Social Housing & Urban Form in Latin American Cities

1. Context
2. Case study
3. Conclusions

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Context

1960’s
Rural to Urban Migration

2010’s
Urban to Rural Expansion

Source: Sebastiao Salgado_ Amazonas Pictures
Urban areas grew faster than urban population

Source: Own elaboration based on UN Habitat 2014, State of Cities; and Angel et al, 2011. The Dynamics of Global Urban Expansion
The urban footprint is rapidly expanding

Santiago de Chile

Sao Paulo, Brazil

Ciudad de Mexico
1960’s: informal settlements as peripheral places

Average density
600 residents/ha
2010’s: social housing in urban peripheries

Average density

400 residents/ha
% area of the urban periphery by land use

(1960-2010)
High levels of informality
Uneven access to urban services

32%
Urban residents live in informal neighborhoods

55 million
Lack access to adequate housing

57%
Of urban residents work in the informal economy

Inequality
Latin-American cities are the most unequal in terms of coverage & quality of services
HOUSING demand in Latin American Cities
HOUSING demand in Latin American Cities

Qualitative

94%

Quantitative
HOUSING Subsidies in Latin American Cities

Qualitative

Quantitative

90%
Urban outcome
Case study
MEXICO

DEFICIT
7% Quantitative
93% Qualitative
(10m urban households)

SUBSIDIES
6% repairs to existing units
94% credit for new units
(+55million usd)
Fed. Government annual target:
750k social housing units
25% housing units were built after 2000

- 87% of units were built on the 2nd ring of the urban periphery
- 11% of units were built on the 1st ring of the urban periphery

22 Km average distance to downtown

Social housing geography
Puebla

Peripheral vs Central Social housing Development

+ Interviews to developers
+ Review policy instruments

Social Housing spatial rationale

26,600 US$
Peripheral vs Central
ECONOMIES OF SCALE

Average company size
500+ vs 70 employees

Portfolio
All vs only social housing
Peripheral vs Central

COST STRUCTURE:

land + infrastructure

30%
Peripheral vs Central

COST STRUCTURE:

Economies of scale

10% savings with 500+ units

More negotiation power
Small vs big municipalities...
National programs determine
Funding structure
Architectural standards

Municipal governments determine
Land use
The challenge of cities today is the expanding **urban fringe**, not the growing urban population.
Central and Peripheral Social Housing Developers

Have similar cost structures

Gain is based on
- economies of scale &
- power asymmetries
National Policies
Mismatch between need and demand (subsides for new vs improved)

Subnational policies
Push social housing to periphery

Lack metro coordination leads to expanded urban footprint
Suggestions

PROACTIVE

✓ Match subsidies to demand
✓ Support rental housing & improvement programs
✓ Increase urban densities & metropolitan planning
✓ Limit maximum social housing complex size
Suggestions
REACTIVE

- Support jobs in peripheries
- Improve transport connections
- Develop public spaces of quality
- Facilitate legal processes
- Improve environmental performance
Thank you!

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