



Lower Tipolo HOA

CASE STUDIES OF COLLECTIVE HOUSING IN ASIAN CITIES SERIES • OCTOBER 2022

The Homeless People's Federation in Mandaue has a long history of good collaboration with the local government and with a citywide urban poor alliance. This partnership's first big achievement was a large, on-site upgrading project, in which 9.2 hectares of public land in the heart of the city was donated to the 1,600 families who were squatting on it, and who later developed some extraordinary collective housing projects there. This case study describes one of those projects, at LTHAI, where the people completely rebuilt their community after it was destroyed by a fire, using ICEB blocks they made themselves.

- Project Lower Tipolo Homeowners Association (LTHAI)
- Location Barangay Tipolo, Mandaue City, Philippines
- Size 243 households
- Finished 2020
- Type On-site reconstruction of a community after a fire destroyed the settlement, with secure collective tenure on donated public land.

CONTEXT, PROCESS AND PARTNERS

The city:

The city of Mandaue is city in the Central Visayas region of the Philippines, right next to the port city of Cebu. The city is one of the region's key industrial areas and draws poor migrants from towns and villages around the region to fill jobs in the factories, construction sites and support industries. Despite having a land area of only 32 square kilometers, the city has a population of more than 360,000, which works out to some 11,250 persons per square kilometer, making Mandaue one of the country's most densely-populated cities. Recent assessments by the city's planning office highlight the need for new zoning and land use strategies that are more responsive to the fast-changing urban context of the city - particularly the city's failure to provide access to decent, affordable land and housing to its working poor population.

The city's 2019 - 2029 Comprehensive Land Use Plan estimated that in 2012, there were more than 3,600 poor families living in informal settlements within nine identified "danger zones" in the city, and another 3,600 poor families informally occupying government-owned land. Since the data was gathered in 2012, these figures have increased dramatically. The city has tried to address these housing concerns through different programs such as the national government's Community Mortgage Program (CMP), in which organized communities can buy and acquire land collectively, as well as local programs such as the city's Transitory Housing program. The Mandaue city government has also set aside eight sites specifically for housing informal settlers (most of them already occupied by informal settlers): three sites in Barangay (sub-district) Canduman, one site in Barangay Subangdaku, two site in Barangay Tipolo, one site in Barangay Paknaan and one site in Barangay Looc. These eight sites are to provide secure housing to 3,600 households. The community of the Lower Tipolo Homeowners Association (LTHAI) described in this case study is in one of these sites, in Barangay Tipolo.

The community process in Mandaue:

Poor communities in the city's San Roque Parish based communities were among the first in the country to organize themselves and set up collective self-help savings groups in 1993, with support from a group of progressive young priests from the Catholic Vincentian Order. When the Homeless People's Federation Philippines was launched in 1995, the savings groups in Mandaue were among the founding members. Mandaue's branch of the Federation soon became one of the strongest in the central Visayas region, and has undertaken a variety of path-breaking land and housing upgrading projects, including a project in 2004 in which one community in the 9.2 hectare site (with 35 households) developed a pioneering community-managed collective water supply system, in partnership with the city. Over the years, the local government has become an active supporter of the Federation's community savings program and an important ally in its land and housing initiatives. Mandaue now acts as headquarters and lead city for the towns and cities in the Federation's central Visayas region.

The community

The Lower Tipolo Homeowners Association, Inc. (LTHAI) was one of many sprawling informal communities built helter-skelter on a vast, swampy, 9.2 hectare stretch of government-owned land in the center of Mandaue's industrial area, surrounded by factories and container-storage facilities. By the 1990s, some 1,600 poor families lived in crowded informal settlements within the 9.2 hectare land. With support from the Homeless People's Federation, the LTHAI community and several others in the 9.2 hectare area began organizing themselves and started self-help savings groups in 1996. Some 269 families lived in the community at that time, and their densely-crowded, make-shift houses were made from bamboo, timber, tarpaulins, tin sheets and thatch. The community could only be reached by crossing a rickety bamboo bridge (called *tay-tayan* in Cebuano, the the local language) across a drainage canal. As one community member recalled years later, "If you fell off those bamboo poles, you'd be in muck right up to your neck." This community, like the others on the 9.2 hectare site, had long faced problems of insecure tenure, eviction threats and flooding.

On February 5, 1998, during the tenure of a more supportive mayor, and after extensive advocacy and lobbying by the Homeless People's Federation, the city of Mandaue made the extraordinary decision to donate the entire 9.2 hectare site to the residents and declared it a social housing site. The LTHAI community, which occupied 1.6 hectares of the site, was included in the declaration. Three years later, in 2001, the five community associations within the 1.6 hectare area united into one association and registered themselves as a legal homeowners association, which they decided to call the Lower Tipolo Homeowners Association, Inc. (LTHAI). By then, all the families in the community were active savings members.

Fire: Fires are an ever-present danger in informal communities in the Philippines, where the houses are usually built very close together, of light and highly flammable materials, and fires can spread rapidly. In

1991, several houses in the community caught fire, but the people were able to contain the blaze, and the houses were soon rebuilt. Then in July 2007, another fire, caused by an unattended cooking stove, quickly swept through five communities in the Barangay Tipolo part of the 9.2 hectare site. This fire was much worse than the earlier one, and it changed the lives of the community people. The houses of some 600 families were burned to the ground, including almost the entire LTHAI community. The fire victims included both structure-owners and renters, leaving some 3,000 people homeless. The government provided some small cash assistance to the families of 6,000 - 7,000 pesos (US\$ 145 - 170), depending on whether the house was fully or partially destroyed, but this wasn't enough to rebuild the houses they had lost.

After the fire, the affected communities - including LTHAI - decided that instead of just reconstructing their shacks in the same place, they would use the fire as an opportunity to start from a clean slate and completely rebuild their settlement, in a proper way.

Initiating the project

After the July 28, 2007 fire at 7:45 in the morning, the five affected communities - including LTHAI - paid an emergency "courtesy call" to the mayor to propose that they be allowed to rebuild their houses on the same site, instead of being relocated. While these negotiations were going on the five communities remained separate community organizations. During this time, the 9.2 hectare site was facing another threat. The original donation deed had stipulated that the land should be upgraded within ten years or the government could take the land back. Since the land had been donated in 1998, that meant that the ten-year grace period would end in 2008, and unless the communities upgraded soon, they would lose their land. With this deadline looming, the LTHAI community and the Federation organized a meeting to unify the five communities affected by the fire and set a plan together. Because of its strong history of strong savings and organization, LTHAI was chosen to lead the five communities and the negotiations with the city.

The community leaders in LTHAI presented their active savings program to the city government, to demonstrate that even though their collective savings were not yet enough to rebuild their community, their members were ready to pool their resources and do the work they needed to rebuild their community. They pointed to the successes of the Federation's other communities who also had active savings programs, showing cases where urban poor communities had been able to access external loans using the community's savings as a guarantee. The mayor at the time, Mr. Jonas Cortes, heard the presentation by the community leaders and was impressed by their plans. The city government agreed to the residents' request to rebuild, as long as the housing projects would be done in accordance with the city's building and planning ordinances and other national laws. The city also pledged to support the community in its efforts, although they admitted they would not be able to provide much financial support. The positive response from the mayor gave a big jolt of inspiration to the community to start in earnest their project to completely rebuild their community, so it would be free of floods and fires in the future.

For LTHAI, the first step was to raise the level of the land a bit by filling in the swampy land. After persuading the 14 families who had escaped the fire to dismantle their houses, the land-filling work began. They started the land filling in August 2007 by collecting filling materials from the construction firm, using only their savings at first and a 200,000 peso (US\$ 4,900) grant from PACSII, the Federation's support NGO. Community members carried all the materials into the site on their backs - rocks, gravel, sand and soil. This was no easy thing, since there wasn't any road into the site and everything had to be carried over that rickety bamboo bridge. As one community member recalled, "We worked day and night, and all of us had blisters and cuts on our hands." Gradually, they were able to fill enough of the site for a makeshift road to be constructed into site. When the mayor came to visit the site in October 2007, he saw that the community badly needed a more proper entrance road and arranged for the city to upgrade the existing pathway and build culverts to channel the drainage canal around the road. With this newly viable road, heavy vehicles could now enter the site. Soon the community was able to get a loan of 4 million pesos (US\$ 97,560) from the Federation's own revolving loan fund. The loan allowed them to rent some big equipment to speed up the land-filling process. The next step was to survey the 1.6 hectare site and collectively develop a proper subdivision plan, with 243 row house plots of 32 square meters each, and affordable house model plans. Details of the design and construction process are described below.

SUPPORT GROUPS AND PROJECT PARTNERS

NOTE: In many parts of the world, "Inc." after a name means that the organization is a for-profit business or a corporation. But in the Philippines, registering with the Securities and Exchange Commission and getting an "Inc." after your name is the only way for community organizations, homeowners associations,

NGOs and other non-profit entities to obtain the formal status that allows them to legally open bank accounts, receive funds, own land and interact with the formal system in various ways.

- **Homeless People's Federation Philippines, Inc. (HPFPI)** is a national network of urban poor communities that was established in 1995 within the communities of scavengers who live around the Payatas garbage dump. The federation is now active in 20 cities and uses community-managed savings as the core strategy of a community-led development process which includes land acquisition, community upgrading, house construction, disaster management and partnership with government. The federation helped mobilize and organize the LTHAI community and supported the housing reconstruction project by helping raise funds from various sources to finance the site upgrading and housing construction.
- **Philippine Action for Community-led Shelter Initiatives, Inc. (PACSII)** is the Homeless People's Federation's NGO support partner, based in Quezon City and founded by the late Father Norberto Carcellar. PACSII worked closely with the Federation to assist in financing, negotiation and project management in the LTHAI project.
- **Technical Assistance Movement for People and Environment, Inc. (TAMPEI)**, set up in 2010, is the federation's technical support partner. TAMPEI's community architects and engineers use participatory mapping, planning and design techniques to help communities develop their housing and upgrading projects. TAMPEI provided technical assistance during the planning and construction of the project.
- **Slum Dwellers International (SDI)** provided a collective housing loan to the community, from its Urban Poor Fund International (UPFI), which partly financed the house construction.
- **Homeless International (now called Reall)** is a UK-based agency which supports the development of self-reliant housing projects in slum areas in Asia and Africa, with various kinds of financing assistance, including its Community-Led Infrastructure Finance Facility (CLIFF). Cliff partnered with PACSII to finance the development of LTHAI's water supply and sanitation infrastructure. The funds from CLIFF came as a grant to the Federation's Urban Poor Development Fund, which then channeled the funds as a low-interest loan to the LTHAI community.
- **Asian Coalition for Housing Rights (ACHR)** is a regional coalition of community organizations, NGOs and housing professionals around Asia supporting community-led housing. ACHR has partnered with the Homeless People's Federation and other groups to strengthen the processes of people-driven housing in the Philippines, through the exchange of knowledge and experiences, both within the country and with other countries in the Asia region.
- **Asian Coalition for Community Action (ACCA) Program (2009-2015)** was a 5-year program of ACHR that supported a process of citywide and community-driven slum upgrading in 215 Asian cities, in 19 Asian countries. ACCA provided a loan to the community to partly finance the roofing and second floor partitions in 120 of the houses, through its regional revolving loan fund.
- **Selavip Foundation** is a Belgium-based charitable foundation, which has supported many pioneering community-driven housing initiatives in Asia over the past 40 years. Selavip partly supported the construction of 32 houses in the project for very poor families in the community.
- **Academic institutions** were also involved in supporting different aspects of the project. Technical professionals from the University of San Carlos (Architecture Department), the San Jose Recoletos and the Cebu Institutes of Technology advised the community on what materials to use and facilitated the various technical workshops that were conducted with community members. Besides helping the community to develop the project design, this partnership allowed the students to be exposed to actual construction practices and get on-the-job training.
- **The Mandaue City government** supported the LTHAI community throughout the project in many ways.

LEGAL FRAMEWORK OF THE PROJECT

The Urban Development and Housing Act of 1992 is a national law that lays down urban poor communities' rights to decent housing. There is a provision in this law that states that demolition and eviction should only happen after consultation with the affected communities and only if there is an available relocation site for the families. However, the same law qualifies this provision with a cut-off date: "new squatters" or informal settlers who built their houses after the act became law in March 28, 1992 can be evicted without receiving the benefit of national government housing programs, with the only recourse of these people to rely on the local government's willingness and capacity to provide financial or relocation assistance. Fortunately, the LTHAI community was surveyed in late March 1992, so they remained protected against summary evictions.

Collective land tenure:

In 1998, the city government donated the entire 9.2 hectare site to the informal settler communities who were already living there. 1.6 hectares of this land was donated to the LTHAI community. By 2022, the ownership of the land was still legally with the city government, but LTHAI is in the process of transferring ownership of the land to the community association. During the construction process, when the land was still technically under city ownership, the city government provided a "Notice to Proceed", which allowed the people to redevelop their housing, even before the official transfer of ownership to the LTHAI community. The LTHAI community is requesting that the land ownership be collective, with the land title being under the name of the homeowner's association, to ensure that all the families will not be tempted to sell their lots and will be able to keep their houses and pass them on to their children.

Good support from the local government:

The Mandaue City Government has been a key partner of the Federation and the LTHAI community. Aside from donating the land, the site development and housing reconstruction could not have started without the approval of the city government, which they provided, through a memorandum of agreement with the community, to expedite the process, even when the community did not have the necessary permits yet. Without the city's help, processing these permits would have taken years. The city government also built meter-wide culverts and provided some heavy equipment to assist the community when they were installing their drainage system. The city government also provided support when some outsiders tried to encroach on the site and obstructed the progress of the project. The mayor and other city officials attended the ground-breaking ceremony at the start of the project, and the turnover ceremony at the project's completion, as well as many other events and meetings with international guests.

PROJECT FINANCING

Exchange rate in 2007: US\$1 = 41 pesos

Blending finance from many sources:

In a country where land and construction costs escalate almost daily, and where government finance for poor people's housing is hard to get, extremely slow-moving and never enough for both land and houses, the financial challenges of actually completing a community housing project like LTHAI were daunting. The Homeless People's Federation has become adept at using people's modest savings and resources from their own federation-managed funds to leverage a package of financial resources from different sources. The LTHAI project makes a good example of this masterful finance blending:

- **Land**, with a market value of US\$ 186,000, was provided free by the city government.
- **Landfilling** was done by the people, using their own savings, labor and a loan from the UPDF.
- **Labor and materials**: To reduce the cost of the houses, community members provided all the unskilled labor and manufactured all the interlocking compressed earth blocks that were used to build the houses.
- **Infrastructure** was financed by CLIFF, with technical support from the local government.
- **Core house loans** came from SDI's Urban Poor Fund International, via the Federation's national fund.
- **Supplementary loans** to finish the houses came from ACHR's Regional Loan Fund.
- **Medical students** at a nearby university donated funds to build two houses for the poorest families.
- People's own savings served as a kind of guarantee for all these external finance sources.

Project costs and who paid for what?

Land: The 1.6 hectare land in the LTHAI project (which has a market value of US\$ 186,000) was provided free to the community by the Mandaue city government, as a donation.

Infrastructure:

- **Landfilling:** The cost of filling the 1.6 hectares of land to above flood levels came to 4.2 million pesos (US\$ 102,440). The land-filling was partly financed by a grant of 200,000 pesos (US\$ 4,878) from PACSII, and a 4 million peso (US\$ 97,560) loan from the federation's Urban Poor Development Fund, given to the community at 6% annual interest and repayable within 5 years. The loan repayment worked out to 340 pesos (US\$ 8.30) per month per family, and was repaid within a few years.
- **Toilets and shared septic tanks:** The cost of installing private toilets and shared septic tanks (each tank shared by 4 houses) came to 1.25 million pesos (US\$ 30,487), which was financed by a loan from the CLIFF program, given to the community at 6% annual interest and repayable in 5 years. The loan repayment worked out to 103 pesos (US\$ 2.50) per family per month.
- **Water supply system:** The cost of laying a water supply system in the community (not including individual household meters) came to 1.56 million pesos (US\$ 38,050), which was financed by a loan

from the CLIFF program, given to the community at 6% annual interest and repayable in 5 years. The loan repayment worked out to 120 pesos (US\$ 2.93) per family per month.

- **Community pharmacy ("Botika"),** where community members can buy inexpensive generic medicines, was developed as a collaboration between the LTHAI community and the Health Department of the City of Mandaue, with funding from the city.

Houses:

The 137 two-story "starter" row houses the community people designed and built, using interlocking compressed earth blocks that they manufactured themselves, cost about 72,000 pesos (US\$ 1,530) each. Because construction materials prices kept rising sharply throughout the project period, the actual cost of the houses became a moving target, and the houses kept getting more and more expensive. The 169 collectively-built rowhouses were financed from several sources:

- **Loan from UPFI.** The main structure of the houses was financed by a collective loan to the community of 6.62 million pesos (US\$ 161,548) from the SDI's Urban Poor Fund International (UPFI), via the Federation's Urban Poor Development Fund. The loan, which worked out to about US\$ 1,000 per household (SDI's maximum loan amount), was given to the community at 6% annual interest and repayable in ten years. The monthly loan repayment worked out to 647 pesos (US\$ 16) per family per month, and the repayments revolve in the Mandaue City Federation's community fund.
- **Supplemental loan from ACHR:** 120 of the households also needed a little extra financing to build roofs and second floor partitions in their houses, and this was financed by a loan of 2.19 million pesos (US\$ 46,000 in 2010) from the ACHR Regional Fund, which was given at 4% annual interest and repayable in 5 years. The LTHAI community added a 2% margin for their own operational expenses, so the families paid 6%. The loan repayment worked out to 325 pesos (US\$ 8) per month per household.
- **People's own contributions from savings and labor:** The member families chipped in with most of the labor, according to a system the community worked out, and also made up for shortfalls with their own savings and resources.
- **Grant from Selavip Foundation:** A grant from the Selavip Foundation provided US\$ 500 to 32 very poor families in the community who could not afford the row-houses to build their own simple single-story houses within the LTHAI project.
- **2 houses donated by medical students:** A group of medical students from a nearby university put their own money together to contribute the cost of building two single-story houses, for the poorest families in the community, as selected by the community itself.

DESIGN AND CONSTRUCTION

Design process, house design, and layout plans:

The layout and house designs in the LTHAI project were developed by the community, in a series of design workshops facilitated by a team of community architects from PACSII and a group of young architects who had been working on some Federation housing projects in nearby Iloilo city. The first step was designing the houses. First the community members were invited to do some dreaming, and make drawings and models of what their "dream houses" would look like, how the rooms would be arranged, and what elements they would like to have in their new houses. The architects then worked with the people to make cost estimates for these "dream houses." From these estimates, the community members were able to get a rough idea of how big a house and what amenities that they could afford, within the US\$ 1,000 housing loan they had already lined up, from SDI.

After more rounds of design and costing, the community members came to an agreement that opting for a compact arrangement of two-story rowhouse, which could be upgraded incrementally, would allow them to squeeze as much living space - and as many families - as possible onto their limited land, and within their limited budget. The two-story row-house that the community people designed, with help from the architects, has 20 square meters of space on each floor, for a total of 40 square meters of living space. Since the loan funds were limited, the people agreed to build only the basic core structure of the houses, and each family would then provide their own doors, windows and finishes, as they were able.

Once the rowhouse design was finalized, the next step was to survey the 1.6 hectare site and develop a final subdivision plan. The LTHAI subdivision plan was drafted twice: once by a private firm and again by the city government's engineering office. The first subdivision plan, by the hired engineer, followed the plans proposed by the community people in the design workshops, with house lots of 36 square meters. When this plan was presented to the city government, though, the heads of the three departments involved in housing concerns (the Housing and Urban Development Office, the City Planning and Zoning Office, and the City Engineering's Office) told the community that with these large-size house plots, they would not be able

to accommodate all 245 fire victim families that were slated to be housed on the donated land. With the people's agreement, an engineer from the city's Engineering office drafted a second subdivision plan, which followed the people's layout ideas, but with slightly smaller house plots of 32 square meters each. This second subdivision plan, with 243 equal house plots, was finalized and became the basis for LTHAI housing reconstruction.

Housing construction:

With the subdivision plan now finalized, the community began preparing for the actual house construction, which was done collectively, in four batches. With support and guidance from the Federation and PACSII, the LTHAI community set up committees to oversee various aspects of the construction process and make sure the work was done well. One committee, for example, was tasked with surveying materials suppliers, finding the best deals and best quality and then buying the materials in bulk.

Using interlocking compressed earth blocks to reduce the house construction costs: After a lot of discussion with the technical team, the community decided to build their new houses with a durable and cost-saving system of compressed earth blocks (ICEBs), which the people could manufacture themselves, right there on the site, using a technology that the Federation had already tried in Iloilo. The ICEB system is 30% cheaper than conventional reinforced concrete construction, with walls made of hollow cement blocks purchase in the market. Why? Because the blocks eliminate the need for plastering inside and out, and because the blocks are load-bearing, the system requires much less steel and less cement. After some careful technical checking by the PACSII engineers, they discovered that the soil in Mandaue - a beautiful pale golden soil - had the perfect composition for making very good ICEBs, as does Iloilo. They used this same very good soil for the land-filling, which compresses very hard and makes a good land base for the community.

Each house required 2,500 blocks, and initially, each block cost 13 pesos (US\$ 30 cents) to produce (including the paid labor and materials). To make the blocks even cheaper, and to reduce the paid labor inputs, the mothers in the community took over the block-making process and worked in shifts, doing much of the labor making the blocks themselves. During the construction, there were three block-making crews, which take turns making the blocks, using the three block presses in two shifts. Each machine could produce 350 blocks per day, so all three machines together could produce 1,050 blocks per day. So it took the women more than two full days to produce all the blocks needed for one house. The few paid workers in the block-making yard were boys from the community.

Using every trick in the book to bring down the cost of the houses: The people in LTHAI calculated that the actual cost of the fully-finished two-story rowhouse would be about 72,000 pesos (US\$ 1,7560). Initially, their only source of loans was SDI, and the SDI's loan limit was only about 47,000 pesos. That left a balance of 25,000 pesos to get from somewhere. The community went through a rigorous and on-going process of examining each element of the house design and seeing where they can cut the cost down. For example, the second floors were left unfinished, so people could use boards and plywood salvaged from their existing houses to make a temporary second floor, until they could afford to put in a proper second floor later. They also figured out ways to reduce the per-unit costs of the compressed earth blocks from 13 pesos to 10 pesos (US\$ 24 cents) by using their own free labor, using cheaper kinds of cement and a cheaper kind of steel for the wall reinforcing, and recycling the steel they use for slab formwork to use as roof beams. Through all these means, they were able to bring the cost of the houses in the first batch down to about 58,000 pesos (US\$ 1,400) per house.

The community-driven building process at LTHAI drew a lot of interest in Mandaue, and many groups came to visit and offer various kinds of support. Representatives from the city government visited the site regularly to check out the progress. Groups of local government officials from other cities also began organizing visits to the site and learning exchanges with the LTHAI community. Student interns from the local University of San Carlos came to help out in the construction work, as part of their construction practice curriculum, and also got involved in the ICEB block production. Other neighboring communities on the 9.2-hectare site were also curious and made frequent visits to LTHAI, getting inspiration that they could also redevelop their communities.

Within four years, all 169 rowhouse units had been constructed, and another 52 self-built houses were completed on the LTHAI site. The improvements to the houses continued, but everyone now had a home.

COMMUNITY AND PROJECT MANAGEMENT

Project Timeline:

- **1970:** First pioneering poor families settle on swampy land in the 9.2 hectare area of Mandaue.
- **1991:** A big fire destroys many of the houses in the community, but everyone returns and rebuilds.
- **1992:** Government surveys communities on the 9.2 hectare site; after survey, all the families are on the list and eligible for protections and assistance.
- **1998:** LTHAI starts savings. City government donates the 9.2 hectare land, to accommodate the urban poor in the city.
- **2001:** LTHAI formally registers as a Homeowner's Association with the Housing and Land Use Regulatory Board.
- **2007:** Another big fire burns entire LTHAI community, leaving only 14 houses untouched. Redevelopment process begins after the fire.
- **2009:** Construction of the first 14 houses in Batch 1 begins.
- **2010:** 14 houses in Batch 1 are completed, and construction of next 51 houses in Batch 2 begins.
- **2011:** Batch 2 houses are completed, and construction of next 61 houses in Batch 3 begins.
- **2012:** Batch 3 houses are completed, and construction of next 11 houses in Batch 4 begins.
- **2013:** Batch 4 houses are completed.
- **2016:** LTHAI receives funding support for its ongoing upgrading from ACHR's ACCA program.
- **2017:** Construction of 32 more houses begins, with funding from the Selavip Foundation.
- **2020:** 32 Selavip-supported houses are completed.

Project development and participatory process:

LTHAI started out as five different community associations, and all of them decided to merge into one after the 2007 fire. Since then, the community has functioned as a unified group. When any decision has to be made, a community meeting is organized, and the rule is that whatever is decided should coincide with what the majority of community members wants.

The entire project at LTHAI was community-managed and community-led, with good assistance from the Homeless People's Federation and from technical professionals along the way. The community members organized themselves into different committees tasked with looking after different parts of the construction process: the construction committee, the finance committee, the basic services committee, the building materials warehouse committee, and the materials purchasing committee. Community members and officers from the Homeless People's Federation managed all the finances, book-keeping and disbursement of cash for the collective purchase of building materials. When problems arose of construction materials being stolen, the community members took rotating shifts as night watch persons to guard construction materials in the warehouse.

For projects funded by the SDI loan fund, community members paid their contribution through sweat equity, which means each family had to pitch in a certain amount of physical work on the construction of the houses. Sweat equity was a requirement under the LTHAI project. For the 32 Selavip-supported houses, the families provided their equity in the form of cash, while community members were hired to work on the houses.

As the community initiated the housing project, they also sought help from various stakeholders. The Federation and PACSII assisted with the legalities of formalizing the LTHAI association and helping raise funding and financing for the project. Later, PACSII assisted the community with the technical and construction issues on-site. The local government provided assistance with permit application and approval, waiving some documentation requirements to speed up the construction of the much-needed housing. Several local schools and universities also assisted the project at LTHAI.

Post-project management:

With the project finished, the community had the big task of taking care of their own settlement. They set up their own cleaning and maintenance activities. They also had to follow the maintenance instructions provided by the technical staff. To ensure the safety of the beneficiaries and protect the structural integrity of the row houses, the beneficiaries who became part of the housing project were obliged to conform to the housing policies laid out in their agreement. Minor renovations were allowed, but the beneficiaries should report any renovations that do not comply with the policy or instructions of the engineers.

For financial matters, the Federation chapter in the area assists the Homeowner's Association. The Finance Committee of the Federation's chapter in the Central Visayas/Cebu region acts as a counter bank signatory.

It countersigns cash receipts and disbursements from and to the community. It also holds responsibility for bookkeeping and reporting to the Federation's National Office the amount of funds channeled to the region.

There were originally a total of 243 households in LTHAI, but for various reasons, several families have left the community. By 2021, 221 of the original households remain. When new community activities are implemented, the community comes together to participate.

IMPACTS OF THE PROJECT

The housing project at LTHAI has been showcased nationally and internationally, for its many innovations and struggles. Various local, national and international organizations visit the community, to learn and to exchange ideas with the community members. One of LTHAI's active partners, Water for Life, has provided training on disaster preparedness. Another partner, Tubig Pag-asa, supported the community's efforts to improve access to household water supply. The Cebu Doctor's University has conducted medical missions in the community, and the medical students pooled their own money to build houses for some of the poorest families in LTHAI.

LTHAI has become a learning hub. The project is often showcased by the Mandaue City government as a model for community-driven processes in social housing, and visiting representatives from other local governments and communities are often brought to see the community and talk to the people. The city government often conducts exposure visits and learning exchanges with the community members. Because of its large number of residents, LTHAI is often visited by politicians during election time.

Living on-site is also economically sustainable because all houses are accessible by roads, which puts the community at a strategic location. The members are able to set up small businesses (such as retail) in their own homes because it is easy for transport merchandise to reach them. These become sources of income that augment the members' earnings from working as vendors, drivers, and manufacturing workers. Private and business sector representatives have also come and visited the site to conduct their Credit Investigation (CI), and many members have received loan approvals after these assessments, showing that the community has transformed enough such that local creditors show increased confidence in members' capacity to pay. Access to these creditors provides financial lifelines to the Association's members which would otherwise not have been open to them.

Successes:

LTHAI started out no different from many other urban poor communities, with insecure tenure and squalid living conditions, but the community people were able to rebuild their community from scratch, using a collective and community-driven process, and the power of their collective savings. The project also makes a rare example of a case where the land for housing the poor is given free by the local government, and then the people managed their own housing on that land. In most cases in the Philippines, poor communities wishing to improve their housing and land tenure have to pay for everything: the land, the houses and the infrastructure, and that is a very heavy burden.

As the LTHAI community transformed itself from a dilapidated squatter settlement on swampy land to a beautiful housing project, the community's various projects have provided them with access to water and electricity, good paved roads and drains, a good waste management system and a park and a playground. Many of the children of LTHAI homeowners have grown up in a clean and healthy community and finished their studies now. The community members are no longer stigmatized because of their housing conditions and are full citizens of Mandaue.

Problems:

Flooding remains a recurring problem for the LTHAI community. In 2020, the community asked for support from the Department of the Interior and Local Government to deepen and widen the creek running beside the community, to accommodate a greater volume of water during the rainy season. The department sent an excavator truck to address the issue, but the flooding problems continue.

Another issue the community is still facing is the transfer of ownership of the land to the LTHAI association. Although the 1.6 hectare land occupied by LTHAI has been donated by the city government to the community - in principle and as stated in the signed Memorandum Of Agreement - the official land title is still in the city's name. One of the requirements for transferring the land title to the association is the payment of a "donor's tax", which is calculated at about 6% per year of the market value of the land, from the date of donation up to present. Under the law, the one who donates the property (the city government) should be

the one to pay this donor's tax. But the city has shown no sense of urgency to do so, even as the tax and penalties keep increasing the longer they wait. The long wait has led the community to even consider paying the donor's tax themselves. In 2015, the people even calculated how much the tax would be then, and figured out how much each community member would have to contribute to raise that money, if needed. But the amount was enormous and that effort stalled. The community continues to wait for the city to pay the tax.

Loan repayment has also been a serious problem. Some community members have fully repaid their housing loans, but many others are quite seriously behind, and pay only whatever amount they can. The Federation and PACSII have set up a number of loan recovery programs in the past, and the LTHAI community also charges a penalty of 1% of the monthly loan repayment, for those who fail to repay. But the community still struggles with making its monthly loan repayments. The economic crisis caused by the Covid pandemic has only increased people's financial instability. Since 2020, when the pandemic began, repayments have been paused. These loan repayment problems at LTHAI, as well as in other Federation projects in the region, has led the Federation and PACSII to be more careful with the loan contracts they make with communities, and are working to strengthen their community organizing strategies to prepare communities better to repay their housing project loans.

COMMUNITY STORIES

Mary Jane Sy ("Jane-Jane") is 47 years old and is a resident of LTHAI Batch 3 housing. She lives in her house with her mother, an older brother, a niece and a nephew. She has been a member of the LTHAI since 2001. She headed the construction materials procurement committee and ensured that all the purchasing rules were followed. *"I was assigned to the procurement committee. I was trained to conduct proper canvassing of materials suppliers and purchasing for the materials needed on the construction site."*



Edna Romero ("Ate Eds") is 44 years old and is an active member of LTHAI Batch 3. She is a mother of one. Her sister lives with her, along with her husband and child. She became a member of LTHAI in 2001 and is currently serving as the association's finance officer. *"I started as a volunteer for the Association, even before we partnered with the Homeless Peoples Federation Philippines Inc. I started volunteering in 2001 for the Federation. We were trained in accounting, procurement management, and making the ICEB blocks. Some members were trained to do mapping, but I did not participate in that. Instead of working for some income, I dedicate most of my time to this project."*

Vicenta Dela Cruz ("Ging-ging") is 53 years old, a housewife and mother of two. She lives with her husband, two children, one grandchild and a son-in-law. She is part of LTHAI Batch 2 and has been a member since 2007. *"This housing project looks very good to the eyes. It doesn't look like we are squatters anymore; it looks like a proper housing subdivision. In the past, we used to get rained on when we slept, and the smelly wastewater from nearby San Miguel used to be directed here, as though this area didn't matter."*



Senya Sanchez is 60 years old and part of LTHAI Batch 3. She currently serves as a member of the community's board of directors. She has lived on the site since 1989, and became a member of LTHAI in 2007. She is a mother of five and lives with her husband, children and grandchildren. Since her husband got sick and lost his job, her family has had difficulties repaying their debts. They are managing by selling coconuts. *"We are thankful to have a decent home and a decent road now. We are also thankful that we are still near the city center and haven't been evicted to a far-away site. We like how we live now. But many of us are facing problems with the repayment of our loans. The mayor praised our housing project, and our community is being used as a model for other communities. Recently, we requested the Department of the Interior and Local Government to widen our creek to solve*

the problems of drainage. They agreed and that's what they are doing now, they are excavating to make the creek deeper and wider."

Thelma Ocon is 57 years old and lives in her new house with her husband and several children and grandchildren. She is sometimes visited by other grandchildren whose parents are not living with her anymore. She has eight children and gave birth to the eighth child just one month after the great fire burned down the whole community in 2007. She has been a member of the LTHAI since 2007. *"There was a time when I applied for a consumer loan to buy a TV. The company sent someone to check on me and saw that I live in a proper housing subdivision, so they approved my loan request. Although I had just given birth when our rebuilding began, I helped to haul big rocks and even carried the ICEB blocks on my head. I really got tired! I would bring my little daughter with me, since I didn't have anyone to babysit her. I would bring her with me to the place where we made the ICEB blocks, since it was my turn to sieve the lime soil for making the blocks. It wasn't the best arrangement, but our work had to go on. One time, when I was distracted by the work, I saw my daughter eating some of the lime soil - I hadn't noticed!"*



Rosana Santillan ("Celeste") is 54. She is a beneficiary of the Selavip-funded housing in LTHAI. She is a mother of six. She and her husband still live with their children and grandchildren. She is currently the HOA's secretary and has been a member since 2007. *"There was a big difference when we finished the project. We are not easily frightened when there's fire since we are living in a concrete home now. There was a fire nearby before, but the houses were not affected. The fire was not able to cross. The steam/hot air got in, but still there was no fire. We can breathe now because we are not easily horrified when things like that happen."*

FOR MORE INFORMATION ABOUT THE PROJECT

This case study was written in January 2022 by Gino W. Raiz and Chara Mae Camacho, with contributions from community members Dometila U. Subang and Edna Romero, Gristina Ylanan and Ariel Sumanting and the federation's regional coordinator Leopoldo Mancio Chavez Jr., with editing help from Ericka Nava.

Please follow this link to see a Youtube film which tells the story of the LTHAI Community project:
<https://www.youtube.com/watch?v=TN649D-e1pg>

For more information about this project and other housing projects supported by the Philippines Homeless People's Federation, please contact:

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PHOTOS



This is what housing conditions looked like in the sprawling squatter settlements that occupied a meandering 9.2 hectare stretch of public land in the middle of Mandaue's industrial area.



The fire that quickly swept through the community in 2007 burned down the houses of 600 families, leaving some 3,000 people homeless.



This is what the site looked like in the aftermath of the fire, with almost all the houses destroyed, and only the swampy land remaining.



After the fire, the women in the savings group took the lead in organizing relief activities like distributing food, channeling municipal aid, helping to build temporary shelters and organizing community-wide meetings to discuss what to do. Though they had lost everything, everybody in the community wanted to stay and rebuild.



The first step in the LTHAI redevelopment was to fill in the swampy, flood-prone land to above flood levels. Because there was no proper road into the site, the community people had to carry all the fill materials (rocks, gravel, sand and soil) into the site on their backs, and everyone in the community pitched in.



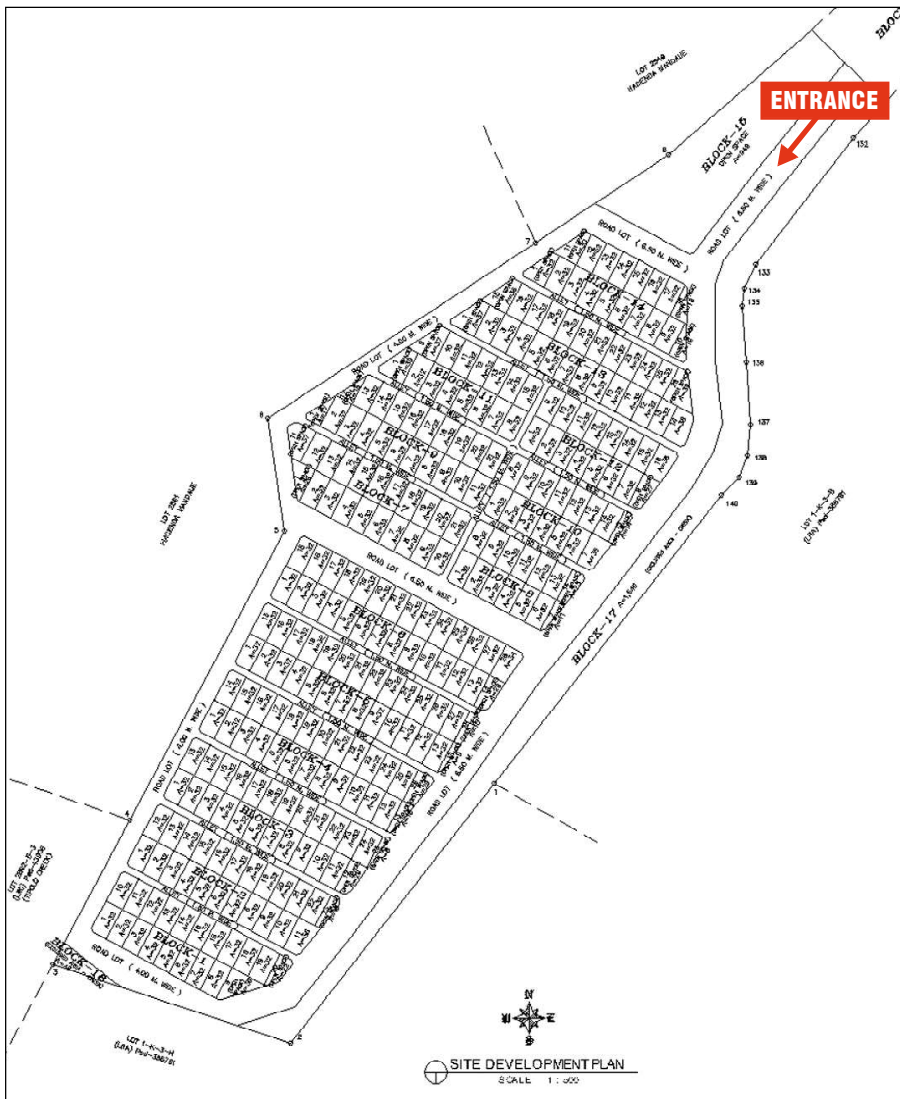
After the municipal government helped to upgrade the access road, the community used their savings and a loan from the Federation's national UPDF fund to hire big earth-moving equipment, which sped the land-filling up a lot. On the right, the final layer of soil is being smoothed on the top.



Some of the temporary shelters had to be moved around, to make way for the land-filling. Moving these wooden structures was no problem at all for this intrepid community, where everyone worked together.



Here the big earth-moving equipment has levelled the soil and everything is ready for the construction of houses to start.



▲ The architects discuss with the community how to design the sanitation and drainage infrastructure.



▲ A big poster of the layout plan was posted on the site throughout the construction process, to let everyone in the city know what the LTHAI people were doing.



▲ That's May Domingo-Price, who led the team of architects from TAMPEI who helped the LTHAI community develop their housing and layout plans, through a lively, participatory process.



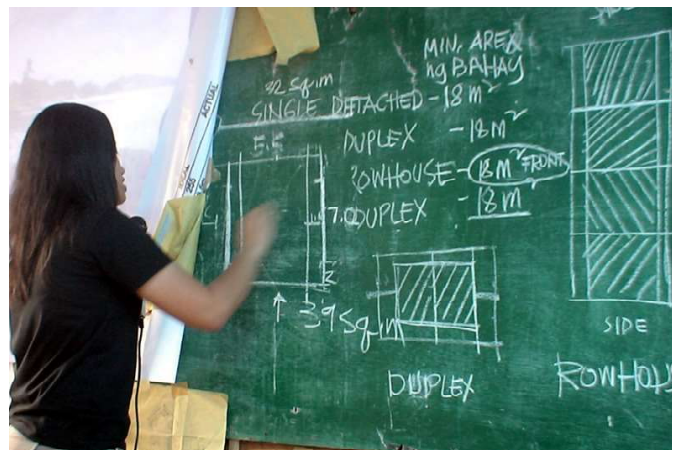
▲ When the time came to start designing the new houses, the first step was to let people draw up their dream houses, and then present what features they would like in their new houses.



After drawing up their dream houses, the next step was to make some three-dimensional models to understand better how the houses worked and how they fit together. Once again, the women and men divided into separate teams.



Here are a few of the house models the community people made of cardboard and colored paper, lined up so they can be looked at and talked about in one of the housing design workshops with the community architects.



Once the community people had come up with a few house model ideas everyone liked, the team of community architects (with help from architecture students from a local university) helped translate the people's ideas into a set of more formal models, drawings and area calculations.



These are some of the models the architecture students made, based on the houses the community people had designed, which included some of the features they liked.



The next step was calculating the cost of the various house models, and here the dreaming met the reality of limited budgets and rising materials costs. To keep the whole construction within the US\$ 1,000-per-house loan limit, the community settled on a simple two-story rowhouse design.



Here (above) is another model made by the architects which shows the final rowhouse design the people all agreed to. The same house for everyone. And here (right) is what one of the finished houses looked like, as the construction was under way.



(above left and above right) Making the concrete platforms around the communal hand-pumps, to make it easier for people to get water and have a place to bathe and wash clothes.



Before the construction began, it was important to lay a good storm drainage system around the site. The people did all the work themselves, with supervision from Noel, the engineer from PACSII.



Everybody joined in the project to lay the storm drains, including the community children, who helped carry blocks and materials.

Here is one completed section of the storm drains, which were designed with removable covers, so the drains could be easily cleaned out.



May Domingo-Price explains how Mandaue's golden colored local soil turned out to be perfect for making the compressed earth blocks (CEBs)



The community people made all the blocks that were used in the project, with the women in charge, and some of the community boys getting jobs to help make the blocks.



The three block-making machines at LTHAI could produce 1,050 blocks per day, with three teams alternating in two shifts.



Here the blocks are stacked after curing, ready to be used. Each rowhouse required 2,500 blocks, and making them was quite a job.



Some clever fabricator rigged up this cart for carrying the CEB blocks to the construction site, which was a few hundred meters away.



The ground-breaking ceremony to begin construction was presided over by the Mayor of Mandaue and the Captain of Barangay Tipolo.



Mother power in LTHAI: the poster reads in the local Cebuano language, “Squatters no more - Designing our homes now”.



That’s what the LTHAI site looked like when the land had been completely filled, levelled and blessed, and was ready for the construction.



Digging the trenches for the foundations was another labor-intensive task, which the community members all helped with.



Here the trenches for one row of houses have been dug and are ready for the construction of the foundations to begin.



That’s Noel, the good-natured engineer from PACSII who helped with the technical aspects of the LTHAI project from start to finish.



These are the Kotek septic tanks which the community people opted to use, at the back of the houses. Each tank serves four houses.



Here the foundation and plinth of a row of houses is finished and ready for the construction of the walls to begin.



The CEB blocks are load-bearing, so there isn't any need for expensive reinforced concrete frames. That made the construction much cheaper, simpler and faster. The blocks are reinforced with a little steel and cement, as can be seen in the photo above (right).



Building the walls with CEB blocks: The blocks have a natural golden color, which comes from the local soil in Mandaue, and they are hard enough and durable enough that they don't have to be plastered or painted, inside or out. They do have to be protected from water though.



More photos of the rowhouses at LTHAI being built, by a few skilled masons and carpenters, and lots and lots of contributed community labor.



Here's a lovely photo of one almost-complete row of houses in LTHAI, with the strong Philippine sun shining on them, bringing out the golden color of the blocks and the bright red roofs.



A ceremony in February 2011 to go with the loan from ACHR's ACCA program, which helped the community to finish the roofs. Father Norberto Carcellar ("Father Bebot"), on the left, was the Federation's greatest champion.



The price of materials kept rising throughout the construction process at LTHAI, making it harder and harder to build the houses within the limited loans available, so the people had to keep finding ways to cut corners.



Here one of the construction teams is putting up the steel roof structure on one of the houses, which will then be covered with those red roofing sheets. The CEB block walls which divide the houses have to be protected from rain and damp on the top by these steel covers.



This little quarter-sized model of the house was built early on, and was there to cheer everyone up and remind them what was coming.



The mayor in front of the community pharmacy ("Botika") that was built in the community, in partnership with the Municipal Health Department.



Even the cheering welcome sign at LTHAI was cunningly built from the same golden-colored CEB blocks used throughout the project.



Later on, the community people put up a sturdy gate at the community's entrance, and it came in very handy during the Covid lockdowns.



Some photos from visits to the LTHAI community in 2011 and 2012, when the project was still in its toddlerhood.





Some photos from March 2012, when a group from the Urban Poor Coalition Asia (UPCA) paid a visit to LTHAI. The tour included a peek inside some of the lovingly-decorated and gaily-painted inside rooms.



A few families have opted to plaster the inside walls of their houses for a smoother finish, even though the CEB blocks are strong enough to be used without any protective or decorative coating.



Here are a couple of the single-story houses built for members of the community who couldn't afford to take on a big housing loan - some built partly with grants from the Selavip Foundation.



Some metered municipal water connections have been provided to the LTHAI community by Tubig Pag-Asa, another local NGO.



The LTHAI community even has its own chapel, in the heart of the community, built from the same CEB blocks the people made themselves.