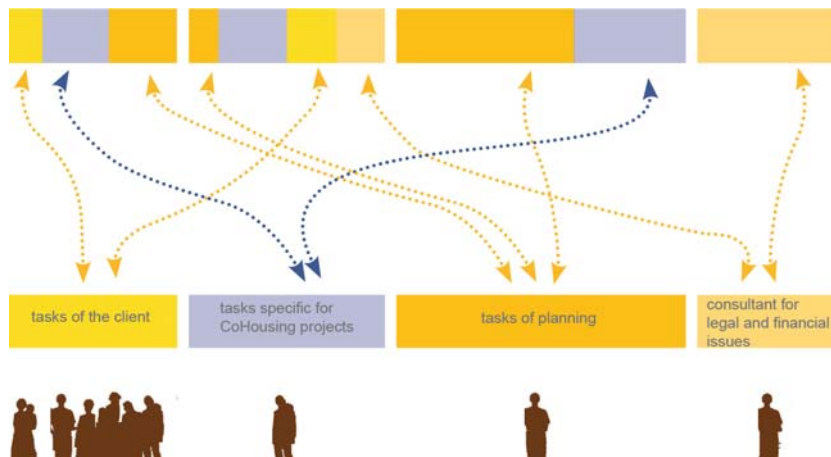


Strategy Plan Reference Book: Development Process for CoHousing

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Objectives of the research

The term „CoHousing“ originally describes common housing projects in Denmark. Considering the fact, that the term nowadays is used in several countries for a kind of alternative housing in communities. It refers to a type of common housing which is characterized by mainly three objectives:

- living in a community (with commonly used facilities),
- having a own house or flat (owned or rented),
- participation in the planning process of the building.

Therefore this term seems to be a suitable description to be used in this study.

In times of released housing markets, the competitive pressure is raising, to create unique features of housing. The growing individualisation following the social and economic change of society is leading to increasing interest in CoHousing projects. Considering the vast variety of very individual ideas of housing and living it seems to be impossible for a housing company to meet the future demand. The common evaluation of housing quality is made by facts like location, size of dwelling and equipment. However, it is foreseeable that in the near future customers will judge housing even more by social aspects of neighbourhood, self-management and services. Potential customers nowadays are well informed and willing to invest a respectably amount of time and effort to find housing schemes which meet their requirements.

CoHousing projects gain more and more recognition in public awareness. Their success is based on an alliance of spacial structure and social live within the community. Furthermore self-management and participation in planning and development are two of the main targets of CoHousing projects. But participation in planning process requires soft skills and high commitment towards the project.

The aim of this study is, to develop strategic components to be used in the composition of development process. For housing companies this could be an essential precondition to take on the development of CoHousing projects in order to create innovative offers on the housing market. The return will be customer satisfaction, long-term rentals and careful handling of the property. Housing companies will be able to bridge a gap in the market by developing CoHousing projects with a mixture of rented flats and individual property or with a mixture of living spaces and other uses like shops or offices. Those complex projects are in need of professional development.

Intermediate results of the study are two checklists (‘situational analysis’ and ‘project profile’), which help to review the state of the development and the social competence of all group members. The ‘project profile’ is a list of targets for the CoHousing project, which describes all fields of importance such as social live in the project, desired location, size of project, possible models of financing the project as well as a concise description of the members of the group. Furthermore there are two reference models for the development of a CoHousing project., showing the main steps and work content.

With the aim of he results stated in this study, the developer will be enabled to check the potential risk of development according to the soft skills and knowledge of all group members and experts involved.

Design of the study

The study commences on two levels: the theoretical analysis of literature and published guidelines and testimonials; and the empirical level with expert interviews.

The first part of the study describes basics of socio-spatial aspects (motive for CoHousing, organisation of group dynamics) and planning issues (neighbourhood, common rooms, mixture of various uses). The basic information was completed by the analysis of guidelines in order to verify general aspects of project development. A series of interviews with experts was conducted by a compendium of questions, in order to secure their comparability. All results were categorized and evaluated in two independent procedures.

Main results

It was explicitly not purpose of the study to define a timeline and work schedule for a CoHousing development. This was considered missing the main demand of self-management of the members of the group. Therefore, the results of this study are composed of several modules. The modules are to be combined to a development process by criteria such as the targets defined within the 'project profile' and the vocational skills of experts involved. Two different approaches are taken: initializing a project by the members of a group, and initializing a project by professional housing companies.

Projects, taken on by a group of people who wish to live in a common neighbourhood usually take month to get to know each other and to define a rough project profile. A project, conducted by a professional company usually starts off with a comprehensive market analysis and a first design scheme for the targeted customers. In any case there is a need to include elements of participation as soon as a precise 'Project Profile' is fixed. This states the formal start of the project and requires the involvement of an independent process consultant. To assess the state of work at this point the 'situational checklist' will be helpful. With the aid of this checklist the process consultant will be able to evaluate the soft skills of the members of the group, their commitment to the idea and the need for recruiting further experts.

**Checklist 'Situational Analysis'
and
Checklist 'Projekt Profile'**

The 'Project Profile' is an instrument to describe the goals of the CoHousing project and translate them into objectives of the development process. It serves to verify the resources available, such as the competences within the group and all involves experts. And it will become currently adjusted to the state of work in the process. The checklist assures to quote all necessary items.

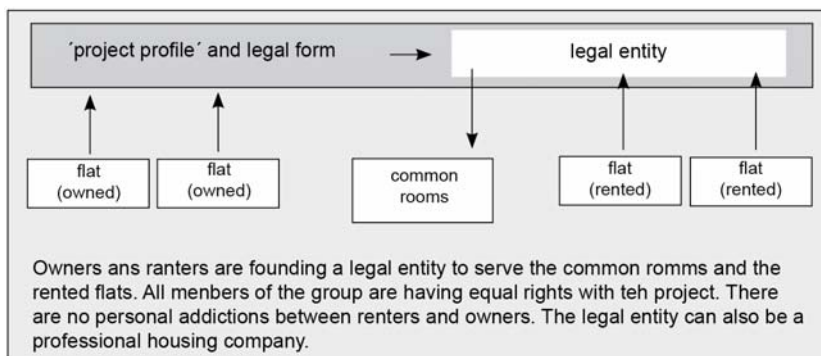
Besides this precise planning aids there are several partial results offered in order to provide modules for the individual setup of a project development schedule.

Five factors for success provide the basis to assess the chances of realisation for a CoHousing project:

- soft skills of the members of the group and their targets for the projects,
- self-expression of the group and public relations work,
- participation in planning and development of the project,
- surrounding conditions such as the availability of land, funding,
- project development consulting.

Factors for success

The opportunities for financing and legal form of the CoHousing project depend on the target group and their financial resources. Projects with owners can be financed by the members of the group themselves. However, projects with renters rely on financing by a legal form, which allows the desired proportion of self-management for all members in operation of the project. The legal form of registered co-operative does comply with those requirements. But this only is an adequate legal form, in case none of the members of the group wishes to acquire property. Projects of such complexity such as a mixture of owners and renters are fairly difficult to develop. Usually they comprise several legal forms designed to interlock each other. According to experience a professional consultancy is indispensable. In case of development of such a project by a professional housing company, this company is likely to suggest particular legal forms and take over the ownership of common rooms and probably flats to let.



Owners and renters establishing a legal entity or a legal form to finance the common rooms and rental flats

Besides such financial and legal general conditions social and professional competences of all people involved are highly important. The study gives references of how to assess those competences and draw consequences in order to lead the group to realisation of the project.

Competences of participants and consultants

Described in the study are necessary social competences of the **members of the group** as well as the duties and responsibilities of the group representing a client. The willingness to compromise and to discuss each single decision is prerequisite not only for the successful realisation of a project, but also for the everyday life at the CoHousing project itself. The personal effort of the members of the group and their budget of time involved for the process is determining the tasks which will be taken on by the group and those, which will be transferred to a professional consultant. This is one of the changing parameters of project development.

Especially for professional housing companies it bears an opportunity to bridge the gap for innovative CoHousing projects with various members (owners and renters) or additional functions like shops or home offices.

A **project consultant** can assure independent supervision of the process and all people and professionals involved. He also is representative of the group concerning negotiations with creditors and local administration. Main task of the consultant is to ensure the targets of the project are being followed, and to define a determined timeline for the process of realisation. Besides those functions, the consultant is responsible for economic validation of the members of the group among each other and of the group towards external partners. Usually the consultant is administering an account in trust.

Even for professional housing companies the involvement of a consultant is bearing considerable advantages. The cost of the consultant will be easily repayed by the advantage of a clearly structured process.

The **architect** should have human and analytical skills and a clear concept of the participation process in planning the project. In the study there are various strategies addressed to cope with participation within a planning process. Most important is to follow one of those strategies in a transparent way, so that all people involved know their responsibilities and their freedom of manoeuvre.

The **advisor for legal and financial issues** should be provided with knowledge and experience about the specific issues of CoHousing projects. The goals defined in the 'project profile' need to be transferred into legal forms, in some cases legal entities must be founded. For all individuals and companies involved financing must be provided and secured.

There are two **reference models** described in detail within the study which should be suitable for the majority of CoHousing projects. The reference model „bottom-up“ is structuring the development process such as the transferable task are overtaken by an independent development consultant. He is specifying and supervising the responsibilities of all participants. The consultant himself is responsible for the scheduling of the timetable. Important items must be prepared in time to discuss the issue and find necessary decision within the group.

Two reference models

The second reference model states the development initiated by a professional planner or housing company. This reference model is called „top-down“- model, because the professional knowledge puts the initiator in advantage to the members of the group.

For both models there are strategies described, how to arrange the duties within the group and the professionals involved.

The development is described in **five phases**. This structure follows the necessity of financial and legal security of the people involved. The further the planning process is taken, the more cost and commitment towards the project is required.

Five Phases

- The **initializing phase** firstly serves the get to know of group members and their discussion and development of collective idea of housing and living. This can be just after some public lectures or an exhibition about CoHousing projects. The aim of this first phase is to define rough objectives for the future housing project. In „top-down“-models there is a comprehensive market analysis part of this first phase. The results will define a target group and enable the developer to start public relations work on the idea of the project to recruit people who are interested in the project.

- The **scheduling phase** begins, when a number of interested parties is found and initial group meetings are held. The group is delving into the idea of the CoHousing concept. Tasks are becoming clearer and target orientated: search for a suitable location or building, public relations for the idea of the project, in order to recruit further members. Furthermore there are to establish ties with the local authorities, planners and consultants. It also will be reasonable to work on a first rough model of legal form and financing for the project. This is the time, when an independent consultant should be drawn on. The aim of this phase is to define a rough overall concept, which contains all aspects of importance. Therefore a variety of counselling interviews to address legal, financial and planning issues will be held. In this state of development a commission to design a first draft of design schemes will be necessary to assess the suitability of the chosen site for the CoHousing project and to conduct a first estimation of costs. Referring to „top-down“ models the emphasis of the work lies on the methods of participation and defining the common idea of the everyday life at the CoHousing project.
- The **planning phase** commences by a real planning proposition of the group. The group needs to decide on one design scheme which will be drawn further. The estimation of costs will become more accurate as the design is taken to a further level of detail. Besides the planning, financial and legal aspects need to be cleared in detail and contracts to be governed. All the topics need to be worked on parallel and coordinated with each other. This does apply to both of the models: „top-down“ as well as „bottom-up“. The planning sessions are covering workshops with the entire group for the general project and the common rooms, as well as several individual discussions to design the private flats and spaces. The aim of this working phase is to gain the building permission.
- The **construction phase** is defined by the preparation of building contracts, call for tenders and working drawings for the project. The realisation of the project does have first priority. Even if a member of the group wants to back out of the project, this only is possible, when a substitute is found, or when the building process is completed. One of the most important tasks of the consultant within this phase is the cost control. A group of various members is likely to generate a significant amount of extra wishes during the construction phase. When the building takes shape, the vision of individual conveniences become more clearly, which usually leads to a rise of costs.
- The **housing phase** is being introduced by the moving in of all members of the group. Most of the targets concerned with planning, scheduling work, public relations and so on are terminated. The group has to set itself new tasks for the organisation of all day live within in project: administration, maintenance and organisation of the social live within the group. Therefore the tasks will be newly shared between the group. Especially at the beginning of this phase it is advisory to take a few sessions with the consultant.

The suggested strategy of development for CoHousing projects is based on the awareness that each person involved has a series of individual tasks and negotiable tasks. The core task of the consultant to structure the development process is to define those different tasks and to allocate them to the person who does have the social and professional competences necessary. Furthermore it shall be for the consultant to supervise and coordinate those tasks during the entire process.

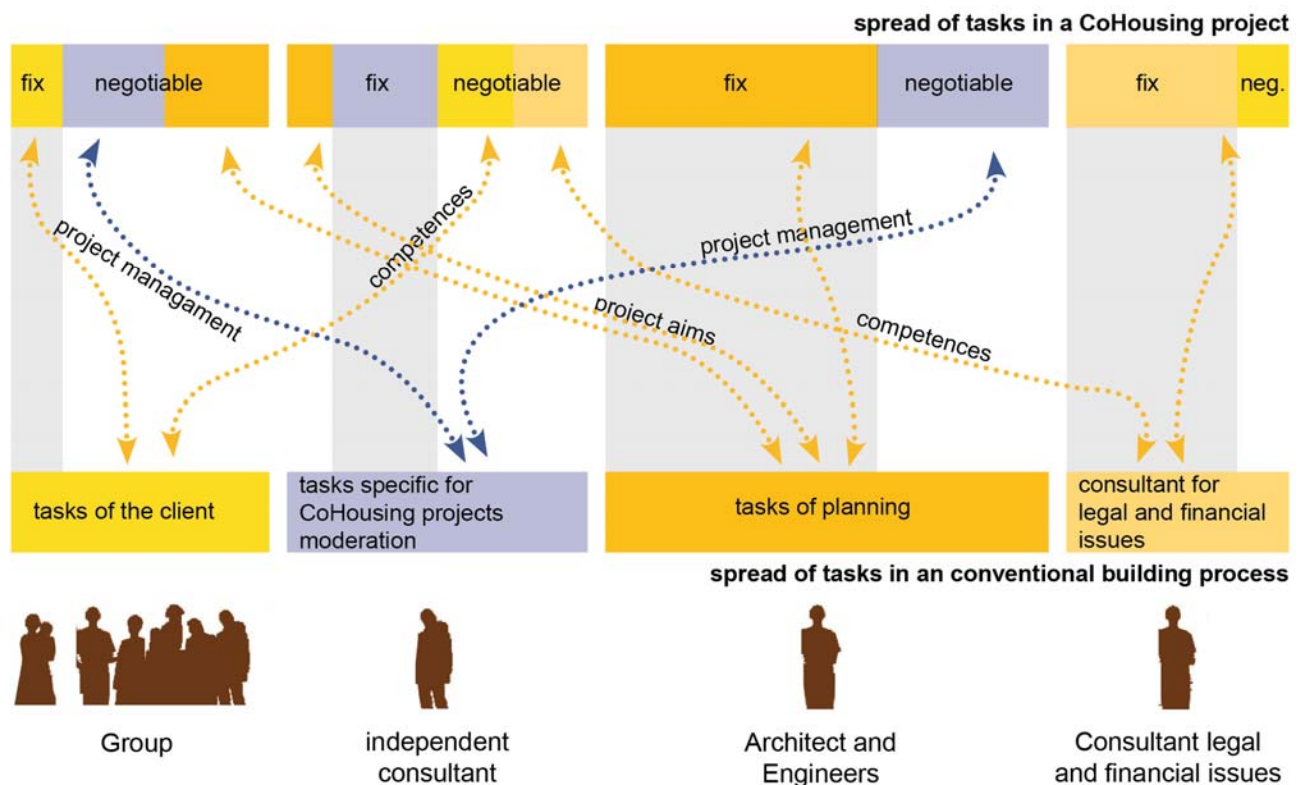
Three main criteria are being defined within this study of how to delegate the tasks:

- cooperation** of the people involved,
- structure** of the tasks (individual tasks or negotiable tasks),
- conception** of sharing the tasks between the people involved.

The **cooperation** is defined by the number of people involved and their human and professional competences. In any case it is advisable to take on an independent consultant for the steering of the entire development process.

The proposed **structure** comprises of four elements: the tasks of the client, the moderation of development process, the planning and the counselling of legal and financial topics. These four elements are defining the network of co-operation. Each of the elements comprises of individual tasks which are non negotiable and negotiable tasks.

The conception of the strategy is based on the fact, that this tasks are allocated to the people involved by their competences. Top priority for the conception is to follow the 'project profile' defined by the group.



Further fields of Work

Three fields of work have been identified to ensure and facilitate the diffusion of CoHousing projects.

Field of work 1

Generate reliable structures of assistance

Especially informal and low level structures to suit the very first phase of the process are highly important to spread the idea of CoHousing. Structures such as organisational help to public relations work of newly formed groups, provision of rooms to held regular meetings free of charge. Besides such informal assistance there is great need for the group to have time to discuss the opportunities of a location or a design scheme without being obligated to buy the property immediately. The necessity of haven al option on the location for at least one year is evitable throughout the study. Most of the groups who fail to take a project to realisation are doing so, because of the lack of time to discuss the 'project profile' on the chosen site before having to pay the site.

Field of work 2

Develop and certify professional qualifications

The study clearly states the advantages of involvement of a professional project development consultant. Experienced consultants should have a basic knowledge about financing, legal forms and participative methods of planning. For detailed information the consultant recommends to retain specialist experts. During the process of development the tasks are scheduled in order to come to decisions at the right time. Furthermore an experienced consultant should be able to develop specific legal entities or legal forms for complex projects. To set up the related contracts an expert will be commissioned.

Field of work 3

Mixture of uses and complex legal entities

Projects with a mixture of uses (housing and offices, medical practices or shops) and projects with various layouts of housing (housing and assistance, housing for the elderly) require complex legal and financial models. Often it is necessary to create a co-operation with an service provider or another supporting organisation of any kind. It takes a high amount on engagement and effort to realize those projects. Many of them are only possible because of the involvement of a professional consultant. Groups with no professional training in development of building and planning process are overstrained by the complex requirements of such a process. The general structure of a development of plain housing projects is widely available in reports and guidelines. However, for complex projects with various uses and need for co-operation with supporting organisations, there are no guidelines available currently.