

Request for proposal

Study on the contribution of institutional investors to affordable housing policies, in a comparative perspective

About the Urban School and the CITIES, HOUSING AND REAL ESTATE CHAIR

Founded in 2015, the Urban School deals with all the challenges of contemporary societies intersect in the city: growing inequality, economic development, conflict, cultural hybridisation, relations between government and the governed, democracy and collective choices, accumulation of data and technologies, pollution, police, mobility, financialisation, etc... The purpose is to educate those who will transform the world through the city, using a structured, professionally-focused, critical and comparative approach.

The aim of the "Cities, Housing and Real Estate Chair" is to contribute to analysis of changes within the real estate sector, from the unique perspective of an approach rooted in the theoretical and methodological tools of the social sciences.

Many of the major developments affecting members of the real estate sector today fall within this scope of analysis: examples include changes to public housing policies (national and local), the dynamics of metropolisation, the impact of climate change on cities, or socio-demographic shifts within cities and regions.

The health crisis (Covid-19) reinforces a number of questions and opens up research perspectives on the nature of real estate production, its financing, and its geography for years to come.

Finally, at a time when French property developers are increasingly involved in the production of urban spaces and when large-scale metropolitan projects (such as France's Grand Paris Express rail network or consultations like the "Inventons la Métropole du Grand Paris" initiative) are redefining our ways of thinking about real estate projects and public/private sector interaction, a more systematic analysis of property challenges through the prism of contemporary urban dynamics seems more essential than ever.

Four sponsors have agreed to support the chair over the course of a three-year partnership: CDC Habitat, FPI France, Gecina and Eiffage Aménagement

Study background

Large cities are most often characterised by housing crises. The very high concentration of demand puts housing under pressure, even in countries with a strong tradition of social housing (Scanlon, Fernandez Arrigoita et Whitehead, 2015). In recent years, the dynamics of metropolisation, combined with the decline in public contribution to housing, have contributed to exacerbate the crisis in many OECD countries (OECD, 2020). The 2008 crisis played an important

role in the decline of public funding for housing in many countries, like G.B (Whitehead, 2013) or Italy (Belotti et Arbaci, 2021).

France stands out from these trajectories, with a preserved system of public funding (via the public bank CDC) and a social housing construction effort that was maintained and even increased during the 2008 crisis, as a counter-cyclical macro-economic intervention, in support of all housing actors.

However, recent events indicate that things are also changing in this country. The "intermediate rental housing" policy (Logement Locatif Intermédiaire), initiated in 2014, is fairly emblematic of the evolution of the French housing system, its target audiences and its financing methods. It corresponds to a public policy objective (to house the middle classes in the metropolises) and was built on the idea of getting institutional investors back into housing, through a certain number of legal and tax incentives (Halbert, 2018; Bigorgne et Le Corre, 2021). In other words, the idea is to deploy a housing policy complementary to that of social housing, and to make the financial effort focus on institutional investors, in a context of dwindling public resources.

From a theoretical point of view, the reflexion is situated between *Housing Studies* and the growing body of work on the financialisation of rental housing (Fernandez and Aalbers, 2016; Aalbers, 2017; Wijburg and al., 2018).

Analytical scope

The study should contribute to answering the following question: *In what contexts have markets been constructed to attract institutional investors into the affordable housing circuit, and with which consequences?*

The study should notably take into account within its scope the following questions:

- What financial and fiscal incentives have been put in place? And how do they make "affordable housing" an interesting asset class, compared to others (stocks, bonds, offices and retail...)?
- How does the construction of these markets move (or not) the system of housing actors in the countries/cities concerned?
- What are the effects of this type of financing in terms of rental products? For Households?
- Is the resulting housing production a substitute for traditional social housing, or does it complement supply?

Methodology requirements

The study should aim at analyzing the contribution of institutional investors to affordable housing policies, in a comparative perspective.

Several fields will be selected, according to criteria to be justified, in order to analyse the phenomenon in question in various urban and national contexts.

Applications from individuals or groups of researchers are accepted

It should be written in English to reach a wider audience.

The format of the deliverable is :

- a research report of 80-100p pages
- a communication document, for a wide audience, of 5 to 6 pages
- a working paper containing the main elements of the work

Study timeline

Task	Duration
0. Kick-off meeting	1st week of january
1. Definition of scope and methodology	3rd week of january
2. Validation of methodology and steering framework	4th week of january
3. Research	April 30 th
4. First Report drafting	May 20 th
5. Review	May 30 th
6. Validation	June 15th
7. Final drafting	June 20th
8. Review	June 25th
9. Validation	June 30th
10. Paiement	30% at the time of signing the contract (December 2022)

	70% upon validation of 9 th step ("validation")
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Elements of proposal

Proposal should include the following elements:

- Timeline and deliverables
- We kindly ask to limit the size of the proposal to approximately 6 pages.
- A motivation letter (from the project coordinator): project presentation and methodology proposal
- A CV and a complete list of publications (of all those involved in the project)
- 3 major publications (of all those involved in the project)
- **A provisional budget, detailing the nature of the expenses, and the distribution of the remuneration in case of application of a group of researchers**

Please submit the proposal by 20th November 2022 by sending an email to nordine.kireche@sciencespo.fr

Funding

The budget allocated to the project is €39,000

Selection Committee

All applications will be examined by the Selection Committee. The selection committee may ask for a zoom interview for clarifying elements of the proposal and its timing.

The president of the selection committee is **Prof. Tommaso Vitale, Dean, Sciences Po Urban School**. The selection committee is also composed by:

- Dr. Nordine Kireche, Chair Director
- Sciences Po Permanent Faculty Members