

Supplement on questionnaire Amsterdam Gastvrij
Amsterdam, 25th of april 2018

Dear madam/sir,

2 weeks ago we send you our answers to your questionnaire following our complaint about the rules of the City of Amsterdam concerning Holiday Rentals and Bed & Breakfasts.

In that answer we referred to a statistic called 'figuur 1, vergelijking van Inkomensgroepen en woningmarktsegmenten, 2011 – 2017 (procenten)'. In translation: comparison of groups of income and segments of the housingmarket 2011-2017 (in percentages).

On second thought there is more to say about this statistic: we think it proves that there is no ground for any huisvestingsverordening (housing regulation) , so there is also no legal ground for any regulation of Holiday Rental or B&B's.

What the statistics shows is: in 2011 51% of the inhabitants of Amsterdam had a low income. At the same time 65% of all houses in Amsterdam were reserved for people with low incomes. So the number of houses for people with low incomes was in 2011 higher than the number of people with low incomes. This inconsistency became less in the following years, but still in 2017 48,5% of all inhabitants had a low income, while 55,0% of all houses were reserved for them.

The crucial thing here is that our national law makes it possible for municipal governments to regulate the housingmarket with a so called Huisvestingsverordening (housing regulation) only if there is a shortage of **cheap** housing.

In article 2 of the national Housinglaw it says:

*The municipal council only makes use of its powers under this law if this is necessary and suitable for combating unbalanced and unjust effects of scarcity of **cheap** housing.*

Art. 2 lid 1 Hvw

De gemeenteraad maakt van zijn bevoegdheden op grond van deze wet slechts gebruik indien dat noodzakelijk en geschikt is voor het bestrijden van onevenwichtige en onrechtvaardige effecten van schaarste aan goedkope woonruimte.

So, the statistic proves that there is percentage wise no scarcity of cheap housing.

You may ask: how is it than possible that people have to wait years to get a cheap house they are entitled for considering their income. There are 2 reasons for that:

1. Fraude : fraud in the cheap housing area is a big problem. People that live in a house with controlled low rent, leave the city, rent a house in the vicinity of Amsterdam and sublet their subsidized house in Amsterdam for 3 or 4 times the price they pay themselves. It is estimated that 10-20% of all tenants in the cheap housing area participate in this fraude.
2. So called 'crooked'living (scheef wonen). That means that a person in his younger years is entitled to live in a house with controlled rent, but during his career starts to earn more money, in fact so much money that he/she is not entitled to stay in their cheap house. They of course do not leave their house with the cheap rent voluntarily. This is estimated to be even 30% of the social housing market.

Buiding corporations do not have a big incentive to reveal fraude or crooked housing, because they get their monthly rent and are happy that this rentpaying is going smoothly (of course).

Together this means that 40% - 50% of all social housing is lived in by people that have no right to live there. Of course there is 'scarcity' in the cheap segment of the housingmarket, but that is caused by the citygovernment itself, not by 'the market'.

Interesting case: the court of Rotterdam ruled on the same grounds that a housingregulation in Rotterdam was illegal because in Rotterdam too there is no scarcity in the cheap housing segment in Rotterdam.

<https://uitspraken.rechtspraak.nl/inziendocument?id=ECLI:NL:RBROT:2019:1835>

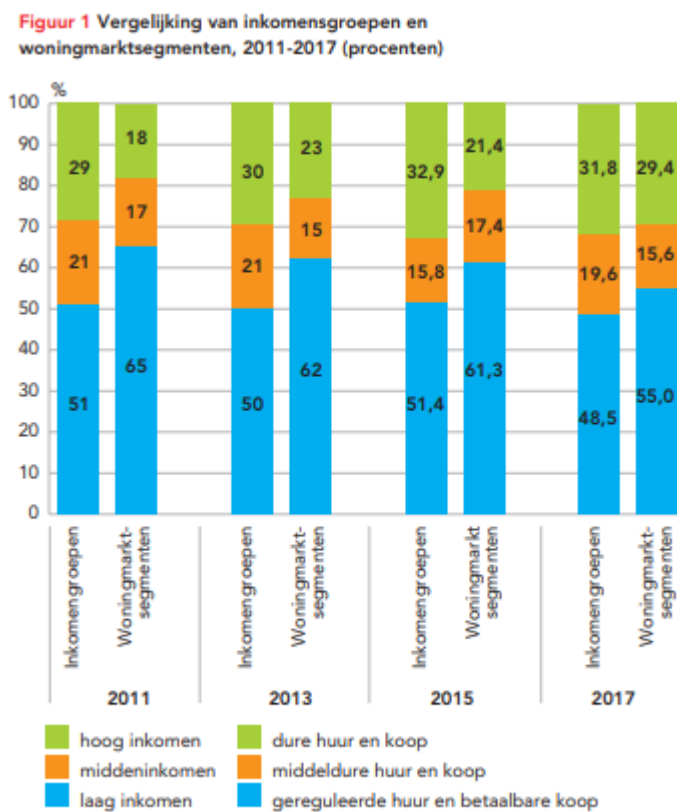
Other sources:

<https://fd.nl/economie-politiek/1288217/amsterdam-slibt-dicht-door-woonfraude#>

<https://www.parool.nl/amsterdam/corporaties-tegen-scheefwoners-pas-je-wel-bij-de-woning~a4599514/>

(the statistic we sent in before in answering your questionnaire)

a. What is the development of available housing?



This is a fascinating statistic: the number of people in a certain income category compared to the number of houses that are available for this segments (renting and buying). As this statistic shows the percentage of people with a low income (blue) is LOWER than the percentage of available houses for this income group (2017: 48,5 % versus 55%). For the middle and high income segments the situation is reverse: less available houses than the number of people that is meant to live there.

I hope this piece of information will help you to come to a decision about the lawfulness of the housingregulation of the city of Amsterdam.

Hans Onno van den Berg

Co chair of Amsterdam Gastvrij