



An exemple of local housing policy to maintain social diversity: Inclusionary Zoning in Lille?



French administration



National Level

- ⇒ National law (*loi SRU*) stipulates that each municipality must maintain a minimum of 20% of social housing within its housing stock.
- ⇒ The (central) state defines the regulatory and financial frameworks for the development of affordable housing, to promote social diversity.

Metropolitan Area

- ⇒ Required to establish local housing policies for its perimeter (i.e. large urban area): identification of housing production needs, renovation requirements and initiatives for the most vulnerable.
- ⇒ Competence over the Urban Development Plan and the financing of social and affordable housing

City/Municipality Level

- ⇒ Observing the local housing policies, the municipality implements local policy within its territory:
 - ⇒ Reviews and approves building permits
 - ⇒ If applicable, provides financial assistance, mobilise technical expertise, etc.

The City of Lille

Where, what, how many...



Lille proper is a medium-sized city with approximately 237K inhabitants.

It is located at the core of an intercommunal structure known as the **European Metropolis of Lille (MEL)**, with approx. 1,180 M inhabitants.

The MEL integrates 90 municipalities, pooling their resources together for more efficient actions in a number of areas (water management, transport, economy, housing, culture, etc).

Some context :

- 27% of social Housing
- Majority of low incomes families
- Urban heritage : vacant homes, a lot of derelict zone, pollution of the land...
- Majority of small dwellings (53%) => an issue for growing families to find homes and continue living in Lille. In addition, between 2015 and 2023, the average **price/m²** in Lille increased by **18,84%**. Some areas, including in modest neighbourhoods, saw their average price rise by more than **35%**.



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Inclusionary Zoning

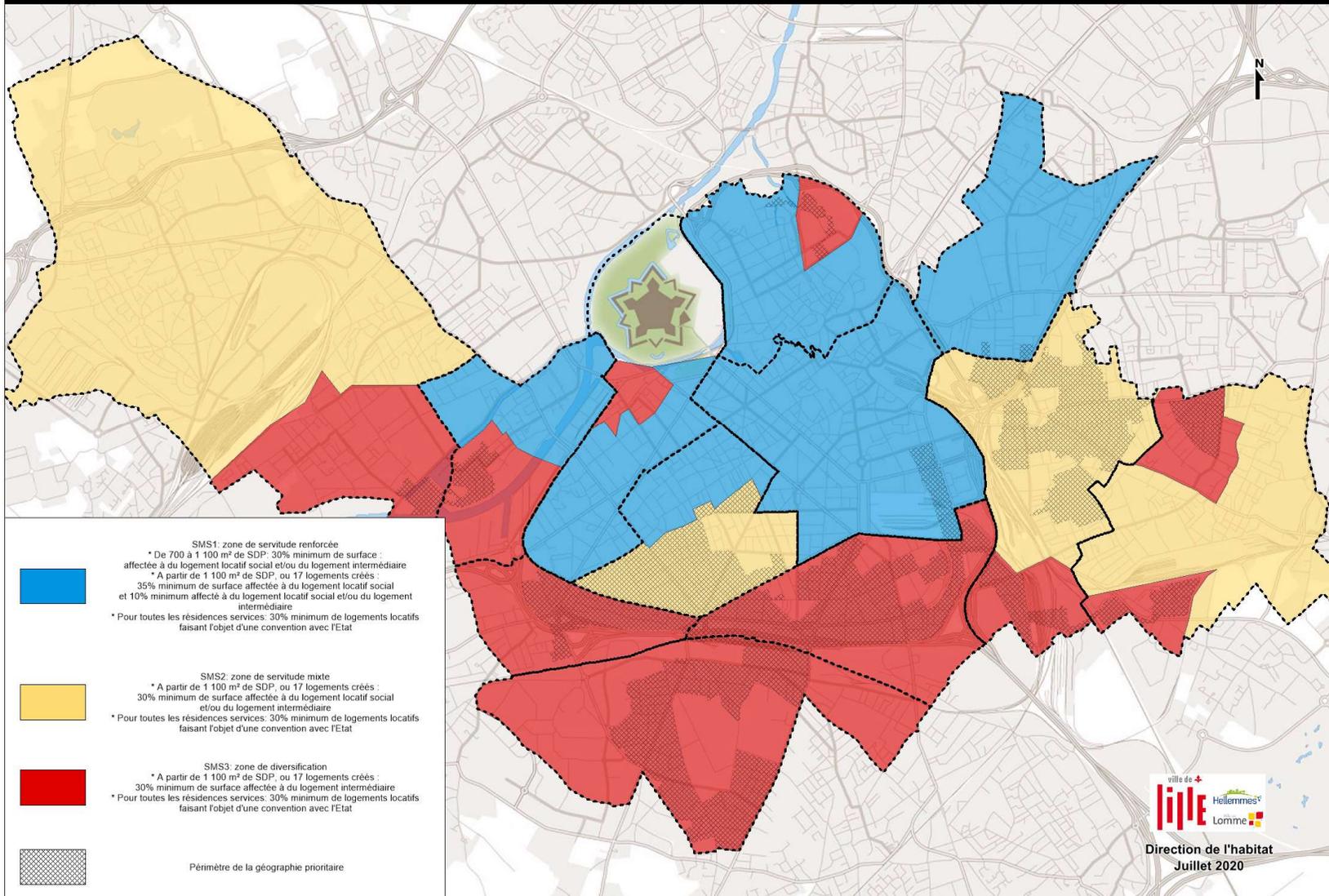
A tool in urban planning regulation

When?

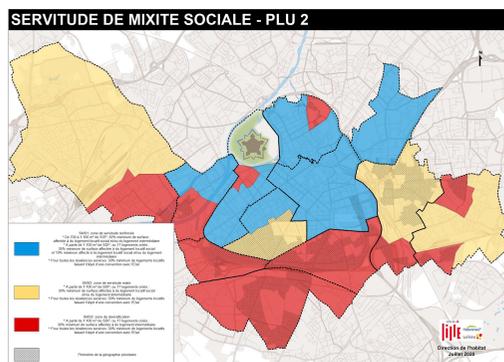


- French law (the urban planning code) allows cities to define zones in which planning permissions must include a proportion of affordable housing => “contributions required in exchange for administrative decisions (land-use plans and/or building permits) that enable the legal development of a land or a real estate project”.
- In 2009, the City of Lille decided to use a Urban Regulation Tool (i.e. *Servitude de mixité sociale*, or Social mixing obligation). It is complemented by an obligation to build a proportion of housing for families (2 or more bedrooms)
- The City of Lille has also established a local definition of affordable housing. This involves producing social housing as well as facilitating access to homeownership through social housing programmes.
- The annual income limit for acquirer type (e.g. couple, couple with 2 children...) and the maximum selling price were specified.
- The City provides an average of €7,000 in aid per dwelling...with anti-speculation requirements.

SERVITUDE DE MIXITE SOCIALE - PLU 2



How?



Obligations will differ, depending on the social mix of the neighbourhood.

- **Blue Zone** ► Deficit of social housing
2 thresholds
First threshold: Mandatory 30% of affordable housing between 700 m² and 1000 m² of new housing (either new construction or conversion of existing housing)
Second threshold : 1100 m² and above, 45% must be affordable housing, with priority given to producing social housing for 35% of the surface area
- **Yellow zone** ► Various mix
1100 m² and above, 30% must be affordable housing; depending on the neighborhood, it may be possible to prioritize social housing or social homeownership, or both.
- **Red zone** ► Priority to social homeownership.
1100 m² and above, 30% of social homeownership

Progress



2009

2014

2017

2020

2026



**First programmes
In Lille**

creation in French law of the French CLT model (OFS)

creation in Lille of the first CLT in France

**+ de 7000 social homes
+ 1600 homeownership**

Despite the anti-speculation clauses, it has been observed that some owners benefit from significant capital gains.

Decision to stop homeownership for only produce CLT Homes

Near 200 homes in CLT models in Lille

OFSML

Organisme de Foncier Solidaire
Métropole Lilloise



The OFSML, a new tool in housing public policies

Created in February 2017, as an association.

Among its objectives :

- Develop a market of permanently affordable homes
- Make better use of public grants
- Decelerate land speculation

➤ **The OFSML is not in charge of the construction/building ; it always works in partnership with developers**

➤ **3 missions :**

- To arrange the dissociation between land property and home property
- To deliberate on applicants for home acquisition
- To ensure the long term affordability



Intended beneficiaries

Criteria used to buy a home under a BRS :

National criteria...

- Property must be for personal use
- Maximum annual incomes must not be exceeded
- Must not be already a homeowner

...+ OFSML criteria

- Property size must correspond to the family's needs
- Facilitate homeownership for social leaseholders
- Live closer to workplace
- Be financially able to buy the home and pay the rent to the OFSML.

Who are the first OFSML homes buyers?

- First-time buyers
- 20% are social leaseholders
- People that couldn't buy a home on the open market in the same operation

Group targeted by the OFSML

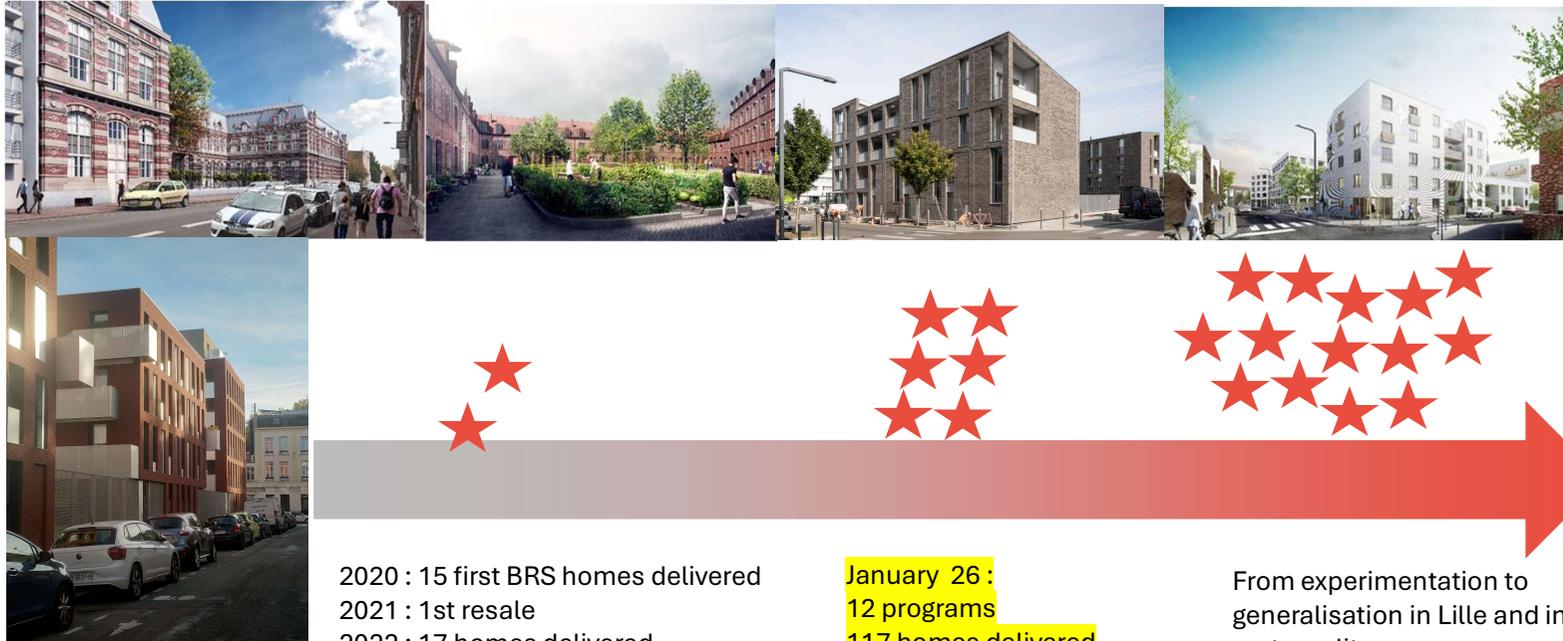
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the middle class

Number of people in the household	Income limit of the OFS / Lille and others	Income limit / others cities in the metropolis (zone B1)
1	37 581 €	37 581 €
2	56 169 €	56 169 €
3	73 630 €	67 517 €
4	87 909 €	80 875 €
5	104 592 €	95 739 €



Current production and beyond



2020 : 15 first BRS homes delivered
2021 : 1st resale
2022 : 17 homes delivered

January 26 :
12 programs
117 homes delivered
60 Homes in development

From experimentation to
generalisation in Lille and in the
metropolitan area :
150 homes / year as an objective

- Buying price in BRS : from **2050 to 2500€ / m² living space** (free market : **3500 à 5500 €**)
- Leasing period : from 60 to 99 years renewable
- Rental price : from 0,60 to 1,00 € / m² living space / month

First operations delivered in the city center : A proof of concept



FINAPAR, rue Jean Bart, Lille
(quartier Centre)
« Cosmopole »
15 residential units BRS
Sold out
Delivered in 2020
Price 2110€ /m²
Land rent 1€ /m² l.s./month

Overview :
Old Hotel, 210 housing units
Land access for a symbolic sum (€1)
Aid from the City of Lille and the MEL
Volume in BRS



3F Notre Logis, rue Renan
Lille (quartier Centre)
« Carré Latin »
17 residential units BRS
Sold out
Delivered in 2022
Price 2215€ /m²
Land rent 1€ /m² l.s./month

Overview :
91 housing units
Land access for a symbolic sum (€1)
Aid from the City of Lille and the MEL
Volume in BRS



In others neighbourhoods



VINCI, rues Rouzé-Drapiez
Lille (quartier Lille-sud)
« Edenium »

19 housing units BRS (flats)

Delivered in 2023

Sale price : 2110€ /m²

Land rent : 0,6€ / m² l.s./month

Overview: 76 housing units
Land access for a symbolic sum (€1)
Mixed lots (BRS spread within the operation)



COGEDIM LOT 1A ZAC Arras Europe
Lille (quartier Lille-sud)
« Green Square »

15 housing units BRS (flats)

Sold out

Delivered in 2023

Sale price : 2110€ /m²

Land rent : 0,6€ / m² l.s./month

Overview: 40 housing units
Land access for a symbolic sum (€1)
Aid from the City of Lille and the MEL
Mixed lots (BRS spread within the operation)



Flandre Opale Habitat, lot 10 ZAC Arras
Europe
Lille (quartier Lille-sud)
« Odysseo »

21 housing units BRS (flats)

Delivered in 2023

Sale price : 2110€ /m²

Land rent : 0,6€ /m² l.s./month

Overview: 26 housing units
Land access for a symbolic sum (€1)
Mixed lots (BRS spread within the operation)

In others neighbourhoods



Bouygues Immobilier, lot 1A ZAC Arras Europe
Lille (quartier Lille sud)

« Secret Garden »

21 housing units BRS (flats)

Sold out

Delivered in 2024

Sale price : 2 110€ /m²

Land rent : 0,6 € / m² l.s./month

Overview:

52 housing units

Land access for a symbolic sum (€1)

Mixed lots (BRS spread within the operation)



First operation on existing dwellings

Ville de Lille, cité Saint Maurice

Lille (quartier St Maurice Pellevoisin)

« Cité St Maurice »

**9 housing units BRS (houses) through restructuring
(renovated to new condition)**

Sold out

Delivered in 2024

Sale price : 2 050 € /m²

Land rent : 0,6 € / m² l.s./month

Overview:

46 housing units

Land access for a symbolic sum (€1)

Volume in BRS

In others neighbourhoods



Projectim, lot 36, ZAC Rives de la Haute
Deûle
Lille (quartier Bois Blancs)
16 housing units BRS (flats)
Sold out
Delivered in 2025
Sale price : 2 225€ /m²
Land rent : 1€ /m² l.s./month

Overview :
33 housing units
Land access for a symbolic sum (€1)
Mixed lots (BRS spread within the
operation)



KIC, Rue des Doradilles
Lille (quartier Lille-sud)
10 housing units BRS (flats)
Sold out
Delivered in 2025
Sale price : 2 110€ /m²
Land rent : 0,6€ /m² l.s./month

Overview :
38 housing units
Land access for a symbolic sum (€1)
Mixed lots (BRS spread within the operation)

4 opérations en travaux / en développement (2/2)



LOGIS METROPOLE LOTS 28/29 RHD
Lomme (Rives de la Haute Deûle)
20 housing units BRS (flats)
Works started in October 2024

Ongoing Works

Sale price : 2 225 € /m²

Land rent : 1 € / m² l.s./month

Overview :

105 housing units

Land acquisition financially supported by the
Région

Mixed lots (BRS spread within the operation)



LMH, ZAC Fives Cail, lot 4A, Lille (quartier Fives)
8 housing units BRS (flats)
Application for building permit in Nov. 2022
Works started in the autumn 2024

Ongoing Works

Sale price : 2 400€ /m²

Land rent : 0,6 € / m² l.s./month

Overview :

44 housing units

Land acquisition financially supported by the
Région

Mixed lots (BRS spread within the operation)

About the OFSML :

- Competition with other OFSs in the metropolitan area
- To dimension the OFSML structure according to local authorities' objectives
- The OFSML status as an association

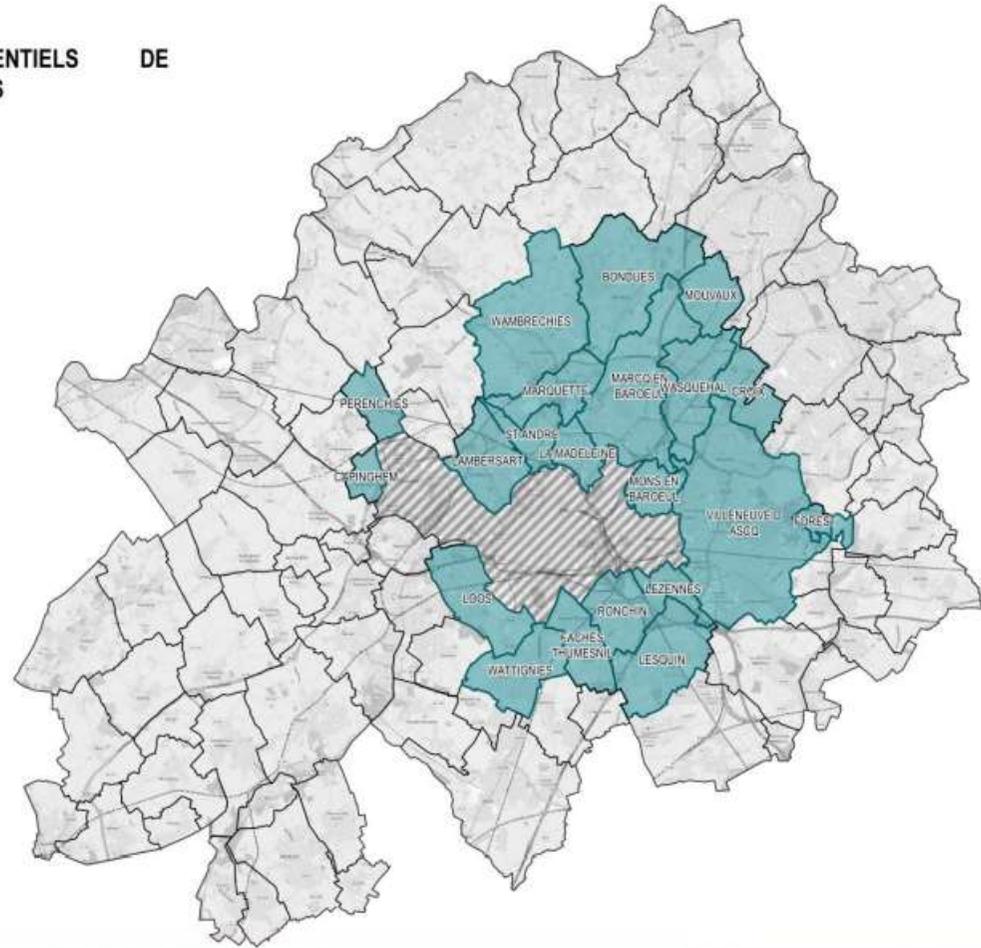
Expenses	Income
Purchasing land	Membership fees
Operation costs (essentially staff costs)	Land rents (from the developers and then from the residents)
Possibly : buy-back guarantee	Possibly : subsidies to finance land purchase





SECTEURS PRÉFÉRENTIELS DE
DÉVELOPPEMENT DU BRS
MEL (HORS LILLE)

- Metropolitan scale
- 1 M€ of metropolitan subsidy/year until 2028
- The production is affected by housing crisis



Residents' involvement and participatory processes

Currently :

- Residents are not involved in the association
- no participation in the architectural processes
- the OFSML cannot meet every family who wants to buy an OFSML home. For that purpose, they work with an association known as ADIL

The City of Lille and the metropolis already promote cohousing projects.

In the future : cohousing projects with the OFSML



Issues

The dialogue with landlords and developers has become more difficult since 2020 (due to rising construction costs).

The requirements imposed by the City of Lille (proportion of affordable housing, strict adherence to a capped sale price) do not promote the financial stability expected by developers (profit margin or 30-year profitability).

Construction cost in 2009 = €1,300 / Capped sale price VAT included = €2,050
in 2026 = €1,900 / €2,500!

The city has increased the allowed selling price, though based on average household income of inhabitants.
So, the city decided to maintain prices as low as possible.

The system depends on:

Equalising profitability according to housing types => market-rate housing enables the production of affordable housing.

But, in France, the government has decided to cut the support for private rental investments. This, in turn, resulted in an unprecedented drop in new constructions.

The City and the Metropolis have allocated subsidies to even the imbalance of various operations. At the same time, we are renouncing and authorising other types of housing.