Overcoming Socio-Economic Challenges in Croatia

What are our basic ideals?

- Affordable housing, security, care
- Need flexibility to respond to changes and differences, but still need some basic vision to get people to work on some-thing together

Lack of trust

Smart Contracts

- Can automate a lot of judgements to make it fair and free from subjectivi-ties/corruption
- But who makes the rules and en-forcing? How to account for myriad of possibilities in human experiences / contexts
- In theory more transparent, but still issue of accessibility (not everyone can understand result of smart con-tract/violations etc)
- Maybe smart contracts are the opposite of trust.

Governance

- Self-governing community and increase involvement from community, but how?
- Participative models – people don't show up to weekly meetings etc, always just a small percentage.
- Jury system – "lucky" draw. Board members are lucky draws and changes periodically. Because people who want to govern are usually the ones who cause problems

Obstacle to all proposals

Solve through

- Multi-generation living community
- Increase through encounters in living space
  - Use inner garden space for community events
  - But need X% of all landlords for agree-ment to make changes
  - Then can also use common space for community building
  - Can offer added ser-vices to landlords in the building
  - Become a building management company instead
  - Split rent between landlord and our company. Use revenue to re-invest in community.
  - Offer landlords to help them rent out apartments to pre-screened candidates at affordable price, also increases our liquidity.
  - Find landlords. Many not willing to sell be-cause of sentimental value etc., but also don't want to deal with renting out

Building Managemnt Co.

Circular Economy

- But then must go back to governance, because this is based on principle of scarci-ty has so far led to austerity
- That the world has a finite set of resources and economy should be based on that
- $1.000 modules x 50

Problem of "hippy" image

- By presenting our-selves as affordable housing project to public, we can get hippy image.
- Rather what we want to create is luxury, which happens to be ac-cessible to non-wealthy people (2 marketing campaigns)

Trap of Stereotypes

- Risk of community being stereotyped into "hippy" village and can't move beyond.
- Possible to position market-ing as a suburb with addi-tional benefits of caring for each other. Not just a place for poor people.

Common Space in our ideal settlement

- Can build a small communal space - Elderly and disability friendly facilities design
- But how to ensure they will be used?
  - Use childcare to bring people to the space. Build multi-function space that can be expanded if necessary
  - Old people can help take care of children. (But be careful not to exploit elderly!)

Build ideal community outside of city

- Elderly, adults (children of elderly), single parent families, children, people w disabilities
- Prices outside of city are affordable
  - Hemp as construction material

But are we creating a poverty trap?

- We want to address marginalized groups (eg. Eiderly, disabled, poor etc), but by moving them outside of city (to nowhere), outside of their existing social support and network, are we marginalizing them further?
- We can try to plan for all these things, but many of these build-from-zero communities have failed. Why not work with what already exists and try to improve it?

Size of Demo Community

- Around 10.000 to 20.000 people is ideal size
  - But maybe very first pilot of 10-15 housing units
- Community can sell crafts, be involved in agriculture for making money.

Livability not the same as Community

- Not just about green space, new buildings etc. but community. Demo should still somehow be about 10,000 people.

Add Culture

- People enjoy city be-cause there is some kind of cultural life.
- Bring artists into com-munity – they need space anyway.
- Can organize festivals and bring interest and revenues

Exisiting Social Networks in City

- Can move a social net-work to our settlement?
- Eg. Grandma likes to have coffee with her friends.

Back to the city

Buy Whole Building

- Can add a community garden or other added value

Buildings with many unoccupied flats

- And lots of apts empty

- Old people selling apartments
  - Important who they sell to, since this may affect prices on rental market
  - Can we acquire apart-ments to provide afforda-ble rentals?
    - Informal arrangements – take care of old person, inherit flat
      - Parents of ppl w disabilities apts for long term care
  - Can we organize existing homeowners/landlords?

REITs (Real Estate Investment Trusts)

- Buy a share to right in living space, rather than an apartment via a mortgage
  - How to get people to share if they don't want to
  - How to incorporate people who don't have an apartment to add to REIT?
  - Maybe revenue from incoming shares to invest in added ser-vices?
  - But what to do with profit? (i.e. how to avoid extractive mentality)
- Everyone owns a part of everyone's else house
- Tied to share price of REIT to attract people

Community Currencies

- Can help develop / bind a community together, keep (monetary) value in community
- How they are designed, exchange value etc, pa-rameters depend on what we want to achieve
- How to avoid monetiz-ing all human relations and interactions?

Mortgages

- Reverse mortgages – banks pay (old) people monthly in-stallments until they die, banks own apt. in the end. Can we offer reverse mort-gages instead, since probably installments not much higher than rent?
  - But reverse mortgages not so common in Croatia
- Use mediator to set up mortgage backed security (MBS) and then sell on financial market, raise funds, buy another apartment, remove from the bank's circuit
  - But this is what caused the financial crisis in 2008…
- What if we buy from exist-ing landlords? Price is rel-atively affordable
- What about introduce a Community Currency to create liquidity to acquire apartments?
  - Affordable, but still money that we don't have
    - Houseowner may accept price in installments, but mortgage tied to bank will not.