

Case-Based Contribution to Chapter 8: Prospering GOLD VI Report on Pathways to urban and territorial equality

More than housing: multiple use

cooperatives for the transition towards

sustainable neighbourhoods and cities

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# More than housing: multiple use cooperatives for the transition towards sustainable neighbourhoods and cities

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### CITIES/COUNTRIES IT COVERS

Montréal, Canada; Meyrin, Switzerland

### **CHAPTER**

8: Prospering

### **SUMMARY**

This case study of two collaborative housing projects from Canada and Switzerland show how participatory and democratic processes can foster collective creativity to design entire neighbourhoods according to the principles of sustainable development, by putting residents at the heart of the planning and management processes of their habitat.

With its 1,350 new housing units and public facilities spread over 30 buildings in a 16-hectare area, the *écoquartier des Vergers de Meyrin* is home to 3,000 inhabitants and 10,000 m² of commercial space. This project, initiated in 2007, is based on the three pillars of sustainable development: social solidarity, environmental responsibility and economic efficiency. Citizen participation and the involvement of actors such as housing cooperatives are at the heart of its design. The **Milton Parc Community** (CMP) is a unique cooperative housing network located in the city centre of **Montreal** (Canada). It came to life in the 1970s when residents opposed the massive demolition of their historic neighbourhood by a private developer. CMP succeeded and is now home to over 1,500 people of moderate incomes living in restored and renovated heritage buildings and is the landlord of more than eleven commercial spaces serving the neighbourhood.

# Designing a sustainable and inclusive neighbourhood through a participatory approach - Les Vergers de Meyrin

## 1.1 Thinking urban expansion through the lens of sustainable development

Located on the border with France, Meyrin is a Swiss municipality from the canton of **Geneva** (Switzerland) and the Greater Geneva cross-border conurbation. It has around 25.000 inhabitants and the same number of jobs (90% of which are in the service sector) while its population was only 3,200 inhabitants in 1960.1 Faced with the challenges posed by the increase in population and the shortage of housing, particularly subsidized housing, the canton of Geneva launched a new cantonal master plan in 20012 to reflect on urban expansion based on the principles of sustainable development, seeking to protect the environment, and adopting a vision on the scale of Greater Geneva.3 which has almost 1 million inhabitants. In this context, the eco-neighbourhood "Les Vergers de Meyrin", home to 3,000 residents, emerges from the will of the municipality of Meyrin to create an exemplary neighbourhood located on agricultural land, combining the latest innovations in energy performance, mobility, social mixture, and social and solidarity economy.4

To carry out this large-scale project, the municipality of Meyrin has developed a localized neighbourhood plan<sup>5</sup> in dialogue with the canton of Geneva, implementing the standards of the new cantonal law on energy.<sup>6</sup> Once the plan was validated in 2011, a first phase of dialogue between the municipality, owner of 47% of the building rights, and the private owners made it possible to establish the objectives of the eco-neighbourhood within



a common charter. The main strategy adopted to design the project, in particular the shared public spaces, is based on a participatory approach, involving different stakeholders and the inhabitants, with the aim of creating a commitment and strong social links since the planning stage, as well as adapting the responses to the local context.

The future residents played an essential role in the planning process of the eco-neighbourhood alongside the cantonal and municipal authorities. The municipality of Meyrin decided to grant 'building rights'9 to seven housing cooperatives<sup>10</sup> and a foundation, all being non-profit organizations. The housing cooperatives bring together committed residents who injected dynamism and creativity into the neighbourhood, while providing socio-cultural diversity and a participatory, anti-speculation housing solution. They are all "public utility" project owners<sup>11</sup> and benefit from public financial instruments (on the national and cantonal levels) that facilitate their access to construction credits.

Shared terraces in the Soubeyran building shared by the Co-ops Equilibre and Luciole, 38 apartments, mutualized areas and guest rooms, commercial areas, a restaurant, a brewery, rooftop and outdoor green spaces. Source: Pierre Arnold, 2019

- 1. https://www.meyrin.ch/fr/la-commune
- 2. http://ge.ch/geodata/SIAMEN/ Procedures\_Archives/PDCn\_EP/PDCn\_ EP\_00b.pdf
- 3. https://www.grand-geneve.org/
- 4. https://www.lesvergers-meyrin.ch/ecoquartier/
- 5. https://ge.ch/sitg/RDPPF/RDPPF-AMENAGEMENT/PLQ/29674.pdf
- 6. https://silgeneve.ch/legis
- 7. https://www.lesvergers-meyrin.ch/ ecoquartier/content/public/charte\_vergers\_ objectifs\_ecoquartier-120216.pdf
- 8. https://les-vergers.ch/espace-de-travail-groupes-participatifs/
- 9. Chaney et al. 2017.
- 10. https://www.wbg-schweiz.ch/
- 11. Omoregie, Gerber, and Achermann. 2018

With these mechanisms like mortgage guarantees or low interest loans, the housing cooperatives only have to participate with a minimum equity (10% of the project's total cost). The Swiss Federation of Housing Cooperatives can also help, in some cases, to lower the equity to 5% thanks to its own solidarity-based financial instruments. This allows cooperatives like "La Codha" 12 or "Equilibre" 13 in the Vergers to offer a variety of apartment typologies, including subsidized housing for the low-income population, ensuring social mix and affordable housing. As for the other half of the building rights in the Vergers, it is in the hands of private owners, who have agreed to pool their plots to create a single public space. This mutualization between public and private owners is also found in the question of mobility and the energy concept.

Finally, the Chamber of Social and Solidarity Economy of Geneva<sup>14</sup> was called upon to accompany the selection process of the businesses occupying the first floors of the buildings, based on criteria of societal impact and economic viability.

# 1.2 A collaboration between local authorities and the organized community of users for a prospering neighbourhood

By granting building rights and financial aid to public utility housing cooperatives, the municipality has enabled the construction of affordable and sustainable housing designed by and for the residents. The collaboration between all the stakeholders and the participation of the future residents resulted in an innovative localized neighbourhood plan that achieves high energy efficiency of all the buildings by using local renewable energies. establishes common areas like shared gardens and orchards that foster social cohesion, and

VOISINAGE DES LIEUX ET DES LIENS VIVRE ENSEMBLE ECORVARTIER 1 DES VERGERS HABITER À VOISINAGE WA FERME DE ALIMENTATION FAIRE SOCIETE!

strengthens local and social economy by promoting collaborative initiatives like a supermarket<sup>14</sup> and a hostel<sup>15</sup> both founded on the cooperative model principles.

The idea of the "Participatory Farmer Supermarket" emerged from an open forum with the future residents of the neighbourhood. With the technical assistance and lead of a local farmer, a support association was created in 2015, which won a cantonal grant of 20,000 CHF for sustainable development in order to launch the project. As a cooperative and a self-managed structure, the supermarket works based on the participation of its members, who are also the

Illustrating the EcoQuartier Les Vergers Source: Illustration by Irene Gil

<sup>12.</sup> https://www.codha.ch/fr/les-immeubles-de-la-codha?id=14

<sup>13.</sup> https://www.cooperative-equilibre.ch/projets/les-vergers/

<sup>14.</sup> https://www.apres-ge.ch/

<sup>15.</sup> https://la-feve.ch/

customers. A minimum equity share of 100 CHF has to be paid to become a member, and each member is asked to work at the supermarket 2-3 hours per month. The municipality also supported an urban agriculture initiative in order to preserve the rural character of the neighbourhood and to promote a short food supply chain. In this sense, a cooperative farm was established aiming to create links between the outdoor environment of the neighbourhood, the local food actors (the cooperative supermarket and restaurants) and external farmers who feed the inhabitants of the Vergers.

Like "Mehr als Wohnen", <sup>17</sup> a similar experience in the city of **Zurich** (Switzerland) based on the collaboration between the municipality and

housing cooperatives, the Vergers proposes to consider habitat on a neighbourhood scale to create. beyond housing, a strong social and economic fabric. The central aspect in responding to prospering neighbourhoods is the inclusion of the inhabitants and the dialogue between the different public and private stakeholders throughout the planning process and management of their future living space. It is a matter of thinking together, with the appropriate technical support and public instruments, of innovative and sustainable solutions that will ensure a prosperous living environment where housing is not only affordable, but where public and common spaces allow for social inclusion, access to infrastructure and the development of local sustainable economic activities.

### 2. Milton Park: a cooperative neighbourhood in heritage buildings

### 2.1 From resisting to prospering

The initial struggle with **Montreal** (Canada) city officials and developers in the 70s and 80s was the driving force behind creating a collective social vision for a multi-faceted organization. The concept was not only to preserve affordable housing needs but also ensure that economic activity benefitted local residents with community engagement being the driving agent of all activities. <sup>18</sup>

The engagement of the Milton Parc community in confronting a giant real-estate developer saved an entire neighbourhood and transformed it into one of the largest co-op housing schemes in the history of Canada. Social mobilisation saved the buildings from demolition through non-violent social activism (demonstrations, marches and building occupations) and through negotiations with the developer when faced with the threat of neighbourhood destruction.

In addition, commissioning a feasibility study, with the help of different experts, provided the required information on the possibility of buying the buildings, the legal requirements to create housing cooperatives and the evaluation of political support for the project at local, regional, and national levels. Another step that was crucial in the process was developing an action plan to preserve the area under threat of demolition and guarantee the right for the residents to continue inhabiting their homes.

Finally, elaborating a regulation called a Declaration of Co-ownership, secured the tenancy of the residents ensuring that every tenant was handed back their home after renovations. 19 The Declaration of Co-ownership is unique in that it includes restrictions concerning social responsibility and non-speculation for 616 apartments in fifteen housing co-ops among 146 residential buildings and two commercial buildings of historical and community value in the Milton Parc neighbourhood.

<sup>16.</sup> https://aubergedesvergers.ch/1/auberge-des-vergers

<sup>17.</sup> https://www.mehralswohnen.ch/

<sup>18.</sup> http://www.miltonparc.org/about-us/

<sup>19.</sup> https://world-habitat.org/world-habitat-awards/winners-and-finalists/milton-park-community/

The relationship between cooperative housing groups and city officials has evolved since the 1970s. It was certainly confrontational at the beginning when policies were more conservative or dictated by private interests, and more collaborative at other times, especially in current times. Montreal's current mayor made a campaign promise to increase affordable housing and as of April 2021 a new bylaw called "By-law for a Diverse Metropolis" requires large, new residential developments to contain 20% social housing (includes housing cooperatives), 20% affordable housing and 20% "family housing" with a minimum of three bedrooms. This new regulation will increase social, affordable, and family housing in Montreal and preserve the diverse character of Montreal's neighbourhoods.20

### 2.2 Multi-stakeholder Governance and Stewardship

Residents formed the Milton Parc Citizens Community which in turn was supported by Héritage Montréal and architect Phyllis Lambert. Ms. Lambert met with the Canada Mortgage and Housing Corporation (CMHC) and convinced them to buy the multiple blocks of buildings and turn them into housing cooperatives. Heritage Montreal later created the "Société du patrimoine urbain de Montréal" (SPUM) to manage the properties, develop an action plan and assess the project's financial aspects.

The provincial legislature passed a private bill that created a new governance structure allowing the co-ops and non-profits to become the owners of the land, except for common areas which are owned by a syndicate, the Milton Park Community (CMP).



Milton Park Community, Montreal Source: CoHabitat.io Credit: Milton Park Community (CMP)

After the purchase was finalized the properties were transferred to the "Société d'Amélioration de Milton Parc" (Society for the Improvement of Milton Parc – SAMP) who became the temporary owner and overseer of the refurbishment works. Once the work was completed, the properties were transferred to the 15 cooperatives.<sup>21</sup>

Three levels of government (regional, provincial and federal) contributed public funds for a total development cost of 30 million USD. The original acquisition cost 7.5 million USD, of which 5.4 million USD came from a national program to help tenants develop cooperatives. CMHC, the City of Montreal, and the Quebec Government contributed 5.8 million USD in capital subsidies for the building renovations. Mortgage loans guaranteed by the Canada Mortgage and Housing Corporation (CMHC) were used for the remaining 2.2 million USD for acquisition, 10.8 million USD for renovation and 4.1 million USD for development.<sup>22</sup>

The CMHC subsidised the difference between the market interest rate at the time and 2%. Rents were therefore kept low, based on the original rent with a small increase calculated to cover the mortgage at 2%, property taxes, maintenance, insurance and utilities.

<sup>20.</sup> https://montreal.ca/en/articles/diverse-metropolis-overview-law-7816

<sup>21.</sup> https://memento.heritagemontreal.org/en/site/milton-parc-neighbourhood/

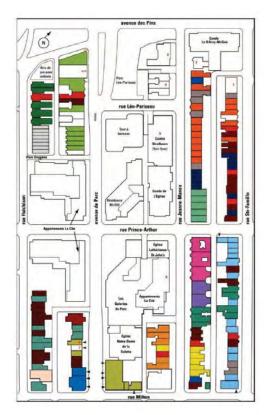
<sup>22.</sup> https://world-habitat.org/world-habitat-awards/winners-and-finalists/milton-park-community/

Milton Parc's community effort safeguarded the local heritage as a common good and made use of existing buildings by renovating rather than rebuilding and by prioritizing housing and land use for long-term affordable living.

Stable sources of income from the rents of the housing units and commercial spaces helps to pay the mortgage, repairs and allows for reinvesting in community initiatives. In addition, the guarantee of longterm affordable rents decreases the financial and housing insecurity of disadvantaged socio-economic groups. Creating the "Société du Développement Communautaire" (SDC) a community development corporation to manage the commercial spaces, allows for democratising these spaces and using them for the social and solidarity economy. Furthermore, surpluses are either reinvested or given as subsidies for projects that benefit the whole community and ensure the prospering of the neighbourhood without gentrification.

The "Société du Développement Communautaire" (SDC) is the community landlord of 11 commercial and office spaces such as cafés, community and cultural space, a restaurant, a small grocery store and a convenience store.

For example, the owners of a local bar want to sell their bar. and because it is part of the land trust of the Milton Parc Community, the community gets the option to buy first below market price. The SDC is in the process of buying the bar to turn it into a space that serves the community.<sup>23</sup> This space will also be the cornerstone of a democratic and resilient food system in Milton Parc which will include collective cooking and being a drop-off point for a bulk-buying group and community-supported agriculture baskets, among other activities.



In addition, the SDC regularly funds the co-operative's work of education, mobilization, and mutual aid, as well as the "Fête des Voisins de Milton Parc", Solidarity Milton Parc, and other community projects.<sup>24</sup>

### Main take-aways for prospering cities

LRGs can successfully plan new sustainable neighbourhoods from scratch by involving organised residents and non-profit community service providers in the planning, decision-making and management of the neighbourhood residential. commercial and social activities. like in Meyrin (Switzerland). In many cases, the impulse to shift to a more solidary and prospering community can come from the residents and civil society organisations themselves, cases in which the LRG can promote and rely on the community initiatives to ensure cohesive and non-speculative management of urban areas. In this sense, Milton Parc is an inspiring example of how collective social mobilisation led by residents and urban actors can succeed in thwarting strong market forces to protect urban spaces and



Promotion intervention en milieu ouvert, le thé BTW/Black Theatre Workshop, l'ACEM, COCo et plusieurs organismes à vocation artistique)

et plusieurs organismes à vocation artistique) 6) Centre Communautaire des Galeries du Parc 7) Centre d'écologie urbaine de Montréal (CEUM) 8) Bureau de la Communauté Milton Parc

Milton Park Community, Montreal Source: CoHabitat.io Credit: Milton Park Community (CMP)

<sup>23.</sup> http://www.mcgilltribune.com/news/09022021/

<sup>24.</sup> https://ccmp-mpcc.com/en/democratic-economy/

commons. After the conflictive first years, with a more collaborative approach by the following LRG over the last 50 years, this community spirit has lived and prospered on to this day with residents of Milton Parc successfully preserving green spaces, affordable areas for commercial and social enterprises which contribute to the common good and fighting against the destruction of important city landmarks and infrastructures.

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World Habitat - Milton Park Community: https://world-habitat. org/world-habitat-awards/winners-and-finalists/milton-park-community/ This paper has been produced as a Case-Based Contribution to the sixth Global Report on Local Democracy and Decentralization (GOLD VI): the flagship publication of the organized constituency of local and regional governments represented in United Cities and Local Governments. The GOLD VI report has been produced in partnership with the Development Planning Unit (University College London), through the programme Knowledge in Action for Urban Equality (KNOW). GOLD VI focuses on how local and regional governments can address the local manifestations of growing inequalities and contribute to create "Pathways to urban and territorial equality". The GOLD VI report has been produced through a large-scale international co-production process, bringing together over a hundred representatives of local and regional governments. academics and civil society organizations. This paper is an outcome of this process and is part of the Pathways to Equality Cases Repository, which collects the over 60 Case-Based Contributions produced as part of the GOLD VI report.

In particular, the present paper has contributed to Chapter 8 on "Prospering", which focuses on prosperity as a culturally specific and multi-dimensional concept, including income but not only. The chapter explores key drivers of urban inequality reflected in the scarcity of decent work and in social-spatial disparities in the location of different productive activities within cities. The chapter analyses how local and regional governments can increase decent work opportunities, and, drawing on the impacts of COVID-19, how they can mitigate the effects of future pandemics and of climate change on decent work, urban prosperity and inequality.

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