



Urban LandMark

making urban land markets work for the poor

URBAN LANDMARK SPONSORS SIX STUDENTS AS PART OF ITS PROFESSIONAL DEVELOPMENT PROGRAMME

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Editor: Denise Buiten

Urban LandMark has funded six students to undertake a six month Certificate Programme in Housing Policy Development and Management in 2008. The course is offered at the Graduate School of Public Development and Management (P&DM) at Wits University. Urban LandMark’s contribution to the funding and presentation of the course forms part of its Professional Development Programme, aimed at developing professional capacity among government and civil society organisations towards the advancement of effective land markets for the poor.

“[The course] is challenging and forces a person to explore new horizons rather than remain stagnant in one particular field.” (P&DM course student)

As part of its input, Urban LandMark also presented the second module on the 12th and 13th of March 2008, drawing closely on case studies to exemplify key issues around land as a commodity, integrated land planning and administration, and the creation of urban land markets that work for the poor. The course has been designed to address capacity issues through developing skills among a range of

News: The Urban Land Markets Programme is glad to announce that it has received an extension to continue its work through to March 2011. The UK Department for International Development (DFID) for Southern Africa has awarded funds for the continuation of work on urban land markets for the poor. We look forward to keeping you informed of upcoming events.

Events: In April 2008, the Development Action Group (DAG), funded by Urban LandMark, will present a training course aimed at developing skills and knowledge among government officials, particularly at local level. The course will centre on the limitations and requirements of value capture as a tool to generate resources and to manage land effectively, specifically in the context of the need to make more land available to low-income groups.

actors in the housing sector in accordance with recent changes to South Africa’s housing policy. The Department of Housing’s 2004 document, “Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements”, has required that housing education be enhanced to meet the new demands and challenges faced by role players in the housing sector. As such, the course aims to develop capacity among individuals to effectively understand and implement the country’s housing goal of developing sustainable human settlements.

“It’s helpful to understand the dynamics and constraints that everyone in their different departments are facing.” (P&DM course student)

This includes course work focused on understanding the nature of housing demand, particularly in the context of integrated delivery, as well as the achievement of equitable, efficient, accountable and transparent housing administration. The links between policy formulation and legal or regulatory issues, as well as planning and budgeting dimensions, are also explored.

LOCAL NEWS

“IT’S LIFE, I BORROWED IT”: HOLDING AND TRADING INFORMAL LAND BY THE POOR

In a recent issue of the Mail & Guardian (8 February, 2008), researcher Colin Marx in conjunction with Urban LandMark’s director Mark Napier reflected on emerging research regarding the ways in which the poor hold and trade land. The article points to the tenuous nature of informal accommodation in the context of the great need for - and role of - informal land tenure in urban areas. For many, informal land tenure is the only short-term security net to prevent homelessness. As articulated by Sibongile (not her real name), a woman in Ekurhuleni who recently lost her job, supports three young children and resides in the informal settlement of Somalia, “It’s life, I borrowed it”.



The authors highlight the gap that often emerges between the relative bluntness of interventions framed by national housing policy and the diverse lived realities and strategies employed by the poor in South Africa. In response to the limitations posed by legal and institutional mechanisms to address land access needs, the poor continue to carve out “extra-legal” solutions for themselves.

Recent research suggests that these informal strategies offer much needed short-term respite, but importantly do not provide the necessary tenure security

needed to generate wealth and break the cycle of poverty.

“The creativity and the diverse social identities people create through transactions are in stark contrast to the relative bluntness of interventions framed in terms of national housing policy.”
(Mail & Guardian, 8 February 2008)

Recent research findings published by Urban LandMark suggest that in order for urban land markets to work for the people, formal policies and strategies first need to recognise the role and benefits of informal land transactions already taking place. For instance, the research highlights the importance of social networks in shaping informal land markets, as well as the dynamism of land transactions in informal settlements, which are comparable in scale to those in growing formal property markets.

The perception that informal land transactions are disorganised is also challenged by the research, which indicates the careful and complex calculations that go into informal transactions, the parameters of which go beyond simple monetary profit. In addition, effective policies and strategies will need to recognise the role played by informal land markets in broader urban land markets, even if the linkages are unequal and irregular.

The authors assert that understanding the nature of informal land transactions and their relationship to the formal market is therefore key towards the development of urban land markets that can work for the poor.

(Mail & Guardian, 8 February 2008)

RULING TO HALT JO’BURG EVICTIONS STIRS UP MIXED REACTIONS

Following a Constitutional Court ruling in February to bar the Johannesburg municipality from evicting occupants from unsafe buildings, property owners are raising concerns over the impact this could have on the market. While some conceded they “understood” the court decision, they warned that the ruling could slow down property development in the city. They also expressed concern that the ruling could lead to a spate of illegal occupations of buildings, and that the incentive to fast-track the refurbishment of unsafe buildings would be diminished.



www.lonelyplanet.com

Trafalgar Property Managers director, Andrew Schaefer, asserted: “we are likely to see the city get much slower in addressing the issue of unsafe buildings”. Mike Bester, chief executive of the Realty International Property Group, instead highlighted the need for property owners to ensure first that illegal occupants did not enter unsafe buildings, noting that “the ruling is more of a humanitarian move”. He said that the city should not be able to “just throw [people out] on the streets”. City Spokesperson Nthatisé Modingoane also indicated that he thought “the judgment is beneficial to the city’s urban regeneration programmes”.

(City Press, 23 February 2008)

LOCAL NEWS

DELFT EVICTIONS SPARK RESISTANCE AND PROMISES OF LEGAL ACTION

Shack dwellers and backyard tenants who were evicted from partially completed houses in Delft on the 19th February 2008, as part of the government's N2 Gateway housing project, have sworn to continue their legal battle. Armed police forcibly removed more than 1000 residents from the houses in Delft Symphony following a Cape High Court order. Violence broke out when police fired rubber bullets at people trying to wrest their possessions from trucks delivering them to the depot of the sheriff of Blackheath. According to Business Day (21 February, 2008), seven people were injured and several arrests were made.

"The standoff between the residents and police erupted in violence when police fired rubber bullets at angry people trying to wrest away some of their possessions"
(Business Day, 21 February 2008)

Now evicted residents are set to challenge the manner in which housing allocation has been applied by the Cape Town city council and the Western Cape provincial government. William Booth, the attorney acting for those who had occupied the houses, said that mediation over the situation between residents, the city and the province had been called for. He also noted that the situation had been "an event waiting to happen" following long waits of up to twenty years by residents on the housing list, and poor communication with residents regarding the status quo of their requests for housing.

The Cape Times (21 February, 2008) has also reported that the South African Human Rights Commission (SAHRC) was to visit Delft

during the week following the evictions to investigate whether the rights of the people living in the houses evicted had been violated.

(Business Day, 21 February 2008 & Cape Times, 21 February 2008)



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IS SLUM ERADICATION REALLY THE WAY TO GO?

As opposition parties challenged Gauteng Premier Shilowa on his 2006 promise to formalise all informal settlements by 2009 and eradicate them by 2014, some planners and development activists are debating the wisdom of the strategy of slum eradication. The DA's Kate Lorimer struck out at Shilowa for making promises to eradicate all informal settlements by 2014, saying that he had backtracked on his commitment to do so. Premier Shilowa's spokesperson, Simon Zwane, has however clarified that the government's goal was to eradicate those informal settlements that had been identified in 2004.

In the meantime, debates were held in Stellenbosch on the question of slum eradication. Moegsien Hendricks of the Development Action Group (DAG), in addressing the public debate that marked the launch of the University of Cape Town's African Centre for Cities, asserted that perspectives on the issue needed to be changed. Government's policy of slum eradication reflects prevailing attitudes towards infor-

mal settlements, which are often skewed. Hendricks argued that government's determination to destroy as many shacks as possible and build as many houses as possible had a number of negative consequences. He pointed out that assumptions that all shacks are dirty, undesirable and unhealthy led to a failure to understand the nature and role of informal settlements, and would "undermine the poor's survival strategies". Instead, a deeper understanding of what informal settlements mean to the people who live in them is needed to shape an appropriate policy response.

"Government's headlong determination to build as many houses as possible and to destroy as many shacks as they can has a range of negative consequences."
(Sunday Independent, 17 February 2008)

For example, concerns have been raised around the quality and size of units being built by government. They may perpetuate the creation of even more wood and zinc units to extend them. Pointing to the enormity of the task government has set itself in its housing programme in the context of limited resources, director of the African Centre for Cities Professor Edgar Pieterse urged scholars and activists to reconsider whether building houses was the best allocation of resources, and to consider support for upgrading informal settlements. This would require people to challenge their perceptions of informal settlements.

(Business Day, 26 February 2008; Cape Argus, 20 February 2008 & Sunday Independent, 17 February 2008)

INTERNATIONAL NEWS

COULD AGING “BABY-BOOMERS” RADICALLY ALTER THE U.S. PROPERTY MARKET?

A new study has revealed that a huge “generational housing bubble” may lie in wait for the United States. According to the study, undertaken by two researchers from the University of Southern California, this housing bubble will be accelerated by the very same post-war “baby boomers” who have been climbing the property ladder and raising housing prices through demand since 1970. An estimated 78 million “baby boomers” - born during the surge of fertility rates in post-war America - are on the verge of their twilight years that will see them converting, primarily, from buyers to sellers.

“Folks who were born from 1946 to 1964 will continue to dominate the housing market, just as they have throughout their adult lives and just as they have like no generation before them”
(Orlando Sentinel, 17 February 2008)

Researchers noted that “the baby-boom generation was born over a period of 18 years, and once its sell-off commences, it could dominate the housing market for up to two decades”. This shift towards falling house prices, according to researchers, could come soon after 2010.

However, some market commentators are skeptical that the dire portrait painted by researchers Dowell Myers and SungHo Ryu will materialize, pointing to previous forecasts of this kind that had proven empty. One economist recently went as far as to lambaste their projection as “one of the worst forecasts in the history of mankind”. However, Myers and Ryu maintain

that significant shifts are due in the near future as a result of age-related market changes, and point to the historical relationship between age and housing demand, with homeownership traditionally rising with age and peaking after 65. They predict that the ratio of those aged 65 and older to those aged 25 to 64 will surge by 30 percent between 2010 and 2020, leading to the substantial shifts in property prices.

(Orlando Sentinel, 17 February 2008)



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AFRICA URBANISING: UN-HABITAT EXPERT GROUP HIGHLIGHTS KEY ISSUES

A recent UN-HABITAT Expert Group Meeting in preparation for the Sixteenth Commission on Sustainable Development has released a document outlining important discussions that need to take place around Africa as the most rapidly urbanising continent. The document is entitled “Land for Sustainable Urbanisation in Africa: There is no sustainable development without sustainable urbanization”. It highlights some of the following issues:

- The rapid urbanization of African cities and towns, encompassing also a surge in the size of slums;
- The Pan African Land Policy

Framework;

- Issues of security of tenure in achieving sustainable human settlements;
- The largely distorted land market in Africa, skewed towards minority middle and high-income earners;
- Issues around gender and land rights;
- The role of innovative land management in sustainable development; and
- Land governance issues in Africa.

With regard to security of tenure, the document highlights the importance of land in providing not only shelter, but feeding into livelihoods and service delivery. The import of security of tenure towards incentivising investment by people into these spaces, as well as towards social harmony and environmental protection, is stressed. Land market distortion in favour of higher income earners is also linked to rapid and unplanned urbanisation that undermines the environment and agriculture. The issue of gender and land rights is also raised as critical in Africa, with both awareness and active mainstreaming of gender issues regarded as necessary to ensure that any discussions on sustainable urbanisation to lead to effective, long-term outcomes.

(Available: <http://www.gsdi.org/SDIA/docs2008/jan08links/Urbanisation-in-Africa.pdf>)



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