Tübingen
Universitätsstadt

Commissioner for
Housing

Municipal support for non-profit housing - the case of the umbrella cooperative Tübingen

Dachgeno Wohnen
Tübingen



University City of Tübingen

- 40 km south of Stuttgart
- approx. 90,000 inhabitants (1/4 students) / 40,000 jobs (1/3 university / university hospital)
- Growing biotech and AI sector -> growth of 1,000 inhabitants/year
- High prices and high demand for building land
- Since the 1990s: new neighbourhood development on municipal conversion sites

Starting point

Despite thousands of units developed since the nineties:

- High rent levels in Tübingen (> 14 euros/m² for new lettings)
- High purchase prices for owner-occupied flats (up to 9,000 euros/m²)
- In the past, municipal plots in the new neighbourhoods were mainly allocated to co-housing groups

→ High share of privately owned family apartments within owner-occupier associations– high resale prices and high rents when let

- Considerable difficulties in providing housing for people on middle incomes

Starting point

Enormous need and demand for new forms of housing that remain affordable in the long term:

- Community-oriented, intergenerational living with shared meeting spaces
- Small-scale, local, age-appropriate housing with flexible outpatient care services
- Space-efficient forms of housing, flexible space requirements

Many groups want lasting community structures and long-term protection of their project goals.
This cannot be achieved with owner-occupier associations.
The cooperative is the ideal legal form for this.



Challenges for small cooperative initiatives

- Managing a cooperative is complex and time-consuming.
- Single-project cooperative initiatives often fail.
- The founding phase of a project cooperative requires substantial resources.
- The financial management of a cooperative housing project requires a lot of effort.
- Linking up with other neighbourhood services requires additional management capacity.

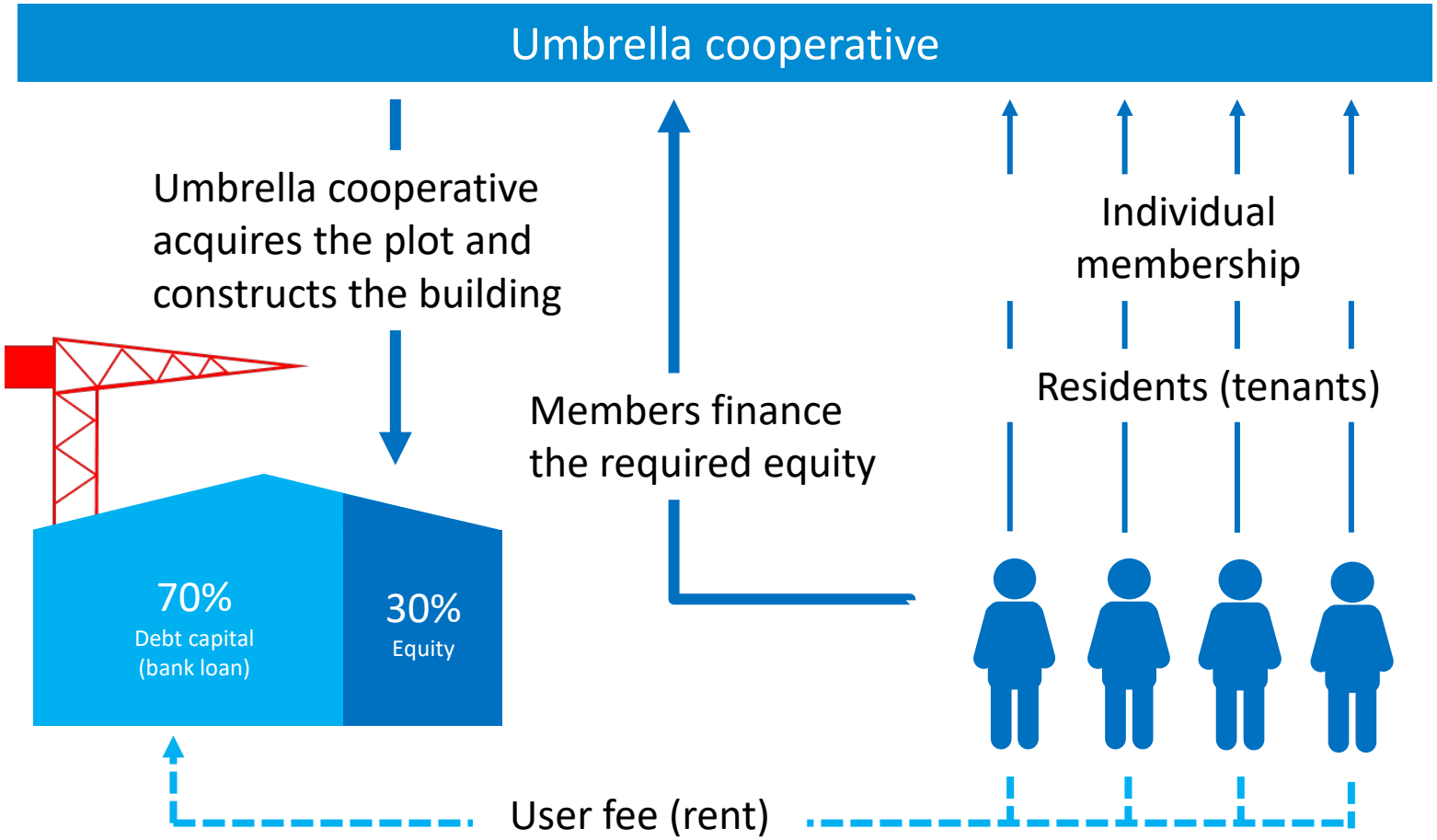
- New residential buildings must be financed by the members. Today this requires an equity share of at least 30%.

The umbrella cooperative as an umbrella for diverse housing projects

The umbrella cooperative makes it easier to organise a communal housing project.

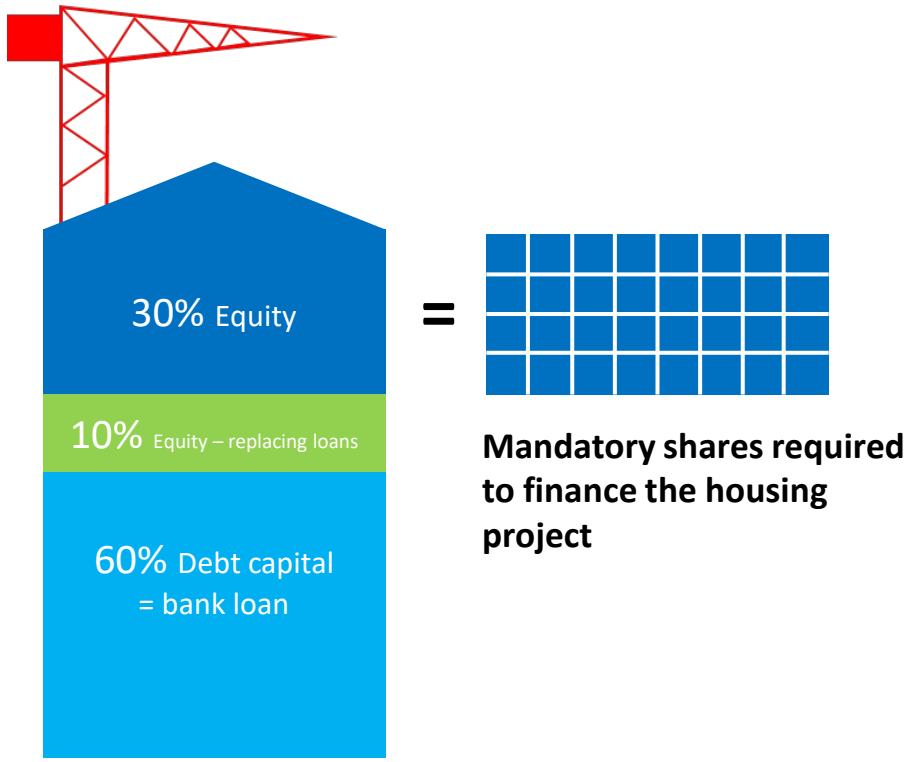
- Provides a cooperative structure for self-management and self-help
- Advises housing projects, builds or buys residential buildings and coordinates project development
- Takes on management tasks permanently (e.g. rental management, accounting)
- Fulfils reporting obligations towards the auditing associations according to German cooperative law
- The umbrella cooperative also enables access for people with low incomes/assets
- The municipality holds two permanent seats on the supervisory board

The umbrella cooperative as an umbrella for diverse housing projects



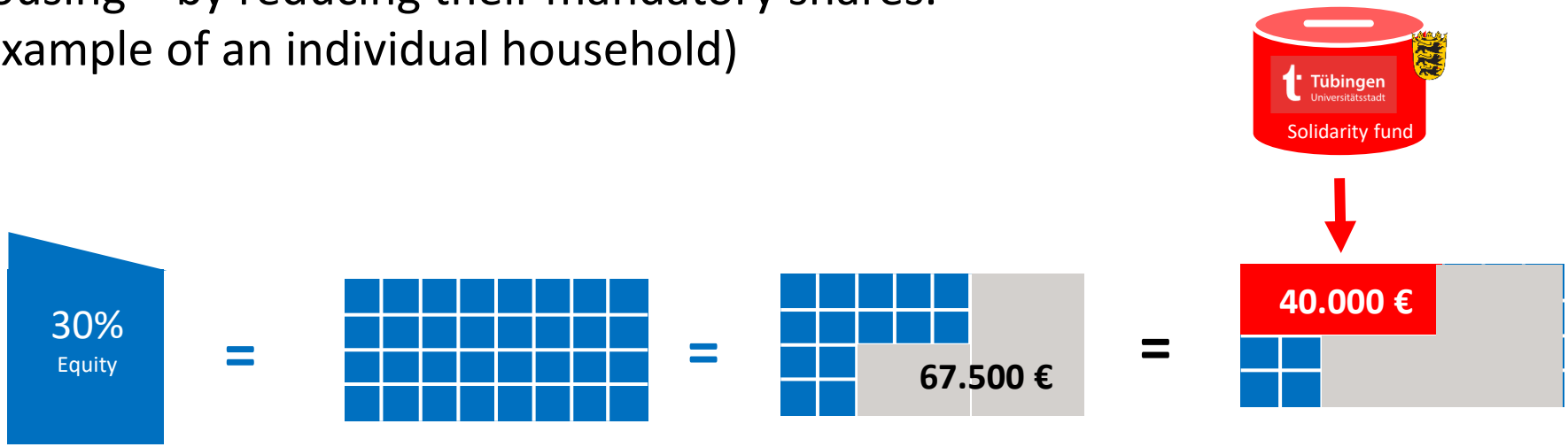
Cooperative financing of a housing project

- Equity is raised through the subscription of mandatory shares
- Moving into a flat requires subscribing to mandatory shares linked to that apartment
- The number of mandatory shares is based on construction costs and apartment size
- Equity can be bolstered by crowd-sourced micro-loans



How the solidarity fund works

Goal: to give people with low assets / incomes access to cooperative housing – by reducing their mandatory shares.
(example of an individual household)



80 m² apartment

Construction costs: 400,000 euros

120.000 €
required mandatory shares

State grant and national low-interest loans for acquiring cooperative housing shares

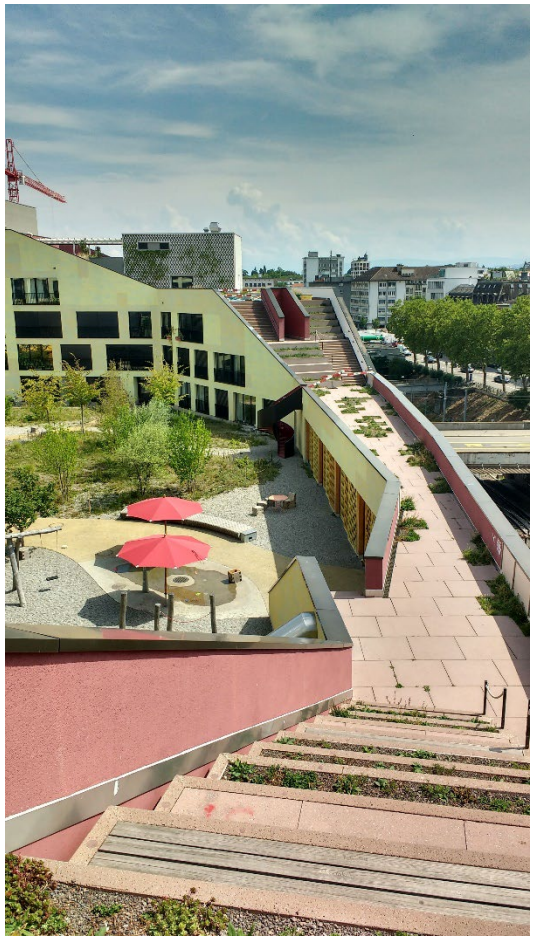
Capital needed:
12.500 €

Cooperative financing principles

- Every project must be self-financing.

- Cost-rent principle (rent is calculated to cover costs only – making a profit is not the priority)
- Rent remains stable in the long term (and eventually contribute to the solidarity fund).

- Mandatory shares are refunded when moving out
- The value of the mandatory shares is unaffected by market developments



Recognised as an exemplary project

- Funding of 1.4 million € under the state's housing initiative (Wohnraumoffensive Baden-Württemberg)

- Co-financing of 1 million € by the University City of Tübingen

→ 2 million € to finance the solidarity fund

→ 400,000 euros start-up funding
(running costs of the cooperative – staff, office etc.)

Project 1: HEckpilot housing project

New build in the municipal development area “Hechinger Eck”

12 apartments
of which
8 social apartments

Community room with
shared kitchen
and roof terrace
Co-working space
Laundry room

16 adults
8 children





Sufficiency – adaptable floor plans

HEckpilot (Dachgenossenschaft Wohnen Tübingen eG)





Sufficiency – adaptable floor plans

HEckpilot (Dachgenossenschaft Wohnen Tübingen eG)





Project 2: “Weiler 11” housing project

Conversion and energy-efficient renovation
Existing building in the district of Kilchberg

7 apartments
of which 4 social apartments

13 adults
8 children





The future: Project 3, 4 and 5

- Conversion of an existing but defunct parking garage into a housing project
- 22 apartments
- 1625 m² floor space

- Acquisition of an existing building for a communal living project
- Shared single unit
- ~ 300 m² floor space

- New-built housing project in one of the future municipal neighbourhood developments
- ~ 15 apartments
- ~ 1000 m² living space



The “Tübingen Model”

University City of Tübingen as developer and enabler

- Steers neighbourhood development and sells plots to non-profit housing actors
- Provides a cooperative management structure with partial municipal control
- Provides start-up funding for management costs and revolving fund
- Unlocks significant private capital investment as well as national and state-level housing funding

Co-housing groups as cooperative developers

- Are responsible for their individual co-housing projects and are key players in the development
- Receive plot options for convincing concepts
- Have structural requirements, but great freedom of design
- Take on shared tasks such as managing their internal activities and overall tasks of the cooperative

Thank you for your attention!



Commissioner for Housing
Julia Hartmann and Axel Burkhardt
wohnraum@tuebingen.de