



CONSULTING

NEWSLETTER 2024/2

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Vienna

New Rules for Airbnb

While cities like Barcelona intend to stop flats being let to tourists at all, in order to re-establish a functioning housing market with affordable rents, Austria's capital has now announced stronger rules for platforms like Airbnb. According to a recent report by Arbeiterkammer (Chamber of Labour) some 14,000 apartments are being used for touristic purposes. Apartments may only be let temporarily for a maximum of 90 days per year,

and in the case of home ownership the consent of all co-owners is necessary. The city also made clear that controls will be more frequent and fines will be increased in the case of repeated or professional short-term renting.



Paris

Paris Olympics: Social Housing Versus Gentrification



In most cases Olympic Games have resulted in strong gentrification in these urban areas – most obviously in the 2016 Rio de Janeiro Olympics with the expulsion of thousands of Favela settlers-, and the 2024 Paris Olympics are no exception. The construction of the Olympic Village has resulted in a sharp increase of housing prices in the long neglected northeastern suburbs of the French capital, forcing low-income tenants to move out. There is, however, one

remarkable exception: the island of Ile-Saint- Denis, close to the center of the Olympic village. The mayor of the island district, Senegal-born Mohamed Gnabaly and his Green Party team have, at an early stage of the planning for the Olympics, initiated the construction of an “Eco Village” as a laboratory for a broader change and socially- oriented development: a mixed-used area, completely car-free, with a share of 60 percent social housing.

Paris

Paris Olympics: Social Housing Versus Gentrification

After a 2019 legal complaint against the French national government for “unequal treatment” and “territorial discrimination” Gnabaly succeeded in receiving higher funding. As the complaint was joined by several neighboring city districts the national government decided to make the Seine-Saint-Denis department the focus of its Olympic legacy project investing more than 80 percent of the € 1,7 bn Olympic budget in the department, With the mayor and residents groups participating in the decision making this meant investments into the improvement of living conditions in the area rather than prestigious buildings and luxury residences.

For more info see:

<https://www.lile-saint-denis.fr/>

Austria

Re-introducing Earmarking of Housing Tax

After several years of a relatively free use of the housing tax by the Austrian states- the states received their share of the national housing tax income but could use it freely within their budgets- the national government has now proposed to re-introduce a strict earmarking of that tax. Again, as before 2001, the nine federal

states will be obliged to use the earmarked tax income - 1 percent of the total wage sum, paid half by all employees and half by all employers- only for subsidized (affordable) housing and related infrastructure.

