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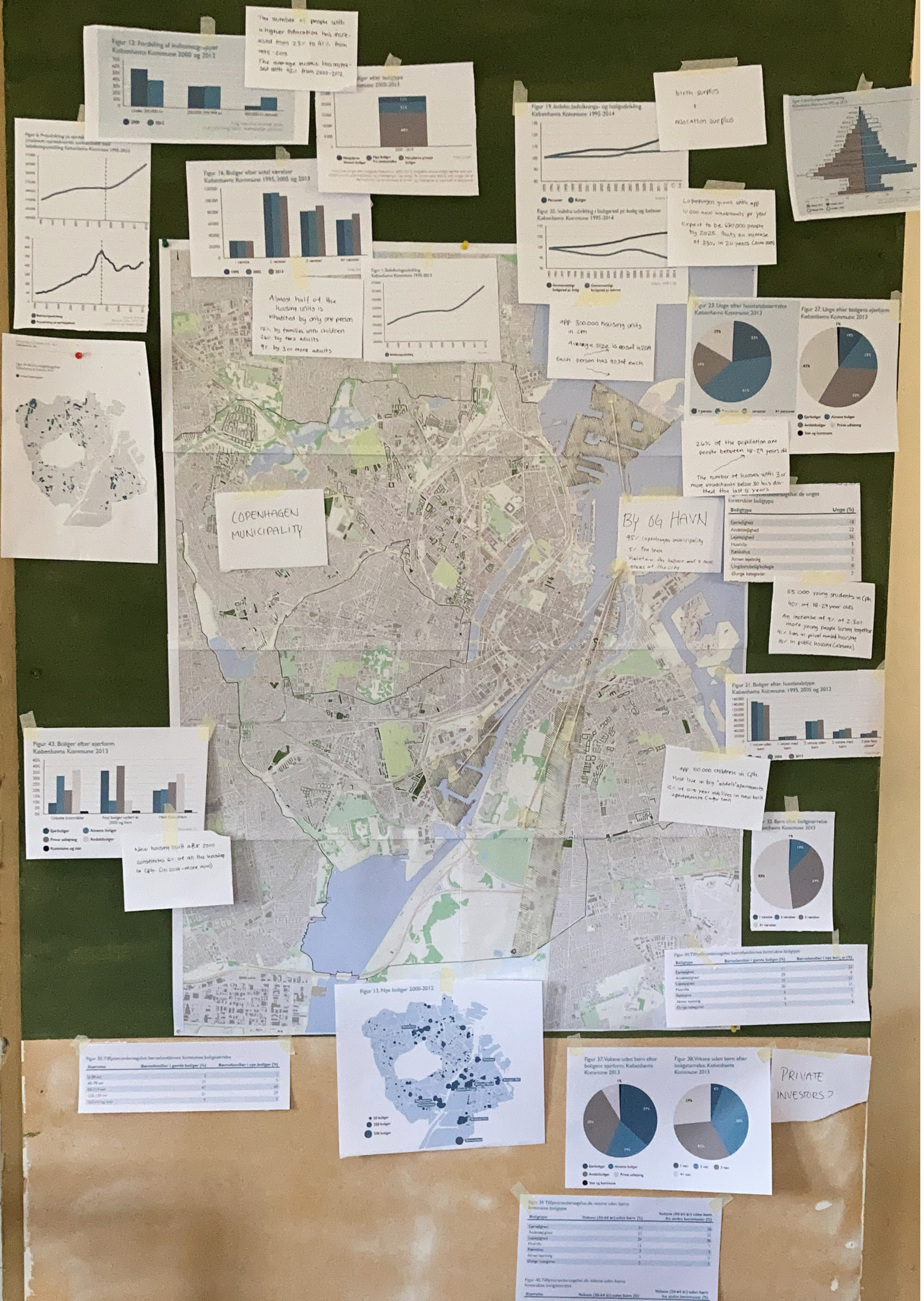
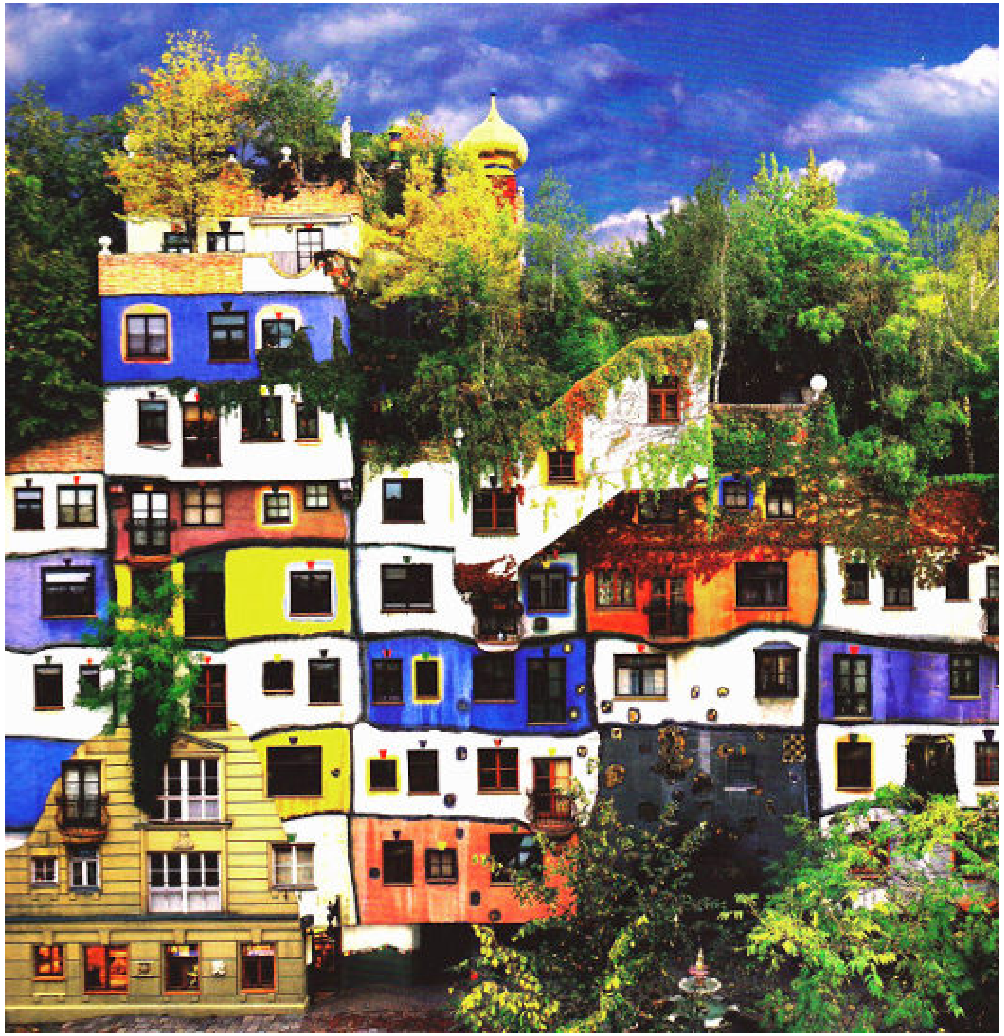

COPENHAGEN MUNICIPALITY
BY OG HAVN
PRIVATE INVESTORS ?



Models from other countries:

Amsterdam:
Ground Lease. The city leases land to private persons, who can then build there own building here. The price of the lease depends on wether it is commercial, communal or housing
Has created in self-build housing

Berlin:
The city of Berlin has bought back 6.000 apartments from private owners.
Renationalizing housing to bring down rents
In June the city government drafted a law that would freeze rents for 1.5 million Berlin apartments for five years starting in 2020. The law is still in development.

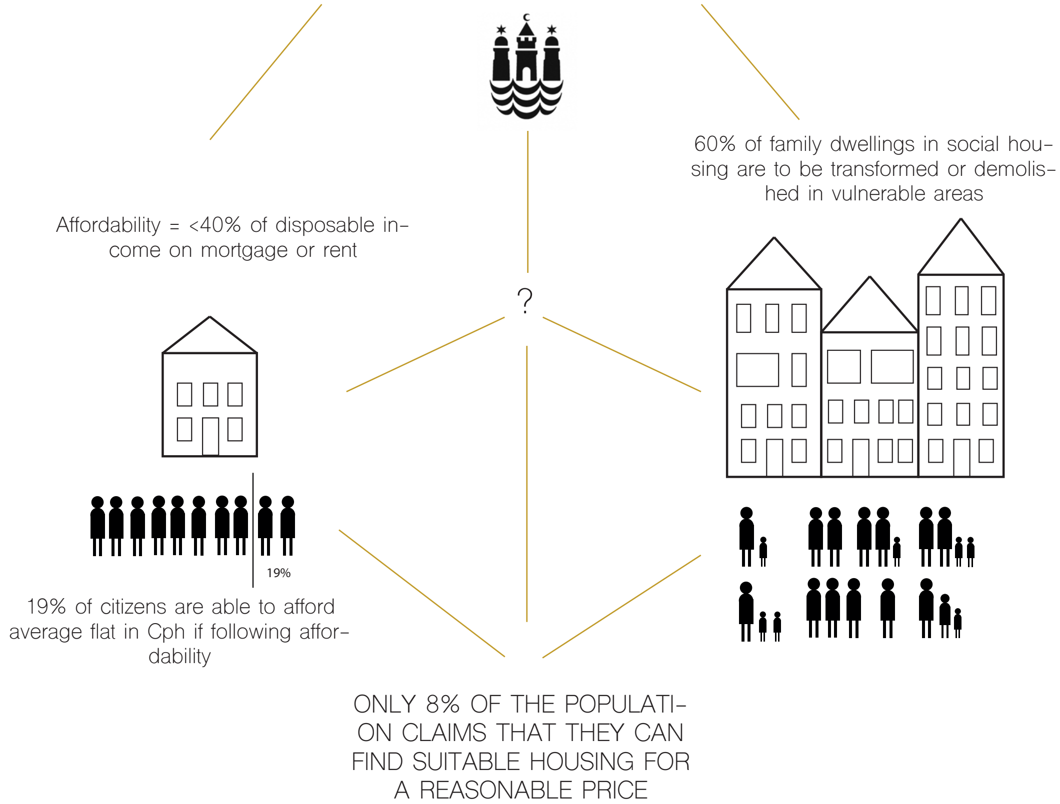
Freiburg:
Baugruppen. A 'co-developed' urban housing.
Groups of people go together to buy land and build housing there togehter. They are themselfs in charge of how much is shared and private. It lowers the prices, since a developer is cut out from the proces

Calais:
Rent to buy system. Here first-time buyers or people of lower income can start with renting housing for five years, where after they can decide to buy the housing or move out. The monthly rent pays for the mortgage over time.

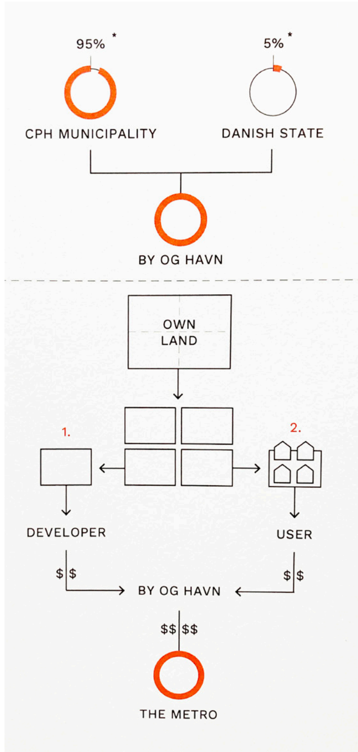
Vienna:
The city buys land deemed suitable for residential development and retains control over the type and nature of development. Proposals from private developers, which will build and retain ownership of the housing units. A jury evaluates these proposals based on four criteria: architectural quality, environmental performance, social sustainability, and economic parameters such as proposed rent levels and costs.
Rents are regulated by the city government so that none of the residents pay any more than 20 to 25 percent of their household income for housing.

Quote from Copenhagen municipality analysis 2014:

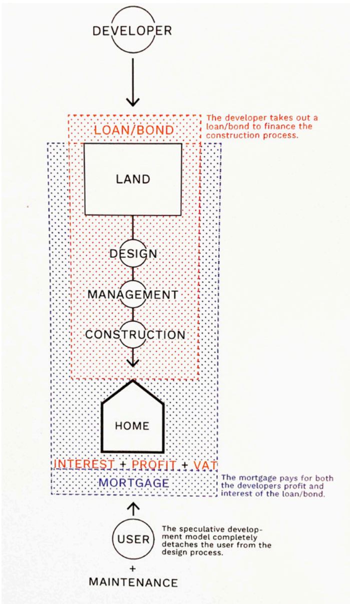
"A need to creat a coherent city with various supplies of housing that can follow the demands from all population and income groups."



The Developer Model



This diagram shows the classic, profit based developer model, where the developers consists of a private company that buys land of the municipality or By og Havn, and then develops it to sell it for profit. The developed project is often sold as either private owned apartments or private rent. It can also be sold to the future users of the plot, but the plots are often sold at prices that only large, private companies can afford.



In 2016, 99,8% of all housing was build by private developers, compared to 30% in 1990. This increase have had an effect on the prices on housing and the influence both the residents and the public can have on the processes. The interest for Copenhagen has increased, and today more than 50% of the residential transaction volume are by foreing investors and developers.

Why not share?

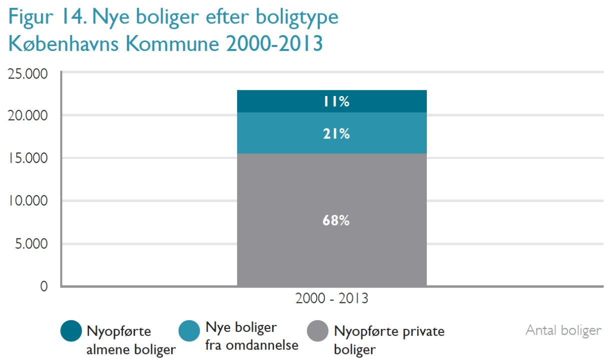
Collective housing and Cooperatives are often put in relation to left-wing grassroot movements, bottom-up projects or 'oppositioners'. It is small, utopian projects put in the margen when thinking city development.

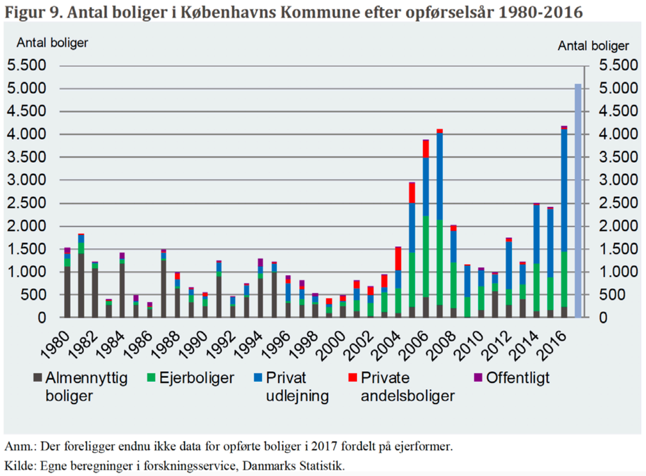
The Market and the State is so tightly bound together, but at the same time disabling each other. The state needs the money, therefore they sell the land on the market to private developers. But public housing, the first movements of andel and almen housing, has shaped all of Copenhagen. The classic housing blocks with an inner yard dominates most of the 'bridge areas' surrounding central city. The apartments was smaller than the new build housing, but there was pretty much the same functions. Though in the older housing blocks, there were a lot of common facilities such as laundry rooms, eating areas and a kitchen, guesthouses and working areas or child care facilities. These are the functions that has been stripped off in new build aparment blocks of the private sector. Instead they are designed unflexible, for the classic nuclear family and to much higher prices.

If the current model is to change, there is a need to change the entire discourse on the 'commons' housing. After the andels housing is now following the market, housing has changed from being an accomodation to being an investment or a trade. There is a need to start focusing on examples of cooperative housing from other countries when developing local plans in Copenhagen. The system and the protocol for development needs to change in a way, so that the state begins to see cooperative as an asset instead of these margens in the city.
A way to do this, could be a reformation or rethinking of the idea of property and ownership. Instead of buying a property, you buy a 'share' of the city. The bricks in itself is not what you own, but what you are provided with.

In the last 10 years, the City of Copenhagen has been undergoing a large development. After the company By og Havn was created to pay off the debt on the city's metrosystem, it has functioned through selling of land plots and large city areas to be developed. These areas are Ørestad, Nordhavn, new Sydhavn and Fælledby. The development of these areas has had a large impact on the city both in terms of economy, residents, architecture, neighbourhoods and the housing market.
The city is bound by a legislation determining that the municipality cannot subsidice land and that all land plots must undergo a public tender, and if possible be sold to the highest bidder. Because of the increasing popularity of the city, the land plots are sold to very high prices.

Decrease of new build Social Housing





Copenhagen municipality has a wish that every new build housing contains 25% social housing. Though, as to be seen in the graphs above, the number of new build social housing has radically decreased over the last twenty years, whereas the number of new build private rent housing is rapidly increasing.

On the map to the right, it is possible to see where the areas in focus for new build housing today, and that very little of these areas have social housing. Some of the reasons for this is, that local plans can be changed, so areas can be more densely build or that the landplots are too large and too expensive for the social housing associations to afford.

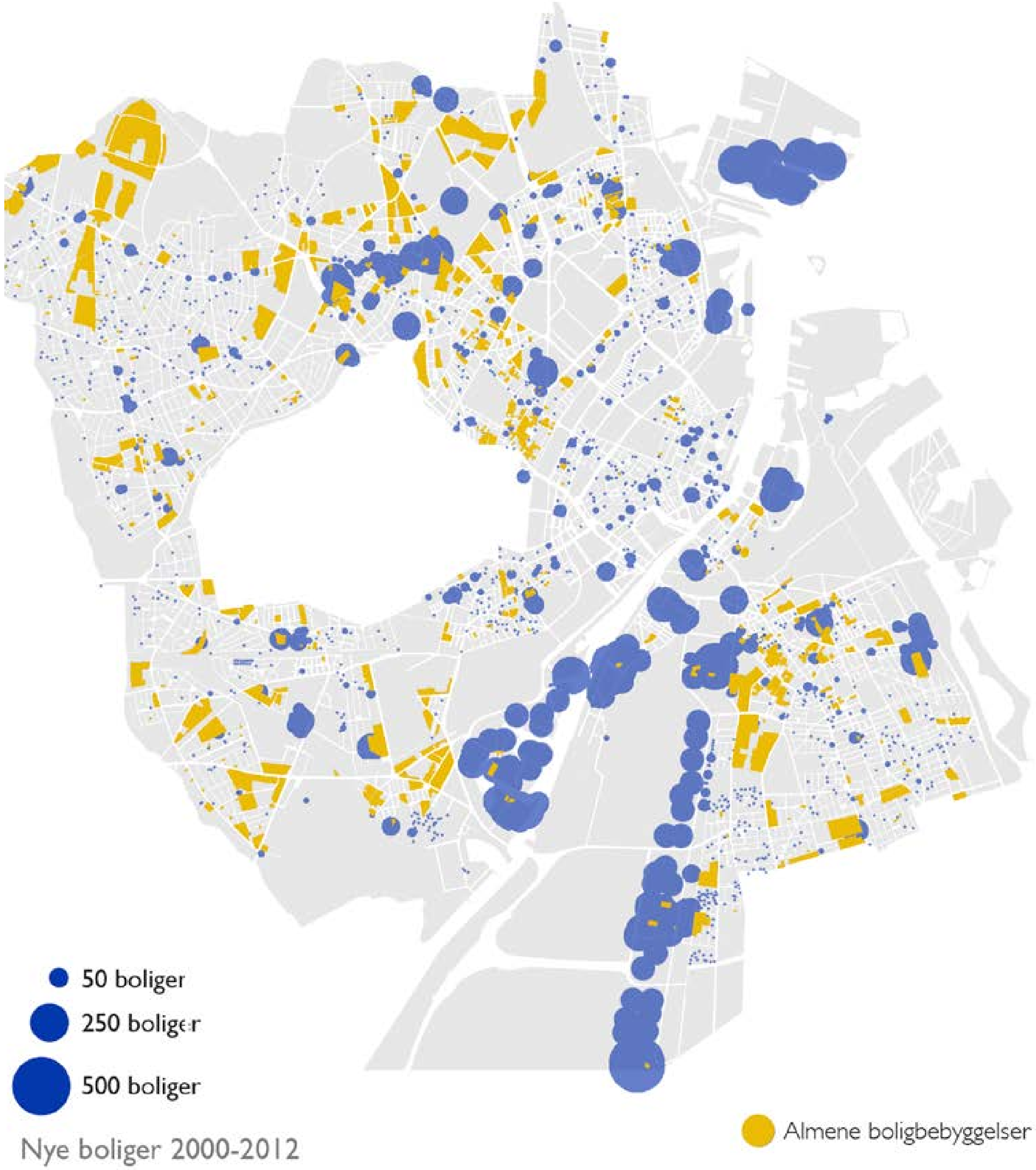
New Build Housing and Ghetto lists

As shown before, the number of new build social housing has been descreasing over the last ten years.

Soon Copenhagen will get even less social housing, if the legislation of the Ghetto Package is followed. It determines that 60% of the dwellings in a social housing unit must be either demolished or sold to private owners, if the unit is on the ghetto list.

It is only social housing that can be placed on the ghetto list, and there are five factors determining weather an area is viewed as a ghetto;
If an area has more than 50% migrants or descendants from non-western countries and the criterias for at least two of the following are met, the area will be listed as a ghetto:
1: The number of residents between the age of 18-64 not in work or undergoing education is more than 40%.
2: The number of residents who has broken the law are three times higher than the national average.
3: The number of residents from 30-59 that only has a basic education is more than 60% of the whole resident group in the same age group.
4: The average income for taxpayers in the age 15-64 is less than 55% of the average income for same age group in the region.

The increasing rent in new build areas has meant that more wealthy people has moved to city over the last ten years, increasing the average income for the region. That means, that even though the average income for the residents in Social Housing has not changed, their average income is decreasing compared to the rest of the city, possibly putting the area on a ghetto list.



Increasing prices on private rent

The housing market for private rent in Copenhagen has increased rapidly over the last twenty years. It happened after 1990, where the municipality started to sell of public owned housing to private owners to get out of a financial crisis.
To increase the interest for private buyers to create private rent housing, it was legislated that there would be no permanent loft on rent for all housing build after the year 2000.
As can be seen on the graph on the opposite site, the rent on especially housing has increased with more than 20% over the last six years.

With a legislation determining that buyers can loan a maximum of 4 times their yearly income and increasing prices on private owned apartments, it has made it especially difficult for first time buyers or people of lower income to buy private property. This has increased the demand on private rent even more, allowing the land lords to increase the prices on rent.
With the increasing prices on rent, there is often a lot available private rent apartments in new build areas, hence the prices are simply too high for many to afford. The prices for 2-, 3- and 4-bedroom apartments have increased with no less than 42% over the last six years.
With the decrease of new build social housing, the waiting lists for those kind of options are now so long, that it can take between five to 10 years to be offered an apartment.

The architecture of new build housing in Copenhagen

Ørestad

Nordhavn

Ørestad

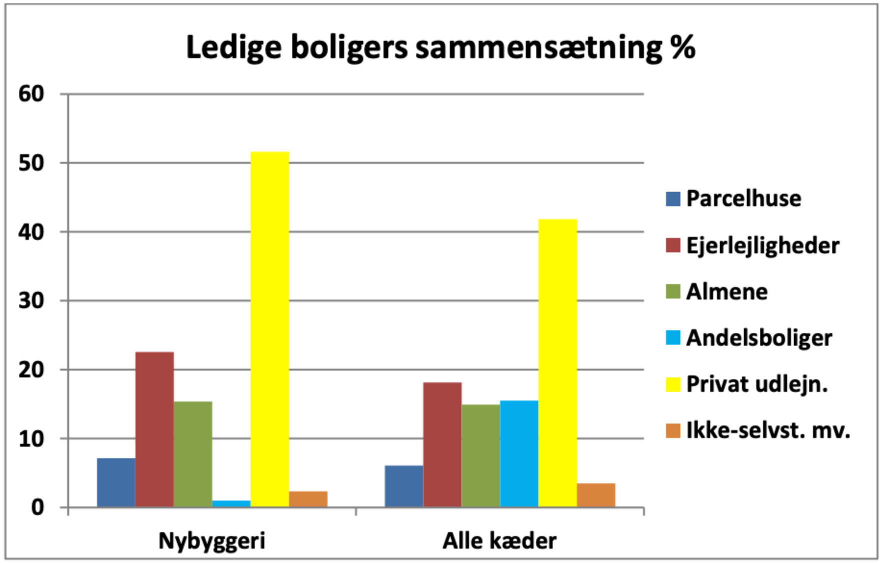
Engholmene

Teglholmen

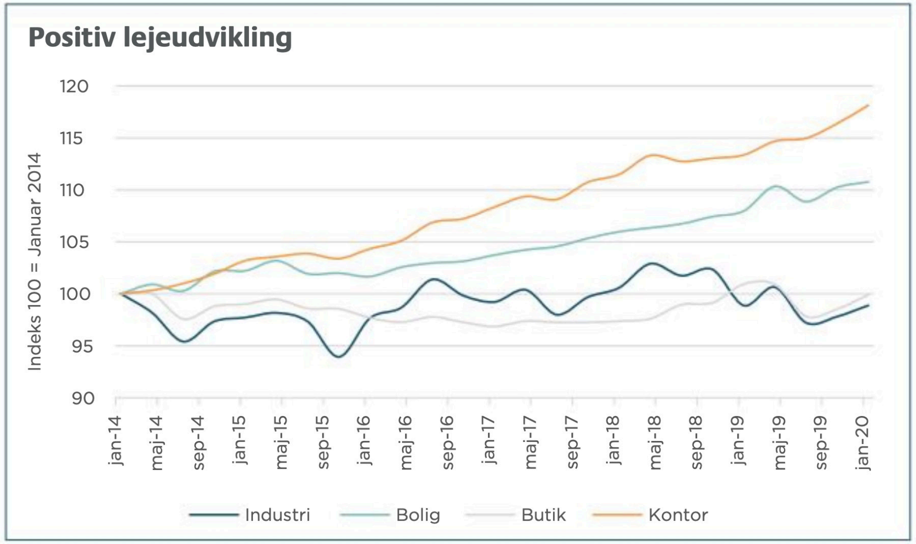
Sluseholmen

Sluseholmen

source: Critical City,
Kristoffer Lindhardt Weiss



Figur 19. Boligsammensætningen af nybyggeriet sammenlignet med hele det boligudbud i Københavns Kommune som skabes af nybyggeriet.



The nuclear family apartment

The plandrawings to the left are randomly picked out from different private rent housing units around five new build areas of Copenhagen.

The areas chosen from are Sluseholmen, Teglholmen, Nordhavn, Ørestad and Amager Strand.

As to be seen, the apartments are all designed following a certain prototype, fitting for classic nuclear families with one to two children or couples.

The apartments all contain a master bedroom with built-in closet space, a large bathroom with both laundry machine and tumbler, and a large combined kitchen / livingroom. Depending on the size, one or two smaller bedrooms for children is added.

The apartments are non-flexible in the interior design and it can be difficult for other types of resident combinations than nuclear families to get their needs fulfilled.

The majority of new build apartments meets the needs for classic, wealthy nuclear families, even though only 19% of the population in Copenhagen lives in that type of family construction.

The monthly rent for the apartments varies from 11.000-17.500 without spendings.