

# GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE April 2006

## CONTENTS

**Chronicle: About evictions...**  
page 2

**The EU has no housing policy**  
page 3-5

**Present EU cases on housing**  
page 6

**Monitoring operating costs in  
Germany**  
page 7

**The Housing Act in England  
with new powers**  
page 8-9

**A letter arrived from Poland**  
page 9

**Still fighting after all these  
years!**  
**New Jersey tenants**  
page 10

**Illinois Tenants Union**  
page 11

**Arizona tenants fight club**  
page 12

**Rents in the Big Apple**  
page 13

**Tenant management -NFTMO**  
page 14

**Norwegian Somalis**  
page 15

**Notices**  
page 16



## IUT member organisations in:

Austria  
Australia  
Belgium  
Benin  
Bosnia-Herzegovina  
Canada  
the Congo (Dem. Rep.)  
Croatia  
Czech Republic  
Denmark  
Ecuador  
England  
Estonia  
Finland  
France  
Germany  
Greece  
Greenland  
Hungary  
Ireland  
India  
Italy  
Japan  
Latvia  
Macedonia, FYR  
the Netherlands  
New Zealand  
Nigeria  
Norway  
Poland  
Portugal  
Romania  
Scotland  
Serbia and Montenegro  
Slovenia  
Slovakia  
South Africa  
Spain  
Sweden  
Switzerland  
Tanzania  
Togo  
Uganda  
USA  
Wales



P.O. Box 7514

103 92 Stockholm, Sweden

Tel +46-(0)8-791 02 24/791 02 25

Fax +46-(0)8-20 43 44

E-mail: [info@iut.nu](mailto:info@iut.nu)

Website: [www.iut.nu](http://www.iut.nu)

Publisher and

Editor: Magnus Hammar

April 2006

Publication Design: Cinna Gross

Cover Photo: Hong Kong, Magnus Hammar

# Evictions and acting short-sightedly

The right to housing is a basic human right. This was reaffirmed in June 1996 when governments from around the world gathered in Istanbul, Turkey, for Habitat II — the second United Nations Conference on Human Settlements. Yet, in all corners of the globe, people are homeless and continue to be forcibly, and sometimes violently, removed from their dwellings. Despite the good intentions of national governments, the right to housing and guarantees against forced eviction are far from a reality.

From various sources we have frequent reports about evictions. We don't know for sure whether the media has finally become interested, or if the number of cases increase – which we might assume. Never the less, we know that evictions hit the most vulnerable residents particularly hard; the disabled, the aged, singles on no or low incomes. Homeless single young women are particularly vulnerable and often exposed to sexual assaults. I guess that we could include anyone who, temporarily or more or less permanently, lives on a low income for several reasons.

Some say that evictions should never take place irrespective of reason, others say that if the tenant does not pay the rent, does not live in the flat permanently or behave badly, he or she could be evicted for god reasons.

But irrespective of view in this matter, we can all agree that evictions involve personal tragedies for one or several family members. Also we know that an eviction is never a solution in the long run. An evicted person often takes up a negative attitude towards society in general, and becomes a “loser”. A loser who further on might cause increased problems to himself and to society. We all know that one thing leads to another: no home, no address, no job...

In any case, evictions should always be regarded as a temporary solution. And evicted people should never ever be left on their own, and should be assigned to an alternative accommodation.

The IUT will, together with partners, pay further attention to evictions and the right to housing in connection with the International Tenants' Day, October 2<sup>nd</sup>.

*Magnus Hammar  
Secretary General*



---

## Calendar

**May 2-4:** Housing Africa: International Conf. focusing on the housing sector. Cape Town, South Africa

**May 11:** Globalisation of homeless policies? A seminar on local strategies, by FEANTSA

**May 22-23:** 10th UNECE Conf. on Urban and Regional Research, Bratislava Slovakia

**May 23-26:** Conf; Housing the Poor through the Private Sector, Bangkok, Thailand

**May 27:** Congr s du CNL, Conf d ration Nationale du Logement - 90 years. Paris.

**May 30:** European Neighbours' Day

**June 19-23:** World Urban Forum III, Vancouver Canada.

**June 26-27:** EU Housing Focal Point; Impact of Housing Construction, Renovation and Modernisation on Employment, Vienna Austria

**July 2-5:** Housing in an expanding Europe. ENHR research conference, in Ljubljana, Slovenia.

**September 10-12:** The best national and regional experts in affordable housing! Seattle, US.

**September 13-15:** First Conference of the Observatory "Future of Social Housing", by CECODHAS

**September 19:** Ministerial meeting, UN ECE Committee on Housing and Land Management, Geneva.

**September 20-23:** Emphasizing Urban Housing Design, XXXIV IAHS World Housing Congress, in Naples Italy.

**October 2:** International Tenants' Day. Theme: Evictions must be stopped! / UN Habitat Day

**October 6-8:** Housing strategies on the Balkans. IUT conference in Belgrade, Serbia and Montenegro.

**October 16-17:** EU Housing Ministers meeting, and EU conf. on Urban Renewal and Housing, Barcelona, Spain

**For more information:** <http://www.iut.nu/conferences.htm>

# The EU has no housing policy

## BUT NEVERTHELESS, EU'S INFLUENCE IS FELT IN MANY WAYS

**Housing policy is a sphere that falls completely within the jurisdiction of Member States. The reason for this is the Principle of Subsidiarity. The EU can only act on issues that are cross-border, in other words issues that cannot be resolved on a national, local or regional level. Furthermore, different Member States have extremely dissimilar housing policies. Insurmountable problems would be created for the EU if it were to develop a common housing policy.**

However, housing issues are complex. They are about regional planning and urban development, trade in building materials and management services, provision of capital and financial management, integration and energy issues, etc. For example, at their last meeting in March 2005, EU housing ministers noted that the effect of EU policy on national housing policy was such that it should be a permanent item on the agenda for all future meetings of housing ministers!

Therefore, despite the fact that the EU has no housing policy, housing issues are still affected in several ways.

The basis of the Treaty is a common internal market for capital, labour, goods and services and it also includes a fundamental prohibition on trade restrictions and state subsidies which limit competition!

The EU Treaty contains a clear prohibition on discrimination against other Member States, companies and individuals. All of this affects the housing market. The so-called Lisbon process is based on a co-ordinated policy for growth and sustainable development in environmental, economic and social terms. We will have common strategies for jobs, lifelong learning, deregulation and other matters and certain co-financed investments in such items as infrastructure, for example. In addition, there is support through the structural funds for exposed regions and programmes for urban development, integration, equality etc. – in future probably also for slum clearance in poorer Member States.

The Treaty contains provisions on matters such as common monetary policy, a central bank, an investment bank and a co-ordinated policy on



What does the EU say about the "right to information"?

PHOTO: MAGNUS HAMMAR

interest. In certain areas, the EU has gone so far as to harmonise tax conditions and there are common rules for public procurement.

The EU has introduced wide-ranging legislation and a number of development programmes in areas such as the environment, energy and consumer issues. In recent years, EU policy has been aimed at combating poverty and social marginalisation and building a “European welfare model”. The EU has also shown greater interest in regeneration of cities and physical planning, not least taking urban social problems as a starting point.

The housing area is affected by research and technical development, co-operation on housing statistics and regional cooperation for development. In Sweden, many public housing companies have also taken part in EU projects (for example Equal and Urban; EU programmes that support integration and urban development) and received support from the structural funds.

## Opportunities with the EU

Therefore, even if the EU does not implement an express housing policy, a number of areas of EU policy give rise to interesting opportunities for the housing sector. The internal market for goods has already created competition and brought about greater opportunity to force down building costs through purchasing of building materials throughout Europe and has resulted in common environmental and standardisation requirements from the EU to the benefit of both competition and the environment.

A common market for services is being developed. There has been severe criticism in the overhaul of the Lisbon process that so many obstacles remain. The Services Directive mentions, among other things, building activities and real-estate agents. A more open market for services could increase competition and force prices down for the benefit of consumers in such areas as planning, building and property management, for example. The fact that this can later lead to problems on the labour market is well known.

A common capital and finance market, with certain common tax rules is on the way to being developed. The EU



A statue on Place du Jeu de Balle in Brussels, symbolizes the “Right to Housing – for Everyone”. The statue was erected in 1994 by the organisation *Vivre Ensemble, Living Together*. Today the statue is hard to detect because of the many objects of the flea market. The base supporting the statue is decorated with hundreds of door keys.

In November 2005 the statue was inaugurated for a second time commemorating the 12 years of struggle for the right to housing. This event denounced the lack of political actions in Brussels.

25 000 families in Brussels and another 45 000 in the Walloon region await a social housing accommodation, according to *Vivre Ensemble*. PHOTO: MAGNUS HAMMAR



is implementing a plan of action to create an internal finance market which will gradually affect both formal rules and real conditions, for example interest-rate levels, supply of capital, certain common rules for banks and other financial companies and consumer regulations.

However, everything is far from complete. For example, the notion that housing loan institutions and clients will be able to compete throughout Europe, where conditions and costs will be comparable, will become more prevalent. That should benefit consumers.

The Commission has made it possible to introduce lower VAT on rent, which should create favourable conditions for housing companies to pay VAT and then obtain a right to deduct input VAT on building and management. The housing ministers have begun to discuss a European Housing Bank and greater possibilities for financing city regeneration and slum clearance in the poorer EU countries through the structural funds. This is likely to create new markets for building, environmental and energy skills.

Perhaps the most significant effect, by which we are partly unaffected at present, is the increasingly co-ordinated economic policy in the EU through the stability pact, the EMU and the Lisbon process. The objective includes long-term implementation of policies aimed at low inflation and low interest rates, but also at increasing the speed of implementation of growth policy and mobility in the labour market, which could in turn increase the demand for housing.

The results are already visible, primarily in the form of a historically unique period of currency stability and low interest rates, which naturally benefits building and housing.

## Welfare without restrictions on subsidies?

A crucial fundamental principle in all these areas is that the internal market will create competition under fair conditions among different companies and Member States. In principle, there is a prohibition on discrimination, trade restrictions and state subsidies and efforts are being made to deregulate monopolies that have no clear social reason for their existence and situations

of fundamental non-competition among different operators on the market.

Member States that still wish to grant some form of state subsidy or specially favourable conditions for public companies are, in principle, obliged to give notice of this, in other words they must notify the Commission of what they intend to do and why. Any exceptions from this prohibition on state subsidies must be approved by the EU Commission and only the EU Commission. Disputes may be decided by the EC Court in the final instance.

At the same time, we must remember that the EU's authority is limited to the sphere of markets. Power over welfare policy is, in principal, national and there is broad consensus on this. The fundamental principle is that "we are building a large market, but the power to decide on issues of welfare and services in the public interest remains with the Member States".

Here we begin to approach the crux of the matter. The EU wishes, simultaneously with the Member States, to design a European welfare model and provide citizens with good public services and also create an effective internal market for services without restrictions and state subsidies.

On this point there is broad acceptance that society may need to intervene to correct deficiencies in market forces, but this must not come about just anyhow. As long as it is a question of support granted directly to individuals, such as housing subsidy for example, there is no problem. Even subsidisation of "social housing" appears to cause no problems so far. However, there are larger question marks when it comes to the Swedish form of public housing.

## The EU's ambition is therefore consequently to:

- create an internal market for goods, services and capital, financial stability, low interest rates that can favour building and the housing market, founded on free competition and prohibitions on trade restrictions and state subsidies, where the aim is to increase growth and create more jobs in accordance with the Lisbon process;
- to maintain a European welfare model, in which public responsibility for a society with high-quality welfare serv-

ices is essential, which includes a socially-orientated housing policy. This is based on the fact that large parts of the economy and policy are exempt from the rules of the internal market and the prohibition on state subsidies.

The problem for Swedish housing policy and for our model of public housing is located at the point of intersection between these ambitions and, in particular, when it comes to designing the conditions for the future market for both private and public services.

The Commission has previously proposed a wider framework law regarding the Directive of Services of General Interest, SGI, in order to clarify which services that should be covered by all legislation concerning the internal market, and which service areas that could be dealt with more freely. This proposal was discussed, in the spring of 2004, in a report from the EU Parliament.

At that time, the undersigned put forward a proposal that *public and social housing* should be granted an exception, but the Commission wished to confine itself to *social housing*.

The Interest for such a framework law on SGI passed away when the proposal for a new treaty was stopped. But the interest now seems to be revived again after the very intense debate about the Services Directive. The group of Social democrats in the Parliament, ESP, has set up a working group with the view to bring this issue to life again. Because without any principles of what is to regard as services of general interest, there is great risk that both the Services Directive and the regulations on State Aid will have a direct influence on both housing policies and other areas of welfare policies.

Göran Färm  
Consultant, former member of the European Parliament (Social Democrats)



# Present EU-cases on housing

## THE SWEDISH CASE

### Negotiation, not regulation

In Sweden landlords and tenants are free to negotiate the level of rents. If no agreement can be reached the rent will be set at a level deemed fair by rent tribunals and courts of law.

In determining the level considered fair, a comparison can be made with apartments which are deemed comparable on the basis of utility value. This is done only when there are housing units that are comparable. The comparative value is based on housing units in the municipal housing company. The rent set may not be "manifestly higher". In practice this usually means that the rent level can be 5 % higher.

In the run-up to the referendum on EU membership in Sweden, the Swedish government made it clear that housing policy fell outside the scope of EU cooperation. This meant that neither the operations of the public housing companies nor the Swedish rules for setting rent levels would be set at risk as a consequence of membership. This remains the dominant understanding in Sweden today.

### Two complaints to the Commission

The Swedish Property Owners Federation has decided to question the legality of government housing policy on the basis of EU law. They maintain that the existing housing policy prevents landlords from charging the rents they wish. They maintain that public housing companies receive a state subsidy which leads to an unacceptably lower level of rents in public housing companies; a rent level that affects rents in the privately owned housing sector because of the application of the principle of utility value.

- First complaint deals with the claim that direct subsidies of about 2 million Euros have been made to public housing companies in 2002.

Swedish Union of Tenants' view is that this operational support or additional support from the owners must be regarded as justified with a view to the extensive social responsibilities shouldered by the companies. These grants were earmarked for municipals with housing companies which had a lot of empty flats in their stocks. These grants were to cover e.g. heating of empty flats, particularly in the north of Sweden.

- Second complaint holds that the cost of the loans held by the municipal housing companies are in effect a form of disguised state subsidies. According to the plaintiffs they represent a real guarantee from the municipalities. Moreover they claim that the circumstances demonstrate that it is, generally speaking, easier to obtain loans on advantageous terms when the municipality is the owner. These claimed subsidies provided in the form of better terms for loans amount to 230 million Euros per annum, according to the plaintiffs! The issue of principle involved here is the negotiating position of the municipal companies in the financial markets and whether this position can be regarded as an advantage comparable to public subsidies.

### Costly social obligations

The criticism of the plaintiffs is directed at the very core of Swedish housing policy. As already stated, public housing companies in Sweden are not run for commercial profit and are forbidden by law to do so. Municipalities have social obligations which the private companies do not have. These obligations entail additional costs.

*Extract from a fact sheet from the Swedish Union of Tenants*  
More complete info about these cases on [www.iut.nu](http://www.iut.nu) > IUT/EU

## THE DUTCH CASE

On July 14 2005, the EU Commission sent a letter to the Dutch government in which it provided its opinion on whether the funding of social housing in the Netherlands is compatible with the EU rules on State aid. Amongst others, the DG Competition wants to see a new definition of social housing in order to ensure that social housing is better targeted towards low income households. Today, the household economy is registered upon the initial application for social housing in the Netherlands. After this stage, the income and financial status are not again checked.

Today there are 600 housing associations in the Netherlands, which own 75 % of the rental dwellings in the country. The EU Commission is of the opinion that the housing market does not give the private sector a fair chance,

as the flats owned by the housing associations have comparably low rents. Privatisation is the solution, according to the EU Commission.

The Dutch tenant association, Woonbond, estimates that the rents will triple if the Dutch rules on social housing are dismantled. Also, this will lead to segregation, as only the rich will afford the new rents. And this is not an attractive vision of the future for most urban people in the Netherlands.

Stop Dekker!<sup>1</sup> is the catchword for Woonbonds' big demonstration on April 8.

<sup>1</sup> Dutch housing minister, Sybilla Dekker.

## A national level for operating and service costs

# GERMANY New transparency for tenants and landlords

**The German Tenants' Union, Deutscher Mieterbund, has started a new project for a more transparent German housing market. The first national figures for operating costs were published in December 2005.** By Barbara Litke, DMB, Berlin

With this new instrument tenants and landlords are able to compare the level of their own operating costs for housing. At a first glance you can check if your costs are lower or higher than the average. The national figures of operating costs are based on 13 500 data of the year 2004, and will be up dated every year.

### 17 specified costs to monitor

In Germany operating costs are considered as a "second rent", of which a greater part is sky rocketing energy costs. The costs for oil increased by 32 percent from January 2005 to January 2006, and gas prices were up by 20 percent.

But not only costs for energy have to be paid by the tenants. German residents have altogether 17 different operating costs; real estate tax, costs of water and sewage, heating and warm water costs, costs for the elevator, costs for cleaning the street, garbage disposal, gardening, costs for cleaning and lighting of the common parts of the building, pest control, chimney sweeping, various insurances, costs of the caretaker and for communication cables and antennas.

These costs correspond to exactly 35,3 percent of the total housing costs. The German Tenants' Union decided to publish a national level for the operating costs in order to help tenants check if their own costs are too high and to motivate landlords to identify which single costs of their housing stock are above the average: hopefully a motivation to reduce costs, and then rents!

### Warning signals

On an average, the German tenants pay 2,44 Euro per m<sup>2</sup> and month for operating costs. For a flat of 80 m<sup>2</sup> this corresponds to 195,20 Euro per month, 2342,40 Euro per year.

On the national level for operating costs we have three values: average val-

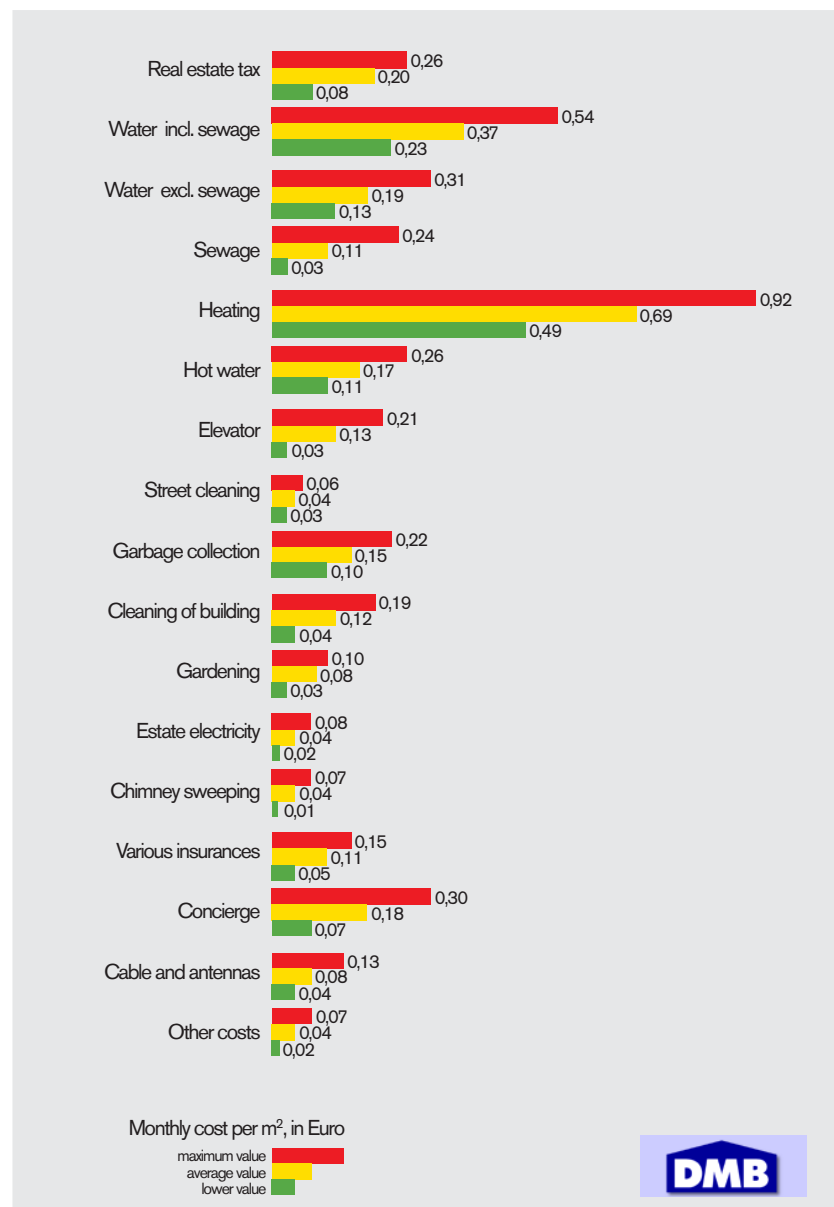
ue (yellow colour), minimum value (green), maximum value (red). The red one is the critical value: if your costs are higher, talk to your landlord and check your operating cost's bill.

### Indisputable hard facts

The landlords reacted very critically when we first published the national level for operating costs. In our opinion they are afraid of too much transparency. But tenants need solid information, in order to check the amount

of the "second rent" before they sign the rent contract. Usually the tenant pays pre-payments for the operating costs. The pre-payments are accounted with the real costs at the end of the year. In many cases the landlord tends to demand too low pre-payments. At the end of the year the tenants pay the bill, with demands for additional payments.

The time of *estimated* operating costs has come to an end: A success for tenants, and landlords as well!



# ACT NOW!

**The Housing Act has given councils in England new powers to stop dangerous landlords. But will they be ready to use them by April, asks Emma Hawkey?**

It's 1980, and eight people die in a fire in bedsits in Clanricarde Gardens, West London. A decade later, Shelter's Campaign for Bedsit Rights estimates people living in a bedsit house of three or more storeys are 17 times more likely to die in a fire, and calls – once again – for stronger powers for councils to make them safe.

Campaigners couldn't have predicted that it would take another 15 years of pressure to get these measures onto the statute books.

The Housing Act 2004 introduced a licensing scheme for houses in multiple occupation (HMOs), which is due to come into effect in April 2006. This could mean big improvements to the living conditions of many people. HMOs are currently home to almost two million Britons and a vital source of accommodation for people on low incomes, especially in urban areas with high rents. And 25 years after the fire in Clanricarde Gardens, 10 per cent of those homes – 118 000 dwellings in

total – are unfit for human habitation.

Up until now, councils have had a great deal of discretion when it comes to regulating HMOs. And because most occupants have little security of tenure, they stand every chance of losing their home if they ask their landlord to undertake repairs or improve safety.

A voluntary registration scheme introduced by the Conservatives failed to get to grips with the problem, because only half of all councils implemented it. There were also too few sanctions against landlords who failed to register.

## How does the new Housing Act help?

The Housing Act contains a new definition of an HMO, which makes clear the circumstances in which a person is to be regarded as 'occupying' a house, and the circumstances in which they are regarded as forming a 'single house-



Emma Hawkey and Grace

hold'. For example, the new definition states that students living in shared accommodation should not be considered a single household.

But the big change introduced in the new Act will force landlords to obtain a licence for larger HMOs. This will give environmental health officers a much better chance of uncovering those that do not provide safe and satisfactory accommodation. At the moment, officers have to spend too much time trying to find HMOs and then enforcing physical and management standards in them.



Rough bedsit. PHOTO: SHELTER



Sanctions against landlords who don't comply will be harsh. Failure to obtain a licence is punishable by a fine of up to £20 000. Breaching a condition of that licence could cost up to £5 000. New Rent Repayment Orders mean that if housing benefit has been paid on the property, the local authority can require it is paid back.

## Away with cowboys

The Act is also designed to root out the cowboys who run HMOs, and to drive up management standards across the private rented sector. A licence covers not just the property, but also the person who holds it. He or she must be 'fit and proper'.

The Act also empowers local authorities to include specific conditions in the licences they grant, relating to the safety of electrical and gas appliances and keeping smoke alarms in working order. Local authorities can impose further conditions, such as requiring that licence holders attend a training course in property management, or making them supply the tenant with a written statement of the terms on which the property is occupied.

The Act also allows selective licensing of private landlords in areas of low demand, compulsory leasing of empty homes, a tenancy deposit scheme, home information packs, reforms to the Right to Buy, new rights for park home owners and Gypsies and Travellers, and a new overcrowding definition. For more details see [www.shelter.org.uk/housingact](http://www.shelter.org.uk/housingact)

## What doesn't the Act do?

Mandatory licensing schemes only apply to HMOs of three or more storeys, and five or more occupants – about 20 per cent of all HMOs. Shelter and others have argued that this will mean many dangerous dwellings are not covered. Councils can use their discretion and require smaller HMOs to be licensed, but this needs the approval of the Secretary of State, and is limited to a period of five years. Ministers are committed to a review of the threshold after three years, so watch this space.

Emma Hawkey is the editor of ROOF – Shelter's housing and homelessness magazine

# A letter arrived from Poland...

(free translation)

Warsaw February 3<sup>rd</sup> 2006

*During my efforts to find allies that could possibly assist me in retaining my home I came upon your organisation which might be able to support my and others' cause.*

*This is my and several other tenants' situation in Poland at the moment;*

*Many thousand flats previously provided by people's places of work (company dwellings) have, due to the new economic and political system, been sold to private individuals to extremely low prices, such as 1,3 – 1,8 Euro per m<sup>2</sup>, when market prices were actually 380-500 Euros per m<sup>2</sup>. There used to be a law that for some years protected the tenants from landlord's unrestricted power, but this law is no more.*

*The rents in Poland were set totally free in 2005 and from that moment the rents increased, for us ordinary citizens, to unimaginable levels. From my perspective, these new rents are better suited for a palace than for a basic flat in Warsaw. This may be the new law of the market economy, but such a free market does not function here in Poland as no flats are being built for people on low incomes.*

*The Polish situation is difficult to grasp for someone living outside our country. The housing shortage after World War II has never really improved, and today Poland is short of 3 million dwellings. Tenants who can not afford the new rents either have to get in debt up to their hills, or become evicted into the streets. People in these tragic circumstances turn to their MPs, ministers and even to the President, begging them to make laws that would make the rents affordable. Yes, some kind of law was passed – but somehow this law further increased the landlords' rights and worsened the tenants' situation.*

*I work together with other tenants in Poland who have found themselves to be in the same situation. We demand a law that protects tenants from becoming homeless. But, my strength is weakening as a consequence of the politicians false promises.*

*My own situation is that I will become homeless in a few months. I am 65 years old and I have been working for almost 40 years, and my pension is above the average. But still, if I was to pay the new rent this would require 80 percent of my pension. I have lived in my flat of 35 m<sup>2</sup> for 43 years.*

*IUT, do you have any possibility to inform decision-makers and the media about our situation, we who have been living in flats belonging to our places of work? Maybe IUT and other international organisations could bring this matter to light, which in the long run could help to protect thousands of families in despair, who face homelessness.*

*Poland is a member of the EU and must follow EU human rights laws. Is that not so?*

*Yours faithfully/ Mrs Ewa Janowska Maik  
Madalinskiego 57 m 29  
02-544 Warsaw, Poland.*

Mrs Janowska Maik's situation is unfortunately not a very unique one. Many elderly present and former tenants in the former socialist states, often with a low state pension are trapped between the old and the new system. The IUT is well aware of this unacceptable situation and we repeatedly deliver this message whenever we get a chance. This letter will be forwarded to relevant decision makers in Warsaw, with a request for further information about Mrs Maik's and others' situation and what measures the state and government are taking in order to prevent evictions and deliver affordable homes to those in need.



1989, NJTO rallying in Washington D.C.

## The **NJTO** Still Fighting After All These Years

**The New Jersey Tenants Organization (NJTO), founded in 1969, is the oldest statewide tenants' organization in the United States.** By Mitchell Kahn, NJTO

At the time of NJTO's founding, New Jersey tenants faced severe hardships. Hundreds of thousands of apartments were in substandard condition in the state's urban areas and there was widespread rent gouging. These problems were compounded by the lack of laws protecting tenants, and a political establishment heavily influenced by the real estate industry. Yet, radical change was in the air. Urban riots in many New Jersey cities raised public consciousness about poor housing conditions. Local tenant organizing increased rapidly in the heavily tenant populated central and northern parts of the state. Activists involved in these local battles joined together to form the NJTO. The organization's initial set of goals included winning necessary protective tenant legislation, gaining and enforcing strong housing codes at the municipal level, and winning local rent control laws. An essential first step was the building of a disciplined, militant statewide organization.

### From the streets to the negotiation rooms

Initially, the NJTO relied almost exclusively on rent strikes, rallies, and demonstrations. During its first year of operation the NJTO organized 43 local rent strikes involving 20 000 tenants. Direct actions were effective in mobilizing large numbers of tenants, winning local victories that helped sustain local organizations, and keeping tenant issues alive in

the media and public arena. However, The NJTO leadership soon realized that this strategy alone was not going to be effective in achieving major structural changes in state landlord-tenant law, or in winning the enactment of rent controls. They decided to get actively involved in electoral politics, and conducted a major statewide voter registration. The organization soon became involved in state legislative district elections. Local affiliates also concentrated their efforts on municipal elections, and by the mid-1970's, tenants had become a significant force in New Jersey politics.

During the 1970's the NJTO won passage of the strongest landlord-tenant law code in the United States, and also won passage of rent control laws in 125 cities and towns.

### Weakened rent control in the 1980's

The political climate grew more conservative in the 1980's and the state landlord association began a major counter-attack. Landlords filed massive tax appeals in an attempt to galvanize public opposition to rent control. They also pushed for local referendums to defeat rent control laws. While tenants won most of these battles, landlords were often successful in getting municipal governments to weaken rent control through the imposition of *vacancy decontrol* measures which allowed landlords to raise rents significantly when tenants moved out. This has had the long-term impact of making rent-controlled apartments less affordable for future tenants.

## The importance of joining forces

Tenants faced another threat in the 1980's when landlords converted tens of thousands of apartments into co-ops and condominiums forcing them to buy their apartments or vacate. Membership was decimated and for the first time since its founding, the NJTO was put on the defensive. Undaunted, the NJTO leadership battled back by expanding the base of political support for tenants' rights through the development of coalitions. In 1982 several members of NJTO's Executive Committee were instrumental in the formation, and development of New Jersey Citizen Action, a progressive statewide multi-issue organization that brought together a coalition of senior citizens, environmentalists, civil rights leaders, labor unions, homeowners, and tenants. Coalition politics strengthened electoral efforts, and grassroots tenant organizing continued with a successful campaign to regulate condominium and co-op conversions. The NJTO was able to weather a very difficult decade, battered but still intact.

## Lack of affordable housing

For the past fifteen years, the NJTO has continued the struggle to maintain rent control and expand tenant rights. Recently, the organization has been victorious in gaining state laws that criminalize illegal lockouts, prohibit discrimination against tenants based on source of income or age of children, place tighter regulations on landlords' handling of security deposits, and establish a \$50 million state rental housing subsidy program. Nonetheless winning greater tenant rights has not been enough. The affordable housing crisis in New Jersey has intensified. The average rent for a two-bedroom apartment in New Jersey is now \$1100 a month, and more than half of New Jersey tenants have insufficient income to afford to pay this rent. A major focus of today's struggle is the campaign to build more affordable housing. The NJTO is now working in coalition with the Housing and Community Development Network of New Jersey in demanding state action in this area.

The beat goes on!

# Greetings from Chicago and the Illinois Tenants Union

**In Illinois most of the tenants live in Chicago metropolitan area. Today there are about 500 000 rental households in the City of Chicago. According to the U.S. Census Bureau, Chicago city had 1.0 million occupied housing units in 2003 of which 47 percent were owner occupied and 53 percent renter occupied.**

A tenant usually pays a deposit to the landlord as security for the payment of rent. Usually, a tenant pays one month's rent as security. If the landlord does not return the deposit, we will sue the landlord on behalf of the tenant.

## 50 states - 50 laws

Every state in America has different laws. Especially, the landlord and tenant laws are different from one state to another. In the State of Illinois we have "home rule" for the large cities. Home rule means that every city may pay its own laws. Three cities in Illinois have landlord and tenant "ordinances," which is the name of laws enacted by a city. These three ordinances are based on the Uniform Residential Landlord and Tenant Act, which was adopted in 1972 by the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association in 1974.

## Evictions are frequent

Because there is no rent control or rental subsidy for tenants in Chicago, landlords evict around 30 000 tenants every year. We are able to represent only some of those tenants in court. It is very difficult because the judges want to evict tenants who have not paid their rent.

Chicago has very strict laws about the construction and maintenance of property, but landlords often do not obey these laws. We assist tenants in seeking repairs through legal action in the courts.

The landlord often demands that the tenant sign a residential lease for one year. The tenant cannot move without paying the landlord the whole rent due for the contract term. We assist the tenant in moving and legally not paying any additional rent when the landlord breaks the landlord and tenant law.

## ITU, who we are

The Illinois Tenants Union has seven employees. We have four other attorneys who take cases we refer to them. We are not a membership organization. The tenants compensate us for our services. Either they pay us directly or their landlords pay us. The landlord and tenant law says that the landlord must pay damages to the tenant and the tenant's attorney's fees if the tenant wins in court.

The American world view has been called "possessive individualism." In such an environment the tenant movement cannot be developed.

By Michael Pensack, Director.

More info about ITU on [www.tenant.org](http://www.tenant.org)

Michael Pensack, Chicago.



# Tenants Fight Club

**To some, Arizona embodies the Wild West freewheeling spirit. Actually, Arizona is more. It is also the land of widespread corruption and criminality, and this extends far beyond landlords.**



My story begins in 1993 when a Chinese student knocked on my apartment door after his ceiling caved in. The owner was not about to cooperate. We followed that classic organising strategy. Arising from that, a major assault on Arizona's landlord-tenant laws was thwarted. From there, in 1994 the energised activists and I founded a tenants union that, after various incarnations over the years, presently operates as Arizona Tenants Advocates (ATA).

Throughout the years, our major function has been a free tenants hotline. We also helped tenants write letters to exercise their rights. Initially, membership fees were modest, office space donated, and my efforts volunteer. Quite a bit of publicity was generated, social consciousness raised. A crowning achievement was the town of Tempe's rental housing code in 1997, the first in Arizona. Other municipalities followed; a state "slumlord" law ensued.

## Setbacks vs. successes

In response, there have been many challenges to our operations. Early on, the landlord lobbyists allied with a state agency to fund a competitive hotline, and we were inoperative for over a year until the state hotline was discontinued. In 1998 I expanded services and income through a fee-based proprietorship, providing dwelling inspections, discount lawyer representation, and paralegal work. In 1999 my proprietorship commenced a service helping tenants terminate their leases, and this began to generate income sufficient to underwrite staffing, and even pay me. After that, a business conflict forced activities to retrench into my house. In 2003 the website [www.arizonatenants.com](http://www.arizonatenants.com) was created. Business has increased, and in 2005 we relocated to our present office.

## Frequent topics

Today, ATA frequently fields well over 100 telephone calls per day and a handful of e-mail enquiries. Although primarily from the Phoenix area, we do receive a good number of contacts from throughout Arizona, and several a day from beyond. General questions are answered at no charge. Frequent topics include evictions, unlawful landlord access, wrongful deposit withholding, landlord seizure of tenants'

personal property, failure to supply essential services or do repairs, and status of leases upon expiration or when a property is conveyed to a new owner.

Metropolitan Phoenix is growing phenomenally, in the U.S. second only to Las Vegas. Many high-tech firms operate here, such as Intel, Motorola and Google. About 40% of the populace lives in rental housing. Those who phone ATA run the full income gamut, with common rents ranging from the US\$450 for a studio to US\$1,500 for a house. Most of the rental housing is privately held by corporations or similar entities, and is less than 30 years old; lately we have encountered an increasing number of tenants residing in new, single family dwellings.

## Tenants unions come and go

Those underwritten by outside financing operate at the beck and call of their patrons, until funding ends and operations are jeopardised. Although the standard membership fee approach has a romantic appeal, it is inefficient, generating funds inadequate to assure continuity. Meanwhile, ATA's time and monetary demands have intensified due to ongoing challenges from landlord lobbyists, their allies, and others.

Through collaborative consociation ATA has overcome the survival hurdle; the major stresses we now face are those of any normal business: management skills, employee constancy and performance, and capital for improvements. Should we fare well, it will reflect a structural realignment of the tenant's movement – a hybrid of social service advocacy and private enterprise to effect societal change.

In summation, the next generation of tenant's activism must be sufficiently independent to confront vile miscreants, monied interests, and landlord lobbyists. It must be, first, professional, and from there expand to a social movement. Dedication, attention to detail, and constant innovation are prerequisites.

By Ken Volk, Arizona Tenants Advocates,  
[www.arizonatenants.com](http://www.arizonatenants.com)

# New York

**Rents are up, low-rent units are almost impossible to find, and people are struggling to pay the housing bills.**

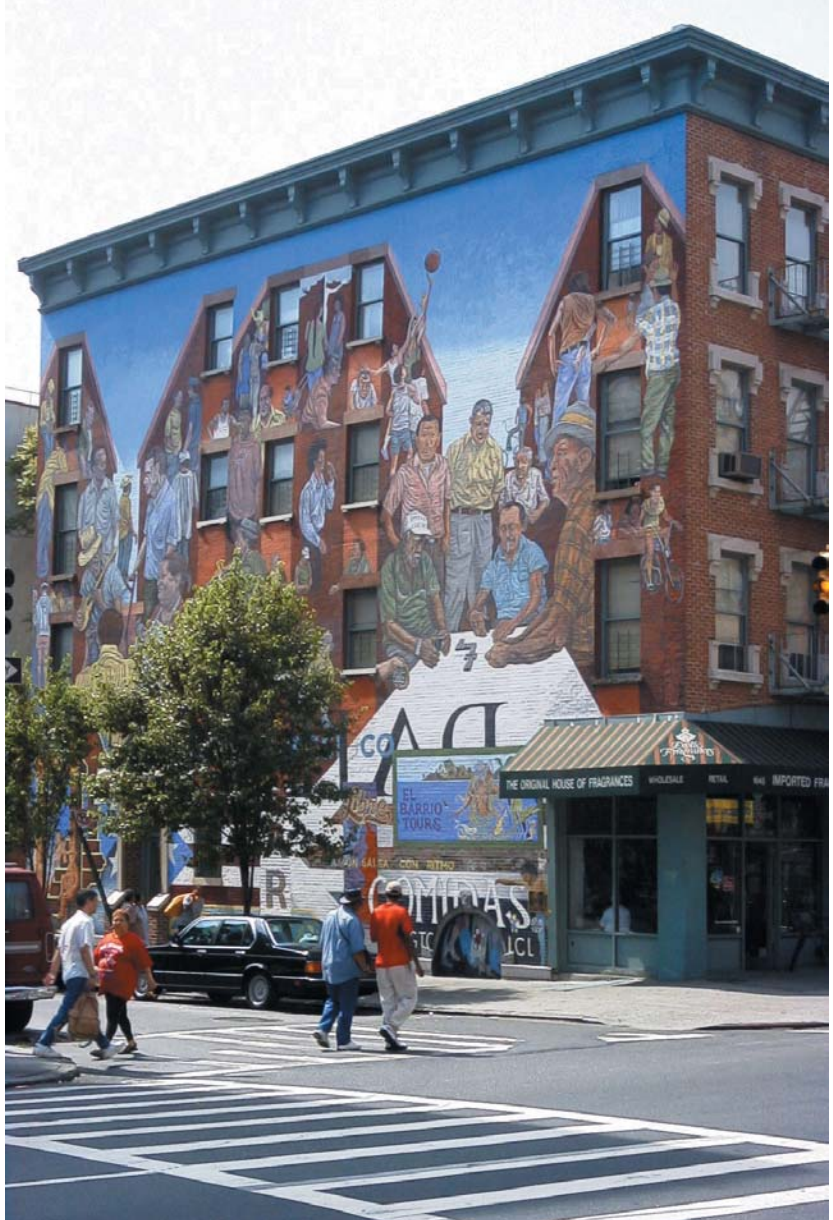
A survey released in February by New York's housing officials contained facts which many renters already knew: Even as the household income of average New Yorkers has fallen, it has become harder to find an affordable apartment in the city.

The survey found that real income fell across the board for New Yorkers at the same time that rents, as tracked by several indicators, continued to rise.

The city's housing commissioner, says that the city's overall housing stock and the number of homeowners in New York are both at a record high, but acknowledged that city tenants are facing a painful spiral of rising rents and falling wages. The study found that real income in New York fell by 6.3 percent from 2001 to 2004, whereas it increased by 9.8 percent from 1998 to 2001. These figures were accompanied by a 5.4 percent increase in the median monthly rent from 2002 to 2005.



Tenement house in Chinatown, New York. PHOTO: MAGNUS HAMMAR



Tenement house in Harlem, at East 104th St and Lexington Ave. with mural painting by Hank Prussing and Manny Vega

## More \$\$ on housing

By almost every indicator used by the study it has become harder in recent years to find a affordable apartment.

The median monthly gross rent in New York, including utility payments, rose to \$920 in 2005 from \$788 in 2002. During the same period, the median monthly contract rent, which excludes fuel and utility costs, increased to \$850 from \$706.

Perhaps the most telling aspect of the study was that more people are spending more of their pay checks on rent. In 2002, half of the

renters in New York spent 28.6 percent of their household income on rent, the study found. In 2005, half spent 31.2 percent on rent.

Also, 28.8 percent of city renters spent more than half their income on rent in 2005!

From 2002 to 2005 the city's housing stock increased by about 52 000 units. According to Mr Pratt Lander, Director of the Pratt Center for Community Development, the majority of the new units, 29 000 of them, were built for sale, not rent.

The report also said that the homeownership rate in the City was 33.3 percent in 2005, an all-time high for the forty-year period since 1965. Homeownership in the US was 69 percent, in December 2005.

Full press release on [www.iut.nu](http://www.iut.nu) > Members > USA

# Not a tenant organisation – but a tenant management organisation!

**The National Federation of Tenant Management Organisations (NFTMO) in England joined the IUT in 2005.**

In England a TMO is a means by which local authority or housing association tenants can collectively take on responsibility for managing the homes they live in. The tenant members of the TMO set up their own independent not-for-profit organisation and usually elect a tenant led management committee to run it. The TMO can then enter into a legal management agreement (contract) with the landlord. The TMO is paid annual management and maintenance allowances in order to carry out the management duties that are delegated to it.

## Repairs, lettings and social clubs

TMOs can take different forms and sizes. Many are tenant management co-operatives – using co-op rules. Others may take the form of not-for-profit companies. Some TMOs manage just a handful of homes while others manage large estates of two or three thousand properties. The small TMOs may rely mainly on voluntary effort but most employ staff such as housing managers, caretakers and repair workers.

The services managed by the TMO vary with local circumstances but may include day-to-day repairs, allocations and lettings, tenancy management, cleaning and caretaking, and rent collection. TMOs are often also proactive in providing wider community benefits such as youth centres, credit unions and social clubs.

How are TMOs doing in England?

Before 1994 TMOs could only be formed where the landlord was willing to support the idea. That changed in 1994 when new law gave local authority tenants' groups a right to initiate a

process that could lead to them managing their own housing. The Right to Manage regulations, which are still in force, require the TMO to demonstrate support, through a series of ballots, and competence, through a lengthy training programme.

There are now nearly 250 Tenant Management Organisations, TMOs, in England managing about 80 000 council and housing association homes. Some TMOs have been operating successfully for 25 years - often in the most deprived neighbourhoods. Government research has shown that TMOs generally manage housing to a higher standard and more cost effectively than their landlords.

TMOs in England are now operating in a rapidly changing housing scene. For example housing stock transfer has shifted the ownership of many council dwellings into the housing association sector where tenants lose their legal Right to Manage.

## About the National Federation of TMOs

The National Federation of Tenant Management Organisations (NFTMO) is a national voluntary membership organisation. The NFTMO was founded in 1992 and now has over 100 TMOs in membership. We have an executive committee that includes 20 community representatives from all parts of England. The NFTMO promote and facilitate the exchange of experience and ideas between tenant management organisations and like-minded community bodies.

More info about NFTMO on [www.nftmo.com](http://www.nftmo.com), or e-mail [contact@nftmo.com](mailto:contact@nftmo.com)

By Trevor Bell, NFTMO Co-ordinator



Janiz Murray speaking at a NFTMO conference



Participants in the living-in-Norway course

## Young Somalis learn how to act Norwegian

**The Norwegian Tenants Association, Leieboerforeningen (LBF) currently runs a project which focuses on the housing situation for Somali immigrants in Norway.**

The Somalis in Norway are steadily becoming the losers in the Norwegian society. Immigrants having problems finding jobs and decent accommodation is no news. But the Somalis, even after many years, still find themselves on the lowest step. In 2004 this situation was finally recognised by the government. The ministry responsible for housing has launched several projects aiming at improving the working methods for more effective ways for social inclusion when it comes to housing. There is nothing new in the fact that immigrants have to fight hard for jobs and housing.

### How to act Norwegian

The Norwegian Tenants Association was granted funding for a project with the purpose of teaching a group of young Somalis the noble art of finding your own accommodation, and how to take care of a home. The courses include the necessary knowledge, and commitments, of how to manage ownership, what it takes to live in a co-operative, obligations and rights as a tenant, duties in connection with a bank loan and common loans when living in co-operative housing. The object is also to motivate the young Somalis to, after having attended the courses, forward their knowledge to other Somalis.

The Norwegian Tenants Association also organised two 20-lesson courses in "living in Norway" and a 12-lesson course in leadership training and moreover a course in conflict solving.

In the spring of 2005 the tenant association led a study tour to Gothenburg in Sweden, for the purpose of the bringing Norwegian and Swedish young Somalis together, to exchange experiences, etc.

What was striking was that the Norwegian Somalis be-

came very "Norwegian" in their attitudes and views; everything was good about Norway, and if you work hard "everything is possible" in Norway! Altogether, about 50 young Somali men and women have so far attended the courses.

### Single female breadwinners

In 2004 Researcher Ada Engebretsen made, on assignment from the Ministry of Local Government and Regional Development, a study on the Somali groups in Norway. The final report points out several characterizing factors; single female bread winners with several children represent 30 percent of the Somali population in Norway and there is a large proportion of single young men.

Also, almost 50 percent of the Somalis in Norway are persons younger than twenty years of age and 10 percent are above forty years of age. The majority of the Somalis are tenants, with short term contracts. Relatively few have a regular income. The Somali environment is very much based on family and internal networks. It is through the network where information about how society works is picked up.

We, the active participants from the Norwegian Tenant Association, have learned valuable lessons through our meetings with the Somalis. The project has given us an insight in the Somali way of living, bonds of friendship, and our association has achieved the status as a contributing and active partner in improving the living conditions for immigrants in Norway.

By Astrid Bjerke, Lars Aasen and Christian Hellevang  
Info about the Tenant's Organization in Oslo on [www.lbf.no](http://www.lbf.no)

**South Africa: WOMEN DOING IT FOR THEMSELVES!**

Prior to the 1994 elections, opportunities for women of all races were limited in the fields of housing and business development.



The advent of a new beginning in South Africa brought about the development of a new national plan for addressing the housing crisis, new programmes to promote entrepreneurship and small business development, and significantly widened the scope of possibilities for women in these areas. Organisations similar to Women for Housing simply did not exist – thus, Women for Housing was established in 1995. Women for Housing was formed as an initiative of a few women who were concerned about women's access to housing opportunities.

Learn more from [www.womenforhousing.org.za](http://www.womenforhousing.org.za)

**Finland: JOINING FORCES FOR NEW RENTAL HOUSING**

The number of rental flats owned by private individuals decreased alarmingly in the Helsinki metropolitan area between 2001 and 2005. As many as 20 000 privately owned rental flats have been removed from the market as a result of property trading, and Finland may face a dire lack of rental flats in the future. The Central Union of Tenants and the Finnish Landlords Association are joining forces to address this important matter in compliance with the good Leasing Practice standard. The two organisations intend to promote investment in order to increase the number of rental flats.



More info from: Central Union of Tenants: [vk1@vuokralaistenkeskusliitto.fi](mailto:vk1@vuokralaistenkeskusliitto.fi)

**Russia: DEMONSTRATIONS AGAINST RISING HOUSING COSTS**

In the beginning of February an estimated 125 000 demonstrators rallied in over 360 cities and towns from Moscow to Vladivostok. Angry protesters marched through cities, blocked roads, and massed outside government buildings to protest hikes in utility prices that went into effect on January 1.



Under the sweeping housing reform, residents will gradually be made to pay for the total cost of utilities, which are still now partly subsidized by the state. So far the Russians have been paying only 40% of the costs of the exploitation of their flats. The government intends to gradually privatize the administration of the housing. By 2010 the tenants will have to pay 100% of the costs.

Another housing law coming into effect next year would also allow authorities to evict residents who fail to pay utility bills. Russian protesters, particularly pensioners, say their incomes are barely enough to cover the rising cost of utilities. In 2005, utility costs increased by 32.7 percent nationwide, and in January 2006 alone, they rose by up to 40 percent in some regions.

Source: Polish State TV, March 7

**Denmark: EVICTIONS INCREASE**

In only two years the number of tenants who can not manage to pay the rent has increased by 35 %.



In 2002 about 3 000 tenants were forced to leave their homes because they could not pay the rent. In 2004 the number of evictions has increased to 4 000.

Source: Boligen 1-2006

**New Zealand: TENANTS BEING REGISTERED**

The Real Estate Institute of New Zealand have quietly launched a new national rental database and is encouraging property managers to enter as much information as possible about tenants.



Private landlords do not have access to the system, which is used by licensed real estate agents who manage properties. Up to 380 000 names could eventually be on the register. It includes the names of many state housing tenants because their Government or privately owned houses are managed by property managers at licensed agencies. Tenants' names, dates of birth and other identifying information and rental history were among the details to be listed.

Manawatu Tenants' Union spokesman Kevin Reilly expresses his worries that this register will become a tool for landlords to shut out tenants in an arbitrary manner. Mr Reilly says that there is need for an equivalent data base on landlords. A faster moving court system and a register of landlords would help balance a rental industry weighted in the favour of landlords.

Source: Manawatu Tenants' Union

**IUT to Vancouver and WUF**

IUTs' proposed theme for the World Urban Forum has been selected as one of the seminars to be held at the World Urban Forum III.

Our proposed topic; Rental and Cooperative Housing as Complements to Ownership, was chosen – according to the organisers – *for its relevance to the Dialogues sub-themes, its appeal to WUF III participants and its efforts in meeting the global challenge of an urbanising world.*

This event is in cooperation with the Swedish Cooperative Centre. The IUT hopes to meet with colleagues and members in Vancouver!

More info about the WUF on <http://hq.unhabitat.org/wuf/2006/>