OVERVIEW

- Social housing in France
- Social housing, a priority for Paris
- Paris Habitat, main operator for developing and managing social housing in Paris
- Biggest challenges & discussion points
AN OVERVIEW OF THE SECTOR

- **732 social housing companies** (public or private, non-profit companies)

- **4.8 million social dwellings**, 14% existing dwellings in France
  - 125,000 units produced in 2016,
  - 1/3 all units produced in France

- **17 billion euros of investment** every year

- **12 million people** living in social housing,
  - that means 17% of French population

- Around **82,000 staff** working in

The Act creating social housing was adopted by Parliament in 1894
A SOCIAL SERVICE OF GENERAL INTEREST

For the European Commission, social housing is a social service of general interest:

- Low rent, under the private market rate
- Income ceilings for tenants
- The right to stay for tenants
- All profits are re-allocated to activities

Even though social housing in France is aimed at a wide range of people, its function is more and more social:

- 60% of the French population could apply for a social flat according to their level of income
- 60% of tenants have income under 60% of the income ceilings.

Territorial Diversity

In cities of over 1,500 inhabitants in the Paris area, and over 3,500 inhabitants in the rest of France, social housing must reach at least 25% all dwellings by 2025.
# DWELLING CATEGORIES AND TENANT INCOME LEVELS

Income Ceilings for Social Housing Units in Paris and its surrounding Areas

*(annual income before income tax)*

<table>
<thead>
<tr>
<th>HOUSEHOLD MAKE UP</th>
<th>Entry level dwelling for vulnerable groups</th>
<th>Standard social housing</th>
<th>Higher incomes Social Dwellings</th>
<th>Upper level social dwellings (not counted in the 25% social housing figure obligation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 person</td>
<td>€ 12,662</td>
<td>€ 23,019</td>
<td>€ 30,000</td>
<td>€ 41,434</td>
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<tr>
<td>2 people</td>
<td>€ 20,643</td>
<td>€ 34,403</td>
<td>€ 44,724</td>
<td>€ 61,925</td>
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<tr>
<td>4 people</td>
<td>€ 29,618</td>
<td>€ 53,845</td>
<td>€ 70,000</td>
<td>€ 89,165</td>
</tr>
</tbody>
</table>

3 categories of social housing dwellings, with different levels of rent, and different levels of income for their tenants.
SOCIAL HOUSING, A PRIORITY FOR THE CITY OF PARIS
A REAL ESTATE MARKET UNDER PRESSURE IN PARIS

- Paris, a small city of 105 sq.km in a 12,000 sq. km metropolis
- A growing population of 2.3 million inhabitants
- High population density (21,000 inhabitants/sq.km)

Social housing is unequally located in Paris
A REAL ESTATE MARKET UNDER PRESSURE IN PARIS

- Average price of properties for private use:
  - € 25/sq.m for rental,
  - € 8,500/sq.m for purchase
- 180,000 applications for social housing
- 37 social housing Cos, 210,000 social units = 21%
- Average rent in a social flat:
  - From € 6/sq.m to € 13 /sq.m, depending on the level of incomes
  - Around € 17/sq.m for the intermediate category
Main Goals

- Developing social housing in the city but also upper level social flats
- Encouraging social diversity and mixed use buildings in the city
- Developing energy saving renovation plan to old buildings
- Improve energy efficiency
MAIN TARGETS FOR SOCIAL HOUSING CONSTRUCTION AND RENOVATION POLICIES

Commitments

- 25% of social housing units by 2025 and 30% by 2030
- Financing 7,500 new social housing units every year
- « Climate Plan » for Paris:
  - ✓ A decrease of 25% in greenhouse gas emissions
  - ✓ A decrease of 25% in energy consumption before 2020
Tools

- In each new private construction, social housing units must account for 30% of the total floor space.

- Financial commitments: the third of the city’s total investment budget is to be used for housing (€650 Million).

- Benefit of the City’s pre-emptive right (1st to buy right).
The largest public utility social housing company in France:

- A non-profit company
- **50% of social housing dwellings in Paris** are managed by Paris Habitat
- **124,000 social housing units**, 90% located in Paris
- **300,000 tenants**, 6,000 new households every year
- An annual average turnover of €1 billion
- 3,000 people on the pay role (45% are care keepers)

Foundation of the social housing company of the City of Paris in 1914

- 42,500 car spaces
- 4,150 business premisers
- 30% of buildings built before 1948
PARIS HABITAT, MAIN PUBLIC ACTOR IN PARIS SOCIAL HOUSING

• One group, 2 subsidiaries, one Foundation:
  ▪ Aximo, 2,700 units, 65% outside Paris
  ▪ L’Habitation Confortable (social residences)
  ▪ A social Foundation dedicated to young people
MIGRANTS & VULNERABLE PEOPLE

Since 2015:

- 35,000 migrants have been coming through Paris and offering a social shelter
- 33 street camps have appeared in Paris and uninstalled
- 1,500 isolated minors are in charge of social services
- A daily flow of 60 to 80 new migrants
60% of the Regional housing availabilities are located in Paris:

- 8,500 beds in social centers run by care organisations
- 10,000 beds in hotel funded by state
- 17,000 temporary beds

Humanitarian aid centers:

- 1 refugees aid center
- 2 social residences for 500 occupants
THE BIGGEST CHALLENGES

• Prevent the social segregation between districts gathering the richest vs districts with the poorest by providing a social mix everywhere in Paris

• Eradicate insalubrious housing

• Promote the « living together »
1. Towards a « Greater Paris » Housing policy for a resilient, inclusive and smart city

2. State funding:
   National investment for social housing

3. How to cleverly densify a dense city ?
   • Is small still beautiful ?
   • Towers must be beautiful !
Paris Habitat, actor of an inclusive city

- By providing, with subsidiaries, 1800 new social units/ year located in districts that participate to the social mix
- By renovating 3,500 old social units / year
- By saving 60 % of the total units it allocates / year to households with incomes 60 % under the cap
- By saving 15 % of total units it allocates / year to house-holds that profit of the Right to Housing Act
- By promoting a policy with organizations of tenants that put forward the “ living together “
• What a fantastic audience you are!

• Thank you very much for your attention.

Bertrand Bret