

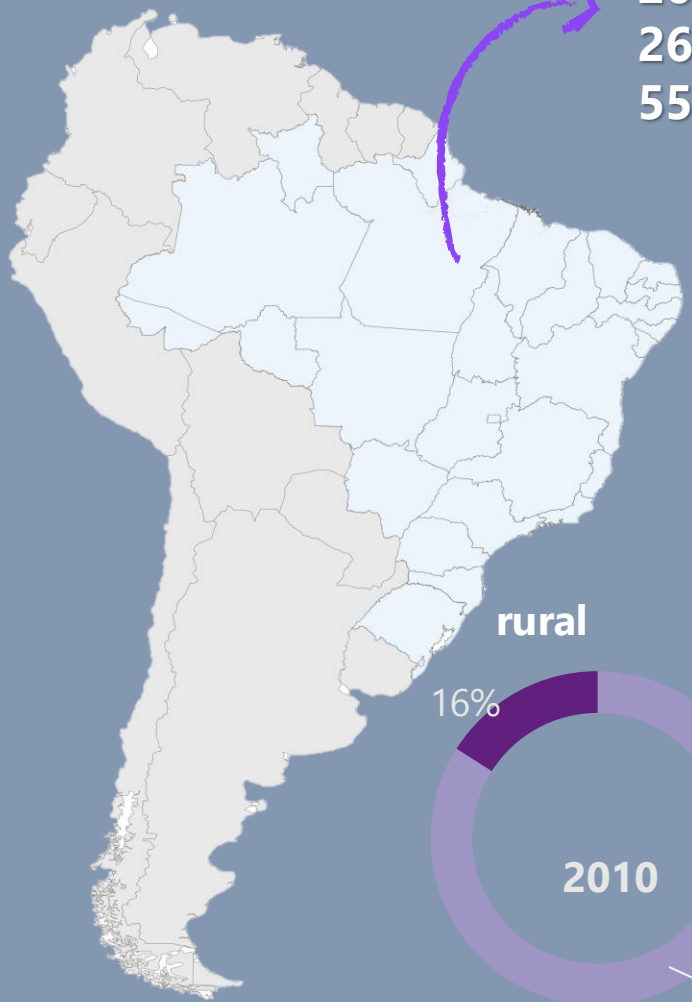


✓ **CONTEXT**

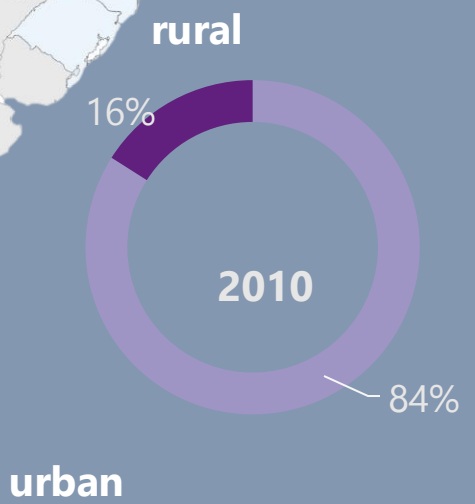
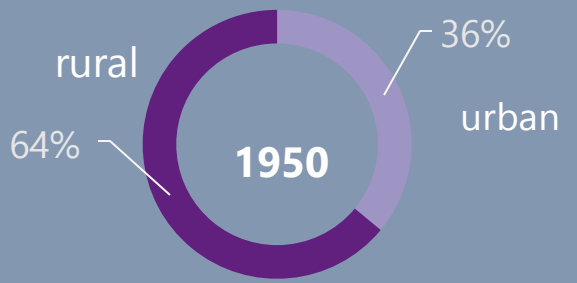
✓ **NATIONAL PROGRAMS OVERVIEW**

- **MINHA CASA MINHA VIDA (MY HOUSE MY LIFE )**

✓ **OUTCOMES, LESSONS AND RECOMMENDATIONS**



206 M. Inhabitants  
26 States & DF  
5570 Municipalities



Accelerated urbanization with regional and intra-urban inequalities





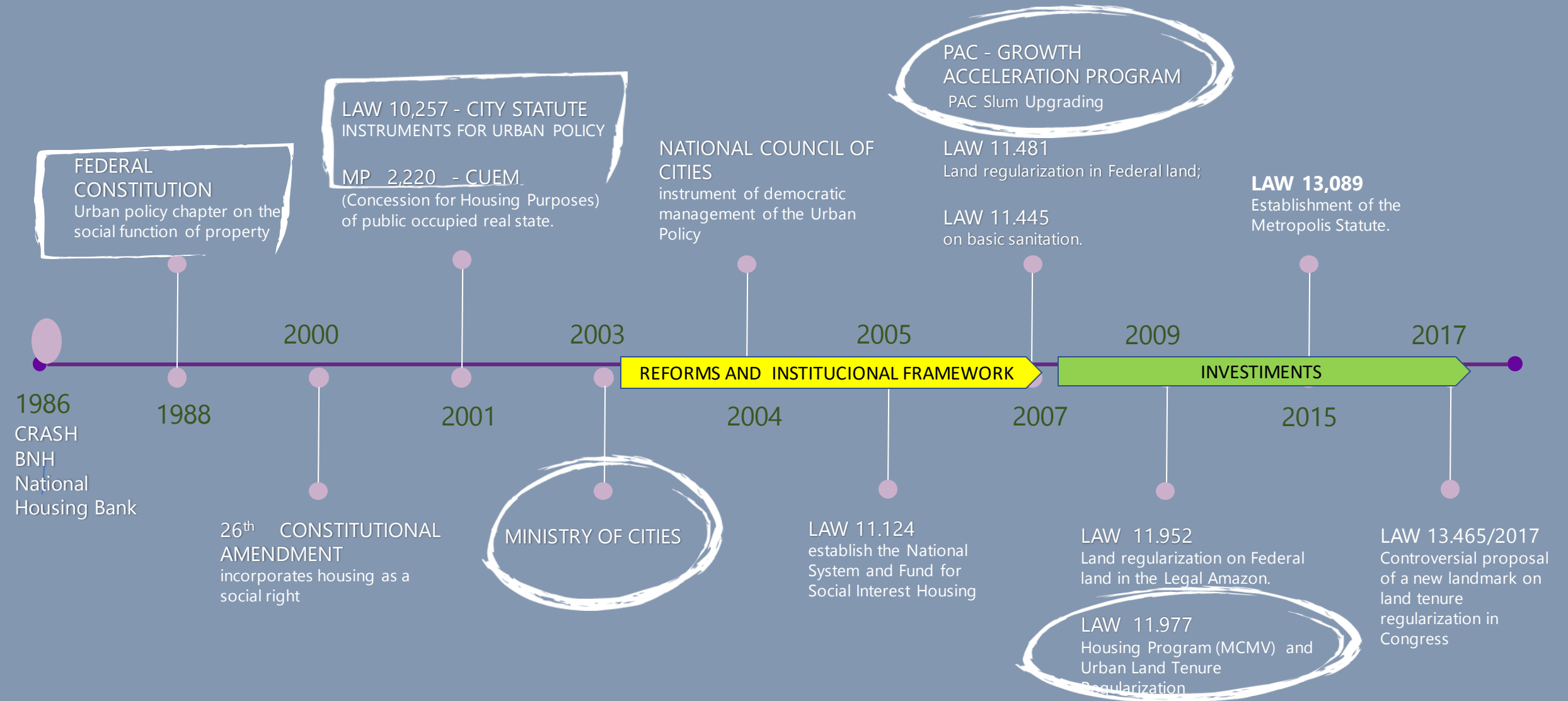
# OVERVIEW



- ✓ 6.3 million housing deficit – 9% stock
- ✓ Over 3 million households in slums\*: 85% in metro areas;
- ✓ Around 9.6 million inadequate housing :  
Lacks infrastructure access
- ✓ Estimated annual growth of 1.2 million new houses;

# SOCIAL HOUSING IN BRAZIL

## LEGAL AND INSTITUTIONAL MILESTONES



# NEW INSTITUTIONAL FRAMEWORK

## INITIAL CHALLENGES FOR THE NATIONAL SECRETARIAT

### NATIONAL SOCIAL HOUSING SYSTEM

Regulated by the National Housing Plan and establishes the National Housing Fund

### PRIVATE SECTOR

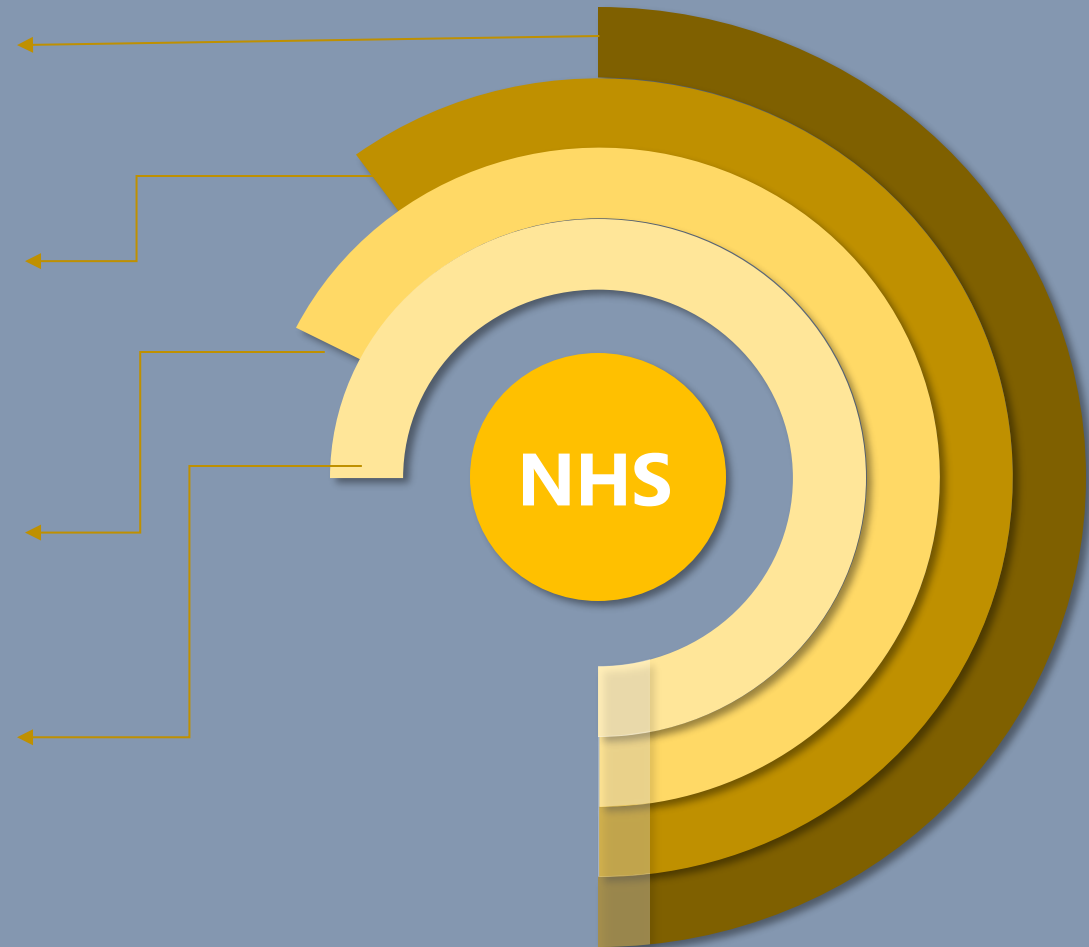
Improve the regulatory framework of the Real Estate Financial *System to support a safe environment for investments and to stimulate private investments on social housing.*

### PARTICIPATORY AND SOCIALY CONTROLLED PROCCES

**Cities Council and Cities Conferences (Local, State and Federal level)**

### CAPACITY BUILDING

Support state and local government to develop/implement instruments for housing policy



# Responsibilities OF THE FEDERAL LEVELS

## POST 88's CONSTITUTION

*Housing is a common responsibility* in the Brazilian Constitution for all Federal levels. National, states and local governments can implement housing programs. On the other hand, regarding the urban policy, each of them has its own competencies:

### LOCAL GOVERNMENT

Promote adequate land-use planning, through planning and ***control of the use, parceling and occupation of urban land.***

Property tax

All housing projects from National Government must obey local legislation and must be previously approved by Local Government

### STATES

Establish metropolitan regions and urban agglomerations  
Environmental Licenses

### NATIONAL

Establish guidelines for urban development policies, including housing, sanitation and mobility policies.  
Legislation on expropriation and public records.

# HOUSING PROGRAMS



# Large Scale Housing Production

1



**Minha Casa  
Minha Vida**

# PAC – Slum Upgrading

2



# Risks

3



# Land Regularization

4



1



**Minha Casa  
Minha Vida**

# REQUIREMENTS AND INITIAL CHALLENGES

Increase access to home ownership for low and middle-low income families

NEW NICHE : Mobilize the players and structure a low-income housing sector to offer housing in the whole country.

Create an institutional arrangement and financing scheme for families that can not access the mortgage market.

Create a new modus operandi to give the Federal level more control over results, constructive standards and delivery times.

Respect the local level responsibilities over urban planning regulation on choices regarding development's location;

# INSTRUMENTS AND BENEFITS

## Supply Side

**Special Tax Regime - reducing federal tax rates for companies in low-income developments**

Tax reduction for materials

Registration Notaries Costs: costs and delays reductions

**Simplified analysis of small developments**

Fast track for licenses

## Demand Side

Subsidy: varies according to family income, program modality and region or size of the city ;

UP front + Balance Allowance: pays the costs of administering the loan and reduces the interest rate paid by the family - BRACKET 2

**No mortgage scheme for Bracket 1 - very low income families. Pay 10- 15 % their income for 10 years**

**Balance Allowance: pays the costs of administering the loan and reduces the interest rate paid by the family**

Guarantee Fund: refinancing of monthly installments - cases of unemployment or loss of income; (Only first

# INSTRUMENTS

## Financing scheme

The federal government puts funds into a Fund (FAR) that buys the housing developments from the developers and the families pay the houses to the fund.

The Fund - FGTS \* finances the builders as well as the families.

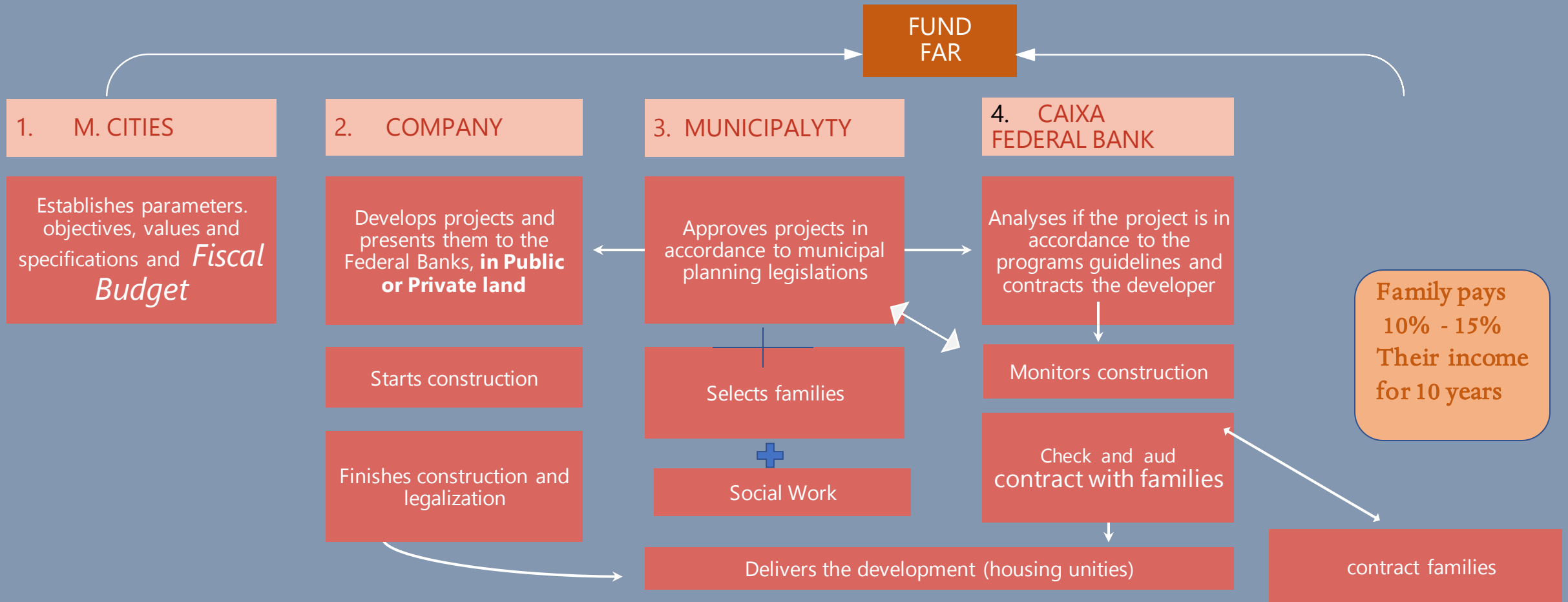
The families finance a mortgage with upfront subsidy , depending on their income..

The federal government financed the social production of housing for cooperatives and urban and rural social movements that carry out housing production in the process of self-management.

\* FGTS is formed by the mandatory contribution of 8% of employers with the dual purpose of providing a source of financing for housing and infrastructure and providing security to workers in the event of unemployment..

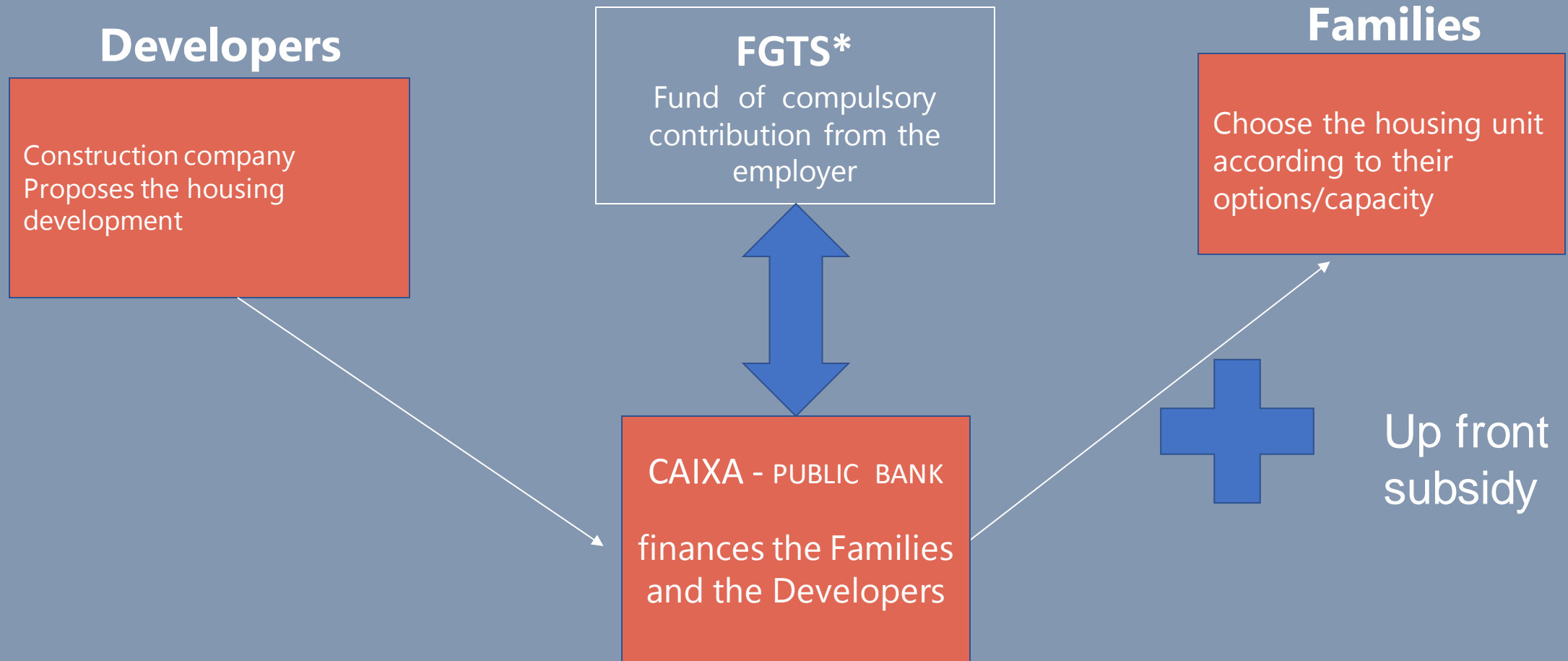
# OPERATIONALIZATION AND KEY PLAYERS

## BRACKET 1

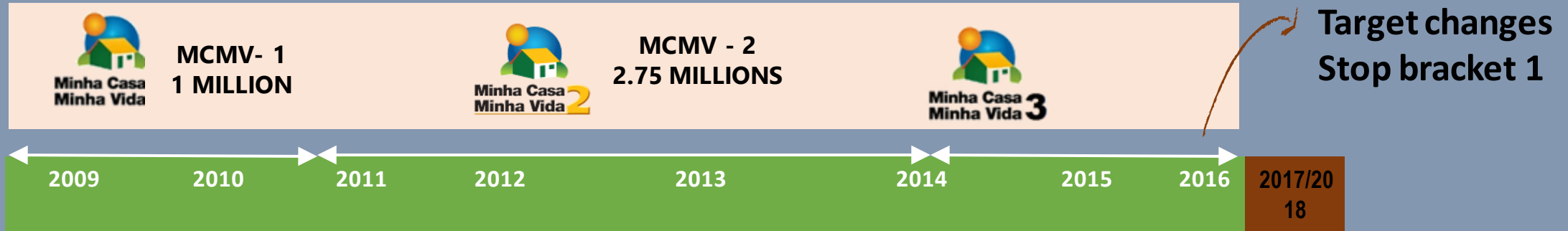




# FINANCING MORTGAGE FGTS BRACKET 2



# MINHA CASA MINHA VIDA RESULTS



**CONTRACTED UNITS 5.3 million**

income	units	2017/2018
Bracket 1: up to US\$ 695,00	1.6 million	60 thousand
Bracket 2: up to US\$ 1,423.00	2 million	644 thousand
Bracket 3: up to US\$ 2,500.00	518 thousand	75 thousand

**Housing Delivered: 4.1 million**

# OUTCOMES AND CHALLENGES

- ✓ Territorial coverage of the program and
- ✓ Coverage low - income profile families
- ✓ Attracting private developers to the social housing market
- ✓ Very positive impact in terms of employment
- ✓ Increase innovation in the construction sector
- ✓ Positive experiences of social participation, generation of work and income.
- ✓ Cooperatives and social movements as players in national politics
- ✓ Gender - Women are 85% of contract holders in the income bracket 1.

- ✓ Improving approach - Failures that we try to fix .
- ✓ Limited Attention (regulation)of location of housing developments for the poorest bracket ( improved )
- ✓ Delay in providing education and health facilities. ( fixed late )
- ✓ Lack of land development control tools to avoid undeveloped land and leap frog development
- ✓ Special instruments for collective property ownership & management - low income ( peden

# In my experience ...

- ✓ It is important to have a range of programs ( slum up grading, new housing , risk strategy, improve housing program) compatible with different housing needs.
- ✓ Regulates the program in layers and not in a single legal instrument. When you need to make changes and you will have to do it will be easier.
- ✓ Create instruments to formalize the partnership with the municipalities and other actors,(developers ) even if their responsibility is legally established.
- ✓ The roles of each actor must be clear and widely publicized.
- ✓ Create empowered governance and monitoring instances

✓ Bulk commissioning and purchase to reduce the risk of developers is a good strategy but requires attention to ensure the constructive quality and location of housing.

- Create mechanisms to incorporate companies of different sizes

- Infill housing has more advantages than mega-developments

- ✓ Master cities planes are important but sometimes its not sufficient to address issues such as location and connectivity with the city .
  - ✓ All technical requirements, urban planning and social services must have clear parameters.
- ✓ The spatial distribution of the units to be contract must accompany the needs & housing déficit of each region / cities



- ✓ Avoid large housing developments
- ✓ And have infrastructure & service delivery requirements according to size of developments and at different scales
- ✓ Important contract housing construction and municipal delivery of infrastructure & facilities at the same time.

Condominial/ fractional propriety ownership needs policy & legal instruments.

- Encourage self-management mechanisms
- Social work is critical to go beyond bricks & mortar to integrate for the sustainability and social cohesion in the new developments
- Avoid mass production of prototype units - adapt to regional climatic needs The creation of standard projects can be a problem for countries that have very different climatic zones

# PAC - SLUM UPGRADING

RESULTS 2007-2016

2



Slum  
Upgrading

**2 million** beneficiary families by 2016

**6 MILLION** beneficiaries by 2016

Total investment: **US\$ 12 billion** by 2016

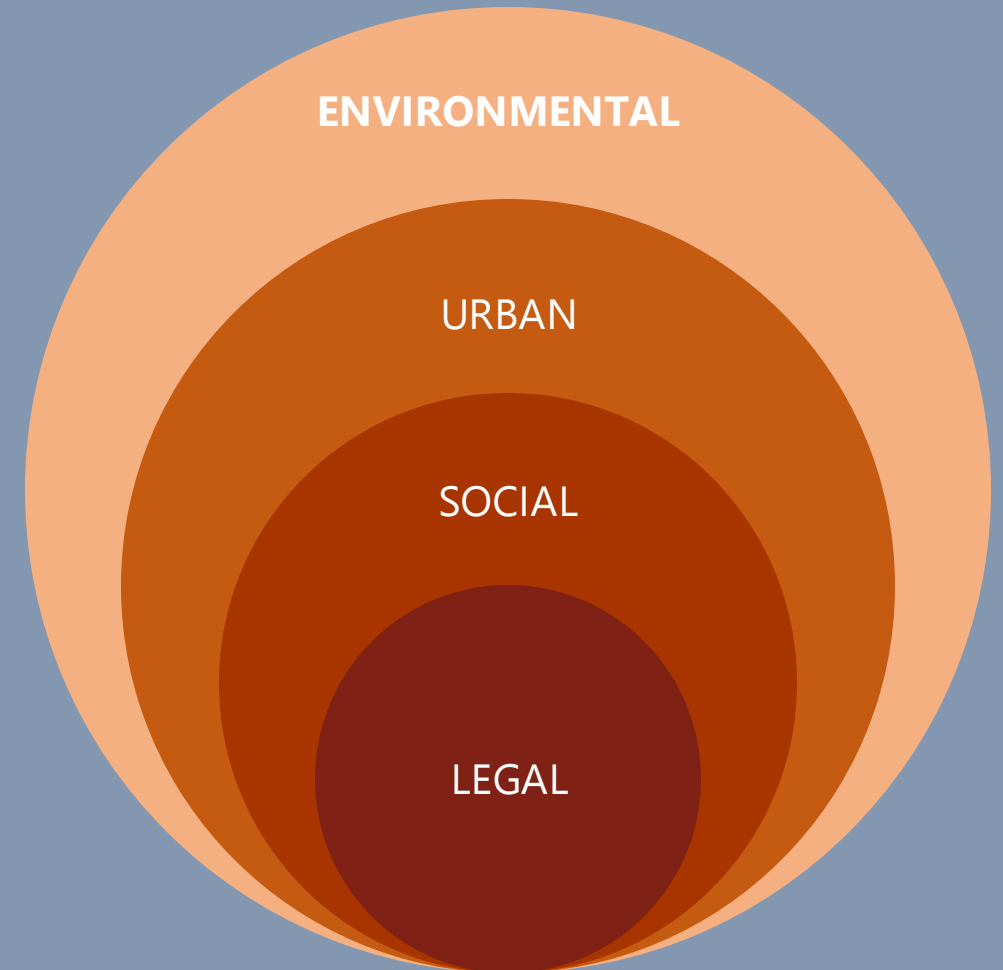
Source: National Housing Secretariat (SNH) – Ministry of Cities  
Reference: May of 2016

# PAC - SLUM UPGRADING

## CONCEPT OF INTERVENTION

**Complete:** Configuring a polygon where all works and necessary services will run for the improvement of the urban and housing conditions of the settlement

**Integrated:** Incorporation of settlements into the formal city, approaching urban, housing, land, social and environmental issues

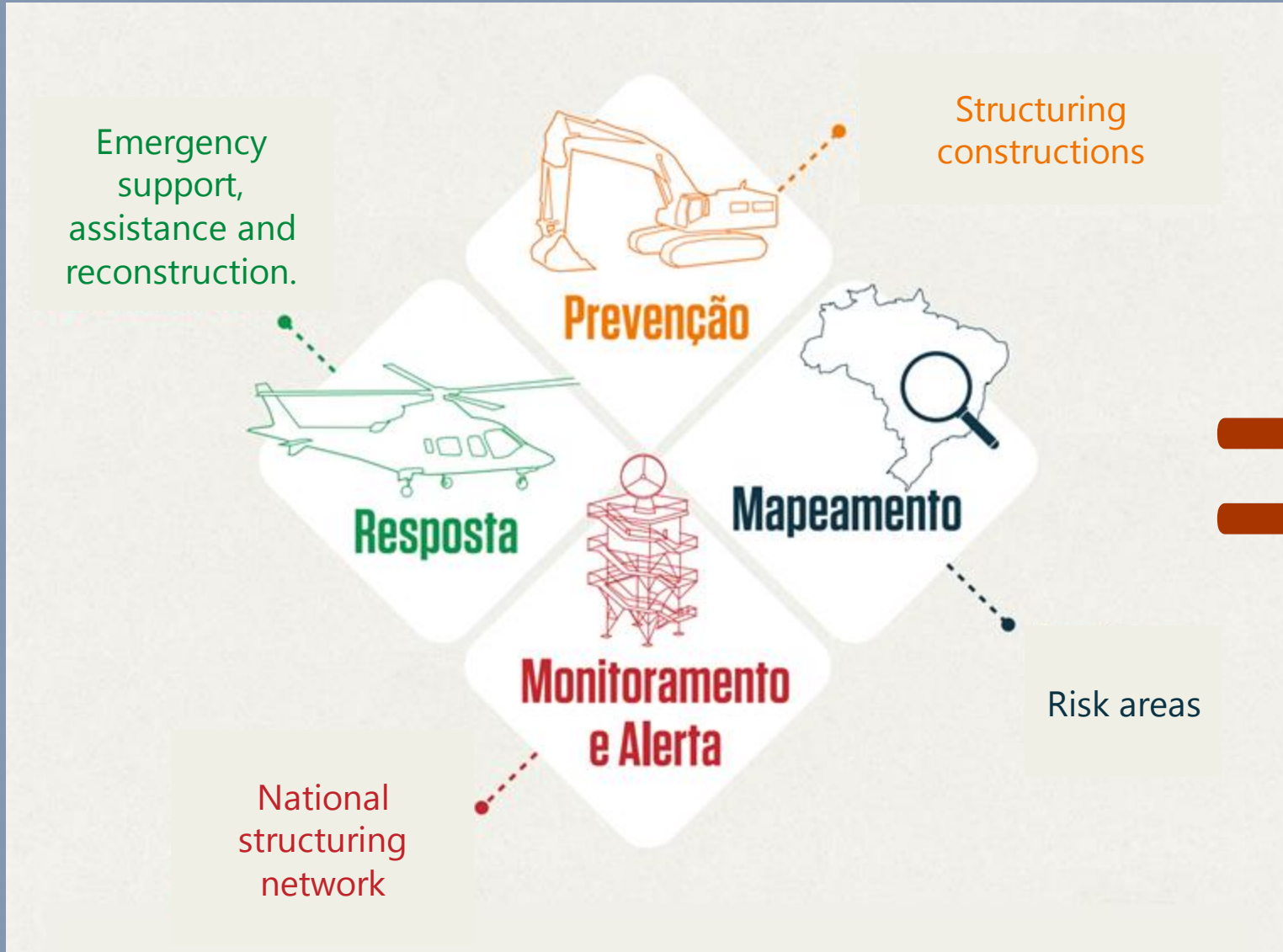


# RISKS REDUCTION

3



# RISKS REDUCTION



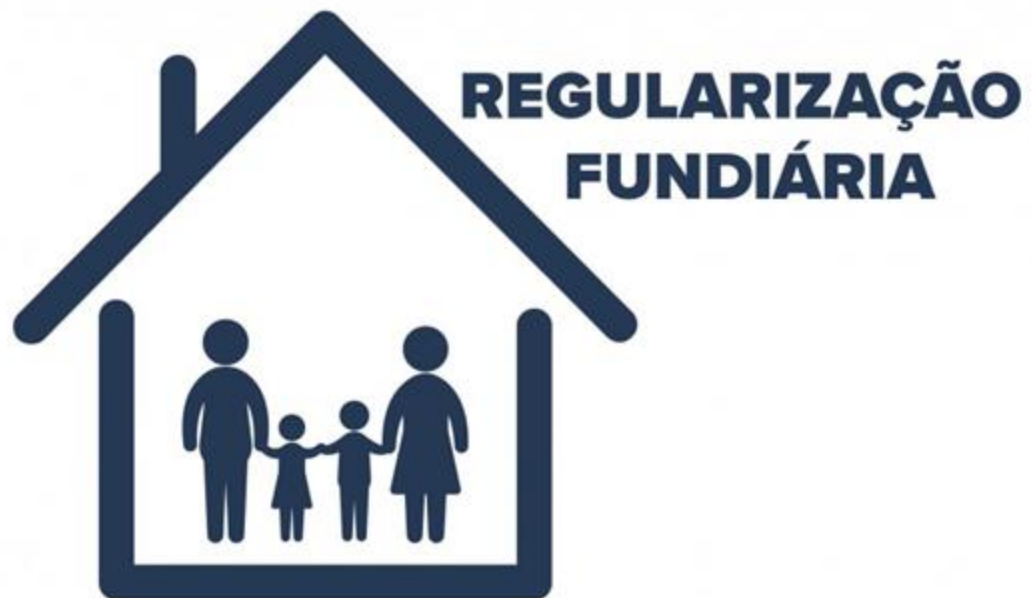
Nearly **US\$ 6.0**  
Billion investment



# LAND-OWNERSHIP REGULARIZATION

PAPEL PASSADO PROGRAM

4



# DEVELOPMENTS

## CARIOCA NEIBORHOOD

Rio de Janeiro - RJ  
2,240 housing units



Figura 60 - Localização do Bairro Carioca. Fonte: Google



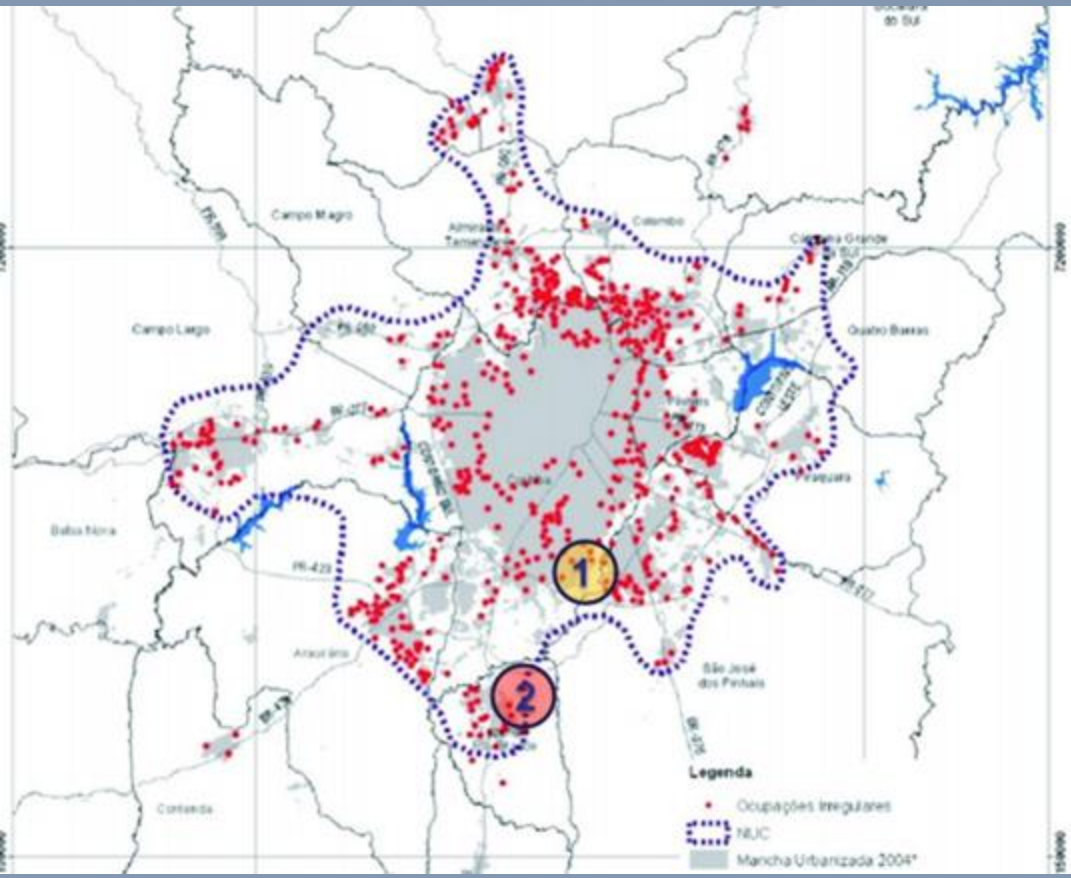


# DEVELOPMENTS

## RESIDENTIAL PARQUE IGUAÇU

Curitiba – PR

1,411 Housing Units



# CHALLENGES

IMPROVE PROJECT AND URBAN DESIGN QUALITY

## 1 - City

Territorial Constraints for Urban Insertion of the developments

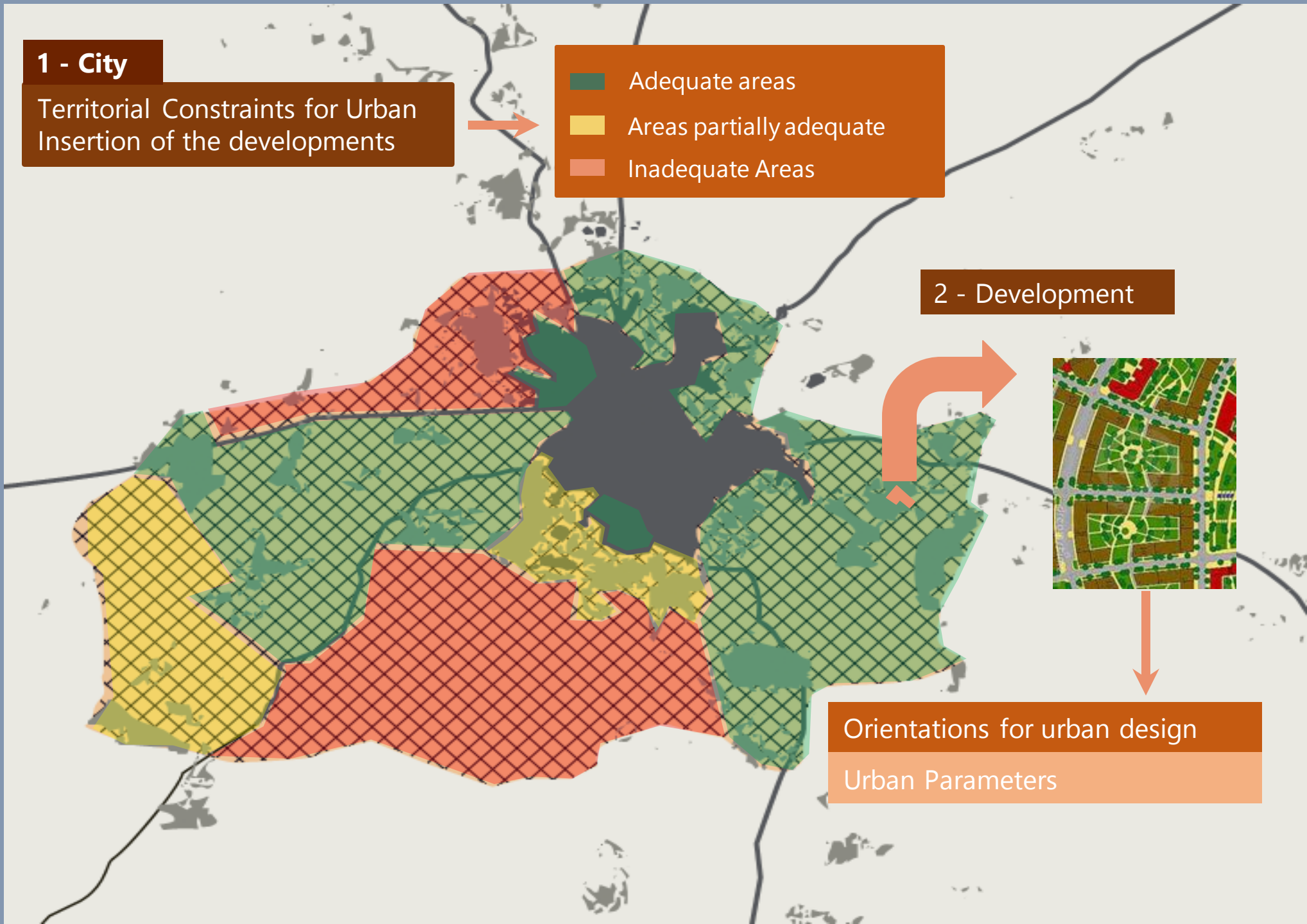
- Adequate areas
- Areas partially adequate
- Inadequate Areas

## 2 - Development



Orientations for urban design

Urban Parameters

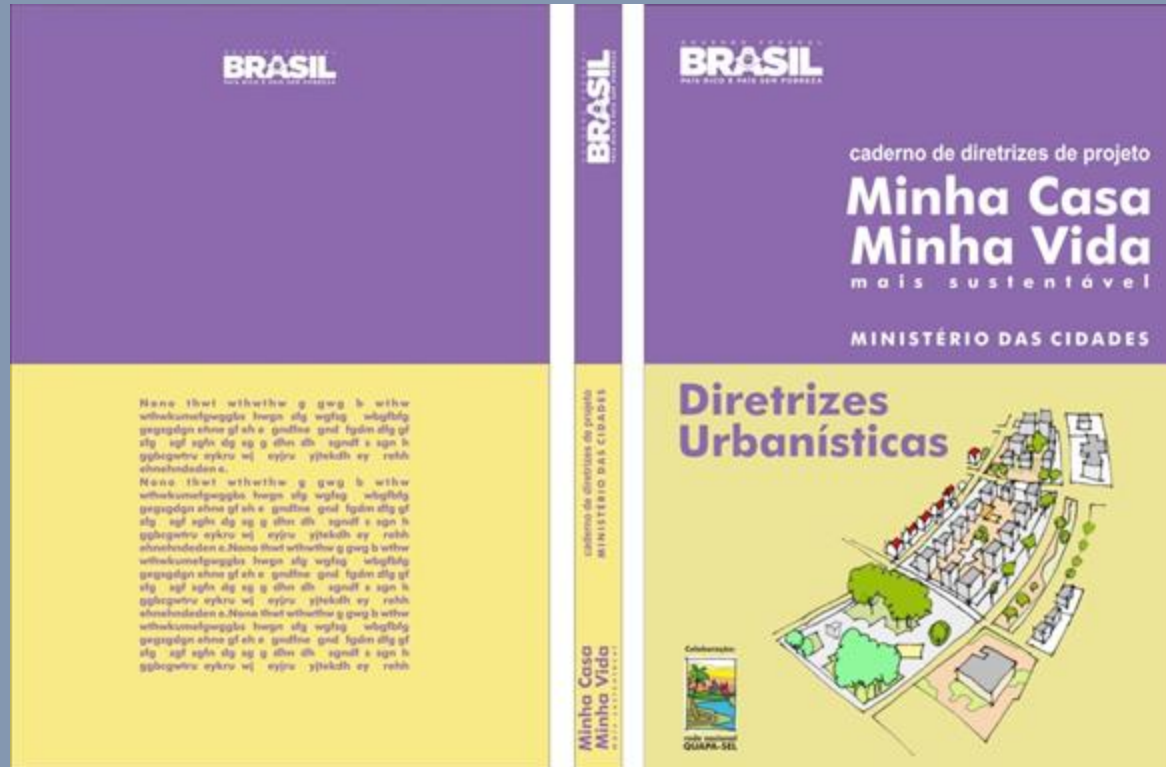




# CHALLENGES

## TOOLS TO IMPROVE PROJECT AND URBAN DESIGN QUALITY

MCMV more sustainable - Guidelines



1. Urban landscape
2. Connectivity
3. Public facilities and services
4. Morphological and functional diversity
5. Mobility and accessibility
6. Landscaping
7. Constraints and context of the area
8. Infrastructure and sustainability

Coordinator:  
Dra.Vera Regina Tangari

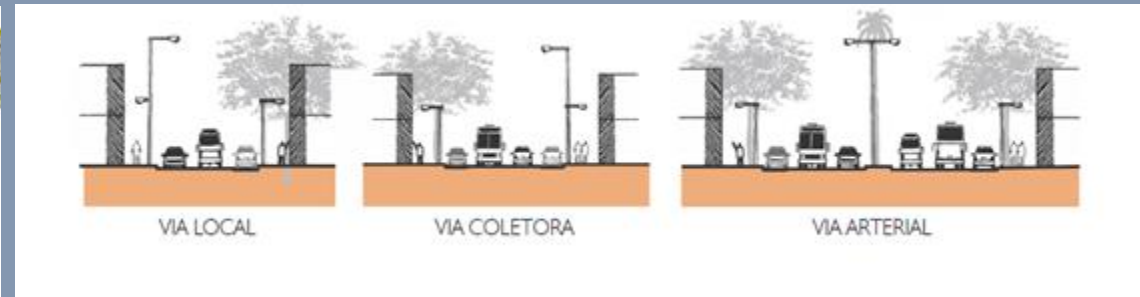
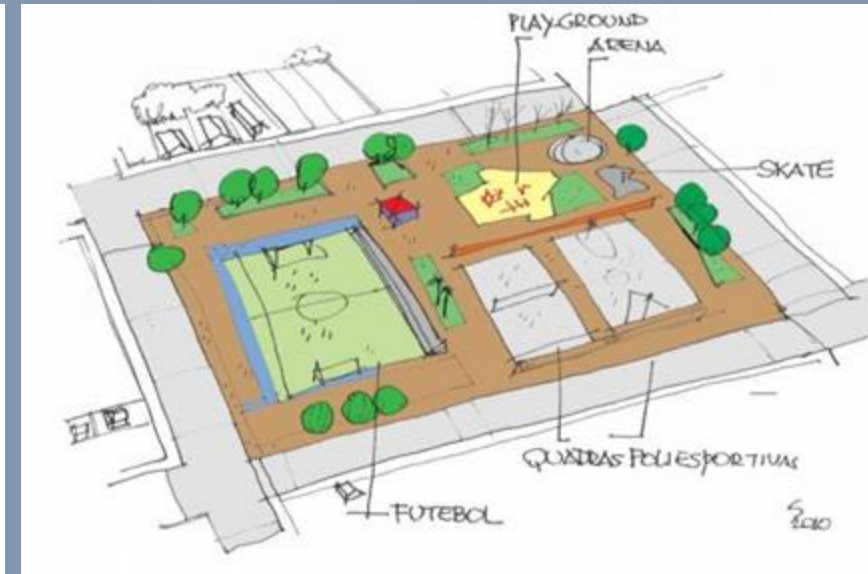
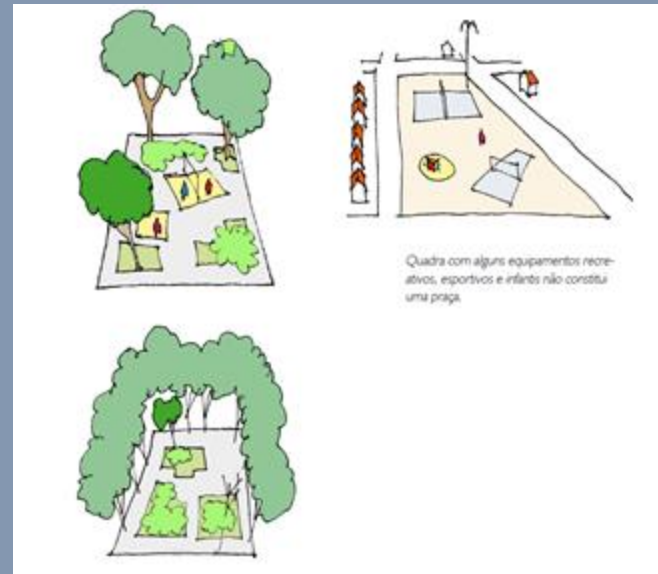
Consultants:  
Dr. Jonathas M.P. SILVA (Puc-campinas)  
Dr. SILVIO SOARES Macedo (USP)



Rede De Pesquisa  
Quapa

# CHALLENGES

## DEVELOPMENT SCALE: URBAN DESIGN QUALIFICATION





# CHALLENGES TO THE LOCAL ADMINISTRATION

## UBERLÂNDIA - MG



5,000-units expected development in the urban fringe, on an expansion area, close to the local industrial hub and with transportation and sanitation services offer.



# CHALLENGES TO THE LOCAL ADMINISTRATION

BAURU -  
SP

Public administration led urban integration of developments by selecting locations in many regions within the city's consolidated urban perimeter.



# CHALLENGES

## MCMV + SUSTAINABILITY

### Photovoltaic power plant above MCMV development

CAIXA Socioenvironmental Fund and Brazil Solar

Power plant for electricity supply in a MCMV development in Juzairo – Bahia.

Authorized by the national agency and working since February 2014.

It required new condominium organizational model for just income distribution of the outcome surplus from the power plant.

Generation until Aug/2014 = 1,18 GWh  
Liquid income = R\$ 747,000

Income per family = R\$ 448





# PAC - SLUM UPGRADING

## INITIAL CHALLENGES

### Regulatory and legal

- Improve the milestones to carry out the works in areas without the ownership of government;
- Improve compensatory guarantees.

### Investments

- Scale change of investments in terms of scope and size of territories.





# PAC - SLUM UPGRADING

## BILLINGS AND GUARAPIRANGA DMANS – SÃO PAULO

Sanitation, drinking water, paving, storm water drainage and house improvements

Billings Guarapiranga Complex – Investment: **R\$ 1.07**



Environmental recovery



# PAC - SLUM UPGRADING

## VILA DA BARCA – PARÁ

before



after





# PAC - SLUM UPGRADING

## ALEMAO COMPLEX – RIO DE JANEIRO

Urban mobility (cable car), housing, mitigation of risk areas, infrastructure and facilities.





# PAC - SLUM UPGRADING

PARAISOPOLIS COMPLEX- SÃO PAULO

Investment **R\$ 318.1**  
**million**





# PAC - SLUM UPGRADING

## ANIL RIVER LEFT BANKSIDE – MARANHÃO



before

after

Urban mobility, environmental recovery, housing production and infrastructure, requalification of housing and public equipment.



# PAC - SLUM UPGRADING

CANTAGALO – PAVÃO/PAVAOZINHO HILLSIDE – RIO DE JANEIRO

