Supporting Innovation: Case Studies from Latin America on Sustainable Housing and Community Development

American Planning Association
Making Great Communities Happen
The American Planning Association is an independent, not-for-profit educational organization that provides leadership in the development of vital communities. APA and its professional institute, the American Institute of Certified Planners, are dedicated to advancing the art, science and profession of good planning — physical, economic, and social — so as to create communities that offer better choices for where and how people work and live. APA has offices in Washington, D.C., and Chicago, with almost 40,000 members worldwide in nearly 100 countries.

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OVERVIEW
This report discusses technical assistance projects selected and led by APA’s International Program team (referred to as the APA team), and supported by an award from the U.S. Department of State’s Energy Climate and Partnership of the Americas (ECPA) Initiative. These projects began in September 2012 and concluded in July 2014. Prior to that period, APA had been awarded a grant from the ECPA Initiative Phase 1 which involved APA leading knowledge exchanges and workshops in Latin America and the Caribbean to promote awareness of the planning profession, as well as to strengthen planning capacity in the region. With this second ECPA award, the focus of this report, APA supported organizations initiating innovative demonstration projects in communities throughout Latin America and the Caribbean that promoted sustainable and inclusive housing and community development practices. While only four projects were selected, they reflect the myriad planning challenges facing rapidly urbanizing areas of the Americas, including environmental degradation, unstable economic growth, social inequity, corruption, and the mitigation of and adaptation to climate change. The following case studies discuss how APA provided strategic technical assistance programs that guided each organization through critical phases of their projects. Given different approaches utilized by APA to successfully carry out the projects, each case study has a different structure. All lessons learned and observations are located at the end of each case study. Additionally, the report focuses on three projects in Mexico, Bolivia, and Peru that emphasize the importance of utilizing community workshops, professional training, and knowledge exchange opportunities in order to support innovative practices. The fourth project, located in Brazil, called for different methods to promote the innovative work being conducted. More information regarding APA’s ECPA II work in Brazil is discussed in the Appendix.
In 2010, APA received its first ECPA award—a 30-month endeavor to promote sustainable urban planning in Latin America and the Caribbean. APA focused on supporting practitioners, local authorities, academics, and community groups in their efforts to better integrate sustainable planning techniques and policies into daily practice. APA was also interested in advancing the planning profession as its own discipline, rather than a subset of architecture. To do this, APA created capacity-building opportunities among local officials and planners within participating countries, established technical and educational exchanges, and supported the development of institutions that promote long-term exchanges of best practices among planners and policymakers across the region. Overall, the program objectives focused on:

- building city and regional planning capacity throughout Latin America and the Caribbean
- providing training for government officials
- providing specific professional technical assistance to participating countries
- developing and disseminating exemplary planning practices to key public and private decision makers through local and technical efforts

The most effective way APA built city and regional planning capacity throughout Latin America and Caribbean countries was through extensive outreach efforts to professionals practicing domestically and abroad, local and federal governments, and to academic institutions. APA created a strong online presence by establishing an ECPA-related planning network of hundreds of planners from professional and academic backgrounds who were interested in learning more about planning efforts and policies in this region. Network members engaged in online discussions related to APA’s ECPA work as well as their own professional work. By sharing ideas, blog posts, pictures, and questions in online forums, planning knowledge and capacity was built on various levels.

To provide specific professional technical assistance to participating countries and to provide training for government officials, APA held several workshops and professional technical assistance programs on planning topics relevant to the communities where we worked. For example, in June 2012, APA provided training for government officials in Brazil that focused on urban mobility and the role of community participation in this process. Community participation is a critical component of successful planning practices and is often overlooked in Latin America. APA recruited an expert team of transit practitioners from Los Angeles, Portland, Oregon; and the Washington, D.C., area to present their experiences in transportation planning to Brazilian decision makers, private transit and construction firms, community groups and members of academia. The program involved foreign officials conversing with our planning team and learning about responsible urban and transportation planning practices, specifically how poor planning directly impacts a city’s ability to function.

Finally, building on the Brazil technical assistance program, APA developed and disseminated exemplary planning practices to key public and private decision makers. APA’s Brazilian partners expressed interest in understanding the ways in which our U.S. experts navigate the complex field of transit planning in terms of policy, implementation, design, and financing. This was timely because new Brazilian laws have opened up the opportunity for Brazilian cities to create transit authorities. Technical experts selected and presented case studies to policy makers as well as private-sector stakeholders that highlighted issues related to transit policy, implementation, design, and financing.
APA’s Sustainable & Inclusive Housing And Community Development Program

ECPA 2

APA’s second ECPA award, officially titled the Sustainable and Inclusive Housing and Community Development Program but referred to as ECPA 2, equipped APA to provide technical (workshops, meetings, and knowledge exchanges) and financial assistance (subgrants) to the selected organizations to support innovative demonstration projects. Using the applications originally submitted for the 2010 Ashoka Changemakers Sustainable and Inclusive Housing Prize Competition (see sidebar) as the pool of potential partners, the APA team embarked on a rigorous process of analyzing hundreds of submissions proposing innovative housing and community development projects. The process is discussed in more detail below.

Once selected, APA worked closely with each organization to engage their staff, stakeholders, and community members in addressing the challenges these organizations faced as they attempted to implement planning projects in their respective communities. Technical assistance was designed to meet the specific demonstration project’s goals and deliverables and mitigate current challenges, as well as establish longer term access to planning expertise, helping to promote sustainable planning practices within each community. The financial assistance afforded the organizations the opportunities to purchase supplies, hire

Ashoka’s Sustainable Urban Housing Challenge

In 2010, Ashoka Changemakers launched a global competition called Sustainable Urban Housing: Collaborating for Livable and Inclusive Communities, which sought innovative solutions to the housing challenges facing the world’s rapidly urbanizing areas. This competition was a part of the ECPA Initiative, Phase 1. This competition was launched in anticipation of the 2012 Summit of the Americas. It was funded by the Rockefeller Foundation, and was a joint effort of the U.S. Department of Housing and Urban Development, the U.S. Department of State, and APA with support from the Brazilian Ministry of Cities. The competition attracted 289 entries from 48 countries worldwide. This was an online competition that provided an opportunity for lively discussions and collaborations that yielded dynamic entries boasting innovative housing solutions. Three winners were selected in July 2011; each received $10,000. Recognizing the potential in many of the submissions, the State Department decided to use the remaining submissions as the basis for phase two of the ECPA Initiative: the Sustainable and Inclusive Housing and Community Development phase. This was when APA was awarded its second grant and it was from this original pool of submissions that APA selected the demonstration projects that comprise the case studies of this report.
technical staff, or host training sessions that they otherwise could not afford but which were crucial to their project’s success. The APA team worked with each organization to advise them on sound planning practices that could help them implement their demonstration project. By building trust, and through constant communication, APA and these organizations identified areas where APA could add specific value to the demonstration projects and impart planning knowledge that would be useful in the long term. Next, a list of goals and deliverables was created and incorporated into a contractual agreement. Technical assistance components were included as a means to ensure the deliverables were achieved. When a deliverable was successfully met, the organization would receive a portion of the financial support, allotted through the award. Each organization received $62,500 for the duration of the project.

At the core of this ECPA award was the technical assistance provided by APA’s professional network. APA is experienced at providing high-quality technical assistance by leveraging the expertise of its membership, as evidenced in APA’s successful Community Planning Assistance program (see CPAT sidebar). The APA team used a similar approach. They identified professional planning experts with skillsets that could move the demonstration projects forward and then paired these experts with the organizational team, their partners, and stakeholders for a series of site visits. On these visits, as APA experts learned more about the context of the project goals. For example, they developed techniques to help the organizations reach these goals: intensive professional training sessions for the organization, stakeholders, and community members, and direct collaboration opportunities with the organizations to overcome specific planning obstacles. Following the CPAT model, the APA member experts provided their time on a pro bono basis while their travel expenses were funded by the ECPA award. Typically, each project required two to four workshops or technical assistance programs, led by the team of experts and APA staff. The APA team was responsible for conducting follow-up conversations and meetings between workshops to ensure that each project was on track.

Selecting the Demonstration Projects
The selection of the demonstration projects was one of the most important components of the ECPA 2 project. The APA team had the exciting yet challenging

Objectives of APA’s Sustainable and Inclusive Housing and Community Development Program (ECPA 2)

Support capacity building opportunities for organizations working on sustainable and inclusive housing and community development projects through the administration of sub-grants including technical and financial assistance.

Communicate and demonstrate the importance of sustainable planning practices to these organizations by creating trainings and workshops that connect professionals focusing on the urban development (planners, architects, engineers, policy makers, etc.) to local stakeholders, organizations, communities groups, and elected officials.

Develop long-term policies and programs within each selected organizations that promote sustainable housing and community development policies and practice.
task of selecting partner organizations from a pool of 298 submissions. While the Ashoka Changemakers competition had originally been an open call seeking submissions from all over the world, the focus of the ECPA 2 project was limited to Latin America and the Caribbean, automatically reducing the pool from 289 to 144 submissions. The APA team then applied restrictions embedded within the award contract, which further narrowed down the options to 51 submissions. At that point, a rigorous analysis of each submission commenced. The team decided to create an attribute matrix, which provided structure to an analysis of programmatic factors (i.e., was this a project that APA would be able to support from a planning perspective?) as well as operational factors (i.e., does this organization have the administrative capacity to handle rigorous administrative requirements?). The team considered current social, political, economic issues, and thought about potential issues that could arise throughout the project that could complicate APA’s ability to partner with the organization. The APA team considered whether the projects would require adjustments to meet the allotted time line and looked at the stability of the organization itself and if they had the capacity to work with a remote partner.

To further inform the process, the APA team held a series of roundtable discussions with organizations that possessed advanced knowledge of housing and development issues in Latin America and the Caribbean. The roundtable discussions were comprised of experts from The World Bank, the Inter-American Development Bank, Un Techo para Mi Pais, the Organization for American States, Enterprise Development, and the Office for International and Philanthropic Innovation at the Department of Housing and Urban Development. After much debate, the APA team decided on four criteria to consider when evaluating each application:

- organizational capacity
- ability to replicate the project in other communities and regions
- environmental concern and sustainable practices
- community engagement practices

Each criterion was an instrumental indicator used to determine if APA could viably support the organization and its proposed project while successfully integrating

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### APA's Community Planning Assistance Teams

The Community Planning Assistance Team (CPAT) initiative is an American Institute of Certified Planners component of a broader APA Community Assistance Program. APA’s CPAT initiative helps communities with a demonstrated need for assistance and where planning resources and expertise may not otherwise be available. By pairing expert planning professionals from around the country with citizen planners and stakeholders from local communities, the initiative seeks to foster community education, engagement, and empowerment. CPAT members offer pro bono expert assistance for the duration of the CPAT project.

APA staff works with the community, key stakeholders, and the host organization to assemble a team of planners with the specific expertise needed for an identified project. The team meets on-site for three to five days, during which a series of site visits, focused discussions, and analysis are performed. On the final day, the team reports their results back to the community with local press in attendance. A final, more detailed report is issued to the community at a later date. Each team is selected for the specific expertise needed on the project to offer pro bono assistance in developing a framework or vision plan that promotes a sustainable, livable, economically vibrant, and healthy community.
important planning practices and policies into daily routines in the communities. The attribute matrix, coupled with these criteria, led to the successful selection of four organizations. After establishing lines of communication and conducting a “pre-award” site visit to the selected organizations, the APA team agreed to support organizations in Mexico, Peru, Bolivia and Brazil.

The Value of Planning and ECPA

Comprehensive planning is essential for improving cities and rural areas. It offers a method to engage a variety of interests—businesses, citizens, government officials, and civil society organizations—while providing expertise in meeting community goals. In the ECPA project, we reached out to a wide array of people and interests to build an understanding of planning and increase capacity. Planning provides the opportunities for engagement.

In Latin America, planning is often thought of as architecture on a larger scale. In fact, comprehensive planning combines social, economic, and physical factors. Planners are trained to think comprehensively. By considering and analyzing environmental, social, economic, financial, and other metrics, planners are able to draw thorough and balanced conclusions, allowing them to advise elected officials and community stakeholders and lead them toward solutions and practices that will benefit the public interest. A key value in planning is to make this process transparent and these solutions available and understandable to a wide range of audiences.

For decision makers, one of the targeted groups engaged throughout the ECPA projects, APA demonstrated the value of planning as they sorted through various citizen demands, challenges, and opportunities. Planning helps save money by programming infrastructure in a coordinated way. It also makes sure that the land-use system and social concerns are taken into account when large investments are made. For example, in the Mexico project, planning became an essential part of parks planning for neighborhoods, ensuring that the money was spent on designs that had been approved and supported by the community.

Planning seeks to address several key issues and challenges of the modern world, such as reducing urban poverty by enabling economic growth and regeneration, reducing pollution by using more renewable energy, and by implementing plans promoting settlement and movement patterns that reduce carbon emissions. Planning is not only essential for these contemporary physical and economic challenges, but also for good governance. An open and participatory planning process helps reconcile national, community, and individual interests through effective engagement with local people and local communities.

In general, the APA ECPA effort promoted planning that:

• guides urbanizing megaregions and the growth of small- and medium-sized towns, addressing urban sprawl
• manages the needs of marginalized populations, including youth and the aging, in various parts of the world
• facilitates economic growth by making land available and coordinating economic development
• addresses climate change by reducing carbon emissions and dependence on nonrenewable energy
• adopts plans to secure water supplies, prevent floods, control pollution, and improve health
• reduces discrimination and recognizes local traditions and culture to guide local planning
• develops governance to coordinate decision making at the most appropriate level from local to national
• improves planning education internationally to embrace innovation including community participation

Innovative Demonstrations Projects in Latin America: A Review

While the innovations listed below may be commonplace in other areas of the world, in the following neighborhoods and communities these are truly innovative actions.

Mexico. Training local government employees to use tangible participatory planning tools to have more of a profound impact in public space design.

Bolivia. Empowering community members by teaching leadership skills and advocacy, enabling them able to successfully confront legal challenges hindering their community's growth.

Peru. Leveraging private financing and profits from mixed income housing to support grassroots efforts to ensure safe and adequate housing for low-income neighborhoods of Lima.

Brazil. Promoting creative methods to upgrade low-income housing through a system based on recycled items and donated construction materials.

The following case studies focus on APA's collaborative efforts with the demonstration projects in Mexico, Bolivia and Peru; this partnership included a series of professional and community workshops and trainings designed to support innovative practices initiated by the organizations. The fourth organization selected, located in Brazil, leveraged innovative practices requiring a different type of collaborative effort with APA. Information regarding APA's ECPA II work in Brazil is discussed in the Appendix of this report.
EMBARQ Mexico

Training local government employees in tangible participatory planning tools to have more of a profound impact in public space design.

EMBARQ Mexico is a nongovernmental organization whose mission is to seek and promote solutions for sustainable mobility, which not only positively impact access and connectivity from a transportation perspective, but also improve the overall quality of life and competitiveness of Mexican cities. Traditionally, EMBARQ Mexico has specialized in fostering the integration of high-quality public transportation as a critical component of sustainable urban development with the belief that public spaces and mobility are not mutually exclusive. EMBARQ Mexico has successfully worked with government agencies, the private sector, and non-government organizations and associations to develop and implement transportation policies that lead to healthier, friendlier, and safer Mexican cities.

Reclaiming Public Spaces

EMBARQ Mexico was awarded a sub-grant leveraging their proven success in enhancing transportation networks and projects in transit-oriented development (TOD) to a demonstration project focused on public space in Mexico City. A focus on public spaces was selected as the next point of intervention to foster vibrant public spaces and to encourage use of public transport and nonmotorized mobility in Mexico City. Additionally, the project aimed to show that the preservation, reclamation, and appropriation and celebration of public spaces can transform an area, yielding tremendous benefits. Enhancing public spaces contributes to the competitiveness of cities, strengthens the local economy, preserves stra-
tologic environmental areas, provides opportunities for recreation, improving public and mental health, and can guide new development.

The project was conducted in coordination with the Secretary for Urban Development and Housing (SEDUVI\(^1\)) and the Public Space Authority (AEP\(^2\)) of Mexico City. Both entities were key to identifying the appropriate public spaces with potential for reclamation, as well as employing their experience, ideas, and strategies for renewal. Unlike previous public space renovations in Mexico City, SEDUVI and AEP decided not to focus on the restoration of large, emblematic public spaces, but instead focus on the rapid restoration of small public spaces, or “pocket parks,” which would be created in vacant parcels throughout the city. SEDUVI, AEP and EMBARQ Mexico’s goal was to construct as many as 200 new pocket parks per year.

**How APA addressed challenges**

Though the idea of rapid reclamation and development of small public spaces had gained traction with various government agencies, the government’s traditional top-down process of developing these spaces caused considerable back-

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1. SEDUVI is the Spanish acronym for the Secretary of Urban Development and Housing, which is Secretaría de Desarrollo Urbano y Vivienda.
2. AEP is the Spanish acronym for the Public Space Authority, which is the Autoridad de Espacios Publicos.
lash in communities where the first pocket parks were being built. The government agencies did not consider engaging the community for several reasons. The main concern was that involving the community in the process would prove too laborious, causing delays. The government was already behind schedule due to political obstacles and a change in administration at the local level, which introduced new stakeholders into the process. To make up time, the government bypassed the important step of gaining community support and buy-in. As an urban planning advisor to the project, APA was concerned with this type of approach and repeatedly expressed the possible consequences of not utilizing a more participatory approach. Despite voicing these concerns, AEP moved forward with a top-down approach in the creation of pocket parks without consulting the communities. What followed was an immediate and negative reaction by both the local government and communities, specifically in the neighborhood of Coayacan, where the first pocket parks were being constructed. AEP had failed to engage the local residents, neglecting to work with them to create a shared vision of what this public space could and would become. This led to community consternation and an eventual lack of interest in and ownership of the community pocket parks. The community pocket park did not reflect the community and therefore the community did not consider it an asset, or even a part, of the community.

After this experience, EMBARQ Mexico and APA identified a clear opportunity: training AEP personnel and other government officials in the participatory planning process. While this process is employed in many other places around the world, local governments in Mexico are unfamiliar with participatory planning. In some cases, local and even federal agencies have no experience in facilitating community participation; such was the case with the AEP. AEP’s pocket park

What is a pocket park?
AEP defines a pocket park as:

1. A space of small dimensions (100 to 400m2), renovated for the enjoyment of its immediate community
2. Small spaces in underutilized or abandoned urban or road remnants, converted into spaces for recreation and enjoyment of the community. They constitute actions done in a short span of time, of temporal character, and of low cost, but with a perceived high impact.
Encouraging nonmotorized mobility in Mexico City

initiative was an ideal opportunity to pilot the development and integration of new tools and methodologies that actively engage communities and integrate local interests and efforts. What had at first appeared to be a major hurdle—with the potential to upend the project—had turned into opportunity for innovation. As a result, the project’s direction was duly changed to reflect a new objective: to implement, disseminate, and appropriate an innovative community engagement process for public space renewal and creation.

EMBARQ Mexico worked closely with APA to identify APA members with significant experience in the participatory planning process who could help rectify the previous course of action and demonstrate that these problems were solvable. The objective was to show the various stakeholders, in this case the federal agencies, that involving the community from the beginning of the planning process actually saves time and money and yields deliverables that benefit everyone involved. For the next course of action, in May 2013 APA and EMBARQ Mexico organized an active workshop where technical staff (architects, engineers, community organizers) received tangible participatory planning tools that they could immediately use with communities. Additionally, it was an opportunity for the various actors across government agencies to conceptualize participatory planning and directly engage in the new strategy.

Due to the success of the first participatory planning workshop, in August 2013 APA was asked to host a more comprehensive workshop that would train key stakeholders in these specific types of participatory methodologies. EMBARQ Mexico and APA led a two-day participatory planning workshop for an increased number of partners involved in the pocket park initiative. These stakeholders included technical, legal, and community experts from both Mexico City’s Delega-
tions (local authorities) and its ministries of Urban Development, Environment, and Road & Transit.

By the end of the workshop, participants had seen case studies from all around the world of innovative, but simple and easily replicable, public space projects that were based in the principles of participatory planning. Additionally, participants learned and practiced tools based on participatory design as well as activities they could integrate into the development and construction of the pocket parks. This was the first time such a diverse government group had met to critically think through the pocket park initiative and the strategy moving forward.

APA emphasized in both workshops that while participatory planning may seem difficult and time-consuming, involving the community from the beginning stages of a given planning effort saves money and time, and leads to more sustainable outcomes that are embraced by the community. Collaborating with local communities, specifically the targeted beneficiaries, is critical to the success of any public infrastructure initiative, rather than moving around or without them. As it related to this project, the technical assistance team identified five reasons why the participatory planning process works:

- **Democracy.** Participation is the foundation of any democratic society and facilitates addressing social justice concerns.

- **Creativity.** Local residents have an acute sense of their neighborhood and its needs and possibilities; in most cases, they are already contributing out-of-the-box innovative ideas not previously considered.

- **Timeliness.** Involving the community from the outset can anticipate confrontations and can deal with obstacles in advance that could result in delays in the project implementation.
Cost effectiveness. By generating new ideas through a democratic process and ensuring community buy-in, the development timeline is more likely to be honored, potentially saving resources. Community participation can also yield scenarios that provide solutions in a cost effective manner.

Sustainability. Community appropriation is the most assured way to guarantee long-term sustainability of any initiative, as beneficiaries become the stewards of its maintenance.

Embracing Engagement and Forging a New Path

Soon after the second workshop CTS-EMBARQ received a phone call from AEP regarding EMBARQ Mexico’s support for the facilitation of an upcoming community workshop that would be held prior to the construction of a second park in the neighborhood of Condesa. AEP was intent on involving the community and ensuring that this pocket park was built with full support of the community. This park would be the first that would leverage public-private partnerships for the maintenance of a pocket park. A new car-sharing service called Carrot had committed to the maintenance of the pocket park in exchange for two parking spaces on one side of the park that could only be used by the shared cars. Not only could this significantly reduce the costs of maintenance, it would support AEP’s and EMBARQ Mexico’s effort to promote another avenue of sustainable mobility throughout the city.

Similar to the first experience in Coyoacan, there was initial resistance by the Condesa community because of another park recently built with little input from the neighborhood. Though EMBARQ Mexico was there to initially support AEP, both organizations soon realized that bringing in an outside entity that was not a government entity (in this case EMBARQ Mexico was the outside entity) was critical to diffusing mistrust throughout the community workshop and keeping the participants focused on the task at hand—the participatory design of a pocket park in Condesa that offered car-sharing opportunities—the first of its kind in Mexico City. Participants went from deep skepticism to developing solutions and designing a pocket park that included design aspects that AEP had not considered. For example, the public space was important to delivery trucks that often parked there to load and unload goods for the local businesses. As a consequence, the neighborhood participants designed a pocket park that included a loading zone for these trucks.

With the successful outcome of Condesa, AEP now had clear evidence that participatory planning was critical to the outcome of a successful project and could work in the most difficult of situations. This milestone was a turning point and
had a critical impact on the initiative; it led to AEP and SEDUVI’s firm commitment to incorporating participatory planning activities into the pocket park initiative.

APA and EMBARQ Mexico hosted a third and final participatory planning workshop in March 2014. This workshop was held with over 70 neighborhood delegates and included representation from 14 out of 16 Mexico City neighborhood delegations, with the objective to more widely train relevant individuals in participatory planning to ensure that it permeates all levels of government. Emphasizing the importance of participatory design in the planning process, as well as the significant strides made by the local government in implementing such strategies, the Minister of Housing and Urban Development, Simon Neumann, opened up the workshop proclaiming: “For governments, [community] ownership sets the path for consensus so we can move forward with both small and big projects; here lies the importance of finding innovative tools and mechanisms for us to work closely with citizens. The push for community engagement and participation in the design of public spaces had now reached all levels of government.” Training government employees in participatory tools and principles was crucial to the overall strategy as they are the ones who have the closest and most frequent contact with their communities. It is also an area where little innovation is expected, as their role is often to filter citizen complaints or appease their qualms.
AEP and its partners have lead over 30 community workshops and completed the construction of nine pocket parks. AEP continues to pursue its Pocket Park initiative through a more diversified lens. Projects for the rest of 2014 include complete street renovations, as well as over 13 pocket parks throughout the city (Delegaciones Álvaro Obregón, Coyoacán, Cuajimalpa, Cuauhtémoc, Magdalena Contreras, Tláhuac y Tlalpan). These recent efforts have given careful attention to consulting with and meeting the communities’ needs.

**Lessons Learned**

**Never underestimate the importance of community engagement in the planning process**

As the team saw in the differing cases of Coyocan and Condesa, ignoring the community led to serious delays and abandonment of project plans (Coyocan), while involving the community midway through led to the mitigation of conflict and acceleration in the expected project timeline (Condesa).

In every workshop, APA technical experts noted the importance of community engagement as an essential element in creating local ownership of planning projects. Furthermore, they demonstrated that it can be done quickly and that the process is easily replicable, part of an agile framework that should be tailored to answer the local context.

**Training the trainers makes an impact**

APA recognized that the issue was not that government technical staff did not want to involve the community, but that they did not know how to do it. Government personnel knew community involvement was important and were often mandated by their government office to do take this step, but they were never given the tools to carry out this fundamental component of the planning process. After these APA-led trainings, staff became confident in their abilities and eagerly incorporated community workshops into public space projects.

Rather than leading the workshops themselves, APA technical experts were able to maximize impact by training those key staff who would be leading the process for years to come, and by helping to establish an institutional precedence for true participatory planning.
The answers reside within the community—not from outside experts

Those individuals who live in, work in, and commute through a particular neighborhood on a daily basis are the community experts. They understand the complexities and nuances that contribute to both the successes and challenges of their community. These are details that no outsider can come to understand in a mere few hours. The role of planners is to help these individuals articulate what they already know and help the community turn problems into possible solutions for each specific context.
BOLIVIA
Comunidad Maria Auxialadora

Empowering community members by teaching leadership skills and advocacy, enabling them able to successfully confront legal challenges hindering their community’s growth.

Comunidad Maria Auxiliadora (CMA) is a community of roughly 400 families that live on collectively owned property in Cochabamba, Bolivia. The community was established in 1999 with the intent to put family values first, support female leadership, and allow low-income families the opportunity to build their own homes. The founders of CMA believed that these values are critical to protecting the most vulnerable populations of Bolivian society—women and single mothers escaping domestic violence. These individuals compose a majority of the residents. The formation of CMA is one of the first examples in Bolivia where collective prop-
Property rights have been exercised in an urban context. Those interested in joining enter into an agreement with CMA to contribute to community improvement efforts and abide by certain rules of conduct in exchange for access to land for housing. While it is common to see this practice in rural areas throughout Bolivia, it is not as common to see it in urbanized areas. CMA has demonstrated that this format works both in rural and urban contexts, as the community continues to achieve an extraordinary number of important development goals despite the many obstacles and social hardships experienced on a regular basis. Notable achievements include:

- **The construction of 426 houses**
- **A potable water system that serves 450 families—approximately 2,500 individuals—with quality certified water 24 hours a day**
- **A sewage system that protects the health of 373 families—approximately 1,870 individuals—by treating residual water**
- **Reduced risk of contamination, and recycling and reuse of water in ways that benefit the community as a whole**
- **A day care facility that provides children of the community with food and education every weekday**
- **A youth center and library that provides the adolescent youth with a safe space to learn and host socially orientated activities**

While many of these infrastructure projects were subsidized by generous donations, the projects were identified, designed, and constructed by CMA’s community members. Based on a mutual help process, community members dedicate two Sundays each month to the construction and support of new houses or infrastructure projects that benefit the community as a whole.

CMA established a strong governance system that reflects the values written in its substantive charter. It is governed by a rotating and elected board of directors made up of women that live in the community. While men can serve on the Board, only women can hold the role of president and vice president. Additionally, there is a general assembly comprised of all community members. The Board’s mission is to oversee the general assembly’s activities and to ensure that CMA’s mission and vision in the charter is properly carried out. The general assembly meets monthly to discuss the direction of the community and propose amendments to the charter where necessary.
The CMA and APA Partnership

The community has been recognized by many international organizations, including Engineers Without Borders and Foundation Pro Habitat, for its development achievements, and was awarded the prestigious World Habitat Award in 2008. In 2012, CMA was awarded a sub-grant by APA focused on helping CMA achieve the following objectives to ensure the community’s long-term stability and continued growth:

Objectives

1. Strengthen collective property rights
2. Develop women’s leadership skills to defend collective property rights and jump-start micro-enterprise activities
3. Build a leadership school

1. The first objective, strengthening of collective property rights, focused on equipping the community members with the skills they need to effectively lobby and influence policy makers to improve support and protections for the use of collective property rights in urban areas in Bolivia. To date, there are no laws that adequately protect collective property rights in urban areas, meaning that CMA is not protected under Bolivian law (see CMA Legal Challenges box). Furthermore, CMA’s model of collective ownership introduced a new concept of housing to Bolivian law. CMA does not view the issue of housing as access to a physical structure alone, but as an issue of providing the societal structure for personal and collective growth. The latter is fundamental to the success CMA and is the reason they must work to guarantee legal protection for their social housing model.

2. The second objective, developing women’s leadership skills to advocate for collective property rights and developing the skills to jump-start microenterprise activities, looks to train 400 women in the community and local government in human rights advocacy and conflict resolution. Development workshops provide community members the opportunity to think critically about challenging issues while enhancing self-esteem. This provides the confidence necessary to articulate complicated or sensitive issues and advocate for the community in addition to bolstering the internal governance capacity within the community. Women were trained in both technical skills, such as baking and
other domestic arts, as well as entrepreneurial skills to manage profitable economic endeavors. This activity enhanced and reinforced women’s roles as both as contributors to household earnings and their development as community leaders.

The third objective, building a leadership school, establishes an actual physical structure for many of the aforementioned activities to take place. When the APA partnership began, the community lacked a community center and a gathering place to talk about community matters. General assembly meetings often took place in open fields exposed to the elements, which presented logistical obstacles. The leadership school hosts more than 400 individuals and is the first leadership school for women in Bolivia that is free to all, including men, as well as the outside community. It also has the capacity to support community microenterprise activities and has rooms to temporarily house women and children who are escaping abusive households.

CMA’s holistic approach to building a community addresses the vulnerability of the urban poor from several angles and seeks ways to diminish this vulnerability. CMA is a strong model of how communities can provide basic necessities, create opportunities for its residents, and help the most marginalized at the same time.

**APA support and outcomes**

As part of the first steps in strengthening collective property rights, CMA began the formal process of gaining legal recognition for the community. In August 2012, CMA submitted paperwork to the Directorate of Legal Affairs for the Department of Cochabamba that would:
Legal recognition was a priority for both CMA and APA during the project period. A lack of legal recognition leaves CMA in a vulnerable and tenuous position because it inhibits the community’s ability to enforce membership agreements and tenure claims. CMA also lacks legal support to respond to petitions against squatters and speculators who have occupied the land in violation of charter terms. These individuals purposefully refused to contribute to community improvement and the social activities that are required as a member of CMA. These individuals have also illegally subdivided and sold land within the community that they do not own. Such activity undermines the goals of CMA, raises the cost to members in maintaining community facilities, and induces social tensions preventing the community from growing to its full potential.

Specific challenges to date:

**Entity incorporation:** CMA is actively working to incorporate into a formal legal structure. While the community operates in a cooperative ownership model, the individual ownership of housing structures delegitimizes its claim as a true cooperative. Ideally, CMA would like to become incorporated and transfer the land title from the individual to the corporate body. Applications for legal incorporation of the entire community have been unsuccessful thus far due to market pressures (see value of land below). An incorporated body related to the leadership school does exist, however. For now this incorporated body, comprised of some community members, will likely serve as the authority related to land ownership.

**Land titles:** Since the land is registered in the name of one of its founders, CMA is seeking alternative methods to ensure all members continue to be represented. Currently, CMA is trying to transfer land titles per family, but the high costs associated with this process make this a difficult and time-consuming task.

**Value of land:** In recent years increasing land values and speculation in the community and surrounding areas make access to land unaffordable for low-income families. CMA originally bought the land at $3 per square meter in 1999. The price has since increased to between $20 to $70 per square meter. It is a priority for the community to keep land at the $3 per square meter price, which most families can afford. CMA views the land as a social good rather than a marketable commodity. This priority is of course unfavorable to land speculators interested in investing in the area. When speculators learn that the lots near their land (specifically in the community of CMA) are much lower than what they are trying sell their land for, it makes it harder for them to justify their inflated market prices. Many of the land speculators are also connected to the local government, and have contributed to the delay in CMA’s legal recognition out of fear that they will lose major investments in their land if the community has the legal right to lower valuation.

**Dissidents:** A small group of families within the community are trying to break away in order to sell their land at a higher value. These dissidents have filed formal letters of opposition with local authorities, which have contributed to the delay in legal recognition. Furthermore, the dissidents have put forward a judicial process to get one of the CMA founders arrested, arguing that although they paid the full price of the land to her she refused to give them individual land titles. Because the Bolivian judicial process assumes guilt until innocence is proven, the founder was immediately detained and held in prison until lawyers were able to prove her innocence.

- recognize CMA as a legal entity with the ability to legally govern the community
- uphold the community’s values and morals
- bring in additional and much needed basic services to the residents of the community
- have the authority to transfer land titles to individual families

In October 2012, CMA received notice that their status was rejected on the grounds that there was legal uncertainty to ownership of the land. On file were letters from the dissidents of the community stating that there was opposition within the community and contention surrounding individual land titles and ownership of the land. CMA was unable to challenge the rejection in court because there were no laws in the constitution or at a local level that supported collective property rights.
The denial prompted CMA to reevaluate their strategy in gaining legal recognition and their ability to move the community from informal to formal status. After consultation with APA, CMA decided that it would shift their focus to effective advocacy efforts to educate national and local government entities on CMA’s achievements and the potential as a model that effectively deals with issues of urban sprawl on the peripheries of cities. To achieve this, CMA needed to create a more positive image of the community and shift their narrative from one of struggle and strife to one of opportunity and dedication to improving the quality of life for all in the community. This would be a multipronged approach that included advocacy for a law protecting them at the national level. This law could significantly ease the path to recognition. To do this, APA brought in public relations and advocacy expert Nancy Bocskor, president of the Nancy Bocskor Co., to conduct the first technical assistance workshop. She trained members of CMA on how to effectively communicate their message to different audiences.

Nancy was critical to our growth as a community. We now know that we need to go to these meetings educated, prepared, and confident. Even if they treat you bad, you should still go back and be positive. . . . She taught us how to have a pitch and a clear concept what is the community and why it is a good thing. She told us not to rant on forever, you need to say who you are in four to five words. She taught us how important it is to communicate this way with government officials. Now government officials have more respect for us and are more open to us. Before we were passive and were just reacting, but she taught us how to be active, how to follow up the conversation with when, how, what time. We always ask for concrete steps to follow up. While working with other communities through the country we have passed on these lessons to them on how to effectively lobby and organize.

—MARIA EUGENIA VELIZ, PRESIDENT OF COMUNIDAD MARIA AUXIALADORA, 2014
Advocacy planning is a participatory method of planning where planners work directly with citizens to address planning issues facing their communities. Borne from Paul Davidoff’s influential article, "Advocacy and Pluralism in Planning," which appeared in the Journal of the American Institute of Planners in 1965, Davidoff calls upon planners to “represent and plead the plans of many interest groups,” specifically marginalized and minority groups or those unable to organize. Advocacy in planning has the power to help planners improve communities by working with both citizens and elected officials to make the case for more equitable and sustainable plans and policies that directly impact these communities. Professional planners advise citizens on planning matters and can even represent them before elected officials at the local or state level. A key component is that planners and community activists work together and call upon elected officials and other influential decision makers to implement and lend support for planning initiatives that will improve communities. Along with planners advocating on behalf of communities, advocacy planning encourages and equips ordinary citizens to stand up for their own interests as well.

CMA and national advocacy

In February 2013, CMA’s national partners helped set up a meeting with representatives from the Bolivian Ministry of Housing. Equipped with these new tools and skills in advocacy, CMA began their advocacy efforts at a national level. The objective was the adoption of a law recognizing collective property rights that would include clear mandates on and details of the protection of these rights. Currently, the constitution has articles that mention the protection of collective property rights in rural areas or mention the right to collective property rights in general terms, but there are no laws that CMA can invoke for legal protection. CMA continued to hold meetings with the Minister of Housing and promote their case at various high-level meetings focused on indigenous land rights and human rights, actively applying the advocacy skills learned during their training with Bocskor.

In February 2014, CMA learned that their efforts had paid off. In a meeting with the vice minister of Urban Development and Housing, CMA was informed that a new law recognizing collective property rights in urban areas was being reviewed and considered at the national level. This was a huge accomplishment for CMA. The bureaucratic nature of these processes means that the law has not yet been adopted, and although CMA has not been allowed to review the draft of the law or consult non-government organizations and association experts, they continue to reach out to the vice minister to offer support.

CMA and local advocacy

While advocating at the national level, CMA also continued their efforts to gain support at the local level. In an effort to be taken more seriously and create a more favorable image of the community, CMA and APA organized a Cochabamba Sustainable City Urban Planning Workshop in August 2013. This workshop leveraged
APA’s international expertise in urban planning and brought together a diverse and critical group of stakeholders, including representatives from Cochabamba, members of the Department of Planning, city council members, local university professors, and the community members themselves. It was an opportunity to demonstrate what CMA and these local actors have in common—a commitment to addressing the various challenges that city of Cochabamba was confronting and the idea that CMA had tangible solutions to the urban planning problems (including affordable housing, low cost and environmentally sustainable access to water, and sanitation). Additionally, it was a moment to demonstrate that their solutions could be replicated regionally.

The workshop provided CMA with a renewed sense of credibility and opened the door to follow-up discussions. The next year CMA continued these discussions and hosted visits from several individuals of these institutions so they could see the benefits of the community firsthand. CMA will reapply for legal recognition later in 2014, once they have finished local elections for the CMA board of directors.

**Improved relationship with the city planning process in Cochabamba**

The way in which CMA fits into the larger planning context in Cochabamba from a social and environmental sustainability perspective is crucial. This is true for other community-led settlements as well. One of the benefits of the community workshop was to initiate a stronger and more collaborative dialogue with the city planning office. During the workshop, both APA staff and community members participated in identifying issues beyond the community’s borders. Transportation, economic development, and environmental quality were among the issues the group tackled. This dialogue continued into various break-out sessions, where professional planners and the community leaders discussed the importance of working together and respecting each other in order to successfully address the challenges facing their city.

In order to become legally incorporated, the community needed an understanding of and engagement in the overall city planning process. Discussions at the workshop demonstrated that community members have a keen awareness of problems related to public safety, school quality, transportation, congestion, and access to housing and employment, both within their neighborhood and across the city. In developing a more consultative, engaged dialog with the city, CMA and partner groups can more effectively and meaningfully participate in land-use and public investment decisions that can improve the quality of life in poorer neighborhoods. As with other communities across Bolivia, it will take examples like this and direct contact through working groups, meetings, and planning
events in the planning office and in the communities to manage the benefits of organically developed settlements while avoiding more exurban sprawl and isolation of services.

**Continued community and leadership development**

As CMA worked to gain more support within the various levels of government, it simultaneously pushed forward with its social and economic development. CMA hosted workshops for nearly 300 women focused on leadership, community building, human rights advocacy and the right to housing, and technical entrepreneur skills. They also collaborated with the University of San Simon in Cochabamba to create a two-month training course in plumbing and electricity for all interested members of the community. At the end of the course, the students received certificates that allow them to be paid workers in the construction of future houses. Construction of the leadership school was also completed.

Leadership development was a critical component to CMA’s holistic strategy for legal recognition. In order to effectively advocate to government, they needed to demonstrate how their model of collective living was an effective solution to problems of urban sprawl and poverty. They also needed to empower the women of the community. These women are traditionally part of a marginalized population whose opinions are often not respected and who rarely felt the ability to stand up for themselves in traditional Bolivian society. Although the legal situation was a vehicle to build leadership skills, the skills are transferable to other parts of their lives.
La Eficiencia Legal para la Inclusión Social

Leveraging private financing and profits from mixed income housing to support grassroots efforts to ensure safe and adequate housing for low-income neighborhoods of Lima.

La Eficiencia Legal para la Inclusión Social’s (ELIS) is a nonprofit organization based in Lima, Peru. Working in Lima’s historic Rimac District, part of the city’s designated UNESCO World Heritage Site, ELIS is a small, dedicated team comprised mostly of lawyers and some architects focusing on promoting social inclusion in urban development since 2008. ELIS’s principal program is to revitalize the Rimac District through a series of new, mixed income housing developments, a first for Peru. The once upscale and vibrant community of Rimac now has overcrowded housing and poor public infrastructure. Within the district there are important historic cultural buildings and a large population. ELIS is looking to redevelop the area using private investment to provide better housing options without displacement.

The Rimac District was home to an affluent population in the 19th century. Located across the Rimac River from central Lima, Rimac offered land for families to build large homes with close proximity to the center of the city. In the mid-20th century as Lima exploded in population, this higher income group began moving south of the city and closer to the ocean, leaving their homes in Rimac district vacant. Today, the majority of these once vacant historic mansions are home to roughly 8,000 families, a majority of which do not have titles to the properties in which they reside. Some families pay rent to the owners, while others have been squatting for generations. The titleholder abandonment of properties has resulted in the neglect of the buildings and surrounding properties, creating both safety and public health hazards. In an effort to break from this trend, ELIS has created
the Rimac Reborn Project, which redevelops the dilapidated buildings into mixed income housing with the hope of spurring more local tax revenue for public infrastructure upgrades.

The Rimac Reborn Project is a multistep program to achieve the goals of redevelopment with social inclusion. ELIS facilitated the creation of community associations lead by the current residents of various buildings to act as a conduit to properly communicate with the residents about the project and its opportunities. At the same time, ELIS successfully advocated for the passage of Peruvian National Law 29415, which mandates that any new urban development project in historic districts must include a social inclusion component. The passage of this law created a foundation to realize a new model for social housing in Peru.

**ELIS’s strategy for urban regeneration through social inclusion**

Urban regeneration is based on a commitment to social inclusion. It integrates social, private, and public commitments that support the community and maintains its social capital while improving the infrastructure rather than constructing social housing on the periphery of cities, a practice that has historically marginalized and even destroyed communities. Instead, ELIS strives to keep people where they live and combat sprawl. Nonowner residents inhabit old buildings; the ELIS model brings in a private developer to buy the title from the original owners at a negotiated value. The developer will reconstruct the buildings, providing subsidized units to the current residents and market rate units to new buyers. This process can only take place once the property owners are ready to sell and when all residents are on board with the redevelopment idea. This model provides low-income hous-
ELIS is able to accomplish this feat by unlocking the value in the property through coordination between the landowner, tenants, and a private developer. The unique combination of location, existing legal structures, rising property values, and a committed facilitator (ELIS) make Rimac a great location for this type of model. Such a model does not currently exist in Peru (or really anywhere in Central or South America to the APA team’s knowledge). The Rimac Reborn team previously worked through other grants, building strong alliances with the Rimac District Municipality, Lima Provincial Municipality, and the Ministry of Housing to create legal and institutional processes supporting the upgrade of the current housing stock, specifically through the transfer of property rights from the title holder to the current residents. The process of transferring property rights requires establishing organized systems at the local, provincial, and central government levels and with residents. The Rimac Reborn project provides residents with an opportunity to unite and petition for the transfer of rights, which can lead to the eventual investment and physical renewal.

Planners are taught to think comprehensively, considering both the physical and social components of communities. Physical infrastructure and social capital are two critical components that, when combined, can yield healthy, thriving communities—or can display glaring oversights or missteps in the planning process, resulting in communities lacking economic and educational opportunities, healthy housing options, and basic amenities.

APA’s Planners Dictionary has defined infrastructure as “facilities and services needed to sustain industry, residential, commercial, and all other land use activities, including water, sewer lines, and other utilities, streets and roads communications and public facilities such as fire stations, parks, school, etc. The basic facilities such as roads, schools, power plants, transmissions lines, transportation and communication system on which the continuance and growth of community depends.” Usually this type of infrastructure is built and maintained by local governments or public funds, although some components of infrastructure may be privately owned.

The network of people who reside and are invested in the well-being of the community is often understood as social capital. The main principle of social capital is that social networks are important and add value in community structure. “Social capital refers to the collective value of all ‘social networks’ [who people know] and the inclinations that arise from these networks to do things for each other [‘norms of reciprocity’].” In the Rocky Mountain Institute’s Economic Renewal Guide: A Collaborative Process for Sustainable Community Development, Michael J. Kinsley refers to Harvard political scientist Robert Putnam’s research: “Social capital is indicated by such things as voter turnout, newspaper readership, participation in community decision-making and membership in arts, sports, and service organizations. Many people regard these things as not very important; just something you do because it’s fun or necessary. But Putnam’s twenty-odd years of research indicates that each of these activities in an important thread in the fabric of the community. The stronger the fabric, the better residents feel about living there, and the better a place it is in which to do business. In other words, a community’s economic success is based on its social capital rather than the other way around.”

Cities, towns, and neighborhoods, whether urban or rural, are not simply a cluster of buildings, roads, open space, and amenities but the result of the cadence and connection that develops between the people who live in these areas and their surroundings, making the relationship between infrastructure and social capital critical to success of any community.

2 Available at www.hks.harvard.edu/programs/saguaro/about-social-capital.
The Role of APA

The partnership with APA came at a very important juncture in the Rimac project as it set up a process in which a new development could actually be possible. Unlike many other social housing programs in Latin America, this process allows for compensation to the original property owners; the current families become owners of units in the new development and the private sector finances the construction. The project also makes sure to take advantage of architectural designs that follow the historic guidelines of the area, maximize the number of apartments, and provide the best spaces for the families. APA supported this process both technically and financially.

Financial support

With financial support, ELIS was able to continue with the important yet challenging task of collecting information on the property owners. This eventually allowed ELIS to sign a Memorandum of Understanding (MOU) with the owners that outlined an agreement to sell their property to a developer on the condition that the developer would then create a mixed use project for the current residents. It was imperative that the residing owners could move back into the unit once construction was complete.

The other large task that ELIS could complete with this financial assistance was to compile individual profiles of each family that had indicated support for the ELIS project. Family profiles included social and economic information that was added to a dossier for each property ready for redevelopment. Only properties that had property owners and current residents qualified through the process would be eligible for redevelopment. Five properties met the requirements.

Each of the properties had a dossier with all of the social and economic profiles, property owners’ MOUs, architectural drawings for the development, costs associated with the development, and the land title information. These dossiers would then be presented to private developers who would be responsible for the redevelopment projects.

### Properties proposed to be redeveloped through the Rimac Redevelopment Project

<table>
<thead>
<tr>
<th>Property</th>
<th>AREA OF LAND</th>
<th>AREA OF THE BUILDING</th>
<th>SOCIAL HOUSING UNITS PER BUILDING</th>
<th>AREA OF NEW HOUSING OR COMMERCIAL SPACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Jr. Camarones 134–136</td>
<td>510 m²</td>
<td>1428 m²</td>
<td>9</td>
<td>888 m²</td>
</tr>
<tr>
<td>2 Jr. Trujillo 564–568</td>
<td>859 m²</td>
<td>3204 m²</td>
<td>0</td>
<td>3204 m²</td>
</tr>
<tr>
<td>3 Jr. Hualgayoc 377–399</td>
<td>2640 m²</td>
<td>8157 m²</td>
<td>31</td>
<td>6297 m²</td>
</tr>
<tr>
<td>4 Jr. Virú 349</td>
<td>571 m²</td>
<td>1600 m²</td>
<td>7</td>
<td>1180 m²</td>
</tr>
<tr>
<td>5 Jr. Salitral 235–251</td>
<td>1600 m²</td>
<td>6513 m²</td>
<td>20</td>
<td>5313 m²</td>
</tr>
</tbody>
</table>
Unlike many other social housing programs in Latin America, this process allows for compensation to the original property owners; the current families become owners of units in the new development and the private-sector developer finances the construction. The project also uses architectural designs that follow the historic guidelines of the area, maximizes the number of apartments, and provides the best spaces for the families.

Technical support

While ELIS continued to organize dossiers for residents in the Rimac District, they also began the process of identifying the appropriate private developer to lead the redevelopment of the five pilot buildings. Initially, ELIS did not consider administering a competitive request for proposal (RFP) process. Instead, they planned to award the contract to the first developer that showed interest and seemed able to push an innovative model of financing and construction forward. APA immediately identified this as problematic and expressed their concern to ELIS. Awarding the project to a developer as a sole-sourced contract could lead to several pitfalls including uncompetitive construction costs and a process with little to no transparency. ELIS had goals (social inclusion, completed projects, etc.) and APA thought the best way to mitigate risk and ensure that these goals were accomplished was to conduct a RFP. The RFP process creates a mechanism for ELIS to competitively evaluate all of their options, reduce risk, and ensure that they accomplish their goals.

This was the first time ELIS had worked with private developers, and they had not considered the negative consequences that could arise from a sole-sourced contract. As previously mentioned, what ELIS was hoping to do had never been done in Peru and truly was groundbreaking: There was no guidebook to follow.
ELIS was learning by doing. Not considering the importance of an RFP was one of the learning moments for ELIS, and APA saw this as an opportunity where its member network could bring significant value. In partnership, ELIS and APA decided to identify a real estate finance expert who could help them present the housing projects to developers through a more formal RFP process. The expert would lead a technical assistance workshop and identify areas in need of improvement to make the project more attractive to developers, but also feasible for the families involved.

In early 2013, APA identified Scott Dyer, a commercial real estate consultant with extensive experience working in New York City. More specifically, Dyer had worked on the acquisition, design, approvals, financing, construction, and disposition of low- and middle-income housing and other public-private developments in the NYC metro area. Involving Dyer and his specific expertise was an opportunity for ELIS to confirm that they were moving in the right direction with the RFP process as well as receive critical guidance on the overall development of the project. For example, Dyer affirmed that the financing model ELIS had proposed—where one developer would take on all five building projects, better distributing the financial risks between all buildings—was viable. Two of the buildings had been projected to be extremely profitable, two would be moderately profitable, and two somewhat profitable. Though this may be difficult from a management perspective, ELIS and Dyer agreed that having one developer would be the best approach to ensure that all buildings were built.

After reviewing the existing documents, visiting the sites, and meeting with relevant stakeholders, APA advised ELIS to consider a few key points in the RFP’s terms of reference.

**Market viability.** Due to the emerging nature of the local market in Rimac and the new mixed income approach that ELIS was championing, further market research should be completed to verify the projected sales assumptions.

**Construction costs.** The five projects vary greatly in size, scope, and architectural design, and it was not clear if this variability had been reflected in the construction cost assumptions of the technical dossiers. A properly structured RFP can flesh out and verify the construction cost assumptions. Additionally, in any real estate project of this size, there are always cost overruns that had not been
accounted for in the proposed budgets. It was recommended that the developers’ submissions account for those additional budget costs.

**Fees and financing.** The project economics reflected strong individual project and portfolio-level returns to the private developer. ELIS conducted a strong grassroots effort to bring the project to the point where it was viewed as a strong investment opportunity with profitability potential. As a result, the technical expert recommended that ELIS seek additional fees for their structuring, support, and ongoing coordination for the projects. These fees could be structured upfront, ongoing during construction, or upon successful completion of the project.

**Overall clear terms of reference.** Responses to an RFP are only going to be good as the RFP itself. If ELIS clearly articulated what they were seeking, the private developer should be able to clearly respond and put forward a strong and competitive bid. If they were unable to produce that type of bid, it would quickly reveal that the developer might not care about the project or that they were not capable of carrying it out.

These points made the RFP stronger overall, providing a model for social housing in Peru. Instead of an ad hoc process, the entire structure of the RFP was reviewed and edited to present to potential developers.

In June 2013, ELIS released the final RFP, which stipulated all the terms (social, design, and financial) of the development of the five pilot sites. ELIS soon began to receive questions from nearly two dozen potential developers throughout the question period. Despite the overwhelming interest, only two official proposals were submitted. This was a disappointment to both ELIS and APA, who were both hoping for a more competitive selection. Several of the developers had decided to not submit a bid because of the risk associated with taking on a project that had no precedence in the country. They wanted to see someone else do the project before they were willing to do a similar one themselves. Additionally, they were accustomed to a more traditional style of construction in their country; developers typically sold apartments to families before they actually built them, which guaranteed their profit.

Although disappointing, ELIS decided to push forward and evaluate the two

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4 The lack of precedence was noted for the future development and writing of RFPs. It was suggested that any future RFP should include examples of case studies of similar projects. This could include examples from outside the country.
proposals for a neutral jury that ELIS and APA had put together. Because developers were unfamiliar with this type of project, the bids were not perfect, but ELIS and APA were willing to work with the chosen developer to smooth out any obstacles. The jury made the recommendation of moving forward with a bid from a Spanish developer backed by Brazilian financing company. Because of local Brazilian laws and bureaucratic delays, the financing company was unable to register its legal status in the time laid out in the RFP. Deadlines were missed but it was early enough in the process that ELIS decided to terminate the contract with the first developer and go with the other bid from another Spanish developer backed by a U.S. firm. Within months, the new developer group was also unable to fulfill its side of the agreement and ELIS decided to end that relationship as well. Though incredibly frustrating to ELIS, it was also a pivotal learning moment for the organization.

ELIS decided to resume the process of finding a new development team that would make a stronger partner. ELIS reviewed the various questions submitted by the potential developers for additional insight into the issues relevant to the

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5 APA reached out into its network to identify jury members, calling on academic leaders in the field of urban planning in Latin America. We also called on our previous technical assistants to join us on the jury as well.
developers. To date, ELIS is still seeking a developer but mayoral elections are inhibiting any progress. Multilateral institutions and other local developers just now learning of the project have expressed interest in investing, but have indicated they will not move forward with a decision until the elections are over. While ELIS is still working hard to promote their work and secure funding, they remind mindful that they are attempting to change behavior and do something that has yet to be done in Peru. ELIS is taking these lessons and realities and leveraging them as they vet the next round of potential partnerships.

Lessons learned:
Private sector involvement in Rimac

Profit: The private sector understood that this project was actually profitable. Not only is there a robust social component, but the financials actually made sense and made the project attractive. It was a win-win for the developer who could potentially make significant profits while elevating their brand.

Reduce the social risk: The cost associated with minimizing that social risk can be quite high, but in this case ELIS, through their legal and grassroots community organizing, had significantly reduced that risk. They had coordinated all the proper legal paperwork and MOUs necessary for any construction to move forward, meaning they had brought the costs associated with that risk significantly down. One developer had mentioned that often they would have to organize and rally the communities themselves when beginning a new development project. This is not their expertise and they are not community organizers. This process can take significant time to execute, which impacts deadlines and budgets. In this case ELIS reduced that risk with the social infrastructure that they had built and the legal protocol and process that they had established for land title issues.

Reduce the political risk: Throughout the whole undertaking ELIS had worked closely with various government agencies at the local level. They had built close relationships with the Ministry of Culture, Ministry of Housing, and the mayoral office of Rimac to gain full support of such a bold idea. This support played out in the form of their ability to quickly push through the necessary paperwork to start construction. For the most part, ELIS was able to avoid the complications of bureaucratic delays and holdups. For example, ELIS had worked closely with the Ministry of Culture to quickly receive the list of conditions needed to be included in the construction and remodeling of any historically designated site, and the actual approval to reconstruct those sites. This normally takes nine to 15 months and ELIS was able to get these conditions identified and approved by the Ministry of Culture in three weeks. Again, this saves the developer a significant amount of time and money.
Guaranteed financing for loans: As part of their advocacy efforts, ELIS had formed a strong partnership with a national program under the Ministry of Housing called Techo Propio (Proper Roof). Techo Propio is a financing program that provides subsidies between $5300 and $6800 to families making less than $650 a month so that they are able to buy their houses. Though this program has been around since 2009, only 150 families have benefited. ELIS has been able to qualify 130 families from the Rimac project in three months. Again, the strong relationship that ELIS has with the Ministry of Housing has allowed them to accelerate the process and thus bring a huge benefit to any future private sector partner. For the developer this guaranteed that the low-income families would then have access to financing they need to purchase the units. This is critical to the overall numbers and social component of the project, which assumes that current residents will be able to purchase their updated and remodeled apartment once finished. Again this brings down the financial risk for the developer. It is important to note that this does not decrease all the financial risk associated with an innovative project like this. The developer still needs the construction financing needed at the onset of the project.

Why do these stories matter?

Across the globe, access to safe, affordable and quality housing is one of the top priorities for governments, a priority reflected at the local level as well. In many countries, the right to affordable and decent housing is even supported in national constitutions, further highlighting its importance in creating stable, healthy, and prosperous countries. While the APA demonstration projects supported innovative solutions that had a meaningful impact to the communities, more must be done and housing and community development projects that have proven success need to be scaled up.

The world is currently experiencing a global housing crisis, with roughly 1.6 billion people living in substandard housing and 100 million people are homeless.\(^6\) Rapid urbanization is one of the drivers, if not the main driver, contributing to the global housing crisis. The United Nations estimates that by 2030, 40 percent of the world’s population, or about three billion people, will need access to housing and the basic services and infrastructure that comes with it, such as water and sanitation systems. Ensuring that a house is connected to water and sanitation services is critical. The absence of these services sets the stage for serious public health problems. Poor health impacts the ability of children to obtain an education and for adults to earn an income. Since all of these factors work in tandem to impede the development of communities, the availability of safe and affordable housing is the foundation of healthy communities and prosperous cities.

To meet current demand, 96,150 housing units that are on documented land

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\(^6\) Available at habitatforhumanity.org.uk/GlobalHousingNeed.
will need to be built every day until 2030. Despite understanding the urgency of the housing demand and the consequences of being unable to meet it, progress is often hindered by lack of institutional capacity or ineffective, unenforced, or even nonexistent housing policies and regulations. The result has been the proliferation of slums. Roughly one billion, or 32 percent of the global urban population, now lives in urban slums. Shockingly, in some cities, an incredible 80 percent of the population lives in slums. Current trends and future estimates indicate that this percentage will continue to increase. It is important to note that slums are no longer peri-urban developments, hidden from the general public and only populated by the most marginalized groups of society. In many of today’s most urbanized cities, slums are easily identifiable and visible, woven into the contextual fabric of the city. In some cases, slums are points of interest, used to define and distinguish a city, with people immediately recognizing the visuals of overcrowded and built-out vertical structures perched precariously on hillsides.

Slums are the direct result of a government’s inability to address the physical and social externalities associated with economic growth, development and urbanization. With almost 80 percent of its population living in cities, the Latin America and the Caribbean (LAC) region is considered the most urbanized in the world and by 2050, 90 percent of the population will be residing in urban areas. The rate of rapid urbanization in Latin America, juxtaposed against the reduction of public investment in low-income housing projects throughout the region in the 1990s has generated a housing deficit. The result across Latin America is that access to housing is lacking and desperately needed. The number of slum dwellers continues to increase, and as of 2012, 111 million people in LAC lived in slums. In the countries where APA supported demonstration projects through the ECPA award, the Inter-American Development Bank published studies indicating that an extremely high percentage of families “live in poor quality houses; for example, one out of three households in Latin America endure inadequate housing: 72 percent in Peru; 75 percent in Bolivia; 34 percent in Mexico; and 33 percent in Brazil.”

With governments struggling to meet the staggering demand for adequate housing now and in the future, the role of planning and the implementation of smart and sustainable planning practices and policies are paramount. Creative and innovative solutions to housing and community development challenges are being developed and implemented throughout the region, mixing traditional and more modern practices. APA was honored to collaborate with a select few organizations in their quest to improve the quality of life for the people they serve.

7 Available at unhabitot.org/urban-themes/housing-slam-upgrading.
Adding Value: Scaling up Successful Innovative Projects in Brazil

Brazil, the largest country in South America, presents a different set of planning issues and opportunities than its neighbors. With the seventh largest GDP in the world and 200 million people in a country as large as the continental United States, Brazil has more than 80 percent of its population living in cities. This fact presents a great opportunity to establish housing in urban areas with services, employment, and leisure. Yet a third of the population is either homeless or living in poor quality homes.

Soluções Urbanas (Urban Solutions—SU) is taking an innovative path to improving housing for one low-income community in the Rio de Janeiro metropolitan area. Working in the municipality of Niterói with a population of a half a million, across the Guanabara Bay from the city of Rio de Janeiro, SU leads a project to upgrade the houses people are currently living in. This small NGO works on many projects, but with APA, they chose to focus on expanding one of their housing renovation projects. SU is situated within a state public health institute called Vital Brasil, which has close proximity to a slum or favela called Morro Vital Brasil. The program Porjeto Arquiteto de Familia (Family Architect Project) has worked with 100 families to design simple solutions for upgrading their current housing.

The infamous favelas (informal housing) dot the landscape of many Brazilian cities. Although they can be unsafe and unsanitary, the social cohesion of the communities remains strong. In the past, the Brazilian government “dealt” with favelas by brutally removing them. These brutal removals still happen today as seen by the recent removal of certain favelas to make room for the FIFA World Cup and Olympic Games development. The gravest problem is that these people have to find a place to live. Under the current Brazilian President Dilma Rousseff, the housing program Minha Casa, Minha Vida (My House, My Life) is aimed at constructing new high-rise social housing. Unfortunately, the housing projects tend to be on cheap land far from employment centers and services. Although the

10 Available at data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS.
housing itself is upgraded, the location is not ideal because families must incur transportation costs and other economic hardships.

SU is trying to avoid this displacement by upgrading the housing where people already reside, rather than by constructing new housing elsewhere. Since people want to stay where they are living because of social ties and employment proximity, simple, small-scale improvements can ameliorate problems of ventilation, mold, and sanitation. Local architects have worked with 100 families to create designs that find solutions to issues these families face. The upgrades are relatively simple and can be completed in a do-it-yourself group work called mutirão. The families form work groups and begin to solve one problem, such as stormwater runoff. Once all of the homes have been upgraded to improve stormwater runoff, the group focuses on another problem, such as ventilation.

SU has also developed a creative way to procure the necessary construction materials to upgrade the houses. Through a corporate partnership with Leroy Merlin, a French home improvement company with a store in Niterói, SU receives donated materials. Since most construction jobs have extra material, citizens can donate those extra materials to SU. SU holds a monthly fair where these materials are sold. Community members bring TetraPak\textsuperscript{12} packages to exchange for money to buy the donated construction materials. These TetraPak packages are then sent to a plant where they are made into roofing tiles to be resold at the fair. This recycling program not only is a closed-loop system, but also is changing behavior to raise awareness for recycling in the community.

The next organizational step for SU is to access federal funding to continue to execute the housing upgrade program. Although the My House, My Life program, established in 2009, makes government funds accessible for technical assistance to design improvements for the upgrading of housing as well as the construction materials and labor, none of these funds for upgrading have been disbursed. At a meeting in October 2013 with APA, SU and the Brazilian National Housing Secretariat, the agency asked SU to prepare regulations on how to disburse these funds.

The other major project that SU implemented with APA funds was a microcredit-lending program. SU had wanted to start a program to offer credit to community members to purchase construction materials, and the APA ECPA sub-grant provided the seed money to start the program. SU will track the program to monitor and evaluate the techniques of lending to improve the program.

The support APA gave SU deviated from the model of the three other demonstration projects. SU already had a robust network and had developed a good reputation in Brazil when APA awarded the ECPA subgrant. The Family Architect Project had also already been developed and implemented on a small scale. Therefore, SU was in a different position than the three other projects and had

\textsuperscript{12} TetraPak is a large international company that designs, manufactures and provides food packages and processing equipment, such as dairy, beverage, cheese, ice cream, and prepared food equipment. Everyday food and beverages are packaged by TetraPak, for example milk and juice products. Community members acquire TetraPak in a variety of ways from picking up discarded boxes on the street, from their own homes, or by asking their neighbors and local restaurants.
an established work plan. The funds were able to augment and refine their program, rather than develop new ideas, as with the three other projects. This is not to say that APA was not fully engaged with SU on multiple layers of collaboration, but SU’s position at the outset presented a different kind of relationship. Although the size of the investment was relatively small, the impact was great, showing how a small amount of funds can really make a difference for organizations. SU was able to scale the program to incorporate more families and work on many more houses with new funds. The APA ECPA funds also helped achieve simple improvements. For example, SU did not have an efficient way to move construction materials to the monthly fair and construction sites. Since the favela where SU works has a steep topography, the purchase of a truck with the APA ECPA funds enabled SU to haul the materials to the desired locations more efficiently.

Another difference in working with SU was that there were no formal technical assistance visits, but APA was able to add value in other ways. Through the first APA ECPA award, APA cultivated important contacts in the Brazilian federal government. Even though SU had been recognized and won national awards in Brazil, APA’s position of being a reputable organization from the United States brought additional credibility and validation to SU in their own municipality, state, and country. An unfortunate result of the power dynamics of the global economy is that it took the outside validation of APA, a prominent U.S. organization and authority on the planning profession, to garner more attention to SU.

While Brazilians notice innovation in their own country, the international acclaim did help. APA was able to elevate the profile for SU and expand, scale, and refine programs. The value added was important in that the collaboration with SU only helped their organization. Challenging the status quo of the Brazilian federal government is a large task, and APA was able to support an organization working toward those goals.
By the Numbers: ECPA 2

- $250,000: total amount administered to subgrantees for technical and financial assistance
- 195: number of stakeholders with increased capacity to adapt to impacts of climate change
- 138: number of government officials trained in various planning practices
- 61: number of local non-governmental organizations and universities benefiting from workshops
- 12: workshops and trainings conducted
- 5: Countries where trainings and workshops took place
- 4: organizations that received subgrants
- 2: policies created or adopted into local practice that will benefit their respective communities
Sources

- Available at data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS.
- Available at habitatforhumanity.org.uk/GlobalHousingNeed.
- Available athks.harvard.edu/programs/saguaro/about-social-capital.
- Available at unhabitat.org/urban-themes/housing-slum-upgrading

Resources

- ecpamericas.org
- EMBARQMexico.org
- solucoesurbanas.org.br
- ielis.org
- planning.org
- planning.org/international/ecpa
- habitatparalamujer.org

Photo Sources

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