

The Right to Housing

BACKGROUND

Access to housing constitutes one of the primary debates currently taking place in urban, political and citizen spheres. The increase in purchasing prices for housing during the housing bubble years generated much social concern. And now, increasing rental prices are reaching unprecedented proportions in Spain, to the point where some experts are discussing the risk of entering a rental bubble. Concurrently, this process coincides with a boom in urban tourism and changing consumer habits in the tourist accommodation market, specifically as a result of emerging internet platforms.

Scientific evidence points to a relationship between increasing residential rents and increased holiday rental offers, particularly in large cities and primary tourist destinations. The increase in demand forms the basis of these interrelationships, as much in regard to demand for residential rentals (driven by reductions in primary home purchases) as for the demand for tourist rentals (due to urban tourism, new forms of accommodation and the proliferation of tourist housing – which is referred to in Spain by the initials VUT, for *viviendas de uso turístico*). These problems emerge from substantial socio-economic concerns, and they therefore require complex perspectives for analysis and a demand for responses of a transversal political nature.

The media discuss on a near daily basis both recurring and new problems, such as: evictions; speculative investment funds (vulture funds); real estate investment trusts (known by the Spanish acronym SOCIMI, for *Sociedades Cotizadas Anónimas de Inversión en el Mercado Inmobiliario*); the limited supply of protected housing stock; and so on. Currently, a vulture fund is the largest holder of private housing in Spain, and speculative investment funds are the primary buyers of protected rental housing; which, together, are driving increases in evictions and rises in housing prices.

Social groups condemn both the recent changes in the rental market as well as the risks posed by tourism gentrification. Meanwhile, some Spanish municipal governments (Barcelona, Madrid, Palma, and others), along with other international efforts (Amsterdam, Berlin, San Francisco, Toronto, and others), are introducing corrective measures to how they promote their holiday markets.

DIAGNOSIS

The modern-day city is based on inequality. In Spain, the economic crisis and curtailments to social and labor rights have widened the social gap in cities. The socially excluded population has increased by 1.2 million over the past 10 years, while the average annual income of poor neighborhoods (those with annual incomes under € 20,000 per resident) increased only 5% from 2013 to 2016 while it increased 12% in neighborhoods with incomes over € 50,000.

As the city incorporates new models of segregation, traditional social segregation is being compounded by growing functional segregation. In many cases, tourism gentrification contributes to fracturing the city both socially and functionally.

The city uses tourism to promote a certain image and strategic brand. Tourism generates economic activity but also uses the city as a highly competitive investment market. This urban entrepreneurialism first begins by commercializing heritage and culture in the service of tourism. More recently, the same rationale is applied to the housing market. The dwellings in certain neighborhoods cease to be a right and become mere speculative investments that lead to gentrification. In other neighborhoods, housing complexes serve as large containers for the socially marginalized.

As the city increases its dependence on strategies conceived by the real estate sector and investment funds, the most extreme cases lead to the events such as evictions, squatting, stigmatization and forced impoverishment in order to devalue the neighborhoods – all of which are in line with processes of accumulation by dispossession and appropriation of real estate income. In fact, evictions for non-payment of rent in certain neighborhoods are a necessary condition for real estate revaluation, gentrification and, above all, tourism. In Spain, more than 828,000 foreclosures were recorded between 2001 and 2017, while evictions as a result of the Urban Leasing Act (*Ley de Arrendamientos Urbanos*) exceeded 179,000 over just five years (2013-2017).

The touristified city suffers conflicts between its residential and holiday functions, particularly as a result of being inundated with multiple types of urban tourist accommodation and various marketing channels (platform capitalism). These platforms give advantage to expanding the (legally and illegally) available VUT offer until its volume is three times greater than licensed tourist homes in cities most driven by tourism, such as Madrid and Barcelona.

The citizenry rises up and incorporates new models of governance, although local governments have become constrained in their ability to address these issues in recent years, due to, among other reasons, economic austerity policies. Thus, debt payment gives priority to decentralizing local neighborhood administrations and to increasing the supply of social housing rental, among other matters. Instead, the social movements that defend citizens' right to the city are coming to find a driving force behind creating new urban models. Citizen awareness has become a counterweight to powerful tourism and real estate interests, even to the point of influencing the decision-making of some local and regional governments. This empowerment and new governance model for our neighborhoods and cities fueled citizen initiatives against: evictions,

as in the case of Platform for People Affected by Mortgages (known by its Spanish acronym PAH, for *Plataforma de Afectados por la Hipoteca*); abusive rents and gentrification, as with the Renters Union (*Sindicat de llogaters*), We Are Malasaña (*Somos Malasaña*) and Málaga Is Not for Sale (*Málaga No Se Vende*); the excesses of tourism, for example, the SET Network of Southern European Cities Against Touristification (*Red SET de Ciudades del Sur de Europa ante la Turistización*), the Neighborhood Assembly for Sustainable Tourism (*Asamblea de Barris per un Turisme Sostenible*, ABTS), the City for Those Who Live In It (*Ciutat per Qui l'Habita*) and Collective-Assembly against the Touristification of Seville (*Colectivo-Asamblea contra la Turistización de Sevilla*, CACTUS); and, finally, against vulnerability, as in the case of The Neighborhood Plan (*Pla de Barris*) and the Rebalancing Fund (*Fondo de Reequilibrio*).

Although these phenomena are taking place at a global scale, we cannot escape our obligation to interpret the rationale behind them and thus condemn their impact as we propose that measures be enacted at every level – particularly the local.

PROPOSALS

We, the Spanish Geographers Association (*Asociación Española de Geografía*) and Spain's College of Geographers (*Colegio de Geógrafos de España*), denounce the abusive practices that impede the right of all citizens to normal access to housing, whether owned or rented.

It is our opinion that – in order to solve the problem of abusive rents and, ultimately, guarantee the right to housing – the following proposals must be approved:

- 1. Give visibility to the problems that affect residential housing and the impacts generated by its touristic use:** by carefully monitoring the needs of each city; analyzing the potential to meet the urgent demands of built housing stock; and evaluating how tourist rentals impact the real estate market as well as neighborhoods with high VUT densities.
- 2. Combat deregulation and endorse reinforcing public access:** by advocating not only for planning and management by public administrations, but also for the transversality of urban policies in the face of prevailing proposals that are at once ad hoc and sectorial.
- 3. Control the market of residential rental housing:** by imposing price ceilings and zoning based on social indicators.
- 4. Monitor the tourist rental housing market:** by zoning and limiting the number of licenses through urban planning and tourism management regulations; sanctioning non-legal tourist rentals; and providing the necessary means (financial and human resources) for compliance.
- 5. Promote the creation of Housing Observatories:** by generating and making public official statistics on housing at every level, including those for legal or illegal tourist use; and conducting censuses of houses that are actually empty.
- 6. Plan new city models:** by promoting bottom-up governance and assessing the ideas and needs of social as well as neighborhood groups.

7. Develop housing transfer programs for the residential rental market: by offering tax incentives to new owners.

8. Promote initiatives that favor increases in subsidized and social housing: by urging that the social housing stock in terms of both ownership – by maintaining a 30% minimum stock for subsidized housing (*vivienda protegida*, VPO) – and social housing when planning new real estate developments and comprehensive refurbishment of existing homes; and by public administrations purchasing consolidated urban land and housing, especially in the areas most affected by gentrification and touristification.

9. Reform the abusive regulatory aspects of taxes and housing: by introducing mechanisms that protect the tenant and prevent excessive increases in rental prices upon contract renewal.

10. Review legislative practices that give greater control to real estate hedge funds: by making it difficult to sell property to investment funds; and requiring empty housing to be registered in the censuses conducted by autonomous regions in order to enter them in the rental and/or sales market.

[1] This declaration has been promoted by the following working groups: Urban Geography and the Geography of Tourism, Leisure and Recreation (*Geografía Urbana y Geografía del Turismo, Ocio y Recreación*), at the Spanish Geographers Association (*Asociación Geógrafos Españoles*, AGE).

In addition, the following people have participated directly in its development:

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