The Baugruppen model of development

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<u>Useful lessons</u>: the involvement of residents in the design of their neighbourhood and housing, which fosters community cohesion; the zero profit housing model; support of local authorities; affordable housing; the use of non-financial criteria in selecting builders to work with.

Baugruppen means "group build" in German. The model originated in Germany. In the last decade, Germany has seen over 1800 Baugruppen developments. With their increasing popularity, the city of Hamburg is now setting aside 25% of its land for Baugruppen developments. Other countries are fast copying this model because of its success in solving multiple social and housing problems.

It is a process that enables individuals to group together to become their own designer and developer. They deliver custom-built and individually designed homes and communities. The future residents design and develop the community, according to their long term needs, rather than investors doing it, who prioritise their own economic benefits. The process of working together in advance of construction helps to create a sense of community, as members collaborate on identifying their own needs and designing their homes and shared spaces.

Baugruppen is a "zero profit" housing model that has the potential to deliver higher quality, more sustainable homes, designed for long-term needs rather than profit. Traditional developer building costs include:

- Land 15-20%
- Construction 45-50%
- Finance and Holding 8-10%
- Fees and Marketing 6-8%
- Developer Profit 15-20%

With Baugruppen there is no developer, so no marketing costs or developer profits. This allows for up to 30% savings. This makes it possible to develop higher quality accommodation with the same or a smaller budget. This was proven in a study of six self-build projects in southern England, which all resulted in significant financial benefits.

Local authorities can support individual baugruppen projects by offering access to cheap land, and this model can be applied anywhere, regardless of financial scope of a local authority. The latest research shows that if local governments want to solve their housing crises they must take a more proactive, participatory role and engage not just in house building, but community building.

Three examples:

So.vie.so

The So.vie.so development in Vienna consists of 111 subsidised rented apartments, communal facilities of different size, shared greenspace with neighbouring housing schemes and spaces for small businesses, on former railway land.

A housing co-op was formed for the residents to support the planning process and on-going management. In pre-build stage residents collaborate on planning their communal spaces. Different task groups are formed. Over a year of planning the facilitators provided by the housing trust gradually move away, allowing the now-experienced group members to take over tasks such as maintaining the communication processes, organising and holding regular meetings to decide upon the allocation and use of funds or continuous activities.



<u>Finance</u>: To join a scheme there is an initial, one-off deposit which goes towards the land and construction costs, usually between 15,000 and 30,000 Euros for a medium sized to large flat. The higher the initial contribution, the lower the monthly rent. At the end of the tenancy, this deposit is paid back.

Some co-op schemes offer buy-out options to tenants. High earners are discouraged, with a ceiling for tenant salaries. The rents are fixed for 10 years and existing rent contracts can be extended beyond then.

Vauban



In the city of Freiburg, Germany, the city council made a conscience decision that developmental rights in the Vauban district (affordable and sustainable housing) would be preferentially given to baugruppen rather than developers. The city and working group felt that prioritizing affordability (through collaboratively-built projects), would make it attractive and feasible financially for families to live there.



Rather than bidding wars, lots were awarded to parties meeting sustainability criteria. These included: social diversity, most ecologically sound, etc. The city council provided facilitators to help a baugruppe procure legal and financial representation for their project.

<u>Population density:</u> 5,300 inhabitants over 38 ha., but it has an open feel.

Vienna Wild Garden Housing Project

Vienna Wild Garden Housing Project is for "people who want to shape their living and living situation" - single, family or senior. As is typical, future inhabitants get to know each other in the process of participatory planning to develop and design, together with a planning team, a cross-generational, mixed community.

Planning team consists of:

- single architecture (architecture)
- reality lab (building management)
- YEWO (landscape architecture)
- Schwarzatal (developer)

Included: A common garden, meadow and wild hedge.

<u>Transport</u>: Cars remain at the edge of the neighbourhood and park in collective garages under the buildings, as in Vauban. Electric-car sharing, cycle parks and new public transport stations are provided.

<u>Location</u>: about 30 minutes from Vienna city centre.

<u>Units</u>: Approximately 1,100 altogether over 26.5 acres incl. 11.37 acres of green and open spaces. From two-



family houses to multi-storey residential building, a neighbourhood centre, a natural kindergarten, Approximately 200 rented housing, a local supply, 80 owner-occupied apartments, 50 self-financed apartment buildings.

More info: 'One Planet' Cities: Sustaining Humanity within Planetary Limits