

JOURNAL  
PROJECT

Yes We Rent! -  
Leveraging vacant  
private property to  
build up a cooperative  
affordable housing  
scheme

📍 Mataró, Spain

TOPIC

Housing

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## Final journal of the UIA project 'Yes, we rent!'

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The 'Yes, We Rent!' initiative from Mataró City Council has supported citizens' right to housing by activating privately-owned vacant flats to become the basis for a new segment of affordable rental housing in the city. This was achieved by encouraging landlords to lease their empty flats to the 'Yes, We Rent!' affordable housing scheme below the average market rent. In return they received up to € 18,000 to cover renovation works (including energy saving measures), organisational support, a guaranteed rental income and the management of the rental flat (for further information read the 'zoom-in': [4 key activities to mobilise empty flats for affordable rental housing](#)).

In addition, Mataró has initiated and supported the creation of the tenants' cooperative 'Bloc Cooperatiu', with a view to harnessing the potential for self-help and empowerment, inherent in such structures. A further idea was that the cooperative will manage the acquired flats and continue to incorporate further flats for affordable housing in Mataró after the official end of the project. Thus, the idea was that Bloc Cooperatiu would become a new agent on the local housing market with the potential to redress the balance of power between landlords and tenants (for further information read the 'zoom-in': [Mataró's Tenants Housing Cooperative for affordable rental housing](#)).

The final journal highlights what has happened since the official end of the UIA project in September 2022, the perspectives of the 'Yes, We Rent!' approach and what can be learned from Mataró's case.

## 1 Project update

### 1.1 What has happened since the end date of the project

Since the final event in September 2022, at which the city of Mataró invited interested stakeholders to learn about the experience of 'Yes, we rent!' and to discuss the project in its wider context, the city administration has started negotiations with the city council how the 'Yes, we rent!' scheme and the cooperation with Bloc Cooperatiu could continue. A prerequisite for this on the part of the city council has been that the potential advantages of the scheme and the cooperation are not only at the disposal for Bloc Cooperatiu, but for all actors who support the city in the implementation of its public housing policies.

Accordingly, the following scheme has been developed, which is currently undergoing political consultations.

Firstly, organisations can apply for the label of "entity of public interest". To become an "entity of public interest", an organisation has to prove, among others, that it mobilises flats for rent below 20 % of the average rent index. In addition, they have to prove that flats are rented out without any discrimination. Further, the management and organisation of the entity has to be transparent and participative. The organisation must be willing to allow verification of compliance with the requirements at any time. The label of "entity of public interest" can also support the organisation in its public image.

At the same time, owners, who rent or make available their flats to "entities of public interest" (on a non-discriminatory basis, 20 % below the rent index), can apply for the following incentives:

1. Local property tax reduction or inheritance tax reduction (for people that inherit a flat).
2. Grant for insurance about rental guarantee during the contract period and any legal expenses in this context.
3. Grant or credit aid for the (energy-oriented) renovation of the flat.

This scheme provides incentives for owners to co-operate with "entities of public interest" in the provision of affordable housing in Mataró.

This scheme still needs to be resolved by the city council, but as elections are coming up in May, political decisions are not taken at the moment. To support Bloc Cooperatiu until then in its continued work, the city of Mataró has given 50,000 € to the Fundació Unió de Cooperadors, that is funding two staff positions of Bloc Cooperatiu for one more year. This was designed to continue the management of Bloc Cooperatiu and to continue acquiring flats of the project. In addition, Bloc Cooperatiu was able to acquire further funding for two additional staff positions for one year from a Catalanian fund supporting employment in social companies. The two persons will work in the recruitment and management of flats. Thus, the further work of Bloc Cooperatiu is secured for the time being.

To recruit further supporters for the cooperative, Bloc Cooperatiu has continued to organise informal "café meetings" every month to inform about Bloc Cooperatiu and recruit new members who want to become active in the cooperative. Being active in the cooperative is one important criterion to receive a flat rented below the average price index. The members can become active in different working groups to support the cooperative:

- § Communication Group
- § Recruitment Group
- § Community Group
- § Secretary of Care

To capture new flats, Bloc Cooperatiu has started in March a new promotion round. The focus is still on vacant flats, but they are open for any flat entering Bloc Cooperatiu. They also involved the current owners in the campaign, asking them to spread the word in their environment.

The city of Mataró also considers to start joint campaigns in the future to acquire further flats for the "Yes, we rent!" housing scheme. The city will also continue to inform owners about the "Yes, we rent!" scheme and the corresponding support possibilities by the city and the entities of public interest. Further possibilities would be helping with the technical capacities to manage affordable housing, detect new flats and conduct renovations.

## 1.2 What is the plan for the long-term sustainability of the project

With the official end of the UIA project 'Yes, We Rent!', the initial idea was that the cooperative 'Bloc Cooperatiu' would continue the project on its own, without any (financial) support from the city council. This was based on the conception that in the UIA pilot phase the EU grant – as initial investment – allows to finance renovation costs and other incentives for owners who in return rent their vacant flat for 5 years to the cooperative 'Bloc Cooperatiu' at below-market price (in Spain, it is legally regulated that the duration of a rental contract is a maximum of 5 years). With every flat that is rented to the cooperative, capital is generated for the cooperative as every member/tenant pays a monthly fee to the cooperative for using the flat. With a critical mass of flats belonging to the cooperative the cooperative can fund itself. The further conception was that the pilot phase

initiates a virtuous cycle, where the cooperative continues to mobilise further flats to its housing stock to strengthen their economic independence. For this reason, the cooperative's viability plan estimates that 18 new flats are required each year after the pilot phase, also to compensate potential drop out of flats whose rent contract is not renewed after the 5 years with the cooperative.

### Challenge

But during the pilot phase, not enough flats could be acquired for the cooperative and the 'Yes, We rent! housing scheme. And it is not only about numbers: The pilot phase provided accompaniment and external advice to the founding members of Bloc Cooperatiu, and of course a lot of opportunities for learning by doing. But the management of a housing scheme is complex, and the process of capacity building has not been completed with the end of the pilot phase. To be able to mobilise new flats, the cooperative needs technical capacities and (paid) personal. New members of the cooperative need to be enabled to understand what the tenants' cooperative is about and get involved in its everyday work to strengthen the business according to their capacities. With none of the founding members of Bloc Cooperatiu having prior knowledge in the development of a tenants' cooperative, further technical and legal support is needed.

### Response

To respond to these challenges and support the long-term sustainability of the cooperative and the provision of affordable rental housing, the city administration and the cooperative intend to continue its cooperation and partnership (the framework for the future cooperation is described in chapter 1.1). With the further cooperation, the respective strengths and skills of the two sides can be brought together and continued.

In addition, Bloc Cooperatiu has an agreement with [coop 57](#), an ethical and solidarity-based financial services cooperative financing social and solidarity economy projects, through which they can receive loans to support the rehabilitation of flats. The loan is repaid through the rent income.

Bloc Coopertiu also looks for other lines of businesses related to the management and provision of affordable housing and to seek public-private financing as a social project.

## 2 Generated Knowledge: lessons learned and recommendations

### 2.1 Innovative aspects

One of the most innovative aspects of the 'Yes, We Rent!' project is to coproduce affordable rental housing through a collaboration between the municipality and its citizens. By asking citizens to become active stakeholders through the tenants' cooperative in the local policy to provide access to affordable housing, 'Yes, We Rent!' touches a key issue of public housing policy today. With this approach, 'Yes, We Rent!' strives to bring together two types of stakeholders with different orientations and cultures: on the one hand, citizen and rights-to-housing movements with their bottom-up and grassroots logic; and on the other, the municipality with its more top-down and bureaucratic approach. Both sides can bring different skills and capacities into play to achieve more together. Exploring and testing the potential of this kind of cooperation is the main contribution of 'Yes, We Rent!' to innovation of public housing policies. At the same time, 'Yes, We Rent!' represents an exception in public-cooperative collaboration. While public support for housing cooperatives mostly happens in the form of ceding land and buildings, the support from Bloc Cooperatiu consisted in the municipality transferring temporary control over privately owned flats. This support provides the cooperative with seed capital and at the same time with an opportunity to develop its capacity in the management of housing stocks.

Another innovative aspect is to unlock private vacant flats to improve access to affordable rental housing, in particular for households that both, are not eligible for social housing and cannot afford to buy a flat – as is typical in Spain. Therefore, it is about to bring together “people without flats and flats without people”.

## 2.2 Lessons learned and recommendations

‘Yes, We Rent!’ demonstrates the possibility that city councils can inspire and attract citizens to become involved in affordable housing policies and form a cooperative for this purpose. At the same time, it can be challenging and certain aspects need to be taken into account in a corresponding approach. ‘Yes, We Rent!’ also proved that vacant private flats can be unlocked for the affordable housing market. But here, too, challenges arise that need to be considered when implementing similar projects.

### Challenges and lessons learnt

#### Establishing and founding a cooperative based on voluntary commitment and within the time frame of a funded project

A particular challenge was to find interested and committed people at the beginning and to build up collaborative working structures - all based on voluntary commitment - in order to advance the founding and organisation of the cooperative in a participatory process. This was even more difficult as people had no cooperative background and experience and came from different social stratospheres, all of whom wanted to be taken along in their way. All involved people had to learn how to build up and run a cooperative, which was even more challenging through the restrictions imposed by the pandemic to meet, to build trust among each other and to develop the project further.

Moreover, the (limited) time frame of the UIA project to establish the cooperative was challenging. This resulted in the cooperative already having to take on operational tasks - which were envisaged in the project application, although it was still in the process of being set up and the structures were not yet established. This led to a high work pressure that pushed some participants to their limits and led to drop outs. Here, the time and funding constraints imposed by the UIA project to deliver results at certain times came into conflict with the bottom-up organisation of the cooperative based on volunteer work. Therefore, there has been a contradiction between the usually lengthy process of setting up a housing cooperative in a co-production approach and the context of an EU-funded project with its expectation to have a fully running and functioning cooperative as fast as possible and as proposed in the funding application.

*The rythm of the EU-project put pressure on the constitution of the cooperative. We are talking about building a community in a participatory process, and those of us who have participated in this type of experience know that they are not fast. Because participatory and community processes often get stuck in self-reflection, assembly decisions are slow, in all the processes, in which many people participate, there is a great diversity of opinions and ideas and they slow us down. Here, the project forced us to go fast, which had both a downside and an upside. We would not be where we are, I think, if we were not immersed in the framework of the European project with this limited time.*

*Ivet Compañó, Bloc Cooperatiu*

A further challenge was, that the idea and direction of the cooperative had been developed by the municipality as part of the project application, without being discussed in advance with potentially interested people. Thus, the top-down approach had to be transformed into a bottom-up approach within the project. This atypical condition created frictions, but also helped to put the focus from the outset on the project as a pilot for testing the potential of tenant cooperatives as instrument of public housing policies.

Deriving from these challenges an important lesson from Mataró’s case is:

To constitute a new cooperative takes time and needs external support; in particular when there is no pre-existing group of people, the people have little or even no cooperative experience and they work mainly on a voluntary commitment in their free time.

It is therefore crucial to:

§ provide the founding members the time they need and the space to manoeuvre to become empowered within

- the project and convinced to engage in the long-term responsibilities of the cooperative,
- § provide them with legal, technical and organization support, allowing them to develop group-managing skills and to come up with their “own” model of the cooperative,
- § not restrict them too much with administrative hierarchies (because of collaborating with the city administration) and funding requirements (because of being part of a funding programme).

For recommendations for the establishment of a new housing cooperative to provide affordable housing in Mataró read also this [web article](#), which outlines three key recommendations:

1. To reinforce the technical support to the founding members of the cooperative.
2. To develop non-economic incentives to attract and keep flats in the “Yes, we rent!” housing system.
3. To outline strategies to capitalise the (future) tenant cooperative.

There have been less private vacant flats than expected and only certain types of owners are attracted by the economic incentives set up by the ‘Yes, We Rent!’ project

A challenge for the project was to acquire sufficient vacant flats for the affordable rental housing market. First of all, it turned out that there were fewer private vacant flats than initially expected as the “Yes, We Rent!” provided the City Council with the resources “to go from door to door” to check the initial hypothesis about the number of private vacant flats and its potential for the affordable housing market. What is more, many of these flats could not be used immediately to generate affordable housing. This was due firstly to the fact that some flats were vacant because of a lack of permits or a complicated ownership structure. Secondly, the number of structurally vacant flats owned by corporate owners (e.g. real estate companies or “bad banks” created after the financial crisis) played a much bigger role in Mataró’s housing vacancies than initially suspected. These institutions could not be convinced to cooperate through the incentive system, which was primarily drawn to small private owners.

Nevertheless, ‘Yes, We Rent!’ has shown the potential of economic incentives (renovation grant and guarantee of the rental payment) to stimulate owners to reactive their vacant flats and rent them for an affordable price. But it has also demonstrated that economic incentives are not equally important for all owner types and need to be carefully balanced out with other incentives. Subsidies run the risks of owners opting out when the (financial) support ends. ‘Yes, We Rent!’ also highlighted the attractiveness of other benefits such as piece of mind, security and a social purpose to let their flat to the ‘Yes, We Rent!’ housing system. To have additional income through renting the flat was for most owners not of high relevance.

*We especially have a lot of elderly people who had their flats empty for a long time and who are very happy to have put them in the project, especially about not having to worry. They want stability, tranquillity, that the flat is well maintained and not destroyed. We believe that this is one of the services that should be central to what the cooperative can offer.*

*Laia Carbonell, Yes We Rent, Coordinator, Mataró City Council*

Deriving from these challenges an important lesson from Mataró’s case is:

Besides the economic incentives it also needs “negatively” motivating incentives, e.g. reminding owners that the municipality can apply sanctions for flats that remain off the market for more than 2 years. This has motivated some owners to become active reactivating their vacant flats.

But ‘Yes, We Rent!’ also showed that “not having to worry” is also a strong motive to let their flat to the ‘Yes, We Rent!’ housing scheme, in particular among older people. Furthermore, the project came across owners for whom social motives played a key role, some even rented their flat at below-market price to the scheme without asking for subsidies for renovation. The experience with Yes, We Rent! so far suggests that there is scope to develop besides the economic incentives further the non-economic incentives and to reach out more to owners who are not primarily profit-oriented.

For further reasons why owners took (not) part in the ‘Yes, We Rent!’ housing scheme and the most promising

ways to activate them, read the “Lessons learnt” of the zoom-in “[4 key activities to mobilise empty flats for affordable rental housing](#)”.

## 3. Conclusion

### 3.1 Achievements

- The tenants’ cooperative ‘Bloc Cooperatiu’ was successfully founded. Currently it has 110 members and more than 300 people on the waiting list.
- With Bloc Cooperatiu a new option of accessing affordable rental housing below the market price in Mataró has emerged.
- Bloc Cooperatiu manages currently about 60 newly renovated flats, which were vacant before, for a rent below the average market price.
- With the renovated flats the housing quality of the tenants of Bloc Cooperatiu has improved: they have more space and better thermal and acoustic insulation.
- Through ‘Yes, We Rent!’ a unique model of public-cooperative partnership based on cooperative control over structurally vacant flats has been developed and a cooperation between the municipality and committed citizens in the field of affordable housing provision initialised.

### 3.2 The way ahead

Although the process of setting up the tenants’ cooperative Bloc Cooperatiu went as fast as one could have possibly imagined, the transition to the afterlife of the EU-funded project has still unknown parameters. With the experience gained from the ‘Yes, we rent!’ project and the new framework conditions (no further funding from UIA), Mataró’s model needs to be adapted and further developed. This is particularly the case in the following areas:

- Stabilisation of Bloc Cooperatiu through a sustainable business model, which allows its long-term financial viability, and the enhancement of its capacities and capabilities to run and manage the cooperative in its operation.
- Acquisition of further flats by Bloc Cooperatiu to increase the offer of affordable housing and at the same time strengthen their financial basis to be able to permanently pay staff.
- Bonding of the current owners with their flats to the cooperative so that they let their flats to the cooperative over the agreed 5-year period.
- Consolidating the cooperation between the municipality and Bloc Cooperatiu, to further advance the public-cooperative partnership to the benefit of both sides.

#### Stabilisation of Bloc Cooperatiu

First and foremost, it needs an official agreement between Bloc Cooperatiu and the city council of Mataró that ratifies the transfer of the acquired flats during the ‘Yes, we rent!’ project to the management of Bloc Cooperatiu, setting out the rights and duties. As the viability report states that Bloc Cooperatiu needs to attract at least 18 additional flats every year to be able to pay for a stable staff of 1,5 persons for managing the cooperative, they need to build up its capacities to mobilise new flats to make the affordable housing scheme sustainable. With the increase in the number of managed flats, Bloc Cooperatiu needs as well to increase its capacities and skills in the management of the affordable housing stock and its relationship with the owners and between owners and tenants in a way that is appreciated by all sides.

All this includes taking decisions about which services related to the management of the affordable housing stock can continuously be provided by the cooperative (one could think of mobilizing new flats for the cooperative, housing mediation) and which are better left to external partners, as they may demand know-how that is difficult to build up over a few years (e.g. conducting renovation works to bring the newly mobilized flats up to standard).



It also needs – at least at the moment – ongoing support from the municipality or networks of social and cooperative housing providers. In further building up relationships with the relevant networks and federations of the social, affordable and cooperative housing sector, Bloc Cooperatiu will be able to tap deeper into knowledge exchange on the management of cooperative housing.

To strengthen the economic basis of Bloc Cooperatiu to provide affordable housing and to become financially sustainable, they might need to diversify its housing stock into different segments, which “cross-subsidise” each other, e.g. through public subsidies for the provision of social housing, or by renting out a part of the flats at market prices. This strategy can go beyond the sector of privately owned flats and be supported by the joint purchase of housing between the city and the cooperative.

A greater diversity of housing types and target groups could also be a good strategy. This is well elaborated in the [document](#) about Economic and institutional sustainability.

### Acquisition of further flats

Efforts to mobilise further flats will remain futile. One approach to mobilise further flats could be to not only focus on vacant flats in Mataró, but also to attract flats for which a change of tenant is upcoming or for which the flat is to be rented for the first time. It can be assumed that the renovation costs for these flats will be lower. In this case, it might be possible for the cooperative to finance these costs. In return, the rental income would be available to the cooperative until the renovation costs, including a service fee, are paid. This way, the owners would not have to go into debt or take out loans. In order for the cooperative to be able to pre-finance these costs, either the municipality could provide an interest-free loan or act as a guarantor with banks.

For the acquisition of flats, so far the economic incentives have been important for owners. Given that the economic incentives provided during the EU-funded pilot phase cannot be maintained in the long term, Bloc Cooperatiu needs to engage with the sorts of property owners who prioritize objectives such as peace of mind in the management of their property or social values (such as making a contribution to the local community) over maximizing their financial gain. It seems therefore plausible not to try to convince the most profit-oriented owners on the local market with financial subsidies, but instead focus to gain the long-term loyalty of owners with a less developed profit-maximising logic. This means the cooperative should focus its communication and outreach efforts on those owners who are most likely to remain loyal to the initiative rather than trying to reach all owners of empty flats. One member of the project’s advisory council called this “focusing on low-hanging fruits”. They need to highlight the cooperative’s social objectives and community benefit in a real branding effort towards the local citizens.

*In order to fully tap into the potential of those owner-types, Bloc Cooperatiu needs to also ensure that is can provide the worry-free and professional management that for these groups is of particular importance. The big equation of the project is: is the added value offered by the cooperative worth the reduction of the rent income?*

*Albert Terrones, Housing Manager, Mataró City Council*

### Bonding of the current owners

At the moment, the affordable rents can only be assured for 5 years as the contracts to let the flats to the ‘Yes, We Rent!’ housing system run out after these five years. Thus, the long-term positive impact on housing affordability depends largely on the capacity of Bloc Cooperatiu to convince owners to stay with the affordable housing scheme that Bloc Cooperatiu is managing. Thus, they need to strengthen its relationship with the owners to bond them to the cooperative and its housing scheme.

As mentioned above, non-monetary benefits can also contribute to bonding with the cooperative, e.g. identification with the goals and values of the cooperative, or landlords could be involved in social and community activities and services of the cooperative. Key is also that the cooperative keeps its “promises” especially with

regard to regular rent payments and responsible tenants who handle the flat with care and do not cause problems with other tenants. For many owners it is important to burden themselves as little as possible with the flat and the tenants. For this the cooperative needs to develop a good reputation on the rental market. Another incentive could be that flats can also be rented up to the average market rent, but then to more fair conditions e.g. a rental deposit of one instead of three months.

*I think that the key for owners to continue in the programme is the experience that they will have had in the first 5 years with Bloc Cooperatiu. If Bloc Cooperatiu can demonstrate that their management is good, fast and efficient, this will inspire confidence to owners to keep their flat within the programme, because they don't have problems, they receive their income every month and they feel secure.*

*Eduardo González de Molina Soler, Housing researcher, UPF Barcelona*

#### Consolidating the cooperation between the municipality and Bloc Cooperatiu

To strengthen and further advance the public-cooperative partnership for the provision of affordable housing, the municipality and Bloc Cooperatiu need to define a legal and practical framework for their future cooperation to secure and further develop the achievements of 'Yes, we rent!'. This needs to be accomplished with the intention to bring together the capacities and capabilities of both institutions in the provision of affordable housing in Mataró. The cooperative could help putting the municipal housing policy on a broader base, inject citizen social capital and collective efforts and bypass some bureaucratic constraints the city council has to face. On the other side, the municipality could bring the cooperative housing to a new level by acting as legal guarantors, facilitating access to finance and buildings and providing technical support.

For example, the financial support of Bloc Cooperatiu by the city council could be continued but scaled down to a form of support in access to credit or reductions of housing taxes, or where the municipality could take out insurance for loss of rent for the cooperative, which would cost comparatively little to the municipality. Further support, in particular in acquiring more flats is needed, as with the official closing of the project, the cooperative was not given 220 flats to manage, as originally planned, but in fact only 59. This means that the economic basis for an independent operation is missing.

With regards to the long-term establishment of the cooperative, it should be considered whether the cooperative can be put in a position to buy flats or whether the municipality buys up flats that are rented through the cooperative. Such and other forms of cooperation between the municipality and the cooperative need to be investigated to continue with the mobilisation of private empty flats for the affordable rental housing market in Mataró.

**Summarizing,** 'Yes, We Rent'! has opened up a new possibility in the provision of affordable rental housing in Mataró through a collaboration between engaged citizens in form of a tenants' housing cooperative and the municipality. Both sides can bring different strengths and opportunities to the table but are depending on each other for the long-term success of the 'Yes, We Rent'! approach. Thus, the cooperation needs to be strengthened and consolidated. This also leads to the general recommendation for other EU-funded projects that, before the end of an EU project, the municipal institution in charge of the project should ensure (political) clarity (and resources) how the project can and should be continued.

At the same time, the cooperative needs to further develop its business model and incorporate new approaches in order to become self-sufficient in the market. This includes building technical and human capacity and skills in mobilising flats for the affordable housing system and managing them, building a strong bond between the owners of the flats and the affordable housing scheme. This currently requires further support from the city of Mataró, which has developed and initiated this approach with 'Yes, we rent!'.

'Yes, We rent!' has written the first chapter for a new, innovative approach in the provision of affordable housing in Mataró. Let us hope that many successful chapters may follow.



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Housing

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