

## STRATEGIES FOR LARGE HOUSING ESTATES



Foto:Dagmar Weidemüller

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# International Workshop organized by the Competence Center for Large Housing Estates

**Kompetenzzentrum  
Großsiedlungen e. V.**

Center of Competence  
for Major Housing Estates

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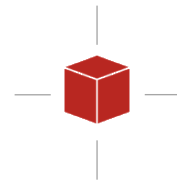
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## Summary

Dr. Bernd Hunger

Berlin, September 2023

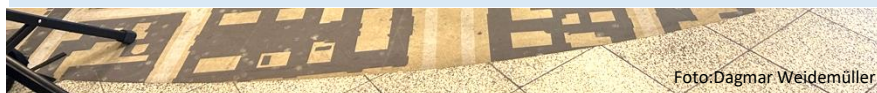


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## **Introduction**

On the 6th and 7th of July 2023, the Competence Center for Large Housing Estates invited experts from 6 countries to an international Workshop. What was the reason for this event?

Between the 1960s and the 1980s, large housing estates were constructed in nearly all Western and Northern European countries as a solution for unfolding housing shortage. Over time, these large complexes once promising modern living conditions for everyone have been aging and undergoing significant social transformations.

On the one hand, the existing infrastructure and housing stock must be renewed, at least for the sake of climate change demands. Additionally, it must be assessed whether the urban structures of large housing estates align with current needs and are sustainable for the future.

On the other hand, certain large housing estates – it is important to highlight that not all of them – have transformed into social hotspots, hosting a disproportionately high number of households with low incomes and migrant backgrounds. Integration challenges are evident and have found their extreme manifestations in gang activities in Stockholm, New Year's Eve riots in Berlin, or civil unrest in Paris earlier this year, to name a few.

Throughout Europe, the future of large housing estates is being discussed primarily from two points of view:

- What concepts of occupancy policy and community care are suitable for promoting neighborhood cohesion and tackling parallel societies?
- Which urban development and building construction measures can contribute to the social mix of the neighborhoods?

The partners of the Competence Center for Large Housing Estates from Stockholm, Amsterdam, Copenhagen, Zurich, and Strasbourg took part in the workshop, aimed at addressing these challenges. The perspective from Germany was represented by experts from the housing industry, community development, research institutions, and municipal administrations.



## German Experience

The first day was dedicated to familiarizing the guests with the status quo of large housing estates in Germany.

**Dr. Bernd Hunger**, Chairman of the Board of the Competence Center for Large Housing Estates, stated the significance of these estates for housing supply. In Germany, approximately 8 million people reside in the approximately 4 million apartments within these residential complexes. Thus, the urban and architectural renewal of large housing estates is ongoing. Through this process it became evident that such structural characteristics as compact construction, expansive open spaces, and adaptable social infrastructure, make large housing estates better suited for adjusting to the requirements for achieving climate-neutral living conditions than other types of urban morphology.

The increase in social segregation is concerning. The proportion of households with low incomes and migration backgrounds is well above the city average, and the demand for integration is considerable. The substantial immigrational increase in Germany in a cross-country comparison is pushing more and more municipalities to the limits of their capacities. This process mainly affects large housing estates since municipal housing companies hold their largest portfolios in these areas.

**Guido Schwarzendahl**, Board Member of housing cooperative “Bauverein Halle – Leuna” and President of the global association “Cooperative Housing International” (CHI), described the challenges faced by the city of Halle, which had to cope with a significant population decline. In the large housing estates of Neustadt and Silberhöhe, numerous vacant apartments were demolished. Currently, the population is stabilizing due to the high influx of immigrants, which has been persisting since 2015. However, this has also intensified social contestation and tension, as both immigrants and low-income households seek affordable housing predominantly in the large housing estates.

**Barbara Engel**, a professor at the Karlsruhe Institute of Technology (KIT), provided commentary on the inputs from German experts. She highlighted the significant variations in local socio-economic circumstances: ranging from higher vacancy rates and demolition in shrinking cities to providing supplementary housing construction within existing large housing estates on tight housing markets of the biggest cities in the country. She emphasized that both speakers came to the same conclusion: the large housing estates bear the heaviest burden of integration tasks, thus relieving other urban districts. Consequently, large housing estates rightfully demand distinct political attention and support: from delicate housing distribution policies to continuous, permanent support programs tailored to neighborhood needs.

A visit to the Hufeisensiedlung and Gropiusstadt provided the international guests with insights into Berlin's large housing estates, illustrating the inputs shared during the first day of the workshop.

## Experience from Five Countries

On the second day, the international guests presented the situation in large housing estates in their respective countries, highlighting social and urban renewal concepts in effect.

### SWEDEN

**Viktor Raft** representing the Swedish Association of Housing Companies "*Sveriges Allmännyttan*", described the main guiding principle of socially oriented housing construction as "good living for everyone". Aligning with this principle, housing policy in Sweden aims to encompass a broad spectrum of the population with the comprehensive goal of supporting social diversity within neighborhoods in its core.

In order to ensure the economic sustainability of housing construction and management, rents are adjusted annually by an independent commission. During negotiation process, the commission considers such indicators as inflation rate, trends in construction costs, and trends in salary and household incomes.

Support for low-income households is provided exclusively via personal, targeted subsidies, and not via subsidizing low rents. Currently, targeted subsidies reach every 7th household.

Resident involvement is obligatory by law. Allocation of housing is done based on waiting lists, where the waiting period may exceed 10 years in tight markets and highly contested locations. Starting summer 2023, housing companies are obliged to take responsibility for fighting crime by creating safe living environments.

For housing companies, it is mandatory to combine economic principles with social responsibility.

**Chris Österlund**, CEO of the municipal housing company "Botkyrkabitten", outlined the specifics of how it is done in Sweden.

The market-driven housing company in the town of Botkyrka on the outskirts of Stockholm, responsible for almost 11,000 housing units, operates in accordance with strict economic principles, and increases the company's value as well as the economic return through a clear focus on supporting the neighborhoods. Order and security have the highest priority, accompanied with job creation in the districts (and services provision), upgrading of public space and encouragement of diverse forms of neighborhood collaboration.

Parallel to the social engagement in the neighborhoods, the housing company has been gradually renovating the housing stock. The economic success of the company is impressive as it is based on conscious effort to make districts in question attractive by consistent work in the neighborhood. Methodological and content-related guidelines of the corporate strategy align with the sustainability principles of the UN Agenda 2030.

Despite these efforts, it cannot be overlooked that social hotspots still exist in some large housing estates in Sweden. Given the issue of organized gang crime persists, overburdened neighborhoods have become a priority political issue.

## DENMARK

Based on her research work at Aalborg University, **Marie Stender** addressed the political initiatives to tackle 'parallel societies' in disadvantaged neighborhoods in her speech.

The general approach to affordable housing provision in Denmark is similar to that of Sweden, where professionals concentrate on providing 'housing for all' rather than creating 'social housing', that is generally associated with stigmatized public housing. A sixth of the Danish population lives in 'non-profit housing units', term that is used to describe such housing stock.

Since 2010 authorities has been monitoring urban neighborhoods that meet the following criteria:

1. share of residents becoming transfers („unemployed“) exceeds 40 %;
2. share of residents from non-Western background exceeds 50%;
3. share of adults only having a primary school education exceeds 60%;
4. the average gross income for taxpayers (excluding residents in education) in the area is less than 55 per cent of the average gross income for the region;
5. share of residents aged 18 and over convicted crime at least 3 times the national average.

In 2018 The Danish Parliament implemented the so-called Parallel Society Act. The Act defines a set of measures for the special support of these neighborhoods. Housing blocks will be demolished, new housing units will be built, and infrastructure and outdoor spaces will be developed. The overall objective is to change the social mix in the housing estates. The appreciation of the results of these actions is divided within the affected neighborhoods: on the one hand, the upgrading of one's own living environment is welcomed, on the other hand, existing social networks are destroyed.

In cross-country comparison, Denmark's political concept has two special features: 1) an established set of indicators is used to define what 'disadvantaged' is based on cultural, social, and educational criteria; 2) consideration of migration background focuses on the "non-Western", although this focus is currently being seen as problematic from a human rights point of view in Denmark.

At Aalborg University, an interdisciplinary research team follows the physical and social outcomes of Parallel Society Act in a period of ten years (2020-2030). Marie Stender shared the key findings of the current stage of their evaluation:

1. New infrastructure and new functions may change the place reputation, yet inside and outside perspectives on the neighborhoods still differ: Outsiders feel safer, while insiders tend to feel less safe due to transformations.
2. Attempts of attracting new residents are challenged by various conditions (scale and location of large housing estate, housing market) and social dynamics (who is moving in and out? will they mix and integrate?).
3. The current transformations can also fuel stigmatization and among some residents the regeneration is perceived as destroying local community and cohesion, making them feel that they do not belong.

4. It is too early to conclude whether ‘the medicine is working’ – but it has remarkable side effects, especially for vulnerable residents.

## FRANCE

**Sabine Vetter**, Research Director at ADEAS, the Urban Planning and City Planning Agency of the Strasbourg metropolitan area, stated that almost a half of France's 5 million social housing units are concentrated in Greater Paris metropolis. In this administrative entity, 500 districts are defined as ‘*quartier prioritaire*’ (QPV), or ‘priority quarters’, disadvantaged areas that are not limited to large housing states. These neighborhoods receive special support, known in France as ‘*Positive Discrimination*’.

In order to promote social diversity, it is mandatory that at least 25% of social housing is provided in each district. This forms a basis for inhabitants to move from disadvantaged neighborhoods to other city districts.

Significant demolitions have taken place and continue to occur within the large housing estates, particularly, multi-story buildings have been demolished and replaced with lower-rise new constructions. An important rule is that a new social housing unit cannot be constructed as a substitute in the same location as the demolished one.

Notably, in comparison to other countries, concept adopted in France entails the mandatory inclusion of affordable housing (social housing) in existing neighborhoods, and at the same time no social housing construction is permitted within priority quarters (QPV).

However, the reality of distributing the entire housing budget across different neighborhoods imposes tight constraints. Nevertheless, at the very least, the political goal has been established and a framework for its implementation has been formulated.

## SWITZERLAND

**Dr. Nathanea Elte**, , President of ABZ (*Allgemeine Baugenossenschaft Zürich*), presented the specifics of the Swiss model for social housing provision. Housing cooperatives take over the role of municipal housing companies, owning approximately 10% of all dwellings.

In accordance with the cooperative principle, members hold significant influence over the actions of the cooperative they belong to. Housing distribution is designed in the way for households move from larger to smaller apartments after their children move out (although stated in contracts, this measure sometimes falters due to a lack of a sufficient number of smaller units).

The ABZ has summarized its strategical goals in a so-called ‘Siedlungskompaß’, or ‘Estates’ Compass’, which uses a set of indicators to describe the degree of goal achievement reached for each addressed topic.

The cooperatives extensively support neighborhoods in their initiatives, enabling diverse forms of cooperative living to be practiced. At the same time, there are clear rules for cooperative living that are known and accepted by everyone, which means that conflicts tend to be an exception. Shared cultural consensus on the rules of

neighborly interaction is helpful for fostering harmonious coexistence within the community.

## THE NETHERLANDS

**Pepijn Bakker**, strategy manager of the housing association "Rochdale" based in Amsterdam, presented the experiences of this non-profit company, which operates as a "social housing provider" with portfolio of 48,000 housing units. Many of these units are located in the well-known Bijlmer housing estate.

50% of the Amsterdam population are entitled to social housing, with income being the sole indicator. The current income threshold is set at 45,000 EUR per year.

"Rochdale" pursues a dual strategy to enhance social diversity: regeneration and housing distribution policies. The example of the Bijlmer housing estate illustrates the change of urban structure aimed at making the area more attractive. Small-scale owner-occupied housing is being built on large demolition sites to attract new groups of residents. Simultaneously, the existing housing stock is being renewed, with commercial and social infrastructure being integrated on the ground floors at suitable locations.

In the Netherlands, social housing corporations are legally obligated to provide affordable housing. Like "Rochdale", they conclude an agreement for housing distribution with municipal authorities, in order to supply various income groups with housing. This way they can partially influence the spectrum of income groups that can access housing in the company's portfolio. In Amsterdam, for example, "Rochdale" can rent out 30% of newly built units to households with higher incomes. In poorer areas, 50% of the newly built units can be rented to households, in which people are employed and do not receive government support. Conversely, in more stable areas, up to 90% of newly built units can be allocated to households receiving government assistance.

The journey toward achieving better social diversity is also challenging in the Netherlands. "Rochdale" has a long-term goal for neighborhoods like Bijlmer, aiming to gradually reduce the share of social rentals from 100% to 50%, offering 15% of units at moderate rents, and providing 35% for homeownership.

## S U M M A R Y

### **What can be learned from the international comparison of strategies for the development of large housing developments?**

**In comparison:**

**Denmark – Sweden – Netherlands – Switzerland – France – Germany**

#### **I. Social Cohesion: Starting Points and Concepts**

##### **1.**

##### **Special Integration Tasks Require Special Support**

All countries involved dedicate specific political attention to large housing estates. Why is that? Large housing estates make a disproportionately significant contribution to providing housing for households in need. They undertake integration efforts for city as a whole, thereby relieving pressure on other neighborhoods. This important task demands political attention and support.

In recent years, a variety of measures have been taken in all countries to strengthen social cohesion in large housing estates. However, in all countries participating in the workshop, social and ethnic segregation between different urban neighborhoods continues to advance, with large housing estates being the most affected. Segregation is, on the one hand, the result of growing immigration numbers and social polarization. On the other hand, it is also the result of the housing policies that for decades did not pay attention to the social consequences of housing distribution without spatial reference to the social situation in particular neighborhoods.

The speed of change in social structures shows that not only disadvantaged neighborhoods still need support, but also that the stable neighborhoods in large housing estates need to be supported with preventive measures.

##### **2.**

##### **Social Diversity as a Shared, Common Goal**

All country contributions unanimously agreed that the emergence of parallel societies poses a threat to social cohesion. Integration of various social groups and ethnicities thus holds central importance. The contacts on the neighborhood level are necessary for the opportunities so that opportunities for integration can arise within that proximity.

Housing policies of the countries participating in the workshop are programmatically aimed at achieving social diversity. They avoid constraining the government's service mandate solely to disadvantaged households. Phrases like "Living for all" (Sweden) or "housing for all" (Denmark) serve as synonyms for "broad segments of the population", established as recipient groups of housing policy in Germany.



### 3.

#### **Special Significance of Housing Distribution Policies**

The goal is to create neighborhoods where particularly vulnerable households live together with wider population, representing different economic, social and ethnical groups. Consequently, housing distribution policies play a crucial role in this disposition. Housing distribution is important in achieving a socially balanced equilibrium between strengthening the resilience of existing neighborhoods, providing support for particularly vulnerable households, and supplying wider population with decent housing. To attain this equilibrium, the participating countries pursue various pathways:

- Upper distribution limits for disadvantaged neighborhoods, that dampen influx according to the defined social criteria to prevent the formation of parallel societies (Denmark).
- Flexibility in allocation quotas for municipal housing corporations to avoid overwhelming neighborhoods (the Netherlands).
- Increasing the proportion of affordable housing in more stable neighborhoods while reducing this proportion in disadvantaged neighborhoods (the Netherlands, France).
- Increasing the proportion of owner-occupied housing through partial demolition and replacement of existing stock with more diverse housing typologies.

The goal of social diversity, as highlighted in the country contributions, focused more on the potential contribution of other neighborhoods to relieving the burdens on large housing estates, more so than in German experience.

Each large housing estate is unique. Promising solutions require flexible frameworks that cater to the diverse needs of each specific development. Inflexible requirements and regulations are counterproductive.

### 4.

#### **Social Mixing Incentives for All Housing Providers**

Many landlords operate within large housing estates: municipal housing corporations and companies, housing cooperatives, private housing companies, and individual property owners.

To support social diversity, the participating countries implement instruments that blend subsidized and market-rate housing on a small scale. Financial incentives and legal regulations aim to motivate the housing companies operating on-site to engage more extensively in social housing provision, including:

- providing access to land plots at lower than market rate prices through competitions with social criteria and economically viable conditions;
- financially supporting new construction projects that meet housing allocation criteria via grants and subsidies.

## 5.

### **At the Forefront: Promoting Education and Creating Social Infrastructure**

Children and adolescents coming to life and currently living in large housing estates will significantly contribute to the future generations in values and in numbers. The success of conveying societal values and providing education depends on and is determined by educational facilities and everyday living environment. There it is determined if these values and knowledge are crucial to ensure social cohesion, productivity, and thus high-quality of living standards in the future. Therefore, the quality of childcare facilities and schools is of central importance.

The provision of recreational opportunities, cultural offerings, and social support must be superior in comparison to other neighborhoods in those areas shouldering the greatest integration efforts. The first generation of residents, for whom the neighborhood holds special significance as their home, must be also taken into consideration and provided accordingly.

Similar to neighborhood management in Germany, various forms of community work have been established in all countries. These efforts focus on ensuring order, safety, and cleanliness, while also supporting or launching neighborhood initiatives. The living environment and public spaces play a significant role in enhancing both quality of living and an image of a respective neighborhood.

## 6.

### **Municipal Housing Companies: Economically Capable in Fulfilling Social Responsibility**

The income levels of a significant share of residents in large housing estates allow the municipal housing companies only limited room for investments in the existing stock in order not to trigger displacement effects. It is foreseeable that municipal housing companies especially will face challenges in maintaining their economic viability due to rental prices provided below market rate and, at the same time, the need for further investments at market rates.

All country contributions therefore described ways in which municipal housing companies, as legally independent institutions, can fulfill their social mission and still be economically successful. In Sweden, this is achieved through consistent tenant support: rents are adjusted annually based on the inflation rate, income, and construction cost, with households receiving scaled subsidies based on income. In other countries, a blend of tenancy- and ownership-based support is practiced, where municipal housing companies have opportunities for cross-subsidization through regulated quotas of higher-priced apartments.

The presentations made it clear that the municipal housing companies and cooperatives have significantly expanded their social commitment in supporting the neighborhoods in recent years. This expansion is seen as an essential basis for their economic returns and the increase in value of their stock.

## 7.

### **Integration and Social Mixing: A Long Challenging Road Ahead**

All country reports highlighted substantiate efforts to support integration and social cohesion in large housing estates through various means but compared to the expectations the outcomes have been rather modest. What are reasons behind?

Firstly, there is an immense pressure on municipalities to provide housing to the most vulnerable households. It results in spatial disproportions in distribution of decent, affordable and manageable housing with high concentrations in large housing estates. Secondly, the persistent high migration gain pushes the capacity for integration within local communities to their limits. Integration requires time and resources, and both of which are lacking. Concerns and unrest are growing among local communities about the strain have been consistently put on social systems.

Nevertheless, what would the situation be like without the proactive counteractions of municipalities and socially oriented housing companies? The alternative would be cities that fall apart into established enclaves and marginalized neighborhoods, each with its own cultures and resentments – the antithesis of an integrated urban society.

## **II Urban Planning Concepts**

### 1.

#### **Advantages of Large Housing Estates as Pioneers in Climate Protection**

In the 1990s, large housing estates were often mocked and discredited as "dinosaurs" of outdated housing construction. However, with the climate change agenda gaining momentum this perspective has significantly shifted.

Large housing estates can be considered potential pioneers in climate protection due to the combination of compact living and construction, generous open space and centralized energy supply. Large housing estates usually have good access to public transportation, equipped with barrier-free areas, and are in possession of available land reserves, which makes them favorable sites for testing new forms of mobility.

Advantages in operation and management are foreseeable since the technical systems in these districts in many cases can be adapted to climate neutrality requirements and save resources in a more cost-effective way than other types of urban residential areas. Therefore, operational costs for the dwellers can be reduced as well through technological modernization.

As cost savings come into play, the attractiveness of living in large housing estates for households will increase from a purely economic standpoint. Additionally, the appeal of residing in a community that significantly contributes to resource conservation enhances the overall image of large housing estates.

## 2.

### **Appreciation of Existing Stock**

The assessment of the urban structure of large housing estates from the 1960s to 1980s has shifted among the countries participating in the workshop. While periods of significant stock demolition have occurred in Denmark, France, and the Netherlands, today the remaining stock is regarded more strongly as viable and profitable for the future. Partial transformation of neighborhoods through demolition and new construction (often creating owner-occupies housing offers) takes place where new forms of housing are intended to attract higher-income households for the sake of social diversity.

## 3.

### **Possibilities and Limitations of In-Built Housing Construction in Large Housing Estates**

In a number of countries, a substantial portion of social housing construction takes place within large housing estates due to the presence of municipal housing companies and available municipal land at their disposal. The task at hand is to diversify available housing options and reduce the proportion of social housing (France, Denmark, and the Netherlands).

Issues related to construction within existing neighborhoods were discussed that range from diminishing of areas available for functional mixing to dangers of losing green spaces. The sensitivity of the residents to densification through supplementary housing construction in the existing stock grows with every new project.

The balance between compact housing and generous open spaces is a quality of large housing estates that has gained importance in light of climate change. The COVID-19 pandemic has additionally highlighted the significance of aesthetically appealing and versatile outdoor spaces. Consequently, it is foreseeable that the construction potential within the existing structures of large housing estates will diminish over time.

## 4.

### **Integrated Planning for Better Functional Diversity and Design Quality**

In the participating countries, neighborhood development concepts are regarded as the suitable tool for integrating sector-specific aspects of urban development such as open spaces, transportation, housing, etc., and for engaging property owners and communities at an early stage.

Special attention is paid to the provision of supplementary services, such as spatial proximity to the services, availability of commercial areas, leisure and culture activities, particularly on ground floors.

Enhancing quality and usability of the living environment is seen as a key factor for promoting attractiveness of large housing estates. Simultaneously, new approaches to landscaping and water management are implemented to make areas more environmentally sustainable. The same objective is served by introducing design elements on particularly prominent buildings and areas in public spaces, all aimed at achieving an improved overall perception and image.

### **III Conclusion: From Construction "Dinosaurs" to Neighborhoods of the Future**

The assessments from the participating countries share a common sentiment: large housing estates have a future. They are an essential component of social housing provision for a significant share of urban population. Due to their structural uniqueness and the competencies of large-scale housing companies to act comprehensively, large housing estates are better adaptable to the requirements of climate neutrality compared to other neighborhoods.

That being said, the social and integration issues within large housing estates, resulting from high concentration of low-income and immigrant-background households, cannot be disregarded. These issues remain persistent due to migration growth and deepening social segregation. However, they still can be tackled via long-term, sustainable policies focused on social cohesion and integration.

Large housing estates serve as crucial societal learning grounds to determine if and how social and cultural cohesion can succeed in diverse neighborhoods. To a great extent, future generation of European cities grows up in large housing estates. Educational facilities and everyday living environment heavily influence the success of conveying societal values and providing education that are crucial to ensure social cohesion, productivity, and ultimately the quality of living standards for future societies.