

Shelter Design and Development Program

Enhancing the Delivery of Viable Medium Rise Public Rental and Private Housing for the Urban Poor and Low-Income Households

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1. Shelter Situation Analysis

1.1 Basic General Data

Geography and Administration

The Philippines is an archipelago of some 7,100 islands with an area of about 300,000 square kilometres and lying about 500 mi (805 km) off the southeast coast of Asia. It has a hot, humid, tropical climate with an average yearly temperature of 26.5°C (79.7°F). The country is divided into three geographical areas: Luzon, Visayas, and Mindanao. It is further divided into some 16 regions, 81 provinces, 118 cities, 1,510 municipalities, and 41,994 barangays. The National Capital Region (NCR) or Metro Manila is the center of government which comprises 14 cities and 3 municipalities.

The Philippines has a presidential form of government, headed by the President and a bi-cameral Congress composed of a Senate, serving as the upper house and a House of representatives serving as the lower house.



Map of the Philippines

Demography and Health

The Philippines ranks 14th in the world in terms of population, registering 76.504 Million as of May 2000 based on the 2000 census data, with almost equal males and females. Said figure registered higher by 10.31 percent (7.89 Million) from the 1995 census and was 10 times the Philippine population in 1903 when the first census was undertaken.

Of the total 16 regions, 7 are in Luzon, the biggest group of islands, wherein more than half (55.97%) of the total population resided. Of these 16 regions, the NCR ranked second with a population of 9.932 Million accounting for 12.98% of the total population. Manila, the country's capital, is the 11th most populous metropolitan area in the world.

The average annual growth of the Philippines had reached a steady rate, registering 2.35% from 1980-1990 and 2.36% from 1990-2000. Given the said trend, the population of the Philippines is expected to reach 100 Million in 14 years and is expected to double in 29 years¹.

Translated into density, the Philippines' density in the year 2000 was 255 persons per square kilometer. The NCR, however, ranks first of the 16 regions with an average density of 15,617 persons per square kilometer.

Here are some basic facts and figures on the Philippines:

Demography	2000
Total Population	76,504,077
Density (persons per square kilometer)	255
Growth Rate	2.36%
Average Household size	5.0
Health and Vital Statistics	2005-2010
Crude birth rate (per thousand population)	22.80%
Crude death rate (per thousand population)	5.48%
Employment	April 2007
Unemployment	7.4%
Underemployment	18.9%
Family Income and Expenditure (at current prices)	2003
Annual Average family income	147,888

¹ NSO Press Release October 16, 2002. *Philippines: Population Expected to Reach 100 Million Filipinos in 14 Years.*

Annual Average Family Expenditure	123,690
Annual Average Family Savings	24,198
Poverty Threshold	2006
Monthly	PhP 6,211.00
Annual per Capita	
Urban	PhP 17,035.00
Rural	PhP 14,123.00

Source: NSO Quikstat, January 2008

Economy

The Philippines was less severely affected by the Asian financial crisis of 1998 than its neighbors, aided partly by its high level of annual remittances from overseas workers, low foreign-fund inflows, and its existing agriculture-based economy, prior to the crisis. From a decline in 1998, GDP expanded, but slowed to 3.2% in 2001. Average GDP growth accelerated to about 5% between 2002 and 2006 reflecting the continued resilience of the service sector, and improved exports and agricultural output. The implementation of the expanded Value Added Tax (VAT) in November 2005 boosted confidence in the government's fiscal capacity and helped to strengthen the peso, making it East Asia's best performing currency in 2005-06. The government forecasts the economy to grow at 9% by 2009.

Despite the growing economy, it will take a higher, sustained growth path to make appreciable progress in the alleviation of poverty given the Philippines' high annual population growth rate and unequal distribution of income.

1.2 Shelter Related Fact and Figures

Housing Situation

Housing is said to have a multiplier effect of 16.6 times, which, when translated to into figures, show that every PhP 10 Billion worth of housing units constructed will result to a total contribution of PhP 166 Billion worth of economic activity for the country²³. It can be deduced that housing construction serves as a catalyst for economic growth and can consequently alleviate poverty.

Correspondingly, the government’s housing program was aimed at expanding shelter security to every Filipino family through the grant of security of land tenure, and the provision of socialized housing to landless and homeless urban poor families and low-cost/economic housing units for low-salaried employees.

For the year 2001-2004, the total housing needs was then projected at 3.624 million units composed of a total backlog of 2.073 million and new household requirements of 1.551 million. The great need for housing is most felt in the country’s thickly populated regions of the National Capital Region (1.06 million units), Southern Tagalog (0.6 million units) and Central Luzon (0.3 million units).

Against a total housing need of 3.624 million units for the four-year period, the housing sector targeted to accomplish 1.2 million units. This translates to an annual target of 300,000 shelter security units in the form of a lot, a house or a house and lot package.

The table below shows the 2001-2004 performance:

Housing Package	Target Households	Actual Accomplishments
Socialized Housing Packages (below P225,000)	880,000	501,419
Low Cost Housing Packages (P225,000-P2 million)	320,000	326,018
Total	1,200,000	827,437

Source HUDCC (as cited in the MTPDP 2004-2010)

²2004 figures based on HUDCC accomplishment report for the 2005 State of the Nation Address (SONA) of the President

The government programs included the Asset Reform Program, programs on slum upgrading, sites and services, land tenurial assistance, community land acquisition support, grants-in-aid for housing, cooperative housing, resettlement, emergency housing assistance, housing materials assistance, medium-rise housing (MRH) projects, and completed housing, and the Community Mortgage Program (CMP). The private sector through the Couples for Christ Gawad Kalinga 777 (GK 777) Project and the Habitat for Humanity Project provided a total of 8,979 units for the improvement of the plight of slum dwellers.

While the implementation of the government’s housing program is continuous, it seems that such efforts were not sufficient to ensure access to housing by the poor and low-income families, especially those in the urban areas. The Medium -Term

³ Medium Term Philippine Development Plan 2004-2010.

Development Plan for CY 2001-2004 disclosed that the bottom 40 per cent of both urban and rural households was forced to resort to informal housing or settlements in congested areas under poor living conditions due to poverty.

The table hereunder details the magnitude of informal settlers all over the country as of 2006 numbering to a total of 1,408,492, more than half of whom (76%) are found in NCR.

REGION	NO. OF INFORMAL SETTLERS (Households)	Percentage to Total
GRAND TOTAL	1,408,492	100.00
LUZON	1,074,061	76.26
NCR	726,908	51.60
Northern and Central Luzon	145,617	10.30
Southern Luzon and Bicol	201,536	14.30
VISAYAS	180,842	12.80
MINDANAO	153,589	10.90

Source: NHA 2006 data

The housing need in the country is estimated to reach a total of 3.75 million units by 2010. Demand for new houses for the said period, is 2.6 million of the total while housing backlog accounts for almost a million.

According to the MTPDP 2004-2010, the government is expected to provide shelter assistance to 1,145,668 households for the period 2005-2010. This is approximately 30 percent of the total housing need for this period.

Housing Package	Number of Units	Percentage Share
Socialized Housing (below P225,000)	780,191	68.10%
Low Cost Housing (P225,000 - P2 million)	365,282	31.80%
Medium Housing (P2 million - P4million)	195	0.01%
Total	1,145,668	100.00%

Source: HUDCC (as cited in the MTPDP 2004-2010)

Hereunder are other pertinent data on the housing scenario in the Philippines:

- Occupancy
 - Total Occupied Housing Units 14.981 Million
 - Single Units 87.73%
 - Multi-unit Residential 6.92%
 - Duplex 3.54%
 - Others (Commercial, Industrial, Agricultural,
 Institutional Living Quarters) 1.81%
- Floor Area per Person
 - Less than 10 m² 17.52%
 - 10-19 m² 23.45%
 - 20 and above 59.03%
- Household Size

- 1995 5.07 persons/household
- 2000 5 persons

Source: NSO Press Release October 16, 2002. *Philippines: Population Expected to Reach 100 Million Filipinos in 14 Years* NSO

Housing Tenure

It has consistently been every Filipino’s dream to own a house and lot. This has been viewed as the most valuable legacy a parent could give to his children. However, due to the rapid population growth, fast-paced urbanization, and the scarcity and ever-increasing prices of land for housing more particularly in Metro Manila, land security through property ownership as a primary means of resolving the housing problem has become very difficult. A recent survey by the Asian Development Bank shows that the incidence of renting has been specifically high in depressed areas of Metro Manila. In 6 cities or municipalities in the NCR where the proportion of depressed settlements to total land area is high, more than 50% of total population living in these settlements are either tenants or sharers.⁴

Of the total number of low-income and urban poor households in the Philippines in 2000, land ownership registered a total of 59.5%, respectively. However, for each income group, tenancy registered 64.4% and 62.8%, respectively. For Metro Manila, the figures register 34.9% and 36.9% for low-income and urban poor groups, respectively.

Rental Housing

In the year 2000, 38% of the total number of occupied residential housing units in the Philippines is owned, while 42% are rented.

The tables hereunder provide additional information on the rental housing scenario in the Philippines.

Proportion of Tenants by Income group and Type of Rental housing

Income Group	Residential			Non-Residential (Commercial/ industrial/agricultural bldg/house)	Total
	Single house	Duplex	Apartment/ accessoria/condo/ townhouse		
URBAN PHILIPPINES					
Low-income *	85.1	5.8	9.1	0.03	100.0
Poor	92.0	4.4	3.7	-	100.0
Middle-&- High-income	68.1	6.1	25.7	0.1	100.0

⁴ Metro Manila Urban Services for the Poor (MMUSP) Survey, 2002

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All	78.6	5.9	15.4	0.05	100.0
METRO MANILA					
Low-income *	64.4	10.0	25.4	0.2	100.0
Poor	69.9	9.9	19.7	0.5	100.0
Middle-&-High-income	57.0	7.2	35.8	0.1	100.0
All	60.5	8.5	30.8	0.1	100.0

Source of basic data: FIES 2000

Distribution of Households by Tenure and Income group, 2000 (in percent).

Tenure	All Income Groups	Low-income	Urban Poor	Middle-High-income
URBAN PHILIPPINES				
Owner	25.1	29.1	30.4	20.4
Tenant	69.6	64.4	62.8	75.5
Sharer	5.4	6.5	6.7	4.1
All	100.0	100.0	100.0	100.0
METRO MANILA				
Owner	64.1	55.9	51.4	69.5
Tenant	29.4	34.9	36.9	25.7
Sharer	6.6	9.3	11.7	4.8
All	100.0	100.0	100.0	100.0

Based on UNCHS definition, tenure arrangements in the Philippines has been classified as follows:

Owner - Own House & Lot, Own House & rent-free Lot w/o consent of owner

Tenant - Rent House and lot, Own House & rent Lot, Own House & rent-free Lot w/ consent of owner

Sharer - Rent-free House & Lot w/ or w/o consent of owner

Source of basic data: FIES 2000

Access to and Cost of Basic Services/Infrastructure

In 2000, studies show that an average of 22.2% of the combined population of the low-income and urban poor households in Metro Manila does not have direct access to water supply. Of this same number, 40% however, have their own water connections to the community water system, which are provided either of the two existing private water concessionaires.

Said data further reflect that water –sealed toilet facilities were exclusively used by 83% of the same population, followed by 4.5% who had closed pits. Despite this number, 7% of the urban poor population who are house owners still do not have their own toilet facility.

The table hereunder details the above information:

Housing Facilities of the Low-Income Group, Metro Manila (in percent)

	LOW-INCOME		URBAN POOR	
	OWNERS	TENANTS	OWNERS	TENANTS

Source of Water

Own use, faucet,	45.0	46.1	33.6
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community water system				35.1
Shared, faucet, community water system	28.8	33.5	35.0	42.9
Own use, tubed/piped well	1.3	0.4	1.4	0.8
Shared, tubed/piped well	1.3	0.9	1.3	1.2
Dug well	0.6	0.3	1.6	-
Spring, river, stream, etc	-	-	-	-
Rain	-	-	-	-
Peddler	23.1	18.7	27.1	19.9
<i>Toilet Facility</i>				
Water sealed	88.2	87.0	79.9	77.5
Closed pit	3.7	4.3	3.8	6.2
Open pit	0.9	1.0	1.0	1.5
Others (pail system, etc.)	4.6	6.0	8.3	9.6
None	2.7	1.7	7.0	5.3

Source of basic data: FIES 2000

1.3 Housing Policy

Cognizant of the crucial need to address the ever-increasing housing demand, most specifically in Metro Manila, vis-à-vis the scarcity and the rapid increase in terms of land valuation of urban prime land, rental housing, similar to other developing countries, has been considered as a vital strategy in resolving the housing problem. Parallel to this, the consistent increase in the urban population either through migration or through natural increase has been absorbed to a large extent by the rental market.

In 1992, the Urban Development and Housing Act (Republic Act 7279) became into law, which provided, among others that the NHA, together with all local government units, shall jointly identify sites for possible socialized housing development. Said law further provide that the NHA, with respect to lands belonging to the national government, and the LGUs with respect to lands within their respective localities, shall coordinate with each other to formulate and make available various alternative schemes for the disposition of lands to the program beneficiaries, which shall not however, be limited to those involving transfer of ownership in fee simple, but shall include lease with option to purchase, usufruct, or such other variations.

In the succeeding years, the government, being aware of the pressing need to immediately address the housing problem in the urban area, passed Republic Act

(RA) 7835 more commonly known as the “Comprehensive and Integrated Shelter Financing Act (CISFA) of 1994”, basically aimed to maximize utilization of scarce, high-cost urban land and to augment the current rental housing stock. Among the salient provisions of said Act was the identification of the Medium Rise Public and Private Housing jointly as one of the vital components of the National Shelter Program requiring government budgetary assistance, with NHA as the agency tasked to formulate the policies and guidelines pertinent to the implementation of both programs. Said Act further provided an amount of PhP 3.0 Billion as subsidy allocation for the acquisition, construction and implementation of the Programs.

The law’s Implementing Rules and Regulations defined Medium Rise Housing as 3 to 5 storey residential buildings in high density urban areas. It further provided that Medium Rise Public Housing is intended primarily as an in-city relocation alternative for families affected by relocation activities and that disposition shall be purely through lease, depending on the affordability of the intended beneficiaries. Medium Rise Private Housing, on the other hand, is intended primarily to provide housing option to low-income families and to provide additional rental housing stock in high density urban areas. It shall be those constructed by the private sector under a joint venture scheme with NHA or other workable arrangements, for disposition through direct sale or lease, likewise depending on the affordability of the identified market.

1.4 Actors in Shelter Delivery and their Roles

The actors in the Government’s shelter delivery comprise mainly of two groups, enumerated as follows:

1. Government Sector

- a. The Shelter Sector headed by the Housing and Urban Development Coordinating Council (HUDCC), created thru Executive Order No. 90 and is the highest policy making and coordinating office on shelter. It is an umbrella organization which originally consisted of four (4) shelter agencies, namely: the National Housing Authority (NHA), the Home Guaranty Corporation (HGC), National Home Mortgage Finance Corporation (NHMFC), and the Housing and Land Use

Regulatory Board (HLURB); three (3) funding agencies); seven (7) government support agencies, and two (2) private sector representatives consisting of Non Government Organizations (NGO) and private developers.

b. Local Government Units and other support agencies

2. Non-Government Organizations (NGO's)

There are 2 most active NGO's assisting government in its shelter delivery to the low-income homeless population of the country, namely the Habitat for Humanity Philippines and the Gawad Kalinga. Both aimed to eliminate poverty housing and homelessness by building simple, decent homes with economically disadvantaged Filipino families, one of the common features of both organizations is the required "sweat equity" to be provided by the prospective household beneficiary.

Donations coming from and partnerships with various local and international individuals, corporations, and other government and non-government institutions have enabled both organizations to provide shelter approximately 30% lower in cost than that provided by government.

Partnerships made by these NGO's with various private construction companies allow them to utilize innovative materials and technologies, thereby enabling them to come up with more affordable housing units.

Government, on the other hand, generally adopts the conventional "post and beam" construction methodology as its utilization of available construction technologies patented or licensed in the names of private companies would have to undergo the prescribed bidding process for purposes of transparency and likewise, to avoid monopolization of a specific technology.

1.5 Shelter Design

Housing design and construction in the Philippines is basically anchored on the provisions of the National Building Code, the Structural Code, the Sanitary Code, the Electrical Code, and other pertinent laws like the Accessibility Law and Presidential

Decree 957 regulating the sale of subdivision lots and condominiums. Additional planning considerations are existing local zoning regulations and ordinances.

However, planning and design specifically for low-cost housing (both economic and socialized) is covered by the standards embodied in Batas Pambansa (BP) 220 which prescribes the minimum size of a lot to be 32.0 square meters, while that for a housing unit in multi-family dwellings to be 18 square meters. Once a plan for a low-cost housing project is completed, permits and other licenses are needed to be secured prior to the project's actual implementation.

Pursuant to the provisions of RA 7835, the main thrust of government in resolving the housing problem in Metro Manila is through the Medium Rise Housing Program.

2. Organization

Since its creation in 1975 by virtue of mandates under PD 757 dated 31 July 1975, the NHA, categorized as a government-owned and controlled corporation (GOCC), had continuously developed and implemented a comprehensive and integrated housing program which embraces, among others, housing development and resettlement, sources and schemes of financing, and delineation of government and private sector participation. Under EO 90 dated 17 December 1986, NHA was further mandated as the sole national government agency to engage in shelter production focusing on the housing needs of the lowest 30% of the urban population. In order to assess its performance in each of its programs, monitoring of 3 critical performance areas are being periodically undertaken, namely: (1) Production, (2) Sales and Disposition, and (3) Collection.

At present, it has some 1,600 employees, deployed all over the country. Of this number, approximately 30% are detailed in Metro Manila. Further categorizing its workforce, 13.2% are in the managerial positions, 38.3% are technical employees, and the remaining 48.5% are occupying administrative positions.

The NHA takes pride in its employees, who approximates an average age of 45 and who have mostly spent their prime years with the corporation. These employees, having possessed the invaluable experience gained in their work, may now be considered masters in their specific fields in relation to housing production/delivery. Considering the ever-increasing housing problem in the country, there is a pressing

need to augment the corporation's workforce by infusing young employees with fresh ideas. In doing so, the expertise could be passed on and the housing delivery would surely be enhanced.

3 Shelter Problem

After the passing of RA 7835 in 1994, government, in 1995, has embarked on massive medium rise housing (MRH) development as a major strategy in resolving the housing problem in the urban area. Policies to address the intents and purposes of the law were formulated. Parallel to this, NHA was directed to undertake the planning and implementation of these housing projects taking into consideration the following:

1. the availability of idle government properties considering that said properties would be less expensive in terms of cost and that the acquisition of these properties would no longer be required; and,
2. the maximization of the utilization of the available properties

Although the above factors were taken into consideration, the pre-feasibility studies for the projects were not thoroughly undertaken.

The preparation of pre-feasibility studies involves the participation of various disciplines. Ideally, the study being undertaken by NHA involves the following steps:

1. The conduct of socio-economic survey of the target beneficiaries to be undertaken by livelihood and community relations personnel, as NHA has no marketing office or department.
2. Based on socio-economic data, possible sites for development will be evaluated as to suitability and legality by the technical staff of the Program Office of the National Capital Region (PO-NCR) of NHA.
3. If the site is found to be feasible for development, schematic plans and cost estimates will be prepared by the technical staff of the PO-NCR.
4. The financial analysts shall undertake the financial study, specifically, the resulting selling prices of the units to be generated, the total generated revenue, and the projected return on investment.

However, the identification and assessment of the target market, together with their needs and affordability, the recovery of project investments, the forms of shelter security, and the maintenance of the constructed units after occupancy, to name a few, were not thoroughly assessed before the massive construction of medium rise buildings were undertaken.

Furthermore, some deviations from the provisions of the law during the program's implementation were also noted, to wit:

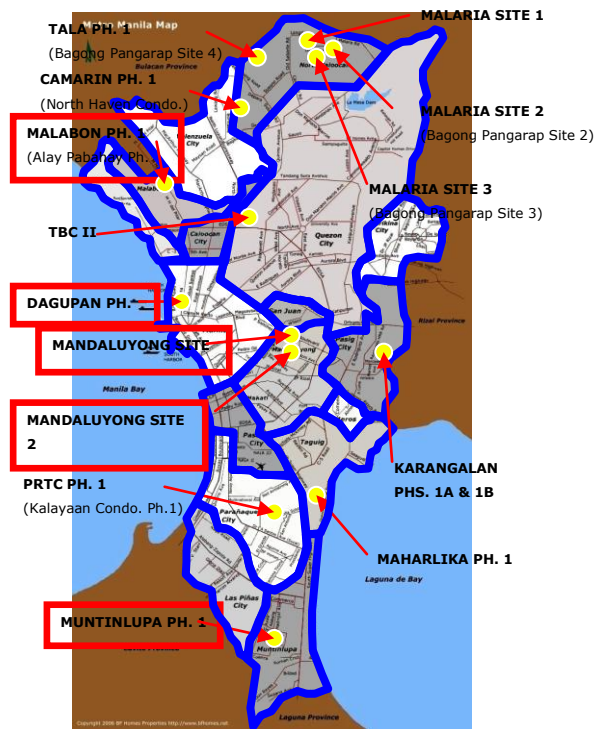
1. The bidding out by NHA with private construction firms of all projects implemented. As such, all these projects should have been categorized under the Medium Rise Private Housing whereby the disposition of which should be purely through direct sale;
2. The adoption of standard prototype buildings for the varied markets.

It was only during implementation, when a comprehensive financial analysis was undertaken, that the projected selling prices of the units showed the resulting monthly amortization payments for the units to be unaffordable. It was then that a recommendation was made for the units to be disposed through a lease arrangement for the first 3 years and eventually, for conversion to sale through mortgage takeout with government financing institutions. This was based on the assumption that the economic capability of the lessees would somehow improve in the next 3 years and their paying capacity would have increased.

Hereunder is the status of the completed units: .

1. Some 15 projects generating 3,497 units have been completed since 1997, some 65% of which have been disposed (41% are presently occupied by formal sector families, 24% are occupied by previous informal settler families). The remaining 35% have remained undisposed due to problems on titling and compliance to various documentary requirements for the mortgage takeout of the units.
2. The occupied units averaging a cost of \$8,000.00 for a 24.0 square meter floor area are still under lease and are proposed for conversion into sale. However, much resistance from the families are experienced since said conversion would require them to pay approximately \$667.00 as initial down payment.

- Reckoning the 3-year initial lease period, 90% of the total awarded units have expired contracts of lease and collection records show that 42% have rental arrears of approximately more than 3 years.



Location Map of Completed MRH Projects in NCR

Another vital data for consideration is the fact that government shoulders the cost of maintenance of the units since these are still under lease.

The NHA is now intending to convert the disposition into sale of the units constructed on properties with clean titles and have those constructed on properties with problems on titles, as well as the units awarded to the informal sector, disposed under a purely rental scheme.

Proposal for change and improvement

Although many factors directly contribute to the viability of the MRH program, this proposal intends to enhance the delivery of viable public and private medium rise housing for the urban poor and low-income urban families by means of strengthening the most important aspect in the preparation of a project feasibility study – the marketing capability of NHA for its future MRH projects. This particular aspect is

most important considering that the data generated from a comprehensive market analysis would provide information vital in coming up with the right product and ultimately, a viable program. These data shall be the determinant of the housing models, the modes of disposition, the selling prices, the project's cost recovery and the maintenance of the MRH units to be produced.

Since NHA is basically tasked with the production of socialized and low-cost housing, it presently has no department or office which handles the marketing aspect of the MRH units generated. The hiring of new personnel with such expertise is somehow constrained given the passage of the law requiring all government agencies to rationalize their existing manpower given their mandates, programs, and targets, except on instances when the same may be considered meritorious.

This proposal recommends the creation of a strong marketing arm for NHA either through the conduct of an intensive training for its existing personnel or securing such services from marketing experts through contract-out arrangements with private companies. Such arrangement is presently adopted by NHA in its collection efforts in select projects. A remarkable increase in its collection efficiency can be attributed to this arrangement.

Likewise, the subject proposal recommends the conduct of close coordination activities with the varied government agencies involved in the disposition of the units such as the Home Development Mutual Fund or Pag-ibig Fund and the Home Guaranty Corporation, specifically in the identification of the documentary requirements and the hastening of the entire disposition process.

In order to support the proposal, an assessment of the existing MRH policies and procedures, specifically in terms of the "matching of the product with the market" shall be initially be undertaken.

The short-term objectives of the proposal are as follows:

- To be able to optimize the cost and the use of existing MRH projects by conducting a post socio-economic survey of the existing project awardees' affordability vis-à-vis existing policies and procedures
- To improve existing conditions of MRH by assessing existing problems in terms of maintenance, quality, security, etc.

- To come up with a more segmented market categorization vis-à-vis varied and suitable MRH units to be produced
- To learn from existing projects and there from develop marketing policies for future MRH projects

The long-term goal shall be as follows:

- To be able to come up with a monitoring system based on periodic assessments of the program
- To be able to formulate policies adaptable to the viability of the program at a specific period

As the Head of the Planning and Development Unit of the Program Office, National Capital Region of NHA, I am primarily tasked, among others, to supervise the preparation of all pre- feasibility and feasibility studies and, likewise develop all plans for projects undertaken in the said region, to include MRH projects. As such, I would come up with a position paper for Management's approval on the recommendation for the strengthening of NHA's marketing capability given the data generated from the study.

Methodology of data gathering

A post socio-economic sampling survey shall be undertaken on select NHA projects with awardees of varied market segments. The instrument shall basically deal on the residents' specific data and profile, to include the following:

1. Poor/low-income families as current tenants in different categories

Profile of the families in terms of

- total family income, affordability, location, family size, needs and requirements (infrastructure, size of units, number of rooms, etc), preferences, improvements required on occupied units, etc, current problems: social, security, financial, maintenance, etc.

2. Poor/low-income families as target awardees in different categories

Profile of the families in terms of

- total family income, affordability, location, family size, needs and requirements (infrastructure, size of units, number of rooms, etc), preferences etc.

Initially, the projects identified for inclusion in the study are as follows:

1. two (2) projects used as relocation sites for informal settler families:
 - a. Maharlika Project in Taguig- NHA-owned property where 480 units were generated and are now occupied by Muslim families who houses in Quiapo, Manila were razed by a fire in 1996;
 - b. Mandaluyong Phase 1 Project – property owned by the City of Mandaluyong where 60 units were generated and are now occupied by families who were previously residing on the adjacent privately-owned lot;
2. one (1) project presently occupied by an identified market:
 - a. Muntinlupa Phase 1 Project – property owned by the City of Muntinlupa where 240 units were generated and are now occupied by employees of the Local Government of Muntinlupa
3. three (3) projects presently occupied by formal sector families:
 - a. Karangalan Phase 1A in Pasig – NHA-owned property where 600 units were generated
 - b. PRTC Phase 1 Project in Pasay City – NHA-owned property where 300 units were generated
 - c. Bagong Pangarap 2 in Caloocan City – NHA-owned property where 120 units were generated

Surveys in projects under the similar aforementioned categories, but were implemented by different agencies shall likewise be undertaken (ex. Pasig River Rehabilitation Commission Resettlement Project in Taguig, AFP MRH Project in Taguig). Clearance from the responsible agencies shall, however, be secured prior to the conduct of survey.

In order to be able to come up with a more comprehensive database, three (3) projects undertaken by the private sector for the low-income market shall likewise be undertaken.

The sampling survey shall be limited to maximum of 100 respondents per project.

An overall assessment of residents’ socio-economic profile given the MRH units they presently occupy shall be undertaken, the results of such shall be used in justifying the proposal.

The NHA staff from each specific project office, the community association within the project or/and the local government shall be tapped to undertake the survey. Data gathered shall then be interpreted by the marketing team being proposed for creation.

The proposal, together with the manpower and budgetary requirement shall be presented to the NHA Management for approval.

The proposal gives rise to certain issues which may be considered either as strengths, weaknesses, opportunities, or threats, as presented:

ISSUE	STRENGTH	WEAKNESS	OPPORTUNITY	THREAT
1. Generation of data from the survey	The data generated from the survey would be material in assessing the viability of the existing MRH program	The conduct of the survey would require a considerable time considering that immediate solutions are already required given the present problems of the program.	The conduct of the survey by NHA, together with the community associations and the Local Government Units would enable to increase their awareness as to the importance of the program’s viability.	
1. Training of existing personnel or Contracting-out the marketing services for MRH	The study would generate vital data that would enhance the delivery of viable MRH projects. This would also improve the skills of the personnel who would participate in the training.	This would increase NHA’s project administrative cost. Some performance areas would have lesser personnel.	The disposition of completed MRH units would improve, thereby increasing cost recovery efficiency.	The cost of the MRH units may increase given the additional administrative cost that has to be recovered.

Annex: Action Plan

Short Term:

1. A proposal for the strengthening of NHA’s marketing arm as a means to enhance the viability of the MRH program shall be submitted for NHA’s management approval, highlighting on the urgent need to assess the housing program given the objectives and purposes provided for by law. Said session shall be attended by all disciplines involved in the program, to include finance, technical, estate management, and administrative personnel.

2. The methodology of undertaking the study shall be discussed and agreed upon and the necessary instruments shall be prepared. Responsible NHA personnel shall be identified to undertake the study. Deadlines shall be set and close monitoring of the activity shall be undertaken.
3. The responsible offices shall undertake the necessary coordination with the community associations and local government units who will assist in the survey.
4. The survey shall be undertaken and the data gathered shall be interpreted by marketing experts who are to be commissioned by the NHA Management.
5. Once the data has been generated, an evaluation shall be undertaken on the viability of the medium rise program given existing policies and guidelines a position paper shall then be prepared for submission to NHA Management and to its Board of Directors for approval recommending the strengthening of NHA's marketing capability.

Long Term:

1. Both NHA and the Housing Urban Development Coordinating Council shall reassess the MRH program as to its viability given the market being catered to by the program and the products provided.
2. Based on the results of the reassessment undertaken, policies and guidelines may either be amended or formulated to suit existing conditions.

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