the available stock, it is necessary to ensure:

- / **the minimum rental price**, in any case lower than the average market price for a similar property in the same area,
- / **the maximum possible tenancy duration**, which in any case must be longer than both private tenancy agreements and those of implemented housing programmes. Longer tenancy duration (e.g. leasing), apart from providing security to the tenants-beneficiaries, with steady funding, can also secure lower rent prices and greater security (incentives) for the landlords. Especially, in terms of bringing vacant properties into circulation, the commitment duration depends on the amount and type of funding for repair/maintenance/management services (e.g. in

Barcelona the owners' minimum commitment period to the terms of the programme is five years).

- / **the adequate condition of the properties**, possibly with small or large maintenance works, energy upgrades, renovation etc.

To access affordable housing stock under the previously mentioned terms, the potential **incentives for landlords** are summarized here in the following categories:

- / **Brokerage services** - property search and identification, legal counselling, mediation between owners and tenants/beneficiaries (e.g., HELIOS accommodation scheme and Housing and Work), interpreting services in the case of refugees, etc.
- / **Property management services** - monitoring and care, maintenance services and minor repair works, guarantee of proper use and delivery in good condition, guarantee of prompt rent payment and/or prepayment of rent, subletting by the entity-provider of affordable housing (e.g., ESTIA accommodation scheme).
- / **Support and/or funding for renovation/restoration works** - especially in order to ensure the good condition of properties and the activation of housing stock which is outside the property market, for example through support for participation in the Greek Exoikonomo programme for energy saving and

upgrading properties or in similar programmes (e.g. the forthcoming "renovation wave" or subsidizing up to a certain amount and/or providing an interest-free loan for the rest (again as in the case of Exoikonomo).

- / **Exemption from fees and other tax exemptions** - e.g., exemption from municipal fees and taxes in the Municipalities where properties are located.

Combined with the above incentives, the experience of the Greek housing programmes and the international examples examined, provides for a **multitude of strategies for searching and identifying properties** and for mobilizing landlords within the framework of an affordable housing scheme, the most significant being the following:

- / Through **local social networks**, contacts with locals, communities, and **advertising campaigns** in local media,
- / Through a scheme website and the publication of information leaflets with the possibility of filling in an expression of interest form (subsequent communication being at the initiative of the responsible entity),
- / Contact with **real estate agencies and property management companies**,
- / Cooperation with NGOs, charity foundations and Social Solidarity Economy for the facilitation of access to properties they manage,

- / **Cooperation with private companies** within the framework of **corporate social responsibility** actions for the provision of properties they own.

More specific strategies are needed for the identification and especially for the **activation of vacant properties**. Some of these strategies may be the following:

- / Information from municipalities and communes, but also building management and utility maintenance companies about the vacant properties of their area,
- / Utilization of the available data and field research to identify vacant properties and their owners (see relevant information below related to the Observatory),
- / Creation of a database/register of available and (potentially) useable vacant properties.

As regards to **institutional tools** for the creation of affordable housing stock, it is proposed to **activate and/or utilize** the following:

Immediate/short-term:

- / The tools provided by the current legislative framework for tenancies and management of properties on behalf of the owner pursuant to the provisions of the Civil Code.
- / Property leasing or long-term tenancies.

Medium/long-term (and depending on the scope of the policy to be developed):

- / Financial tools and regulations for property management and development, which have either been recently incorporated into the Greek institutional framework (e.g., property leasing, PPP) or have traditionally been used for the utilization of public sector property (free of charge granting of properties through loans and tenancies).
- / A series of urban planning tools, both older and more recent ones, some used more often than others, which entail complicated procedures, with many local and national stakeholders, and for which additional legal regulations are required. In these, the modernization of legal provisions is required with new explicit terms concerning affordable housing, for their essential activation within the framework of a comprehensive housing policy (e.g., Social Building/Plot Ratio Zones, Active Urban Planning Zones, Building/Plot Ration Transfer, reservation of a percentage of affordable housing construction for future urban development plans (Local Urban Plans, Special Urban Plans), PPPs, creation of Construction Cooperatives for Affordable Housing, etc.).

How and by whom? Urban governance & financial sustainability

5.4

The formation of a specially designed administrative mechanism along with the establishment of a specific entity for the implementation of housing programmes equipped with institutional responsibilities are essential elements for the creation and implementation of social housing policies. The entity will take charge of the full range of necessary stages of processing, monitoring, managing, coordinating, and implementing the individual aspects of the policy during its development. The adoption of practices which are similar to the "Social Rental Agencies" includes basic functions of (social) brokerage, management and supervision.

The Major Development Agency of Thessaloniki already operates

as a driver of Affordable Housing Policy through the actions it has implemented up to now (REACT, baseline study, ROOF, etc.). It appears to be the most suitable entity, in terms of flexibility and readiness, for the implementation of actions and establishment of partnerships. It can become an intermediate execution and implementation body, as well as a steady partner for coordinating and reporting on affordable housing policies in the broader area of Thessaloniki, either under its current framework or as an independent local administration authority, with the political support of partner Municipalities and other stakeholders.

Below, there is a description of the different types of activities that affordable housing providers can

develop immediately or in the medium/long-term, either as an intermediate entity or as a permanent executive coordination partner.

For **immediate activities** as an intermediary/mediating/management entity:

- / *Provision of brokerage services (administrative/legal service): from the identification to the renting of properties,*
- / *Provision of property management services following the experience of social rental agencies (administrative/legal/technical service): identification and rental, as well as monitoring/management after the property rental,*

/ *Provision of property repair/maintenance/construction services or support/monitoring of such works (technical service): self-supervision for the repair/maintenance (see below, an element which may not be necessary, and might be beyond the responsibilities of the Major Development Agency of Thessaloniki or the Municipality).*

For **medium/long-term activities** as a coordinating entity:

- / **Coordination/funding of partnerships with independent entities for the planning/management/distribution of housing stock:** namely public (e.g., Universities, the National Cadastre, social security bodies,

social welfare centres, Egnatia Motorway S.A. etc.), social (non-profit, cooperatives, NGOs etc.) or private (contractors, banks, corporations etc.) entities.

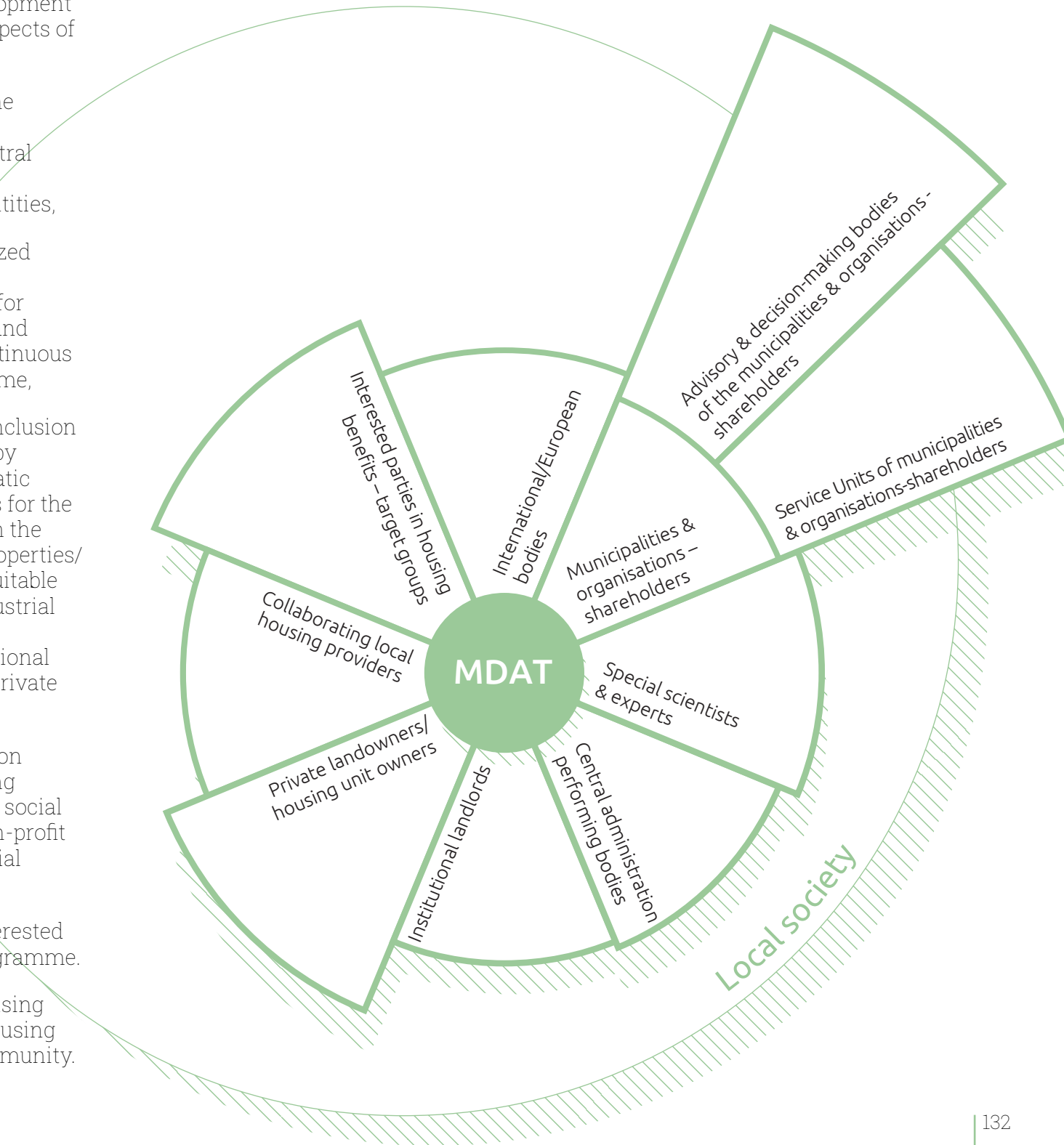
- / **Development of initiatives and interventions, facilitated by the central government, to improve and supplement the production, distribution and funding framework for affordable housing:** shaping a new development programme, housing market regulations or rent such as promoting specialized incentives for the inclusion of private properties in affordable housing programmes (e.g. tax exemptions for repair costs, interventions and limitations in the short-term rental market in order to secure rent controls etc.).
- / **Creation of new affordable housing stock:** cooperation with public, social and private entities for the utilization of relevant urban planning and funding tools for developing and managing property.

The above figure is presented to emphasize the central and multifaceted role of the affordable housing provider within the complex framework of urban governance and necessary local processes. It includes, at the least and, depending on the scope of the social housing policy under development, (see Z. 3- Z. 4), the following:

- / Close administrative cooperation with the relevant Municipal and Institutional departments (social

services, technical services, property services, consultation bodies, see Z. 1) and their coordination for the development and shaping all specific aspects of the programme,

- / Securing and managing the programme's funding in collaboration with the central government and relevant international/European entities,
- / Collaboration with specialized academics and experts on affordable housing issues for the appropriate scientific and technical support and continuous evaluation of the programme,
- / Direct partnership and conclusion of contracts/as stipulated by the Civil Code (programmatic contracts, tenancies, loans for the use of properties, etc.) with the owners or managers of properties/housing units and other suitable properties, e.g., hotels, industrial spaces, abandoned urban infrastructure etc. (institutional owners, small-landlords, private property owners).
- / Partnership and cooperation with potential local housing providers and providers of social services (associations, non-profit organizations, unions, social enterprises etc.).
- / Interaction with those interested in participating in the programme.
- / Continuous awareness-raising and information on the housing issue within the local community.



/ Information from international/
European housing entities.

The existing institutional framework provides significant opportunities for the implementation of different and alternative affordable housing models and programmes and for the framing of a smaller or larger range of local social housing policies.

Regarding the utilization of **financial tools for property management and development**, the most important ones examined in the study, are summarized in the graph.

Part of the basic functions of the affordable housing planning and implementation entity is to secure stable funding, which is necessary

for its long-term financial viability. Part of the funding may come from resources derived from various sources:

/ Through the distinct integration of (responsibilities of) the local social housing policy within the entity's budget, e.g., as regards administrative and management costs,

/ Through rental income contributed by a section of the beneficiaries.

Nevertheless, a precondition for both the financial viability of the local affordable housing policy, and the expansion of its social impact (covering needs by maximizing

the number of beneficiaries, guaranteeing the social character of tenancy agreements in lower rental prices, etc.), is the ongoing search for additional resources through advantageous loan agreements, grants, subsidies, projects, etc. The basic available funding tools, analyzed in the study are as follows:

/ Public/national resources, e.g.:

/ Green fund (for urban regeneration projects, involving the construction of affordable housing units: e.g., repair/ conversion of buildings to model bioclimatic housing)

/ Municipal Funding Programme from the Ministry of the Interior through the Public Investment Programme, similar to the Filodimos (Antonis Tritsis) programme, which funds infrastructure.

/ European resources, e.g.:

/ National Strategic Reference Network (European Social Fund and/or European Regional Development Fund for infrastructure)

/ Urban Innovation Action

/ URBACT (networking – knowledge exchange)

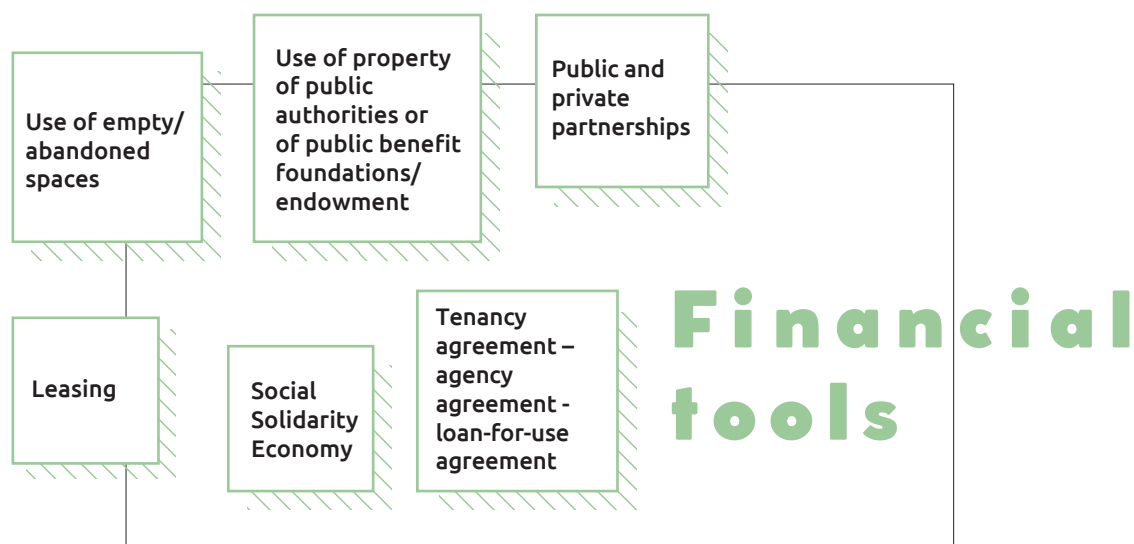
/ European Investment Bank (favorably termed loans up to 50% of the total cost of affordable housing projects)

/ Council of Europe Development Bank (various funding tools, most of them providing favorably termed loans up to 50% for housing low-income households)

The recently announced (October 2020) EU "Renovations Wave" Strategy, prioritizing environmental/energy but also social-developmental goals, is expected to offer additional funding possibilities for social and affordable housing policies. This strategy includes "neighbourhood-based approaches", as well as "an affordable housing initiative in 100 districts"³. Affordability is basic principle, as a means to expand the availability of energy efficient and sustainable buildings even in disadvantaged areas, and to provide access to these for medium and low-income households, as well as vulnerable people⁴.

We should also note the additional funding possibilities that may arise, for example through participatory methods (crowdfunding), especially for financing the initial investment at the beginning of the project. As mentioned, actions that reduce costs are also advisable, such as tax exemptions/reliefs to reduce the investment costs concerning property repair/renovation, or the free granting of private or public residences.

A first step towards precisely defining costs and funding resources is the design of a **realistic business plan** with **concrete goals** and a viable, comprehensive **budget**.



How will it be supported and further developed?

5.5

As has already been mentioned, the affordable housing model focusing on social rental services is not proposed to be implemented *in a vacuum*. The following are some indicative supplementary actions and policies as well as methods for its support and further development within the framework of a cohesive local housing policy.

In relation to the housing stock, the aforementioned actions to develop it may put in motion spatial and economic processes, which are important to consider:

- / Fueling a new **local development dynamic** around the housing sector has to be counterbalanced with parallel efforts to **avoid speculation**, e.g., through continuous market monitoring

and possible regulations (e.g., for short-term lettings, rent control etc.),

- / **Avoiding the concentration of affordable housing units in particular areas and/or municipalities**. Geographically dispersed small ownership may be convenient for the **spatial dispersion of the properties** that will form the affordable housing stock, but care should be taken to avoid housing segregation and secure spatial and social cohesion.

In relation to the beneficiaries, the target groups as defined in the study direct –at least in a first phase– the local policy on affordable housing towards responding to the housing needs of low-income households and people living in precarious conditions (homeless,

refugees). Their participation in a social rental programme needs to be accompanied by a combination of supportive services that will create the conditions for meaningful social inclusion. Such services may indicatively relate to:

- / administrative procedures (e.g., applying for benefits, arranging for the legal status of non-nationals, etc.),
- / the needs of special sub-groups (e.g., psychosocial support),
- / access to employment and (social) entrepreneurship (counselling, education-training – e.g., skills workshops for the unemployed, language courses for asylum seekers and refugees)

Even if these supportive services are not part of programme itself, cooperation with other social services as well as civil society organizations (NGOs, Social solidarity associations etc) or other actors with experience in the field might be helpful.

In relation to urban governance, it is proposed to gradually develop a structured and internally *cohesive programme for the communication, information, awareness-raising and cooperation* to both the stakeholders and the public, so that they may contribute to better knowledge and understanding of the emerging problems regarding access to affordable housing faced by broad segments of the population, and for the new possibilities for local policies implementing new models. It is necessary and possible to utilize innovative models as

well as participatory procedures that will get inscribed in the local governance system, with the parallel utilization and activation of the institutionalized consultation procedures and decision-making bodies. The proposals towards this direction are divided into **immediate, short-term, and long-term actions**.

It is necessary **to promote both the concept and the idea of “affordable housing”** in the city and beyond, not only to the decision-making and policy-planning bodies at local and national levels, but also to other institutions, civil society actors and the broader public. It is also important to develop and spread a **common vocabulary and to nurture an ambient of mutual understanding and social consensus/claims for affordable housing policies in the city**, through broad and multifaceted campaigns addressed to a diverse audience and by making use of audiovisual (e.g., advertisements) and virtual (e.g., social networks, interactive platforms) means, and with continuous consultation procedures.

Lastly, it is strongly suggested to form an **Affordable Housing Observatory**, for monitoring the key metrics in relation to prices, housing stock, target groups, difficulties/pressures, and needs, which can then, at least initially, be connected to existing infrastructure (e.g., Urban Resilience Observatory). The goal is to inform the local housing policy on a regular basis with updated primary and secondary data. Some of the activities may be the following:

- / Collection of secondary data
 - / Market monitoring of housing on rent and for sale, as well as short-term lettings,
 - / Estimating the vacant housing stock,
 - / Monitoring of housing precariousness,
 - / Monitoring and regular updating of data concerning key target groups and potential beneficiaries.
- / Primary research
 - / Estimating housing cost overburden, investigating (rental) housing demand,
 - / Tracing & identifying vacant housing stock,
 - / Tracking street homeless,
 - / Evaluating implemented programmes.
- / Creation of an open platform for the bottom-up collection of information
 - / Recording of basic data for tenancies
 - / Defining indicative “reasonable” (rented) property prices

REFERENCES

1 It might be more useful from an administrative perspective to evaluate the income criteria in an existing set of laws (e.g., for the MGI/SSI or the Housing Allowance)

2 See for example the criteria for the MGI/SSI (point system for single-parent households), or the vulnerability criteria concerning asylum seekers.

3 https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1835

4 Βλ. https://ec.europa.eu/energy/sites/ener/files/eu_renovation_wave_strategy.pdf, p.3



BY WAY OF CONCLUSION

The baseline study provides a **better understanding** on the housing sector and the housing needs, possibilities and difficulties, methods, tools, and sources of funding, offering a useful reference point. It concludes with **a set of general guidelines** for housing policies at a local level as well as with indicative yet **concrete and applicable proposals**. The next steps and long-term goals are the expansion of the study, the planning of a comprehensive strategy, a hierarchy of priorities based on a realistic action plan and a financial study, the implementation of that plan and the creation of a monitoring and evaluation mechanism.

It is obvious that the implementation of local housing policies starting from and focusing on the model of social rentals will function beyond the implemented housing programmes, possibly by supplementing them and in connection with the broader framework of a **nationwide** policy. In the course of its planning and implementation, it is useful and necessary to consider and build on the existing experience and expertise of previous programmes implemented over recent years, such as the emergency and limited-duration accommodation programmes for vulnerable social groups (e.g., Housing and Work, ESTIA, HELIOS, etc.), as well as traditional welfare policies

implemented in the past by the Greek state (e.g., public sector social and/or low-cost housing construction projects, housing programmes for Roma, refugees, expatriates, regulations concerning rent subsidies, etc.).


As already underlined,

the implementation of programmes on an ad hoc basis cannot by itself be effective in a socially fair way and with critical impact, if they are not implemented within the framework of a new local policy on housing.

In this context, a variety of different choices, tools, and “models” can be gradually developed through the continuous evaluation of needs, possibilities, and alternatives. In that sense, the proposals hereby made, to the extent that they have been specified or set some key guidelines, concern the initiation of the promotion and implementation of solutions to existing and new housing problems identified, with different beneficiaries-recipients, through local synergies, partnerships and alliances for affordable housing in the broader area of Thessaloniki.

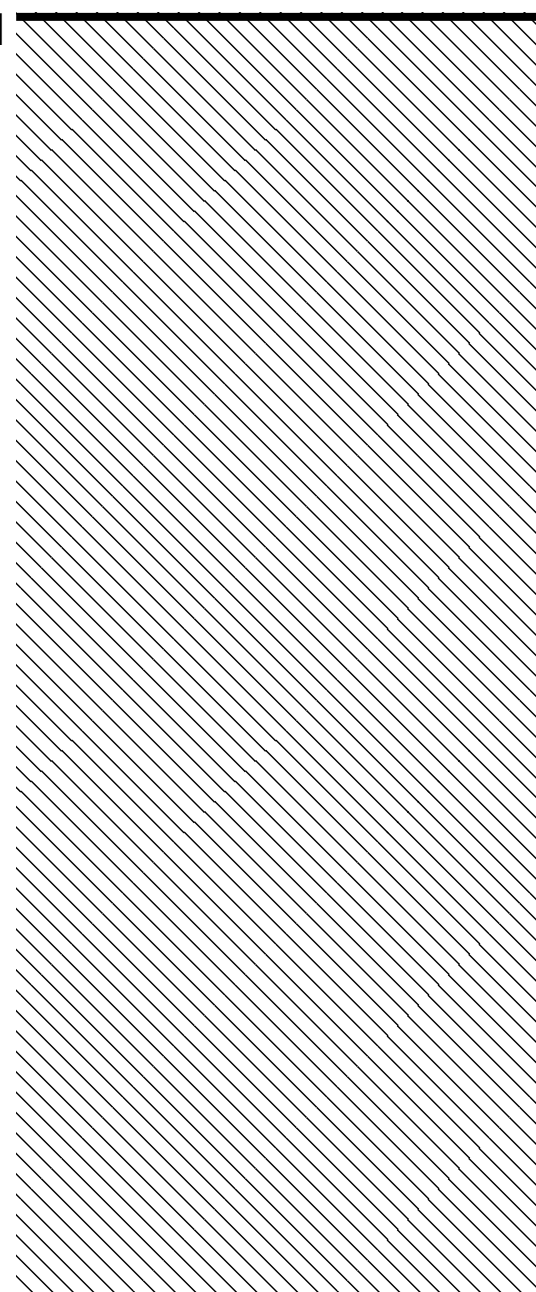
**AP
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SOURCES
OF DATA &
INFORMATION

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Sources of secondary statistical data

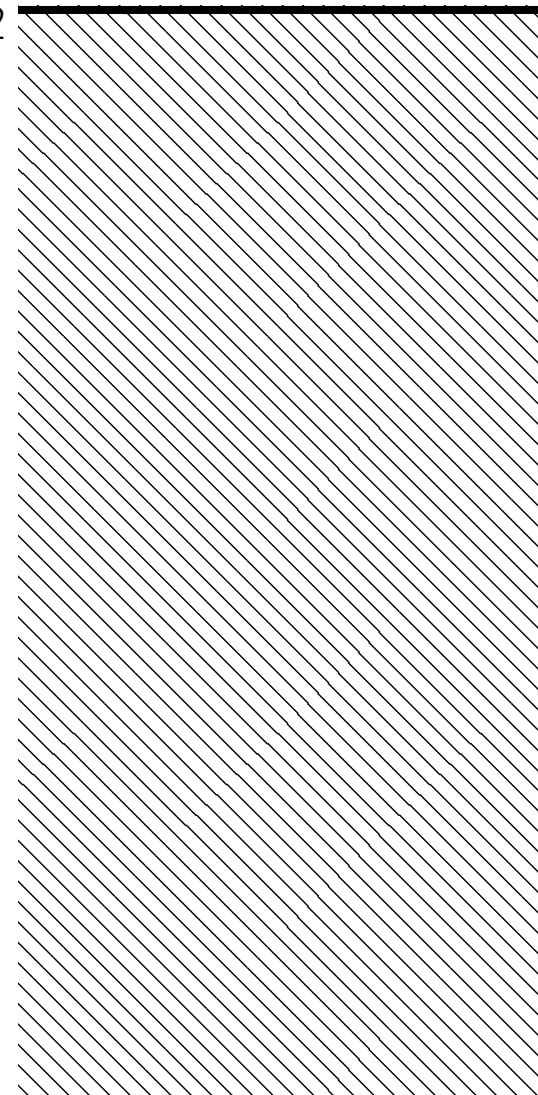
S1.1



Source	Data
Ministry of Labour & Social Solidarity-IDIKA-Organization of Welfare Benefits & Social Solidarity	Data concerning SSI & rent benefits
Hellenic Electricity Distribution Network Operator (DEDDIE)	Data on properties without electricity supply in other Municipalities of the Metropolitan Area of Thessaloniki
Municipality of Thessaloniki	Data on recipients of welfare benefits in the Municipality of Thessaloniki, data on properties without electricity supply in the Municipality of Thessaloniki, data on municipal property
AUTh	Data on student population, student housing benefits, and student residences
UNHCR Thessaloniki	Data on beneficiaries -ESTIA housing stock, expenses data
IOM Thessaloniki	Data on beneficiaries – housing stock of HELIOS project
ARSIS Thessaloniki	Data on beneficiaries -ESTIA housing stock, expenses data
PRAKSIS Thessaloniki	Data on beneficiaries -ESTIA housing stock, expenses data
Municipality of Thessaloniki – REACT	Data on beneficiaries -ESTIA housing stock, expenses data
SolidarityNow Thessaloniki	Data on beneficiaries -ESTIA housing stock, expenses data
Municipality of Thessaloniki – REACT	Data on beneficiaries -ESTIA housing stock, expenses data

Interviews,
focus group
discussions,
exploratory
contacts

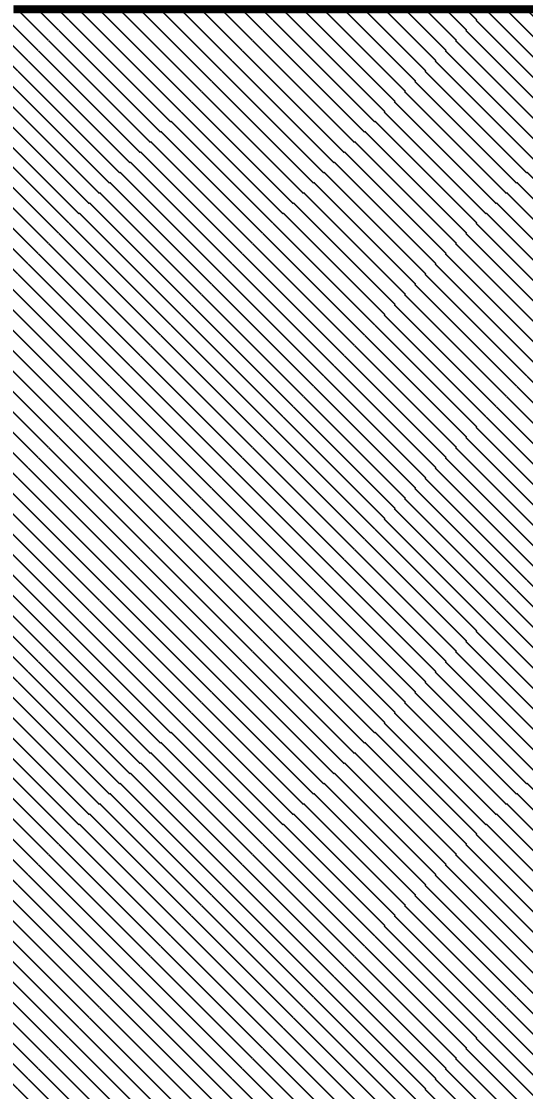
S12



Date	Method	Stakeholder
6/2/20	Working group/workshop	Local Action Group of the ROOF/URBACT III network
25/2/20	Interview/exploratory contact	Curing the Limbo
6/3/20	Interview	Praksis, Accommodation & Employability
8/5/20	Working group/roundtable	Stakeholders implementing accommodation schemes
8/5/20	Interview	ARSIS, Accommodation & Employability, Restart
25/5/20	Interview	Solidarity Now, ESTIA
14/6/20	Interview /exploratory contact	Accommodation facility for asylum seekers (REACT)
1/7/20	Interview	Praksis, EΣTIA
7/7/20	Exploratory contact	Landea.gr - E-auctions.gr
7/7/20	Focus group discussion	Groups of beneficiaries Accommodation & Employability (Praksis)
9/7/20	Interview	Property agency KERAMEUS PROPERTIES S.A.
15/7/20	Interview within the framework of student thesis	Short-term rental agency SKGBNB
15/7/20	Interview within the framework of student thesis	Short-term rental agency MUST
16/7/20	Interview	IOM, HELIOS
17/7/20	Interview within the framework of student thesis	Association of Property Owners of Thessaloniki
27/7/20	Interview within the framework of student thesis	Partner of property agency Bee Real Estate
24/8/20	Interview within the framework of student thesis	Property agency Diversi
29/9/20	Working group/workshop	Local Action Group of the ROOF/URBACT III network
1/10/20	Interview/exploratory contact	Homeless Dormitory – Municipality of Thessaloniki
1/10/20	Interview/exploratory contact	Shelter for Women and minors "MOTHER TERESA"
1/10/20	Interview/exploratory contact	Supervised accommodation shelter of the therapeutic community KETHEA ITHAKI
13/11/20	Working group/workshop	Local Action Group of the ROOF/URBACT III network

Dictionary of basic affordable housing terms-models

S13



Housing First

A housing provision model targeting homeless individuals. The basic tenet is to provide immediate access to autonomous residences without any precondition and then provide extra supportive services.

Revolving investment funds

Revolving investment funds constitute a source of funding that is provided at a low or zero interest rate. The central fund is replenished as individuals pay back their loans (fund and interest rates).

Intergenerational housing

A subcategory of home sharing or matching schemes, where young adults share the same residence with seniors (also "new" families with older adults) so as to cover their housing and daily needs through mutual support.

Social Rental Agencies

Social Rental Agencies are Non-Profit Housing Organizations mediating between property owners and individuals in need of support to access adequate and affordable housing¹.

Community Land Trusts - CLTs

Community land trusts are non-profit corporations that own and develop land for the benefit of the community. To do so, land ownership is separated from residence ownership so as to avoid speculation, securing affordable housing for low-income households².

Matching schemes and family hosting

Matching schemes facilitate interconnection between property owners and potential beneficiaries in search of affordable housing solutions.

Housing cooperatives and associations

A housing cooperative is established through the creation of a cooperative legal entity owning a certain number of dwellings providing accommodation to its members and complying with the principles of the International Co-operative Alliance (ICA)³.

Shared homes, co-living

Usually, in shared homes schemes, each resident has their own bedroom with or without a private bathroom, while all the occupants have access to a shared kitchen, living room and other facilities.

Co-housing, collaborative housing

The term co-housing refers to a specific housing model which includes a housing complex offering access to common spaces⁴.

¹ FEANTSA (2012) Social Rental Agencies: An Innovative Housing-led Response to Homelessness. Last access: 27/05/2020, Available at: https://www.feantsa.org/download/2012_06_22_sra_final_en-2-2292903742234225547.pdf

² <http://www.communitylandtrusts.org.uk/what-is-a-clt/about-clts>

³ <https://www.ica.coop/en/cooperatives/cooperative-identity>

⁴ <http://www.cohousing.org.uk>



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