



Memoria of a Research Workshop

**“Irregular Settlement and Self-Help
Housing in the United States”**

**September 21-22, 2001
Cambridge, Massachusetts**

**Compiled and Edited by
Angela C. Stuesse & Peter M. Ward**

**Workshop co-organized by the LBJ School of
Public Affairs, University of Texas at Austin,
and the Lincoln Institute of Land Policy**

**Published by
The Lincoln Institute of Land Policy**

Contents

Welcome and Introductory Remarks

Roz Greenstein	<i>A Note on Our Work after “9/11”: Welcome to the Institute</i>	5
Peter M. Ward	<i>In The Days After September 11th: What Are We Doing Here?</i>	7

Panel 1. Historical and Comparative Analysis

Richard Harris	<i>Irregular Settlement and Government Policy in North America and the Twentieth Century</i>	13
Robert Home	<i>Negotiating Security of Tenure for Peri-Urban Settlement: Traveller-Gypsies and the Planning System in the United Kingdom</i>	17
Rebecca Dolhinow	<i>When the Global Becomes Local: Colonia Development and the Social Reproduction of Labor on the Border</i>	19
	<i>Discussion</i>	24
	<i>Panelist Comments</i>	27

Panel 2. Colonias, Homestead Subdivisions and Land Market Dynamics in the U.S.

Peter M. Ward,		
Robert Stevenson,	<i>Dysfunctional Land Markets in Colonias and Quasi-Formal</i>	
& Angela C. Stuesse	<i>Homesteads in Texas—A Wider Problem?</i>	30
Laura Huntoon		
& Barbara Becker	<i>Colonias in Arizona: A Changing Definition with Changing Location</i>	34
Angela Donelson	<i>Homestead Subdivision/Colonias and Land Market Dynamics in</i>	
& Esperanza Holguin	<i>Arizona and New Mexico</i>	39
	<i>Discussion</i>	42
	<i>Panelist Comments</i>	44

Panel 3. Methodological Issues (Data Collection; GIS/Remote Sensing; Primary Data)

Michael Ratcliffe	<i>Identification of Colonia-type Settlements in Census 2000</i>	47
Ayse Pamuk	<i>Informality in San Francisco and Census Data Analysis</i>	52
Kelley Crews-Meyer	<i>Detection of QFHSs via Remote Sensing/Geographic Information Systems Analysis</i>	58
	<i>Discussion</i>	61
	<i>Panelist Comments</i>	63

Panel 4. Self-Help and Self-Managed Housing Production and Trajectories

Richard Burnham	<i>Housing Modes, Impediments, & Opportunities</i>	65
Peter M. Ward	<i>Self-Help and Self-Managed Housing—à la Americana</i>	70
	<i>Discussion</i>	75
	<i>Panelist Comments</i>	77

Panel 5. Social Infrastructure in Colonias: Reinforcing Social Capital?

Angela C. Stuesse	<i>Lessons Learned from Community-Based Organizing in El Cenizo: Strategies for Claiming Rights and Resources in a Texas Colonia</i>	80
Marlynn May &		
Robert Koulish	<i>Building Colonias Land Policy from the Inside Out</i>	85
Esperanza Holguin		
& Angela Donelson	<i>Social Infrastructure in Colonias in Arizona and New Mexico</i>	91
	<i>Discussion</i>	94
	<i>Panelist Comments</i>	96

Panel 6. Appropriate Financing and Land Title Programs

Hemalata Dandekar *Innovating Financing Strategies for Affordable, Self-Help*
& Surabhi Dabir *Housing in Rural Areas of the USA* 103
Rebecca Lightsey *Texas State Government Policies on Colonias:
The Challenges of Addressing Divergent Policy Goals* 113
Discussion 116
Panelist Comments 118

Panel 7. Physical Infrastructure Planning for Homestead Subdivisions

Robert Stevenson *Alternatives to Convention* 120
Jeremiah Carew *Minimum Standard Residential Subdivisions:
Good Policy for Homestead Subdivisions?* 125
Discussion 131
Panelist Comments 133

Policy Priorities. Pushing the Envelope on QFHSs and Self-Help Housing in the U.S. 137

Participant Contact Information 142

Workshop Program 146

Welcome and Introductory Remarks

A Note on Our Work after “9/11”: Welcome to the Institute

Roz Greenstein

Good Morning. I'm Roz Greenstein, Sr. Fellow and co-chair of our department of planning and development. On behalf of the Lincoln Institute of Land Policy I would like to welcome you to Cambridge. We are pleased to have you with us and glad that you had a safe trip. Generally when we say that we are pleased to have you with us and glad that you had a safe trip, we mean it as something close to a social nicety. Today, in the aftermath of the events of last week, I mean those words differently. Not simply as social platitudes, but, that truly we are glad you are with us and glad you had a safe trip.

Things that I took for granted just a week and a half of go, I no longer do. A week and a half ago this seminar was simply a small gathering of people whose interests overlapped. Certainly the area of overlap, this phenomenon of a particular type of human settlement, of colonias, was somewhat obscure. But, we understood that it had some intellectual interest; some policy relevance; some academic/career value; perhaps even some value to the residents of these settlements, over the long-term.

Then ten days ago, those reasons seemed to me rather flimsy and decidedly “uncompelling”. So, I struggled with the idea and the meaning of the meeting in The Aftermath. I wanted to share with you, briefly, the results of that internal struggle. I can assure you that it will go on. This is simply where I have come to rest at the moment.

In the immediate aftermath of the events of September 11th, I simply felt. I felt horror and sadness and fear and anger and confusion and fear and sorrow. My thinking, rational self was largely unengaged. Meaning came from knowing that friends and family were safe and from being with my own children and husband. I found that I had no room for those analyses that understood the attacks as the harvest the U.S. sows as a result of past crimes. In other times and places my head could absorb that; then my heart and soul could not.

In the medium- and long-run I understand that the U.S. must do some collective soul-searching and education about our behavior in the world and the impact of that behavior. How we set national priorities; how we define the national interest; how we define the so-called “American way of life”; what we mean by liberty and freedom; all of these are very much part of the domestic agenda. And, broadly speaking, my own work and expertise concern domestic policy. So, I was beginning to see the window through which I could find meaning in my own work in the aftermath of September 11th.

We are organized in nation-states because we seem to think that that's about the right geography to both take care of our citizens and manage interactions at the global level. Perhaps “care” is the pivot on which domestic policy and international policy turn for nations. That is, perhaps it matters deeply how well we take care of our citizens and the visitors within our borders. If we truly learn the habits of taking care, if taking care were a value that we taught children and nurtured in young people, then it would be difficult for our nation to accept homelessness, for example. Similarly, it might also be difficult for our nation to exhaust natural resources or consume more than “our share” of limited resources. And, perhaps, it might also be difficult for our nation to support governments that failed to “take care”; that denied human rights.

Our work today and tomorrow is to pay attention to residents of colonias. We do so, I believe, because we are moved by their need and want to bring to bear the resources of this country to improve their lot; I hope we believe that we need to take better care. Perhaps in doing so over the next two days, we will add a bit to the post-September 11th efforts to shape and nurture a world with less horror, less hatred, less envy, less want, and less terror.

RG, September 2001.

In The Days After September 11th: What Are We Doing Here?

Peter M. Ward

Introductory Remarks

Ordinarily posing the question “What Are We Doing Here?” would be absurd at a purpose-designed workshop, planned for several months, targeted at a small number of experts who have been invited to share their thoughts on the issue of Irregular Settlements and Self-Help in the United States. But these are not ordinary times: Coming only ten days after the September 11th tragedies, and the assault on both our national and personal security, many of us could be forgiven for wondering “why are we here?” Indeed, I am sure that all of us have thought more than once about whether we had both the heart to engage in these workshop debates, and the trepidation of traveling to a distant destination.

But I am glad that we have done so. All but three of our numbers were able to get flights or to re-route our itineraries in order to be here today. And while no one is ready yet to “move-on”, it seems to me to be important for us to start to recover our lives, and to focus, again, on the sub-surface current of the day-to-day movement that underpins our professional sides. That is why I felt uneasy about canceling or rescheduling this meeting. During the past few days in my classes at the University of Texas, I have found that although I and my students have often come to class distracted and with heavy hearts, for the class period, at least, we have been able focus on something else, and for a few moments to shake off that awful pervading dullness and shock. And so I hope it might be for us here in the next two days.

Having echoed Roz Greenstein’s personal remarks about the tragedy, let me take this opportunity to thank her and her colleagues at the Lincoln Institute for also agreeing that we should go ahead, and especially for their generous support in creating the opportunity for this meeting and for undertaking the organizational logistics—in particular to Shirlynn Jones and Allegra Calder. Also, once again, allow me to thank you all for making the effort to be here today.

“Pushing the Envelope” on Colonias in the USA: This Meeting’s Goals and Organization

Two or three months ago I circulated some specific notes to each of you about the principal aims of the meeting, and the main questions that I hoped we might address in the specific working sessions. These were accompanied by a brief statement about some propositions regarding colonia-type subdivisions in the U.S., and which I reproduce below in an annotated form. These pre-circulated notes were designed in part to get us all on the “same page”, and to encourage us to begin to think imaginatively and analytically about how we might use this research workshop in order to “push the envelope” and explore these phenomena outside of the U.S.-Mexico border region, where, to date, they have almost exclusively been studied.

At the end of the meeting I hope that, among other things, we might be in a position to begin to strategize about: 1) How to develop an effective network of interested parties; and 2) How to take this research forward and get it onto the policy agenda of counties. In this respect Roz Greenstein and I were singly unsuccessful in getting any county and city representatives to join us at this meeting. So, it will be up to us, collectively, to take the message to them *ex-post*. Therefore, during the course of the next two days please reflect upon how we can take this work forward and get into policy-makers’ faces.

Meeting Organization and Publication Plans

The mechanics of this meeting are as defined at the outset. All of us have prepared a three-to-four page outline of the main points of our presentations. These have been pre-circulated on the Lincoln Institute Website for our exclusive access. I hope that we have all read these materials in advance, since I am asking you all in your 15 to 20 minute presentations not to repeat the arguments; rather that you develop them, perhaps through illustrating or elaborating particular elements. The aim here is to maximize the opportunity for discussion, and to minimize lengthy presentations of materials that we should have already read. Rest assured that the original “papers”, together with some after-the-workshop author reflections, and a record of the main points of our discussions, will be published in electronic and hard copy form in the Lincoln Institute’s Working Paper Series.

Background Paper and Principal Themes to be Addressed

Quasi-Formal Homestead Subdivisions (QFHSs, for short) exist widely throughout the Southern United States. Often known by their Mexican name of colonias in the border region, QFHSs are a form of housing developments promoted by developers for profit in the lax or unregulated and low planned jurisdictions of counties and unincorporated areas. Mostly they are urban oriented, even though they may be buried in rural environments several miles beyond the city and extraterritorial jurisdiction (ETJ) limits. Commonly they comprise low-density settlements and have little or no mixed land uses, being almost entirely residential single household homes. Their ethnic composition varies upon locality. While QFHSs are almost exclusively Hispanic in the border region, they are more likely to be mixed ethnicity elsewhere (African-American, Anglo and Hispanic). These are poor communities that have modal total household incomes in the range of \$20-25,000 per year, with many households earning half that amount or less; few earn more.

They are most appropriately viewed as homestead subdivisions since they represent an affordable land and housing production system for home ownership. Unlike rental trailer park-developments, they offer a vehicle for creating equity in the land housing market and represent a rational route to property ownership for the urban poor. They are “quasi-formal” in several senses: The relative informality of the land sale and titling process often based around Contract for Deed practices; the lack of services and low-grade infrastructure which does not comply with city codes and norms; the self-help and/or self managed nature of dwelling provision; their lack of formal social infrastructure. Internal political and social organization is often weak, also. In contrast with their counterpart communities in less developed countries, self-build housing processes, while they exist are not usually the norm in the U.S. Instead, most households place a trailer home or a manufactured home on their lot, sometimes in conjunction with a self-built dwelling. Many homes grow in an accretive fashion over time, trailers or shacks being upgraded later with more substantial and permanent buildings. This affords flexibility in the housing production process.

Affordability is achieved through quasi-formality of the process: The low and un-urbanized land costs; the low protection titling system; the lack of services; the location in low-tax jurisdictions. Against this must be placed the relatively high transport costs associated with homestead living, since private means of transportation is essential both for work, provisioning, and education.

While there is a growing body of knowledge and policy making experience about colonias (mostly from Texas) the phenomenon of homestead subdivisions is almost entirely unstudied. Moreover, the widespread existence of such settlements elsewhere in the United States is almost entirely unacknowledged. Initial evidence from my own recent work suggests that they exist widely in many states, and that they are increasing as the primary means whereby families who would normally be faced with trailer park or low cost rental options, are able to enter into home ownership.

They form a raft of housing options below that of the lower-cost formal market including Fanny Mae. There is no reason, however, why in the future such non-for profit organizations might not enter and support quasi-formal homestead subdivisions.

Workshop Organization and Outline Structure of This Working Paper

Thus, *inter alia* our work at the workshop focuses on collectively beginning to push the envelope on our understanding in the following areas:

- To identify the different types of QFHSs (typology)
- To develop methods that will facilitate measurement and inventories of their extent, and to identify appropriate data sources
- To better understand how these land and housing markets actually work
- To begin to assess how different variables (social, economic and juridical) shape their structure and potential for development
- To examine the variation in community and social organization and capacity
- To explore the intersection of (low) regulation and planning controls and their enforceability
- To think about appropriate planning and infrastructural public policy responses
- To explore how intergovernmental and institutional arrangements impact upon such settlement development

Key directions and issues for each panel are:

Panel 1. Historical and Comparative Analysis

- Historical precedents for self-help type solutions in North America and less developed countries
- Comparative experiences in developing planning law and legislation towards such settlements and similar counterparts
- What should the U.S. be learning from other comparative policy making experiences and best practices?
- Impacts of globalization upon labor markets and access to low income housing
- Structural and regional aspects of poverty, immigration, mobility, and transnational communities

Panel 2. Colonias, Homestead Subdivisions and Land Market Dynamics in the U.S.

- Various types of colonias and QFHSs that exist
- How they develop
- Dynamics of their development
- Land market performance
- Emergence of public awareness and legislative responses

Panel 3. Methodological Issues (Data Collection; GIS/Remote Sensing; Primary Data)

- What data exist and how can these be accessed?
- What are the most appropriate methods for gathering information?
- What data handling problems occur with marginal or possibly “invisible” populations?
- How far can GIS and remote sensing assist in the identification of such subdivisions?
- What are the mechanisms for developing a national inventory?

Panel 4. Self-Help and Self-Managed Housing Production and Trajectories

- How do people cater for themselves and fulfill their housing needs over time?
- What are the principal types of housing that exist in QFHSs?
- What is the role of the self-help and how can it be enhanced?
- What alternative formal housing options exist?
- What is affordable to whom?
- How do people finance informal housing?
- What are the intra-lot household arrangements and sharing opportunities?

Panel 5. Social Infrastructure in Colonias: Reinforcing Social Capital?

- How are QFHSs organized internally?
- What formal and informal social infrastructures exist?
- How are households organized and what is the nature of intra-settlement social organization and interaction?
- How much social capital exists and how is this enhanced or deformed by policy?
- What are the policy-making opportunities and priorities in such settlements?
- What is the role of NGOs and other “outside” entities?
- Issues of leadership, organization, and political struggle

Panel 6. Appropriate Financing and Land Title Programs

- Principal servicing needs and how they are met
- Appropriate technology
- Minimum standards
- Site and service type alternatives
- The role and effectiveness of public policy in regulation and in provision
- Costs of servicing provision and affordability
- Best practices and worst practices
- Appropriate codes and their implementation

Panel 7. Physical Infrastructure Planning for Homestead Subdivisions

- Existing housing finance schemes for formal and informal homesteading
- Small loans and micro credits
- Collateral systems
- Income earning among low-income households
- Land title problems
- Regularization needs and strategies
- Legislation to protect low income purchasers
- Taxation policy
- Organizational systems for regularization

In short, this is a modest, and in many ways a very preliminary start to what I hope will develop into a much more widely and sensitively understood phenomenon of low-income homesteading in structural conditions of poverty and low wages in the U.S. The aim is not to denigrate and condemn such conditions, but rather to unpack them and look positively towards the policy approaches that might enhance public and private sector capacity to generate wider and better-served opportunities

for home ownership. I hope this workshop initiates a serious and extended conversation about an agenda of research and policy analysis concerning the comparative and generalizable aspects of colonias and quasi-formal homestead subdivisions in the U.S., and not just moving towards a consensus about the existing knowledge and practice.

PMW, July and September 2001.

Panel 1.
Historical and Comparative Analysis

Irregular Settlement and Government Policy in North America and the Twentieth Century

Richard Harris

Typically located at or beyond the urban fringe, irregular settlements are unregulated, unplanned, and usually built by occupants for their own use. Although they have often been stereotyped, for example as “shacktowns”, they are part of a continuum of urban settlement. For example, although the rate of owner-building is highest in irregular settlements it has been noteworthy in other areas too, and in the form of “Do-It-Yourself” exists in all areas. Most urban and housing researchers regard irregular settlements as a distant memory in North America, that is America north of the Rio Grande, and assume that they are now confined to the developing world. Recent historical research, however, has shown that, as recently as the 1950s, they were very common in resource towns and at the fringe of urban areas across Canada and the United States. Since then, except in specific regions, they have become less common, scattering well beyond the urban fringe. They have usually developed in the face of official disapproval, but in a few instances governments have provided them with support. These instances of aided self-help have generally proved to be very successful.

Irregular Urban Settlement in the U.S. and Canada

Unlike the usual situation in the developing world, those who settled in irregular settlements in Canada and the United States almost always had legal title to their property. Even so, they existed on the social, geographical, and legal margins of urban society.¹ Being located at the outer urban fringes, where land was cheap, their settlements were hidden from public view. When they attracted attention, however, they were often disparaged. Their residents preferred to keep a low profile. This is one reason why the character and incidence of such settlements have been hard to document. Precisely because they were unserviced and unregulated, many left little trace in official and routinely generated records. Their historical geography must be inferred from qualitative sources, including oral histories, and from possibly untypical case studies.

The majority of irregular urban settlements developed in suburban and fringe areas, although some also sprang up in rapidly growing resource towns. It is generally assumed that throughout the twentieth century North American suburbs were essentially middle class in character. In fact, many were not. Prior to World War II there were three main types of suburb: Middle class, industrial working class, and unplanned. All major metropolitan areas had several examples of each, including the unplanned suburbs that contained irregular settlement. Researchers have shown that in this period irregular settlements existed on the northern fringes of Detroit, the southern and southwestern fringes of Chicago, to the northwest and northeast of Toronto, and in what is now known as South Central Los Angeles (Harris, 1996). However, they were most common around smaller and mid-sized centers such as Peoria, (Illinois), Flint (Michigan), and Modesto (California) (Harris, 1999a).

Independent of these differences by city size, irregular settlement occurred most commonly around rapidly growing urban areas that were receiving low-income migrants. They were cheap, fringe ghettos. For that reason, local opinion associated the deficiencies of such settlements with the supposed character of specific ethnic or racial minorities. Around Toronto (1900-1913), for example, such settlements were given British labels (“Little Britain”); Robbins, an African-American suburb south of Chicago, South Gate, an Los Angeles suburb of poor southern whites, and Ville Jacques-Cartier on Montreal’s francophone South Shore, were more actively denigrated and in a variety of

¹ This paper is only concerned with irregular settlements that are primarily urban, in the sense that most occupants are engaged primarily in non-agricultural activities.

ways. Then, as now, the tendency to interpret irregular settlements in ethnic and racial terms has hindered a full appreciation of their general, systemic importance for urban development in North America.

In some cases, the development of irregular settlements was deliberately fostered by land subdividers. Early in the twentieth century, before building and subdivision regulations had been established and enforced in many suburban areas, regulation was a matter of private initiative. Exclusive areas had tight regulations. In contrast, cheap subdivisions were marketed by emphasizing that they were unregulated. One such area just outside Toronto was promoted with the statement “You have built homes for others, now build one for yourself.” More commonly, irregular settlements just happened, as low-income households seized the opportunity to acquire title to their own home. The desire to do so was stronger among immigrant and working-class families than among the native-born middle class, since the home was the only context in which they could assert control over their lives.

Once legal title had been secured, construction took place outside the market economy. Homes were built through owner-labour, with families and friends helping out. Materials were scrounged, for example from demolition sites, or self-fabricated, often in the case of cement blocks and even in the case of bricks. Families built in stages, minimizing or eliminating their need for credit. The building process extended over a period of years, giving irregular settlements a varied and unfinished appearance.

In the long run, as suburban municipalities introduced and enforced building regulations, irregular settlements were pushed well beyond the urban fringe and became less common. Superimposed on this secular trend, however, were major cyclical variations. During the 1930s there was a local resurgence of irregular settlement in areas where “part time farming” was feasible. Self-provisioning was seen as a necessary complement to uncertain employment. It was also common in some urban areas during the early 1940s, when defense construction boomed in new suburban factories, and the supply of suburban homes was limited. A well-known case was the region that included Macomb and Oakland counties, near the Willow Run bomber plant at Detroit’s fringe. The largest, and most general boom in owner-building and irregular settlement, however, occurred in the decade after 1945.

There is a stereotype that the early post-war suburbs all looked like Levittown. In fact, in the late 1940s and early 1950s more than a quarter of all new single-family homes were built by owners for their own use. Much of this construction took place in areas that were not wholly irregular in character. It took a different form than previously. Families were more likely to use stock plans, rather than drafting their own; they were more likely to buy materials from local lumber dealers, many of whom sold kits; they were also more likely to borrow money, either from suppliers, from private individuals or, to some extent, from sympathetic lending institutions. By the late 1950s owner-building, and its first cousin Do-It-Yourself (a term coined in about 1952), had entered the commercial mainstream. Still, for a number of years after 1945 irregular settlements sprang up everywhere. Few families had much in the way of savings. The experience of the Depression warned people to avoid debt. Need and thrift led them to build modest homes in unserviced suburbs. The rate of owner-building declined after the early 1950s, dropping to about 10 percent of housing starts by the 1960s. By then, most owner-construction was occurring well beyond the suburbs, since widespread access to the automobile had made it possible for those who worked in metropolitan areas to live far outside. It is entirely unclear how much has occurred in recent years in the more consolidated form of irregular settlements.

Government Policy Towards Irregular Settlement

In the places and times when owner-built settlements were common, the public attitude towards them was generally negative. Many deplored their unkempt appearance. Planners, especially, regarded their varied and uncoordinated landscape as an affront. Others worried about the health risks that were associated with settlements that, as they filled in, approached and exceeded normal suburban densities but where residents relied on wells and outhouses. By comparison with the extensive research conducted into inner city “slums,” however, little evidence was gathered on health conditions in such areas.

The usual response of municipal governments to such areas was to limit their growth, and eventually to eliminate them. They did this primarily by enacting and enforcing building regulations. Such regulations raised the minimum standards and costs of construction; they also made it illegal for families to move into their homes before they were substantially complete. There were local and temporary exceptions, as in Flint, Mich., where from the 1920s the city had developed a permit system that explicitly made provision for interim “garage homes.” The category was well used during the 1940s, an era when returning veterans faced a severe housing shortage. Unofficially, building departments and inspectors turned a blind eye to infractions, but this did not last for long. By the late 1950s governmental attitudes towards such settlements was again hostile. Significantly, the first urban renewal program in Canada, which was mounted in Kingston (Ontario) in the late 1950s, involved the demolition and redevelopment of a suburban “slum”.

In North America there have been a few contexts in which governments have offered assistance to owner-builders. A rather limited initiative, hardly a program, involved U.S. federal support for homestead schemes during the 1930s. Supported by Eleanor Roosevelt, these were typically miner re-settlements projects that included self-provisioning. One project, Penn-Craft, was sponsored by the Quakers, who were also involved in a couple of projects in the Philadelphia area after 1945. In the immediate post-war period, in the U.S. one or two local housing authorities laid out subdivisions for owner-builders. The least obscure of this small group of projects occurred in Peoria County, Illinois.

In the same period, two more substantial initiatives emerged in Canada. In both cases they developed because of grass roots initiatives and despite initial official suspicion. The first involved the Nova Scotia Housing Commission. Between 1938 and 1972, in conjunction with the extension department at St. Francis Xavier University, the Commission financed small building coops across Nova Scotia. In total about 5,500 homes were built through cooperative self-help, in groups of ten and up. This program was very successful and widely praised in U.S. media, but although it was for a time copied in some Canadian provinces it was generally ignored in the U.S. (Harris, 2002). A second initiative was more significant since it was national in scope. In the late 1940s, the part-time farming provision of the Canadian Veterans Land Act (1942) was made into a highly effective Build-Your-Own-Home program. The Department of Veterans Affairs loaned money, provided house plans, and employed inspectors to give on-site advice to owner-builders (Harris, 2001). In all, about 50,000 families received assistance. (Others were helped to buy existing homes.) In most cases, development occurred on scattered sites where families relied on wells and septic tanks. Neither of these Canadian programs created irregular settlements. Rather, they provided realistically affordable options to those who might otherwise have been compelled to create such settlements.

Intermittently, since the 1950s, Canadian and U.S. governments have provided assistance to owner-builders. Usually these programs have been of very limited scope, applying only specific groups or regions. The most general program is SHOP, the Self-Help Homeownership Opportunity Program, which was developed in the 1990s by the U.S. Department of Housing and Urban

Development. This has channeled funds to several organisations that have provided financial and technical assistance to owner-builders. The most important of these, the Housing Assistance Council, has always concentrated its activities mainly in rural areas (Housing Assistance Council, 2000). In so doing, however, it has assisted many whom, in terms of occupation and perhaps place of employment, are more properly thought of as urban.

Discussion

The historical record shows that in the United States and Canada irregular settlements have created real problems. Health conditions were often poor, and the eventual cost of servicing such settlements retrospectively was much greater than if they had received basic services at the outset. The costs were compounded by the absence of subdivision controls which made it possible for scattered settlement to occur. Since such services have usually been funded from the local property tax base, these extra costs were eventually borne by local residents who could ill afford them. In many cases the installation of services caused tax arrears, mortgage defaults, and even municipal bankruptcy. In many cases it would have been preferable for municipalities to have provided basic services in advance, to have enforced planning controls that confined development to clusters, and ideally to have provided technical and financial assistance to settlers.

None of the very few government programs to be directed at urban owner-builders met all of these criteria. One option along these lines that was widely praised in North America from the 1930s to the early 1950s was that developed after 1927 by the City of Stockholm (Harris, 1999b). This called for financial and technical assistance to amateur builders in serviced, city-owned subdivisions. This was the best of a series of experiments made by national and municipal governments in Europe after 1918 when, faced with the rapid growth of “wild settlements” at the urban fringe, they tried to address the housing shortage. It was widely regarded as a great success, but was never emulated in North America. Here, the general attitude has been to work against, rather than with, those who from necessity have created and settled in irregular settlements at the urban fringe.

References

NOTE: For economy, I cite and reference other publications where I have provided fuller documentation of the material that is presented here.

Harris, R. 1996. *Unplanned Suburbs. Toronto's American Tragedy, 1900-1960*. Baltimore: Johns Hopkins University Press.

Harris, R. 1999a. “The Making of American Suburbs, 1900-1950s” in R. Harris and P. Larkham, eds. *Changing Suburbs. Foundation, Form and Function*. London: E and FN Spon, pp.91-110.

Harris, R. 1999b. “Slipping through the cracks. The origins of aided self-help housing 1918-1953”. *Housing Studies* 14, 3: 281-309.

Harris, R. 2001. “Canada’s Reluctant Housing Program: The Veteran’s Land Act, 1942-1975” (with Tricia Shulist). *The Canadian Historical Review* 82, 2: 253-282.

Harris, R. 2002. “Flattered but not Imitated. The Nova Scotia Housing Commission, 1936-1973”. *Acadiensis* (forthcoming).

Housing Assistance Council. 2000. “A Brief and Selective Historical Outline of Rural Mutual Self-Help Housing in the United States”. *The Council*.

Negotiating Security of Tenure for Peri-Urban Settlement: Traveller-Gypsies and the Planning System in the United Kingdom

Robert Home

The scale of peri-urban informal and unauthorised housing in the U.K. is small when compared with the vast settlements of the Third World. Yet the state, usually through the land use planning system, has expended significant resources to control and manage them, classifying their occupiers as gypsies (or persons of nomadic habit of life). The numbers of gypsies in the U.K. (2000) were about 13,000 caravans, representing about 10,000 families, or 25,000 to 30,000 individuals. The Caravan Sites Act 1960 brought caravans under closer control, and a 1968 Act required local authorities “so far as may be necessary to provide adequate accommodation for gypsies residing in or resorting to their area” (by 2000 nearly half of gypsy caravans were on council sites). A growing public intolerance of gypsies was reflected in the Criminal Justice Act 1994, which abolished any statutory obligation to provide accommodation for gypsies, discontinued government grants for such sites, and made it a criminal offence, with heavy sanctions, to camp on land without the owner’s consent. Advocates for gypsies responded to such drastic powers by arguing violation of the Human Rights Act 1998.

The right to live on one’s own land in the U.K. is controlled by the state through the planning system. Land can be bought freely, and subdivided without the need for planning permission, but the mere fact of ownership does not of itself confer the right to live on the land. Stationing residential caravans is a material change of use requiring planning permission from the local authority (or from central government on appeal). The planning system has in effect classified all land as either urban (where policies allow development) or rural (where permissible development is severely limited). The transfer of land from rural to urban is regulated through the development plan procedure, and, apart from the tightly planned release of land to housing, there are very limited circumstances in which piecemeal small-scale residential development can be allowed in the countryside. Gypsy caravan sites comprise one such circumstance, along with the conversion of buildings of historic character and dwellings for agricultural workers. Such is the pressure upon land, and the high value of development land, that most gypsies can only afford to buy land with a low-value use right, such as agricultural or derelict land.

Gypsies have gradually, and rather reluctantly, been accorded special policy consideration in the planning system (Circular 1/94), as have caravan sites since the 1960 Act, intended to control holiday camping and prevent the growth of unsightly caravan sites in rural areas. The definition of a caravan is generous, and can include a twin-unit caravan up to 1200 square feet in area—a substantial dwelling in floorspace terms—and sites are classified into long-stay, temporary and transit.

Although there is a surplus of conventional housing, authorised accommodation for gypsy caravans is less than the demand. The official council-provided sites many gypsies find intolerable for reasons of over-crowding, constant changes of neighbours, police interventions, unsanitary conditions, etc. An alternative is to find their own land and seek planning permission from a usually hostile local authority. The search by gypsies for secure accommodation can take many years and involve a succession of battles with the planning authority, at considerable cost to both sides. The local authority has an impressive armoury of weapons: Refusal of planning permission, enforcement, contravention and stop notices, court prosecution for breach of planning or site licence control, and High Court injunctions in extreme cases. The gypsies may have to negotiate a succession of enforcement notices, applications for planning permission or variation to conditions, court appearances and appeals. The process involves a degree of tactical manoeuvring by both sides, with the occupiers trying to achieve security and improve living conditions, and the council usually seeking to prevent the creation of new residential use rights in the countryside, or at least to

circumscribe such rights as tightly as possible. The central government inspectors who determine appeals against enforcement notices and planning refusals have to balance the needs of gypsies against countryside protection policies and local residents' "third party" objections. Even when the right to residential occupation of land has been won, conditions upon the grant of planning permission may limit that right, leading to further procedural battles.

The costs of the system to both sides are high, in time, resources and stress-related health problems. There has often been an inconsistency of approach, with both central and local government vacillating between repressive or preventative measures and a more permissive policy which gives more weight to "one of the most fundamental human needs, the need for shelter with at least a modicum of security".

The system of land management in the U.K. works on a case by-case basis, with a wide degree of discretion afforded to the local authority, within a framework of central government policy. Such a system can involve what might seem an extreme attention to site-specific and minor detail, and the system has to balance a concern with protecting the rural character of the countryside (and other planning considerations) against the accommodation needs of a small minority group. The contested position of gypsies derives from a number of factors: The settled community's general antipathy towards them, the perceived inconsistency of the nomad seeking a settled base, the difficulties of incorporating caravans (essentially moveable property) under land use regulation, and the reluctance of the planning system to accord a special exemption from countryside protection policy to a minority group.

A case-based land management approach requires gypsies to negotiate their land and housing rights site-by-site, and family-by-family. The key event in achieving land use rights and secure accommodation for the gypsies is not the purchase of the land but the grant of planning permission. Once uncertainty over the right to stay has been resolved, usually at considerable cost and delay, then the owner-occupiers can invest in facilities, within the licensing requirements for caravan sites. Conditions restricting the planning permission may need to be removed or varied, incrementally adding property rights in recognition of changed circumstances, usually against the continuing resistance of the local council. Because of its concern with countryside protection, the council may oppose more permanent structures, resisting not only the replacement of a caravan with a permanent dwelling-house or bungalow, but even lesser structures such as amenity/toilet blocks. Even where an established residential use right exists, the expansion of that right to allow additional caravans within the house curtilage has been opposed. So, although improved security and living conditions may be negotiated with the planning system step-by-step, that progression is usually contested, and the case-by-case basis of the system allows wide variations and inconsistencies of approach, with central government policy on the subject often ambivalent.

When the Global Becomes Local: Colonia Development and the Social Reproduction of Labor on the Border

Rebecca Dolhinow

The outskirts of cities all across the nation are home to the working poor. On the U.S.-Mexico border the working poor are predominantly Mexican immigrants. Many of these immigrants and their families live in isolated pockets of poverty and resource deprivation known as colonias. Colonias are defined by the federal government as unincorporated communities, within 150 miles of the international boundary with Mexico, that lack basic infrastructure such as waste water systems, electricity, and safe and sanitary housing. This paper asks the questions: How have colonias developed in New Mexico? And how does the production of these spaces of poverty fit into the regional economy? The answers presented here address the global and local processes that intersect in the creation of the conditions under which colonias develop and flourish along the border. In addition to using case study data from three colonias in Doña Ana County I examine greater international and regional forces such as, increased trade between the U.S. and Mexico, and the growing reliance of the U.S. economy on Mexican labor, to explain the production of colonias.

It is important to note at this point that the data presented here are from a New Mexico case study, but I do not think that my arguments are in any way limited to New Mexico. The central elements of the argument I present apply all along the border and not just within the 150-mile boundary the federal government uses to circumscribe the problem. Colonia communities and other kinds of Quasi-Formal Homestead Subdivisions (QFHSs) exist well into the interior of most border states, and for that matter, into the interior of the country.

The first argument this paper makes is one for the importance of history and geography in the study of communities like the colonias. I examine a particular historical juncture as I ask how colonias develop based on the intersection of a specific set of geographic practices. As isolated pockets of poverty, colonias are socially constructed by developers, politicians, and residents among others, acting under the influence of local and global processes. A historical geography of the colonias based on the practices of colonia residents helps us to understand how colonias operate on a daily basis and how colonia residents re-produce the spaces they live in through their activism (Lefebvre, 1996). An understanding of how colonias are created and what role they play in the border region is important because it can shed light on how colonias develop as communities and how they can be improved.

So what is the role of the colonia? I argue that as sites of social reproduction for the border's preferred labor force, Mexican immigrants, colonias fill an important need in the regional economy. For decades the U.S. has proven its reliance on and indifference toward Mexican labor (Craig, 1971; Daniel, 1981). The border region's economy not only runs, but flourishes on, Mexican immigrant labor. And it is the immigrant nature of this labor that allows employers to treat this work force as expendable. Historically, Mexican workers have been recruited in great numbers when the economy expands and are repatriated in equally large numbers when the economy slows up. The border boom of the early twentieth century, culminating in WWII, created an even greater demand for Mexican labor and led to the legislative recruitment of Mexican nationals through the Bracero program (Craig, 1971; Lowrey, 1999). The idea behind the Bracero program, and the use of Mexican labor in general, during most of the twentieth century was disposability. When the work was done the labor was supposed to go back across the border. In practice this is not the case. Especially since the 1960s, with the growth of low skill and service sector jobs in the U.S. economy, cheap Mexican labor is always in demand. Employers need labor on a semi-permanent basis, but are not willing to hire at wages that allow immigrants to support themselves and their families. And because some of these

immigrants are not citizens the state does not take up the slack, there is no welfare to support them when they are laid off. And for those who are citizens, federal and state programs do not provide enough subsidies to support their families when they are out of work. This is where colonias come into the equation.

The wages this workforce are offered are not enough to pay rent in most border communities and are certainly not enough to enter the traditional home buyer's market. If this is the case, where do the Mexican immigrant workers live? And where do they raise their families and reproduce the next generation of workers? The answer is: In colonias. Colonias provide cheap, but not state subsidized, housing for the working poor. Out of sight and out of mind, colonias provide the bare minimum housing necessary to reproduce the working poor the border's economy relies on. And colonias are not going away. The need for private forms of social reproduction of the working poor is only growing as the federal government cuts welfare and aid programs. Understanding the role of colonias and other QFHSs will help us create policy that best addresses the issues that affect the working poor. It is important to address the role of the border region's history in the development of the colonias. The historical role of Mexican labor in the region and the ways in which this population was, and is, targeted in the development of colonia subdivisions is an important factor in the development of the colonias. In this discussion of border history I focus on the intersection of "globalization" and the regional history in an effort to highlight the increased pressure on the local economy and housing markets that international trade brings.

As you know most of the border region was part of Mexico only a little more than 150 years ago. There has always been a large Mexican presence on the border with the number of Mexican citizens residing in the U.S. fluctuating based on politics and economics. Many point to the Mexican Revolution of 1910 as one of the most important influxes of Mexicans to the U.S. I agree, but want to stress that what is important here is not only major influxes, but rather the continual, long term, process of migration between the two countries. The Mexican revolution provided a political reason for migration and since then many Mexicans have come to the U.S. for political reasons. But for the population under study here, colonia residents, more move to the U.S. for economic reasons.

Mexicans are looking for work and the border region is looking for labor. This has been the story for decades. Much of the border, especially New Mexico, revolves around an agricultural economy. This sector of the market was solidified prior to the First World War when the Reclamation Act of 1902 led to the creation of large-scale irrigation projects across the Southwest (Lowrey, 1999). From its inception the Southwest's agricultural economy relied on Mexican field labor. The first labor based immigration exceptions were for Mexicans. With the start of WWII the need for Mexican labor went up as U.S. citizens were called away to war. This increased need led to the creation of the Bracero program which lasted until the mid 1960s and allowed Mexican men to cross the border legally for employment purposes. Until this point Mexican labor was always considered temporary and the ease of crossing made it unnecessary to permanently move across the border. Once the Bracero program was terminated in the mid-60s crossing for employment became more difficult. Not only were there few legal means to cross for temporary work, but there was also a developing fear of immigration within the U.S. These two factors—1) the lack of legal access to employment in the U.S.; and 2) the growing concern among U.S. citizens that immigration, particularly Mexican, was getting out of hand—have shaped immigration and the face of border communities since the 60s.

Alongside growing xenophobia in the U.S., globalization, and its attending hype, brought the border and its increasing importance in the country's economy closer and closer to homes across the country. Between 1965's Border Industrialization Program and 1994's NAFTA the Northern border of Mexico has developed into one huge industrial park drawing workers from the interior of the

county. As more and more Mexicans move from the interior to the border, greater numbers make the move across the border as well. Some scholars point to the gendered nature of much maquiladora work saying that men, who are less popular as maquila workers, are forced to cross to the U.S. to find employment on the border (Sassen, 1992; Lowrey, 1999). I agree this is a partial cause, but I also want to stress that Mexican men have been crossing the border for decades and that the demand for field labor on the U.S. side had not gone away. I believe it is also important to add that the long history of immigration, the increased trade between the U.S. and Mexico, and the other elements of “globalization” taking place on the border also create an environment in which immigration between the two countries becomes easier as familiarity between the two countries increases (Martinez, 1994; Sassen, 1996).

As immigration increases so does the anti-immigrant backlash. We have established that many colonia residents are Mexican immigrants, and this pattern of immigration for temporary labor is nothing new in the Southwest. What is new is why immigrants began to buy land in colonias and stay permanently in the U.S.; clearly something changed in the position of these immigrant families that encouraged them to make roots in the U.S. My research in New Mexico leads me to believe that a mix of factors, not the least of which was the U.S. government’s new policies towards immigration, led Mexican immigrants to settle once and for all in the U.S. The 1986 Immigration Reform and Control Act (IRCA) was one of the first responses to the growing “problem” of illegal immigrants in the U.S. In very basic terms amnesty (the chance to legalize their status in the U.S.) was given to people who could prove they had been in the U.S. for eight years or more or had worked in the U.S. for ninety days or more in the last year. Many agricultural field workers along the border could meet these criteria. Suddenly, field workers who had been here illegally and alone were now legal and they could bring their families over with them. Until this point buying land in the U.S. made little sense because they could not bring their families over to make a home in the U.S. Many seasonal field workers lived in camps on the ranches where they worked. After the amnesty, when families did unify on the U.S. side, ranchers did not want the responsibility of women and children on their land and many field workers were forced to look elsewhere for land to live on. This process of family unification and the subsequent push off ranch land led to both the creation and growth of many colonias in New Mexico.¹ Developers quickly saw the opportunity to sell land to this growing population of recently legal Mexican immigrants. Inadequate subdivision laws made the developer’s work all the easier (Larson, 1995). But the most important contributing factor still remains the lack of affordable housing. Prior to amnesty the border’s favorite labor force, Mexican immigrants, did not require land to buy. They were temporary, and they came and went as they were needed. Their families and future generations of laborers lived in Mexico. Most all aspects of the social reproduction of this labor force took place outside the U.S. Now that the U.S. had made this labor force not only legal, but also resident, a location was necessary for its reproduction. But low-income housing is not a strong point of the U.S. government and it was up to the immigrants themselves to find a place to buy land and raise their families (Ward, 1999). Colonias were the only choice.

All these factors have led to the creation of the colonias as isolated spaces of racialized poverty. How these spaces are socially constructed and reconstructed is very important. Colonias are

¹ I would like to briefly note that immigration reform, labor demand, and globalization are only some of the major processes that lead to the development of the colonias. There are also many more “cultural” factors that contribute to the process. For example, in her book *Free Trade?*, Kathleen Staudt points out that colonias in the U.S., like their Mexican counterparts, exist in part because of resourceful uses of multiple forms of informality (Staudt, 1998). This informality is frowned on in the U.S., while in Mexico, where most colonia residents originate, informality is a sanctioned method of development (see also Ward, 1999).

often set off the main roads at the edges of cities in what are known as ETZs.² For practical planning reasons, creating a subdivision in these areas is more attractive to developers because there are fewer rules and regulations to abide by. Out of sight is also out of mind. The working poor can live and reproduce in colonias in conditions far below those to which most U.S. citizens are accustomed because they are not readily apparent. And because they are the working poor, colonia residents usually lack the resources to draw attention to their plight. We all know rich people only live without waste water systems and paved roads by choice.

How geographies of race, gender and class are constructed and challenged is the key here. In New Mexico at least, all the colonia residents I worked with were of Mexican descent, and most all were recent immigrants. The ethnic makeup of colonia communities is important for several reasons. First, we have established there is a long tradition of Mexican working poor in this part of the country and the colonias provide no exception to this rule. Second, as Mexicans and recent immigrants, colonia residents are already a high profile group in the eyes of the INS and many in this position try to avoid drawing more attention than absolutely necessary to their communities. This desire to stay under the radar of the INS and the Border Patrol means colonia residents often cannot draw the necessary attention to their situation to effect change in their communities. Third, there is a well-developed discourse on the physical and cultural similarities between Mexican colonias and those in the U.S.; the idea being that Mexicans like to live in squalor and that is why they live in colonias. Colonias are conceptualized as racialized spaces on the border. Within these predominantly Mexican communities of the working poor it is women who rise to leadership most of the time. My research on women's community leadership and activism suggests that in these resource-deprived communities most men are focused solely on their work outside the home and the community. Women must take on the leadership roles to affect change and obtain the resources and infrastructure their colonias so desperately need. Working both within (provision in the home is a woman's role) and outside (attending meetings with politicians is more a man's place) the traditional patriarchal Mexican system of gender relations, women leaders in colonias work to provide the basic necessities the state fails to provide. In this way, women colonia leaders are doing their part to improve the conditions under which the working poor are socially reproduced.

I argue here that colonias are locations for the social reproduction of the working poor. They do this at little or no cost to the government or employers who benefit from the labor of colonia residents. They are an integral part of the region's economy. Without the colonias, where would the working poor live? But they are not just bounded communities of poverty. They are lively and active, predominantly Mexican, bi-national communities. It is crucial to bear in mind the racial, cultural, and class based elements of the equation when examining colonias and their role in the economy.

References

Craig, R. B. (1971). *The Bracero Program: Interest Groups and Foreign Policy*. Austin, University of Texas Press.

Daniel, C. E. (1981). *Bitter Harvest: A History of California Farmworkers, 1870-1941*. Ithaca, Cornell University Press.

Larson, J. E. (1995). "Free Markets Deep in the Heart of Texas." *The Georgetown Law Journal* 84.

Lefebvre, H. (1996). *The Production of Space*. Cambridge, Blackwell.

² ETZs (Extraterritorial Zones) are New Mexico's equivalent of what are known in Texas as ETJs (Extraterritorial Jurisdictions).

- Lowrey, D. E. (1999). *The U.S.-Mexican Border in the Twentieth Century*. Wilmington, Delaware, Scholarly Resources Inc.
- Martinez, O. J. (1994). *Border People: Life and Society in the U.S.-Mexico Borderlands*. Tucson, The University of Arizona Press.
- Sassen, S. (1992). "Why Migration." *Report on the Americas* XXVI(1): 14-19.
- Sassen, S. (1996). U.S. Immigration Policy toward Mexico in a Global Economy. *Between Two Worlds: Mexican Immigrants in the United States*. D. G. Gutierrez. Wilmington, DE, Scholarly Resources Inc.
- Staudt, K. (1998). *Free Trade? Informal Economies at the U.S.-Mexico Border*. Philadelphia, Temple University Press.
- Ward, P. (1999). *Colonias and Public Policy in Texas and Mexico: Urbanization by Stealth*. Austin, University of Texas Press.

Panel 1. Discussion

Angela C. Stuesse, rapporteur

The discussion during the first panel of the workshop sought to establish a better understanding of the characteristics of QFHSs, cast off the fallacies bound up in stereotypes of these areas perpetuated by public discourse, and situate them historically. In addition, we struggled to find a common language through which to talk about these marginalized areas and attempted to identify the specific problem issues we hoped to address through policy.

What to Call Them?

Many workshop participants agree that we need to move away from the term “colonia”, as it is both spatially and culturally specific. In addition, it elicits pejorative and stereotypical images and responses in public discourse. Peter Ward has suggested we begin using the term “Quasi-Formal Homestead Subdivision” instead. Some voiced their reservations in adopting such a non-user-friendly or non-catchy mouthful. Other terms of reference were bounced around: “Irregular settlements” (Richard Harris); “peri-urban settlements” (Robert Home); “informal subdivisions”; “Southwestern Border Communities” (Angela Donelson and Esperanza Holguin—HUD); “informal settlements”; and “QFHSs”. A number of these terms were used throughout the workshop under the assumption that each participant knew what we were talking about.

Do We Need a Definition?

Along with this interest in naming, concerns were also voiced about moving toward a definition or a set of definitions we could use to describe and bound these residential areas under discussion. Though emerging from a variety of interests, one important argument for the urgency of formulating a definition is that the people living in QFHSs are currently falling through the cracks and their needs are not being addressed by public policy. While mortgage programs aimed at the lower middle-class are out of these residents’ reach, they are also ineligible for much of the HUD support aimed at low-income families. Might we potentially reach a definition that would enable policy-makers to better address the needs of this population? Other participants were reluctant to support the formulation of a bounded definition. Might it be dangerous? QFHSs are so heterogeneous, there are so many facets particular to each individual settlement, different issues for different populations, different land-use regulatory perspectives in each locale—how might we include the whole range of local specificities in a definition?

So What are They?

Ultimately a definition (or set of definitions) was never agreed upon, but panelists did spend a good amount of time during this first session addressing the validity of colonia stereotypes and emphasizing some of QFHSs’ more important characteristics.

Colonias have been depicted in public discourse by both the state and civil society as cultural outcrops representative of migrants’ (rather parochial) lives elsewhere. This vision is perpetuated by the sociological “culture of poverty” thesis, which argues that low-income people choose to live in poverty due to their (lack of) cultural values characterized by laziness, lack of creativity, etc. They are also seen as strictly rural Mexican and/or Latino settlements inhabited by migrant agricultural workers and riddled with health and infrastructural deficits. Most people assume that they are a relatively new phenomenon that has been progressively “invading” the U.S. border region in the last twenty years.

In reality, QFHSs are not new. They have existed in the Southwest since at least the 1950s, and, as Richard Harris demonstrated in his presentation, have proliferated throughout the U.S. for much longer. Nor are they spatially bound to the borderlands. QFHSs can be found in the peri-urban areas of many large cities across the country (and beyond, as Robert Home revealed in his presentation on similar settlements across the United Kingdom). As we look farther away from the U.S.-Mexico border, we find a much lower percentage of Latinos comprising the QFHS populations and a higher proportion of Anglos, African-Americans, and people of other races and ethnicities. QFHSs might better be conceptualized along class lines, as the phenomenon arises as a logical and rational response for individuals earning low wages in urban areas with a lack of affordable housing (although some colonias represent a greater range of income levels than others). They form in counties outside cities' extraterritorial jurisdictions (ETJs), where land costs and development restrictions tend to be lower. As such, they have been erroneously classified as rural areas. QFHS residents are not solely migrant farm workers, either, and perhaps even more commonly work in low-paid service and industrial jobs (or, in the case of the gypsies of the United Kingdom, in "ground work"). This characterization varies largely by geographical region.

QFHSs tend to emerge in situations of rapid urban growth, typically caused by high levels of immigration (rural-urban, transnational, etc.). They are, in fact, direct results of growing processes of industrialization and globalization. They are home to the working poor, who live in these marginalized out-of-sight locales that serve as sites for the social reproduction of cheap wage labor for the transnational economy. The state and civil society generally would prefer that these developments remain invisible, but the reality is that these folks, and others like them, are not going to disappear. This argument was linked to parallel forms of marginalization and discrimination in the United Kingdom linked to British colonial history, apartheid, and black service workers who were expected to "disappear" when not working. Leo Chavez has made a similar argument about the situation of Latinos in the U.S., a country interested in their production but not with their reproduction.¹ QFHSs in the U.S., though often possessing lower social capital than their more established Latin American counterparts of higher densities, are increasingly becoming sites of social and political organization in which residents in these communities are coming together to make claims to resources and rights while working to better their own situations. Such community organizations are often led by women.

What are the "Problems" to be Addressed by Policy-minded Research?

After much discussion on the definitions, stereotypes, and characteristics of QFHSs, a critical question was raised: What really are the identified problems surrounding these areas that we need to be addressing through policy-minded research? A number of questions related to possible problem issues were thrown out:

- Is the problem that they're ugly?
- Is the problem that the people who live there are poor? Is it that they are so poor that this is the only housing they can afford?
- Is the problem that the people who live there lack security of tenure?

¹ See Chavez, Leo R.

1997 "Immigration Reform and Nativism: The Nationalist Response to the Transnationalist Challenge". In *Immigrants Out! The New Nativism and the Anti-Immigrant Impulse in the United States*. J.F. Perea, ed. Pp. 61-77. New York: New York University Press.

- Is the problem the lack of regulation that results in threats to the health and safety of the community?
- Is the problem that these settlements hold the promise of social mobility and yet they fail to deliver?

The point of this list was not to be exhaustive; rather, it was an effort to motivate the participants to clearly define what the policy problems are. In the high tech world of computer programming, professionals speak of “features” versus “bugs”. “Features” are those aspects of the programs that are part of its existence, here to stay. “Bugs” are the problem areas that need to be worked out. Which of the characteristics we had been discussing, outlined above, are “features” of QFHSs, and which are “bugs”? One bug, says Richard Harris, is the absence of rudimentary planning.

Many other “bugs” exist in the research and policy-making process surrounding QFHSs. On the research side, most scholars have focused on infrastructure and health issues of these settlements, leaving out of their agendas questions related to why people *choose* to live in QFHSs. More research needs to be done examining the discourse within QFHSs about social organization and the positive aspects of life there. Other “bugs” were raised about public policy problems related to QFHSs. When talking about informality in housing, where do we draw the line? Also, how might we better address and support self-help strategies of QFHS residents? Historically there has been sparse constituency for this policy avenue because people on the left tend to advocate for public housing while those on the right push for total privatization.

With some of the fallacies discarded, the “features” defined, and the “bugs” and possible policy solutions beginning to be defined, we will turn to panel 2.

Panel 1. Panelist Comments

Richard Harris

(i) Definition? To my way of thinking the core is informality, though it is surely important to distinguish those forms of informality (DIY) in which people engage in order to enable a certain lifestyle, as opposed to those in which people engage out of necessity.

(ii) Feature or bug? Informality and irregular settlement is a feature, not a bug, but it has bugs. Specifically, the absence of rudimentary planning, including subdivision controls.

(iii) How to link my argument about the commercialisation of owner-building/ DIY after 1945 with the persistence and recent growth of irregular settlement? What happened after 1945 was the commercialization of owner-building in suburban areas, coupled with the displacement of more informal and irregular settlement into the exurban fringe. This had begun during the 1930s but became more significant after 1945. But note that, with the growth of the manufactured housing/mobile home industry from the 1960s, even irregular settlement became more commercialised. That is shown by the fact—which at first I found disconcerting—that so much of the shelter in the colonias was (or was extended from) factory-built housing.

(iv) Irregular settlements have often been developed and occupied predominantly by specific ethnic, racial or regional migrant minorities. For this reason, within each locality, specific communities have often been viewed as expressions of minority cultures, and as such, denigrated or condemned. The labeling, and public perception, of colonias are only the most recent example of this. Historical and comparative research shows, however, that irregular settlements have been a widespread and systemic feature of urban development in North America. This has been especially true in areas that have been experiencing rapid urban growth. [This makes explicit a point that I only touched on lightly in my paper and responds to issues raised in several sessions.]

Robert Home

1) Gypsies are similar to Hispanics in colonias, both representing marginalised guest/itinerant workers (in farming or service sector) within a globalised economy, whom the “host” society would wish to be invisible when not actually supplying labour, yet whose housing and family needs will not go away. In the words of the title of a study of irregular settlements in South Africa (can supply reference if needed), such settlements are “Here to stay”, and therefore will need to be addressed in public policies. Special “niche” policies have been developed in U.K. for gypsies’ accommodation needs.

2) Occupiers of homestead subdivisions have made a conscious choice NOT to be processed through public housing programmes, nor do they wish to be accommodated at the whim of the employer, perhaps in single-sex hostels. HSDs therefore allow a degree of self-achievement and family independence, as well as owner occupation, which the occupiers are reluctant to surrender. These are also characteristics of U.K. gypsies, who typically prefer self-help to council sites.

Rebecca Dolhinow

The three papers in this opening panel dealt with informal/irregular settlements in different contexts. In the spirit of the workshop the examples of irregular settlements varied greatly from Southwest

border colonias in the U.S. to gypsy communities in the U.K. and historical irregular settlements in North America. As disparate as these topics appear to be, several themes ran throughout the papers. Informality was a key element of all the communities under discussion. Whether it was informality in housing, employment or community, informality worked for the benefit of all the communities discussed. The second common thread in the papers was their focus on immigrant or migrant populations. The presenters agreed that informality in housing and community serves migrant populations well, though it often leads to the third theme of the presentations: Inequality and discrimination. As predominantly working poor communities, homestead subdivisions use informality as a tool to improve their conditions and it was agreed that this fact is crucial to understanding these communities.

The discussion brought up several important issues that were repeated during the rest of the meeting. The first of these issues is the importance of the connections between globalization, and the increasingly hourglass shaped labor market in the U.S., and the growth of homestead subdivisions. At the border this means an increase in the numbers of Mexican working poor and elsewhere this means an increase in the numbers of working poor in general. The working poor that fill the growing number of service and low skill manufacturing jobs are marginalized across the country and forced to live in impoverished conditions like colonias. The second overarching issue that came to light in this discussion is the importance of recognizing both the negative and the positive aspects of homestead subdivisions. Communities like those presented in these papers offer many positive opportunities that often out weigh their lack of physical infrastructure. Homestead subdivisions offer their residents the freedom to live as they please. Because these communities are often “out of sight” non-traditional forms of housing and community are acceptable. The very important point was made that colonia residents, and residents of other homestead subdivisions, want to live in these communities and that they develop very positive discourses about their way of life. Before policy is created to “fix” homestead subdivisions research must be done to make sure the policy is fixing things residents actually think are “broken”.

Panel 2.
Colonias, Homestead Subdivisions
and Land Market Dynamics in the U.S.

Dysfunctional Land Markets in Colonias and Quasi-Formal Homesteads in Texas—A Wider Problem?

Peter M. Ward, Robert Stevenson, & Angela C. Stuesse

This paper will examine several aspects of land market functioning and performance in colonias and in Quasi-Formal Homestead Subdivisions—the focus of the workshop. In short, the data suggest that while QFHSs offer important mechanisms whereby low-income groups are able to enter the housing market as owners, their gains are severely stymied by inefficient operation of the market, and by unwitting effects of public policy.

Colonias and Quasi-Formal Homestead Subdivisions

These settlements are produced by developers in peri-urban locations for a number of reasons. Briefly, these are: 1) cheap agricultural land to ensure low land costs (affordability); 2) the weak or absent land use controls of county jurisdictions; 3) the (sometimes) complicity between county officials and developers; 4) and most important of all, the inability to develop them in city jurisdictions. Compared with counties, cities are much more powerful entities in the U.S. with planning powers, land-use and ordinance controls, etc. City authorities recognize that such low-income settlements would be a major fiscal drain, since the tax-base derived income would not cover the installation and maintenance costs of utilities. Nor would dwellings comply with local codes and standards. Thus, even where cities are growing fast and the extra-territorial jurisdiction¹ encroaches upon existing colonia-type developments, it is rare for the city to embrace them and to annex. Such an isolated pattern is quite typical, not only in the border region but for other cities in the heart of Texas—Austin, Copperas Cove, Lubbock, etc. Two Webb County colonias, Rio Bravo and El Cenizo are among the largest in the state with around 1000 lots each, and their populations are sufficiently large as to have allowed them to (self) incorporate as cities, taking upon themselves responsibilities for service provision, raising local taxes. In effect, therefore, they secede from county jurisdiction.

Not all peri-urban settlements are so large, however, and our analysis of a major dataset compiled by the Texas Water Development Board revealed that no less than 46% of all colonias were small (less than 40 lots, housing 13% of the total population), and that barely 7% of all colonias large (over 300 lots), although these housed 35% of the total colonias population. While colonias are sometimes home for migrant workers who are absent for several months each year, our data suggest that this represents a relatively small proportion of any settlement's population, and that most work in nearby cities. In the border region, such employment is primarily in low-paid service occupations, but elsewhere they may also work in manufacturing and food processing activities.

Land Market Performance

Although not described in detail here, household survey data were gathered from a stratified sample of 400 lot owners in 15 colonias across seven counties, of whom 151 were “absentee” owners, and 261 were active colonia residents (Ward et al, 2000.) *Inter alia*, detailed information was gathered about the decisions related to lot purchase, relations with the developer, the price of land, etc.

¹ A varying width fringe area beyond the city boundary over which the city can exercise development rights of annexation etc.

One key indicator that land markets in Texas colonias and QFHSs are not functioning efficiently is the existence of widespread absentee lot ownership—comprising between 15 and 30 percent of all lots in any given colonia, and sometimes considerably higher. This suggests that something is inhibiting either land sales or lot occupancy. In fact it appears to be the latter since most lots are sold through yet many remain unoccupied, (a point we have sought to explain elsewhere (Ward et al., 2000). Texas Water Development Board (TWDB) mid-1990s data for 1381 colonias suggests an overall non-occupancy rate of 30 percent of lots. Our survey data (1999) suggest that a more accurate figure is between 15 and 25 percent depending upon the colonia.

Land price changes and valorization also suggest that QFHSs are not offering a good return. Table 1 shows the median and trimmed average costs of land purchase for absentee owners (AOs) for different time periods. Only AOs are analyzed since we can be sure that these were unimproved (vacant) lots. The data show that the real price of land has risen, and that later buyers have usually bought slightly smaller lots in order to maintain the unitary cost at around 60¢ (mean) or 42¢ (median). Here is not the point to disaggregate this analysis (see Ward et al., 2000). Instead, Table 1 also shows the rate of return that would have been achieved over an extended period. We compared the real cost of lots purchased by AOs in 1999 terms with two comparators: First, with the self-assessed lot values (\$16K) provided by actual residents (who often knew what lots were going for in the neighborhood); and second, with tax appraisal lot values (\$11K). Our purpose was to assess the extent to which colonia land purchase represents a viable and profitable investment that is valorized over time.

The data in Table 1 show that in real terms, those absentee owners who bought prior to 1980 paid much less than those who came later – about half as much in some cases. For them it seems likely that the decision to buy early has resulted in a modest return. Assuming that an individual bought a lot of, say, 15,000 square feet at a constant price for the period of 31¢, at today’s rates would mean an effective purchase price of \$7,626. Comparing that amount with what contemporary residents self-assessed lots (\$16,050) in their locality and or with tax appraisals (\$10,950) for a similar sized piece of land, then that individual would have earned an approximate 110 percent or 44 percent increase on his investment over the twenty or more years respectively. But this represents only a 5.5 percent or 2.2 percent increase per annum over that period. Those who bought in 1980s (1.33 per cent per annum assuming 14 yrs) and 1990s (2.35 percent increase per annum over 4 years) would not have fared so well. Indeed, against appraised tax values they would have lost money.

Table 1: Rates of Return on Lot Investments Using Different Comparators and Time Frames

Period in which Lot Purchased at price constant price per square foot	1999 Equivalent Cost of 15,000 square foot Lot	Total Percent Return on Investment Assuming 1999 value of \$16,050	Total Percent Return on Investment Assuming 1999 value of \$10,950 (Tax Appraisers)*
Pre 1980 – 31¢	\$7,626	111% (5.5 pa)	44% (2.2 pa)
1981-1990 – 55¢	\$13,500	18.6% (1.33 pa)	-19% (-1.3 pa)
1991-1999 – 60¢	\$14,670	9.4% (2.35 pa)	-25% (-6.4 pa)

* Not too much should be made of this figure and trend, since colonia land tax appraisals are much lower actual market values

Thus, the important point for this discussion is that these rates of investment return are relatively low or derisory, certainly if measured against other forms of formal investment (CDs, blue-chip stocks, etc.), let alone against the rise in land values in other sectors of the real estate market over the years.

However, it must also be recognized that although they do not offer even a modest rate of return, buying into a colonia is one of the few (if only) opportunities for investment among the poor – given the relative ease of purchase, the low monthly rates, the virtually non-existent closing costs, etc. Nevertheless, there seems little doubt that for absentee owners and for actual residents the sluggishness of the colonia land market, and the lack of direct valorization of property values through mutual aid, self-help, and state-sponsored upgrading, in effect penalizes the poor and locks them out of benefits that many other social classes derive from property ownership. It is especially punitive to actual residents who struggle long and hard to improve their colonia and housing situation, and who gain only the use value of their lots.

These data for Texas colonias suggest that the land market is “stunted”, and that low-income homeowners in peri-urban settlements do not achieve the same benefits as better off investors in upper and middle-income segments of the property market. Although realtors signs in colonias are not that unusual, they invariably look as though they have been in place for a long time, suggesting little effective movement. And, as we have observed above, the returns are modest, at best.

In part at least, this “blockage” in real land value increases and stymied land market is in large part a product of past legislation, no matter how well intentioned it may have been. Legislation and regulation inhibits successful functioning of existing colonia markets. Legislation needs to differentiate between actions designed to prevent the creation of new colonias and those that impact upon existing settlement. While legislation has worked quite successfully at preventing new colonia growth (especially in the border where it applies or is applied more rigorously), within existing colonias it is often obstructive: Blocking sales, preventing sub-division of large lots and lost sharing, restricting land uses to single family residency, outlawing commercial and employment and income earning activities such as renting, workshops, stores, etc.

Although the land market is stunted, it nevertheless continues to function, and offers entry to a considerable number of would-be homeowners. Increasingly this incoming population buys out earlier owners (called *traspasos* in Spanish), often in the past just the vacant lot, but increasingly today the lot will also have a dwelling structure. Some developers continue to sell, albeit illegally in unapproved colonias, but may employ strategies for these sales to remain “hidden”. Among the colonia residents survey we conducted, almost half had bought their lot/home since 1991, and 20 percent of them had purchased after a 1995 House Bill that had sought to prevent sales in non-approved colonias. Moreover, comparing tax records for different years also revealed considerable lot turnover. These levels of market activity are much higher than we had anticipated. Given the ongoing demand, it makes even more surprising the sluggish land price increases on the supply side.

It appears that tax appraisals of colonia land and property often seriously underestimate real market value, adding to the general depressing of this land market. Practices vary, but in few of the survey counties and colonias did appraised values closely mirror the actual values. This depletes potential local tax revenues; undermines market performance, and reduces fiscal sustainability of already resource poor counties. However, county tax assessors usually will not vigorously pursue those colonia landowners who are delinquent in their property tax payments; nor do they actively pursue those absentee lot owners who can no longer be traced. While the tax debts recovered from such pursuit are limited and probably not worth activating, where large scale vacant lots are

effectively held off the market or are locked out of the market by virtue of their owners being untraceable, then sequestration may be an effective way to free up lot sales.

Conclusion: If The Market's Broke—Fix It?

Vacant lots are both a cause as well as an effect of this poor market performance. But one of the most important points that has emerged from our broader study is that the provision of services per se will not catalyze lot occupancy and densification since many absentee lot owners live elsewhere, and see their lots as an investment rather than as a place to live. More direct interventions are required in order to prime colonia-type land markets and make them operate more efficiently.

Other interventions might usefully include revising legislation that will facilitate a greater “urban productivity” of lot usage, such as allowing for some non-residential land use for income, or sub-division and rental. Indeed, one reason why land is not being valorized is the restriction placed upon approved land-uses. Nor does the moratorium upon lot sales help, and although the law is widely breached, doing so deflates prices and distorts turnover by driving sales underground. The prohibition upon internal lot subdivision (especially of large lots) also inhibits rent-seeking and cost sharing among kinsmen.

In short, public policy towards QFHS land markets needs to take cognizance of their effectiveness of operation and the extent to which they promote an efficient supply of affordable land that will enhance people’s capacity to become home owners on the one hand, and to benefit from valorization of their sweat equity on the other. Often current policies are failing them on both counts.

References

- Ward, Peter M. and Carew, Jeremiah, 2000. “Absentee Lot Owners in Texas Colonias: Who are they, and What do they Want?” *Habitat International*, 24, 327-345.
- , 2001. “Tracking Land Ownership in Self-Help Homestead Subdivisions in the United States: The Case Of Texas ‘Colonias’”. *Journal of Land Policy*, 18, 165-178.
- Ward, Peter M. in collaboration with R. Stevenson and A. Stuesse, 2001. *Residential Land Market Dynamics, Absentee Lot Owners, and Densification Policies for Texas Colonias*. An LBJ School of Public Affairs Policy Report, 251 pp.

Colonias in Arizona: A Changing Definition with Changing Location

Laura Huntoon & Barbara Becker
(not present at workshop)

Comparisons between Colonias in Arizona and those in Northern Mexico and Texas

In Arizona, colonias settlements are much smaller in both territory and absolute population, and also have lower population density on average than those in Northern Mexico and Texas. Early definitions of colonias emphasize the following defining elements. Colonias are new unincorporated settlements along the U.S.-Mexico border, infrastructure-poor, and largely of Hispanic population. As the term has been molded to fit the U.S. Federal bureaucracy, communities eligible for Housing and Urban Development (HUD) and Agriculture (USDA) programs have broadened to include long-standing rural and urban settlements, both incorporated and unincorporated, many with a full complement of infrastructure, not necessarily Hispanic, within 150 miles of the U.S.-Mexico border. In the case of Arizona, this extension has included five tribal colonias designations, which include some but not all of the largest housing gaps in the state (US Federal Register, July 1998).

Colonias in Arizona are not clustered on the border and are a mixed phenomenon of both rural and urban employment and settlement. Many of the colonias we surveyed were first settled prior to 1980 and are not settlements linked to recent immigration. Residents of colonias are likely to live in households with incomes below the local county mean, a higher benchmark than the U.S. Poverty Line in all the colonias-eligible counties and most of rural Arizona. Colonias households often have access to utilities albeit through aging systems in need of upgrading. Colonias residents are somewhat more likely to be Hispanic and to speak Spanish than residents of other settlements and are a little more likely to be foreign-born than the average for the state, but not for the county of residence.

Rural Communities and the Powers of Counties

One of the major reasons that colonias vary between Texas and the more newly designated colonias of Arizona are the differences in powers granted counties by state enabling legislation.¹ The powers or lack of powers granted counties by state enabling legislation make a significant difference in how rural communities and home-sites develop and the forms they take. Until the 1990s counties in Texas lacked most of the controls utilized by other states over the division of land for development (Texas Codes, 1995). The power to regulate the subdivision of land in Texas was first granted counties to use in designated, fast growing areas in the late 1980s but it was not until the mid 1990s that counties in general were able to control the way in which subdivision of property occurred and to be able to force the provision of infrastructure to meet the minimum state Health and Safety codes for solid waste removal, clean water, and other necessary infrastructure. Our conjecture is that previously developed subdivisions still lack infrastructure, which in turn will influence subsequent land values.

Arizona counties have more powers by statute to require the provision of infrastructure and limit the subdivision of raw land, but these requirements are enforced unevenly, often indirectly by public utilities refusal to service subdivided land which does not meet county requirements. In the terminology of Southern Arizona, much population growth has settled in wildcat subdivisions, which meet state legal requirements and are referred to by the counties as unregulated lot splits. Both regulated and unregulated development is occurring in unincorporated areas. Our review of Arizona's civil code suggests that the powers of counties may be an important part of the process of

¹ The lower density of settlement in Arizona is also a function of the differences in the economic base.

homestead subdivision. It will be useful to extend this research to other states to test the significance of county subdivision regulations and control.

Colonias in an Interjurisdictional Environment

In Mexico, municipalities are required by Federal statute to plan service delivery and organization for all territory under their jurisdiction. This has led to a more self-conscious approach to colonias policy (Ward, 1999). In both Arizona and Texas, counties are not required to act by federal mandate. In fact, multiple levels of jurisdiction with the discretion to act have created confused and competing policy initiatives. The two federal agencies, which are the current source of colonias funding and set asides, HUD and USDA, have different criteria for the awarding of funds. USDA has financed largely water projects. HUD has identified community organizations in Arizona colonias (HUD, 2001) and the success of colonias in receiving Federal grants for infrastructure and housing suggests that some Arizona colonias are politically sophisticated. It is possible that the Federal funding pattern varies by state. The structure of interjurisdictional competence is an important area for future research.

Typology of Colonias

Using the prototype of colonias observed in Texas, one of the defining characteristics of a colonia is inadequate public utilities and infrastructure. A second descriptive characteristic associated with colonias is a low level of household income. We survey a small sample of local colonias to establish what the range of variation is for these two variables. HUD estimates that local governments have named approximately 79 colonias, the state's Department of Commerce has designated 19 of these colonias as privileged in terms of CDBG funds. In addition, USDA has designated 59 colonias including 5 colonias located on Native American reservations within 150 miles of the international border (HUD, 1999, 2000). The distribution of colonias in Arizona is most influenced by local governments and the USDA. We focus on one county which includes the Tucson metropolitan area because colonias identified in this county run the gamut from the incorporated City of South Tucson, unincorporated suburbs of Tucson, smaller incorporated places, to unincorporated rural communities.²

Based on a windshield survey of seven formally identified colonias in Pima County, most more than fifty miles from the Mexico-U.S. border, we found a mixed level of utility provision and wide variation in housing condition. Three of the communities lack waste water treatment, but all of the communities have some basic infrastructure. This sample of identified colonias has either a public water utility or private water district. As mentioned, four have public sanitary sewers and wastewater treatment while three have only septic. Most have individual electric meters from public utilities for all lots platted. Four have a majority of paved roads. Two have a mix of paved and unpaved, graded roads. One has no paving, but graded roads. In addition, there are a variety of parks and other public amenities. This suggests that colonias as defined by HUD and USDA in Arizona have infrastructure in place. The designated colonias do need substantial infrastructure upgrading and expansion due to the age of systems in place. As settlement intensifies, more capacity is needed. From the survey, the age of structures suggests that accompanying sewer and septic systems are dated. Three of the colonias are census-identified places with founding dates ranging from 1900 to 1940 to

² An unincorporated, middle income, largely Anglo retirement community, Green Valley in Pima County, had the approval of the County Commissioners for colonias designation in order to apply for USDA water project funds until one of the supervisors convinced his colleagues to overturn this decision, with the argument that although Green Valley met the statutory requirements and the letter of the law, it was beyond the intent of the law.

1977. Only two of these areas have lower median incomes than the county median and all have either a public water utility or water cooperative, public sewer and waste treatment, public or cooperative electric utilities, public natural gas, and local telephone service (Arizona Department of Commerce, 2001).

The types of housing we observed provide little evidence of self-built construction. The modal type is manufactured and the second most common type is a mobile home or trailer. There is evidence of self-managed construction as many lots had sheds, accessory structures, and stockpiles of materials. Outdoor living areas are common.

Our observation of non-colonias settlements suggests that colonias are not the most underserved or impoverished areas. Some of the areas in the county without public utilities are unregulated subdivisions without colonias designation. Others are non-colonias sections of Native American Indian reservations. Rural communities generally have lower household incomes and are likely to meet the colonias guidelines without lacking substantial infrastructure. Our view is that U.S. unemployment and poverty are clustered near the Arizona-Sonora border and that as one progresses north, communities in the 150-mile colonias range become more like impoverished rural communities in the rest of the U.S. A survey of households in a broader area can establish the modal pattern for Arizona and provide more useful categorization of settlements beyond the colonias/non-colonias designation in identifying how unregulated subdivisions develop.

Tribal areas constitute an important exception in the pattern of housing need in Arizona. The areas of most extreme household poverty in Arizona are clustered in the northeast corner of the state in the Navajo reservation and Hopi land. Statewide, for example, 16 percent of reservation housing lacks indoor plumbing. This share reaches 45 percent on the Navajo and Hopi reservations (Arizona Housing Commission, 2000). Native American Indian reservations in the northern counties rank lowest on substandard housing measures

Affordability of Housing in Southern Arizona: Lack of Housing Finance for Small Loan Amounts

If we compare the housing credit situation in the rural southwestern United States to market-based housing provision in lower-income countries, we find some important similarities. Market-based economies in lower income countries, and here we include Mexico and the majority of the Latin American countries, have a three level housing market. The first level directed at middle and upper income families is legal and private based on private savings and access to mortgage credit. The second level directed at middle income and middle lower income families is usually public sector and subsidized. Typically private land title is included, with private savings as downpayments and publicly subsidized mortgage interest. The third level, often referred to as the informal sector, is illegal and unregulated so sites lack public infrastructure and utilities yet are informally organized. Housing finance available is limited to the wealthy individuals (the top tier) and families with regular employment in the formal economy worthy of credit (the middle tier). There is no housing credit or financial intermediation in the informal sector (the bottom tier). In spite of this lack of credit, the informal sector in both Latin America and India has expanded rapidly (Renaud, 1984).

As is well known, subsidies for housing purchase in the U.S. are not largely targeted to households based on income. In the U.S., households that itemize Federal income tax deductions receive a subsidy on mortgage interest via the deductibility of mortgage interest from Federal income taxes. There are no income limits on this and higher income households are more likely to deduct mortgage interest than middle and lower income households. Specific HUD programs, which are similar to lower-income country subsidies, do include an income eligibility requirement.

An important consideration for informal housing and homestead subdivisions is the availability of mortgage credit for these types of structures. What is less obvious are the higher fees and higher interest rates for small loans of less than approximately \$50,000 due to the higher per dollar costs associated with servicing small mortgage loans. In addition, mobile homes and trailers are not eligible for 30-year term mortgages regardless of the smaller amounts, and lenders often have more restrictive underwriting criteria for manufactured units. These policies represent a failure of financial intermediation, which leaves an important gap in housing finance.

Wildcat subdivisions in Arizona may represent a middle path to homeownership. In the first instance, they appear to be a response to excess demand for affordable housing. Similar to informal housing developments in lower-income countries, some lot splits are legal, and others are not. Unlike informal housing in lower-income countries, land title is legally transferred, although in the case of illegal lot splits, the land sale may be invalidated or access to utilities granted only after a protracted legal negotiation. The county has the jurisdiction to approve illegal lot splits ex post facto. Because the lot is purchased before utilities and services are provided, it is cheaper than developed land and the purchaser may be unaware that the split violates county ordinance. Taxes assessed on lot splits and wildcat subdivisions are lower than those assessed against property in areas of regulated development (Huckelberry, 2000) This contributes to affordability, while increasing concern at the county level regarding the spread of unregulated development.

Conclusions: What We Know and Do Not Know in Arizona

We start with a consideration of one type of quasi-formal homestead subdivision as defined for Federal policy purposes in Arizona and based on the evidence from one county discover that most of the communities designated as colonias are similar to impoverished settlements more than 150 miles from the border. The colonias, which receive Federal funding, are somewhat more likely to be older settlements. The defining characteristic of colonias appears to be heterogeneity in population demography with varied ethnicities and age-distribution. Based on U.S. Census returns for 2000, several of the colonias appear to be low-income retirement communities, perhaps a type unique to Southern Arizona.

Using Ward's idea of urbanization by stealth, we see that several smaller communities at the urban fringe are consuming land in the desert, which offer cheap lots to buyers but will be resource intensive over the long term. Ward finds that many lots in colonias in South Texas are not currently occupied, but are being held as an investment or speculative location for return migration by Hispanics working and residing elsewhere in the U.S. (Ward, et al., 2001). Based on our windshield survey, we cannot establish this. There are data on owner occupancy by parcel available from a proprietary database that might establish this and the velocity of turnover in Arizona. This type of investment behavior may augur denser settlements in the future and is an important research question.

The incentives provided by Federal subsidies do not address the trade-offs in development from the local community's perspective. The structure of Federal policy rewards communities who qualify based on demographics and organization, but not based on planning criteria or efficiency. The county is most concerned with long-term funding of infrastructure development for unregulated lot splits and wildcat subdivisions, which overlap partially with colonias. At the state level, there is limited support for planning of buildout or for regulations that would encourage self-managed housing to be built. Our next step is to develop a more robust survey, which allows for comparisons among community types and provides evidence on the costs of infrastructure provision in different policy regimes.

References

- Arizona Department of Commerce. 2001. *Community Profiles*. Available at: <http://www.commerce.state.az.us/pdf/commasst/com>.
- Arizona Housing Commission. 2000. *The State of Housing In Arizona 2000*. Phoenix, AZ: Arizona Department of Commerce, Office of Housing and Infrastructure Development.
- Huckelberry, C.H. 2000. *Memorandum Regarding the Impact of Unregulated Development on the Pima County Tax Base*. Pima County, Arizona: February 22.
- Renaud, Bertrand. 1984. *Housing and Financial Institutions in Developing Countries: An Overview*. Washington, D.C.: World Bank Staff Working Papers, Number 658.
- Texas Codes, 1995.
- US Department of Housing and Urban Development. 2001. "Nonprofit organizations involved (or candidates for involvement) in assistance to colonias Southern Arizona." Available at: <http://www.hud.gov/nonprofit.cfm>.
- US Department of Housing and Urban Development. 2000. "Colonias in Arizona." December 5. Available at: <http://www.hud.gov/azcol.cfm>.
- US Department of Housing and Urban Development. 1999. '1999 Annual Report' for Arizona. Available at: <http://www.hud.gov/local/phx/99-empower.html>.
- US Federal Register. 1998, July 15. *Part VI Department of Housing and Urban Development Funding Availability for the HUD Colonias Initiative (HCI), Fiscal Year 1998*; Notice Federal Register 38251.
- Ward, Peter M., in collaboration with R. Stevenson and A. Stuesse. 2001. "Dysfunctional Residential Land Markets: Colonias in Texas." *Lincoln Land Lines*. Available at: <http://www.lincolninst.edu/main.html>.
- Ward, Peter M. 1999. *Colonias and Public Policy in Texas and Mexico: Urbanization by Stealth*. University of Texas Press. Austin, TX.

Homestead Subdivision/Colonias and Land Market Dynamics in Arizona and New Mexico

Angela Donelson & Esperanza Holguin

Since the early 1990s, HUD has made available priority funding for colonias communities in the four border states. HUD and USDA Rural Development—the two federal agencies which have earmarked funding specifically for colonias—define them as nonmetropolitan, unincorporated neighborhoods and incorporated communities within 150 miles of the U.S.-Mexico border that lack sewer, water or decent housing, or a combination of all three. Because this federal definition is so broad, colonias in Arizona and New Mexico represent a wide range of community types. For example, they include some tribal communities, long-established mining towns, fast growing retirement communities, as well as rural utility districts, and high-poverty illegal subdivisions.

Although colonias funding has been targeted throughout the 1990s to these communities that lack infrastructure, no agency or entity had conducted a needs assessment of these colonia-designated areas. To date, HUD has required that communities using Community Development Block Grant (CDBG) funds have at least a 51% low-income population, as verified by Census data or door-to-door income surveys. However, HUD and other federal agencies have no complete assessment of infrastructure, housing needs and community assets of the colonias-designated areas.

When we were hired in 1999 as HUD colonias specialists for the states of Arizona and New Mexico, we found there was not even an accurate count of colonias-designated communities in Arizona and New Mexico. After we reviewed public records to identify the number of counties who have designated communities as colonias, we realized that we needed much more information on what was occurring within these communities. The North American Development Bank, which funds border infrastructure, also needed this information to make strategic investments. We developed a template to assess these needs (note: we will show the template during our presentation at the Lincoln Institute). We also identified university partners and hired graduate students from New Mexico State University and the University of Arizona to work with us in collecting the information. The assessment we have prepared in the following pages is based on portions of this preliminary survey. Although much information is still missing, we plan to collect this in the second phase of our survey. An assessment of California colonias also will be completed in Phase II.

Types of Colonias that Exist

Most of the literature from Texas indicates that colonias are primarily unincorporated settlements. In New Mexico, less than one-tenth (12) of the 141 designated areas are incorporated communities. However, in Arizona, fully one-third (24) of the 77 designated colonias are incorporated cities and towns. Many of the colonia-designated communities in Arizona meet the federal definition, but they do not resemble the self-help homestead types of colonias common in New Mexico and Texas. Many Arizona cities and towns that are designated colonias have substantially more capacity to manage their own affairs than do homestead communities.

In Arizona, at the time of the 1990 Census, approximately 162,000 persons lived in colonias designated areas, making up 5% of the state population. In New Mexico, approximately 70,000 persons, also 5% of that state's population, lived in colonias at the time of the 1990 Census.

We attempted to extract socioeconomic indicators for these colonias from the 1990 Census (such as percentage of Hispanic residents, percent below poverty, percent with less than a high school education), but found it was a difficult, if not impossible, task. There is no common standard for

designating a colonia area, so the boundaries rarely correspond neatly with Census Designated Places or census block groups, the most detailed level of analysis available for nonmetropolitan areas. Some communities are only a fraction of the larger block group, and others lie between two block groups. Still others, such as water districts, encompass portions of multiple census tracts.

Our analysis shows that county income survey data of these communities is often significantly different from the larger block group. For example, Padre Ranchitos (a very poor, illegal subdivision of 119 people in Yuma County, Arizona, as verified by a door-to-door county income survey) makes up 15 percent of its respective block group. However, the demographics for this block group as a whole show the 1990 median housing value as \$162,000. The data for this block group is skewed because Padre Ranchitos lies adjacent to the wealthiest neighborhood in Yuma County.

Age of Colonias

In Texas, studies have shown that many of the colonias are relatively new illegal developments, due largely to the lack of land use regulations. In New Mexico and Arizona, however, many the colonia-designated areas are long-standing communities. In New Mexico, we estimate that perhaps only 5 percent of the colonias have developed since the 1950s. Many of these communities both in Arizona and New Mexico were settled in the late 1800s to the 1950s.

An exception is the sprawling, illegal subdivided land known as “wildcat” subdivisions in Arizona. Often, these Arizona developments, which have developed from the 1950s to 1990s, are not typical farmworker, Hispanic communities, but rather, families of both lower and higher incomes who would like to own property and are unfamiliar with and/or unwilling to conform to government regulations. This form of development is especially a problem in places outside the urban core and suburban fringe of Pima County, Arizona, where many large parcels are split into smaller residential tracts without the benefit of infrastructure. In the past four years, the Pima County Administrator’s office has released three lengthy, well-publicized reports on the high costs of wildcat development to Pima County taxpayers. Pima County estimates that the cost of bringing this infrastructure up to county minimum standards is a staggering \$35 to \$55 million per year.

In New Mexico, the unregulated land dynamics tend to be significantly different. Many of the freestanding old settlements that have obtained federal colonia status are now facing development pressure adjacent to their core. Many new illegal subdivisions are fast developing around the older settlements, and many of the families residing within them are low-income Mexican farm labor immigrants looking for affordable housing. Many of these residents are buying the land on a contract for deed, and they make substantially less income than their counterparts in the older settlements.

Public Awareness and Legislative Responses

In New Mexico, public awareness of colonias began to emerge when federal funding was made available through EPA, USDA and HUD’s CDBG program in the early 1990s. Local officials looked at the funding as an opportunity to gain more for local projects, although the federal funding agencies warned they would make funding contingent upon changes in subdivision law in New Mexico. At the time, New Mexico law allowed property owners were to split their property into four parcels without triggering subdivision laws. After two years, property owners could split their land again, and this process could continue indefinitely. It took the State Legislature eight years to change the law to make this process illegal, due to the influence of the development community. When the legislature did change the law, they only made it applicable to the 10 southern counties qualifying for colonias

funding. Today, New Mexico legislators are perplexed by the emergence of colonia-like conditions around Albuquerque, New Mexico, where this form of lot splitting is still legal.

In Arizona, subdivision regulations allow an owner to divide property up to five times without complying with subdivision regulations. While Arizona regulations may be more stringent than those in New Mexico and Texas, there is little enforcement, especially in the poorer, border counties, due to poor staffing and weak political commitment. In a February 2000 report, "Impact of Unregulated on the Pima County Tax Base," the Pima County Administrator's office found that approximately 41 percent of new development in Pima County is occurring through the unregulated process. Despite substantial population and business growth over the past ten years, the constant, per capita dollar value of the primary property tax base in Pima County has fallen 38 percent.

Next Steps

Our efforts to complete an analysis of the conditions within the colonias are still underway. In the second phase of this project, which we hope to initiate in early 2002, we plan to collect 2000 Census data on the colonias and complete the infrastructure and socioeconomic assessment begun in 2000. Time and funding constraints have made it difficult to complete the project; it is a major undertaking to collect quantitative and qualitative data for more than 220 communities.

Before beginning the second phase, we plan to ask the U.S. Census Bureau to release more detailed data on the colonia-designated areas for the 2000 Census, so that we can extract better information to assess what is occurring within these communities.

Panel 2. Discussion

Rebecca Dolhinow, rapporteur

The goals of this panel as presented in the agenda were to create a typology of the various QFHSs that exist and to discuss how they develop and their land market performance. The agenda also called for discussion of the ways in which public awareness of QFHSs emerges and how this awareness has been responded to by legislation. During the discussion that ensued after the paper presentations two major themes arose. The first of these themes was the idea of dysfunctionality in QFHS land markets; this theme was presented in Peter Ward's paper and was debated at length in the discussion. The second theme was, once again, the need for a working definition of a QFHS and the possibility that a better term itself could be determined. Several alternate terms were suggested and debated as to their merit.

Dysfunctional Land Markets

This discussion was based on Peter Ward's paper that presented QFHSs as dysfunctional land markets. Several challenges to the thesis of dysfunctionality were presented by the participants. The first questioned whether appreciation of land value was really as low as it had been presented. Appreciation can be judged in comparison to various other communities and the question was asked: To what communities are QFHSs being compared? Next a question was posed as to levels of vacancy, one of the key indicators used to judge functionality. The point was made that some vacancy is normal. What is important in the judgment of dysfunctionality is the pattern and period of vacancy. We agreed that long-term, scattered vacancy could lead to a lack of cohesiveness in a community and create problems for future community unity. The third question related to an underlying assumption of the dysfunctionality thesis. For a land market to be dysfunctional based on limited appreciation there must be a basic assumption that QFHS residents are buying the land based on rational decisions to invest in property that will appreciate and make them money. But is this the case in QFHSs? Perhaps QFHS buyers are actually comparing the QFHS land markets to land markets in their country of origin, after all many of the residents are immigrants. Based on this question we all agreed that more work needs to be done on why QFHS residents buy in these communities. The final question regarding the dysfunctionality thesis asked if it was really a problem after all. If the land market is made less dysfunctional then land values will go up and so will the cost of land. In this model, QFHSs might become impractical land markets for the working poor who now inhabit them. They could become a different type of land market all together.

In response to these questions a central contradiction was elucidated. If lots are kept low cost and affordable for the working poor, then the market tends to remain dysfunctional. It was also pointed out that the lands purchased in QFHSs are actually quite expensive given that they have no services, are out of the way, and often come with very uncertain mortgages. These land markets are also dysfunctional in terms of title and the problems the contract-for-deed sale mechanism creates. In comparison to other land markets it was argued that low-income purchasers do have a lower level of appreciation than those with middle level incomes. This comment led into a discussion of motives for purchase of QFHS land. The only land many of the working poor have access to is in QFHSs. And this lack of affordable land leads to a structural reproduction of marginality in society. Whether QFHS buyers are out to make money on their investment or not, they do not have the resources to buy land that will appreciate. In response to the question of vacancy patterns it was made clear that some vacancies are expected, but in many QFHSs there is an abnormally high rate of vacancy that exhibits no real pattern. More importantly, the greater the percent vacant the more expensive it is for the owner residents to pay for services. The price of service per lot is the real problem with high rates of vacancy.

The discussion of dysfunctionality closed with comments on the nature of the “problem”. The problem is clearly affordability, yet the morning discussion made it clear that there is much more heterogeneity of income in QFHSs than was previously thought. QFHSs can range from colonias housing Mexican working poor to retirement communities filled with pensioners and more wealthy retirees. This variation in income level must be considered in future work on QFHSs.

Continuing Debate on a Definition of and Useful Terms for QFHSs

The term “wildcat” came up in one of the presentations and many of those present showed an interest in learning more about what wildcat subdivisions were and how the term came into usage. The untamed connotations of the term were attractive to several of the participants who felt it offered a more descriptive title for QFHSs. Wildcat is the term the state of Arizona uses to describe QFHSs and in the local government’s opinion the term has negative connotations. Throughout the rest of the meetings the term wildcat was used quite often and almost exclusively with a positive connotation.

The rest of the discussion regarding the labeling of QFHSs was in conversation with HUD, which is considered the entity best able to change the title given to QFHSs. The question was asked why HUD had seen fit to define colonias as existing only within 150 miles of the border in this way circumscribing the debate. The HUD representatives were asked if HUD realized they might need to “push the envelope” in terms of what are considered colonias. In response to these questions the participants from HUD agreed that HUD ought to take the lead in creating a more useful and inclusive definition of a QFHS. They also pointed to the fact that others, such as Senator John McCain from Arizona, oppose the program (HUD’s colonia program) because of the artificial boundary it creates. They explained that the 150-mile boundary was selected because of NAFTA and was based on the belief that NAFTA would lead to the creation of colonias around the border where its effects would be felt most strongly. A new term is being implemented at HUD, Southwest Border Communities, but this is still a geographically limited term. Many border states, Texas and New Mexico included, have officially recognized the existence of colonias beyond the 150-mile boundary. A fear was expressed that border counties might not like the extension of the 150 boundary because it would mean there were more counties in competition for the already limited funds that exist.

The discussion closed with a brief exchange on the limiting nature of the term colonia. The proceedings so far made it clear that colonias, or QFHSs, can be very heterogeneous communities. If this is the case, then is it a good idea to use a term, like colonia, that has very specific cultural connotations and is legally limited to the border region? You cannot have it both ways, according to some participants, either QFHSs exist all over the country or they are limited to the border as the term colonia implies. Most participants agree that these communities do exist all across the country, but some participants are very attached to the term colonia and believe it ought to remain in use on the border because these QFHSs are border specific examples of a nation wide phenomenon.

Panel 2. Panelist Comments

Peter M. Ward

I would agree that in normal circumstances the lack of immediate take-up of lot occupancy might be considered normal. Indeed, in my later paper in this workshop on self-help I show how the costs of land acquisition and home/dwelling purchase are considerable, making inevitable some degree of savings to be achieved before moving onto a site. But it is the level of non-occupancy that is so significant and indeed “spotty”, that this leads to major inefficiencies in recovering the costs of service installation (as well as issues of free-ridership from absentee owners).

But how to convince you all that the rate of returns (valorization) cited in my paper are derisory? First, one cannot look at overall housing market gains, not for gains for certain areas. One needs to disaggregate by sub-market. Thus compared with middle and upper income real estate performance, QFHS are producing very low returns. How many of us would have been satisfied with a 2% *per annum* return in recent years? Also, one can look at other comparators, giltstocks and investments, etc. Second, one needs to take a long enough time frame. In Texas, of course, buying just before the late 1980s crash did lead to negative equity and real value losses. A ten-year span is probably the minimum. But I agree that one shouldn't assume that the poor are seeking to maximize their profits—they are not. The key for most is the affordability that QFHS represent; the use value of the lot; and the low transaction costs of access. (It is not, however, the ability to hide as an undocumented migrant—almost all are legal.) But the differential rates of return on entering home ownership may actually serve to accentuate divergences in wealth and assets, not a convergence between rich and poor.

Tax appraisers are usually quite good at judging land and property values and pride themselves on their ability. But in the case of colonias they are way off – partly through lack of experience, partly through lack of (political) interest. Government assessors do not usually make QFHS and colonias a priority area for tax collection for both political and fiscal reasons.

The key point is that the market functioning is blocked—through the absentee landowners' failure to occupy or sell-on, and in many cases their total disappearance from the scene. We need to open up the supply side. Also, by allowing mixed land uses—small workshops, etc.—low-income homesteaders could use their land investment for rent seeking activities (what the World Bank extols as “urban productivity”). At present anything but home single family homeownership is strongly discouraged, and is sometimes outlawed. Would this negate land valorization processes through NIMBY (“Not in my backyard”) type arguments? I doubt it, unless a well-consolidated QFHS threatened to be overtaken by land uses with high negative externalities. Some modest level of mixed land use would not detract from land values, in my opinion.

Angela Donelson & Esperanza Holguin

We seemed to agree that irregular, colonia-type settlements share the following characteristics: While each state or region may exhibit irregular development patterns because of land use regulations, the problem inherent in all communities is the lack of housing affordability and low wages, coupled with a lack of knowledge of access to services. Sometimes, these communities' development patterns reflect an outright rejection of formal, traditional development, showing residents' desires for peaceful and often rural living. These communities are places of dynamism, where change is frequent, as exhibited in self-help housing processes and conditions.

Participants all seemed to acknowledge that a better definition of colonias is needed. Emerging research from Texas, Arizona and New Mexico confirms that there is no standard colonia “type”, but rather, that colonias are heterogeneous and diverse in terms of size and capacity. However, the colonias do share commonalities in that they are poor border communities, and that the degree of poverty seems to be greater near the border than outside of the border region.

Espy and I believe that, for HUD, a reclassification of “colonias” into “southwest border communities” may better reflect local conditions and removes the stigma from the colonia designation. This HUD administration is using this term more often to refer to border issues/problems—it acknowledges that colonias are heterogeneous, and vary from state to state.

“Wildcat” development? This term refers to unplanned forms of development in Arizona, which include dispersed, sprawling land uses. It mostly occurs in exurban areas, beyond the suburban fringe—residents often include low-income service industry workers, as well as high-income residents looking for a rural lifestyle. This form of development is usually characterized by lack of roads, lack of floodplain improvements, and a mix of mobile and stick-built housing. County governments are especially concerned with this form of development, because it incurs millions of dollars in costs, and has contributed to declining real property values.

Panel 3.
Methodological Issues (Data Collection;
GIS/Remote Sensing; Primary Data)

Identification of Colonia-type Settlements in Census 2000

Michael Ratcliffe

While much already is known about the demographic and housing characteristics of colonias, Census 2000 data can contribute to a more complete understanding and provide important baseline data. The lack of a direct relationship between census geographic units and most colonias, however, creates challenges for researchers using census data (Ratcliffe, 1998; Texas OAG, 1993). Geographic area programs for Census 2000, particularly the census designated place (CDP) program, improved the level of correspondence between census geography and colonias, but given the small size of many colonias it was not possible to achieve complete geographic correspondence. For instance, 192 CDPs in South Texas contain 791 colonias, and although some of these CDPs are coextensive with one or more colonias, most contain a mixture of colonia and non-colonia population, territory, or both. An understanding of the demographic and spatial relationships between census geographic units and colonias (and by extension other homestead subdivisions, or HSDs) will enable researchers to better analyze census data for these kinds of communities.

In this paper, I discuss the relationship between census geography and colonias in South Texas. The paper's focus on colonias in South Texas is part of continuing efforts by the Census Bureau to improve the collection and tabulation of population and housing data for colonias (Ratcliffe, 1998). In addition, I present Census 2000 results for selected colonias, primarily to illustrate the kinds of information available from census sources. The census geographic relationships discussed in this paper, however, are not exclusive to colonias and can apply to other kinds of HSDs.

Relationship between Colonias and Other Homestead Subdivisions and Census Geography

Census geographic units provide the spatial containers within which demographic and housing data are collected, tabulated, and published. Place-level tabulations often are the entry points for users seeking census data about specific communities. The Census Bureau collects and tabulates data for two kinds of places, incorporated places (municipalities) and CDPs (unincorporated places). For small communities not recognized as places in census tabulations, data are available for corresponding census tracts, block groups, and census blocks. In this context, colonias fall into one of three general categories, incorporated, CDP, and "non-place." Of the 1,821 colonias identified by the Texas Office of the Attorney General (OAG), 477 colonias are located within incorporated places; 791 within CDPs; and 553 in unincorporated, "non-place" territory.¹ Most colonias within incorporated places encompass only a small portion of the municipality—generally only a few census blocks. Ten municipalities have boundaries that are coextensive with one or more colonias; the Census 2000 populations of these municipalities range from 187, for Valentine town, in Jeff Davis County, to 5,553 for Rio Bravo city, in Webb County. Decennial census data and population estimates data are available for these colonias offering researchers the ability to analyze population change over a series of years. Economic census data also are available for cities with decennial census populations of 2,500 or more (no colonias fell into this category for the 1992 and 1997 economic censuses; Combes, El Cenizo, Primera, and Rio Bravo will for the 2002 and 2007 censuses). For those colonias that incorporated prior to 1990, such as El Cenizo and Rio Bravo, data are available from the 1990 and 2000 decennial censuses as well as the Population Estimates Program.

¹ Colonia boundaries and relationships to municipal and CDP boundaries were determined using the Texas OAG's Border Colonia Geography Database, online at <<http://maps.oag.state.tx.us/colgeog/>>. Census blocks within colonias and population and housing data for colonias were obtained through American FactFinder at <factfinder.census.gov>.

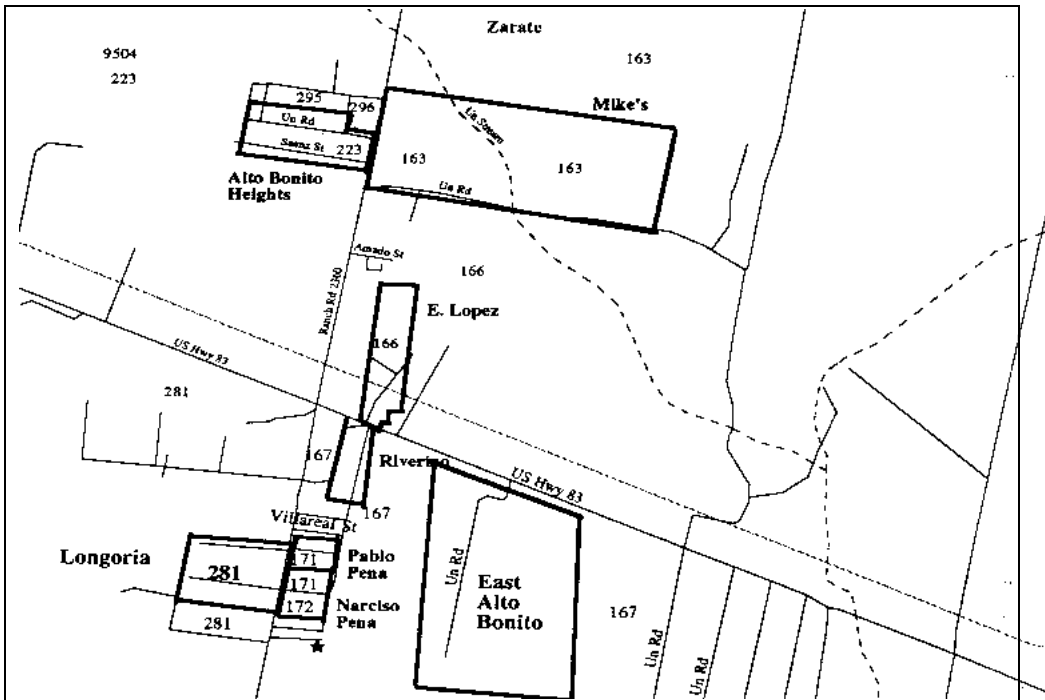
A few unincorporated colonias with relatively large populations, such as Cameron Park and Sparks, have been identified as CDPs in successive censuses. For these, 1990 and 2000 census data are available for comparison. For instance, Cameron Park's population increased from 3,802 in 1990 to 5,961 in 2000; Sparks' population grew from 1,276 to 2,974 over the same period. Changes to the CDP program for Census 2000 permitted identification of unincorporated communities as CDPs without regard to population size (a minimum of 1,000 persons was required in previous censuses). Identification of colonias as places for census tabulation purposes was an important reason for this change, but other small, unincorporated communities also have been identified as CDPs. Although data for many of the "colonia CDPs" are available only from Census 2000, the identification of these colonias as places for data tabulation purposes establishes an important baseline for future research and statistical programs. For colonias identified as CDPs, decennial census demographic and housing data are available; populations for the 192 CDPs containing colonias range from 8 persons in Guerra, in Jim Hogg County to 11,046 persons in San Elizario, in El Paso County. The Census Bureau, however, does not produce population estimates for CDPs, so we are unable to track annual changes in population for these places between censuses. Census Bureau products also do not indicate which CDPs or incorporated places are colonias, irregular settlements, or other types of HSDs. One goal of mine is to develop lists identifying which incorporated places and CDPs contain colonia populations; this could be extended to include other HSDs, but as information about the location of such communities becomes available. It is my hope that an outgrowth of the meeting in which this paper is presented, and of future HSD research in general, will be the development of lists of HSDs, their locations, and related census geography.

Over 500 colonias in South Texas are located outside both incorporated places and CDPs. For these "unincorporated, non-place" colonias, data are available at the block group and census block levels, although block groups (the smallest geographic unit for which sample data are available) typically are larger than colonias and will contain non-colonia population and territory. Given the small size of many colonias, the census block (the smallest geographic unit for which any census data are available) is the relevant geographic unit of analysis. Although the boundaries of many non-place colonias correspond to the boundaries of one or more census blocks, many colonias will also include or only encompass a portion of a census block. Obtaining census data for non-place colonias requires identification of the census block(s) associated with each community. I would expect the same geographic relationships to be true for other kinds of HSDs. These partial relationships will make it difficult to isolate HSD population and housing within a specific census block or blocks. In such instances, researchers should compare block-level census data with information obtained through surveys and fieldwork to determine the degree of correspondence. Still, population and housing unit information for HSDs from the census can provide an important starting point for researchers conducting more detailed studies.

What Census 2000 Can Tell Us About Colonias

Census 2000 was the first in which the Census Bureau staff were aware of the existence and characteristics of colonias early enough to design effective geographic update programs and enumeration methods (Ratcliffe, 1998). Pre-census programs developed with state and local governments to collect updated feature and address list information set the stage for a more accurate and complete enumeration in 2000. In addition to changes to the CDP program, the census block number was expanded from 3-digits to 4-digits, which allowed for the identification of additional small blocks. This change, coupled with better information about landscape features in South Texas enhanced our ability to relate colonia geography to census geography, and thus, tabulate data for individual colonias. For example, in 1990 Mike's colonia, in Starr County, encompassed only a portion of block 163 in block numbering area 9504, making it difficult to determine an accurate, or even approximate, population count for the colonia (see Figure 1).

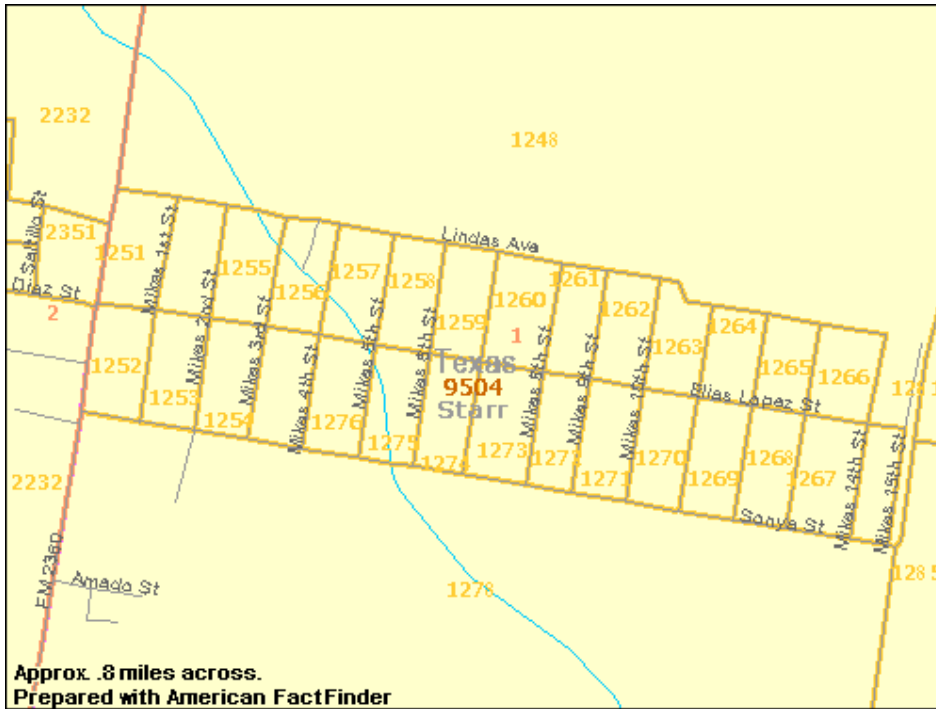
Figure 1. Mike's colonia and vicinity with 1990 census geography



Data source: Texas Office of the Attorney General, Border Colonia Geography Database

For Census 2000, all of the road features in Mike's were included in the Census Bureau's geographic database, making it possible to define 29 discrete census blocks contained within the colonia (blocks 1250-1277 and 1279 in census tract 9504—see Figure 2). The result: Mike's has a Census 2000 population of 712 persons in 163 occupied housing units (out of a total of 173). Nearly all (710 persons) of the colonia's population is of Hispanic or Latino origin. Average household sizes for blocks within Mike's range from 3.2 to 6.3 persons per household.

Figure 2. Mike's colonia with 2000 census geography



Data source: U.S. Census Bureau, American FactFinder

Census 2000 data for the 192 CDPs that contain colonias and the 10 municipalities that are coextensive with one or more colonias (a total of 202 places) reveals that colonia populations, in general, are younger, more Hispanic, and reside in larger sized households and families than non-colonia residents. Of the 202 places reviewed, 128 have median ages under 30 years; an additional 57 have median ages between 30 and 40 years. Average household and family sizes typically are larger for colonias than for Texas or the four primary colonia counties (Cameron, El Paso, Hidalgo, and Starr): 186 of the 202 places reviewed had average household sizes at or above the average of 2.7 persons for Texas; 131 had average household sizes at or above the average of 3.4 persons for the four colonia counties.

Twenty places² are coextensive with one or more colonias; these places, ranging in population from 31 persons (Brundage CDP) to 5,961 (Cameron Park), offer the opportunity to analyze detailed characteristics for colonia populations separately from non-colonia populations. The median age of populations in 12 of the 20 places studied is under 30 years, and of these 12, seven have median ages less than 25 years. El Cenizo has the lowest median age: 18.5 years. Household sizes in all but one are at or above the average for Texas; 12 have average household sizes at or above the average for the four colonia counties. As more data become available from Census 2000, researchers and policy-makers will be able to analyze detailed demographic characteristics, such as educational attainment, occupations, and median income as well as housing characteristics for these colonias in comparison with non-colonia populations.

² Ten incorporated places (Asherton, Big Wells, Clint, Combes, El Cenizo, Penitas, Primera, Rio Bravo, Rocksprings, and Valentine) and seven CDPs (Alto Bonito, Cameron Park, Catarina, Chula Vista-River Spur, Del Mar Heights, La Presa, and Lago); Brundage and Sierra Blanca CDPs are demographically coextensive with colonias; Sparks CDP encompasses all four Sparks Additions colonias, but also includes 83 non-colonia residents.

The city of El Cenizo offers a good example of both what we can learn about colonias from decennial census data as well as the need for better enumeration and estimation methods. The 1990 census counted 1,399 persons in 287 housing units in El Cenizo. Census 2000 counted 3,545 persons and 730 occupied housing units (out of a total of 811 units). The Census 2000 count compares favorably with population estimates for El Cenizo from non-Census sources, which put the colonia's population at between 3,000 and 3,500 (Texas Water Development Board, 1996; Ward, 1999). The July 1, 1999 population estimate for El Cenizo was 1,630 in 310 units—an average annual increase of 25 persons. Population estimates for El Cenizo through the 1990s were based on the 1990 census count for the city, but because the city does not issue building permits, accurate estimation of annual housing unit and population growth was difficult. Further, we also must allow for the possibility of misallocation of El Cenizo's population in 1990; the correspondence between the Census 2000 population for the colonia and non-Census estimates aptly illustrates the benefits to be gained from increased pre-census outreach efforts and close cooperation with colonia residents.

As the example of El Cenizo illustrates, estimating populations for colonias and HSDs can be difficult. The lack of administrative sources, such as housing permits, presents a considerable challenge for producing accurate estimates of population and housing growth. Better information about the location and characteristics of HSDs can offset the challenges deriving from lack of administrative data; this is evident from the improved population and housing unit counts for colonias in South Texas from Census 2000. The improved response rates and, hence, data for colonias in South Texas for Census 2000 can be directly attributed to the Census Bureau's improved knowledge of the existence and location of colonias and to outreach programs in cooperation with colonia residents and state and local officials. A similar understanding is needed for HSDs throughout the United States. Such improvements, coupled with the Census Bureau's delivery of an array of data for places like these, will benefit researchers, residents, and data users in general.

References

- Ratcliffe, Michael R. 1998. "Enumerating and Publishing Data for Colonias and Other Small Border Communities for Census 2000," *Borderlines UPDATER*. Available at: <http://www.us-mex.org/borderlines/updater/1998/may14colonia.htm>.
- Texas Office of the Attorney General. 1993. "Socioeconomic Characteristics of Colonia Areas in Hidalgo County: What the 1990 Census Shows".
- Texas Water Development Board. 1996. Texas Water Development Board Colonia's Database. Available at: ftp://rio.twdb.state.tx.us/colonia_data/.
- Ward, Peter M. 1999. *Colonias and Public Policy in Texas and Mexico*. Austin: University of Texas Press.

Informality in San Francisco and Census Data Analysis

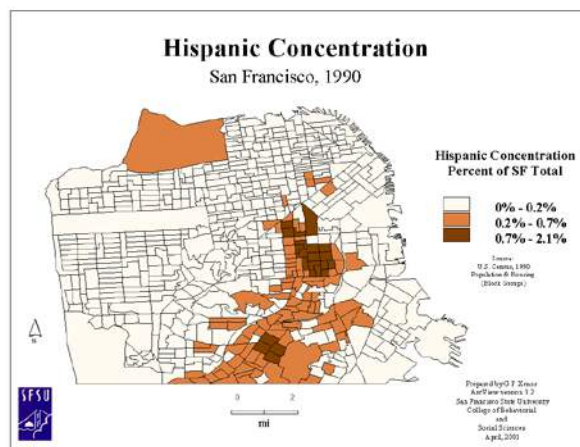
Ayşe Pamuk
(not present at workshop)

Informality in Land and Housing Markets

There is widespread informality¹ in land and housing markets in the developing world (Pamuk, 2000, 2001). The evidence of informality in land and housing markets in the U.S., on the other hand, has received limited attention in the literature (LaGuerre, 1994; Kennedy, 1996). By doing research in the developing world, we have learned that there is a huge gap between government statistics and reality on the ground. To understand informality, a combination of different research methods must be used (Jones and Ward, 1994).

The case of the Mission neighborhood in San Francisco is a good example to illustrate the methodological challenges faced when studying informality (or “invisible” populations) in housing markets. Mission is a working class Latino neighborhood (Map 1) with a long history of community activism (Castells, 1983) and became ground zero for development battles in San Francisco last year. The adjacent neighborhood, South of Market (SOMA), is an industrial area experiencing similar technology-driven development pressures.

Map 1: Hispanic Concentration in San Francisco, 1990



Region-wide, significant job and population growth in the San Francisco Bay Area in the past five years coupled with a limited land and housing supply resulted in high housing prices. San Francisco MSA² gained over 50,000 jobs between 1999 and 2000 representing a job growth rate of 4.9 % in a single year. Much of the growth continued to be in business services—the industry sector that includes technology firms specializing in Internet content production (“dot-com” companies).

¹ I define informality (or informal rule-systems) as those activities governed by well-agreed upon private methods of regulation (rules) among individuals and groups, outside of the state’s legal framework. The focus here is on institutions of cooperation that have emerged and persisted without government approval or the sanction of law.

² San Francisco, San Mateo and Marin Counties.

Housing failed to keep pace with new job creation worsening the regional jobs-housing imbalance. The nine-county Bay Area continued to create roughly 4 new jobs for each new housing unit. During the 1995-2000 period, permits for a cumulative total of 148,044 new housing units were issued, while net job gain during the same period in the Bay Area was nearly 600,000. As a result, in San Francisco, the housing crisis pushed home prices out of reach for most people, and the median single-family house price soared to \$522,500 in December 2000.

Despite the astounding fourth quarter numbers reported by the California Employment Development Department, major layoffs have been announced in the very sectors that propelled growth in the Bay Area during 2000. These sectors now lead the region into a slower growth period in 2001 and into rising unemployment rates, some moderation of home prices, and rising office vacancies (reducing pressure in neighborhoods like Mission and SOMA). In July 2001, unemployment rate in San Francisco stood at 5.3 %, above the national rate of 4.7 %.

Strong demand for housing by newcomers into the area and strong demand for office space by Internet companies created intense pressures on San Francisco's neighborhoods. Mission, in particular, experienced rapid gentrification and became a stage for resistance against development by its residents. In the midst of the influx of dot-com firms into the neighborhood (spillover from downtown San Francisco) two measures were put on the November 2000 ballot: A pro-development Proposition K backed by the Mayor, and Proposition L backed by Mission residents opposing development. Neither Proposition K nor L passed, but the debate accelerated much needed community-based and collaborative planning efforts (albeit in a polarized fashion) to enable neighborhood revitalization without displacement. The slowdown in the economy now provides a real window of opportunity for community-based organizations to strengthen the neighborhood's social infrastructure and lay the groundwork for constructive dialogue with the city's planning agencies.

Meanwhile, forced out of the expensive housing market, many low-income residents of San Francisco (especially African-Americans and Hispanics) have left the city for more affordable locations within one-to-two hour one-way commute distance from San Francisco, like Richmond and Vallejo. The extent to which these households might be living in homesteading type settlements in peri-urban areas is unknown. Current data from moving companies might show that some have left the Bay Area all together for other states.

Those households that remain in San Francisco appear to have secured access to shelter through informal mechanisms. Informality in San Francisco's housing markets has not been systematically studied. Numerous media reports and community-based organizations working in neighborhoods like the Mission, however, suggest informal mechanisms are at work.

The Spectrum of Informality in the Mission Neighborhood

- ***Illegal/informal conversions***

A typical type of informality in land and housing markets is noncompliance with current land use and zoning regulations. In the Mission and SOMA neighborhoods "illegal/informal" conversion of industrial areas into residential use by high-end users is known to exist, but its magnitude has not been estimated. Under the San Francisco Planning Code, live/work units are designed for residents that live and work in the units, primarily intended for artists. In the past years, however, developers began marketing live/work units to Silicon Valley professionals who prefer the live in San Francisco. As a result, a huge rise in live/work unit developments took place. Because live/work units are classified as "commercial use," they are exempt from paying development fees applicable for residences. In addition, live/work developers do not have to comply with

inclusionary housing requirements making them attractive for developers who wish to reap large profits by lowering costs. Eighty-six percent of the 431 live/work units completed in 2000 alone were in Mission and SOMA neighborhoods. In 1999, a total of 625 units were completed—87 % in Mission and SOMA combined. Map 2 shows all live work units and their development status as of 2001.

Map 2: Location of Live/work units in San Francisco, 2001



Source: San Francisco Planning Department, 2001.

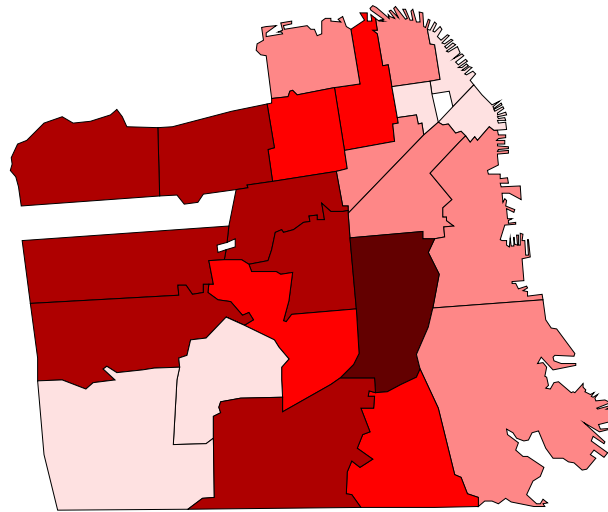
The sharp rise in live/work unit developments in industrial areas prompted City Planning Council to pass a resolution to establish an industrial protection zone (Aug. 5, 1999) where new residential and live/work uses would not be permitted.

On the other hand, office space shortages have led to conversion of residential units into nonresidential use displacing long-term tenants. The 2001 Housing Element Revision report of the San Francisco Planning Department notes that there is “no information available on the number of units illegally converted to nonresidential use” (p.28).

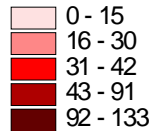
- Evictions

An analysis of evictions by zip code between July 1999 and June 2000 shows that evictions are concentrated in the Mission (133 evictions) (Map 3).

Map 3: Evictions in San Francisco (July 1999-June 2000)



Total Evictions by Zipcode



Source: Pamuk from MEDA and SF Rent Board, Aug. 2001.

- Nonprofit space sharing
Interviews with nonprofit organizations in the Mission revealed that there has been an increase in space sharing among nonprofits to save on rent—another informal arrangement invented to cope with an expensive housing market.
- Crowding
Units that contain more than one person per room are typically defined as overcrowded. It will be possible to estimate the magnitude of crowdedness using Census 2000 data when it will be released by September 2002. Nonprofits working in the neighborhood report serious crowding conditions, especially among low-income minority households.
- Squatting
Abandoned buildings in San Francisco are rare. City records on evictions from abandoned buildings would provide an estimate for this phenomenon.
- Homelessness
Another type of informality is the situation of people living in cars and on the street. Homelessness is very visible in San Francisco.

- Cash-based transactions

In the economic realm, the phenomenon of cash based transactions and informal credit and savings clubs are other forms of informality prevalent in low-income ethnic communities where residents do not have access to affordable banking services (Light & Gold, 2000). Ironically, affordable and local-serving firms in the Mission seem to be more resilient to economic shocks compared to “dot com” firms that went out of business rapidly with the decline in technology stock prices.

Methodological Issues in Documenting Informality in Land and Housing Markets

Tracking demographic, economic, and land use changes in rapidly growing neighborhoods (and informality) is complex. Despite its limitations, Census 2000 data is the best source of housing data for small geographic areas on a uniform basis state-wide, to understand current housing conditions. Data on population by race etc. (SF1—100 % count data) has been released at the census tract level. Variables on income, housing, occupation, ancestry, etc. will be released by September 2002. The decennial census does provide a fairly good starting point in enumerating housing units in built-out cities like San Francisco since the Census Bureau uses all known addresses in the U.S. as the universe for the 1 in 6 households sample. “Illegal/informal” conversions, however, cannot be captured by census data because the Census Bureau simply counts the units and does not verify compliance with local building regulations and housing codes. Much of this type of data must be collected by block-by-block visits to the study areas, especially in areas where response rates to the Census 2000 were low. Burnt by development pressures and massive evictions, community-based organizations in the Mission now monitor development activity in their neighborhood closely.

Irregular Settlements in California: What we know? What we need to know?

The extent of colonia type settlements in California is unknown. What is known is that farmworkers in California (mostly Mexican-born immigrants) have the second lowest rate of homeownership (38%) of any occupational group (after private housekeepers). In 1995, an estimated 250,000 farm workers and their family members had inadequate housing (31 % of all farmworkers with inadequate shelter in the nation) (Bugarin & Lopez, 1998).

A study of settlement patterns in California must take into account its distinct regions: 1) Los Angeles County; 2) San Francisco Bay Area; 3) Central Valley; 4) Orange County and the Inland Empire (Baldassare, 2000). Like in Texas, irregular land development activity is more likely to occur in unincorporated county lands rather than in urban areas.

References

Baldassare, Mark. (2000) *California in the New Millennium: The Changing Social and Political Landscape*. Berkeley: University of California Press.

Bugarin, A. & E. Lopez. (1998) “Farmworkers in California” California Research Bureau.

Castells, Manuel (1983) “Urban Poverty, Ethnic Minorities and Community Organization: The Experience of Neighborhood Mobilization in San Francisco’s Mission District” in *The City and the Grassroots*. Berkeley: University of California Press.

Jones, Gareth and Peter M. Ward. (eds) (1994) “Methodology for Land and Housing Market Analysis”. Cambridge: Lincoln Institute of Land Policy.

Kennedy, Duncan. (1996) "Some Thoughts About Typical U.S. Low-Income Housing Markets in Light of 'Informality' Analysis". Harvard Law School (mimeo).

Laguerre, Michel S. (1994) *The Informal City*. New York: St. Martin's Press.

Light, Ivan & Steven Gold. (2000) *Ethnic Economies*. San Diego: Academic Press.

Pamuk, Ayse. (2001) "Tools for a Land and Housing Market Diagnosis" In *The Challenge of Local Government: Policies and Practices*, edited by Richard Stren and Maria Emilia Freire. Toronto and Washington, D.C.: University of Toronto and World Bank Development Institute, pp.253-267

Pamuk, Ayse. (2000) "Informal institutional arrangements in land, credit, and infrastructure in Trinidad" In *International Journal of Urban and Regional Research*, Vol: 24, No: 2, pp.379-396.

Detection of QFHSs via Remote Sensing/Geographic Information Systems Analysis

Kelley Crews-Meyer

Overview

The definition of Quasi-Formal Homestead Subdivisions (QFHSs) remains open to debate, in part due to the time-dependent nature of such a phenomenon. The presence and precise location of QFHSs, also referred to as colonias in some literatures and areas, is a high priority for water management, housing, environmental and health agencies, among others. The question of detecting QFHSs via remotely sensed data thus is actually a cyclical pair of questions: How can QFHSs be detected without a standardized definition across time and space, and how can a spatially and temporally explicit definition be created until they are adequately described? In other words, this vein of QFHS research requires an iterative process of definition, descriptive work, refinement of definitions, and further detection.

To this end, this analysis took QFHS locations known from surveys and field visits and identified them on high-resolution products. Next, the characteristics of the QFHSs as represented on those products was extended to lower resolution products as well as to other areas to look for undocumented QFHSs. The results were mixed, and from this work it is clear that further refinement of the precise definition of QFHSs is critical to obtaining the ancillary products necessary to improving accuracy of detection. Furthermore, it is apparent that an integrated remote sensing/Geographic Information System (GIS) approach is necessary to reliably predict QFHS location, migration, and evolution.

Remote Sensing Classification

Classification is the process of taking data and separating them into groups of known identity. For example, a classification for a general map might label each part of the landscape as forest, water, residential, urban, grass, or barren. This work sought to classify current QFHS locations only, although future work may focus on separating QFHSs at different stages of development. Remote sensing classification is performed using either or both aerial photography and satellite imagery. Historically, air photos were used because their spatial scale was such that structures on the ground could be clearly identified, although the scale is dependent upon elevation of the aircraft relative to the ground and the focal length of the camera. Satellite imagery has been more commonly used since the early 1970s, but often has lower or poorer spatial resolution (i.e., appears more blocky or “zoomed out”). What satellite imagery has to offer as improvement over air photos is: 1) increased spectral resolution, meaning a variety of reflectances are used including multiple infrared responses; and 2) a simultaneous broadscale or synoptic view. The choice of product to use largely depends upon the nature of the phenomenon under study. Since little work has been documented in the detection of QFHSs, both products were tested.

Aerial Photography

Digital orthophoto quarter quadrangles (DOQQs) were obtained for multiple areas within the state of Texas (Austin, Brownsville, Del Rio, and Killeen), with each set of four representing the area covered by a single 1:24,000 USGS topographic quad. The nominal resolution of the digital photos was 1 meter, one of the highest or best spatial resolution products available. However, the photos were panchromatic (black and white), and thus did not contain multiple reflectance responses or any infrared information. Experienced field personnel easily determined the location of known QFHSs,

and the spatial scale of the photos made discriminating QFHSs from other similar objects (e.g., trailer parks) easier than had been hypothesized.

Among the factors used to discern QFHSs were as follows: Proximity of location to MSA boundary, orientation of development to road, orientation within area of driveways and access roads, type of road (primary, secondary) that entrance to area was located off of, size and spatial distribution of housing units, and roof materials. Previously undocumented QFHSs were easily detectable but each DOQQ covered only a small portion of an area, and although the data were relatively inexpensive the data volume became an issue. While these data are expected to be available statewide, issues of how frequently (if at all) they will be updated is open to question, and it is doubtful that many researchers or agencies would have the data space to keep all DOQQs accessible at once due to data volume restrictions. Furthermore, very few states have the equivalent of statewide coverage for DOQQs.

Satellite Imagery

In order to try to reduce data volume and storage issues as well as simultaneously increase area coverage, Landsat TM (Thematic Mapper) imagery was acquired of the areas in question at nominal 30 meter spatial resolution and each scene covers an area on the ground that is 170km by 185km. Landsat TM data record seven reflectance responses, three in the visible range and four in the infrared range. Thus these data offer significant improvements over DOQQs in terms of aerial coverage and spectral resolution, but at the cost of spatial resolution. The decreased spatial resolution or coarseness of the data rendered visually detecting the known QFHSs extremely difficult, and the detection of potential undocumented QFHSs extremely inaccurate.

Two classifications were run to determine if computer-aided classification based upon multiple spectral responses would improve the results. First, an unsupervised classification was performed to generate multiple statistically significant landcover classes, and those classes then evaluated to see if any corresponded with QFHSs. Second, a supervised classification using the known locations as calibration data was run to try to pull out spectrally similar areas. The first-run results were unsatisfactory; neither the supervised nor unsupervised classifications were useful in locating QFHSs with a high degree of confidence. The unsupervised classification did yield some areas for possible inquiry that could be field or air photo checked, but many of these areas upon further analysis turned out to be strip malls, subdivisions, and trailer parks. The unsupervised classifications did prove more useful in less developed and less heterogeneous and interdigitated areas such as Brownsville and Del Rio as opposed to Austin and Killeen. The supervised classifications for Austin and Brownsville were not statistically significant due to too few training sites input into the model. More training sites were located for Del Rio and Killeen, so those models were statistically significant, but the QFHSs classes were underspecified, meaning that most QFHSs were located successfully but other non-QFHS classes were lumped in with them (an error of commission as compared to an error of omission).

Next Steps

From the above analysis it appears that the spatial threshold for discerning QFHSs is under 30 meters, and likely closer to the 5 to 10 meter range. Statewide coverage is available in 10-meter panchromatic SPOT imagery, with each scene covering an area 60km by 60km. However, these data also are not currently available in all states. There also exists the possibility of 20-meter resolution multispectral SPOT data (XS), but the cost of these data is currently prohibitive. Yet the problem of using DOQQs remains: The number of DOQQs (and associated data volume) necessary to implement this study across a larger area is beyond the capacity of most agencies and researchers.

Furthermore, the ongoing acquisition of such products to allow for updating QFHSs periodically is a cumbersome process unlikely to result in even a five year periodicity of monitoring for larger areas.

The logical path appears to be testing the ten-meter panchromatic satellite imagery while developing two leads that showed promise in this analysis: Texture extraction and ancillary information. Texture analysis involves mathematically characterizing the spatial configuration typically exhibited by QFHSs and detecting that pattern rather than a purely spectral response. The use of linear enhancements and pattern metrics will likely increase the accuracy of QFHS detection, but the development of these methods will require a much more precise definition of QFHSs overall and at different stages. Second, the use of ancillary information also aids in the process by eliminating areas not likely to have QFHSs by definition: Examples might include urban and shopping centers, or areas not properly located in proximity to the MSA boundary. The development of this approach also depends first upon definition precision and second ancillary data acquisition. A Boolean elimination tool can easily be created to cut out areas within urban centers and well beyond the MSA boundary, further than a specified distance from a major road, etc. But again, the progress of this work is dependent upon the progress of definition clarity: What happens when a QFHS is annexed as recently happened outside Austin? Is it immediately no longer a QFHS? Remote sensing and GIS analysis are therefore both helpful and dependent upon the results of two stages of inquiry: More accurately describing what a QFHS is, and detecting that prototype on the landscape.

Panel 3. Discussion

Robert Stevenson, rapporteur

In this panel discussion, the benefits of remote sensing were debated and the methodology of data collection, specifically census information, was examined. Common themes reflected participants' desires to integrate local knowledge and envision overall relationships and patterns within and between methodologies.

How Far Can GIS and Remote Sensing Really Go towards Identifying QFHSs, and Is It Worth It?

Many workshop participants were dubious about the applicability of remote sensing to the identification of QFHSs as well as its ability to provide cost-effective information. With the existence of hard data, such as that already generated by the census, would extra insight from above be worth the investment? Technical questions and questions of cost dominated the first round of discussion: Do satellite photos have good enough resolution to detect telltale characteristics such as construction type? Is the cost of the technology worth the results? Can remote sensing be employed in such a way that it could detect changes in the landscape over time (dynamism being identified as a characteristic of QFHSs)? To what extent do satellite photo databases exist nationally?

Remote sensing was defended on the basis that it would actually save money over time. Research on the ground is time consuming and expensive; the search could be narrowed down by remote sensing and even provide insight ahead of time as to what localized techniques should be utilized. However, remote sensing can never preclude the need for walking and talking on the ground and in fact relies heavily on good localized information.

Further discussions expounded upon the possibility of using remote sensing to locate dynamism in order to identify QFHSs. Physical characteristics readily visible from the air include irregularity and placement of structures on lots. Perhaps photos can be used to identify upgrading and rate of change, locate entire areas that are more dynamic than others. The potential of remote sensing to observe the relationship between people and land was also noted—how people use the land and what types of land lend themselves toward self-help housing.

A Combination of Methodologies

The point was repeatedly made that perhaps remote sensing should be used in conjunction with other existing technologies and databases to better identify QFHSs. Spectral or infrared analysis that could identify chemical or geological characteristics of colonias was suggested. Other hypothesized compliments to remote sensing included hard data such as the census, tax records, water well records and even vendor records of mobile/manufactured home sales. The general sense of these suggestions was to narrow down the scope of remote sensing from scanning every square mile of the nation to more thoroughly examining areas likely to include these types of residential subdivisions. An example of this integrated methodology revolved around tax data. If tax records were updated regularly to reflect upgrading within communities and then compared with aerial photos, then areas associated with frequent, yet irregular tax reassessment could possibly lead us to QFHSs.

While certain technological aspects of remote sensing, such as spectral analysis, can yield interesting results, they are often expensive and not readily applicable to searching for QFHSs. Scanning for patterns in the landscape and layering information is the overarching goal. Examining an expansive area, testing theories and then either expanding or going in a different direction all together is the general methodology. Remote sensing was also concluded to be able to benefit from

other data sources; the technology to do so exists, the problem is in the application. In the future, the linking of varied databases will be important.

Keep Things Simple

The chief detractors of remote sensing argued that QFHSs could best be documented on the ground; the logic followed that folks in the local post office or public health departments should know where these places are located. A discussion ensued from this point that debated the amount of knowledge that could be elicited on foot, especially given regional differences. Colonias are often “hidden” in the southwest. Also, a sentiment was expressed that similar poor communities are found nation-wide but that not all the same land issues or dynamics are present.

A certain resolution was reached in the discussion that concluded that information gleaned from local knowledge and remote sensing was not mutually exclusive, they were merely different levels. They could be used in conjunction or they could be used where one approach might be better suited to that particular situation.

Importance of Working with Locals

When gathering data, as noted by discussants, it is important to reach out and to take advantage of local knowledge. Questions surrounding this issue were direct: What methodologies were used in collecting the census information and did any of them utilize local knowledge? When census data conflicts with locally generated data (such as in the case of El Cenizo), what should communities do to set the record straight?

The discussion concluded that any good survey depends on taking advantage of local knowledge. The census hired local enumerators and sought local advice on how to publicize the census, determine optimal census taking days and times and how to collect the data in a culturally sensitive way. Correcting census data is not difficult if the community is a municipality—a municipality may challenge census findings and the results will be changed if it is indeed proven to be true (the burden of proof rests on the community).

Panel 3. Panelist Comments

Michael Ratcliffe

Comments and questions about the availability of census data pertaining to HSDs related to information about vacant lots, HSD location and the use of remotely sensed data to determine those locations, and the methods used to enumerate colonia populations during Census 2000:

Locating HSDs presents a challenge for researchers intent on conducting an extended analysis of HSDs throughout the United States. For small-scale studies (one or a few counties), the most feasible and efficient approach might be to inquire locally about the locations of HSDs. For larger scale studies (state-wide or even national), soliciting local knowledge becomes more time consuming, burdens local officials, and may introduce bias into the analysis if information about all HSDs is not forthcoming. Census Bureau programs are national in scope and, although local officials are consulted regarding place locations and geographic area boundaries, any future programs oriented toward HSDs would benefit from location information derived from remotely sensed data to ensure as complete a coverage as possible. Further, because decennial census operations rely upon timely, comprehensive information collected as close to census day as possible, remotely sensed data about HSD locations can augment locally obtained information and reduce burden on local officials. There is still a need, however, for identifying characteristics common to HSDs as a means of enhancing our ability to identify their locations throughout the United States and compile data pertaining to these communities. We also should investigate the potential use of lot size, type and age of housing, and housing tenure information collected on the decennial census long form and available at the block group level as a means of identifying areas in which HSDs may be located and to which further investigation should be directed.

Information about vacant lots is not available from the decennial census or any other Census Bureau surveys. The decennial census collects information about population and housing, including the number of vacant housing units within a given geographic area. The Census Bureau has never asked respondents about land ownership, including ownership of vacant lots, other than in relation to their place of residence.

For Census 2000, local officials, service providers and colonias residents were consulted to identify best methods and strategies for increasing census awareness; improving access to questionnaires; reducing concerns about the presence of Census Bureau staff in colonias; and ensuring as high a response rate as possible. Two methodologies used throughout most colonias were update/leave and list/enumerate. Under update/leave, the enumerator updates a census map by indicating each housing unit location and leaves a census questionnaire at each house to be filled out and returned by mail. With the list/enumerate method, the enumerator updates the map and completes the census questionnaire by interviewing members of each household. Each of these methodologies was better suited to colonias than the typical mail-out/mail-back method because of the general lack of house number/street name addresses within colonias and the likelihood of irregular housing.

Panel 4.
Self-Help and Self-Managed Housing
Production and Trajectories

Housing Modes, Impediments, & Opportunities

Richard Burnham

Introduction

There is a need for affordable housing on U.S. rural lands for lower-income people. Lowest possible cost is the overriding need with many factors influencing the actual cost of house provision. At the very least, the following can be considered: a) the selection of land for housing that does not require costly foundation or infrastructure development, b) house siting and form that minimizes the reforming of land, c) simple forms of methodical construction amenable to neophyte self-help¹ labor, d) the selection of local sustainable² building materials, e) the creative utilization of rejected older building materials through recycling, f) design options that allow for phased incremental construction, sized to match occupant financial capabilities, g) that state and local governments develop land, tax, and regulation strategies to aid in housing provision and land acquisition, h) the development of sensibilities and strategies that move church, mosque, synagogue, NGOs, PVOs, and groups with environmental and human services concerns to aid in such areas as the purchase of land, the education of self-help builders in construction, the funding of professionals to aid lower-income groups, and the funding of pilot housing projects, and i) that communities of lower-income people work together with design and building professionals in ways that improve their chances at securing housing and that enhance the quality and longevity of their built environment.

Modes of house construction change over time as social, economic, and technological impacts demand. Today's large pool of minimum-wage workers do not fit the financial profile bankers demand when lending money on the typical modes of housing now available on the market. The situation suggests that we strike out to explore different ways in which to make housing more affordable.

In a very real sense there is a need for today's poor, seeking or forced to live their lives on rural lands, to learn from the housing experiences of Mexicans living in today's colonias, and from the rural U.S. colonialists of times past. Both groups build/built creatively with their own hands, incrementally, and in consonance with a region's opportunities while sidestepping impediments placed by nature or man.

Changing Modes of Housing in Western Massachusetts

I live in rural western Massachusetts and my observations on housing are from this region as well as from colonias in urban Mexico, and, more recently, on sustainable housing practices in Papua New Guinea villages.

In rural western Massachusetts, land for today's housing is typically split off larger holdings of earlier settlers. These lots almost always front on town roads, obviating investment of capital by the seller, with the survey and soil percolation rate tests being the extent of capital outlay. The usual

¹ The need to broadly define self-help is ever present in lower-income housing as it must include many variants: the work of one family, the work of a network of relatives and friends, the bartered and/or paid for labor of friends or trades people, the contracting out of portions of the house. Perhaps the best way to define self-help is to say what it is not: it is not the paying of one person or firm to do all contracting and building.

² Economic comparisons of local sustainable materials to lumberyard materials indicate that local and sustainable materials can be consistently less costly.

modes of housing production, in descending order of costliness are: a) custom built residences by a contractor with the owner sometimes acting as director of sub-contractors and often doing finish work, b) manufactured modular housing units, towed on wheels by tractor-trailer and craned onto an approved concrete foundation,³ c) new or used “home” trailers towed onto the land and set on an approved concrete foundation, and d) the self-built house. The last mode can be subdivided into those built incrementally over time, and those built by people who have the financial resources and time to build all at once. Today, while no research has been conducted to determine modes selected or changes in these modes over time, there appears to be fewer housing starts by those who elect to house themselves via trailers and/or self-built incremental housing.⁴

The traditions of housing here, since colonial times, have gone through a series of modifications that reflect land values, connections to an evolving cash economy, changes in the technology of building and construction materials, and desires for personal expression in housing. Colonialists, much like those in Mexican colonias, started their housing with what was on hand, and they slowly expanded the size and commodiousness of the house as time and circumstances allowed. House design ran along the traditional lines of clapboards on heavy timber frames; and the additive, incremental, nature of the New England house was a viable model with the initial structure being sometimes no more than a one-room shelter. After the century turned to the 1900s, milled lumber was becoming dominant, and by the 1940s or earlier plywood came into prominence. Since then, housing has progressed from standard house plans to unique configurations that reflect owners’ desires, and building materials have swerved from the local to a continent’s warehouse, supplemented more and more by the world of chemistry and wizardry with the use of vinyl siding, fiberglass roofing, vacuum sealed windows, acrylic carpeting and the like.

There is less of local sustainability and more of the cash economy. What Thoreau could harvest from the forest with a borrowed axe now requires a 20- or 30-year mortgage. And the trailered-in house, manufactured hundreds of miles from the site in another state and with a generic design devoid of regional influence, built so much with synthetic materials, put together with air-powered fasteners in factory buildings brings us to the present, and to the dilemma that such housing requires mortgages which, for many poor, are not forthcoming. A less costly approach, that of self-help construction, needs to be reintroduced in our time as a realistic way to provide least-cost yet commodious housing.

Impediments to rural housing

In this matrix of country housing, today’s poor have little aid from government or so-called socially responsive groups. Community development corporations, limited by state and federal funding schemes, can only nominally lower the cost of housing. Banks require not only steady employment, but they only provide funding for houses that, in their estimation, they can sell out from underneath owners who fail to meet mortgage payments. Slowly self-built incremental houses with undone work and expressions of personal desires are anathema to bankers.

³ The discrepancy in weight capability between tires and concrete foundations speaks of the current state of building code regulation.

⁴ Tentative painted plywood box-houses, bound over time to improve through addition, and dilapidated time-dated trailers, are giving way to the delivered, vinyl sided manufactured house. Coincident with this change has been the wholesale re-education, by Boston regulators, of building inspectors in the region. Rule benders who could look the other way to help folks shelter themselves were educated out of the system.

Strictly enforced government regulations create a housing culture that increases costs beyond the reach of the poor. While many building code requirements assure, through compliance, a safe structure, some requirements that impact negatively on housing accessibility could be reassessed.⁵

Rural town zoning regulations set standards that are often meant to enforce minimum economic capabilities of residents, to safeguard real estate values. Health standards require leach fields that readily handle house sewer effluent or engineered mounds that require expensive imported fill and often pumping stations. And town taxes are set, after a few years, on the supposed value of the finished house instead of the actual value of any partially completed domicile.

Socio-cultural mores, often held as dearly by the poor as well as by the rich, also impede housing access. Garages, dens, dishwashers, and television outlets are obvious expenses that can be foregone for some time by the needy.

Housing Opportunities

The impediments sketched above all conspire to make housing acquisition difficult for lower-income people. Alternatives to these impediments, opportunities that bring housing affordability within the grasp of the poor, require a *tabula rasa* not only for regulators and administrators, but for self-help house occupants—builders-to-be—as well. In this new territory rests numerous opportunities that can burgeon into a different kind of rural America, one closer to the sensibilities of Jefferson and Thoreau. Consider the following:

Zoning

Decreasing minimum lot size to reflect actual bearing capacity of the land as well as actual land use by residents. Setbacks can be restudied: The traditional siting from colonial times had houses and barns very close to the public road, reducing driveways and gathering open land for gardening to the side or rear of the lot.

Sustainability

Building with renewable local materials not only aids the local economy, but is usually less costly than non-sustainable options. Compare, for example, the real costs of cutting, milling, grading, kiln drying, and transporting timber from the U.S. west coast to New England to local timber rough sawn and used “green.” Similarly, recycled windows—rejects from affluent suburbs—can be had for the picking or for little cost and can be improved over time to become more energy efficient.

Building Codes

There are no provisions in the Massachusetts State Building Code (reflective of a national building code) for incremental house construction. There is a need for a special building code for self-help housing. Such a code would reflect the need for human safety but would allow occupancy during incremental construction. It would allow energy efficiency to be improved over time.⁶ No work should be the regulated domain of particular trades people; the occupant-builders can do all the work, including plumbing and electrical; and local material use would be fostered.⁷ Building code officials

⁵ The need for thermally efficient glazing, for example, can be implemented slowly when using recycled windows, adding multiple layers of glazing over time, adding thermal curtains, and shutters.

⁶ It might be instructive to contrast energy conservation mandates in housing for the poor to unregulated trips in fuel-consuming airplanes that carry others off to non-mandated Caribbean and European vacations.

could be trained to aid neophyte builders by offering sessions on house construction, by offering hands-on advice during construction.

Taxes

Land taxes are imposed on all regardless of income, family circumstances, and the time devoted to building by the owner. Taxes could be formulated to reward those who build from sustainable materials, to ease the financial burden of those who must self-build incrementally.⁸ Taxes on lands greater than 5 acres, with an agricultural component, today receive set-aside tax abatement. Small building lots, with family or market garden plots, are also contributors toward local agriculture and should equally qualify. As it stands now, only those with large holdings enjoy the tax relief (often for passively held woodlands), while the small landholder with a self-sufficient garden pays the full tax bill.

Professional Involvement

Architects, planners, social workers, engineers, lawyers, environmentalists, builders, financiers, church and social work groups, and others can involve themselves in the socially relevant, satisfying, and taxing work of housing design/construction and community design for lower-income populations in the U.S. The precedent established in Mexico by low-income community-based settlements and their church advisers allows professionals⁹ to share their expertise with lower-income people, and thus realize a moral dimension of their work.

Land

There is only so much frontage on town roads. The time will come when subdivisions will be posited and regulations enforced that require urban-quality roadways and storm drainage systems. Additionally, government land can be assessed for its long-term environmental and recreational needs, and non-critical acreages made available for lower-income families with the proviso that such land must be forever available to lower-income people. Passive land investors who hold land off the market should be taxed at high rates that force their land onto the market, possibly lowering its cost to the consumer.

House Design

Traditional, contemporary, stylized log cabins, and other house design preconceptions can be analyzed with respect to cost and compared to each other and to alternative designs that are rational while allowing for a) integration into regionally unique landscapes, b) incremental construction, c) the use of local sustainable materials, and d) are readily built by neophyte self-help owner-builders and their friends. The development of a rational, systematic approach to self-building that is usable by neophytes substantially lowers the barrier to housing.¹⁰ Communities of such builders change the scale, commitment, and possibilities for both the community and the professionals involved.

⁷ Local woods are allowed for house construction in Massachusetts, but only if they are graded at the local sawmill as #2 or better—such grading being unacceptable to those affordable small local sawyers who steer clear of government regulation.

⁸ Tax abatement incentives are not uncommon. Florida, for years, enticed retirees to settle by offering a homestead exemption tax.

⁹ CENVI and COPEVI are acronyms of professional groups of architects, engineers, and social workers who have provided expertise to lower-income housing groups in Mexico.

¹⁰ Most everything outlined in this short paper is explored in greater depth in *Housing Ourselves: Creating Affordable, Sustainable Shelter* (Burnham, R., 1998. New York: McGraw-Hill). This is especially so with

Conclusion

The modes of housing change over time. A separate path for the needy is posited here—with its own mode of construction—to sidestep the impediments to affordable rural housing. There is a need for societal support in revising regulation and taxation practices. There is an opportunity for professionals and others to find a moral dimension to their work by assisting in housing provision. Research, of course, must begin on these many matters if we are to develop policies that result in the realization truly affordable housing to rural Americans.

regard to a systematic approach to self-help incremental rural housing, an approach with antecedents in the works of Mexican architects as well as in the theories of early twentieth century European architects.

Self-Help and Self-Managed Housing—à la Americana

Peter M. Ward

Comparisons Between Self-Help Housing in Less Developed Countries and the U.S.

The wide literature in Mexico and elsewhere describes the process of self-help housing production which usually begins with the low-cost acquisition of unserviced land through illegal or informal means, and shows how this is followed by a gradual process of physical dwelling consolidation whereby a provisional “shack” is upgraded through self-build processes over a number of years into a brick built dwelling, sometimes occupying two floors. Household labor and sweat “equity” inputs at the household level are complemented by community collaboration and mutual aid, and by gradual government intervention to “regularize” land titles and service provision. From start to finish the whole process may take 20 to 25 years, but large areas (often in excess of 50 percent) of the Latin American city evolve through this informal process. Given prevailing low income structures, rapid urbanization, a lack of public or private sector alternatives, and the home ownership aspirations of most poor households, this process has become the principal mechanism over the years whereby households become home owners, and develop a stake in the housing market.

This brief vignette offers close parallels to the housing process that we observe in classic colonias along the border, and, I argue, in Quasi-Formal Homestead Subdivisions (QFHSs) in the U.S. as well. However, while there are many parallels, there are also a number of important differences with Mexican colonias. Specifically:

- QFHS are often smaller settlements that are legally developed albeit with low standard of services.
- Densities are lower by virtue of: Much large lot sizes; an absence of internal lot subdivisions for rental or for sharing with kin; and widespread absentee lot ownership (non-occupancy), especially in border colonias.
- While unequivocally poor, the absolute level of household income is several times that of counterpart self-helpers in Mexico. While “sites and services” policy options have generally proven unaffordable in less developed countries, they would be affordable to low-income households in U.S. cities, were codes and standards to be relaxed.
- Unlike irregular settlements in Latin America that form at the urban fringe, QFHSs are a peri-urban phenomena, isolated in county jurisdictions often several miles from the city built up area and ETJ.
- There is a relative dearth of strict self-build and a heightened level of self-managed housing production through a range of manufactured dwelling options (see below).

There are also important geographical differences in QFHSs and their resident populations in the U.S. This is particularly true if one contrasts what we know about colonias along the border with QFHSs in the interior of those same border states, as well as in other states of the U.S. As one moves away from the border so one appears to observe the following changes:

- Less extreme levels of poverty, albeit these continue to comprise households wishing to become owners and are outside the formal private or public assisted formal housing markets.
- Somewhat better levels of servicing provision, albeit poor and often self provided.
- Less predominantly Hispanic populations, and a greater propensity for more mixed or other dominant ethnicities—Anglo, African-American as well as Hispanic.
- Lower apparent “visibility” and public concern of the colonias/QFHS phenomenon.

Self-Help and Self-Managed Housing Production in the U.S.

The survey data upon which this paper is based derives primarily from 261 face-to-face interviews with residents in 14 colonias/QFHSs (see Ward et al., 2001).

Residents' Motivations for Lot Purchase and Occupancy in a Colonia

In response to a question about the main reasons and proposed purpose for buying a lot in a colonia/subdivision, most (55 percent of all responses) cited the need for a home, either in the short or long term. Interestingly nearly 90 percent of these responses indicated the long term, and most households did not occupy their lot immediately after they started making the lot repayments. Another 14 percent of respondents stated that the purchase was an investment for themselves (5 percent) or as a safeguard and inheritance for one's children (9 percent). Other reasons for purchase given by residents were "it was a good deal and opportunity" (8 percent), "to own my own property/home" (5 percent), and a myriad of other motivations (19 percent).

Not surprisingly affordability was the primary reason for buying into a colonia or QFHS (42 percent), but rural atmosphere away from the city (16%) and more space (12%) were also important. Certainly, most households significantly improved their dwelling space enjoying a considerably larger number of bedrooms (mean=2.8 and median=3) than they had in their previous home (mean=2.4 and median=2). Most were previously renting, usually in the nearest city and moved out into the rural county jurisdiction in order to purchase their home. Slightly over half of the residents moved onto the lots within three months of purchase, and of those who did not over one-half did so within one year of purchase. One quarter, however, delayed for more than a year with an average lapse time of 4.75 years. Of course this only includes residents, and the data do not include the high proportion of absentee lot owners not yet occupied their lots (nor ever seemed likely to do so—see Ward and Carew, 2000).

Self-Build and Self-Managed Housing in Colonias

Unlike their Mexican counterparts only a small proportion of households engage in self-build. Most homesteading is self-managed (as it can be often in Mexico where residents hire builders to help them). The rest of the paper analyzes in greater depth the housing development process whereby QFHS residents seek to improve both the dwelling and urban environment in which they live (and at the seminar I will exemplify with photos).

The survey data suggest that 64 percent of current homesteader residents were deemed to be living in a "consolidated" home, by which we mean a substantial home that could be a self-built dwelling, but more usually was what we call a self-managed home where prefabricated or moveable housing structures have been shipped to the site. These may comprise a mobile home or trailer which we differentiated from the more expensive manufactured home (although it is sometimes difficult to tell the difference). Sixteen percent of households live in what are unequivocally trailers, while 3 percent lived in campers or shacks. Twenty percent (41 cases) live in housing arrangements that are a combination of these housing options. Of these, a consolidated dwelling often forms the principal structure (39 percent of "mentions"), often in combination with trailers (29 percent of "mentions") or with shack-like structures (24 percent).

In retrospect it seems likely that our survey over-estimated the consolidated homes category, and had we performed a lot-by-lot count and description of the housing as part of the earlier "windshield" survey, we would probably have a more accurate breakdown. But these data confirm the reality that most homes in QFHSs and colonias are not dilapidated structures, but are relatively

new and well kept homes offering a mix of housing types to meet a variety of needs and budgets. However, heterogeneity, is the rule (as it is irregular settlements in Mexico.)

As mentioned above, some households delay occupying the site until they have been able to acquire a dwelling that they can place on site. Until then, most are reluctant to live in cramped conditions, without services, far from the city. However, another option is to live in a temporary dwelling meanwhile and to upgrade later—swapping a dilapidated trailer for a new one, or for a manufactured home, that may be extended later. Others live in trailers while they self-build or oversee the construction of a consolidated home. An important advantage of QFHSs is that there is usually ample space in which to develop these multi-housing arrangements. As in many of the 20 percent of combination-cases mentioned above, it is common to see several “stages” of dwelling development in a single lot: With the older trailer type lodging or even campers being used as spillover bedrooms or as “dens”.

While we have no longitudinal data, our sense is that there is also a “consolidation” process at work in the USA, although here it is moving up from a camper/shack or used trailer, into a new or newer trailer, and ultimately buying a two-section manufactured home or self-building alongside the trailer. But this process needs to be verified through further research.

Costs Associated with Mobile Homes and Manufactured Homes

To better understand these two prevalent forms of colonia housing—mobile homes and manufactured homes—research was conducted at three different manufacturer/vendors outside of Austin during February 2000. For new trailers/mobile homes, prices begin at \$19,000 for a single 14’ x 68’ unit. The price of the home usually includes transport to owner’s site (within 100 miles) and occasionally includes bonuses such as full hook-up to sewer/septic tank and vinyl skirting, depending on the dealer. Some dealers will roll these and other site improvements into the mortgage if desired. Monthly payments run around \$300, with at least a 5 percent downpayment depending on the purchaser’s credit history. However, one mobile home manufacturer/vendor claimed that a client would never be turned down for bad credit, and might even be offered free entertainment centers complete with 25” televisions and VCRs with the purchase of a new unit. The best APR rate we found was 8.5 percent, again dependent on credit worthiness and the amount of money originally put down (the larger the downpayment, the better the rate).

Costs for doublewide mobile homes and manufactured homes ranged from nearly \$40,000 to \$100,000. Similar financing and expanded site improvement packages (including deck, landscaping, and sidewalks) are available for the larger homes as well. Mortgages usually range from 7 to 30 years with a lien generally only on the housing, which can be repossessed like a car in case of default.

Thus neither option is cheap, and even a new trailer home in combination with the land purchase and septic field installation is likely to press close to around \$35,000 in today’s prices. However, it remains the only affordable option for many low-income households in the U.S. today—hence our need to research the phenomenon more thoroughly.

Lot-Sharing and Lot Densities

Our data suggest that, at least on the surface, there is little or no lot sharing in Texas colonias and QFHSs. Eighty-six percent of respondents stated that there was only one home on their property, and of the few who have more than one home on the lot, the majority (60 percent) share with kin. Most of these family members who were found to be sharing the lot do not have ownership of their section (59 percent), although the remainder—a significant minority—do own a part share. However, not all

extra dwellings are shared with kinsmen. Nineteen percent who admitted to having more than one dwelling on the lot said that it was empty or currently not in use. We have no way of knowing whether this is true, but it should be noted the fact that sub-letting or sharing with families who are not close kin relations is illegal under current colonia sub-division codes which stipulate single family residence, with sharing only permitted between close blood-kin. Some 8 percent freely admitted to renting the other dwelling on their lot. An additional 13 percent gave other explanations for the use of these additional dwellings—on loan to family, a store/shop, etc. There appears to be no significant difference in sharing levels between border and non-border colonias, with 86 and 79 percent of participants claiming single-family residences, respectively.

While we found low levels of lot sharing, we strongly suspect that a sizeable minority of kin-related families live separately in adjacent lots. This is sometimes visible in gates and openings in the diving fence, or no fence at all.

***Texas Colonias: Freedom to Build?*¹**

One of the important issues relating to QFHS and colonia housing development relates to the extent to which legislation, local ordinances, or even local institutional practices may inhibit improvement. Thus we enquired about people's awareness of legal restrictions on colonia development as well as more generally about factors (personal, financial, legal, or otherwise) that inhibited respondents from making improvements on their property. In essence, are there any clear reasons why colonia residents may be obliged to delay in making improvements to their lots or homes?

Despite increasing legislation restricting the development and proliferation of colonias on a statewide level, together with rising publicity about their plight, most individuals (72 percent) professed at not being aware of legal restrictions upon their self-help housing activities. Perhaps this is a case of ignorance being a good excuse. However, over one quarter (28 percent) were aware, and were able to muster a lengthy list of legal and other constraints. Of these, seventeen percent of respondents know that it is prohibited to sub-divide one's lot, while a similar percentage knew that special codes apply on dwelling constructions. Other respondents also are aware that it is prohibited to have more than one home on a lot (12 percent), that special codes apply to septic systems (6 percent), that certain types of animals are not permitted (5 percent), and that there are requirements relating to the distance a home is set back from the street (5 percent).² An additional 11 percent of individuals are aware of the existence of legal restrictions, but were not able to identify them specifically. A further quarter (26 percent) of respondents mentioned a number of "other" restrictions.

These data and points shed important insights upon the nature of dwelling environments and housing processes in QFHSs. The task for the future will be to extend the analysis; to ascertain different modalities in different parts of the country; and to develop longitudinal studies that will facilitate a better understanding of how housing and household dynamics are intertwined.

References

Ward, Peter M. and Carew, Jeremiah, 2000. "Absentee Lot Owners in Texas Colonias: Who Are they, and What do they Want?" *Habitat International*, 24, 327-345.

¹ This is the title to a major self-help advocacy text by John Turner and Bob Fichter, published in 1972.

² In fact although they may not be fully cognizant of the legal codes on set-backs, in fact everyone follows the normal practice in Texas and place their dwellings well back from the road and from boundary lines.

Ward, Peter M. in collaboration with R. Stevenson and A. Stuesse, 2001. *Residential Land Market Dynamics, Absentee Lot Owners, and Densification Policies for Texas Colonias*. An LBJ School of Public Affairs Policy Report, 251 pp.

Panel 4. Discussion

Angela C. Stuesse, rapporteur

In this panel discussion, three main themes were raised regarding the reasons for and characterizing factors of self-help, the cultural and regional specificities of housing production, and possible policy avenues for facilitating self-help and self-managed housing production and in QFHSs.

Understanding and Characterizing Self-Help

What makes a QFHS different from a mobile home park? QFHSs are much more heterogeneous—apart from mobile homes and trailers, there exists a high level of self-help and self-managed housing as well. In addition, in a QFHS, typically the land is owned and not rented. In fact, self-help housing production in the periphery is often a desirable alternative to buying a mobile home due to the latter's cost, formality, and loss of equity over time. We must remember when considering self-help options, that the issue is not whether self-help technologies are “better” or “faster” than other housing options such as trailer parks, apartment rental, or commercially built homes. Rather, the issue is an economic one related to financing, labor market instability, low wages, etc. Self-help and self-managed housing options continue to be the most flexible and adaptable systems, making them often the most viable for very low-income populations.

Taking Account of Cultural and Regional Specificities

A number of participants raised concerns about the importance of keeping in mind individuals' and communities' cultural values and regional specificities when advocating for innovative, lower-cost self-help building technologies such as straw bale, adobe, or recycled materials. An approach that works well in Western Massachusetts, for example, may not be appropriate for implementation in Eastern New Mexico. In a low-income community in which people strive to reach their dream of becoming middle-class, living in a standardized, middle-class home, and providing their children with better opportunities, alternative technologies sometimes seem to be less accepted. One participant voiced her frustrations with environmental groups in the U.S. Southwest advocating sustainable “yuppie-ish” technologies.

The issue at hand, then, is that our quest for sustainability and affordability must be congruent with residents' wants and needs. In addition, we must pay special attention to regional differences in order to avoid advocating for policies that promote urban flight or which may have other negative side effects. How might we achieve these goals? Policy-makers and policy-oriented researchers must identify QFHS residents' wants and needs in terms of housing. We therefore need to begin thinking of better ways to involve these individuals in discussions of housing options. Only by including them in this process will we adequately address how various technologies might be employed—or not—in specific communities.

Possible Policy Avenues for Advocating Self-Help and Self-Managed Housing in QFHSs

How do we advocate for lower regulations related to self-help housing? In today's looming economic recession, might folks now have more time for self-help than in the past? What steps might we take toward formulating policies that better enable QFHS residents to voice their needs and participate in self-help production options? In considering these questions, workshop participants raised a number of issues that must be kept in mind.

First, more funding must be provided to institutions and organizations that work to help families improve their credit and educational levels. Second, we must remember that the majority of QFHS residents are *not* undocumented. This will undoubtedly affect policy decisions. Third, policy must seek to develop greater economic opportunities for QFHS communities. Fourth, QFHS residents should be consulted about policy options regarding self-help, and it should be emphasized that initially minimal homes can be added on to in the future. Finally, we need to begin talking less about “needs”, and more about assets and resources existent in QFHSs that might be tapped through wise policy decisions.

Panel 4. Panelist Comments

Richard Burnham

House construction skill levels vary among those in need of housing, but it was the general sense that most all people have a modest ability to undertake construction and that few are deterred because of a lack of training. Moreover, I mentioned that those involved in community-based housing production in Mexico learned construction skills that were marketable after their community was built.

There were several questions about the kind of housing that results from self-build, with its initially stringent accommodations, the problems of occupancy during construction, and other issues that I felt could be generally categorized as something akin to “societal-cultural expectations in conflict with the economic necessities of self-help building.” My sense is that self-builders must be able to understand that their need for housing takes precedence over socio-cultural norms that are based on income levels vastly different than their own, and that there is an important role for professionals to play in the provision of low-cost housing by educating people about this difference, exposing new ways in which new socio-cultural values can be expressed. Indeed, in Mexican community-based housing this was an achieved goal. Research in this field would likely develop rich data and important directions.

Research as well as connected policy studies are needed for the creation of extensive knowledge regarding self-help housing in the U.S., and for the encouragement and programming of self-help rural housing programs, strategies, and tactics. These studies would include, at the very least, those relating to the economic advantages of self-help over other modes of lower-cost housing (self-managed or purchased), building regulation problems and solutions, land access problems and solutions, and special zoning and taxation concepts meant to encourage and accommodate low-income rural self-help builders. I mentioned that the incorporation of sustainable materials might not only aid local economies but normally is less expensive and their incorporation into the domiciles could be rewarded through a program of tax benefits. Similar occupant-builder benefits could be developed for the incorporation of recycled materials, and the production of food on site. Those who hold land off the market—whether government or private—are increase land costs, and they should be encouraged—through tax and use studies—to make the land available for lower-income housing production.

It was noted that there has been a population decrease in my home region, western Massachusetts. This is true as GE left Pittsfield with a drop in that city’s population. Other cities, too, have been less attractive to those seeking maximum economic benefits with a resulting population shift out of the area. Rural settlers, however, seem less inclined to move to a city, in or out of the region. It appears that for many families that the quality of rural life—environment, education for children, small community social connections, a sense of historical continuity, and the like—take precedence over economics. Knowing who are the settlers is of course one key to understanding.

The way forward for a broader acceptance of self-help housing in the U.S.—one that could readily utilize the skills of professionals—would include studies that investigate the potential for community-based settlements (scattered and/or focused in development form¹), regional studies that establish least-cost ways of construction using locally available materials, and the development of special, relaxed, regulations that aid the production of self-help housing provision.

¹ The use of community or regional center for recycled materials, expensive tools such as surveyor’s levels, technical expertise, and the pooling of purchases for least prices are options that could be explored. A central store/office/ yard allows scattered site development to have a visible and to some extent legitimizing focus.

Lastly, I'd like to mention again John F. C. Turner's idea about "fences and gates." He used the analogy that lower-income populations are held from shelter by a series of "fences" such as high land costs, overly stringent regulation, and the like. The idea of "gates" is to "search along the fence" for an opening, and to get through it (finding a church to buy land, for example), then going to the next "fence" and searching yet again. And so, on and on. Good work, no doubt, for us all.

Peter M. Ward

The difference between a mobile home park and a QFHS with mobile homes is actually quite easy to distinguish: The former is largely site rental (cf ownership), while the latter are more mixed—with a range of dwellings visible.

Financing QFHSs is almost exclusively owner financed – out of savings – as it is in less developed countries, of course. The difference in the latter case is that the costs at the outset are relatively modest since the land is both illegally acquired and unserved. In colonias and QFHSs the cost of land is actually quite expensive, in my view. It may not appear so according to my data (\$8-\$10K for a good sized lot or 63 cents per square foot in real terms), but when you consider the distant location; the lack of services; and the vulnerability of Contract for Deed purchasing, this is expensive. The fact remains, however, that it is the only affordable alternative taking account of overall cost and non-existent transaction costs to enter the market. Nor are QFHS a very low cost option: Lot purchase and a new trailer will cost close to \$35K; if it includes a manufactured home it will run \$40-100K; and the self-help options of Proyecto Azteca are, according to Larson's paper, are \$55K per unit (although residents acquire at \$16K per unit due to their own labor inputs, and most importantly, heavy contractual subsidy and grant leverage).

The need to ask what do QFHS people actually want from their house designs is important. While relatively few people self-build in Texas colonias, almost all self-manage their housing choices. That is an important first step. Self-builders are most likely to be Mexican born who lived in a colonia popular in Mexico and whose parents were self-builders (it is the norm in Mexico). But for others in Texas, the supply side is dominated by trailers and by manufactured homes – indeed I suspect that it is dominated by designs that have little to do with inherent desires and culture. It would be nice to see a greater willingness of prefabricated designers to be more responsive to the expressed needs of their target populations.

Finally, we need to address the issue of typologies of self-help QFHS settlements. Thus far we have identified: Colonias; QFHSs; mining towns; scattered rural self-help settlements; retirement communities; American Indian reservation-type settlements. In addition there are working class second home colonias! These are contract for deed lots along the border, adjacent to amenities such as lakes and reservoirs, where working families acquire a lot for summer vacation use for their families and, potentially for retirement. It is a new variant on so called snowbird RV parks.

Panel 5.
Social Infrastructure in Colonias:
Reinforcing Social Capital?

Lessons Learned from Community-Based Organizing in El Cenizo: Strategies for Claiming Rights and Resources in a Texas Colonia

Angela C. Stuesse

As the call for papers accurately suggests, colonia-like settlements are indeed beginning to be recognized throughout the United States. Residents of these “Quasi-Formal Homestead Subdivisions” across the country face many of the same problematic issues, related to lack of servicing, poor infrastructure, and little opportunity for social advancement. Nevertheless, the more “traditional” southwestern colonias are unique in many ways due to their geographical and social location in the borderlands, where the “first” and “third” worlds meld into one hybrid zone that represents the very heart of transnational capitalist expansion.

Residents in El Cenizo, Texas, which rests some fifteen miles outside of NAFTA’s central trading port, Laredo, live each day with an acute awareness of society’s discrimination against them based on race, space, class, ethnicity, and language-use. Since the founding of their community in the 1980s, they have at times struggled with, perpetuated, and resisted these inequities. This paper, stemming from my recently completed master’s thesis, attempts to illuminate some of the complexities of these realities and their intersections with the state and civil society of the United States in light of recent political organizing in El Cenizo.

In 1999 the city of El Cenizo passed an ordinance declaring that all City Council meetings would be held in Spanish, the predominant language of the community. It also proclaimed the city a “safe haven” for residents with or without “papers”. In 2000, community leaders succeeded in establishing a Human Rights Commission that is currently working to stop human rights violations perpetrated by the Border Patrol upon residents in this community. These movements, aimed at improving social and institutional conditions in El Cenizo, address issues distinctive to life in a borderlands colonia.

The community-based organizing of the people of El Cenizo, though unique in many ways, can teach us quite a bit about overarching strategies to be employed by minority and low-income communities in achieving access to rights and resources across the nation. Some scholars have argued that the borderlands, rather than being thought of as a peripheral area, might be better conceived of as a space that represents “normality” in our increasingly transnational and postmodern world.¹ This paper, then, seeks to draw lessons from the experiences of the struggles of El Cenizo that can be applied for more effective political organization in “Quasi-Formal Homestead Subdivisions” throughout the United States.

The narratives I will share at the workshop of El Cenizo’s recent struggles (mentioned above but omitted here for brevity’s sake) all illustrate processes of one peripheral group’s claims to rights. In a world where notions of rights have been historically compartmentalized into discrete, clean categories, however, finding one framework to use in making sense of El Cenizo’s claims to rights has been virtually impossible. This community’s articulation of its rights cuts across and through traditional categories, appropriating language and concepts where they can add to a movement’s aims while discarding that which constrains or limits them. Just as “...so-called border people are constantly shifting and renegotiating identities with maneuvers of power and submission, ...often [adopting] multiple identities,” (Alvarez, 1995: 452), within these multiplicities they also strategically wield manifold discourses on rights as they see appropriate to their struggles. In conceptualizing El

¹ See, for example, Gupta and Ferguson (1992).

Cenizo's political claims theoretically, then, I have found myself sifting through literature on equal rights, human rights, collective rights, cultural rights, and minority rights, searching for pieces in each paradigm that might help me better understand the movements I have witnessed.

Equal Rights

“American, Mexican, Chinese, Black, Japanese, in God's eyes we are all equals.”² The leaders of El Cenizo, in representation of their constituency, carefully couch their claims to rights within the liberal notion that all individuals are created equal. As opposed to saying, “We are different because we speak Spanish. We want the U.S. to recognize our right to preserve and use this language as part of our cultural patrimony,” they declare, “We, like all other communities in the U.S., have the right to understand the actions and words of our government and participate in the democratic process”. Similarly, instead of forwardly asserting, “We, as a borderland community, reject the discriminatory premise upon which the Border Patrol operates in our city. Thus we suggest that their responsibilities be redefined in order to leave us alone,” they make clear that “We do not want to keep the Border Patrol from doing its job, we simply ask for more respect toward our residents so that we are able to live peacefully”. Why do people in El Cenizo speak in terms of “equal” rights?

Chela Sandoval reminds us that many post-WWII liberation movements in the U.S. have utilized the “equal rights mode of consciousness in opposition”. By suggesting that all individuals are created equal, that differences are only skin deep, the discourse of equal rights allows peripheral groups to “demand that their own humanity be legitimized and recognized,” (Sandoval, 1991: 12). This is, in part, strategic because minorities feel that their claims will be more readily accepted if they emphasize their similarities with, as opposed to their differences from, dominant society. By speaking of equal rights, the people of El Cenizo seek to legitimate their claims in the eyes of the state and civil society by explaining and defending themselves with the same liberal discourse used by large sections of the population. And just because they may not straightforwardly assert their difference in so many words does not mean that it doesn't play an important role in their struggles.

Returning to the examples cited earlier, because El Cenizo's leaders choose to say “We, like all other communities in the U.S., have the right to understand the actions and words of our government and participate in the democratic process,” doesn't mean that the resulting act of publicly speaking and accepting Spanish in government business doesn't *also* embody and valorize cultural difference. On the contrary, I suggest that it does. Similarly, asserting that “We do not want to keep the Border Patrol from doing its job, we simply ask for more respect toward our residents so that we are able to live peacefully” does not preclude the fact that, in order to achieve this articulated goal, the leaders of El Cenizo are questioning and challenging the very role of the government and the limitations set by the nation state upon their community by redefining the function of Border Patrol agents. I would suggest that, despite the articulation of a discourse of equal rights, the community of El Cenizo also goes beyond this concept, asserting a cultural difference that actually serves as the very foundation of their politics. In this way, political movements in El Cenizo parallel a trend in minority claims to rights:

At the same time that they assert and defend their differences from the nation as a whole and other groups within it, the ethnic and “identity” groups and other new social movements of the past two decades have tended to appeal to universal standards of equality, justice and rights, as the basis of their collective claims against the state for recognition of equal rights, cultural value, and economic opportunities on a par with those of other groups within the

² Quote by Rafael Rodríguez, taken from field notes of personal conversation in August 2000.

same state. Differentiation at one level thus begets uniformization at another, and relativistic assertions of difference give rise to appeals to universal principles.” (Turner, 1997: 281)

I assert that hegemony also plays a key role in determining the language of struggle employed in El Cenizo, and this flip side of the coin should not be ignored. For the purposes of this paper, however, it is downplayed for brevity’s sake. Suffice it to say that both strategy and hegemony are at play here, in what Aihwa Ong describes as a “cultural process of “subjectification” in the Foucauldian sense of self-making and being-made by power relations that produce consent through schemes of surveillance, discipline, control, and administration,” (Ong, 1996: 737).

“Social Movement Webs”

How many times have we read about community-based organizations that have been swallowed up or co-opted by the agendas of larger movements? Thanks to critical exploration of this topic, we now know that NGOs and other outside groups have often been detrimental to the advancement of smaller movements for social change. We also know, however, that the formation of complex networks of individuals and groups has often strengthened the organizational and political capacities of peoples engaged in political revolution and reform. In fact, the overwhelming pervasiveness (and persuasiveness!) of hegemony’s domination of social movements highlights the absolutely critical importance of being able to leverage social, economic, and institutional power in struggles to claim rights and resources. Strong and extensive social movement webs are key in increasing disadvantaged groups’ access to these sources of power.

The people of El Cenizo desperately need collaboration with and commitment from outside parties. This is, in large part, due to the realities imposed by social inequalities, such as lack of education, information, technologies, language abilities, and the like. People who have had greater opportunities to learn these skills, if their ideologies are aligned with the political goals of the community, occupy a key position through which to contribute to El Cenizo’s struggles. This is how I, for example, initially found my niche within El Cenizo as a grant writer. Ideally, people in positions like mine will have the drive, time, and resources to not only aid a movement, but also to mentor, train, or enhance community resources in the process.

My collaboration with leaders in El Cenizo has taught me that, although there are pitfalls to be avoided, social movement webs of the kind maintained in this community are critical to the advancement of struggle. This is evidenced by the accomplishments reached in collaboration with legal aid attorneys, local political leaders, clergymen, and student activists, to name just a few contributive strands to El Cenizo’s extensive webs. Any disenfranchised community seeking to organize for claims to rights and resources, such as many “Quasi-Formal Homestead Subdivisions” in the Southwest and beyond, should seek to strengthen networks such as these.

Revolutionary Politics?

Politics of transfiguration or fulfillment?³ Of revolution or reform? Much of the discourse on social movements has focused on trying to define and morally judge this dichotomy. Some theorists of social change seem to suggest that if a movement is not sustainable in the long term as part of a revolutionary politics then it has ultimately failed. I argue that this is an oversimplification of the way a progressive politics plays out in practice.

³ These terms borrowed from Paul Gilroy’s *The Black Atlantic* (1993).

The term “revolution” holds a pejorative stereotype in the eyes of most groups in civil society, and certainly in the eyes of the state. As such, the conservative press has attempted to undermine the movements of El Cenizo, particularly that of the predominant language ordinance, by publicly labeling residents of this town “revolutionaries”. Perhaps in response to this indictment, many people in El Cenizo are quick to defend that they do *not*, under any terms, consider themselves revolutionary: “El Cenizo is not revolutionary. Does defending your rights sound revolutionary to you? Is that revolutionary?”⁴ Still, if it is possible to momentarily strip away both the empowering progressive notion and the condemning popular understanding of the term “revolutionary”, what are we left to consider?

Most contemporary social movements are not motivated by a desire to overthrow the state or societal structure. Rather, they hope to refine, redefine, reconstruct, reconstitute, re-imagine, or revise specific aspects of the political system, usually relating to the unjust exclusion of peripheral groups, so that they may be included as members within this group and be able to access the corresponding resources. Evelina Dagnino suggests that this goal highlights the triumph of the notion of democracy over that of revolution (Dagnino, 1998: 39). But perhaps the very reconception of democracy and citizenship are revolutionary concepts themselves in the sense that they seek to effect a transformation of society. Citizenship scholar C.B. Macpherson suggests that such a transformative reconception can be achieved through the practice of a true participatory democracy (Macpherson, 1977).

My research in El Cenizo supports these theoretical claims, as the movements I will describe at the workshop all adhere to basic principles of democracy. In fact, they go even further, exemplifying in each case the articulation of an intense desire to cultivate practices of participatory democracy among community members. The political organization tactics of leaders in El Cenizo illustrate how it happens, then, that a liberal discourse of equality can become rearticulated into more radical goals with transformative potential *through faith in the very principles of the system already in place*, that of democratic governance. For example, stemming from the community’s desire for all residents to be considered equal to people living anywhere else in the country, the City Council passed the safe haven ordinance. This ordinance, as a law passed by an elected body—the product of democracy itself, and as a strategy seeking to increase confidence in city leaders and participation in local decision-making—an expression of the desire to approximate even greater levels of participatory democracy, falls well within accepted boundaries of hegemonic liberal discourse. Through this process, however, the ordinance gained transformative potential that was ultimately able to articulate a radical challenge of the border—suddenly pushing at the very limits of this dominant social construction *while all the while reaffirming its position through justifications of equality and democracy*. In this way, though never completely escaping the dominance of hegemony, people in El Cenizo have shown us how to challenge the system through creative use of that very system. They have learned how to tack back and forth. They are within, yet beyond. This is an important strategy for individuals involved in struggle to learn and implement.

Conclusions

In their claims to rights the community of El Cenizo took action in a number of ways suggested by Robin Kelley for organizing toward a more equitable society (Kelley, 1997). They trusted in coalitions with Laredo-area political and legal activists, founded community-based groups to promote their goals, defined themselves as a community regardless of the legal citizenship status of its members, utilized the municipal legal system available to them, and recognized the key interconnections of race, class, language-use, and location (or place) as some of the various sites of

⁴ Quote by Rafael Rodríguez, taken from fieldnotes of personal conversation in August 2000.

their oppression. El Cenizo's political activities, by making public what has previously been silenced, challenge people in the United States to broaden their accepted notions of "Americanness" and membership in society to include this border community, which has traditionally been excluded from such formulations.

Some of the key strategies they have used—those of speaking within a discourse of equal rights, creating "social movement webs", and using the established system to assert transformative claims—have been outlined above, and it is my hope that other disenfranchised groups in general, and "Quasi-Formal Homestead Subdivisions" across the country in particular, be able to take from these lessons ideas and strategies that may be useful in their own struggles. In addition, we, as privileged social actors, activist academics, and concerned "citizens" of a transnational world, must emphasize the reality that the ideal of "liberty and justice for all" for many has not traditionally translated into experiences of equality. We need to support movements that attempt to come closer to reaching social equality and the acceptance of difference—movements that transform this emergent reality into a sustainable practice.

References

- Alvarez, Robert R. Jr.
1995 "The Mexican-US Border: The Making of an Anthropology of the Borderlands". *Annual Review of Anthropology* 24:447-470.
- Dagnino, Evelina
1998 "Culture, Citizenship, and Democracy: Changing Discourses and Practices of the Latin American Left". In *Cultures of Politics, Politics of Cultures: Re-visioning Latin American Social Movements*. S.E. Alvarez, E. Dagnino, and A. Escobar, eds. Pp. 33-63. Boulder, CO: Westview Press.
- Gilroy, Paul
1993 *The Black Atlantic: Modernity and Double Consciousness*. London and New York: Verso.
- Gupta, Akhil, and James Ferguson
1992 "Beyond 'Culture': Space, Identity, and the Politics of Difference". *Cultural Anthropology* 7(1):6-23.
- Kelley, Robin
1997 *Yo' Mama's DisFUNKtional!: Fighting the Culture Wars in Urban America*. Boston: Beacon Press.
- Macpherson, C. B.
1977 *The Life and Times of Liberal Democracy*. Oxford: Oxford University Press.
- Ong, Aihwa
1996 "Cultural Citizenship and Subject Making: Immigrants Negotiate Racial and Cultural Boundaries in the United States". *Current Anthropology* 37(5):737-751.
- Sandoval, Chela
1991 "U.S. Third World Feminism: The Theory and Method of Oppositional Consciousness in the Postmodern World". *Genders* 10:1-24.
- Turner, Terence
1997 "Human Rights, Human Difference: Anthropology's Contribution to an Emancipatory Cultural Politics". *Journal of Anthropological Research* 53(3):273-291.

Building Colonias Land Policy from the Inside Out

Marlynn May & Robert Koulish

In one-half inch letters splashed across the page, the January 6, 1999 Texas edition of the Wall Street Journal (TWSJ) declared “Laying It on the Line: the Costs Of Addressing the Border’s Needs.” Though vague as to the object of its assertion, virtually every Texas reader would have known immediately that the article’s reference was the colonias stretched out along the Texas-Mexico border.¹ The TWSJ article goes on to explain: “There are more than 1,400 substandard communities, or ‘colonias,’ along the Texas-Mexico border, hundreds of which have no water or wastewater service; other basic services, like fire and police protection, street lighting and road paving are either nonexistent or insufficient.”

Public consciousness of colonias is quite recent, for several reasons. First, the sheer growth in the quantity of colonias and *colonos* has made ignoring them increasingly impossible. The growth from 1460 colonias and 339,000 residents in 1995 (<www.texashousing.org>), to 1800 colonias and almost 600,000 residents in 2000, provides a rough sketch of this sudden growth (<maps.oag.state.tx.us>). The rapid growth is due to several factors:

- U.S. economy along the border
- Increased numbers of laborers working in low-skilled jobs to support NAFTA industries
- Increasing land and property prices as a result of NAFTA, which makes it harder for *colonos* to find living space in the border’s growing urban sprawl settings.
- A new land market developing in non-urban, county areas of the border, providing *colonos* with more (economically and socially) hospitable places to settle.

I. Identifying Colonias Conditions Relevant to Sustainable Land Policies

Colonias are defined as:

- Isolated, unincorporated rural settlements, with
- Substandard physical infrastructure,
- Minimal social, health, educational and economic infrastructure, and
- Varied standards of living with a mixture of employment and underemployment

Expanding on this definition, it is the case that throughout the colonias there exists:

1. *A minimal English language proficiency*
Data from a 1993 survey (Rogers, 1993) indicate that an average of 7% of colonias residents spoke English at home; and 42% spoke no English at all. Minimal English-speaking skills intensify residents’ isolation.
2. *A minimal institutional and organizational density*
It is uncommon in colonias to find mature, or even developing, institutional structures and community organizations rooted in economic, cultural, social, religious, or political activities.

¹ We recognize that colonias settlements exist along the full expanse of the U.S.-Mexico border and others are some distance from the border; this discussion focuses on Texas border colonias with the anticipation that much of what we assert will apply to colonias in other locations.

3. *A minimum diversity of social classes*
 Colonias, almost by definition, have few middle class and almost all unskilled/semi-skilled workers, thereby increasing the proportion of the “truly disadvantaged” individuals and families.²
4. *A minimal diversity of work/professional role models*
 A correlate of social class homogeneity at the lowest ends of the social hierarchy is that work/professional role models are scarce, among the unskilled and semi-skilled *colonos*.
5. *Minimal access to health care (preventive or curative)*
 Health insurance among *colonos* is largely non-existent, for both adults *and* children. Colonias are geographically remote from health clinics, hospitals and all social services, making these services simply beyond reach for many.

Peter Ward (1999:165-198) provides a conceptual framework for understanding these infrastructure conditions in *colonias* and conditions for effective, sustainable land policy. He differentiates between “informal social infrastructure” (“networks of communication and the habitual contacts between individuals....”) and “formal social infrastructure” (“the institutional structures that are created externally in order to meet settlement social needs – health, education, recreation, development groups, etc.”). The absence of informal social infrastructure means there are few clubs, community or social organizations that might otherwise serve to engage *colonos* in common projects, or to bring them together for conversation and dialogue.

In addition, Ward distinguishes between “horizontal social integration” and “vertical social integration”, both of which are essential to dynamic social organization. Horizontal social integration connects across persons and groups *within* a social grouping. Vertical social integration ties a social group, its institutions and actors, to a world *outside* the social group, connections so important to accessing resources that augment those existing with in the social group. One of the identifying traits of *colonos* is their social isolation. The lack of vertical integration makes it difficult for many to have a vision of social change. The lack of horizontal integration in colonias prevents them from developing into a community, as Ward suggests in his distinction between “settlement” and “community”. Settlement implies little more than a simple demographic presence of individuals in a social setting containing minimal formal social infrastructure. Community, on the other hand, intends the presence (again in varying degrees) of formal social infrastructure in the social group (institutions and organizations of varied sectors, e.g. economic, social, political, religious, cultural, etc.).

The low levels of infrastructure and integration over time penetrate the social psychological level of individual *colonos*. Mature formal social structures and organization provide existential security; they set free individuals’ visions and abilities to take advantage of opportunities. Social structure ties individuals to social life beyond themselves, both within and outside of our communities. When viable social structures, organizations, and diverse and stable role models, are minimal or missing, people living in such communities

² It is important to note an essential difference between inner-city neighborhoods and *colonias*. The inner city neighborhoods, now so diminished in social and class structure, had a long history in the city. Until the 1970s, these neighborhoods were vibrant, productive communities in their own right. [cf. Drake and Cayton (1968)]. Conversely, nearly all colonias have never grown to incorporate vibrant communal infrastructure.

experience social and psychological isolation, in addition to the geographical isolation. Social psychological and geographical isolation carry within them constraints on opportunities that provide "...access to jobs and job networks, availability of marriageable partners, involvement in quality schools, and exposure to conventional role models." (Wilson, 1997:61) Networks are fundamental in daily life. Those with more networks have denser connections to people, institutions, and organizations by which to negotiate their place and movement in society. People who lack them have constraints on opportunities that might fulfill their dreams and aspirations. (Granovetter, 1973)

II. Building Sustainable Land Policy from the Inside Out

Transforming Colonias from Settlements to Communities

We assert for discussion that as long as *colonias* have minimal formal social infrastructure and *colonos* have minimal social networks, the potential of creating an effective, sustainable colonias land policy is also minimal. Sustainable land policy requires strong, community-based social, economic, and political infrastructure, and the pathways for getting there require the input from those it is intended to serve. But community residents need the "social capital" skills/ tools to sustain and improve the land on which they reside, in terms of political decision-making within the colonia, coming to agreement about processes for dialogue and making and implementing decisions. A *community* is needed that is capable of forging trusting relationships with local political elites, and or mobilizing public opinion in order to derive ordinances and a regulatory structure will enhance and improve existing land use and policies at the local level.

We propose the following orientation that we believe will help build a strong foundation for a sustainable colonias land policy. This proposal is based upon the efforts of the Texas A&M Colonias Program that has been working in border colonias for ten years.³

Transforming English Language Proficiency

In weekly home visits with colonias residents, the Colonias Program *Promotoras* find that inadequate English language proficiency lies at the root of social psychological isolation. Embarrassment and frustration prevent *colonos* from reaching out to communicate with a social service agent, a doctor, a schoolteacher, or any other "expert." English language proficiency is essential for developing self-confidence, leadership skills, job qualifications, and participation in activities outside of the colonia.

To transform language proficiency, it is essential to create and develop a systematic and comprehensive set of programs in the colonias. Such programs must include ESL in applied settings to help *colonos* get GED, as well as counseling with immigration and other concerns. Fundamental to every such comprehensive program is that it be created and developed as a partnership, with the colonias residents full partners and in leadership positions. Kretzmann and McKnight (1993:5) call this "Building Communities from the Inside Out," and note the primary reason for its advantage: "All historic evidence indicates

³ The Colonias Program is a multi-faceted community development organization that works primarily through facilitating partnerships among local, regional and state institutions and organizations (public and private) with colonias residents. Its geographical reach is along the Texas-Mexico border from Brownsville to El Paso and the work that it does operates out of sixteen Community Resource Centers along the border.

that significant community development takes place only when local community people are committed to investing themselves and their resources....” (see also Keare, 2001).

Building Institutional and Organizational Density

Following the principle of building from the inside out, developing colonias settlements into vibrant communities that will implement constructive land use policies (cf. Ward, 1999: 172-3) requires organizing to identify and develop indigenous leadership, and developing social and political consciousness about community development within the colonias. We propose a method of dialogism in order to engage members of the settlement in dialogue about matters of public concern. Leaders would be selected from this process on account for their interest and commitment to building sustainable communities, and their abilities to empower others.

Expanding Diversity of Social Classes

Organizing to establish work and professional opportunities lies at the core of moving from settlements to communities. Two foci are crucial—job training and job creation. The first is a focus on job training and education with an eye to expanding the opportunity structures. Currently, in the state of Texas are Work Force Boards. In the discussion we will provide examples of how community residents, community leaders, and community activists can come together to establish Workforce opportunities within colonias.

The second focus is job creation in the form of creating avenues and organizational means for colonias residents—individually and collectively—to “grow” indigenous microenterprises as well as connect colonias entrepreneurs with enterprise opportunities outside the colonias. Coalitions of academics, advocates and *colonos* are required here to collaborate in an ongoing critical pedagogy. Again, we will provide examples of how this can be done.

Expanding Diversity of Work/Professional Role Models

Working to accomplish #3 results in expanded job and enterprise opportunities and diversification of work/professional role models. In addition, it is essential to proactively create opportunities for colonias residents to become role models. We will present one example of such a program—the creation of a systematic, widely distributed “universal *promotora*” (outreach workers) program that selects and trains residents from colonias.

Accessing Comprehensive Health Care (Preventive or Curative)

Access to health requires a systematic organizing to do two things: First, to organize a wide range of currently existing health care opportunities in such a way as to make them “visible” to colonias residents, and second, to create formal institutional infrastructure within the colonias to optimize access to health care within the colonias, as well as outside. In addition, there is the need to forge social and political networks to assure that policymakers at the local, state and federal levels consider the knowledge, needs, assets, and rights of *colonos* as they broker policy.

III. Building on What Already Exists: There Already Exists Some Infrastructure on which to Work in the Colonias

If we accept the proposition that building from settlement to community and fortifying formal social infrastructure are essential to creating sustainable land policies, then there is some very good news already emanating from the colonias: Colonias have two qualities that make them eminently ripe for community development and sustainable land policy.

First, unlike their urban counterparts, rural colonias *already have* a land ownership base from which to build land use policy. Moreover, the fact that *colonos* own a piece of land lends a personal meaning of “place”. Place implies something substantial, property that symbolizes stability, a geographical location in which they root some hope for a future. Place is key here. *Colonos* often moved to the colonias subdivisions because it was much more affordable; in addition it afforded them their *own* a plot of land. This is an essential point: Land ownership is valued highly in the U.S. because it symbolizes status → *colonos* could own a piece of land even though they did not have many other material possessions → these plots of land takes on a significance of “place” in a new land at the same time that *colonos* experience multiple forms of discrimination and “outsiderness.” Thus, there exists already a social psychological and a physical base for creating a sustainable, community driven land policy for the colonias.

Second, colonias have a vibrant, expanded family system at work. Family systems form one horizontal integration base upon which additional, sustainable institutional *infrastructure* can be built. Family systems provide a sense of security and rootedness on which sustainable land policy can build.

IV. Building Sustainable Land Policy from the Inside Out

Kretzmann and McKnight stress the point that “Each community boasts a unique combination of assets upon which to build its future,” (1993:6). The key is “to locate all of the available local assets, to begin connecting them with one another in ways that multiply their power and effectiveness....” (1993:5). Colonias have just such assets (Section III) on which to begin to build formal horizontal and vertical infrastructure (Section II). Our conclusion is that:

- Out of the colonias can arise a sustainable land policy rooted in existing colonias assets—family systems and land ownership—and complemented by ongoing horizontal and vertical community development.

Note that in this conclusion, and throughout this essay, lies a covert assumption: The objective of sustainable land policy *for* the colonias is to build vibrant communities *from and within* existing colonias, to create strong communities in which current citizens want to remain and future citizens will choose to reside. We emphasize this point to counter a prevailing perception of colonias—i.e., that they lack:

- A *political* legitimacy in the minds of public because they are viewed primarily as a set of physical problems to be dealt with and diminished as quickly as possible with no eye to long-term economic and community development, and
- A *social* legitimacy because the public generally perceives colonias as steeped in poverty and populated by illegal migrants. (Ward, 1999)

A sound, sustainable land policy views colonias as nascent, vibrant communities with existing assets, and *colonos* as integrated participants, out of which a rich social, economic, and political infrastructure can be raised.

References

- Granovetter, Mark S. (1973). "The Strength of Weak Ties," in the *American Journal of Sociology*, 78:6 (May), 1360-1380.
- Keare, Douglas H. (2001). "Learning to Clap: Reflections on Top-Down versus Bottom-Up Development," in *Human Organization: Journal of the Society for Applied Anthropology*, 60:2 (Summer).
- Kretzmann, John P. and John L. McKnight. (1993). *Building Communities from the Inside Out: A Path Toward Finding and Mobilizing a Community's Assets*. Evanston, IL: Institute for Policy Research.
- Rogers, George O. (1993). *Cinco Colonia Areas: Baseline Conditions in the Lower Rio Grande Valley*. Weslaco: Texas A&M University Colonias Program.
- Ward, Peter M. (1999). *Colonias and Public Policy in Texas and Mexico*. Austin, University of Texas Press.
- Wilson, William Julius. (1987). *The Truly Disadvantaged*. Chicago: University of Chicago Press.

Social Infrastructure in Colonias in Arizona and New Mexico

Esperanza Holguin & Angela Donelson

Community groups working in colonias represent a diverse range of organizational types. In Arizona, some groups working in unincorporated areas, such as the Elfrida Citizens' Alliance, have pursued 501(c)(3) nonprofit status within the last year to better position themselves for access to grants and federal resources. Other unincorporated areas, such as the Gadsden Community Development Board in Yuma, Arizona, have created informal associations to preserve the voluntary nature of their activities. Still other organizations, such as the San Pablo Mutual Domestic Water Consumers Association in New Mexico, have created their own water and sewer utilities in an attempt to manage their own affairs.

These groups also have a wide range of capacities to accomplish their goals. Local groups recognize they must strike a balance between formality and informality in managing short- and long-term affairs. Some small groups lack organization and structure, and are ill-equipped to respond in a timely manner to local problems and needs. Yet, many groups are wary of becoming large and formal, because they fear losing touch with the community and losing legitimacy and credibility with their constituency.

The Importance of Vertical and Horizontal Ties

In our experience, many of the formal and informal community groups with which we work have emerged in the early 1990s, at the time when federal funds began to be made available for colonias. Residents of these communities simply wanted their fair share. But residents only had the opportunity to learn about federal funding if they had existing relationships with outside actors, or vertical linkages, in which the local community is able to build legitimacy and exert influence on powerful actors outside of the immediate area. In communities that we have interviewed which have been particularly successful in obtaining federal resources, we have found that vertical linkages were the driving force in helping these communities mobilize access to resources and funding. In the case of two communities that we have studied (Gadsden, Arizona, and San Pablo, New Mexico – both long-standing, highly Hispanic unincorporated communities of about 1,000 residents), these efforts did not begin initially at the local level; rather, the communities were able to obtain resources because they have strong, positive relationships with outside actors, and because these actors took an interest in their local affairs. In Gadsden and San Pablo, these actors include nonprofit “intermediary” groups funded largely by federal agencies, such as Rural Community Assistance Corporation, as well as county and federal employees, well-connected activists and advocates, and in the case of San Pablo, a community-minded consulting firm.

Horizontal linkages, defined as interactions at the local level that link individuals within the community to access resources, are also strong in successful colonias. In Gadsden, Arizona, for example, all board members currently serve on a broad range of other community boards, such as the school board, youth development and health groups, *promotora* organizations, as well as religious and historical societies. In San Pablo, New Mexico, board members have been extremely influential in the formation and maintenance of a countywide water and wastewater alliance. The alliance—formed largely because of perceived inaction on the part of the county regarding infrastructure investments—has influenced state and county legislation, serving as a watchdog on policy issues within the New Mexico legislature. This alliance has collectively obtained approximately \$6 million for Dona Ana County colonias, as well as private foundation funding for water meters.

The Nature of Social Interaction

In our observations and experience in working with well organized, long-established colonias, leadership responsibilities seem to be passed down from generation to generation. In San Pablo, New Mexico, for example, all current mutual domestic association board members say they took office at the urging of their parents, who had served in local leadership before them. In Gadsden, this is also the case. Leaders in both of these communities are part of stable, two-parent households with strong familial ties. They often step in to replace a family member when “burned out.”

In contrast, new communities emerging outside of the older colonias seem to have high rates of unemployed adults, larger families, and single mothers. These residents tend to passively follow the local leaders, or they tend not to be involved at all in community affairs.

In even well organized colonias, it is difficult to recruit active members. As is the case with many small, voluntary organizations, it is difficult to keep members engaged over time. Even within organized colonias with formal structure like the San Pablo Mutual Domestic Water Association, appointed board members are uncompensated, yet expected to put in long hours to find resources for public projects and implement them. The close-knit nature of these colonias communities makes it difficult to escape local criticism. For many, the time and effort spent in volunteer efforts simply is not worth it.

How is Social Capital Enhanced/Deformed by Policy?

Federal funding provides an incentive to mobilize a number of colonias-designated communities to action. Yet, the formal structures required by federal funds threaten the innovation and enjoyment involved in serving in local affairs. Some colonias groups, such as the Gadsden Community Development Board, fear that rules imposed by formal organizing can lead to the loss of local control. The Board, a voluntary group of approximately ten members, first organized in 1994 in response to the availability of federal funding for water and sewer. One of the community members has given voice to the tension inherent in making their organization a nonprofit organization:

“When you start making it official—paperwork and bookkeeping and all this—it just kind of worries you, you need to be doing everything. It’s no longer just a couple of people getting together out of their own free will to do this. You’ve just created an entity that you need to keep going. So that kind of commitment is scary. You don’t know how long your batteries are going to run.”

This ambivalence on the part of small colonias nonprofit groups has opened the door for more formalized groups to take advantage of federal funding for colonias. In Arizona, for example, 2/3 of the designated colonias are unincorporated, but since 1993, only 21% of the CDBG funding has gone to these communities. In New Mexico, the quasi-governmental colonia of Anthony has been one of the few able to obtain millions of dollars for infrastructure and planning. As a water and sanitation district formed under the laws of New Mexico, Anthony has an elected board, with authority to issue bonds and go directly to the state legislature for funding. Anthony is the only quasi-governmental district of this level of authority and formality in all of the 141 New Mexico colonias, with the exception of local incorporated governments.

Policy Making Opportunities/Priorities

- Without enhanced levels of capacity, colonias will continue to struggle for resources. We believe that small organizations could advance with targeted technical assistance, administered on a one-

to-one basis, to enhance confidence and capacity. Local board members need training in a variety of skills, perhaps most importantly, in how to develop broad-based, inclusive citizen participation. It is important for small organizations to bring new residents into positions of local leadership because, if they are neglected, local leadership may become increasingly more distanced from the needs of the larger community.

- Nonprofit networks are essential in developing a wider sense of community and purpose among diffuse and diverse colonias groups. Nongovernmental organization (NGO) networks offer assistance in brokering relationships with centers of power, help in developing local NGO capacity, and support in developing solidarity and a wider lobbying base among diverse colonias with unique challenges. NGO networks also pose risks, however: Local colonia groups can lose autonomy and risk exploitation, they can lose accountability with their core constituency; and their goals can conflict with the philosophies of the NGO network. Despite the risks, NGO networks deserve attention in meeting the needs of colonias groups. They offer great promise in strengthening local capacities to act as powerful forces in reshaping the perceptions of colonias as crippled, dysfunctional communities into mutual-aid communities of hope.

Panel 5. Discussion

Rebecca Dolhinow, rapporteur

The first panel of Saturday's session was also our first explicit examination of QFHS residents and their efforts to create community and improve the conditions in which they live. In the discussions leading up to this point the importance of understanding residents' motivations and desires was highlighted. Many of those in attendance who do not work directly with colonia communities were looking forward to a clearer glimpse into colonia life. This panel was set up to address questions of social capital development and community organization. Questions included: How are QFHSs organized internally? What social infrastructures exist? What is the nature of intra-settlement social organization and interaction? How much social capital exists and how is it enhanced or deformed by policy? What is the role of NGOs? What kinds of leadership exist?

All of the papers presented were on community organizing and issues of community organizing such as: Level of community involvement; community resources for organization; ties to outside agencies (funders and service providers); particular organizational campaigns and achievements.

The following are the principal questions posed to the presenters:

- What makes some communities mobilize while others do not?
- What can we learn from colonias on the border that we can apply to the study of organization in more interior QFHSs?
- What are the long-term goals of these community organizations?
- How can different generations of residents be encouraged to work together?

Social Capital

It was generally accepted that the level of social capital in QFHSs is lacking and something must be done to improve this situation. Low levels of education and poor language skills combined with the predominantly working-class-and-below nature of these communities leads to low levels of social capital. The solution proposed to improve this lack of social capital was education. Education programs need to be brought into the communities and or people need to be brought out of the communities to places where they can learn language skills and job skills. Young adults and others must be encouraged to complete high school and go onto college. Offering GED programs in the communities was suggested as a good way to encourage continuing education. Most importantly, those that do leave the QFHS to continue their education must be encouraged to *return* in order to help raise the levels of social capital.

The discussions of social capital may have pointed to an important lack in the QFHS communities, but the discussions were by no means entirely negative. Everyone agreed that though these communities may have low levels of social capital, they do have tremendous possibilities. QFHS residents exhibit great desire for improvement in their conditions and this desire can be used to create more social capital when the right opportunities are provided. These opportunities include education programs, job trainings, and economic assistance. One of the long-term goals in these communities is the development of social capital through education and training.

There is at least one kind of social capital that almost all QFHS residents have. This is the ownership of land. Unlike many working poor communities, QFHS residents own the land they live

on and this is a very valuable form of social capital both in economic terms and organizing terms. Land ownership can provide financial stability in the long term and it provides the vested interest in the community that is necessary to create change.

Community Organizing

The idea of a vested interest in the community is also important for the discussion of community organizing, without some sort of vested interest in the community it is very difficult to organize residents. The importance of duration of community came up during the discussion of community organizing. From the data presented it became clear that organization takes time and that the older communities had better organizations in place. It also became apparent that there is a friction between the younger generations of QFHS residents and the old guard, who are often in control of the community organizations. The question of how to address this generational split came up several times. No real solution was agreed upon except that it is important to encourage the younger community members to be active in organizational activities and that the old leaders must also be pressed to include the younger members.

For all QFHS residents the importance of success was stressed. Community organizers and leaders need results to keep going in their efforts. Community leadership can be a thankless job and without the gratification that results and change bring people will not keep up with the work. In response to the question about what makes some communities mobilize and not others success was offered as an answer. Results are a key motivation for mobilization. One way results can be achieved is through partnership with outside groups like NGOs. The importance of connections outside the community was stressed. The roles of service providers, NGOs, and politicians are all important to the development of QFHSs and residents need to be aware of these connections.

The necessity of organizing all the groups involved in QFHSs was one of the central points in the discussion. To really get results the efforts of all those working in the communities must be coordinated. Without proper coordination efforts of NGOs and county officials can be duplicated, or worse yet, cancel each other out. Organizing a community is a difficult task to start with, but when those involved are not in communication it is impossible and it is usually the residents that suffer the most when efforts are not properly coordinated. A lack of coordination between service providers, the counties, and NGOs can mean the difference between communities that are organized and those that are not. As landowners, QFHS residents have the greatest interest in getting things done in their communities and it is crucial that they be included in the policy decisions that affect their land.

Interior QFHSs

Most of the examples used by both the presenters and the other participants during this panel were based on work in colonia communities. And though it was generally agreed that similar issues exist in more interior QFHSs, there was little discussion of these issues.

Panel 5. Panelist Comments

Angela C. Stuesse

The discussion following the three presentations in this panel brought up a number of intriguing issues, the more pertinent of which I address below.

Recognizing One's Positioning

First, Angie Donelson raised the issue of the complexities involved in being a white middle-class woman working in poor, largely Mexican communities in the Arizona borderlands. I noted (as I looked around the seminar room at the vast majority of white faces, government officials, and university academics staring back at me) that such recognition of personal “positioning” in relation to the communities we work with is a critical step for us all to take. George Lipsitz, a much-respected scholar of “whiteness”, recently wrote in his book *The Possessive Investment in Whiteness: How White People Profit from Identity Politics*:

In the 1960s, members of the Black Panther Party used to say that, “if you are not part of the solution, you're part of the problem.” But those of us who are “white” can only become part of the solution if we recognize the degree to which we are already part of the problem—not because of our race, but because of our possessive investment in it. ...But an explicitly antiracist interethnic movement that acknowledges the existence and power of whiteness might make some important changes. (Lipsitz, 1998: 22)

I have explored this issue at length in my own work and have thought extensively about the ways in my positionality has shaped the experiences and opportunities I have had in El Cenizo and beyond. I cannot separate the many aspects of my identity from one another—and from their interplay with the various conceptions of identity and social power in El Cenizo. What is clear, however, is that I hold a position of privilege as a result, and that this position has colored my participation in, understanding of, and analysis and writing about the social movements taking place in El Cenizo. Each of us will have unique experiences and come to unique conclusions about the impact of our own identities upon our research and upon the people with whom we collaborate. The crucial point is that we must take the time to engage with these issues so as not to continue carrying out our research in an unmarked ivory tower.

Historical Perspective

Second, Richard Harris, our “resident historian” at the workshop, asked each presenter to situate our presentations historically. This was an excellent point to make, and an aspect I chose to omit from my presentation due to time constraints.

El Cenizo has a long history of community organizing which dates back to when this QFHS was recently developed as a colonia and had not yet incorporated as a city. Early organizing dealt specifically with residents' claims against the developer, Cecil McDonald, who had made many promises to families buying land there and had failed to deliver. Forming a group they called *Gente Aliada para Mejorar El Cenizo*, or People's Alliance for the Betterment of El Cenizo, residents forced McDonald into bankruptcy and a state trust was formed to administer the development's landholdings. In addition, *Gente Aliada* later intervened in early city government by raising community awareness and pushing for it a more democratic representation.

In sum, over the years El Cenizo has grown from a rural colonia whose politics were run by an oppressive developer into an autonomous democratic city with established “movement webs” and a strong sense of community. Life is far from perfect in El Cenizo, and I hope not to have painted a vision of utopia. Democracy there still rests on shaky ground, city leaders are constantly learning, and personal disagreements continue to impede collective advancement. Nevertheless, their history demonstrates the ability of humans to endure, even excel, in the face of adversity. This brings us back to a key point made by Marlynn May in both his presentation and in discussion, that we need to remember to examine and recognize not only QFHSs needs, but their assets and resources as well.

Borderlands scholar Carlos Vález-Ibáñez reminds us that, “Mexicans [have] seldom allowed themselves to be either defined or defeated, to be victims or to be victimized for very long without actions... of resistance, rebellion, mobilization, creation, and invention,” (Vález-Ibáñez, 1996: 269). El Cenizo’s sense of community, stemming from shared cultural practices and experiences, is crucial for the people who live there. Not only does it serve as a means of survival for many minority groups, but it also creates opportunities for empowerment and a sense of group identity, the very roots of collective movements for social change. For the people of El Cenizo, these movements have addressed and continue to speak to “...issues of how to control and organize one’s own history, as well as how far a community is willing to submerge its biography in the biography of the nation state,” (Das, 1995: 109-110). Examining the interplay between local communities, the state, and civil society, and contextualizing these relationships historically, is crucial in understanding the dynamics of marginalized groups’ claims to rights and resources.

Futures

Tacked on to the end of his question about historical relevance, Richard Harris also inquired about the future. From our research and engagement in colonias, what might be the future possibilities for residents of QFHSs? What does the future hold for El Cenizo?

In thinking about what might happen in the future in El Cenizo and beyond, we must remember that: 1) The construction of an international border, and the borderlands and nation-states that result, formed by centuries of migration, wars, and treaties, is ultimately a subjective reality shaped by power-laden historical processes; 2) the cultural practices and political movements taking place in El Cenizo are a direct result of its particular location on the U.S.-Mexico border and its position in the nation-state and transnational capitalist world that results from this geographical location; and 3) the socio-political futures of El Cenizo and the United States of America are currently up for grabs.

What will El Cenizo look like in the future? Will its residents continue to unite over issues key to their development as a democratic community? Will they still be struggling for services, resources, and rights ten years down the road? Will it be a “civilized community... with educated residents, paved streets, and a City Planning Department,” as one resident dreams? Will Mexican immigrants continue to comprise the majority of residents, or will today’s mostly Mexican American children grow up and stay in the community? Will they hold city council meetings in Spanish or in English? Will residents still possess a lingering confidence in the liberalist promise of the “American dream”?

El Cenizo today is surrounded by development and has no possibilities for geographic expansion. The City of Laredo is encroaching on at least one side of the community. Some speculate that in a matter of years Laredo will seek to annex El Cenizo and its neighbor, Rio Bravo. How will El Cenizo residents respond if this possibility presents itself? Would it be an opportunity for increased funding and service-provision they have not yet realized, or will a sense of solidarity and

community lead residents to resist incorporation into the City of Laredo? How might annexation subsequently affect political organization among the people of the neighborhood of El Cenizo? At this indefinite point in the future, will the Border Patrol focus its efforts more on the border, as El Cenizo residents have suggested, rather than on the inhabitants of the borderlands? Pondering the future of this community offers many more questions than it does answers.

Still greater changes are upon us. Latinos are positioned to soon become the largest minority group in the United States, and Mexican Americans make up two-thirds of this group (Rodriguez, 2001). Presidential candidates today reach out to potential Latino voters in Spanish. Amherst College in Massachusetts offered a course on “Spanglish” in the fall 2000 semester (Hernandez, 2000). Every day, Spanish speakers and people of Mexican descent are gaining power and voice in U.S. society, and opportunities for social, educational, and political advancement are steadily increasing. One hopes that these promising figures and stories might reach into the furthest peripheries of the United States in order to extend such progressive possibilities toward a more equitable society to all—including marginalized QFHS residents across the country.

Now, more than ever, we must remember that “the U.S. has thrived not because of its efforts at cultural homogenization, but despite them,” (Flores and Benmayor, 1997: 5). El Cenizo’s claims to rights and resources, although locally specific, couched in liberal discourse, and adhering strongly to notions of equality and democracy, nevertheless affirm this community’s pride in its cultural difference and challenge the limits imposed by civil society and the state on groups deemed “peripheral”. By advancing the movements I outlined at the workshop, the people of El Cenizo are forging community, advancing democracy, and asserting their status as equal members of society in the U.S. despite their cultural differences from dominant society. Such activism from below has the potential to positively effect social reform, not only in the lives of El Cenizo residents, but throughout U.S. society.

North-South Connections

Peter Ward expressed his concern, arising largely from the fact that this panel was comprised entirely of scholars focusing on more traditional borderlands colonias, that we continue thinking about the import of our arguments and observations not only as they sweep East-West along the border, but also as they we begin to stretch them from South to North, broadening our definition and recognition of QFHSs. I believe that my paper and the above comments make clear that, though the problems and achievements of people in El Cenizo are specific to their spatial positioning and identity as a borderlands community and “colonia”, the lessons to be learned from their struggles may be used by other marginalized groups and QFHS residents across the country to begin to think about and formulate their own strategies in their equally-locally-specific claims to rights and resources.

References

- Das, Veena
1995 *Critical Events: An Anthropological Perspective on Contemporary India*. Delhi: Oxford University Press.
- Flores, William V., and Rina Benmayor
1997 “Constructing Cultural Citizenship”. In *Latino Cultural Citizenship: Claiming Identity, Space, and Rights*. W.V.a.R.B. Flores, ed. Pp. 1-23. Boston: Beacon Press.
- Hernandez, Roger
2000 “Is Spanglish Killing Spanish?”. located at: <<http://www.latino.com>>, September 8, 2000.

Lipsitz, George

1998 *The Possessive Investment in Whiteness: How White People Profit from Identity Politics*. Philadelphia: Temple University Press.

Rodriguez, Gregory

2001 "Mexican Americans: Forging a New Vision of America's Melting Pot". *New York Times*. Pp. 1,4. New York.

Vélez-Ibañez, Carlos

1996 *Border Visions: Mexican Cultures of the Southwest United States*. Tucson: University of Arizona Press.

Marlynn May & Robert Koulish

1. An initial question related to "local leaders", and their mobilization. It is the case that this is an evolutionary process. The local leadership will change, in part because the organization changes, and in part because the community changes. One difficulty we have faced periodically is that a leader who had been active earlier, but later either voluntarily or involuntarily moved aside, can become a formidable critic of what evolves.
2. Question: Why has CHUD moved into providing services? Why wouldn't existing service providers do it?

There are three responses. First, it is sometimes the case that a provider is not available. Second, there may be a provider but unable to take it on. Finally, there is a provider, that provider is offering services, but not providing services effectively. In any one of these cases, CHUD may take on providing services. But it is never automatic and we move into providing care with a great deal of caution.

3. What is the relationship/relevance of the Colonias Program you have presented and land policy?

The response is related to 1.above. Community development relates to a two-way process of the making and implementation of land policy. CHUD plays a role, first, in education and outreach relative to land policy. An example can be found in Starr County where we are working collaboratively with the Community Resource Group in the process of contract for deed conversions. Thus, one "relevance" is that CHUD plays a role in informing residents of the conversion process and in guiding residents to the right place. This is accomplished through a network of community outreach workers (*Promotoras*).

A second role that CHUD plays is in the realm of resident advocacy, i.e., again involving education and action. CHUD, and organizations like CHUD, facilitate disseminating information about land policies in the making (at the local, regional, or state level). In this way, the community becomes informed. At the same time, there is the possibility of mobilizing the community to act democratically in shaping that land policy.

A third role of organizations like CHUD is to do research and provide information about land use and land policy.

In sum, the relevance is that community development programs like CHUD have a role to play in democratizing the community, of informing the community about land use policies, and in providing the means for acting in relationship to those policies. Land policy is not the sole

bailiwick of professionals and experts. The role of a CHUD is to get the community voice involved.

4. Regarding the creation and building of the Community Resource Center, how, if at all, is the development of social capital enabled through the centers?

In the early stages of the evolution of CHUD, the community was directly and physically involved in the building of the Community Resource Centers. Initially, community residents made blocks, poured slabs, laid block and finished the structure (with assistance from other outside the colonia). It was a kind of self-help approach.

As occurs in the evolution of organizations and communities, that form of developing social capital within the colonias has been pretty much transformed. Now, the building is done through the involvement of colonias communities, a local governmental entity (ISD or County), and CHUD. All buildings are now constructed by construction contractors.

Social capital development among colonias residents now occurs after the building of the buildings, in the form of leadership development among community residents, the *Promotora* program, program development, and in other ways.

The bottom line for CHUD is that social and economic capital be created and developed from within the communities, with the assistance of organizations and institutions (NGO and governmental; private and public) from outside the community.

5. What are the prospects for longer-term development? Is there some sense in which the colonias can develop only so far?

There is no inherent reason why the colonias cannot continue to develop. Whether that occurs depends on the extent to which residents see a value in the community and in continuing to improve the community – physically, socially, and economically.

The position of CHUD is that long-term is essential, on all three dimensions – physically, socially, economically. Physically, development involves facilitating the growth of ability to purchase and improve property, and housing. For this reason, issues of land use and development are paramount. Whatever we can do to assure that land ownership is stabilized and housing development is made accessible to residents is on our agenda. We are, for example, involved in working with colonias residents on finding ways to develop housing. As noted above, we are collaborating in the process of contract for deed conversions.

But we work in other ways to make the physical development more accessible. We are operating a HEP (High School Equivalency Program) that serves residents from 20 to 70 years of age in securing a GED. That goes toward greater chances of getting a job, which goes toward involvement in community development, including the physical development of the land. We also operate an extensive workforce program, utilizing the community outreach corps to find residents who need and want job training and getting them connected with the training programs or job providers.

All of this goes toward responding to the 3. above. Land use policy affects residents' ability to develop their property. Economic development of residents gives them a new perspective on the relevance of land use policy and land development.

6. Land use policy that does not reflect the input of colonias residents' needs and assets is *a colonialist land use policy*. It is imposed from the outside, by policy-makers and legislators distant and distanced from the colonias residents. Only as colonias residents and colonias as communities develop the resources and leadership that engages colonias residents in the shaping of land use and development policy will that policy be equitable and relevant to the colonias communities and residents.

Panel 6.
Appropriate Financing and
Land Title Programs

Innovating Financing Strategies for Affordable, Self-Help Housing in Rural Areas of the USA

Hemalata Dandekar & Surabhi Dabir

Rural areas in the U.S., such as the colonias¹ along the U.S.-Mexico border region, appear to have become strategic locations where populations with low incomes have sought to fulfill their aspiration for home ownership through self-help. Driven by the pursuit of the “American dream” low-income families have invested in land purchases through finance arrangements that are affordable to them such as a “contract for deed”.² Most of these families have limited additional resources with which to finance the construction of standard housing. This fact, coupled with an inability of government to enforce land use and zoning regulations, subdivision laws, and, building codes have resulted in the proliferation of informally constructed housing developments. Typically these settlements are fueled by the resourcefulness, determination and self-help ethic of these low-income families. Using found materials these families construct their dwelling on their land, improving it as and when resources permit. Particularly in the Southwest, it is not uncommon to find housing constructed out of scrap cardboard stuccoed with mud, tarpaper shacks, abandoned buses, mobile homes and trailers, and combinations thereof.

Recognizing the need to provide assistance to this type of clientele to help them fulfill this desire for home ownership, and, in keeping with the philosophy that access to secure and entitled

¹ Colonias are rural, mostly unincorporated communities located along the U.S.-Mexico border. Definitional issues of what exactly constitutes a colonia pose a challenge. While the term colonia has its origins in the Spanish word for “neighborhood,” it has come to refer to a residential development characterized by substandard living conditions. In fact, colonias are primarily defined by what they lack, such as potable water, sanitary sewer systems, paved roads, and standard mortgage financing. Although numerous colonias developed in the 1950s, they remained relatively unnoticed until the 1980s. The 1990 National Affordable Housing Act (NAHA) created a federal definition for the colonias construing it as an “identifiable community” in Arizona, California, New Mexico or Texas within 150 miles of the U.S.-Mexico border, lacking decent water, sewage systems and housing, and in existence as a colonia before November 28, 1989. Access to federal housing and infrastructure programs, particularly those administered by the U.S. Department of Housing and Urban Development, is often tied to this definition of colonias. Prior to this, a 1983 Border Environmental Agreement between Mexico and the United States defined the “border region” as a zone within 100 kilometers, or 62 miles, on either side of the political boundary. The Environmental Protection Agency (EPA) began to address environmental issues of common concern through this agreement on cooperation between the two nations. To this day, access to EPA programs, including infrastructure funding, remains contingent upon colonias falling within this 62-mile zone. Similarly, individual states and counties often follow a definition of colonias based on the requirements of the assistance programs they administer. Definitional issues of what exactly constitutes a colonia continue to pose a challenge. While communities with high poverty rates and substandard living conditions exist throughout rural America, colonia advocates contend that the colonia phenomenon is really a unique problem tied to the intertwined border economy between the two sovereign nations of Mexico and the United States.

² This type of purchase does not usually provide a public or legal record of transaction. It allows the seller/lender to retain title to the property until the debt is fully paid, and to repossess the lot (and whatever the purchaser has built on it) immediately on the basis of even a single missed payment. The “homeowner” does not have any equity in the property and cannot use it as collateral for a loan. In recent years states such as Texas, have passed legislation to provide basic consumer protections to people purchasing land in border counties. However, some of the problems persist and those who purchased land prior to the passage of the protective legislation continue to deal with the consequences.

shelter is a successful poverty alleviation strategy, the Housing Assistance Council (HAC) was established in 1971 with a federal antipoverty grant. HAC is a national nonprofit corporation created to increase the availability of decent housing for rural low-income people throughout the United States. The founding and continuing mission of HAC is to improve housing conditions for the rural poor. The mandate is to try to reach the poorest of the poor in deeply rural places.

Over some thirty years promoting the development of affordable rural housing HAC has provided seed money loans, technical assistance, training, information and advocacy services to public, nonprofit, and private organizations. This paper presents strategies which are currently being implemented by HAC to improve housing conditions for the rural poor with a view to identifying approaches which have the potential to be effective in other contexts. These strategies have evolved from HAC's advocacy and implementation experience. This paper provides a summary overview of the financing strategies HAC has found to be effective in supporting the development of affordable, self-help, housing. Case studies of two local nonprofit organizations in the colonias that have utilized HAC's loan products for self-help housing will help illustrate the most recent approaches, concepts and strategies which have been innovated.

Predevelopment Loans a Key Component of HAC Strategy

From its founding the HAC mandate has been to serve the housing needs of populations whose needs have often proven difficult to meet due in part to three core factors:

1. Low incomes that are often earned in part-time, temporary, or seasonal work;
2. Poor or non-existent credit histories; and
3. Insufficient savings to contribute equity to a financing arrangement, such as for instance, a downpayment on a home loan.

This characterizes a population that is seen in concentrated numbers in the colonias along the U.S.-Mexico border but is also present in others parts of the rural U.S.

Since HAC was created in 1971, its predevelopment loan funds³ have been the centerpiece of its rural housing strategy. HAC operates several loan funds that provide vital seed money to a variety of rural housing developers including: Nonprofit housing developers; local units of government; public agencies; Indian tribes; public utility districts; minority contractors; farmworker organizations; and, cooperatives. HAC funds help these organizations improve rural housing conditions through various interventions including: The creation of subdivisions; the construction of new single or multi-family housing units; the rehabilitation of existing units; and, the improvement of water and wastewater disposal systems.

HAC loans have helped to fill a gap in the more conventional financing which is available for affordable rural housing development. Most subsidy programs usually finance the construction of housing or long-term mortgages, but not the up-front costs which are needed to develop a project from initial concept to point of initiating construction. Some rural areas are not well served by banks and savings and loan institutions. Even when they do exist, these traditional lenders cannot provide a subsidy which is deep enough to make units affordable for low-income families. In addition, they are likely to view community-based rural housing organizations as high-risk borrowers. HAC has

³ Information excerpted from report by L. George, T. Singleton, and A. Smith, *Housing Assistance Council Loan Funds 1971-2001: 30 Years of Supporting Affordable Housing in Rural Communities*, Washington, DC: HAC, 2001.

focused on filling this critical financing gap by providing pre-development loans to community-based organizations to jump-start development of affordable housing. These loans are made for short terms at below-market interest rates to local nonprofit, for-profit, and government entities. They enable borrowers to acquire land, pay architectural and environmental fees, and cover other costs which are incurred before a project is eligible for construction loans. Balancing careful underwriting and meaningful collateral with flexibility and an understanding that a rural community's best housing developer may begin with little housing development experience, HAC pairs the provision of seed money loans with technical assistance so as to build the capacity of local entities to deliver housing for the rural poor. Over the years, a significant portion of HAC's loans has supported the development of single-family ownership units. This focus has been dictated primarily by the preferences of local participants. Rural families have traditionally preferred the ownership of their own house, even when it is in poor condition, rather than a rental housing arrangement.⁴

Seed money loan programs for predevelopment costs have various profiles which are shaped by the source of funds utilized by HAC. Applications for loans are evaluated by HAC's loan fund staff which recommends to the loan committee the most appropriate fund for the proposed project. The categories of existing predevelopment loans are described below. They illustrate the various predevelopment costs which are incurred in projects and need to be covered:

Rural Housing Loan Fund (RHLF)

A \$14 million revolving loan fund, the RHLF provides seed money for affordable new housing construction, repair and rehabilitation. This is the largest of HAC's loan funds. Eligible uses are: Land options, downpayments, land purchase, site development, architectural and engineering fees, site surveys, soil test borings, market studies, appraisals, environmental engineering studies, archeological clearances, and legal expenses related to site acquisition, etc.

Rural Development Loan Fund (RDLF)

A \$400 revolving fund for economic development related to housing, the RDLF is designed to support projects and developers of housing that produce employment opportunities for low-income persons as well as affordable housing for rural households. Loans can be made to non-profit and for-profit developers, community-based organizations, small business and minority contractors, units of local government, and public agencies. Eligible uses include: Land acquisition and site development, working capitol, construction financing, and construction bonds.

Intermediary Relending Program Loan Fund (IRP)

The IRP is a \$1.7 million revolving fund for community economic development in the form of both improved housing and increased employment in rural areas. An IRP loan can be used for site acquisition and development, rehabilitation or new construction of housing that will also create jobs in communities of under 25,000 populations. Eligible uses include land purchase, legal, architectural, and engineering fees, etc. A maximum of \$250,000 can be loaned per project. Rural Business Service regulations stipulate that an IRP loan can be used to finance no more than 75 percent of total

⁴ Throughout the past three decades, HAC's loan funds have supported a wide array of affordable housing initiatives to address the many complexities of rural housing provision. Loans for single-family housing constitute 57 percent of total loan fund activity. The predominance of homeownership in many rural areas has overshadowed the importance of the rental housing stock. As a result, rural rental households, who also tend to have lower incomes than homeowners, experience some of the most significant housing problems in the U.S. HAC has always realized the need for quality and affordable rental housing in rural areas and multifamily housing makes up approximately 31 percent of total loan funds activity. Since inception, HAC has committed over \$17 million to help fund over 12,000 affordable multifamily housing units.

project costs, and borrowers can have only one loan obligation from any IRP lender outstanding at any given time. The loan package also has to include documented environmental clearance and a letter from three banks stating they will not make the loan on similar terms and conditions.

Water/Waste Water Loan Fund (W/WWLF)

The W/WWLF is a \$300,000 revolving loan fund to assist rural communities in obtaining potable water and sanitation services. The W/WWLF makes loans available to units of government, public utility districts, water/wastewater associations, nonprofits and other utility service organizations. Funds can be used for preliminary easement and water rights purchase, legal expenses to establish utility districts, referendum or election expenses, bonding, interim financing of local share costs, acquisition of existing private systems for rehabilitation, emergency repair, etc. W/WWLF makes two-year loans, with zero percent interest the first year and five percent the second year.

Self-Help Homeownership Opportunity Program (SHOP)

SHOP is a new fund to encourage innovative homeownership opportunities through self-help and volunteer labor where the homebuyer family contributes a significant amount of sweat-equity towards the construction of the dwelling. The funds can only be used land acquisition and infrastructure improvement and cannot exceed \$10,000 per lot. Funded through HUD, SHOP was created by Congress in P.L. 104-120 in March 1996. In four funding rounds HAC has won over \$32 million for this fund.⁵

The Utility of HAC's Function as an Intermediary

As a national intermediary organization and certified Community Development Financial Institution (CDFI), HAC is able to attract a variety of debt and equity investments into its loan fund. Blending these different sources of funding together, HAC is able to provide loans to local borrowers at a lower interest rate than commercial lenders. All standard HAC loans are subject to an initial, discounted 1 percent service fee, and borrowers are responsible for closing costs. HAC's standard lending rate is 5 percent per annum. Over the years HAC has built up a reputation that provides a level of comfort to potential investors in rural housing. Investing via HAC mitigates an individual investor's risk and reduces its responsibility for monitoring progress at the local level.⁶

In addition, as an intermediary financial institution, HAC can be flexible about its criteria and the types of projects it chooses to fund. For instance, one of the first loans HAC made since its inception was to a group serving the colonias in Dimmit County, Texas. At that time HAC had more flexibility in the type of lending it undertook since it was not handling the volume of loans that it currently handles.⁷ A local bank hesitated to loan construction funds to the Dimmit County group until HAC made a compensating deposit in the bank, providing the security the bank required to approve that first loan. Since then the group has managed to successfully develop several units of affordable housing and the local banks routinely lend it construction dollars. At the time HAC was

⁵ Through the SHOP program HAC has funded over 90 local groups in 37 states to build almost 4,200 homeowner units using sweat equity and volunteer labor.

⁶ HAC loan funds are almost always used in conjunction with one or more federal, state, local, and private funding sources. An analysis of recent loan fund activity from 1997 to the first quarter of fiscal year 2001 reveals that HAC funds make up an average of 11 percent of a HAC-funded project's budget.

⁷ In its first 25 years, HAC committed an average of \$2.2 million annually. Since the mid-1990s HAC's loan funds have grown dramatically, with an average of \$13 million lent annually since 1997. This substantial increase is attributable primarily to the Self-Help Homeownership Opportunity Program (SHOP) implemented in 1997.

not undertaking any direct construction lending itself. The compensating deposit it made was a non-standard loan and illustrates the value of the intermediary approach, where, guided by its mission, the organization is able to be flexible and innovative and reach markets otherwise not served.

Providing technical assistance is another area in which HAC's intermediary role can prove to be facilitative. A local entity may approach HAC to seek assistance with putting together a rural housing project. Help may be needed on a range of project related tasks such as preparing project budgets and proformas, assisting with NIMBY issues, educating and recruiting local or other government, and assisting in putting together financing for the project. HAC's initial investment makes a project visible and viable. In many instances, this assistance package includes a predevelopment loan. HAC's money is usually the first money to be invested in a project and it provides not only critical start up funds but also attracts other funding and investment. In addition to the satisfaction of having leveraged their money investors feel more confident knowing that HAC has invested in the project and will help the project reach completion. HAC takes a significant risk investing in projects. Not only is it the first to put funds in but is usually the last to be repaid. If a project does have problems, HAC often has subordinate or shared positions with commercial lenders for repayment. An inexperienced group benefits from the technical assistance HAC can provide and learns about the housing development process. Many local groups have cut their teeth on a project supported by HAC and subsequently become successful, independent, developers of rural housing.

Over the years HAC has also provided technical assistance and advocacy services to self-help groups. In the past some nonprofit groups have had an adversarial relationship with local USDA offices. Local USDA officials sometimes focused on farm-related lending as a priority, neglecting and ignoring financing needs for housing. Officials sometimes also had personal prejudices against serving minorities, which constitute about half the families served by the self-help program. HAC has helped local groups hold USDA officials accountable through advocacy, education, and support in contesting the attitudes and policies entrenched in the past in USDA.

Evolving New Financial Products to Respond to Unmet Needs⁸

HAC's strategies to address the needs of high-poverty rural communities have changed with the development climate and trends in federal funding. HAC's Loan Fund has dramatically enhanced its service to these communities in the last five years. By launching the SHOP program, expanding lending out of the Rural Housing Loan Fund, and developing new loan products, HAC has attempted to respond to the changing needs of local nonprofits by deepening the reach of its capital. Some of the products recently developed towards this end are described below. These new products are not currently advertised or marketed to HAC's constituency. When a loan request is received HAC underwriters who are evaluating the proposal determine whether to recommend funding it through these particular streams. Some, like the line of credit, are available by invitation only. HAC is still "testing" the efficacy and implementation of these products for their ability to reach high-poverty groups.

High Impact Loan Fund

This financing tool was developed in an attempt to extend HAC's impact on extremely hard-to-serve communities in which access to affordable, flexible capital is limited. This fund is targeted to viable projects serving high-need communities that might not successfully compete for regular HAC loan funds. HAC is often in the position of disbursing funds before a project accrues additional value; therefore the High Impact fund makes loans that might be partially unsecured for at least some

⁸ This information is taken from concept papers developed by Sue Phillips during the process of conceiving these loan products.

portion of the development period. HAC might also make High-Impact Fund loans to projects where development costs exceed appraised values.⁹ Other instances where the High Impact fund provides the source of loan include projects with an unknown or uncommitted takeout source and inexperienced local nonprofit sponsors.

Line of Credit Loan Product

HAC's market research reaffirmed the persistent need for below-market financing for affordable housing development. At the same time, HAC's current business plan directs it to significantly expand its lending volume, expand the range of financial services it offers its constituents, and serve a broader range of groups. The Line of Credit loan product was developed in response to these concurrent organizational and constituent needs.

The Line of Credit product is aimed at giving HAC borrowers the flexibility they need to option, acquire and hold land, and to finance the predevelopment expenses. The need to control land seems particularly acute in competitive real estate markets in New England and the Mid-Atlantic, parts of the West, rural areas abutting growing metro areas, and in resort and recreational communities. High production groups throughout the country regularly use lines of credit, often from commercial sources, to keep development capital flowing. The purpose of these loans is very similar to RHLF predevelopment and acquisition loans; the major difference being that these loans can be made available to a borrower prior to the identification of particular properties. Lines of credit are attractive in HAC's market because they eliminate what borrowers and potential borrowers identified as a significant weakness of nonprofit lenders in general: Slow turn around time in loan decisions and closing. Constituents surveyed by HAC reported that the only advantage local commercial lenders have over nonprofit lenders is their ability to make loan decisions and disburse funds quickly. They were willing in many cases to trade higher rates for a faster loan decision. By offering lines of credit, HAC hopes to meet the critical need for faster funds at affordable rates. This loan product is targeted to sophisticated, high-production groups in tight real estate markets. These groups expressed the most need for flexibility, have the technical capacity to maximize its use, and the past performance upon which HAC can base informed loan decisions.

Construction Loans

This product was created in response to HAC borrowers need for access to cheaper and more flexible construction financing than currently available through mainstream financial institutions. HAC construction loans offer the flexibility needed. In addition, since construction financing is typically put together from multiple sources, HAC's willingness to subordinate its position for repayment is very useful to local housing developers. Construction lending is riskier than HAC's other products because of security, and liability issues related to construction activity and HAC's inability to undertake regular inspections of the project's progress prior to releasing funds. HAC has to hire a local inspector or rely on the inspections performed by the other lenders involved. This risk is magnified because construction loans are made up front, prior to expenses being incurred. All of HAC's other lending is generally reimbursement for expenses already incurred. The construction loan product is targeted for use by the more experienced groups.

Colonias Initiatives

HAC has been working on a number of financing initiatives focused on the colonias. In addition to offering participation in loan programs developed by other entities such as Fannie Mae Foundation,

⁹ In many impoverished rural communities, the cost to develop land is greater than the price the land can be sold for to low-income people. Subsidy is required to make the projects work, but in some cases subsidy sources have not been lined up at the time a predevelopment/acquisition loan is needed.

HAC has developed its own Colonias Mortgage Finance Fund. HAC has also been involved with the creation of a Community Development Financial Institution, Tejas, to house and manage this mortgage fund. This Fund represents a major new venture for HAC, in that the money is loaned directly to families. All other HAC loans are made to local developers of housing rather than directly to the beneficiary families. The colonias fund is perhaps the most daring and innovative loan product attempted by HAC. The application of this and some of the other financial innovations, such as SHOP, is best illustrated by examining case studies of local nonprofits that have utilized these products.

A closer examination of two cases Tierra Del Sol, Las Cruces, New Mexico and Proyecto Azteca, San Juan, Texas illustrates the potential of these new financial products. The cases provide a context for examining whether these products have relevance for wider application in rural areas across the U.S.

Case Studies Illustrating Use of Self-Help and Innovations in Financing Instruments

Case Study I: Tierra Del Sol, Las Cruces, New Mexico

Tierra Del Sol (TDS) is an experienced nonprofit housing developer with a 20-year history in assisting low-income families in rural New Mexico. It has developed over 700 single-family units by the self-help method utilizing funds from the U.S. Department of Agriculture's (USDA) Section 523 program. In addition the organization has been involved in rehabilitation of existing units and the development of multifamily housing.

USDA's Section 523 mutual self-help program is modeled on the old "barn raising" concept, which involves neighbors helping each other to build their homes.¹⁰ This approach takes advantage of a culture of self-help and self-building which exists among many low-income populations such as those residing in the colonias. The contribution of labor helps to dramatically reduce the cost of housing and builds "sweat equity" in the house for participating families. A local nonprofit sponsor organizes eight to ten families who cooperatively help each other build homes. A trained construction supervisor oversees the work of participating families. Most of the work, excluding plumbing and electrical, is done by the family. To ensure cooperation no family in the group is allowed to move in until all the homes are completed. Self-help housing takes several forms involving various levels of sweat-equity contributions. In the models HAC has experience with end-users contribute between 200 and 1200 hours of labor per housing unit.¹¹ The dollar value of this labor has ranged from \$700 for modular homes in Appalachia to \$45,000 in high-cost areas such as Alaska.

Under USDA's Sec. 523 program, which is the oldest and largest self-help program other than the privately run non-profit Habitat for Humanity, households are required to complete 65 percent of the construction on their homes. Usually, the final value of these self-help homes approaches \$192,000. But the permanent mortgages are only \$152,000.

¹⁰ For more information see P. Carey, "Mutual Self-Help Housing," in J. Belden and R. Wiener, *Housing in Rural America: Building Affordable and Inclusive Communities*, Thousand Oaks, CA: Sage, 1999.

¹¹ Information reported here on the self-help housing program is taken from a conference paper prepared by J. Belden and S. Phillips, *Asset Building for the Rural Poor: Combining Funds to Support Sweat Equity Homeownership for Low-Income Rural Families*, Washington, DC: HAC, 2001.

The majority of this permanent financing comes from direct or guaranteed mortgages through the USDA's Sec. 502 program, but a growing percentage of self-help permanent financing is coming from commercial sources. Local recipients of Sec. 523 grants, the USDA administrative funding program for self-help housing, receive a set-aside of Sec. 502 loans for the number of units each group is contracted to produce. This basically assures permanent financing, assuming that the local group can provide eligible borrowers and properties.

HAC has worked with TDS for much of its 20-year existence, providing technical assistance and predevelopment loans. More recently, it has provided seed money loans to TDS from its new Self-Help Homeownership Opportunities Program (SHOP). This loan program complements the existing self-help efforts of experienced groups such as TDS by providing an attractive source of predevelopment funds for land and infrastructure costs, some of the most difficult items for local nonprofits to finance.

HAC's SHOP awards are 75 percent grant and 25 percent interest-free loan, with a maximum of \$300,000 per self-help group. Only 25 percent of the loan must be repaid if production goals are met. The remaining 75 percent converts to a grant and can be used by the group for its own revolving loan fund or as a grant to subsidize the site cost to participating families. Through this program, HAC has attempted to deepen the reach of its capital by further reducing the cost of self-help housing to families.

Case Study II: Proyecto Azteca, San Juan, Texas

The other organization, Proyecto Azteca, is a newer rural nonprofit housing development organization located in the Rio Grande Valley, Texas. Created in 1991 by the United Farm Workers (UFW) and Texas Rural Legal Aid (TRLA) to improve conditions for low-income people in the Valley, Proyecto has successfully built approximately 80 homes through its own self-help housing program.

Proyecto homes are all constructed by crews of participating families under the supervision of experienced trainers at the Proyecto Azteca office site. The homes are then transported and secured to the participating families' lots in scattered locations in the numerous colonias of Hidalgo County.

The centerpiece of this program is the financial assistance Proyecto secures for the participating families. After paying off any remaining balance on families' colonia lots, the organization arranges for a single low-interest standard mortgage to cover the cost of construction of a new house and the balance paid on the colonia lot. Each family obtains a warranty deed to the property in their name, with the opportunity to build equity in the property previously unavailable under the original contract for deed. The funding for this program is limited and has been provided primarily by HUD's HOME program, which is administered at the county level.

HAC has sought to extend and build upon the resources available for this program by creating a Colonias Mortgage Financing Program. This model loan program seeks to provide new construction and rehabilitation loans to families structured at interest rates as low as zero percent for an initial five-to-ten year period. It also features, yet flexible, underwriting criteria and does not require cash downpayments. At the end of the initial five-to-ten year period successful borrowers will be assisted to transfer their loans to conventional lenders, graduating borrowers to mainstream financial markets.

The Colonias Mortgage Financing Program will help Proyecto to have greater impact on the community it serves by enabling it to serve a greater number of families and by allowing it to

concentrate on its core strength—that of helping families construct decent, affordable housing units—rather than servicing long-term home mortgages.

This financing program represents a new venture for HAC—in that it involves lending directly to families rather than to local nonprofit organizations. While HAC will be the initial depository institution for this loan program, a new border-wide Community Development Financial Institution (CDFI) is being formed to eventually administer the program. This departure from its traditional lending approach leads HAC into new and risky territory, but is seen as worth its while because it enables HAC to reach a market currently not served by any other institution and furthers HAC's mission of reaching the poorest of the poor.

Proyecto is also working on an innovation to its self-help program called the Cascaron Housing Program. Under this initiative, families purchase the shell of a house for a small downpayment. The funds for this downpayment generally come from the earned income tax credit refund. The families are then expected to complete the unit over the next several months. HAC is participating in this innovation by investing \$50,000 in the Azteca Community Loan Fund for relending capital, structured for repayment in 5 years with an option to extend for an additional 5-year period. HAC has made this loan for a 1 percent discounted service fee and at 1 percent interest. This money will provide relending capital for approximately ten families participating in the Cascaron program.

In addition, HAC is working on developing an Individual Development Account (IDA) pilot program for the colonias. Traditional IDAs are essentially dedicated savings accounts, similar in structure to Individual Retirement Accounts, that can be used to purchase a first home, defray higher education expenses, or capitalize a small business. IDAs are managed by community organizations, and accounts are held at local financial institutions. Public and private sources can match the contributions of low-income participants.

Supported by HUD, HAC is working in partnership with 3 local organizations including Proyecto and TDS to conceptualize a colonias IDA pilot program targeted at improving housing and infrastructure conditions. The IDA will take into account the special economic conditions, financial inexperience, and mistrust of mainstream financial institutions prevailing in the colonias region. For instance, since Texas colonias are the home base for a number of migrant farmworker families with seasonal incomes, this IDA will allow a flexible saving schedule for participating families.

Similarly, emergencies can prove crippling to the financial stability of a colonia family with little or no spare resources to address needs as they crop up. The IDA will take this into account by allowing emergency withdrawals of participant savings and being flexible with respect to repayment plans. Other special features include developing a strong financial education component to help build relationships between colonia families and participating financial institutions. The local nonprofit partners will play a major role in fostering communication between the families and financial institutions. HAC is also exploring the possibility of creating a graduated match to the families' savings in order to encourage them to leave their money in the savings account for a larger duration.

In addition to helping families accumulate savings and assets, the IDA will help generate long-term benefits including gains in income, self-esteem, family stability, financial literacy, and participation in the larger economy. Since the program will focus on housing-related activities to build assets, it will have a positive impact on the entire colonia. In addition, participation by private financial institutions such as banks is required in this pilot program. This participation will build a level of comfort and confidence among banks for working with the colonias population. In the long

term, the involvement of mainstream financial institutions will most likely stimulate further private investment in improving conditions in the colonias.

One possible exciting confluence of the IDA pilot and the colonia mortgage financing program is that future IDA participants could save towards easing the transition from the zero percent model colonia loan to the higher rates offered by mainstream financial markets during the initial five-to ten-year period. The IDA pilot could also complement the Cascaron initiative by serving as a vehicle to secure the downpayment necessary to purchase the shell house.

HAC's experience with the organizations and the initiatives targeted to the colonias will likely yield valuable lessons that will inform its efforts in other rural communities.

Texas State Government Policies on Colonias: The Challenges of Addressing Divergent Policy Goals

Rebecca Lightsey

State Policies on Colonias

Texas state policies, laws and regulations have focused on “stopping the proliferation of colonias” since the late 1980s. At the same time, the state has worked to upgrade existing colonias. Governmental efforts have been sought to address infrastructure, housing and title issues for those families already living in colonias. Crafting laws and regulations that mesh the dual goals of stopping new colonias and upgrading existing colonias has proven challenging for state policy-makers.

State laws and regulations now govern water, street paving, waste disposal, utilities, subdivision platting and other land development issues. The primary focus of the state policies in these areas have been to assure that each newly created subdivision has the necessary infrastructure and legal framework for a viable neighborhood, thus assuring that no new “colonias” are creating.

Other state policy measures are aimed at addressing the needs of existing colonias. These include activities to bring water and sewer to colonias, improve housing conditions and soon, to pave streets.

The statutes and regulations that by necessity must address the dual goals of stopping new colonias and upgrading existing colonias at times result in conflicts. State policymakers each session must work to address these dichotomies.

Evolution of State Laws and Regulations

In the late 1980s and early 1990s the State of Texas took its first steps stop the proliferation of colonias and to provide water and wastewater to existing colonias. The laws, and the regulations resulting from them, addressed new colonias by:

- Requiring all new subdivisions to have full infrastructure and services, including water and sewer
- Requiring subdivisions to be legally platted
- Holding developers financially responsibly for guaranteeing that services were provided

At the same time, the state began to appropriate funds to bring water and sewer into existing colonias.

Each subsequent legislative session has addressed colonia issues. In the mid-1990s, major new stringent statutes were passed to address the proliferation of colonias, including:

- Restricting the sale of lots without full services or without being platted
- Tightening the requirements for platting
- Modifying the “Build It or Bond It” requirement, which holds the developer financially responsible for water and sewer

The laws also addressed individuals:

- Individuals were prohibited from obtaining utility hook-ups on a home constructed after 1997 on an unplatted lot

This provision was designed to prohibit individuals from creating new colonia communities.

In recent years, the Legislature has continued to “close loopholes” in the laws to prohibit new colonia developments, including:

- Making subdivision requirements applicable for any two or more lots
- More strictly regulating Contract for Deed requirements

At the same time, they have modified existing laws to make it easier for existing colonia communities and individuals in colonias to deal with the stringent requirements designed for subdivision developers. These modifications include:

- Modifying the 1995 law prohibiting utility hookups to a home constructed after a certain date on an unplatted lot
- Allowing variances from certain aspects of the platting requirements for existing communities

The recent modifications, however, still leave the state with difficulties in designing statutes and implementing regulations that will have the effect of allowing existing colonias to be improved, without relaxing the prohibitions on proliferation of new colonias.

Implications of Laws and Regulations on Existing Colonias

At present, there are several areas of conflicts with statutes or rules, when they are applied to existing colonias. Some of the provisions which create conflicts are outlined below.

State policy on wastewater:

- State rules prohibit septic tanks on lots of less than ½ acre, except in limited circumstances with specific soil types, small home size and other restrictions.
- State and federal rules require a home to have a qualified septic system before any state or federal funds can be used for home improvements or Contract for Deed conversions.

With only approximately 12% of colonias served by sewer, the vast majority of colonia homeowners must use septic tanks to properly dispose of their wastewater. However, under the state rules, few home sites qualify for on-site septic systems. The conflicting policies, if strictly enforced, would prohibit the housing agency from assisting the vast majority of colonia homeowners.

State policy on transferring property:

- State law prohibits the sale of an unplatted lot or a lot without water and sewer.
- Only an individual who resides on the lot is exempt from the prohibition.

The exemption is designed to allow colonia families to sell their individual lots. However, because of the restriction on sales by any other seller, many financial institutions will not make mortgage loans or home improvement loans for colonia residents in unplatted colonias. This significantly limits the families’ ability to improve their homes. In addition, an individual with an unplatted vacant lot is also technically prohibited under the law from selling the lot, as the law required the seller to *reside* on the lot.

State laws on subdividing property:

- State law considers any division of property into two or more lots as a “subdivision,” which requires platting and full services.
- State policy is designed to maximize state dollars by providing water to existing colonias.

These policies conflict by prohibiting division of large lots in existing colonias. Many colonias which already have water service, often installed with state funds, have large, scattered, undeveloped lots. These lots cannot be subdivided without the owner incurring the full costs of platting, including street paving.

The Challenge of Integrating Divergent Policy Goals

Each legislative session, state policy-makers work to balance the dichotomies between the divergent state policies and to create a balance of laws. In each legislative session since the mid-1990s, the state has been faced with particular circumstances in which it must modify colonia laws to allow improvements to be made in existing colonias. To date, these modifications have been made to specific statutes in response to specific problems.

The state will be faced with continuing to make specific statutory modifications for existing colonias, or to devise a significant new approach to addressing their needs. Because of the careful balance that has been crafted on colonia laws between developers and those working to stop new colonias, a major new approach to deal with existing colonias would be difficult.

As the state continues its efforts to stop the proliferation of colonias at the same time it works to assist existing colonias, the practical conflicts of these divergent policy goals will remain.

Panel 6. Discussion

Angela C. Stuesse, rapporteur

This panel's discussion focused on teasing out some of the more complex details related to land use issues and called upon the presenters' expertise in clarifying participants' questions. In addition, participants drew parallels between similarities in the cases discussed by the presenters as compared with their own research experiences. Finally, one important role to be played by academics was explored.

Clarifying Land-Use Legislation in Texas: Strategies to Help QFHSs Get Up to Code

Participants were particularly interested in clarifying Texas law in relation to land use authority. Are colonias slated strictly for residential land use? Might the development of microenterprises and multiple land use in colonias be encouraged by public policy, or do these alternatives for creating economic opportunities within QFHSs defy Texas law? Does an incorporated colonia have different rights related to land use than a non-incorporated one? Are the few microenterprises currently present in colonias breaking zoning laws and simply being ignored by authorities, or are they permitted legally?

Rebecca Lightsey reviewed the provisions of the Texas Model Subdivision Rules in her notes and tentatively concluded that yes, the colonia model subdivision rules do state that colonia platted areas must be residential in use. However, she suggests that this legislation applies only to any areas subdivided after the law's passage, and that previously-platted and subdivided colonias are exempt from this rule. In addition, Ann Forsyth commented that planners generally assume that microeconomic activities are included in the category of "residential" activities. Thus, engaging in and promoting economic activities in a residential area is generally accepted unless otherwise specified in zoning rules. The above interpretations of the law appear promising for QFHSs, as they allow residents, researchers and policy-makers to encourage and pursue microeconomic activities that may bring more money into these communities.

How might we as policy-oriented researchers and policy-makers aid QFHSs to "get up to code"? Traditionally, clever and innovative strategies such as those discussed by this panel's presenters, combined with state agencies' turning a blind eye to the issue, have helped colonia housing gradually reach accepted standards. Participants suggested additional strategies beyond those discussed by the presenters. One proposed strategy, discussed by Peter Ward, et al., is to "unlock" the at present high percentage of unoccupied and vacant lots in order to increase QFHS densities, driving down per-unit standardization costs and increasing social capital. This might be done by acquiring these lots through a community trust, and they could either be resold or the land used for communal/community purposes. Hemalata Dandekar's work in India also offers insight into possible strategies that may be transferable across place and time. In Bombay, for example, authorities' flexibility helped communities get up to code at a rate that made it feasible for them. The examples of similar strategies in New Jersey and Mexico may also help us think of possibilities for QFHSs in different parts of the United States.

Important Parallels Drawn by Participants

Richard Harris recognized significant similarities between HAC's work with Tierra del Sol and Proyecto Azteca and Canada's Nova Scotia housing project of the 1930s through the 1950s.

Rebecca Dolhinow noted from her work with women leaders in New Mexico colonias that Tierra del Sol's education on housing, home financing, etc. served as both a catalyst and a tool through which other community organizing activities were initiated and carried out. Residents' experiences with Tierra del Sol encouraged them to attend meetings and expand their organizing interests to address other needs stemming from life in the colonias. Hemalata Dandekar especially appreciated this comment, adding that such organization can serve as a catalyst for the beginning of microenterprise development in communities as well. She has witnessed this in her work in South Africa. Stricter building codes and labor unions in the U.S., however, may make people less eager to broach microenterprises here, which only reinforces how projects like that of Tierra del Sol can be agents for social change.

Participants also discussed the ways in which academics can contribute to bettering land and housing policy. Cooperation between researchers and practitioners is crucial for the exchange of ideas and the ability to step outside of one's "box". One important role of the academic, then, is to document and draw parallels upon which policy-makers can draw. Such collaboration, as represented by the first paper of this panel, might serve as a model for increased and continued alliances beyond the academy.

Panel 6. Panelist Comments

Hemalata Dandekar & Surabhi Dabir

1. Questions were related to the Tierra Del Sol project and concerned the following:

Q. Had the project been documented in depth giving its historical evolution to its present function as a key player in advocacy for housing as a fulcrum to organize community?

A. As far as we know there has not been an in depth history of the project and the evolution of the community organization. Description of the project is available on the HAC web site. There is also documentation of the SHOP program and Terra Del Sol on the HUD web site.

Q. Was there provision of parks, recreational areas and community social spaces such as community halls?

A. No. The project was about the creation of appropriate homes on an ownership basis.

2. Questions were related to HAC mandate and efforts.

Q. Does HAC take as its mandate only rural communities and only ownership housing?

A. HAC works where there is a need and an opportunity to create affordable housing. Some of its portfolio consists of rental housing which is not freestanding, single family. It has projects all over the country mostly are in rural area where land costs are lower. The cost of land versus the cost of the house construction is a key element of the location decision.

Q. What is the source of HAC funding?

A. HAC blends USDA, HUD and grant dollars and provides an intermediary function to facilitate the creation of housing. It mediates the issues which arise when differing policy agendas of these agencies must be met in the layering of funds for project completion.

Rebecca Lightsey

The question was raised as to whether state law or regulation limit colonia properties solely to residential, i.e., home, use. According to the Texas Office of the Attorney General, neither the statutes nor rules limit colonia property to residential use.

The Model Subdivision Rules [31 TAC Ch. 364] regulate colonias developments. In certain sections of the rules, they reference “residential developments,” and “a subdivision which creates two or more lot...intended for residential purposes.”

According to the Attorney General, these references to residential developments are not intended to limit land use solely to home construction. The presumption that the land will be used for residential purposes is in the rules so that subdividers will be required to provide utilities and other services such as paved streets to all subdivided lots.

All subdividers have the ability to prohibit non-residential uses via a plat restriction or deed restrictions. However, few colonia subdividers (if any) ever restrict the sale of land solely to residential use. The effect of the laws and rules are that colonia lots must have full services. Once those services are put in, the lots can be used for any legal purpose the landowners choose.

Panel 7.
Physical Infrastructure Planning
for Homestead Subdivisions

Alternatives to Convention

Robert Stevenson

This paper examines various low-cost wastewater system approaches and technologies that may be adopted alongside or used in place of more orthodox methods of sewage removal in sub-standard residential communities along the Texas/Mexico border. It will examine the need for new approaches towards infrastructure on a permanent or semi-permanent basis in these settlements with an emphasis given to the lower Rio Grande Valley county of Starr and the colonias therein as case studies. These alternatives will be situated within the context of community desires, state and local codes and social convention in order to explore the feasibility of immediate implementation or to outline the necessary changes in policy that must take place prior to implementation. Attention will also be paid to the appropriateness of the systems in terms of climatological and geographical challenges experienced along the expansive border. The eventual goal of the research that this paper initiates is two-fold: To produce a guidebook with which communities can make informed decisions about the most appropriate and advantageous solutions to their wastewater needs and to outline the policy and perhaps legislative changes necessary to bring greater health and sanitation to the border region through alternatives to convention.

The Need for New Approaches

The Texas Water Development Board (TWDB) declared in its 1996 Colonias Survey that it would cost an estimated \$776.7 million to provide water and wastewater services to all residents lacking those services in the 31 counties designated as Environmentally Distressed Areas¹ at that time. Designated EDAs are the only areas where this specific funding is put to use. By April of 2000, The Environmentally Distressed Areas Program's (EDAP's) funding topped out at \$552 million—\$273 million from state sources and \$278 from the Environmental Protection Agency (EPA). The TWDB will be seeking no further funding. This leaves 45% of colonias and 34% of the colonia population whose water supply and/or sewer system needs will not be met by the TWDB (Ortolano and Carter, 2000).

Many of the 224 Starr County colonias make excellent case studies for unconventional wastewater options out of necessity. While Starr County in its Comprehensive Colonia Study and Plan has identified 164 colonias as having potable water supplies, only 56 currently have adequate, conventional sewage collection and disposal systems (Wilbur Smith Associates, 2000). The median annual household income for Starr County colonias ranges from \$5,000 to \$17,000 (U.S. Census Bureau, 1990), which places them securely among the poorest in the nation and makes them unlikely to own at least one half acre or purchase individual septic systems.

The health threats to colonia residents who live without adequate wastewater systems are severe. Colonia residents exposed to untreated residential sewage discharge are at high risk for acquiring water-borne diseases such as Hepatitis A, giardia, cryptosporidium, and helminthes as well as diseases of the skin caused by contact with raw sewage. Furthermore, standing water and

¹ EDAs are defined as areas in which water supply or wastewater systems do not meet state minimum standards, financial resources are inadequate to provide services to meet those needs and 80% of dwellings in the area were occupied as of June 1, 1989. Affected counties are counties adjacent to the border or with per capita income 25% below the state average income and unemployment rates 25% higher than the norm for the most recent three consecutive years for which statistics were available. The TWDB also does not seek out these areas, county and/or municipal level government or corporate water providers must apply.

cesspools increase the risk of mosquito-borne diseases such as dengue fever and St. Louis encephalitis (Abel, 2000).

Conventional Wastewater Technology

Municipal wastewater treatment facilities are the accepted norm for treating urban wastewater. New facilities can run tens of millions of dollars. Colonias on the outskirts of urban areas often tie into established municipal facilities through conventional gravity collection systems, which are fraught with codes and regulations accrued over the past several decades. These systems are top-heavy, but foolproof, and require no responsibility or maintenance from citizens.

Conventional systems are typically the most expensive wastewater option. They require large diameter PVC wastewater pipe (eight inches), deep trenches and must meet rigorous requirements for level grades and straight alignment. Due to the technical skill and specialized machinery required, conventional collection systems are not good self-help, community organized projects. If a community is not the beneficiary of an EDAP program, they will generally only be able to access this type of technology by appealing to the private water corporation who has a Certificate of Convenience and Necessity (CCN) from the Texas Natural Resource Conservation Commission (TNRCC) for the area to which they pertain.

Septic Systems

Septic systems are the commonly accepted rural standard for wastewater treatment. They are the combination of a double vaulted tank and adequate drain field. If the drain fields are not of sufficient size, the discharged effluent will not be diffused enough to be safely and aerobically decomposed by microbes in the topsoil. State standards dictate that a lot must be at least an acre in size if a water well for drinking water is used in combination with a septic tank. If the household receives city water then only a half-acre is required. According to the County Inspector for Val Verde, Raymond Rivas, septic systems need a large enough drain field irrespective of soil type; however, if the soil is appropriate, a small colonia lot can be engineered to provide an adequate drain field. The reality of the situation is that individual septic tanks are commonly placed on as little as an eighth of an acre on pre-existing colonias in Starr County without re-engineering of the site.

The Reality of Convention

In 1988, 44 percent of colonia residents relied on cesspools and outhouses to dispose of their waste, and 55 percent used septic tanks and drainage fields (Texas Department of Human Services, 1988, cited in Ortolano and Carter, 2000). If planned and maintained properly, a septic system is more than adequate to cover residential wastewater needs; unfortunately septic tanks in colonias are often utilized in soil types and lot sizes generally inappropriate for septic systems. Also, at around \$1,500 apiece, septic tanks and complete septic systems are too expensive for many colonia residents regardless of soil or lot size limitations.

The cheapest way to get rid of one's wastewater is via a cesspool or pit latrine. Cesspools are commonly dug directly underneath mobile homes or to the side of self-help construction in colonias. They are typically single chamber with a checkerboard frame of cinderblocks capable of supporting a cement lid or are simply large holes in the ground covered with plywood. A thick layer of scum will form over the sewage allowing some anaerobic decomposition to take place, as with septic tanks, yet cesspools allow raw sewage to seep from the chamber into the surrounding soil and groundwater as with latrines. Pit latrines and covered cesspools keep sewage out of sight and out of mind; however,

health risks due to groundwater contamination (particularly if water wells are used in the area), disease vectors and children playing in the lot are high.

Alternative Wastewater Technology

Composting Latrines

The cheapest alternative wastewater technology available to colonia residents are composting latrines. There are currently four composting latrines of varying designs that have been tested by the National Sanitation Foundation and are approved for use in the state by the TNRCC. They are most commonly seen in use in state parks. All four designs require regular maintenance and additives to convert human feces into benign matter or fertilizer. The advantages to composting latrines are that they do not harm the environment or pose a health threat. They are low cost, flexible solutions and may produce a commodity in the form of fertilizer. The distinct advantage to composting latrines is that they do not require water. Therefore colonias that are remote or will likely never receive municipal water would benefit from this technology, as other healthful solutions such as septic tanks require ample amounts of water to function. The disadvantages include high maintenance and social stigma. Most colonia residents are working class folks who aspire to be middle class. Latrines of any form connote poverty.

Foreign Technology Appropriate for the Border

The most promising composting toilets uncovered in this research were the *Sistema Integral de Reciclamiento de Desechos Organicos* (SIRDO) units, which are developed and distributed by *Grupo Tecnología Alternativa, S.C.*, a non-profit organization from Mexico City.

- The dry SIRDO unit is a solar composting latrine that processes human excrement in a dual compartment chamber which is used alternatively for the filling and drying phases. It produces biofertilizers free of pathogens and functions without water. This unit does not address gray water. The cost is around \$300 for the small unit which serves up to 10 people. It also comes in a larger, multi-family size that can accommodate up to 30 people (\$400). An added bonus to these prefabricated units is that they are above ground and may be attached directly to the home.
- The family-sized wet SIRDO unit is capable of filtering household gray water and allows for the use of conventional toilets. It can serve up to two families, provides the same biofertilizer as the other versions and costs an estimated \$650.
- The collective wet SIRDO is a biochemical on-site system that decomposes human waste and turns it into fertilizer. It can be used in rural or urban environments and comes in eight size capacities. It allows for the use of conventional toilets as the collective wet version is a system that recycles both black and gray waters. It can serve communities ranging from 120 to 1100 inhabitants. Two SIRDO collective systems built in Mexico in 1990 cost 300 million pesos for a system that serves up to 770 people and 130 million pesos for a system that serves up to 150 inhabitants.

Cluster Constructed Wetlands

Cluster Constructed Wetlands are perhaps a more viable option for a community sewer system precisely because they are already approved by the TNRCC. Once set up they take six months to function. They are virtually maintenance free unless vegetation gets out of hand. They utilize a

series of pools or *lagunas* and the biomass in those bodies of water to clarify the sewage. The main expense for the community would be the engineering of the site, the construction of the ponds and the possibility of having to purchase more land. Another possible drawback to this system would be the unhealthful affects from even minor flooding as many colonias are situated in low-lying areas.

The Creative Use of Septic Systems

More conventional than composting systems, yet less expensive sewage alternatives for colonias with a water supply rely on the creative use of septic tanks. Since septic tanks generally require one-half acre for an adequate drain field and the median colonia lots size is closer to one-quarter of an acre, therefore, subverting individual drain fields makes good sense. This healthful, space-saving and cost-reducing methodology can be accomplished in a number of ways.

- Small Diameter Collection Systems copy conventional wastewater technology, providing the same service at a reduced cost. They accomplish the cost reduction by utilizing small diameter PVC pipe, typically less expensive than large diameter; precluding the need for the expensive manholes required of the Large Diameter conventional systems. Maintenance is preformed through clean-out ports located throughout the system thereby eliminating the need for expensive and complex individual lift stations (relay pumps) to maintain flow of effluent clogged with solids. Each household is required to have a septic tank, though not an individual drain field. The only added maintenance that this system requires is the periodic pumping of the septic tanks every one to five years. Small Diameter Collection Systems also lend themselves well to self-help projects in colonias because they are less technically exacting and require less specialized equipment.
- A Clustered Septic Tank System would link up multiple residences in a colonia to a single, large septic tank. This would make the installation of septic systems affordable to colonia residents as the costs would be shared and the constraints of individual drain fields would be reduced.

Conclusion

Conventional water and wastewater infrastructure along the border may not be in place any time soon for all colonia residents and especially those of resource poor Starr County. It should be noted that many colonia residents are not asking for services to be given to them, standards and minimal levels of servicing are being applied from the outside. The self-build methodologies that characterize colonias have afforded the working poor the ability to gradually accumulate equity, pride and inheritance. After the passing of the Model Subdivision Rules, land in new, fully serviced and regulated colonias is running an unaffordable \$17,000 per lot. Therefore, mixing affordability with adequate water and wastewater infrastructure for all is the true challenge set before Texas—and it will certainly require creativity and alternatives to convention.

References

Ortolano, Leonard and Carter, Nicole, 2000. *Water and Wastewater Infrastructure in Texas Colonias: Evaluating An Assistance Program's Performance.*²

² Paper is still a “working-paper” and has not yet been published. Ortolano is the UPS Foundation Professor of Civil Engineering and Director of the Program on Urban Studies at Stanford University. Carter is a post-doctoral fellow at the Center for U.S. / Mexican Studies at the University of California at San Diego.

Ward, Peter M. 1999. *Colonias and Public Policy in Texas and Mexico*. University of Texas Press: Austin.

Wilbur Smith and Associates. 2000. *Starr County Comprehensive Colonia Study and Plan*. Prepared for Starr County, Texas.

Personal Interviews Contributing to the Report

Abel, Andrea. NAFTA Program Specialist. National Wildlife Federation. Austin, Texas.

Elizondo, Jorge J. Texas Department of Health, Office of Border Health. Laredo, Texas.

Gonzalez, David U. United States Department of Agriculture, Rural Development. Rio Grande City, Texas.

Graham, Jay. Water Engineer. CERM. University of Texas at El Paso

Samuleson, Warren. Texas Natural Resource Conservation Commission. Alternative Technology Engineer. Austin, Texas.

Scheidler, Jane. Texas Natural Resource Conservation Commission. Border Colonias Coordinator. Harlingen, Texas.

Minimum Standard Residential Subdivisions: Good Policy for Homestead Subdivisions?

Jeremiah Carew

Introduction

Colonias in Texas developed in the 1960s, 70s, and 80s in a relatively unregulated planning environment. The well-known result was subdivisions with unsafe public health conditions. In the 90s, Texas greatly strengthened county planning regulations to avoid any further colonia-type development. These new regulations have been successful, for the most part, in stopping new substandard development but anecdotal evidence suggests that subdivisions developed under the new regulations are significantly more expensive than those developed under the more unregulated environment. This paper examines whether there is a middle ground, where we can gain the public health standards of a highly regulated environment but the lower prices associated with a lack of regulation. It will examine whether minimum standard subdivisions can effectively lower costs for serviced lots (i.e., lots provided with water and wastewater service) and whether the associated changes in planning regulations would be good policy.

A minimum standard subdivision reduces the development costs of serviced lots by using relatively remote locations with cheaper raw land costs, lesser site planning standards (unpaved roads, minimum storm drainage), and alternative water and wastewater infrastructure (water hauling by truck, composting toilets, cluster septic tanks). The term, “alternative” means, for the most part, those technologies which are not typically used in the U.S. today. These technologies come from several sources and are “standard” in other places. The major sources for technologies examined in this study were: Literature on infrastructure for developing countries from sources such as the World Bank and UNDP, manuals for small town and rural infrastructure from the EPA, and literature from vendors of sustainable technologies from the U.S. and Europe.

This study examined two border counties in Texas with high numbers of colonias, Hidalgo and Cameron counties. Before describing the study and its results in more detail, it is necessary to provide a little more context. Colonias developed in these two counties due to two major factors: High population growth combined with rapid growth of low-wage jobs. These factors combined to create a large market for a homeownership option affordable to people with low-incomes. This, of course, was the market that colonias met.

It might be that the border economy is maturing, and that colonias were an aberration as the economy matures and personal incomes increase. However, projections from the Texas State Data Center show that population growth for the 1990 to 2020 period will equal the growth from 1960 to 1990 for counties with high numbers of colonias. Personal income projections from the Texas State Comptroller show that personal incomes in the border region are expected to stay behind the rest of the State. All of this is to say, that demand for a homeownership option in a price range similar to a colonia lot is not likely to abate in the near future in the border region. As I expect to see during the workshop, demand for a homeownership option in this price range is actually an increasingly common phenomenon, not only in the border but in many other areas of the country as well.

Methodology

The study had the following principal steps:

- First, it was necessary to combine technologies and standards together into alternative development scenarios which had a reasonably good chance of success. Part of this process was to determine the key criteria for potentially successful scenarios. While this list of criteria is not presented here, it is a helpful starting point for anyone interested in further investigation. Nine alternative development scenarios were chosen and then were tested in each county for a total of 18 scenarios.
- Second, interviews were performed with for-profit developers in the Valley, real estate agents, and non-profit developers to get accurate development costs. Other sources for costs were manufacturers of infrastructure equipment and manuals from the Environmental Protection Agency (EPA) on appropriate technologies for small towns.
- Third, total development costs were calculated for each of the scenarios for each county using the costs found in the previous step. In general these costs are divided into the categories of raw land, site improvements, like lot leveling and storm drainage, water and wastewater capital costs, and soft costs like engineering fees and planning fees.
- Lastly the development cost was converted into a selling price using a series of assumptions that would be typical for a private developer. Briefly, these included selling most of the lots with owner financing at 14% interest and a five-year term and fixing developer profit at 25% of gross sales revenue.

[continues on next page]

Results

The following table summarizes the scenarios and results. In all cases, roads are unpaved and site drainage is minimal using roadside ditches and swales to direct stormwater to those ditches. To provide some context regarding prices, a common selling price for serviced lots today, based on a review of ads and interviews with developers, is in the \$10,000 to \$12,000 range.

Scenario	Water	Wastewater	Hidalgo Cost	Hidalgo Selling Price	Cameron Cost	Cameron Selling Price
1	Tanker truck delivery to individual cisterns	Composting toilet; greywater system	\$5,403	\$8,100	\$6,112	\$9,000
2	Same as 1	VIP latrine or ROEC; greywater system	\$4,955	\$7,300	\$5,664	\$8,400
3	Same as 1	Conventional Septic system	\$6,554	\$9,600	\$11,283	\$16,500
4	Tanker truck delivery to centralized tanks; conventional distribution	Composting toilet; greywater system	\$5,970	\$8,500	\$6,643	\$9,500
5	Conventional water from local service provider	Conventional Septic system	\$7,693	\$11,300	\$12,287	\$18,000
6	Same as 5	Vault and truck disposal; greywater system	\$6,571	\$9,700	\$7,243	\$10,700
7	Same as 5	Cluster septic system	\$4,720	\$6,900	\$6,929	\$10,200
8	Same as 5	Stabilization Ponds	\$4,570	\$6,700	\$5,243	\$7,700
9	Same as 5	Package Plant	\$5,132	\$7,500	\$5,805	\$8,500

Some notes on the scenarios and their reason for inclusion:

- The cost of land is a reflection of service availability: Where there are no services, raw land is inexpensive but expensive to develop. Where there are services, land is more expensive but it is relatively easy to develop. The scenarios encompass both strategies to see if any savings could be extracted. Scenarios 1 through 4 use the inexpensive land approach and scenarios 5 through 9 use the more expensive land near water service approach.

- Options 1 through 4 investigate using a 9,000-gallon tractor-trailer to haul potable water to the isolated subdivision. The capital costs of the truck and the cost of an individual cistern installed on each lot are included in the lot development cost. Option 4 is a variation where the truck hauls water to centralized tanks and water is distributed conventionally.
- Options 1 and 2 investigate the lowest technology approach possible to leave no room for doubt about the minimum lot costs.
- Option 3 is a conventional lot and could be developed today; it served as something of a test for the accuracy of my development cost information.
- Options 8 or 9 use conventional low cost wastewater technology but on the subdivision site. The study did not delve much into the management organization which one would need to operate these facilities and so their inclusion is somewhat tentative.

Some notes on the resulting prices and which scenarios seem to be most successful:

- The price varies widely between counties; Cameron county is almost always more expensive. Cameron County generally has a soil which requires more space and materials for septic fields and so, for scenarios involving septic fields or greywater disposal systems, Cameron is more expensive. Secondly, crushed limestone used in road construction is not available locally in Cameron County making it more expensive which has an impact on all of the scenarios.
- The lowest tech scenarios (options 1 through 4) are fairly inexpensive but there are important downsides. The first is that the operating and maintenance costs of water supplies which involved water hauling are very expensive. Monthly bills for a family of 3.5 are in the \$35 to \$75 range at conventional water usage levels. The second is that there are important community preference issues with even well designed latrine-like structures and composting toilets.
- Cluster septic is an excellent, realistic way to reduce costs for Hidalgo. In general, in Hidalgo County, constructing a septic tank is an inexpensive proposition. What makes it less inexpensive is that the lot must be a minimum of one half acre in size for the drain field and so there are added raw land costs, but more significantly added costs in terms of piping and streets. Cluster septic groups the drain field of up to 70 houses into one very large drainfield and so lot sizes can be quite small. Thus it takes advantage of the low cost of septic in Hidalgo while reducing the lot size constraint.
- For Cameron the best options for consideration are the alternative infrastructure scenarios. However, in contrast to cluster septic, there are significant management issues which I have not considered and these would add costs both to the lot (to form a management entity) and to monthly user fees. On the other hand, these are tried and true wastewater technologies; what is alternative here is that they are being used for a single subdivision.

Policy Implications

The first goal of this study was to determine to what extent minimum standard subdivisions could reduce the price of serviced lots. The answer to that question, in a nutshell, is two to three thousand dollars. The second part of the study is to understand what that savings means; are the savings

significant enough for the State to consider making changes to planning regulations? There are three key points which need to be made when considering this question:

- 1) Although the savings achieved through minimum standards are modest, this reduction in price has a profound effect on affordability. In Cameron and Hidalgo counties, there are large numbers of households with annual incomes of less than \$20,000. When the monthly payment for a \$12,000 lot is compared to the monthly payment for an \$8,000 lot and these payments are converted into minimum annual incomes (using standard assumptions for financing terms), I found that fully one third of households for whom lot ownership was unaffordable at \$12,000 could now afford a lot when it cost \$8,000. The same principles would hold true for any place with population in this income range.
- 2) There are good arguments against lightly changing planning standards. These include:
 - If land is developed using minimum standards or technology without a long lifespan, regulators worry that they will have missed their main opportunity to regulate, which is during the initial development process. It is difficult to hold the developer accountable after the subdivision is built and running.
 - If upgrading is necessary (for e.g., paving roads) at a later date, who will pay for it? It would seem to be inequitable to pay for it out of general county property taxes, because current owners presumably paid for their own paving as part of their lot's purchase price.
 - What kind of management structure would on-site infrastructure have? This is not an insurmountable counterargument, but is one that regulators worry about because the management structure (water supply corporation, water district, etc.) is accountable for problems with the infrastructure.
- 3) There are several other creative ways to find three to four thousand dollars of savings. Some ideas are:
 - Use smaller lots than what is typically used in the border. Development costs are largely a function of lot sizes; not only do raw land costs increase with lot size, but piping for water and wastewater and street construction costs increase as well. A back of the envelope calculation found approximately a 25% decrease in cost when lot sized was halved.
 - Redirect current HUD subsidies, such as HOME funds, to lots rather than fully constructed homes. In one example I observed, a non-profit developer used HOME funds to reduce the price of a \$60,000 home to \$40,000; those \$20,000 could have reduced the price of a lot from \$12,000 to \$8,000 for five families.
 - Create a downpayment assistance program at the state level. Homeownership has important positive externalities; the idea that a one-time subsidy of \$4,000 could bridge the homeownership gap for one family is an enormous bargain in the context of social policy.

Conclusion

In light of the three points above, I think the consideration of alternative standards and technologies is one which should be highly nuanced. Some of these technologies are great opportunities to achieve

savings with few significant downsides. Others, if poorly managed, could be a set-up to create another colonia.

It is important as well, not to lose sight of other reference points: For instance, what is the cost of a Sec. 8 rental subsidy for one family for one year? How else are we spending money to support low-income people and does it make sense to significantly change standards if those subsidies are poorly directed?

What is clear is that however savings are achieved—either through the private market with changes made to planning regulations or with re-directed subsidy—small changes in the selling price of a serviced lot has a profound impact on affordability for this population.

Panel 7. Discussion

Angela C. Stuesse, rapporteur

According to Richard Burnham, John Turner suggests that there are a series of obstacles in front of us that keep people from finding affordable housing. Both presentations in this panel are innovative in their approaches to seek ways around these various obstacles. Discussion focused on three main themes. First, participants considered the specificities, adaptability, and applicability of alternative approaches to physical infrastructure planning for QFHSs across time and place. Second, we discussed advocating for alternatives other than homeownership. Lastly, we tackled a problem specific to Jeremiah Carew's suggestion of offering \$4000 credits to homebuyers in colonias—how can one be sure that developers won't simply raise their land prices accordingly?

Lessons Learned from Alternative Technologies and Approaches

Robert Stevenson's presentation focused on different alternative and low-tech approaches to wastewater disposal that might be employed in QFHSs. Clearly, such alternatives will be more appropriate for certain environments than for others, and keeping in mind local specificities and needs is key in considering their appropriateness in different areas. A number of Robert Stevenson's suggestions rang true with other participants' experiences and knowledge. A few colonias in Arizona have succeeded in developing constructed wetlands to meet their wastewater needs. Lots could be designed with gardening capabilities with which to use gray water, as seen in some parts of the U.S. Northeast. In addition, some NGOs have been considering introducing organic farming as a microenterprise in the colonias of New Mexico—alternative wastewater technologies could be incorporated in such strategies where appropriate. His presentation succeeded in stirring up interest and getting participants to think about how such alternatives might be employed in QFHSs within their geographic areas of interest. The discussion reminded us, however, that generalizations must be sifted according to localized needs and desires. Land costs, development patterns, and climate, for example, vary greatly according to place.

Alternatives to Home Ownership

Throughout the workshop we have assumed that home ownership is strictly a positive phenomenon and an ultimate goal. There are, however, as one participant pointed out, numerous problems surrounding homeownership, and this route is not desirable for all individuals or families. Might we also need to think about affordable tenancy, or rental options? A good number of participants agreed that homeownership is not the only option, and that we should, in addition, consider policies to aid people who choose to rent. Rental options are more viable than ownership options for much of the population, and lifestage and lifestyle are key in this decision.

Increasing Competition among QFHS Developers

If one advocates for offering government-sponsored \$4000 credits to homebuyers in QFHSs in order to make ownership more affordable, how can we ensure that unscrupulous developers won't simply increase their selling price by the same amount? More research needs to be done on this issue, and measures should be taken to decrease the possibilities of this happening. Still, Jeremiah remarks, similar concerns were voiced when the section eight subsidy for rental markets was proposed, and it appears that they did not come to fruition. One key way to avoid such an issue is to increase competition among QFHS developers. This may be achieved through policies that encourage such competition among private developers, or by introducing non-profit agencies into the development industry in order to drive prices down. Finally, more research must be done to learn how much

speculative profit is made by QFHS developers. Jeremiah Carew posits that profits are lower today than in the past, due to increased state regulations.

Considerations such as those outlined above are key in thinking through policy recommendations for physical infrastructure planning. Policy-makers must remember that one of their goals is to increase options for individuals seeking appropriate housing, especially among low-income communities. Michael Ratcliffe made a comment that seems appropriate in concluding this panel discussion. In 1996 he attended a conference on colonias in Austin, Texas. He remembers being inundated as he listened to problems related to these settlements that were virtually inconceivable in the Northeast. Despite the local specifics of these problems, however, he remarked that the solutions (for increasing housing possibilities for low-income folks) coming out of the experiences of Texas colonias continue to provide important, innovative, and generalizable lessons and suggestions that should be considered in other QFHS areas across the United States and beyond.

Panel 7. Panelist Comments

Robert Stevenson

The comments, questions and discussion following this panel were insightful for both Jeremiah Carew and myself. Most of the workshop seemed a refreshing attempt to break away from focusing on purely infrastructure issues when addressing colonias and QFHSs. Even in the identification of colonias, there was a push to place these types of communities in a larger social, political and even ecological context. And the momentum generated from this debate strategy found its way into the discussion of normally straightforward infrastructure issues. While I hope I never lost sight of the larger picture when searching for little loopholes to provide wastewater in a small, underserved corner of America, the whole workshop was a wake-up call to address needs and issues experienced nationwide and avenues for shared solutions that exist.

Constructive discussion relating to infrastructure issues dealt largely with responsibility and accountability and the fact that conceptions of those notions are going to differ with the situation. The double-edged sword of home ownership wherever it can be found was exposed. There are inherent restrictions of non-mobility and financial investment burdens that coincide with ownership that can be contrasted with the opportunities for upgrading and self-help infrastructure initiatives that are also found in QFHSs.

Discussion particular to wastewater issues that I think will have a long-lasting impact on the way I view this issue in the colonias of Texas was a two-way street. Sustainable wastewater project success stories from New Mexico and other areas of the border provide obvious examples for policy in Texas. However the prospect that finding wastewater solutions in arguably the most daunting of situations encountered in our nation, such as those found on the border with Mexico, could have application elsewhere – even in the Northeast was a completely new way of looking at the border. The border becomes an innovator out of necessity—a source of answers instead of only problems.

Jeremiah Carew

Q. If there were increased competition among private developers, wouldn't that tend to avoid large speculative profits and bring prices down?

A. I think there is less speculative profit now than earlier on when colonias were in a gray area legally. In fact, if I were going to recommend to a potential Masters student a topic for a Thesis I would say getting a feel for how prices have changed over the 90s would be a great topic. We don't really know with much certainty what the effect of all the new regulation imposed over the 90s is. Just to give one example, a developer showed me a subdivision which had been developed in three phases. The first phase was developed in the late 80s and lots sold for about \$8000, a second phase was developed and sold in the early 90s and lots were sold for \$10,000, a third phase was being sold in 2000 and lots were going for around \$13,000. Now over that time regulations had changed significantly, for example, in the first phase there was no water and wastewater infrastructure and in the last phase each lot had a septic system installed and a water meter installed as well as higher transaction costs (not contract for deed but warranty deed with a vendor's lien). Obviously the costs to the developer had changed tremendously but lot costs did not totally reflect that change; in fact because these prices are unadjusted for inflation, they increased very little. So, I think to the extent that we can clear up regulations, we lower developer risk, and there is more competition and less speculative profit.

Q. Is homeownership the only goal?

- A. No, that's a good question. We could be thinking about other goals as we re-examine regulations. Parenthetically, let me say that the emphasis on homeownership in my slide was to point out the feasibility of a \$4000 subsidy among policymakers. U.S. housing policy greatly favors homeownership and so a policy which promoted homeownership among the working poor could get a good reception I think. We can do the same analysis, looking over all regulations to see how they might be changed to promote rental affordability. To give you an example: What if we looked at the lot sharing and lot subdivision regulations and made changes there? For instance, let's say you can split your lot up to three times and we design the infrastructure so that it is big enough to handle the eventual population. That might be a strategy to allow rental as well as make lots more affordable. For instance, if the original lot costs \$18,000 a family might buy it and split it immediately (bringing their cost down to say \$12,000) then they might establish a rental unit on the part of the lot that remains theirs.
- Q. Secretary Martinez is promoting his American Dream initiative which includes downpayment assistance for families buying homes. HUD thinks this area is important too.
- A. This is good news. I know that downpayment assistance programs exist so someone has figured out ways to make a \$4000 subsidy such as what I am proposing work. I don't know how the details of the existing programs work though.
- Q. John Turner talked about making housing affordable as being a process of finding low parts of the fence, holes in the fence and then showing people the way across. Could tax abatements be another tool to help bring serviced lot prices down? For instance, there could be a tax abatement on a purchased lot while you are saving money to build your house on it; this could speed up the process of building. On the other hand, higher taxes on large parcels could help avoid investors holding their land off the market; a greater supply of raw land could help bring total prices down.
- A. Yes, I agree, tax policy is exactly the kind of tool I am talking about as being needed to examine before we resort to serious changes in planning standards (i.e., unpaved roads, minimal storm drainage, potentially problematic water/wastewater). On the second abatement you are talking about, I am not sure: I did not find that raw land costs were a huge percentage of overall serviced lot cost; maybe 25%. This implies that major changes to the supply of land and better raw land costs might not have the impact we are hoping for. On the other hand, development costs vary enormously from place to place; even looking at two adjacent counties I found huge differences.
- Q. I was very interested in these presentations; I am thinking about them in the context of where I live in Prince George's County in Maryland. Alternative infrastructure may be a real option for making homeownership affordable for the working poor.
- A. Although my results point toward the conclusion that price reductions are modest and that it may make more sense to find other ways to make these sorts of gains in affordability, that might not be true for other parts of the country. As I said, development costs vary hugely by place and so alternative infrastructure might have a greater impact in other places. My main point here is that, considering the amount of savings that my research found and the list of other options which could increase affordability (subsidy, building codes, tax policy, subdivision and lot sharing restrictions, minimum lot size restrictions) I think we should look at minimum standards last. Again these standards are really closely tied to public goods which we normally are willing to subsidize, such as public health, safety, and education.
- Q. Would cheaper lots (through minimum standards, subsidy) mean that more people would buy and not be able to afford the housing immediately resulting in more absentee lot holders?
- A. To get my minimum incomes to purchase a lot at \$8000 and \$12,000, I assumed that families could dedicate up to 15% of their income to the purchase with the other 15% to be used for housing. Now in fact, usually housing is more expensive than the lot so maybe I should have

used 10%. But in the real world there will be people dedicating 30 or 50% of their income to buy a lot and others for whom it represents 5%. The fact that people's plans for the lot and portions of income will vary greatly I think is the same whether the lot costs \$8000 or \$12,000. I don't think that it would have a great impact on decisions of whether to occupy quickly or not.

- Q. To what extent would a subsidy cause developers simply to ratchet up their prices in step with the subsidy? It would depend on the extent to which there existed competition in that area; if there were little competition between developers or only one or two developers serving a market, than that could conceivably happen.
- A. When HUD instituted the Sec. 8 program in the early 1970s, they did it first on a trial basis because the argument against it was precisely that one: Apartment owners would raise rents in accordance with the greater demand for rents in that range. What they found when they examined data from the trial was that there was very little evidence that that was happening. I think most explained what they saw by saying that the number of vouchers was very low compared to the metropolitan housing market and so did not have an impact. The other example which gives me confidence is that, to some extent, the government already has a similar type of program (at least in effect if not in intent): The tax returns families receive in the spring. It is common that many people will use the tax return as a downpayment for some kind of home purchase and, I don't think, housing or lot prices go up accordingly.

**Policy Priorities.
Pushing the Envelope on QFHSs
and Self Help Housing in the U.S.**

Priorities for Pushing the Policy Envelope on QFHSs and Self-Help Housing in the U.S.

The priorities and recommendations listed below represent participants' thoughts on policy implications related to QFHSs, colonias, and self-help housing in the U.S. in the final discussion session of the workshop. After two intensive days of presentations, debate, and discussion represented in the body of this *Memoria*, Peter Ward asked participants to identify, in turn, one major point or policy recommendation arising from what s/he had heard during our deliberations. Allegra Calder typed these responses directly onto an overhead screen, and the list developed cumulatively as we went around the room two or three times. Thus, everyone offered suggestions about the implications, obstacles, and opportunities for researchers and policy-makers concerned with issues of QFHSs and self-help housing across the United States.

These priority issues and proposals are organized below by categories that we drew up after the meeting, and include: 1) Recommendations that would make current policies operate more smoothly or efficiently; 2) Insights about important ways to change current modes of thinking around the issue of colonias/QFHSs; 3) Directions for further policy-oriented research; and 4) Priorities for new directions in policies that might specifically affect populations that live in QFHSs.

The organization of the following points was undertaken after the workshop by the editors of this *Memoria*, and we invite readers to contribute their own thoughts and recommendations, in anticipation that a broader and more in-depth discussion of the policy issues facing QFHSs, colonias, and self-help housing initiatives across the U.S. might emerge.

1) Making Current Policies Operate More Smoothly and Efficiently

- Address issues of noncompliance and/or selective enforcement of current QFHS-related legislation.
- Be willing to accept “fuzzy” definitions— i.e., those that are imprecise or that represent more than one reality at the same time. For example, places are often neither strictly “rural” nor “urban”, but can be both at the same time. While this makes classification difficult, “fuzziness” often more accurately reflects reality than do hard-and-fast categories that may, sometimes unwittingly, exclude a significant portion of QFHSs from consideration for inclusion in institutional funding.
- Develop a more nuanced understanding of the variations in QFHSs might allow authorities to better address the needs of QFHS residents.
- Learn from the past as well as from less developed country counterparts such as Mexico. Previous traditions of self-help, especially those fostered by the private sector, might offer important opportunities for contemporary joint (public and private) ventures.
- “Relax” standards (albeit temporarily) where this will significantly improve low-income household’s ability to consolidate their dwelling environment. As a corollary, develop alternative technology approaches that are cheaper and/or more in tune with people’s capacity to resolve housing needs, especially those associated with drainage and waste removal.

2) *Changing Our Ways of Thinking about Colonias and QFHSs*

a) Definitions/Terminology

- Recognize that there are important historical continuities in self-help practices in the United States during the 20th Century, and that different conjunctures have fostered both formal and informal adoption of self-build.
- There is a need for clearer definitions, terminology and geographic classification in order to enhance data collection and understanding of the subject under study.
- Perhaps we should dispense with the term “colonias” if the goal is to expand the region under discussion and get policy-makers and others to recognize QFHSs as a much broader phenomenon.
- Alternatively, the term “colonias” might be usefully retained, but used to refer to the particular *type* of QFHS found in the U.S.-Mexico border region. In this case, we might see QFHS as a broader “umbrella” type of terminology that can be used to encompass many other more regionally specific types of similar communities.
- Any new definition must acknowledge social and cultural residential arrangements, *and not just focus upon extant needs* (levels of deprivation, service wants, etc.).
- Encourage agency willingness to consider new definitions—such as HUD’s reevaluation of the definition of “homeless” to include farmworkers—a similar re-evaluation of “colonias” would be helpful.
- An important component in formulating new definitions will be the creation of appropriate methodologies and tools for identifying and measuring QFHSs. There is a need to combine intellectual imagination with new methods of data collection and analysis in order to facilitate accurate depictions of reality using tools such as the Census, GIS, Remote Sensing, etc.

b) Contextualizing in Order to See the Big Picture

(in terms of relevant policy arenas as well as geographically)

- Recognition that “colonias” should be placed within a wider policy context, as they are affected by decisions regarding land-use policy, affordability and housing options, smart growth, environmental justice, etc.
- Focus special attention upon the intersections between low wages and low marketable skills and the conditions of land regulation that lead to the production and development of QFHSs.
- Recognize and “see” QFHSs as a rational and potentially replicable housing policy—one that is not only a “border issue”, but that exists and is expanding across the country.
- Concurrently, recognize that the degree of poverty in the border region and other pockets is palpably more intense and more generalized, such that this area should continue to be accorded priority (but not exclusively so).

c) Attitudinal Changes

- There is an urgent need to promote policy that is both *positive* and *proactive* towards colonias—one that promotes empowerment and builds community and opportunity within the QFHSs themselves, rather than policies that are predicated upon passive reception and dependency of the “beneficiaries”.
- There is a need to develop policy that allows for and may promote diversity, particularly when in residential and dwelling arrangements, and in the opportunities for creating microenterprise activities *within* QFHSs.
- Recognizing formal housing affordability constraints and how these are overcome or reduced through the production of QFHSs, may allow policy makers to better understand QFHSs as rational responses made by would-be home owners who are otherwise excluded from the formal housing ownership market.

d) Overlooked Realities

- Policy makers need to be more sensitive to gender issues generally, and to the fact that many community activists and organizers in the border region are women from the colonias. Sensitivity to gender dynamics at the household and settlement level, together with greater institutional recognition of gender in day-to-day dealings and in policy development is crucial. Currently, few in the U.S. analyze housing from a gendered perspective.
- It is likely that there are parallel needs of policy development: one for those QFHSs already in existence, and another for those that are presently developing (or will develop in the future). Policies will often be interconnected, but many of the details are likely to differ, as are the institutional and legal environments.

3) Implications and Directions for Further Research

a) Unanswered Research Questions

- It is essential that continue to collect data in order to further understand the phenomenon of QFHSs, particularly if the claim is to be sustained that this is a wider issue that goes beyond the border.
- How “rational” is buying into a QFHS for different members’ of the household over a longer time horizon? For example, because many QFHS residents live well beyond on the outskirts of urban areas and must commute long distances to work, such that the cost of living in a QFHS could increase significantly with a dramatic rise in oil prices. Is QFHS living rational for women who might be left at home without a form of transportation? How are household budgets organized? How far are children prejudiced in learning outside of the school environment?
- How do colonias residents perceive their communities, in both physical and non-physical terms? What is the “meaning” of ownership, and how are the resources of physical capital (in the home) mobilized?
- What are the opportunities for multi-family housing in QFHSs? Are there rental dwellings? What other forms of multi-family housing exist (especially sharing) and how are such processes

affected by existing policy measures?

- How widespread is “informality” in QFHSs?—specifically in dwelling construction; financing home improvements; beyond code elements; citizen and residential status; unregulated employment patterns; illegal environmental practices, etc.

b) Develop Evaluation Techniques for Policy Measures

- It is important to evaluate public and private costs and benefits of QFHS production across different timeframes.
- We should construct methods for evaluation in order to measure the effects and outcomes of policies and programs over time. This would especially aid us in recognizing some of the unintended consequences of policy decisions. Furthermore, the spatial framework needs to be extended horizontally in order to compare the effect of policies across states and cities.

c) Strategies to Reach/Attract the Interest of Policy-Makers

- Policy-minded researchers need to be aggressive in developing political strategies that will enhance their capacity to take projects forward. What is the best way forward? Who are the primary actors that we need to reach?
- How to “create headlines” about QFHSs that will attract policy makers’ attention? A good way might be to connect arguments to existing discourse; such as discussions on predatory lending, or contract for deed.

4) *New Directions for Policy*

a) Rethink and Reduce Restrictions

- Development of special code and tax provisions could enhance self-build housing on land seen as strictly “rural and agricultural”.
- What can be learned from other countries’ experiences? In the U.K. there are no subdivision controls. Instead, density controls are derived from fire regulations and high densities are achieved. Perhaps, therefore, we need to minimize regulations.
- Colonias are a logical response to existing conditions. Therefore consider the application of “social interest development zones” (similar to the PREZEIS in Brazil’s Recife Metro Area), that offer a time lag for QFHS residents to get up to code, and avoid Catch 22 clauses that require certain levels of standards before assistance can be leveraged for home and community improvement. In other words, it is desirable to promote policies that embrace “progressive realization” over time.

b) Increase Housing Affordability for Low-Income Families in QFHSs

- By recognizing QFHSs as rational responses to a lack of affordable housing, instead of seeking to “curb” their growth, it is necessary to promote QFHSs as a viable option for low-income workers with few homeownership opportunities.

- Explore mechanisms for offering transportation subsidies to QFHSs for residents, either by increasing access to public transportation or supports for private transportation, as ways of making QFHS living more affordable.
- Informality, while offering affordability, is also expensive. Thus, explore ways in which greater regulation might drive costs down.
- Analyze policy options that would allow for multiple or mixed uses of land in QFHSs, thereby enhancing the productive use of land and residence as means to increase affordability (World Bank “urban productivity” idea). For example, families that can build multiple homes on their lots, rent out a room, or develop a business on their property will be able to use their investment as a means for rent seeking opportunities and enhance the chance of making ends meet.

c) Cultivate Networks of Stakeholder People and Organizations

- Stakeholder involvement is imperative in setting the priorities for QFHS legislation, such that residents and community leaders need to be actively engaged in policy discussions.
- Policymaking and implementation procedures should be tied to local governance opportunities. This could include need for communities to sign-off on any interventions that are below code or imply temporary lower standards.
- Develop “one-place service delivery points” in colonias in order to minimize the social costs of leveraging external supports.
- Encourage policies that will allow residents of QFHS to enhance their assets and income earning capacities.
- Develop policies that enhance the possibility of using local construction materials and recycled materials.

d) Broaden the Scope and Networks of Interested Parties and Stakeholders:

- Researchers and policy-makers should seek to develop identification and intervention of nonprofit networks linked to the issues of homestead subdivisions at the broader level. *Inter alia* these could include key players (in the technical assistance arena) such as: HAC; Association of Cities and Counties; Council of Mayors; Border Governor’s Association; RCAC; Enterprise Foundation; Neighborhood Reinvestment Corporation; HUD; Empowerment Zones; Cooperative Housing Foundation; the media; and National Association of Retail Lumber Dealers (DIY).
- Develop a new colonias and QFHS web page that would make U.S. Census Bureau and others’ data available for use by both residents and other interested actors. Such a data repository would be useful in many respects—research, thinking through policy implications, education, funding for QFHS related projects, etc.

PMW and ACS, December 2001

Participant Contact Information

Richard Burnham

Architect and Planner
Burnham Architecture and Design
234 West Street
Cummington, MA 01026
Phone: 413/634-5583
E-mail: burnharch@aol.com

Allegra Calder

Research Assistant
Lincoln Institute of Land Policy
113 Brattle Street
Cambridge, MA 02138
Phone: 617/661-3016x154
Fax: 617/661-7235
E-mail: acalder@lincolninst.edu

Jeremiah Carew

Consultant
PricewaterhouseCoopers
Management Consulting Services
6407 Birchleigh Circle
Alexandria, VA 22315
Phone: 703/921-5522
Fax: 703/741-1433
E-mail: jeremiah.carew@us.pwcglobal.com

Kelley A. Crews-Meyer

Assistant Professor; Director, Computing
Systems
University of Texas, Austin
Department of Geography
210 W. 24th, #334
Mailcode A3100
Austin, TX 78712-1098
Phone: 512/232-5909
Fax: 512/471-5049
E-mail: kacm@mail.utexas.edu

Surabhi Dabir

Special Projects Assistant
Housing Assistance Council
1025 Vermont Avenue, NW
Suite 606
Washington, DC 20912
Phone: 202/842-8600
Fax: 202/347-3441

Hemalata Dandekar

Professor of Urban Planning
University of Michigan
College of Architecture & Urban Planning
2000 Bonisteel Boulevard
Ann Arbor, MI 48109-2069
Phone: 734/763-1114
Fax: 734/763-2322
E-mail: hema@umich.edu

Rebecca Dolhinow

Ph.D Candidate
University of California, Berkeley
Department of Geography
McCone Hall #4740
3105 College Avenue, #3
Berkeley, CA 94705
Phone: 510/653-1750
Fax: 510/642-3370
E-mail: rebeccad@socrates.berkeley.edu

Angela Donelson

Community Builder
U.S. Dept. of HUD
160 N. Stone
Tucson, AZ 85701
Phone: 520/670-6237 x227
Fax: 520/670-6207
E-mail: angela_j._donelson@HUD.gov

Ann Forsyth

Associate Professor of Urban Planning
Harvard Design School
48 Quincy Street
Cambridge, MA 02138-3000
Phone: 617/496-4342
Fax: 617/496-1292
E-mail: forsyth@gsd.harvard.edu

Roz Greenstein

Senior Fellow/Cochairman, Dept. of Planning
and Development
Lincoln Institute of Land Policy
113 Brattle Street
Cambridge, MA 02138
Phone: 617/661-3016x147
Fax: 617/661-7235
E-mail: rgreenstein@lincolninst.edu

Richard Harris

Professor
McMaster University
School of Geography and Geology
Burke Science Building, Room 311
1280 Main Street, W.
Hamilton, Ontario, Canada L8S 4K1
Phone: 905/525-9140, x27216
Fax: 905/546-0463
E-mail: harrisr@mcmaster.ca

Esperanza Holguin

Program Specialist, SW Border Colonias
& Farmworkers Initiative
U.S. Dept. of HUD
Office of Departmental Operations and
Coordination
2507 N. Telshor Boulevard, Suite C-3
Las Cruces, NM 88011
Phone: 505/521-0050
Fax: 505/521-3905
E-mail: esperanza_A._Holguin@HUD.gov

Robert Home

Reader in Planning
University of East London
School of Engineering
Longbridge Road
Dagenham, Essex, RM8 2AS
Phone: 44/20-8223-2504
Fax: 44/20-7241-0582
E-mail: r.k.home@uel.ac.uk

Laura Huntoon

University of Arizona
School of Planning
Post Office Box 210075
Tucson, AZ 85721-0075
Phone: 520/623-2355
Fax: 520/623-1223
E-mail: huntoon@u.arizona.edu

Robert Koulish

Assistant Professor Political Science
Bentley College
Department of Behavioral and Political
Sciences
175 Forest Street
Waltham, MA 04254
E-mail: rkoulish@bentley.edu

Rebecca Lightsey

Colonia Project Director
Community Resource Group
512 E. Riverside, Suite 211
Austin, TX 78704
Phone: 512/443-2811
Fax: 512/804-1634
E-mail: rlightsey@att.net

Marlynn May

Research Professor and Distinguished
Lecturer
Texas A&M University
Landscape Architecture & Urban Planning
CHUD MS3137
College Station, TX 77843
Phone: 978/458-1328
Fax: 979/862-3174
E-mail: maym@unix.tamu.edu

Ayse Pamuk

Assistant Professor
San Francisco State University
Urban Studies
263 HSS, College of Behavioral & Social
Sciences
1600 Holloway Avenue
San Francisco, CA 94132-4155
Phone: 415/338-7045
Fax: 415/338-2391
E-mail: pamuk@sfsu.edu

Michael Ratcliffe

Geographer
United States Census Bureau
Population Division
4700 Silver Hill Road, Mail Stop 8800
Washington, DC 20233
Phone: 301/457-2419
Fax: 301/457-2481
E-mail: michael.r.ratcliffe@census.gov

Robert A. Stevenson

Graduate Student
University of Texas at Austin
LBJ School of Public Affairs
1421 Yorkshire Drive
Austin, TX 78723
Phone: 512/453-5033
E-mail: robbstevenson@hotmail.com

Angela C. Stuesse

Doctoral Student
University of Texas at Austin
Anthropology
1301 East 30th Street
Austin, TX 78722
Phone: 512/478-3442
E-mail: astuesse@mail.utexas.edu

Peter Ward

C.B. Smith Sr. Centennial Chair in US-
Mexico Relations
LBJ School of Public Affairs
University of Texas at Austin
P.O. Box Y
Austin, TX 78713-8925
Phone: 512/471-6302
Fax: 512/471-1835
E-mail: peter.ward@mail.utexas.edu

Workshop Program



**IRREGULAR SETTLEMENT AND SELF-HELP HOUSING
IN THE UNITED STATES**

September 21-22, 2001
Cambridge, Massachusetts

AGENDA

Friday, September 21, 2001: Colonia and Homestead Land Markets and Analysis

8:30 am Sign-in/Continental Breakfast

9:00 **Introductions**

- Roz Greenstein – Welcome to the Lincoln Institute
- Peter Ward -- The Challenge of Colonias and Homestead Subdivisions

9:20 **Historical and Comparative Analysis**

- Richard Harris: “Irregular Settlement and Government Policy in North America in the Twentieth Century.”
- Robert Home: “Negotiating Security of Tenure for Peri-Urban Settlement: Traveller-Gypsies and the Planning System in the United Kingdom”
- Jane Larson: “Informality, Illegality, and Inequality”
- Rebecca Dolhinow: “When the Global Becomes Local: Colonia Development and the Social Reproduction of Labor on the Border”

Issues here are: the historical precedents for self-help type solutions in North America and LDCs; comparative experiences in developing planning law and legislation towards such settlements and similar counterparts; what should the U.S. be learning from other comparative policy making experiences and best practices; the impact of globalization upon labor markets and access to low income housing; the structural and regional aspects of poverty; immigration, mobility and transnational communities

11:00 Break

11:15 **Colonias, Homestead Subdivisions and Land Market Dynamics in the U.S.**

- Peter Ward, Robert Stevenson and Angela Stuesse: “Dysfunctional Land Markets in Colonias and Quasi-Formal Homesteads in Texas – A Wider Problem?”
- Laura Huntoon and Barbara Becker: “Colonias in Arizona: A Changing Definition with Changing Location”
- Angela Donelson and Esperanza Holguin: “Homestead Subdivision/Colonias and Land Market Dynamics in Arizona and New Mexico”

The aims here are to outline the various types of colonia and QFHS that exist; how they develop; the dynamics of their development; land market performance; the emergence of public awareness and legislative responses, etc...

1:15 pm Lunch

2:30 **Methodological Issues (Data Collection; GIS/Remote Sensing; Primary Data)**

- Michael Ratcliffe: “Identification of Colonia-type Settlements in Census 2000”
- Ayse Pamuk: “Informality in San Francisco and Census Data Analysis”
- Kelley Crews-Meyer: “Detection of Quasi-Formal Homestead Divisions (QFHSs) via Remote Sensing/Geographic Information Systems Analysis”

What data exist and how can these be accessed? What are the most appropriate methods for gathering information? What data handling problems occur with marginal or possibly “invisible” populations? How far can GIS and remote sensing assist in the identification of such subdivisions; what are the mechanisms for developing a national inventory...

4:15 Break

4:30 **Self-help and Self-Managed Housing Production and Trajectories**

- Richard Burnham: “Housing Modes, Impediments, & Opportunities”
- Peter Ward: “Self-Help and Self-Managed Housing -- à la Americana”

How do people cater to themselves and fulfill their housing needs over time; what are the principal types of housing that exist in QFHSs; what is the role of the self-help and how can it be enhanced; what alternative formal housing options exist; what is affordable to whom? How do people finance informal housing? What are the intra-lot household arrangements and sharing opportunities?

7:00 Cocktails

7:30 Dinner at Harvard Faculty Club, 20 Quincy Street, Cambridge

Saturday, September 21, 2001 - Policy and Regulation Issues
--

8:30 am Continental Breakfast

9:00 **Social Infrastructure in Colonias: Reinforcing Social Capital?**

- Angela Stuesse: “Lessons Learned from Community-Based Organizing in El Cenizo: Strategies for Claiming Rights and Resources in a Texas Colonia”
- Marlynn May & Robert Koulisch: “Building Colonias Land Policy from the Inside Out”
- Espy Holguin & Angela Donelson: “Social Infrastructure in Colonias in Arizona and New Mexico”

How are QFHSs organized internally; what formal and informal social infrastructures exist; how are households organized and what is the nature of intra-settlement social organization and interaction? How much social capital exists and how is this enhanced or deformed by policy? What are the policy making opportunities are priorities in such settlements; what is the role of NGOs; leadership and organization, etc...

11:00 Break

11:15 **Appropriate Financing and Land Title Programs**

- Hemalata Dandekar and Surabhi Dabir: “Innovating Financing Strategies for Affordable, Self-Help Housing in Rural Areas of the USA”
- Rebecca Lightsey: “Texas State Government Policies on Colonias: The Challenges of Addressing Divergent Policy Goals”

Existing housing finance schemes for formal and informal homesteading; small loans and micro credits; collateral systems; income earning among low-income households; land title problems; regularization needs and strategies; legislation to protect low income purchasers; taxation policy; organizational systems for regularization.

1:00 pm Lunch Lunchtime speaker: Ann Forsyth will open a conversation about the issues of urban sprawl and whether QFHSs represent a meta-sprawl

2:00 **Physical Infrastructure Planning for Homestead Subdivisions**

- Robert Stevenson: “Alternatives to Convention”
- Jeremiah Carew: “Minimum Standard Residential Subdivisions: Good Policy for Homestead Subdivisions?”

Principal servicing needs and how met; appropriate technology; minimum standards; site and service type alternatives; the role and effectiveness of public policy in regulation and in provision; the costs of servicing provision and affordability; best practices and worst practices; appropriate codes and their implementation...

3:30 Break

4:00-5:00 **Discussion: Priorities for Regulation & and Public Policy**

- Wrap-up and Post-Workshop Publication Plans

5:30 Adjourn