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The importance and benefits of tenure security

by David Ehrenberg

UN-HABITAT estimates that 924 million people, nearly a third of the world's urban population, live in slums. In what will be one of the greatest migrations in history, this number is expected to double in the next 30 years as over a billion additional people move to urban slums in the developing world. As public

The problem of substandard housing worldwide is intensified due to lack of secure land.

housing programs have failed to keep up with this tide, providing security to these new urban residents as they build their own homes and communities has become a central component of urban interventions.

In addition to its role in protecting the fundamental right to housing, tenure security provides numerous additional benefits. Most importantly, as security increases, families invest more savings and sweat equity to improve their housing. Increased security is also associated with

greater political strength and ability to demand services. Titling was recently shown to contribute to increased work and educational attainment as family members are not required to stay at home to guard against eviction. While the goal of tenure security is widely accepted, programs take a variety of forms.

The most rudimentary kind of tenure security can be provided by the extension of utility services into communities, a friendly administration, or a lack of recent evictions, all of which create a sense of security. However, these "solutions" are subject to political reversal. More formal programs that provide a range of legally enforceable rights have been developed in order to provide true guarantees. Each program grants a different set of rights

contents

STEFFAN HACKER

The importance and benefits of tenure security

depending on the specific benefits sought, to whom these benefits are targeted and local implementation challenges.

Benefits sought and rights provided

Titling

Tenure security has recently become synonymous with the provision of full ownership rights, partly because of the success of Hernando de Soto's "The Mysteries of Capital." For de Soto, providing full ownership not only provides the highest level of tenure security for individual families, but also serves as an anti-poverty program by enabling the poor to use their newly titled homes as collateral for bank loans.

However, this focus on ownership rights is not without its critics. Many believe that if the consolidation of communities on the land they occupy is the goal, titling too quickly may be dangerous. By integrating centrally located settlements into the market, some fear that initial squatter owners may reap benefits, but ultimately the land will become unaffordable to future poor residents. Titling drives can also be used as a pretext to relocate squatters from the central city to the periphery where they will lack access to jobs, infrastructure and services.

Other forms of tenure security

While full ownership recognizes the greatest level of individual rights, various intermediate forms of titling and legally enforceable leasehold contracts have been developed. While there are a wide variety of models from around the world, a few examples include:

Belize: The government of Belize initially provides newly regularized communities with leases that cannot be sold. Once sufficient upgrading has taken place, residents are given the opportunity to purchase their land at a subsidized rate, after which they enjoy all the rights of full-freehold title and can sell if they so choose. It is hoped that by restricting the right to sell before upgrading is complete, the local real estate market and community structures will have time to mature, allowing initial residents to receive a better price for their land if they ultimately decide to sell.

Brazil: A number of Brazilian municipalities provide Concessions to the Real Right to Use (CRRU). CRRU are legally enforceable lease contracts, typically long-term, under which the municipality maintains ownership of the land, but residents are granted ownership of the buildings. Residents can sell, but only with municipal approval and to other low-income families. In some cities, such as Recife,

communities that are provided CRRU are deemed Zones of Special Social Interest, effectively an anti-gentrification zoning program. While Brazilian programs have generally been developed on a city-by-city basis, the 2001 Federal City Statute provides a more consistent foundation for local programs.

Thailand: The Baan Mankong Project directly links urban upgrading with communal ownership of the land in informal settlements. Under the program, communities are provided infrastructure subsidies and community managed capital pools to develop their housing or community based services. Land ownership and decisions as to its disposition are maintained at a community level.

Kenya: Countries in Africa, in particular, have begun to address the interface between customary law, which governs land use at the urban fringe, and the statutory legal system, which generally controls urban uses. The Community Land Trusts program, operated mainly in secondary cities around Kenya, maintains the community's ownership of the land but provides long-term leases to

individual families. It is believed that by balancing the communal and individual rights, the program will allow communities to use their collective strength to obtain infrastructure and services while providing individuals with long-term security and thus incentives to invest in their homes.

For whom are benefits sought?

While the rights provided imply different balances between individual and community interests, programs also have varying effects on different community members. Tenure security is important for women as they negotiate relations within the household and wider community and become particularly critical in the event of widowhood. Countries such as Vietnam, Peru and the Philippines have taken the important step of issuing titles jointly to both spouses. Other differences within the communities, such as between owners and renters, should also be considered.

Local implementation challenges

Local implementation considerations are another significant factor in shaping programs. For example, if land is state owned, nearly any program design is possible. However, when communities are located on private land, most programs rely on adverse possession, whereby current residents may petition a court for full ownership if their use of the land has been unchallenged by the current owner for a set number of years. Many countries now recognize communal adverse possession, simplifying the process for residents and reducing the burden on court systems.

Programs from around the world provide a wide variety of implementation lessons. One such lesson is that a fast and equitable process for resolving ownership disputes within the communities is essential. Such processes may be managed by the *cadastre*[1] system (as in Cambodia), a separate agency that works before titling begins (as in Mexico), or through the titling agency itself (as in Peru). Most programs engage the community in a participatory process to establish plot boundaries, resolve conflicts and identify non-eligible individuals (sometimes including absentee landlords or those who own multiple plots). Reliance on a formal arbitration process, or adjudication in a court, is typically uncommon and the last option.

An effective system to track future land sales must also be developed to ensure that land does not revert to informality after subsequent sales. Most tenure security programs will require significant legal and regulatory

changes at the national and local levels, as well as investments in cadastre systems, more effective land use planning processes, and other technocratic and technological program components. However, while some technocratic solutions may be required, they are often less effective and more costly than community-based solutions.

Perhaps the most important lesson is that while providing tenure security is critical, it must be coupled with infrastructure upgrading, programs with banks to enable residents to access loans, more inclusive urban planning processes and legal changes that accept the realities of these communities instead of requiring unenforceable Western-style regulations. 🏠

David Ehrenberg, a graduate student at the Woodrow Wilson School at Princeton University, is currently pursuing a dual master's degree in public affairs and urban and regional planning. In 2005 he worked on a report for the International Development Bank on secure tenure in Latin America that examined the implementation of programs in Mexico, Brazil and Peru. He also worked with the United Nations Development Program in Malawi.

[1] A cadastre system is a register of real property, generally including information on the parcel of land and the owner (depending on the country). It is used to track land.

learn more

If you are interested in additional information regarding specific country programs, you may find it useful to refer to the following sources:

- "Secure Tenure in Latin America and the Caribbean: Regularization of Informal Urban Settlements in Peru, Mexico and Brazil" a report prepared for the Inter-American Development Bank available online at: http://www.wws.princeton.edu/research/PWReports/F05/wws591g.pdf;

- Report and papers prepared for the International Federation of Surveyors Expert Group Meeting on secure land tenure: "New Legal Frameworks and Tools in Asia and the Pacific" held in Bangkok December 2005 available online at: http://www.fig.net/commission7/bangkok_2005/index.htm; and

- Alain Durand-Lasserve, Edesio Fernandes, Geoffrey Payne, and Martim Smolka, 2002, "Secure Tenure for the Urban Poor," CIVIS Learning from Cities, Cities Alliance, Issue 3 available online at: http://www.gpa.org.uk/

Legacies
by Jonathan Reckford

As Habitat for Humanity evolves to serve more families around the world, we should increasingly see our role as part of a larger community development effort, in which decent housing is built within the context of other needs such as employment, sanitation, education, healthcare and land tenure, which, like the rest, can be particularly complex.

Because they cannot afford legitimate, legal housing, millions of poor families across the globe—especially in urban settings—find themselves in unauthorized shacks on land that is not their own. Their land access is limited by complex administrative procedures and cumbersome legal frameworks, and the necessary costs are prohibitive for low-income families.

Consequently, they face the daily possibility of forced removal, the hazards of living precariously on river banks, near garbage dumps and within feet of

STEFFAN HACKER

By offering decent housing solutions, of which secure land tenure plays a big part, Habitat helps transform lives. Pictured here are Habitat homeowners Teofilo Acosta and Rita Ramos in the Dominican Republic.

railroad tracks. These families have no claim to the land on which they live, but they constitute a vital presence in local economies and occupy a staggering amount of real estate, albeit in most cases entirely substandard.

In his book, "The Mystery of Capital," Hernando de Soto writes, for example, that the value of fixed property held (but not legally owned) by poor people in developing and former communist countries is at least

US$9.3 trillion. Poor families might use this capital to improve their housing situations, but because they lack legal title to their land, they have no incentive to do so, lest they be evicted and lose any investment that was made.

During a recent trip to Habitat's Latin America and the Caribbean region, I visited a Santo Domingo slum in the Dominican Republic. Families had built their makeshift housing out of scrap metal, plastic and wood. The entire neighborhood, called *Las Latas* ("The Tins") because of all the metal roofs, was situated in a riverbed and the rivers Ozama and Isabela routinely flooded the area during heavy rains.

Their lack of access to land in safer, more stable areas forced them to settle in Las Latas. Even the "wealthier" families who occupied surrounding property on higher ground had settled there illegally.

The water source in Las Latas, supplied by two unauthorized spigots, is unfit for consumption, yet if families are too poor to afford the bottled water that is regularly trucked in and sold there—which many, I suspect, are—they have no choice but to use the other for drinking and cooking, as well as for bathing and cleaning.

Even where government policy mandates adequate public services for all, reality presents a much less promising scenario in which service providers, for a variety of reasons, refuse to install sanitation, water and other services.

Despite a lack of services, families create and maintain homes in informal settlements because these locations place them closer to jobs and necessary means of transportation.

Habitat's focus will always be on housing, but we also want to view development in inclusive terms, in which each piece—housing included—accounts for the other. We can build a solid, safe house with a family in need of it, but if the land on which we build it is not titled to them, or if the house means the family must relocate far from school or work or an existing social network, how much, at the end of the day, have we really helped them?

Our strategic plan calls for us to seek creative opportunities to serve more families, to explore partner-

The importance of securing property rights in Africa

by Sandra Joireman

In the mid-1990s I spent some time doing fieldwork in Ethiopia to examine how patterns of land tenure changed over time. It was quite exciting to go out to remote areas and talk to farmers about their crops and whether they felt secure enough in their control over their land to make improvements. I remember one farmer whom I spoke with in the Sidamo area who was very angry because his neighbor had planted coffee and other tree crops on his land. The farmer saw this as his neighbor's attempt to eventually take the land from him. From the farmer's point of view, if his neighbor put the trees on his land and they matured, everyone would think that the land belonged to his neighbor and not to him. Without any form of documentation, which neither man had, the boundary between the two properties was a matter of the word of one farmer against another, and the presence of mature tree crops might tilt the balance in favor of his neighbor.

Both men were doing what they could to make a living from land they expected to occupy for a long time, yet the absence of clear property rights led to conflict between them. Property rights refer to the ability of an individual or group to control the use of land, houses

Governments in developing countries, such as Uganda, are trying to develop laws to protect the property rights of the poor.

ALYSIA PEYTON

> PROPERTY RIGHTS REFER TO THE ABILITY OF AN INDIVIDUAL OR GROUP TO CONTROL THE USE OF LAND, HOUSES OR OTHER GOODS. SECURE PROPERTY RIGHTS ARE ESSENTIAL FOR ECONOMIC DEVELOPMENT TO TAKE PLACE IN A COMMUNITY.

or other goods. Secure property rights are essential for economic development to take place in a community. If you own a house, you are careful with its upkeep, much more careful than if you rented a house and someone else was responsible for the decisions regarding its use and maintenance. Poor people around the world need secure property rights in order to gain from investment in their land and houses as well as to get the financial benefit available to them through mortgaging or rental. Although

the poor may have resources such as houses and land, they often don't have the title or legal documents that would enable them to gain the ability to rent or mortgage their property or effectively prove that it belongs to them. In other words they have insecure property rights.

Throughout the developing world, governments are attempting to refine law so that it protects the property rights of the poor. In Uganda, for example, under the new Land Act, people who hold land without title now have a legal process that they can follow to convert land that was held under a customary legal system into titled land which they can then mortgage. However, this legal process is still too costly for many and one can find throughout the country examples of land sales that occur without the necessary formal documentation. In Namibia, the Married Persons Equality Act of 1996 gave women the right to their husband's property after his death—an idea

HFH conducts inheritance planning on Inhaca Island

by Yvonne Coleman

Olga is 30 years old. She shares her "husband" with two other women and is considered third in the pecking order. Legally she has no rights as his partner. Her situation is typical of the culture on the island of Inhaca, Mozambique. The majority of males leave to find work in South Africa, leaving many more women than men. Olga has four children, including a small baby. She recently became the beneficiary of a Habitat for Humanity house and was concerned about the future of the property when she dies, knowing it was possible for her husband and his other "wives" to take possession of the house and leave the children with nothing.

While Mozambican law recognizes the rights of widows and orphans to retain their house when the father dies, in practice this does not always occur. It is common for the man's brother and family to come and either tell the widow that she is his new wife, or order the woman and children to leave the house so they can take it for themselves. Women and children can lose everything and become extremely vulnerable, or even abused. Although this is illegal, the law has not been implemented or enforced in the majority of rural communities, and this is accepted as traditional practice.

HFH Mozambique (HFHM) is working to ensure land and asset security upon the death of one or both parents, by training homeowners in inheritance law and facilitating the writing and legalization of their wills. As an incentive for women to take part in the scheme, HFH Mozambique offers a discount of six months' worth of mortgage payments. The project began when a Swiss volunteer for HFHM discovered, through a survey, that this was a huge area of need and that women were worried about the future of their homes. He also saw that they were keen to prepare legal documentation in order to protect themselves.

On March 23, 2006, 21 widows and single mothers, all Habitat homeowners, prepared wills to protect their properties and possessions. They had already taken part in a seminar to discuss the importance of inheri-

> HFH MOZAMBIQUE IS WORKING TO ENSURE LAND AND ASSET SECURITY UPON THE DEATH OF ONE OR BOTH PARENTS, BY TRAINING HOMEOWNERS IN INHERITANCE LAW AND FACILITATING THE WRITING AND LEGALIZATION OF THEIR WILLS.

tance planning and explain the process. A notary came especially from Maputo, and two influential members of the community acted as witnesses to legalize the documents.

Olga arrived late and the signing was over. The visitors were already having lunch. But she refused to give up on her chance to secure the house for her children. She spent two hours convincing the project staff to allow her to write her will. Eventually it was signed and legalized at the restaurant!

Inhaca has served as a pilot project for inheritance planning at Habitat for Humanity Mozambique and has proved extremely successful. HFHM now plans to work with a legal NGO, MULEID, and with a Peace Corps volunteer to create a training manual on issues relating to family law, inheritance, women's and children's rights, and domestic violence. The project will be rolled out to all of its affiliates during the next year. ⌂

At the time of writing this article, Yvonne Coleman was resource development and communications officer for HFH Mozambique.

that is quite new in that country.

Writing new laws is the first step in promoting secure property rights for the poor, but it is insufficient to bring about change. Enforcement of those laws and educating people regarding their content and impact is a second and equally important step.[1] In Sub-Saharan Africa in par-

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> WRITING NEW LAWS IS THE FIRST STEP IN PROMOTING SECURE PROPERTY RIGHTS FOR THE POOR, BUT IT IS INSUFFICIENT TO BRING ABOUT CHANGE.

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ticular, changes in property law also need to be sensitive to the absence of joint ownership of marital property in most cultures and countries. Particular efforts need to be made to ensure that both women and men have secure property rights so that the economic benefits of ownership are secured for families and for the future of widows after their husbands die, or orphans when their parents pass away.

Secure property rights go a long way toward promot-

ing economic development and the long-term security of families, and they can also reduce conflicts between neighbors and within communities that result from a lack of clarity with regard to the ownership of important resources.

I am working on a research project on property rights through two Habitat offices in Kenya and Ghana. Through this work I hope to determine what can be done to effectively obtain and enforce more secure property rights in both urban and rural Africa. ⌂

Dr. Sandra Joireman is an associate professor of politics and international relations at Wheaton College. Through HFHI's International Volunteer Program, two Wheaton student interns will be working with Dr. Joireman's research project on property rights, while also working with Habitat for Humanity.

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[1] After the new Land Act passed in Uganda there was a widespread educational campaign to teach people about their rights. The campaign included seminars and educational efforts by NGOs, promotional printed materials distributed by the government and radio advertisements telling people about different aspects of the law.

Successful components of any educational program would include both written materials and radio or television spots designed to reach the illiterate. It is also very important to ensure that civil servants in any associated bureaucratic office from the police to the land titling officials and the judiciary are well trained when the new law goes into effect so that there is less confusion regarding new rights and obligations under the law.

Asia and the Pacific

A brief look at land tenure issues in Asia and the Pacific

by Wong Hiew Peng

From China to Fiji, be it an urban slum dweller or a subsistence farmer, land tenure issues have a significant impact on the lives of people. To the rural migrants who flock to the cities in search of employment and higher wages, secure land tenure means they will not face eviction from a site that is likely to be close to work. For farmers and those who rely on forest resources, a right to the land is important to ensure livelihood and sustenance.

A paper presented to an Asia-Pacific regional meeting convened by UN-HABITAT in 2000 in preparation for the review and appraisal of the 1996 Habitat Agenda[1] noted: "The issue of security of tenure concerns the very essence of human dignity. Without secure tenure, people were forced to live in conditions that were degrading and dehumanizing. While technical, administrative and legal elements are

crucial to secure tenure, one must not lose sight of the human condition."[2]

The types of land tenure issues vary widely across Asia and the Pacific island countries in which Habitat operates. In countries such as China and Vietnam, land is mostly state-owned, so developers and people lease land from the government. In the Pacific island countries of Fiji and Papua New Guinea, the indigenous population owns a majority of the land, and the community has to agree to grant rights for particular land uses.

China

In the world's most populous country, all land is either owned by the government or by collectives. Under China's

Land Administration Law, first drafted in 1986 and amended in 1998, the State owns all urban land while farmer collectives own all rural land (Guo Renzhong, Yang Chengyun, "The Legal Framework for Land Tenure in China").[3]

Habitat for Humanity builds in Guangdong, Guangxi and Yunnan, three southern provinces, which are also among the poorest in China. The Chinese government recognized that frequent land reallocation and abusive

The problem of lack of clear land titles in Sri Lanka has been solved through Habitat's innovative Save & Build microfinance model, where the group's savings form the collateral for building Habitat houses. Pictured here is A.G. Charlotte Chandra whose Save & Build Habitat house is under construction.

land requisition threatened economic sustainability and social stability. Hence, the government took concrete steps to promote land tenure security and protect farmers' interest in urbanization. The result was the Land Contract Law of 2002, which prohibits land reallocation for at least 30 years, effectively ensuring the security of a farmer's land tenure during that period. The legal framework that is in place gives peace of mind to the rural home partners that Habitat works with. Hence, the leprosy-affected people and subsistence farmers can be assured that the disabled will not have to contend with eviction while farmers can look to reaping the produce of the land for the next few decades.

Sri Lanka

When Habitat first started in Sri Lanka in 1994, the conventional method of using land as a mortgage ran into problems as the rural home partners had *swarnabumi* (deeds) given by the government, which could not be used as a mortgage.

The lack of a clear title deed impeded the expansion of the Habitat program. In order to help the poorer families,

especially those who did own land but could not prove it, Habitat had to find other forms of collateral. The Save & Build model of housing microfinance that was started by a local affiliate in Anuradhapura helped to solve the problem since the group's savings became the collateral.

In one instance in a village in Samanalagama, Habitat approached the government to grant ownership of land to about 30 families that Habitat wanted to serve. For tea plantation workers, Habitat managed to persuade the employers to approach the government to grant 99-year leases to the employees. While some companies obliged, others held back from giving leases to employees for fear that workers would leave once they received their houses and land. These companies prefer to retain ownership of the lease, while allowing the workers to live on the land as long as they remain in the company's employment.

The Pacific Islands

In Pacific island countries such as Fiji and Papua New Guinea, the indigenous communities own 83 to 100 percent of the rural land. The communities have to agree to lease the land for the purposes of cultivation, tenancy or investment, among others.

Habitat only builds on a piece of land that has such an agreement in place. The communal tenure includes the community's permission for Habitat to cut timber from the land for the purpose of house construction.

In light of the strong spirit of communal ownership, the agreement also serves to prepare the community for the Habitat model. For Save & Build, families in a savings group receive their houses in a certain order and it is important that the community is able to accept what might be interpreted as individualism.

In the past, there were cases where the community made a verbal agreement without a written document. When a house was built, the community registered its unhappiness that a particular family had benefited from communal resources. To avoid such recurrences, Habitat will need a written agreement about the communal tenure before building for an individual family or a group.

"If we just build without an agreement (from the community), we will encourage squatting," said Tevita Ravumaidama, the national director for HFH Fiji and regional program adviser for Papua New Guinea and Solomon Islands.

While most will agree that land issues are complex,

Land tenure problems in Cambodia

by Charmaine Brett

Cambodia, one of the poorest countries in Southeast Asia, is ranked 130 out of the 173 countries in the UNDP index in 2002.

Eighty-four percent of this agriculturally-based society lives in rural areas, where people rely on the land, fishing and logging for their livelihoods. After 30 years of political conflict, the destruction of the political, economic and social infrastructures has resulted in land tenure becoming a human rights issue.

History of land issues in Cambodia

During the Khmer Rouge regime all land tenure documents were destroyed and private property was abolished; all land belonged to the state. When the political conflict ceased, and population growth rates and refugee repatriation increased, free markets opened creating new pressure on the demands of land. In 1979 Phnom Penh was vacant. The families who came to the city simply took whatever they could. In 1992, as a response to the rapid irregular settlements, the municipality of Phnom Penh started to force families to relocate outside Phnom Penh. This turned out to be unsuccessful as there were no employment opportunities in these new areas.

Today, Cambodia still lacks a rational and equitable system for registering land and recognizing ownership rights. A new law has been developed, stating that private ownership for residential and agricultural holdings that had not been under conflict in the last five years was allowed. A relocation guideline/policy has also been developed with the assistance of the United Nations Development Program, the Department for International Development and UN-HABITAT that is intended to ensure that the relocation does not have physical, social, economic or psychological impacts. Yet with corruption everywhere and no judicial system in sight the chance of upholding these laws was unlikely.

Habitat for Humanity's response

Habitat for Humanity Cambodia fully understands the need to play a role in addressing land tenure and related issues that affect its target communities in urban and rural areas. As such, one of its strategic directions for FY2007 to FY2011 is to participate alongside key organizations to advocate for the government's implementation of land allocation for the poor (social land) for housing.

Activities:
- Develop a strategic partnership framework that fully maximizes partnership opportunities with all organizations, including key housing organizations and government agencies.
- Establish a working partnership with UN-HABITAT and other housing agencies to advocate and provide technical support to the relevant government institutions addressing land allocation and land tenure needs of poor communities.
- Develop communication tools for a diversity of audiences that include homeowners, staff and primary stakeholders.
- Identify appropriate local and international communication media or platforms to publicize and increase awareness of Habitat for Humanity Cambodia. 🏠

Charmaine Brett is resource development, communications and volunteer program officer at HFH Cambodia.

Many families in Cambodia do not have land security. Recently, 1,000 families were displaced from the squatter community in Phnom Penh they called home for five years (pictured here).

The story of a Habitat homeowner in Cambodia

by Charmaine Brett

Sourn Sophea had been living in a Cambodian school with her family for about a week and she was ready to leave. It was uncomfortable, and it certainly wasn't home. It wasn't just her family occupying the school, but the entire population of the town of Phnom Penh, which had mysteriously burned down days before.

Sophea waited anxiously to see when her number would be called. This number would determine the future of her entire family. "It was like a lottery," she said. "They pulled plot numbers out of a hat and what number you got was where you lived."

Sourn Sophea has lived in Cambodia most of her life, except for the time she was forced into a refugee camp in Thailand when Cambodia was deemed unsafe due to escalating violence. She met her first husband there in 1985. They later had two daughters, Rasmey and Rasmy.

"The refugee camp was not safe," she said. "There was constant fighting between Thailand and the Khmer Rouge and the Cambodians." Sophea's husband was killed during the fighting in the camps.

When she first arrived in Phnom Penh after the war ended in 1993, she and her two daughters slept outside a pagoda. They were given two tarps and some rice. Sophea sold seasonal fruit to try and make a little bit of money. Eventually she saved enough and was able to rent a room for US$4 a month.

After two months, Sophea and her daughters were able to buy a piece of land in the slums of Phnom Penh. "I didn't like the area," she said. "It had drugs, prostitution and thieves. It was unsanitary and unsafe for my children."

In recent years there has been an attempt by the Cambodian government to recognize ownership rights for land. However, there is no system in place to help uphold these laws.

As a result, land stealing is a common practice in Cambodia. Landlessness is a human rights issue in Cambodia and growing landlessness is increasing.

In 1994, Sophea met her second husband, a guard at the royal palace. But in 2001, the Cambodian government, police and chiefs began trying to convince people to move out of the slums and take some free land in the countryside. Nobody wanted to move.

"No one wanted any land. Living there was good money. There were lots of tourists to sell stuff to," she said.

Six months later, a mysterious fire burned down all the homes in Phnom Penh, and "the government came and took everyone somewhere to sleep," remembered Sophea.

The government then divided up the land in the countryside, and gave it to the former inhabitants of Phnom Penh. The new village that Sophea had to live in, Sen Sok, was a long way from Phnom Penh.

Sophea and her husband were forced to commute an hour each way just to get to work. With two young daughters at home, they

One of HFH Cambodia's strategic initiatives is to advocate for the government to allocate land for the poor for housing. Pictured here is a completed Habitat house in Sen Sok.

MIKEL FLAMM

Challenging times for Habitat for Humanity in Western Europe

by Christine Healy

Need

There is a huge need for affordable housing in the UK and Ireland, with many low-income families' dreams of owning a simple, decent house slipping out of their reach.

Habitat offices in London and Dublin have been faced with the increasing problem of availability and cost of land. The challenge is to ensure that we can continue providing affordable homeownership for people in need of housing.

Since the beginning of the Celtic Tiger[1] the housing market in Ireland has been booming. According to figures released in February 2006 by the Central Statistics Office, Ireland is now the country with the greatest housing demand in Europe. Though this is positive news for the Irish economy, lower income families are left behind as house prices spiral out of control.

Since 2001, the housing output in Ireland has increased by 50 percent. This is unique in Europe and across the world, but the number of people on government housing waiting lists continues to rise. Similar to London, affordable housing schemes created by the government cater to the middle class, who have recently been referred to as the "new poor," unable to get onto the first step of the property ladder.

HFH Ireland is only able to build due to the donation of land from local government. The aim of this partnership is to get low-income families who can afford the no-profit mortgage taken off the local government housing list and into homeownership.

Challenges and solutions for HFH Ireland and Southwark HFH

Land supply and costs

In Dublin, we rely on local governments to donate land to us. Without this we would be unable to build. We will also have to look at building in other areas of Ireland where land is more abundant and cheap even though the greatest need is in Dublin. Our colleagues at Southwark

DAN PATTERSON

Habitat for Humanity Ireland's first build has allowed four families to move out of the tower blocks in Ballymun due for demolition, and into permanent housing. More than 700 volunteers helped to complete the houses along with the families who put in almost double their required sweat-equity hours.

HFH in London are facing a similar problem. In order to purchase a plot of land, they have used long-standing contacts in the local council, which owns a vast portion of the local land. The land is being sold at a market price that was agreed upon two years ago and held for HFH so that the organization does not have to bid at auction for the land. Southwark HFH believes that without the council's considerable support it would not be able to afford the land, and any future land purchase will require

Challenging times for HFH in Western Europe

similar levels of support.

According to Gareth Hepworth of Southwark HFH, "Land is one of the scarcest resources in London and since our founding in 1996 land prices have soared. In 1996 a plot suitable for a three-bedroom unit cost £15,000 (US$27,000). Today a similar plot would cost £100,000 (US$180,000), assuming that a similar plot could be found."

Site costs are also unrealistically high, accounting for about 42.5 percent of a house nationwide according to economist Jerome Casey in a 2003 report. Currently both the Irish Council for Social Housing and private house builders are reporting that city house sites cost up to 50 percent of the house price. Irish figures are grossly out of line with the rest of the developed world. In the United States, the land accounts for 20 percent of the total cost of a house. The figure for Denmark is similar, while in Portugal the land factor drops to 15 percent.[2]

Construction costs

Cost of materials, which has increased by 5 percent over the past 10 years, is also a challenge for organizations in the UK and Ireland.

Cost of construction management staff is also very high with some managers earning up to €100,000 (US$126,000). HFH Ireland has benefited greatly by bringing in construction volunteers through the International Volunteer Program to work alongside the Irish construction staff. They bring with them expertise in working on Habitat sites in the United States, knowledge of the ethos of Habitat and the ability to work with unskilled volunteers.

Possible solutions

Traditionally Habitat for Humanity has played the role of developer, builder, selected the families and provided the loan. Due to the labor-intensive fund raising required to build a small number of homes, alternative methods have been investigated. By providing the no-profit mortgage, Habitat for Humanity will not receive the capital invested until the full mortgage is repaid, causing the problem of the continual intensive fund raising for little return.

The strategy that could see HFH Ireland being more sustainable is to seek a financial institution to partner with HFH to provide the mortgage directly to the homeowner. HFH Ireland's financial partner, EBS, has committed to providing approximately 90 mortgages over the next five years valued at €11 million. This means an immediate capital return for HFH Ireland and facilitates

DAN PATTERSON

Due to high land costs, HFH Southwark builds multifamily houses in England.

further building to commence immediately.

Similar to HFH Ireland, Southwark HFH has to ensure that on completion enough funds are realized to allow for a new project to start. The organization has developed a shared equity model where homeowners will only purchase a share of the property using a commercial mortgage.

The vital issue for both London and Dublin is to ensure that future projects are financially viable, enabling self-sustainability and guaranteeing a future for the organization in the provision of affordable housing. 🏠

Christine Healy is program development officer for HFH Ireland.

[1] An economic boom in Ireland that began in the late 1990s.

[2] Central Statistics Office, Ireland www.cso.ie

Facts

- Artificial restriction on land supply puts Ireland and the UK at the bottom of the property league in the developed world. Irish urbanization at 4 percent is among Europe's lowest.
- The average price of a house in Dublin and outside Dublin in February 2006 was €378,822 (US$476,500) and €245,925 (US$309,407) respectively.
- The average price of a UK house in February was between £184,924 and £268,000 (US$340,000–US$493,800).
- Irish house prices are rising at 1 percent every month.
- Last year a 2.05 acre site in south Dublin was purchased for €171.5 million (US$220 million).
- A site big enough to build a 100 square meter house in Dublin recently sold for over €550,000 (US$702,000).

Legal literacy

by Ana Cutts

In its mission to serve families in need of decent housing, Habitat for Humanity Argentina has experienced several obstacles. The first is the fact that 95 percent of the individuals who applied for Habitat homes in Argentina were not legal owners of their land. Therefore, the individuals were unable to participate in the Habitat Argentina program, which required title deeds for the mortgage.

The subsequent lands project, whereby Habitat Argentina provided loans for home and land purchases, also experienced difficulties. Ninety-five percent of the vacant plots in these low-income areas were only transferable on the informal market because, again, there was no legal title for the land. It became clear that as Habitat Argentina sought to help poor families rise out of the conditions of poverty housing and to move in the direction of sustainable development, some families were being left behind. The complex bureaucratic system involved in obtaining land titles, and the presence of predatory lenders taking advantage of uninformed borrowers, put several poor families at risk of losing the land and/or the home that they had worked so hard to earn. From this

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HABITAT ARGENTINA'S LEGAL LITERACY PROGRAM AIMS AT EQUIPPING FAMILIES WITH THE KNOWLEDGE OF HOW TO PREVENT LOSING THEIR LAND AND/OR HOUSES DUE TO PREDATORY LENDERS.

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situation, we learned that to reduce poverty housing it is just as important to prevent the downward trend as it is to encourage upward development.

Habitat Argentina's legal literacy program is an educational and awareness building program aimed at providing low-income communities with basic knowledge of procedures, rights, dangers and opportunities in the process of applying for loans and purchasing homes. The aim is to equip families with the knowledge of how to prevent losing their land and/or house due to predatory lenders. In Argentina, several loan transactions require property as a form of collateral. Many families lose their properties due

to the lack of payment by friends or relations who have used their property as collateral. Habitat for Humanity is limited in its ability to serve 95 percent of those families applying because they do not have legal deeds to their land. Successive laws have provided discounts or exemptions for taxes and payments required to legalize the land, but the large majority of families qualifying for these benefits are either unaware of their existence, or daunted by the seemingly complicated procedures.

With a grant from Habitat for Humanity University, and learning from the successful application of the Citibank financial literacy project, Habitat Argentina has contracted with two lawyers to produce a manual and a course on legal literacy. Following initial research into the laws, exemptions, procedures, drawbacks and possibilities surrounding land rights and loans, the professionals are in the process of producing an attractive, simple guidebook. Subsequently, the project involves training volunteers from the affiliates and other NGOs offering to spread the course to as many families as possible. Along with this, Habitat Argentina also provides the course participants with a folder with the same design as the manual for "important documents" to encourage families living in poverty housing to value and protect things such as title deeds and medical reports. The successful courses already being provided by Habitat Argentina as part of its "more than houses" approach have prompted the municipalities in the areas where we are working to request that the training be open to the entire community—an outreach that Habitat Argentina welcomes with open arms.

The final stage of this pilot project involves a report on lessons learned, recommendations and tools available to other Habitat programs around the world wishing to add this dimension to their mission to eliminate poverty housing.

Ana Cutts is the national director of Habitat for Humanity Argentina.

(Contact Celina Malvazo at cmalvazo@hpha.org.ar for more information.)

Habitat's new initiative for land tenure regularization

by Maria Luisa Zanelli and Caroline Kroeker

In the Dominican Republic, access to property rights is a national challenge. There is a direct link between the informal land problem and poverty: 42 percent of the country's population is poor, and 16 percent extremely poor. According to the National District, more than 1.5 million poor people lack property rights (26 percent of the country's poor population).

Large areas of land are owned either by well-known families or by state agencies like the Sugar State Council (*Consejo Estatal del Azúcar*) CEA, which is a public institution that manages all previous sugar plantations, where thousands of families have lived for nearly four decades.
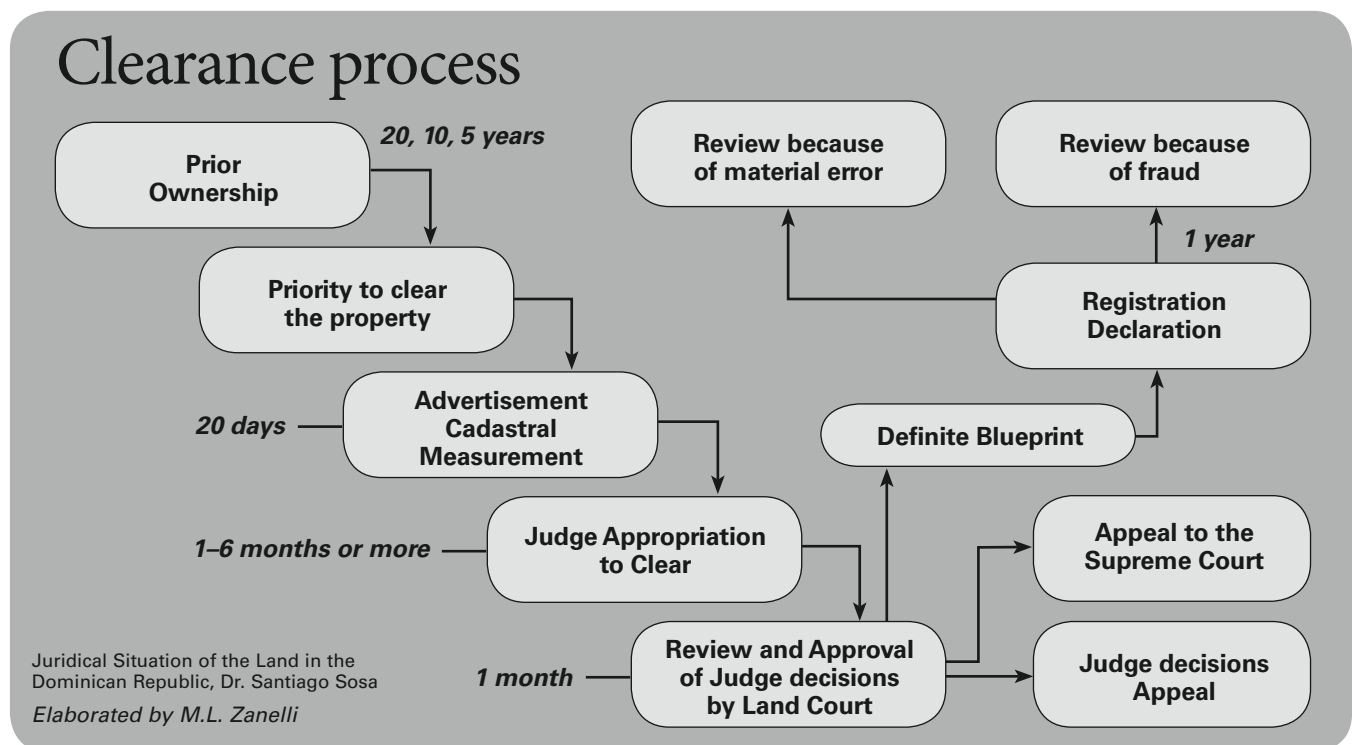
In the central city slum of Santo Domingo, 300,000 persons (11 percent of the city population) occupy less than 1.6 percent of the city area. The market value of this land is in the tens of billions of dollars. Several attempts by the government to regularize the area have failed. Except for a section in the extreme south, the land is owned by one family, which has engaged in an ongoing court battle for decades. In addition, lack of proper documentation (*cédula* or birth certificate) is an issue for poor families.
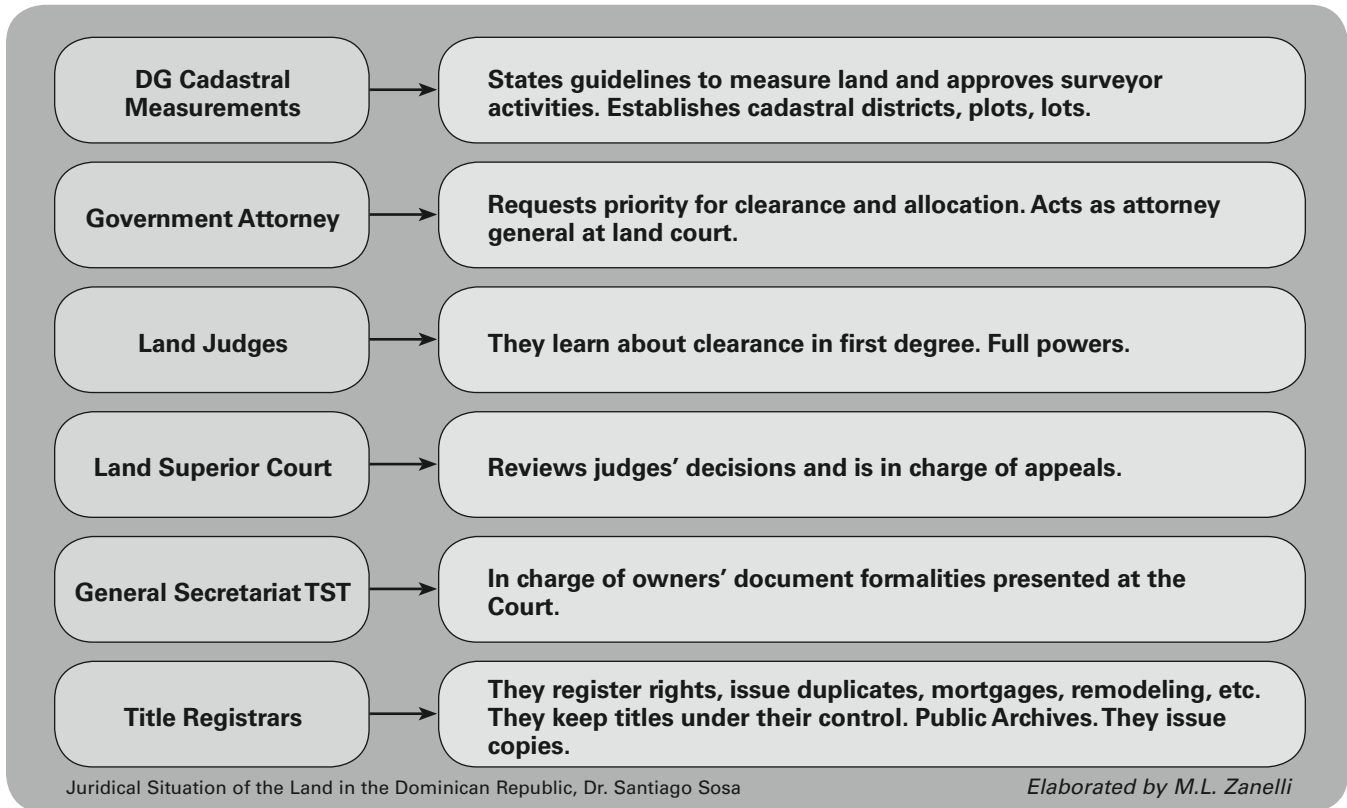
In 1998 the Dominican government launched a program of institutional reform to modernize the real property adjudication and registration system, consolidating the Supreme Court of Justice (Land Jurisdiction) as the executing agency. Unfortunately, the approach relies completely on high technology—mapping and legal *cadastre* (register of the real property of the country).

The whole process to get a title may cost as much as US$2,500. As a point of comparison, the international average price for legalization of titles is between US$45 to US$80. An investigation of a property's history costs between US$65 and US$200. The costs of transactions reduce the possibilities of good mortgage offers and opportunities.

The charts below illustrate the steps a person has to follow to get land clearance. Full powers are concentrated in the hands of the government attorney and land judges. The World Bank and International Resource Development

Clearance process

Prior Ownership

20, 10, 5 years

Priority to clear the property

Advertisement Cadastral Measurement — 20 days

Judge Appropriation to Clear — 1–6 months or more

Review and Approval of Judge decisions by Land Court — 1 month

Definite Blueprint

Review because of material error

Review because of fraud

Registration Declaration — 1 year

Appeal to the Supreme Court

Judge decisions Appeal

Juridical Situation of the Land in the Dominican Republic, Dr. Santiago Sosa
Elaborated by M.L. Zanelli

DG Cadastral Measurements →	**States guidelines to measure land and approves surveyor activities. Establishes cadastral districts, plots, lots.**
Government Attorney →	**Requests priority for clearance and allocation. Acts as attorney general at land court.**
Land Judges →	**They learn about clearance in first degree. Full powers.**
Land Superior Court →	**Reviews judges' decisions and is in charge of appeals.**
General Secretariat TST →	**In charge of owners' document formalities presented at the Court.**
Title Registrars →	**They register rights, issue duplicates, mortgages, remodeling, etc. They keep titles under their control. Public Archives. They issue copies.**

Juridical Situation of the Land in the Dominican Republic, Dr. Santiago Sosa   *Elaborated by M.L. Zanelli*

Bank Report on Poverty in the Dominican Republic proposes to expand the assets and basic services of the poor by implementing urban improvement and land titling in low-income urban neighborhoods. These positive steps are in line with HFHI's goals and new strategic plan, and open up opportunities for Habitat for Humanity to play a part in the process.

Habitat's role
HFH Latin America and the Caribbean has prioritized investment in funding and consulting services related to land tenure regularization and titling projects in the Dominican Republic and Haiti. This will also be a pilot project for advocacy.

Habitat's role will be determined by local and national institutional needs. It may include direct execution of parts of the procedures for land titling, networking with local and national stakeholders, advocating for changes in a variety of ways, technical consulting to local communities or other stakeholders (including those involved in the current titling steps), training, and volunteer mobilization.

Land regularization project in the Dominican Republic
The project in the Dominican Republic will run for three years and its main goals are:
• to ensure that a large number of families are served through successful tenure regularization and land titling; and

• to help remove barriers to decent housing.

Habitat's efforts in networking and advocacy nationally have already opened doors to key public and private landowners, communities, and NGOs who are interested in helping with the regularization process and changing existing procedures. For example, CEA, which owns land nationwide, has already requested HFH Dominican Republic (HFHDR) to survey and make a proposal to legalize land tenure. In the central city slum of Santo Domingo, community based organizations and the Viccini Group, who have been involved in a court battle for decades, are now interested in reaching agreements in order to regularize land property rights and HFHDR will facilitate the process. In San Juan de la Maguana, a small rural town, HFHDR has the "green light" from the owners to regularize the property rights of the families that are settled on their area.

Components of the project
The following are the four components of the projects that Habitat is promoting:
1. **Collect information on the existing informal property**
   A. *Collection and analysis of ownership-related information:* to identify the magnitude of the problem at two levels:
      • macro level: to collect, review, investigate prop-

erty-related data mapping and study the legal and technical problems of the pilot areas

- individual property level: to collect, revise, investigate property-related data and documents mapping each property as well as the socio-economic profile of beneficiaries (to identify baseline indicators)

B. *Identification of bottlenecks and inefficiencies:* to identify legal requirements, administrative practices and paperwork that involve inefficient costs for the users in both time and money and to classify: 1) the "soft barriers" that may be overcome through alternative operational processes and alliances including conflicts that are potentially possible to be resolved in the field; 2) the "structural barriers" that require legal, administrative and regulatory reforms.

2. **Implementation of pilot projects on land regularization and titling:** two sites will be prioritized with stakeholders, and the process of converting informal tenure to formal property rights will take place for around 1,000 families. Clear and simple processes will be implemented to allow and support the scaling up.

3. **Capacity building:** identification and analysis of stakeholders, getting the support of networks/community/owners; implementation of workshops and assemblies; and monitoring the speed, ease and costs of the regularization process.

4. **Advocacy, documenting and understanding legislations:** policies and programs in the Congress and the executive government and new legislation, administrative and regulatory needs are to be assessed. Political leaders and main relevant institutions will be approached to lead proposals and training will be given to community leaders as potential advocates of property rights.

Further, we will search for further Dominican and international resources to pursue this project on a much larger scale.

Conclusions

There is no single path for reforms. Reforms rely basically on the national context, the commitment of the political power, the nature of the tenure situation, and financial and technical resources.

For HFH the challenge is addressed in combining both a program methodology (providing direct solutions) with an advocacy approach (focused on influencing national public policies and procedures, debating and investment).

The process requires:

- initial knowledge of the problem and the opportunities
- financial and technical resources for the start-up
- community links and the availability of a wide variety of participants at all levels of society
- political support, institutional reforms, building and strengthening institutional capacities

The key approaches to land regularization that Habitat is using in the Dominican Republic include the following:

- Scale: targeting large extensions of informal areas at once.
- Taking full advantage of existing resources: community-elected leaders as well as groups that compose the "community organization" are the main stakeholders and need to be involved. This approach uses all available institutional resources and tools such as the Land Jurisdiction cadastre, documentation from public and private entities along with community information and norms.
- Field campaigns: community-based mapping; mobilizing national and international volunteers and young leaders to help with surveying; resolving conflicts and gathering ownership-related information.
- Building local capacity: through workshops and informative assemblies, educating families about simple, pro-active, low-cost regularization tools and processes.
- Researching and addressing gender gaps like the right of married-separated women to have 100 percent of the rights on the land they occupy as head of a family.
- Advocating pro-poor policies on land issues, and working with current implementers of various steps to find win-win solutions.

The World Urban Forum in Vancouver, Canada, offered a great opportunity for further debates on pro-poor land policies, strategies and tools. International agencies have shown great interest in this topic such as the International Development Bank for LA/C, the World Bank, the United Nations and others.

We hope to provide a rich case study, based on this project in the Dominican Republic, in order to inspire other HFH programs to effectively take on the issue of land tenure and reach broad worldwide impact.

Maria Luisa Zanelli is the program coordinator for the Caribbean in HFH LA/C. Caroline Kroeker is the regional director for the Caribbean.

Legal land tenure in Mexico: An interview with Dr. Alfonso Iracheta

by Manuel Mancuello

In Latin America, the lack of legal land tenure is a major obstacle to providing low-income families with housing loans, subsidies and, consequently, the opportunity to have a decent standard of living.

This situation has particular significance in Mexico, where two-thirds of the land in most urban peripheries is designated collective property under the *ejidal*[1] system. Thus the remaining one-third of the land, which is privately or government owned, is what is left for ever-encroaching low-income periphery urbanization.

Dr. Alfonso Iracheta Cenecorta recently spoke with Habitat for Humanity to provide some insight into this phenomenon. Dr. Iracheta is the coordinator of the Urban and Environmental Studies Program at the Colegio Mexiquense, AC, a research institute that offers post-graduate education in the social sciences and humanities. He is also the coordinator of the Network of Mexican Cities for Sustainability, a member of the National Housing Council and has been working with land-tenure issues for 25 years.

Some studies indicated that informal settlements occupied by the poor generally consist of 60 percent ejidal land and 40 percent private land. Others place the ratio closer to 50-50.

In Mexico, where urbanization has occurred at a break-neck pace, between five and six of every 10 families that move to a city or attempt to settle in a place other than their original residence must do so illegally, because they have no access to legal housing in condominiums, subdivisions, etc.

Lack of legal housing stock: The root of the problem

There is no legal urbanized land stock to speak of for people who earn less than three times the minimum wage says Dr. Iracheta, summing up the main problem. If there is any, it is few and far between and demand is overwhelming.

Because the price of a legal lot in any urban periphery is far beyond their capacity to pay, what do families below this income level do?

The cold reality is that they have no legal housing options. So, where does this family go? According to Dr. Iracheta, "to the country's ever-expanding settlements or markets, where they will find someone ready to offer them an informal, irregular or illegal alternative."

"The study we conducted for the World Bank in 2000 showed that the housing stock does not include any legal lots or houses for families that earn three times the minimum wage or less, which describes 75 percent of Mexicans," says the researcher.

All legal housing production—whether institutional or private—is designed for people with higher incomes. Employed people with a household income of less than three minimum wages, although they make their mandatory savings contributions to the government's Housing Institute, often live in irregular conditions because all legal housing stock is priced out of their range. Consequently they end up subsidizing the low-income segment that earns more than three times the minimum wage.

No matter how determined they are in their search for legal housing, or how many doors they knock on at social housing development companies or public organizations, those in the lowest income segment find nothing, because there is nothing to find.

Problem for some, solution for others

Illegal or irregular land tenure has become a solution for millions of Mexicans who do not have legal options.

The recent "Infomarkets" study conducted by the Lincoln Institute of Land Policy in Brazil, Venezuela, Argentina and Mexico confirms that people tend to purchase land with the intention of staying. Thus, they do not have a clear concept of the exchange value, and the property itself takes on a lesser importance. More significant is access to services and tenure security—the assurance that no one is going to evict them.

Legal land tenure in Mexico: An interview with Dr. Alfonso Iracheta

These informal or irregular occupations provide advantages for many, because most people in Mexico's irregular urban zones do not buy their land as an investment (for tangible capital or future sale), but rather to establish a permanent residence.

MOST PEOPLE IN MEXICO'S IRREGULAR URBAN ZONES DO NOT BUY THEIR LAND AS AN INVESTMENT, BUT RATHER TO ESTABLISH PERMANENT RESIDENCE. CONSEQUENTLY, CROWDED HOUSES, INFORMAL OR INTERMITTENT TRANS-ACTIONS ARE OFTEN THE SOLUTION FOR MORE THAN 70 PERCENT OF MEXICANS.

Consequently, crowded houses, informal or intermittent transactions, such as inheritances of legal land, tend to be the solution for more than 70 percent of Mexicans. So much so, that these forms of obtaining urban land tenure are becoming, or have already become, the prevailing means for acquiring a house and creating a city.

Long-term solutions

Alfonso Iracheta suggests that any hope of implementing long-term housing solutions is contingent on reforms in three areas: supply, demand and institutional support.

1. In terms of land supply, the government must create conditions in which the country's poorest segment has access to urbanized land that adheres to urban planning principles. This is feasible, but entails an integrated vision in which part of the taxes collected from the formal real-estate industry are redirected to establish land for low-income buyers.

2. In terms of demand, it is necessary to:

    a) Create a coordinated national or state subsidy system. According to Dr. Iracheta, "Many subsidies exist, but they are not coordinated and come from multiple sources. For example, a family may receive one small subsidy that does them little good. But if the money were combined with other municipal, governmental or private subsidies, it would make a difference."

    b) Promote advance savings. People are capable of saving, but they do not have the tools to do so properly. "A mortgage system suited to the segment of people who build their house over a period of 25 years must be created. Here, the key is tailoring credit based on payment capacity. That is, design the process in terms of how much I (the client) can pay, and not how much you (the bank) want to charge me."

3. Institutional solutions require:

    a) A re-evaluation of incorporating collective (ejidal) land into urban development. "This entails reforms to existing institutions, which are inefficient or misguided in their efforts. For example, The Commission of Land Tenancy Regulation has been trying to regularize land tenure for 30 years, but it has done little more than increase irregularity," said Dr. Iracheta. Through agreements and consensus building with landowners and developers, local governments, and organized poverty-housing settlements, an intermediary commission could be established to incorporate land according to the modern agrarian law. The law was reformed in 1992, but the institutional framework and executive management is still outdated and inadequate.

    b) Less isolated settlements. "Enterprises and public entities who set out to build 'X' amount of houses in a given city generally acquire land and build small houses in closed subdivisions, 4 km from the urban centre, in areas with poor public transit. These areas often do not have access to regional and university services, and become the slums of the future," says the researcher.

    c) Implementation of a "macro development" concept, where each city consciously decides where urbanization will and will not take place. This necessarily entails the creation of instruments to protect areas designated as not for development. "Do everything possible to protect designated areas from development," suggests Dr. Iracheta. "Regardless of how much someone wants to build in these areas, make it too expensive or stipulate that they cannot develop. And provide comprehensive services where development is permitted. Invite all the developers and stakeholders to create a synergy regarding land purchase."

Habitat for Humanity CEO Jonathan Reckford works on site in the Amercameca community outside Mexico City.

These actions, combined with the resulting real-estate business and coordinated in the context of long-term growth in each city, would go a long way towards freeing up land to allocate to low-income housing development and public spaces.

Key actors

Dr. Iracheta says the National Housing Council is the appropriate forum for such solutions, which require input from:

1. The national government, through the National Housing Commission and the Secretary of Social Development (responsible for land zoning), and state and municipal housing institutes.
2. Organized housing developers equipped with cutting-edge technology and that currently produce between 400,000 and 500,000 units per year.
3. Social organizations and social housing producers such as the international Habitat coalition, Habitat for Humanity and other private sector organizations that help low-income people acquire a house.
4. Anyone, such as intellectuals and academics, with relevant knowledge and the ability to organize and propose new ideas.

Habitat for Humanity's role

According to Dr. Iracheta, organizations such as Habitat for Humanity should:

1. Help coordinate local actors and low-income families in each city, forming a network of support to demand accessible land supply.
2. Establish a social and political presence. Clarify commitments to Millennium Goals and country-defined objectives aimed at making secure house and land tenure a reality.
3. Be a valuable resource to the government, to increase housing stock and promote proposals such as those mentioned in favor of low-income families.

In this context, Dr. Iracheta concluded that initiatives sponsored by organizations such as Habitat must focus on "the supply of serviced land to low-income people creating a city. A place with access to affordable public services. A niche overlooked by the government and the market." 🏠

Manuel Mancuello is a writer for HFH in Latin America and the Caribbean.

1 An ejidal system is a process whereby the government promotes the use of communal land shared by the people of the community.

Overcoming the land problems in the United States

by Karan Kennedy

"Land is a big problem for any affiliate in the United States!" exclaims Mary Ann Durso of Collier County HFH. In the resort area of Naples, Florida, it is especially difficult. "In the last year," Durso explains, "land prices have doubled. The price for undeveloped land is now US$200,000 an acre."

The high price of land pushes the median cost of a home in Collier County to US$504,000, while the median earned income is US$26,000. With an estimated need of 30,000 units, the options for working families are few. According to Durso, many live in trailers that are mildewed and have leaky roofs. Other families live in a rented room in someone's house or they live in the place where they work. Families pay as much as 80 percent of

Providing affordable housing solutions in a Dallas neighborhood, 10 houses were built during the 2004 AmeriCorps Build-a-Thon, hosted by Dallas Area HFH.

their income for a place to rent.

The reality

Even though southern Florida—along with New York City and Southern California—is a high-priced market, this alarming disparity between house costs and earned income is impacting many parts of the United States. According to the 2005 State of the Nation's Housing report issued by the Joint Center for Housing Studies of Harvard University, "the number of metros where the

median house price-to-income ratio is at least four has more than tripled from 10 to 33 in the past five years."[1] The report goes on to state that from 2000 to 2003, "the number of middle-income households with severe housing cost burdens shot up by nearly one million."[2] It follows that the challenge for low-income families is even greater.

Philip Wise of Dallas Area HFH (Texas) confirms that land prices have risen sharply in the last three or four years. The reasons are many, including urbanization, economic growth, and difficulties with regulations that control zoning and land usage. The land that is "easy" has already been built on, Wise explains. To find land that is close to services and places where people work takes creativity and determination.

Families with low or even moderate incomes are forced further and further out of city centers where housing and land are more affordable. The Harvard report also indicates that more than a fifth of households live at least 30 miles out in six major metro centers in the United States.[3] A recent study by the Brookings Institution's Urban Markets Initiative estimates that the average U.S. household spends 19 percent of its budget on transportation.[4]

At the same time, the Harvard report also notes that the federal government is "under fiscal pressure" to cut programs rather than expand them.[5] Donna Golden, HFHI director of U.S. Housing and Urban Development programs, confirms that there has been a steady decrease in funding available from the government's Self-help Homeownership Opportunity Program (SHOP grants), down from 40 million when the program started 10 years ago to 20 million last year. In addition, HFHI access to this funding that is specifically for land and infrastructure has dropped from 60 percent to about 40 percent.

Cities around the country are dealing with the fact that those people who provide essential services cannot afford to live in their communities. The 2004 version of

Due to high land costs in some parts of the United States, many families live in substandard conditions in trailers.

RAUL RUBIERA

"Paycheck to Paycheck: Wages and the Cost of Housing in America" from the Center for Housing Policy indicates that police officers cannot qualify for the mortgage of a

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CITIES AROUND THE COUNTRY ARE DEALING WITH THE FACT THAT THOSE PEOPLE WHO PROVIDE ESSENTIAL SERVICES CANNOT AFFORD TO LIVE IN THEIR COMMUNITIES.

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median-priced home in 20 of 25 metropolitan markets surveyed; firefighters cannot qualify in 20 of 25 metropolitan markets surveyed; and elementary school teachers cannot qualify in 21 of 25 metropolitan markets surveyed.[6]

Solutions

With the increasing pressure on the gap between earned income and the cost of housing, it is up to local governments and communities to find creative ways to address the problem. In the March/April 2006 feature article of Multifamily Trends, B. Kreisler describes several approaches that communities are taking,[7] including:

- Construction of high-density housing

- Employer-assisted housing
- Defining the need as "workforce housing" rather than "affordable" to dispel negative perceptions of low-cost housing
- Acknowledgment of the relationship between affordable housing and transportation
- Employer-assisted housing tax credit programs
- Conversion of nontraditional residential space, such as warehouses, schools and churches
- Development of infill parcels or brownfields, abandoned industrial and commercial facilities where expansion or redevelopment is complicated by environmental issues
- Streamlining and fast-tracking local permitting and zoning boards of appeals processes
- Development of mixed-income communities through public, private and nonprofit partnerships

Habitat's approaches

Both Collier County HFH and Dallas HFH are using many of these strategies and more in order to maintain the goal of constructing as many as 100 houses per year.

Collier County is stewarding five development projects—all at different stages and using different approaches. Says Durso, "You don't construct 100 houses a year without a lot of advanced planning." While one project is on hold due to local restrictions on the development of roads, they are continuing to advance the other projects. The good news is that the affiliate is blessed with church partners, volunteers, funding and land that was purchased early on by an aggressive board that was looking to the future.

Strategies to make the most of these resources include:

- Construction of two-unit attached villas with plans to also construct four-unit villas.
- Collaboration with for-profit builders for mixed-use development.
- Collaboration with the county, accessing Community Development Block Grants
- Application on behalf of families for various grants from the state or federal government to keep the mortgage at US$600 a month
- Aggressively seeking new opportunities to purchase or acquire land, using the connections of board members who are experts

Dallas HFH has three main strategies:

- Partnerships with for-profit developers to construct mixed-income communities

• Partnership with the city for land bank lots—lots that the city has foreclosed due to tax liens and are willing to sell to Habitat at reduced rates

• Cooperation with the public housing agency, the Dallas Housing Authority, funded by the U.S. Department of Housing and Urban Development, to build Habitat housing on agency lands.

In 2005, Dallas Area HFH was awarded the Clarence Jordan Award, one of the Pioneers in Excellence awards for U.S. affiliates, for its role in Greenleaf Village, a mixed-income 305-house development in an area of Dallas that had been occupied by a failed public housing project from the 1950s.

IN 2005, DALLAS AREA HFH WAS AWARDED THE CLARENCE JORDAN AWARD FOR ITS ROLE IN GREENLEAF VILLAGE, A MIXED-INCOME 305-HOUSE DEVELOPMENT IN AN AREA THAT HAD BEEN OCCUPIED BY A FAILED PUBLIC HOUSING PROJECT.

The Greenleaf Village development was a public, private and nonprofit collaboration, involving Dallas Area HFH, the Dallas Neighborhood Alliance for Habitat, the city of Dallas, the Dallas Housing Authority and KB Home/American CityVista (for-profit developers).

The Dallas Housing Authority sold 68 acres of land for the development, roads and infrastructure. KB Home constructed 205 homes that were sold to moderate-income homeowners, and Dallas Area HFH constructed 100 homes for homeowners earning between 25 and 50 percent of the area median family income.

Transforming a run-down, partially abandoned housing project in a high-crime, racially segregated area into a thriving community with families from mixed backgrounds and income levels was not an easy process. Philip Wise, a former president of the affiliate, recognized that the project needed scale and wide community support to be successful: "A project of at least this size and visibility was critical if we were to overcome the negative perception of buying a new home surrounded by public housing," said Wise.

One of the biggest challenges was reconciling the differences in organizational culture between the Dallas Housing Authority and the private developer. The first developer, Centex, pulled out of the project after two years of planning due to delays, cost increases and frustration of working with the DHA, which was still operating under the burden of years of changing leadership and a lack of accountability. With a commitment from the DHA to change its culture and operations to accommodate a nonprofit and private sector partnership, Wise was able to find another private partner in KB Home and American CityVista.

A case study of this successful project is written up in the 2004 Pioneers in Excellence booklet (available on PartnerNet).[8] However, some of the critical success factors were the following:

• Flexibility in the house design. Dallas Area HFH modified their house design to blend with the more expensive housing being built by KB Home.

• Use of public funds to leverage private support. Dallas Area HFH was able to leverage house sponsorships from churches, corporations, foundations and civic groups with government funds, including SHOP and CHDO funding.

• Aggressive marketing and maintaining a high profile. Dallas Area HFH kicked off the development with a 25-house blitz build, mobilizing the efforts of 10,000 volunteers. The homes were aggressively marketed at area employment centers, to leaders and members of area churches, and to the public through a comprehensive media campaign.

The positive outcomes of the project were many. Here are a few:

• US$40 million of new single-family home construction in a neighborhood without material new construction for 30 years.

• Improved quality of life, access to services and economic growth. Funding for construction of two parks was donated by two sponsors. Residents have access to schools, recreational facilities and businesses. As a result of the development, market value of commercial businesses also has increased with new businesses opening in the local shopping center.

• A homeowner's association that oversees the maintenance of the park areas and lobbies for city services, including Dallas equestrian police patrols.

• Streamlining of city development processes. In response to the problems and delays from the city of Dallas, the mayor convened a task force on affordable workforce housing, resulting in specific recommendations for development service, land assembly and use, existing programs, funding and collaboration with for-profit and nonprofit developers.

ships with other organizations who bring to the table their own skills and experience—all in an effort to transform communities more completely. We believe, of course, that decent housing provides the foundation on which families can thrive and plan and hope and build a better future. Secure housing, however, requires secure tenure of land as well, and neither can really be considered without the other. We want to promote access to land, but also to public services, to decent housing conditions in the fullest sense of the phrase.

I had the good fortune of visiting Ghana last year and saw firsthand the permanence that emerges when both housing and titled land come together in a single solution. I met Bernard Botwe and his wife Joanna. They, and their two children, were the first Habitat

for Humanity homeowners in the country. Now, 18 years after their humble beginnings in their Habitat for Humanity home, Bernard is an administrator at a hospital and is advancing in his career—a shining example, I believe, of the difference secure tenure and decent, affordable shelter can make in the lives of families.

Throughout this issue of "The Forum," you can read further about various land issues and how they relate to Habitat's work around the world, including land costs, advocacy and property rights. We are transforming lives not only by building simple, decent houses, but by creating access to decent housing conditions, by offering decent housing solutions—not the least part of which is secure land tenure.

Jonathan Reckford is the CEO of Habitat for Humanity International.

• A model for future development within Dallas and other cities. Mayors, city council members, nonprofit and for-profit developers from 20 cities have toured Greenleaf Village. Community leaders in Dallas have targeted three additional communities for similar redevelopment projects.

Wise concedes that another success factor is the fact that Dallas Area HFH has a proven 18-year track record and is the seventh largest homebuilder in the city of Dallas. Clearly, scale and experience are crucial to get all of the players at the table. Finally, both Wise and Durso would agree that the biggest factor is leadership, a local board that has determined, sophisticated, knowledgeable and creative people.

Karan Kennedy is director of international projects for HFHI.

1 Joint Center for Housing Studies of Harvard University, "The State of the Nation's Housing 2005," Executive Summary, p. 2.
See (www.jchs.harvard.edu/publications/markets/son2005/son2005_executive_summary_bw.pdf)
2 Ibid., p. 4
3 Harvard, p. 3.
4 The Brookings Institution, Urban Markets Initiative, January 2006, "The Affordability Index: A New Tool for Measuring the True Affordability of Housing Choice," p. 2. (www.brookings.edu/metro/umi/pubs/20060127_affindex.htm)
5 Harvard, p. 4.
6 Barbara J. Lipman, "Paycheck to Paycheck: Wages and the Cost of Housing in the Counties, 2004," Center for Housing Policy, pp. 15–45. (www.naco.org/Content/ContentGroups/Publications1/Surveys1/Housing2/paychecktopck.pdf)
7 B. Kreisler, "Marking Workforce Housing Work," Multifamily Trends, March/April 2006 Feature, pp. 1–4. (www.uli.org)
8 Habitat for Humanity International, "Pioneers in Excellence, 2004 Awards," pp. 15–26.

The Forum Online

"The Forum" is available in English, Spanish and Portuguese online at: http://partnernet.habitat.org/intradoc/groups/hfhi/documents/periodicals/theforum.hcsp

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2. Agree to the terms and conditions listed for PartnerNet users at the bottom of the "Use of PartnerNet" document.
3. Fill out the form, establishing your user name and password at the bottom of the form.
4. Click the "Register" button at the bottom of the form.
5. Remember your user name and password for easy access the next time that you log on to PartnerNet. Once your user name and password are in the system, you will not need to update them.

If you have any ideas, suggestions or feedback on "The Forum," please e-mail us at TheForum@habitat.org. We'd like to hear from you!

Congratulations! For over seven years I have worked at Habitat for Humanity Kenya, and no single issue of the "International Affiliate Update" has stolen my attention as "The Forum" has done today. I have read and re-read it again. It is more strategic, broad, clear, exciting and insightful as it clearly spells out the organization's future direction as opposed to the "traditional reporting." Keep up this spirit and in a little while Habitat for Humanity will never be the same again.

Great work, and my special regards to HFHI's CEO and IBOD who I believe are the brains behind this new direction.

God bless you as we walk through the path of serving families through eliminating poverty housing, which now looks like more of a reality than a dream.

—Linus M. Nthigai, field officer, HFH Kenya

I really like "The Forum" magazine. It gives tremendous insight into our work. Keep up the good work.

—Mirjam Pronk, construction specialist, HFH Suriname

STACEY SCHULTZ

Community leaders participate in a small group discussion in Kisii during a training session conducted by HFH Kenya to involve people in Habitat's mission to provide simple, decent and affordable housing through a simple and participatory process—the Tujenge Nyumba Low-cost Housing Scheme. The training was funded by a micro grant from HFHI's Global Training department.

A brief look at land tenure issues in Asia and the Pacific

none is likely to dispute the importance of secure land tenure in poverty alleviation. "While many forms of resource tenure are important, land tenure—rights over the land itself—is often the most fundamental building block of prosperity for the poor (Klaus Deininger et al. 2003). That is because land rights underpin most other resource rights, with the exception of offshore marine resources. Without secure land tenure, it is difficult to conceive of the poor being able to generate wealth from nature."[4] 🏠

Wong Hiew Peng is a writer/editor for HFH in Asia and the Pacific.

[1] In June 2001, a special session of the United Nations General Assembly was convened in New York for an overall review and appraisal of implementation of the Habitat Agenda. UN-HABITAT held various regional meetings in preparation for the special session and the Asia-Pacific paper arose out of the regional meeting that was held in Hangzhou, China, in October 2000.
[2] In 1996, 171 governments at the United Nations Conference on Human Settlements (Habitat II) in Istanbul, Turkey, adopted the Habitat Agenda that seeks to provide adequate shelter for all and to develop sustainable human settlements.
[3] Paper presented at the Expert Group Meeting on Secure Land Tenure: New Legal Frameworks and Tools in Asia and the Pacific in Bangkok, Dec. 8–9, 2005. The meeting was jointly organized by the International Federation of Surveyors, UN-HABITAT, the World Bank and the UN Economic and Social Commission for Asia and the Pacific.
[4] From "Population, Health and Human Well-Being", a topic under World Resources Institute. See http://population.wri.org.

The story of a Habitat homeowner in Cambodia

decided that things had to change. They borrowed US$200 from a loan shark at a monthly interest of US$30 so her husband could become a taxi driver. Sophea opened up a little shop outside her house selling water, ice and small snacks to other people in the village.

In April 2005, Sophea's husband left her, and she had to deal with paying off the loan shark herself. But, in late 2004 Habitat for Humanity came into Sen Sok. "They paid off my loan and I got back my collateral, which was my land tenure," she said. "I was able to pay it back with no interest added."

She was then able to borrow a nonprofit loan in order to build a home for her family. Sophea and her two youngest children, Sophanry, 6, and Theavy, 8, are now living in a newly built home provided by Habitat for Humanity. "I am very happy and thankful to get my land title back and to build my simple, decent home," she said, "A home where my children and I can be safe." 🏠

Charmaine Brett is resource development, communications and volunteer program officer at HFH Cambodia.