Case Study Profile: Leipzig

HOUSE_IN

The City of Leipzig illustrates itself as a cosmopolitan and welcoming city for newcomers. Since 2012 (adapted in 2020), Leipzig has a municipal concept called "Living diversity" which defines the conceptual base for the integration of migrants. Since 1990, the city has a commissary for migration and integration issues who, among others, dealt with numerous discrimination and racism problems that increased after the German re-unification in 1989/90. On the one side, the city can be characterised by an active civil society raising claims for human rights, humane refugee reception and social housing issues. On the other side, discrimination and racism, esp. also related to housing, are highly problematic issues.

Leipzig was coined as the "city of extremes" after 1990[1], as it has experienced a very dynamic development and contrasting episodes of urban development. After a phase of massive shrinkage in the 1990s and population losses of about 100,000 people (= 20% of 1989 stock), since around the year 2000, the city faced a stabilisation of the population, with slight gains and inner-city re-urbanization in the 2000s. Since the 2010s a dynamic regrowth and inner-city re-densification has taken place and Leipzig slowly lost its narrative of the "the capital of poverty"[2]. In this vein, Leipzig has also experienced an increasing international immigration and a rising share of inhabitants with international background. In 2015, 4230 refugees were assigned to Leipzig according to the German asylum quota system, while since then numbers have been between 600-1000 people yearly (2018-2021)[3]. Currently Leipzig represents a "city of tenants" with 86% of the population renting a flat. The basic structure of the housing market has changed: while a consolidation of the market and urban regeneration was in focus until the mid-2010s, nowadays there is a need for newly constructed housing and especially low-cost housing due to population growth.

Basic facts and figures

	Leipzig	Germany
Inhabitants total	605,407[4]	81,870,000[5]
Inhabitants with migrant background	96,719 (=16.0%)	21,853,000 (=26.6%)
a) foreigners (people with non-German nationality)	33,430 (=5.6%)	10,323,000 (12.6%)
b) migrants (German nationality)	63,289 (=10.4%)	11,531,000 (14,0%)
Population share under poverty risk (%)	22.7[6]	15.9[7]
Share of tenant households (%)	86.0[8]	50.7[9]
Share of owner-occupied households (%)	13.0	49.3
Vacancy rate (%)	2,7 (2020)[10]	2,8 (2019)[11]
Housing cost load (% of household income)	30.0[7] (2019)	29.8 (2018)[12]
Rent load for households with poverty risk (income <1,100 €)	45.0[7]	46.2[13]
Change in average basic rent from 2009 to 2017 (%)	+11.4[14]	n.n.
Cold rent development, newly rented flats (%)	+30 (2014-2019) [15]	+7,6 (2015-2020) [16]

1 Rink, D. (2020): Leipzig: Wohnungspolitik in einem Wohnungsmarkt mit Extremen. In: Rink, D.; Egner B. (Eds.): Lokale Wohnungspolitik. Nomos.
2 https://www.spiegel.de/wirtschaft/soziales/grosser-vergleich-leipzig-ist-deutschlands-armutshauptstadt-a-703787.html (acc. 11/01/2022)
3 Stadt Leipzig (2021): Unterbringung von Geflüchteten in der Zuständigkeit der Stadt Leipzig. III. Quartal 2021, p.4.
4 https://www.leipzig.de/jugend-familie-und-soziales/auslaender-und-migranten/migration-und-integration/daten-und-fakten (acc. 11/01/2022)
5 https://www.destatis.de (accessed 11 Jan 2022)
6 Stadt Leipzig (2020): Statistischer Quartalsbericht IV/2020, p. 44
7 https://www.bpb.de/nachschlagen/zahlen-und-fakten/soziale-situation-in-deutschland/61785/armutsgefaehrdung (acc. 11/01/2022)
8 Stadt Leipzig (2020): Ergebnisbericht Kommunale Bürgerumfrage 2019, p. 3, 73
9 average value 2015–2018, Stadt Leipzig (2021): Datenreport 2021, p. 238
10 https://de.statista.com/statistik/daten/studie/486388/umfrage/leerstandsquote-von-wohnungen-in-leipzig (acc. 11/01/2022)
11 https://www.empirica-institut.de/nc/nachrichten/details/nachricht/cbre-empirica-leerstandsindex-2020 (acc. 11/01/2022)
12 Share relates to a study sample of 77 German larger cities, https://www.boeckler.de/de/pressemitteilungen-2675-33590.htm (acc. 11/01/2022)
13 related to households in large cities, 2021; https://www.boeckler.de/de/pressemitteilungen-2675-13-prozent-haushalte-stadten-miete-existenzminimum-34612.htm (acc. 11/01/2022)
14 Stadt Leipzig (2010): Ortsteilkatalog 2010; Stadt Leipzig (2018): Ortsteilkatalog 2018.
15 Authors' calculation based on Stadt Leipzig (2020): Ergebnisbericht Kommunale Bürgerumfrage 2019, p. 69
16 Destatis (2021): Verbraucherpreisindizes für Deutschland, Fachserie 17 Reihe 7 (Juli 2021), p. 54

Core developments related to the Nexus of Housing and Integration

Leipzig's "extreme" development between shrinkage and regrowth within the last decades creates challenges with respect to the Housing-Integration Nexus, e.g. how the various actors can shape sustainable and inclusive conditions for newcomers to settle and become part of local society. So-called arrival neighbourhoods have evolved, especially at the fringes of the city, where rents are currently still more affordable than in the rest of the city and where many of low-income migrant newcomers settle. The local 'governance of arrival'[17] entails a diversity of cooperation arrangements between municipal and non-state actors, such as associations taking over integration tasks. This interplay of actors and policies (e.g. municipal housing strategy) faces the challenge to respond to a diversified housing demand by international newcomers and a mismatch between offer and demand in terms of size, quality and costs.

Potentials

- Leipzig has a very **diverse and active civic society** and political voices in the city council claiming for human rights, inclusive policies, refugee reception and anti-discrimination.
- The City of Leipzig adopted a **concept for refugee accommodation** that foresees housing in own flats in 2012, which was one of the first of such municipal concepts at that time.
- Political actors show a general **willingness to maintain and fund social work, advice and housing support** even if the mismatch between housing offers and needs creates challenging conditions for supporters.
- There are **competent intermediate actors** available to create neighbourhood managements, various social projects and networks on housing and integration.
- **Debates on housing** costs, vulnerability of low-income households and the need for social /affordable housing are **receiving rising attention** within wider public, politics and media.
- Building on a history of formalising squatted housing and community associations for jointly renovating and building housing, Leipzig accommodates **diverse examples of cooperative housing and collaborative housing projects** (various forms of organizing living and property issues). This scene is partly being supported by related housing and land policies.

Challenges

- **Socio-spatial segregation** levels have increased, for both income-poor and migrant households due to the limited availability of affordable housing in housing estates at the urban periphery, leading to exclusion and challenging social participation.
- There is an **increasing mismatch between housing demand and offer**, not restricted to migrant newcomers but they belong to the most affected demand groups.
- A **rising competition for affordable housing** takes place, and many people with a limited residency, welfare reception, or an ascribed migrant biography (due to name, language level, etc.) report of discrimination on the housing market. There are limited opportunities to sanction renters and it is a challenge to make private renters participate in housing integration networks.
- Housing companies and housing associations are offering flats and partly special office hours for non-German speakers, but internal **distribution strategies are intransparent** and claim to aim at a "social mix" which mostly remains undefined and unquestioned.
- There is a **gap between a very high demand for social counselling** covered by civic society actors working on housing integration **and a limited supply of resources** (e.g. funding).

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[17] Werner, Franziska; Haase, Annegret; Renner, Nona; Rink, Dieter; Rottwinkel, Malena; Schmidt, Anika (2018): The Local Governance of Arrival in Leipzig: Housing of Asylum-Seeking Persons as a Contested Field. Urban Planning 3 (4).