

COVID briefs

BUILDING BACK BETTER: POST-PANDEMIC CITY GOVERNANCE



TOWARDS A POST-PANDEMIC HOUSING POLICY FOR CITIES

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Abstract

The structural problems of access to adequate housing, which became clearer after the onset of the global economic crisis of 2008, have worsened during the pandemic when having access to adequate housing has become a basic condition for protecting lives. COVID-19 has forced governments to adopt a series of emergency measures by means of which they have intervened in residential markets and have, for example, mobilized an already existing, but either empty or underused, housing stock in order to provide homes for people without proper housing conditions. The political opening that has appeared during the pandemic with the adoption of measures that would have been unthinkable beforehand offers an opportunity for local (but also regional and national) governments to go further with their political action in upholding the right to adequate housing. The guidelines suggested with this report include extending the emergency measures adopted during the pandemic and continuing to work on certain earlier measures that involved intervening in residential markets.

The centrality of the right to housing in guaranteeing other rights has become more than evident with the COVID-19 pandemic.

Housing as the first step towards protection in situations of crisis

The centrality of the right to housing in guaranteeing other rights has become more than evident with the COVID-19 pandemic. Staying at home as a preventive measure or complying with the obligatory quarantine in case of infection has brought to light the intimate connection between the right to housing and the right to health. This interrelationship has also starkly demonstrated the vulnerability of many people and urban groups that are homeless or living in overcrowded conditions and in peripheral and self-constructed neighbourhoods that are all but overlooked by public policies.

The social and health emergency throughout 2020 has led (local, regional, and national) governments to respond urgently to the challenges

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posed by COVID-19. In the local sphere, a series of temporary measures have been adopted in order to minimize the initial impact, although the capacity for political response has, of course, depended very much on the degree of local autonomy in housing matters in every country, the financial resources available to local governments, the social mobilization able to shape public opinion in favour of the measures adopted, and the existence of political coalitions that were able to get them approved in municipal councils (or other legislative bodies).

New crises to come

Around the globe, irrespective of the specificities of each region, country, and city, the pandemic has aggravated the systemic failures of housing policies which have, for decades now, been subject to global financial powers (Rolnik, 2019) and aggressive processes of privatization and gentrification. In a socially weakened and economically fragile post-pandemic scenario, it is more than probable that, in some countries, these factors will aggravate housing problems. At the same time, it is expected that, in the countries on the periphery of the capitalist system, these global processes will bolster historically excluding urban models, thus multiplying already existing social and territorial inequalities. Under these circumstances, conditions of overcrowding are worsening, popular habitat is becoming more precarious, the cost of rent is having an increasingly greater impact on families, and there is a new surge in homelessness.

Another aspect concerns the interrelationship between the environmental crisis and housing crisis. The present situation of environmental emergency makes it necessary to rethink characteristics, models, materials and location of housing, ensuring that it can be more resistant to climate-caused phenomena, more efficient, and that its impact on natural environments will be smaller.

The pandemic as a political opening

The measures that have been adopted during the first months of the pandemic basically revolve around two kinds of complementary strategies: 1) intervention in private housing markets and the existing public housing stock; and 2) emergency accommodation for homeless people. In particular, the institutional response has been to **offer subsidies or moratoriums on rent and mortgage payments, suspend evictions, ensure continuity of basic services (water, gas, electricity), and provide homes for the homeless.**

Nevertheless, the temporary nature of these measures obliges the institutions to come up with a more sustainable response to a problem which, after merely being postponed, is now beginning to cause an unprecedented rise in evictions¹ and social protests in several cities around the world.

The fact that similar housing protection strategies have been widely adopted in such diverse geographical and political contexts has given

1. The web page <https://antievictionmap.com/blog/2020/5/4/global-map-of-covid-19-emergency-tenant-protections-amp-rent-strikes> offers a global map of evictions.

rise to a significant political opening for imagining that their continuity over time might be a possible scenario.

Prolonging these measures, however, should also mean continuing to promote strategies with which some governments were working before the crisis, especially those aimed at **regulating rent and tourist apartments, demarcating urban areas for uses of social interest, and introducing fiscal measures aimed at restricting property speculation.**

The following sections offer an account of 1) the measures which, adopted during the pandemic, should be continued; and 2) the pre-pandemic measures that should be **further developed**. Moreover, emphasis is given to the possibilities for intervention by local governments. However, given the nature of the subject being analysed (whose political jurisdiction is not entirely in the hands of city governments), it will be necessary to extend the exercise, mentioning, although more schematically, the actions that should be promoted from other spheres of government.

Intervention in private housing markets during the pandemic

During the pandemic, governments of different countries have focused on intervening in private housing markets, although they have also adopted measures aimed at protecting the public housing stock. At the local and regional levels, **protection of rental housing** has taken the form of measures which include creating *subsidies* (financial assistance), establishment of *moratoriums* (temporary suspension of payment) or *exemptions* (from payment). In some places, raising the price of rent has been prohibited.²

Although the institutions have tried to respond urgently to the social emergency occasioned by COVID-19, the administrative management of some of the measures (like obtaining subsidies) has frequently been slow (some subsidies have taken months to reach recipients) or has neglected some groups (undocumented people, those without access to banking services, people working in the informal economy, et cetera).

With regard to homeowners who were paying mortgages, the general strategy has been to establish temporary moratoriums on mortgage payments to avoid evictions (although these have continued in several countries). In all types of housing tenure (rental, property, or squatting), measures such as temporary suspension of evictions and programmes of financial support for families having difficulty in paying water and electricity bills have also been applied.

The following table shows some examples of each of these measures, adopted at local or regional levels. It is not an exhaustive account, however, but merely illustrative.³

It is important to continue regulating rent and tourist apartments, demarcating urban areas for uses of social interest, and introducing fiscal measures aimed at restricting property speculation.

2. For a fairly complete map of these measures see <https://covid19.antievictionmap.com/>.

3. This table has been produced on the basis of information gathered through a questionnaire sent to key informants in several countries around the world. Also taken into account are the policies outlined in UCLG, Metropolis, UN HABITAT (2020), Eurocities (2020) and the available mapping in <https://covid19.antievictionmap.com/>.

It is necessary to think of short-term strategies with a view to fast alleviation of the population's housing problems, which still come under the heading of social emergency.

Measures adopted by local or regional governments during the pandemic

RENT

Support for paying rent

- o Boston, USA (subsidies)
- o New Orleans, USA (subsidies)
- o Montevideo, Uruguay
- o Nantes-Métropole, France
- o Victoria (state), Australia
- o Bogotá, Colombia

Moratoriums on rent payment

- o Barcelona, Spain (also moratorium on payment of public housing purchase quotas)
- o Washington D.C., USA
- o Vienna, Austria

Exemption/moratoriums on rent in public housing

- o Valencia, Spain (exemption)
- o Barcelona, Spain (moratorium or reduction of quota in case of significant drop in income)

Prohibition on raising the price of rent

- o Washington D.C., USA
- o Victoria (state), Australia

Mobilization of unoccupied housing for social rent / groups at social risk

- o Barcelona, Spain
- o Valencia, Spain

HOME OWNERS

Moratorium on mortgage payments

- o Washington D.C., USA

Moratorium on payment of public housing purchase quotas

- o Barcelona, Spain (moratorium)

EVICCTIONS

Suspension of evictions

- o New York, USA
- o San Francisco, USA
- o Montreal, Canada
- o Vienna, Austria

PUBLIC UTILITIES

- o Montreal, Canada
- o São Paulo (state) (prohibition of cutting water, gas or telephone supply)
- o Iztapalapa, Mexico D. F.

Source: Authors

This range of policy measures complements others that have been adopted by many national governments or judicial authorities. Examples of this would be the moratoriums on evictions decreed in countries including Argentina, Austria, Colombia, France, Germany, India, Spain, South Africa, the United Kingdom, and the United States. In addition, there are measures aimed at protecting the rights of tenants, among them extension of rental contracts in Argentina, prohibition of electricity cuts in Austria, prohibition on terminating rental contracts for non-payment in Germany and Austria, freezing of rental prices in Colombia, and exemption from payment of rent in Malaysia (Rajagopal, 2019).

Emergency housing during the pandemic

Another measure adopted during the pandemic is the provision of emergency homes for the homeless. In the Americas, for example, cities like Bogotá (Colombia) and Montreal (Canada) took this measure from the beginning of the health crisis and, in Montevideo (Uruguay), several municipal facilities urgently changed their functions in order to provide shelter to the homeless. On the other side of the Atlantic, by mid-April, English cities had attended to 90% of homeless people while, in Barcelona, agreements were made with the private sector working in tourism to make hotel rooms and tourist apartments available in order to attend to vulnerable collectives. In other cases, cities like Adelaide and Sydney (Australia), Brussels (Belgium), Bengaluru (India), Tshewane (South Africa), Glasgow and Greater Manchester (United Kingdom), and Chicago (United States) provided food assistance and accommodation for homeless people.

Such initiatives also occurred at the national level, as in France where, at the end of March, homeless people were accommodated in hotels, and in Indonesia, where sports facilities and public halls were temporarily fitted out for this purpose (Rajagopal, 2019).

Pre-pandemic political strategies that should be further developed

In general, housing policies require considerable amounts of time and money before delivering tangible results. In these times of crisis, both are scarce, so it is necessary to think of short-term strategies with a view to fast alleviation of the population's housing problems, which still come under the heading of social emergency. Hence, the most realistic plan of action is essentially to prolong certain pre-pandemic strategies involving intervention in housing markets by means of measures like those detailed below:

- **Regulating rental prices**, which cities like [Berlin](#), [San Francisco](#), and [New York](#) and countries like [Spain](#) and [Denmark](#) are attempting to do.
- **Intervening in tourist rentals**, which can include zoning measures to delimit urban areas to which the tourist offer is confined (see below) while also adopting strategies converting tourist rentals to residential rentals. Cities like [Amsterdam](#) and [New York](#), and regions like [California](#) and [Catalonia](#) are working in this direction.
- **Zoning of areas of social interest**. In the city of São Paulo, urban planning tools which earmark certain areas of the city exclusively for the production of social housing (the so-called "special interest zones" or ZEIS) are combined with fiscal policies progressively increasing taxes on empty properties and even allowing for the possibility of expropriating them (Rolnik, Smolka, Furtado, 2014). [Berlin](#) also has zones of social interest designated by the municipal government (Schmidberger, 2019).

Post-pandemic housing guidelines

On the basis of the considerations outlined above, we suggest that local governments adopt the following roadmap in order to deal with the impact of COVID-19 on the right to housing:

Local/regional governments SHORT-TERM measures

- Collecting public data on housing conditions, in particular information pertaining to situations of precariousness; number of empty homes; quality, accessibility, and security of tenancy; threats of eviction; impact of homelessness broken down by race, gender, disability, migrant, or refugee status. These data are essential for designing policy actions that can be based on the real needs of the target population.
- Adopting moratoriums on evictions that could affect any person, including non-nationals residing in the city. This measure could be complemented with free public legal advice and mediation services in cases of threats of eviction.
- Taking over hotels, hostels, second residences, tourist apartments, and empty homes for the temporary accommodation of homeless people and others who are faced with emergency housing situations.
- Creating a social rental housing fund managed by non-profit entities and organizations tasked with supporting families and maintaining the properties. Owners joining the fund receive a predetermined monthly rent. This measure tends to be more effective when combined with:
 - o Increased municipal property tax penalizing empty residential units .
 - o Demarcation of residential zones of social interest in specific areas of the city.
- Ensuring access to water and sanitation services for residents of self-constructed neighbourhoods, and for families who are unable to pay for these services.
- Establishing technical assistance teams for emergency intervention in the areas of sanitation, fire safety, and general risk prevention in self-constructed neighbourhoods and squatted buildings.
- Regulating the price of private rent (at local or regional level, depending on political jurisdiction) in dialogue with tenants' organizations, landlords' representatives, and public servants and professionals specializing in economic indicators.
- Intervening in the tourist rental market which works through digital platforms, demarcating areas of the city where it can operate, and establishing a maximum number of offers per owner or manager, among other measures.

Local/regional governments LONG-TERM measures

- Providing public or expropriated land to cooperatives and other non-profit organizations for building and managing social housing.
- Expanding and improving the public housing stock.
- Fostering social renting.
- Providing subsidies for rehabilitating precarious housing and improving the energy efficiency of the existing housing stock.
- Adopting urban development strategies (for example, community land trusts, land designated for cooperative housing, et cetera) aimed at protecting certain areas of the city from the entry of financial investment funds.

National governments

- Providing local governments with budgetary funds for developing emergency and long-term housing policies.
- Providing the legal means for local governments to prevent financialization of the housing market (for example by awarding preferential right of purchase, below market price, to municipal administrations).
- Raising taxes on residential property investment funds (like SOCIMIS or REITS).
- Obliging large residential property owners to allocate a percentage of their assets to affordable rent.
- Tax reform to eliminate the Golden Visa and other kinds of economic stimuli for investment funds operating in the property market.
- Limiting the grounds for termination of contracts and introducing tenant protection measures.

Source: Authors

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