Responses to Housing Challenges - A State Perspective on The Case of Oslo

By
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The Norwegian Housing Bank
The Oslofjord
The City between the Fjord and the Forest
Urban districts of Oslo

Urban districts:
1. Bygdøy-Frogner
2. Uranienborg-Majorstua
3. St. Hanshaugen-Ullevål
4. Sagene-Torshov
5. Grønerlokka-Sofienberg
6. Gamle Oslo
7. Ekeberg-Bekkelaget
8. Nordstrand
9. Søndre Nordstrand
10. Lambertseter
11. Bøler
12. Manglerud
13. Østensjø
14. Helsfyr-Sinsen
15. Hellerud
16. Furuset
17. Stovner
18. Romsås
19. Grorud
20. Bjerke
21. Grefsen-Kjelsås
22. Sogn
23. Vindern
24. Røa
25. Ullern
26. Sentrum
27. Marka

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System of Government i Oslo

• Parliamentary system of government
• Social policies and education fully decentralised
• Implementation of housing policy mainly carried out by
  – the 25 (15) districts,
  – The Housing and Real Estate Office
  – The Planning and Building Authority
Prices of flats in Oslo, Rural Housing and Consumer Prices

- Flats 75 m² in Oslo
- 140 m² in Hedmark
- CP
Annual new housing construction in Norway total and Oslo

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Builders of new Housing Construction in Oslo
Housing ownership structure in Norway

- Home ownership
- Private rental
- Public rental

Oslo
Norway
Housing Subsidies in Scandinavian Countries
Pct. of GNP 1999

- Denmark
- Sweden
- Finland
- Norway

Prod. subs
Hous. allowances

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The main challenges

• Optimising existing resources:
  – More targeting of disadvantaged groups
  – Provide housing and follow up for people with complex problems
  – Acquire resources and flexibility to meet the needs of a changing market
  – Transparency in transfers and policy schemes

• How
  – More emphasis on planning and on documentation of needs
  – Increased delegation to the 25 (15) districts
  – More economised use of municipal housing – market pricing
  – Promote co-operation between sectors and region
Who needs housing assistance in Oslo?

17% of population
- Live in low-income households
  - 8% need social welfare
  - 3% need housing assistance

3% of total households
- 13% in short-term tenancy
- 31% are homeless
- 57% live in inadequate housing
New ambitions

“The Municipality shall play an active role to promote and facilitate build of 40 000 new, functionally and environmentally good housing units by 2015”

What types of housing units?

- 28 000 large projects
- 8 000 smaller projects
- 4 000 in densification
And later?

Room for more;

- land reserves for
  - 29000 more housing units in new plots
  - 23 000 housing units in densification
Main Strategies

• Densification
• Focus on main connection points for public transportation
• Develop last “virginal” land areas
• The “Fjord-city” developments
How?

• Better planning tools
• Co-ordinated processes for planning and implementation
• Deliberate use of municipal land
• Planning deals as a housing policy measure
The Fjord City

1. Filipstad-Tjuvholmen
2. Pipervika
3. Akershus Castle
4. Bjørvika-Bispevika
5. Sørenga-Sjursøya
1. Filipstad - Tjuvholmen
2. Pipervika
3. Akershus Castle
4. Bjørvika - Bispevika
5. Sørenga - Sjursøya
How to Increase Affordability

• Impact of a better balanced housing market

• Demand side measures

• Construction of low cost housing units;
  – Land priced at half market price, subsidies retained
  – State subsidies
  – Active land use policy /zoning and property management (carrots and sticks)
Planning deals as housing policy measures – used with caution

✓ To be used to stimulate housing development – not choke it
✓ A joint commitment between city and developer

- Developer:
  - Roads, water, basic green areas
- Municipality:
  - Schools, primary health and social care
- To be negotiated:
  - Borderline infrastructure; extensive developments
Other ways for a municipality to influence private developers

- Take initiatives
- Bring parties together
- Active use of municipal property
- Co-ordinate its own activities
- Integrate new developments with urban renewal
- Initiate pilot projects
Conclusion

• The market in need of better framework conditions to solve the housing needs of Oslo
• The efficiency of a demand side subsidy depends on the response of the housing supply
• Some supply side subsidies needed for new affordable housing
• Affordable housing needs an active land policy

➢ Housing policies depend on the underlying urban policies