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COMPREHENSIVE MARKETING SYSTEMS, INC.

INTERIM EVALUATION
LOW INCOME HOUSING PROJECT
PHASE II

PROJECT NO. 669-0167

USAID/LIBERIA

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Prepared for:

U.S. Agency for International Development
USAID/Liberia
PRE/H Office of Housing

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1 EXECUTIVE SUMMARY

A. Problems and Overview

Liberia's Low Income Housing Program was designed to upgrade and increase shelter solutions affordable to lower income families. During the past five years, the program has been plagued by a series of political and economic factors that have resulted in project modifications and ineffective implementation.

In its present modified form, Phase II establishes a demonstration Project Implementation Unit (PIU) which is jointly staffed by the National Housing Authority (NHA) and USAID to facilitate the successful implementation of the Sites and Services Project and the Squatter Upgrading Project. The PIU will produce serviced sites for 400 families and core units for 100 families. Phase II will also include the development of a shopping center and sanitary facilities for approximately 5,500 families.

B. U.S. Assistance

Project: Low Income Housing Phase II
Project Number: 669-0167

The original Low Income Housing Program commenced in 1979 with a \$5 million dollar grant from the Agency for International Development (AID). During the period from December, 1979 to March 31, 1985, a total of \$2,966,882 had been expended. The remaining \$2,033,118 has been allocated to Phase II which will complete the Low Income Housing Program. Approximately \$1.6 million of the \$2 million has been obligated for direct AID construction contracts, supervision of construction, and technical and administrative assistance.

The National Housing Authority (NHA) and USAID have jointly staffed a Project Implementation Unit (PIU) to facilitate the successful implementation of the Sites and Services Project and the Squatter Upgrading Project.

C. Purpose of Evaluation

The project, as originally designed in 1979, has been modified to include two major subprojects: New Georgia Sites and Services and West Point Neighborhood Upgrading. The main purpose of this evaluation is to evaluate the new institutional

management established to implement these subprojects, and evaluate the degree of time and effort required for the satisfactory completion of this project.

The methodology used in the evaluation by the team was to review the project documentation, interview persons involved with the project (See Annex II), conduct site visits, and attend construction site and steering committee meetings in an attempt to ascertain the status of the project.

D. Findings

It is projected that Phase II will be completed by September 1, 1986. The rate of progress since the inauguration of the Project Implementation Unit (PIU) in July, 1984 has been excellent compared to previous accomplishment. The construction contracts have been awarded, and, even though the rate of initial progress has been slow, many of the problems causing delays have been corrected. Under optimum conditions, the infrastructure construction could be completed by March, 1986 thereby allowing five months for sales, additional technical assistance (TA) to the beneficiaries, and any unforeseen delays.

The satisfactory completion of Phase II is based on the continued performance of the PIU as established by USAID and NHA, and the effectiveness of the construction, supervision, and technical assistance. The probability of program success can be substantially increased by placing a major focus on sales, education and TA to the beneficiaries of the New Georgia Sites and Services Project in the construction of their new homes.

E. Project Design and Implementation

The original Low Cost Housing Program called for assistance in developing a national housing policy and the improvement of the Liberian institutional capacity to implement and carry out that policy. This policy included new concepts for providing more shelter solutions despite limited government subsidies. Due to implementation problems, USAID and NHA wisely chose to establish a self-contained, semi-independent PIU which can more effectively implement both types of lower income shelter solutions. This demonstration also allows for joint project implementation by Liberian and USAID officials.

It is anticipated that the successful completion of Phase II will provide Liberia with a clear example of how innovative shelter solutions can be beneficial to the maximum number of families with the minimum amount of resources. Therefore, more support for the national housing policy may be generated.

F. Recommendations

1. The Project Assistance Completion Date (PACD) should be extended to September 1, 1986.
2. More effort should be made by USAID, NHA, and PIU to assist in sales, education, financing arrangements, and technical assistance for beneficiaries of the New Georgia Sites and Services Project.
3. USAID engineer has an extremely heavy workload but should take a more active role in project implementation since USAID has assumed full accountability for the construction of the required infrastructure and sanitary facilities in both subprojects.
4. It is suggested that lots lost to the swamp on the New Georgia site should not be replaced due to the additional cost and time consideration especially in a project where financing is limited.
5. It is suggested that, if possible, NHA representatives (PIU staff or other arrangements satisfactory to NHA and USAID) sign off on certification payments and variation orders.
6. It is suggested that the Regional Housing and Urban Development Office in the Ivory Coast continue to provide assistance and support to USAID for this project. Periodic review of construction progress and TA should be provided to the beneficiaries for the construction of their homes.

2 INTRODUCTION

HISTORY

The Low Income Housing Project as envisioned in 1979 has been modified several times prior to its current form as Phase II. The following chronological list of events is simply an attempt to enumerate some of the major actions taken during the last 5-6 years, without any evaluation or comment on past performance.

The Low Income Housing Project Paper was signed June 12, 1979 with an initial obligation in the fiscal year 1979 and PACD in fiscal year 1981. The PACD has subsequently been extended to Sept. 1, 1985. The project included \$5 million in grant funds and \$10 million in a Housing Guaranty (HG) loan. The project consisted of several subprojects including: institution building; small loans; sites and services/core housing; urban upgrading; pilot secondary city shelter; training and budget support for the National Housing Authority (NHA) and the National Housing Savings Bank (NHSB); and small business and home improvement loans.

The HG loan was authorized but never disbursed. Eventually the HG loan was deauthorized in 1984. Since the total project funding was reduced from \$15 million to only \$5 million, the project was forced to become more focused. Many of the project's objectives were either eliminated or drastically modified/scaled down. The resulting design (Phase II) consists mainly of the sites and services and core housing programs in New Georgia, and the urban upgrading program in the West Point area.

The West Point area was not originally chosen as the site for urban upgrading. However, due to political and social unrest in 1979 and 1980, the political impetus rose to change the urban upgrading site to West Point.

Construction at both West Point and New Georgia began in 1979 and continued through the beginning of 1980 until the country experienced a coup d'etat. Construction resumed about six months after the coup and continued until late 1982. In late 1982, the Head of State, Dr. Doe, inspected the New Georgia site and determined that such housing would not be appropriate for Liberia. At this point, construction was halted once again.

For the next year the NHA and USAID worked jointly on getting the concept of Low Income Housing across to the rest of the Government of Liberia (GOL), the Head of State, and the Interim National Assembly (INA). Finally, the project received GOL approval and was allowed to continue in 1984.

Recent inspection of sites indicated that construction has not been of high quality. Inspections revealed defective construction of septic tanks in both New Georgia and West Point. At West Point, in particular, toilet facilities had been inoperative for approximately three years, and many units were occupied despite the absence of toilet facilities which had been scheduled for installation prior to housing occupancy. There were also indications that plumbing had been removed from various sanitary facilities in West Point which precludes occupancy of those units. Poor and incompleted construction is also evident in the West Point facility which, as a result, stands unoccupied.

Project Implementation Letter No. 3 (PIL #3), in agreement with the NHA, sets forth the recommendations for the creation and operation of the Project Implementation Unit (PIU). It was agreed that the PIU would undertake all implementation of the project, subject to USAID and NHA approval. USAID in turn would be responsible for direct contracting, subject to NHA approval and witnessing. Upon actual staffing and furnishing of the PIU in 1984, new contracting began. It is from this point that this project evaluation focuses.

BACKGROUND

Efforts by the Government of Liberia (GOL) to improve the housing conditions of the urban poor date back to 1964 when the Government, with United Nation's support, began conducting a series of studies in an attempt to establish the nature, causes, and magnitude of the housing problem, particularly in Monrovia. These efforts eventually led to a UN project in the early 1970's which prepared the institutional groundwork for the creation of the National Housing Authority and National Housing Savings Bank (NHSB). The NHA was given the responsibility of acquiring and developing land for the construction of low-cost housing. The NHSB was to serve as a specialized housing finance institution.

Due to financial and institutional constraints, NHA was forced to concentrate on the development of conventional housing estates which are generally beyond the reach of the urban poor. NHSB was unable to finance low-cost housing and, therefore, concentrated its activities on mortgage lending to middle and upper income groups. A Housing Guaranty Loan of about \$10

million was never used. Yet, in its First National Socio-economic Development Plan (1976-1980), the GOL maintained its emphasis on the construction of low-cost housing for the poor. The plan stated that "the present emphasis on conventional two- and three-bedroom houses did not take into account the needs of the majority of Monrovia's population" and that "the planned long-term development of the city should include improvements of slum settlements by providing sanitary facilities and an opportunity for minimum upgrading of existing structures". The Plan then established the following approach for the development of housing in Monrovia.

The Second Development Plan (1981-1985) rearticulates these priorities thus: "NHA will direct its efforts to unconventional housing programs that will provide medium housing standards to a large number of urban poor at a cost that they will be able to afford . . . Emphasis will be on sites and services as well as upgrading programs".

Consistent with this policy, USAID provided a \$6.8 million grant to assist the GOL in achieving two objectives in the housing sector:

- 1) the development of a National Housing Policy and
- 2) the strengthening of the capabilities of NHA and NHSB through training, technical assistance, and the construction of prototype urban upgrading and sites and services projects.

The Low Income Housing project was, at that time, comprised of several components:

- a) institution building
- b) sites and services/core housing
- c) urban upgrading
- d) pilot secondary shelter
- e) budget support
- f) small business and home-improvement loans

The project paper was signed June 12, 1979 with initial obligation in FY '79 and a PACD in FY 1981. However, due to a variety of problems (mainly political) the project suffered delays. Subsequently, the PACD was extended to September, 1985 following a significant program revision in 1983. The revised version of the project had the following objectives:

- 1) the construction of a limited-scale sites and services component, and

2) the provision of community facilities in an existing low-income neighborhood.

The project was to consist of the following two subprojects. The first, the New Georgia Subproject, provides for the development of 550 lots serviced with water, sewer, and electricity, 100 core units, and 1 warehouse. The second, the West Point Subproject, allows for the production of one elementary school, one 66-stall covered market, four sanitary blocks with toilet facilities, one community office building, and 36 low-cost housing units.

To facilitate effective project implementation, a Project Implementation Unit (PIU) was created with staff from both the NHA and USAID. Subsequently, a Project Steering Committee was established with representatives from USAID, NHA, and the PIU to ensure that NHA and USAID are fully informed of actions proposed and taken by the PIU.

The revised Project Agreement was signed between USAID and NHA. Other parties participating in project implementation include the Project Implementation Unit and the National Housing & Savings Bank. The Revised Agreement clearly stipulates the responsibilities of each party. Although the revised Project Agreement was not signed until February, 1985, the objectives and scope of work were agreed to in principle in late 1984, which enabled implementation to commence.

3. PROGRAM OVERVIEW

The development objectives of the Low Income Housing Program are:

- 1) to construct a limited scale sites and services project which demonstrates a cost effective approach to providing lower income Liberians access to serviced lots and homes in low income neighborhoods; and
- 2) to provide squatter area upgraded facilities to be sold or leased to organizations agreeing to operate and maintain these facilities for the general benefit of the community. Phase II of the Low Income Housing Program is comprised of the New Georgia Sites and Services and the West Point Community Upgrading Subprojects.

New Georgia Sites and Services Subproject.

Under the New Georgia Sites and Services Subproject, AID is assisting the GOL in implementing a small-scale sites and services program including the delivery of basic urban services (water, sewer, electricity, roads and drainage) to approximately 550 lots of which 100 lots will contain wet core units (1 room plus sanitary block). The serviced lots without core units will be sold to eligible low-income beneficiaries on a cost-recoverable basis. The NHA will be the owner-of-record of the improved lots until such time as lot sales to eligible beneficiaries have been concluded. The PIU will manage lot sales and establish a loan servicing program. The NHSB was to provide loan servicing with standard fees and service charges for services rendered paid from mortgage payments or recovered costs. Costs recovered under mortgage loans for improved lots will be returned, less mortgage servicing charges, to the NHA to expand or improve the new community established on the New Georgia site or to be used to provide a fund for home construction support.

West Point Neighborhood Upgrading Subproject.

Under this subproject, a group of community facilities will be constructed which will include four sanitary blocks, a shopping center, one school, a community office building and 36 low-cost housing units. The community facilities will be sold or leased with an agreement to purchase by organizations agreeing to operate and maintain the facilities for the general benefit of the West Point community. The housing units will be sold to

eligible beneficiaries. The National Housing Authority will be the owner-of-record charged with the responsibility for operating and maintaining community facilities and housing units on a rental basis until such time as they are sold or lease-purchased. The funds recovered through sale of these facilities will go into a special account for further community development in West Point by the NHA. During the rental phase, NHA may charge for the reasonable costs of operating and maintaining the facilities.

Beneficiary applications will be processed by PIU. If selection criteria are satisfied, applications will be forwarded to the NHSB or other appropriate institutions for a credit check. Applicants who satisfactorily meet selection criteria and pass credit verification will be allocated lots or core units by the PIU and notified by the PIU that they have been selected. Allotees will then be asked to execute a purchase agreement within a specific period of time.

4 PROJECT IMPLEMENTATION UNIT

The Low Income Housing Project is to be implemented in accordance with revised ANNEX I. The GOL's principal agents for implementation will continue to be the National Housing Authority (NHA) and the National Housing and Savings Bank (NHSB). However, NHSB has agreed to transfer major implementation responsibilities to the PIU. Project Implementation at the field sites will be directly supervised by an architectural and engineering firm under contract to AID. The PIU has the responsibility of implementing the West Point Neighborhood Upgrading and the New Georgia Sites and Services Subprojects.

The Project Implementation Unit (PIU) was established through Project Implementation Letters 2, 3, and 8, which state in part that PIU will be strictly limited to implementing the project under the terms of the Project Agreement unless otherwise defined in writing as provided for in that agreement. As project implementation proceeds, the functions may be changed or altered to meet project needs. Any changes or alterations will be stated in writing and approved by USAID and NHA. Major functions of the PIU shall be:

- a) To provide overall direction and coordination for all project activities and in so doing keep USAID, NHA, and all other pertinent GOL agencies linked to the project informed of all project activities, and to coordinate these activities with them;
- b) To prepare documentation required under the Project Agreement and to seek and obtain approvals as required in that document;
- c) To provide overall supervision to all firms or individuals contracted to USAID or GOL agencies that undertake construction or other implementation activities under the project;
- d) To establish and maintain the books, records, reports, and documentation required by USAID to show receipt and use of project funds, use of goods and services required under the grant, detailed construction costs, and overall progress toward project completion;
- e) To manage the inventory, warehousing and dispensing of all project materials purchased with grant funds.

The PIU is presently staffed by eight staff members from USAID and NHA as follows:

PIU STAFF:

Andy van der Schaff USAID Housing Advisor	Project Management Director
Dempsey Rudolph Woods NHA Official	Project Coordinator/ Community Development Officer
Lloyd Morris USAID Assistant Housing Advisor	Project Technical Advisor
Alfreda Merchant NHA Estate Manager	Asst. Project Coordinator
George Cooper NHA (Proposed 2 or 3 additional sales promotional persons from NHA)	Sr. Customer Service Rep.
Evelyn Kehleay NHA	Book keeper/accountant
Tsorr Kercula	Secretary
Momo Jah	Warehouse Specialist

The staff operates out an office located in the 1800 block of Payne Avenue in Monrovia.

The PIU is funded by project funds with the accountability of PIU as follows:

The Project Coordinator will provide oral and written reports to the Managing Director of NHA or his designee and will be responsible for keeping NHA informed of all project activities. Inspections of completed construction will be made jointly by USAID and NHA staff designated by the NHA Managing Director. Satisfactory completion of a project is based on mutual agreement. The PIU shall receive technical and administrative guidance from NHA but shall ultimately be accountable to the Mission Director, USAID.

The Government of Liberia (GOL) has the overall responsibility for insuring that a cost recovery mechanism exists and that the activities under the Low Income Housing Project remain consistent with Liberian Housing policy. Specific responsibilities include:

- a. To uphold the primary Project principles of obtaining cost recovery on all major project investments and maintaining the affordability of serviced lots and housing units financed by the Project to Liberians, whose incomes are below the urban median income level estimated now at 226/month.
- b. To purchase or cause to be purchased with GOL funds the land required for the project.
- c. To provide or cause to be provided from The Liberian Sewer and Water Company and the Liberian Electric Company just financial compensation to NHA for capital investments in water and sewer and electrical infrastructure made from grant proceeds on behalf of these utilities.

The National Housing Authority (NHA) provides direct assistance to the PIU. Its primary responsibilities include:

- a. To continue to provide a qualified and experienced staff to the PIU, and to provide additional services and staff in support to the PIU as requested;
- b. To perform inspections jointly with USAID of work-in-place or materials purchased that may result in acceptance for payment to contractors and provide prompt written agreement to NHA's acceptability and any corrective actions to be taken;
- c. To maintain ownership responsibility for operating, maintaining and safekeeping the community facilities and housing units in West Point until private purchasers can be found, and making all efforts to identify purchasers and conclude sales as promptly as possible; and
- d. To furnish AID with conclusive legal evidence of rights-of-ownership to all lands required for project construction or on which project investments have already been realized.

Responsibilities of National Housing and Savings Bank:

The National Housing Savings Bank (NHSB) was to assign a qualified and experienced loan officer(s) to manage and complete project loan activities including loan case documentation, credit checks, loan processing and approval, and loan servicing and

collections. Officials at NHSB report that their charter has been changed and that they are not at all aware of any current NHSB responsibility for loan servicing.

U.S. Agency for International Development Responsibilities:

- a. To provide a qualified and experienced Housing Advisor and such other staff as may be needed to serve the PIU.
- b. To undertake direct contracting with local firms to complete unfinished project elements in a timely manner and within the limits of remaining grant funds.
- c. To jointly perform with NHA any inspections required to determine acceptability of work-in-place or purchased materials for payment to contractors, providing a prompt written agreement to its acceptability and taking any corrective actions necessary.

The PIU is performing as originally intended since its creation in July, 1984. This unit has been able to define scopes of work, award contracts and has gotten construction underway for completion of the sites and services project at New Georgia and the infrastructure project at West Point.

This unit seems to be performing well. However, its major efforts to date have been on physical construction. The status of construction will be reviewed separately in the following section "Direct AID Contracting". It is extremely important that previous problems are not repeated in having infrastructure completed but no acceptance of serviced lots. It is suggested that sales promotion on plans for assistance to allottees be given more emphasis with technical assistance needed to assist families in the construction of their new homes.

The PIU has the responsibility for implementing the two major components of the present Low Income Housing Project. As amended, this project consists of two subprojects: New Georgia Sites and Services, and West Point Neighborhood Upgrading.

5 FUTURE ROLE OF THE PIU

The PIU has clearly made a difference in project development. The question now is whether the Unit should be dissolved at the termination of the project or institutionalized within the framework of USAID-GOL development cooperation.

Neither Project Implementation Letter No. 3, which created the Unit in December, 1983, nor Implementation Letter No. 8, which revised the Low-Income Housing Project in February, 1985, envisaged a future role for the PIU. At the time of its creation, however, neither USAID nor the NHA had had much experience with this type of arrangement and were therefore satisfied to define the PIU's role in a limited fashion.

However, it is not too early to begin considering the possibility of maintaining the Unit as an alternative institutional arrangement for the execution of USAID funded projects in Liberia - whether in the housing and urban development sector or in other sectors.

That the PIU has performed well over the past ten months under the difficult circumstances is no accident. It is a testimony to the professionalism and commitment of the PIU staff and the tremendous amount of support it has received from both the NHA and USAID.

Secondly, the functional autonomy enjoyed by the unit has enabled it to be implemented at a much faster pace than would normally be possible in a regular governmental bureaucracy.

The PIU approach to development administration is in fact coming into increasing usage on many donor-assisted projects in many parts of the world. It is already a well-established institutional mechanism for a large number of World Bank projects and other donors are employing variants of this approach in a wide variety of situations in the developing world.

The present PIU is another interesting variant. It has a somewhat unique nature which affords it a tremendous amount of flexibility in its operations. The head of the unit enjoys a high degree of operational autonomy granted by both USAID and NHA and NHA has agreed in good faith, to cede some of its own powers and responsibilities to the unit.

This has enabled the PIU to function without much red-tape. However, any future plan for the continuation of the PIU must take into account both the need for operational flexibility and the need for greater participation by NHA in the making of key decisions. This is due to the fact that it is the NHA that is ultimately accountable to the Government and the people on all matters relating to public housing development in the country.

The relationship among the three interacting institutions (USAID, NHA, PIU) needs to be more clearly defined and based on the principle of equal participation in key decisions, such as the awarding of contracts and the recruitment of key PIU staff, whether from the USAID side or from the NHA side.

A future PIU should have stronger NHA representation in terms of technical competence and USAID should, at some point, be prepared to give technical assistance in an advisory capacity.

It is feasible that, due to lack of mortgage servicing institutions and other commitments of NHSB, NHA will be required to collect from beneficiaries. If this is the case, it should be considered that the PIU could assume that role.

The PIU, according to its existing responsibilities, is required to complete the underwriting of sales agreements. It is also recommended that any materials loans should be administered by the PIU and that these loans be added to the sales price of the beneficiaries' mortgage obligations. It is further suggested that PIU make collections of monthly payments from beneficiaries in new sales and services program for NHA. As the construction is completed and beneficiaries arrive on site, the PIU would gradually become a mortgage servicing section of NHA, and at that time complete all other duties and responsibilities. The PIU then would assume responsibility for the administration of NHA's mortgage servicing division. See "PIU Administration of Material Loans".

6 STATUS OF DIRECT AID CONTRACTING

AID (PIU) has contracted directly with private firms to carry out specific project construction and related activities. AID was granted this authority by PIL No. 2, dated November 14, 1983.

Since the creation of the PIU, AID has assumed complete accountability and responsibility for the delivery of a quality product to NHA.

Three (3) Direct-AID contracts have been entered into:

1) Milton & Richards for Architectural Engineering Design and supervision of the New Georgia and West Point Projects.

May, 1984 started	Value \$ 90,000.00
May, 1985 Amendments	70.000.00
	160.000.00

This A&E firm is vital to the success of this project.

The Milton and Richards firm now seems to be performing satisfactorily. However, it was previously reported by PIU that the firm's work was not completely satisfactory during January - April, 1985. Reference Number XIII quotes in part: "The increasing work load and lack of electricity in Monrovia has affected the ability of the A&E Contractor to perform. While our dissatisfaction with the lack of progress has been expressed, a more formal approach using USAID Engineers' services will shortly be undertaken."

2) Engineering and Construction Services (ECS) contract is for construction of infrastructure and electrical works at the New Georgia site.

Construction Started - January, 1985
Estimated Completion Date - October, 1985
Revised Completion Date - January, 1986

Original Contract Amount - \$825,968.00

ECS progress has been slow to say the least. Construction was started in January, 1985 and on May 10, 1985 the contractor reports he is three (3) months behind schedule.

On May 10, 1985, the contractor submitted his schedule for construction that reflected completion in October, 1984 but indicated that the schedule did not reflect construction progress to date. The contractor agreed that he would submit a revised construction progress schedule showing projected completion dates and work progress to date. The contractor was informed by Milton and Richards of the importance of such a schedule in evaluating his progress and ensuring timely completion. Reference in the construction contract also clearly indicates the importance of the need for schedules.

According to USAID General Provisions for Construction Contracts Schedules Category 52.236.-15 (45CFR Ref) Title 27 Schedules for Construction Contracts:

- "(a) The contractor shall, within five days after the work commences on the contract or another period of time determined by the Contracting Officer, prepare and submit to the Contracting Officer for approval three copies of a practicable schedule showing the order in which the contractor proposes to perform the work, and the dates on which the contractor contemplates starting and completing the several salient features of the work (including acquiring materials, plant, and equipment).

The schedule shall be in the form of a progress chart of suitable scale to indicate the percentage of work scheduled for completion by any given date during the period. If the contractor fails to submit a schedule within the time prescribed, the Contracting Officer may withhold approval of progress payments until the contractor submits the required schedule.

(b)

- (c) Failure of the contractor to comply with the requirements of the contracting officer under this clause . . . could result in termination of the contract."

Some of the reasons for delay are as follows:

- (1) AID did not provide the contractor with adequate maps and "as built" drawings which the contractor claimed caused him to lose seventeen (17) days in pegging work which had to be redone due to incorrect control lines.

- (2) Incorrect levels and alignment of existing sewer line and septic tanks which required additional work and time. See Reference XVI. Invert levels of existing sewer were incorrect requiring the removal and relaying of sewer pipe. In some cases, septic tanks could be repaired. In other instances, septic tanks had to be rebuilt and relocated.
- (3) The banking institutions have limited cash flow which has resulted in its inability to provide:
 - (a) construction financing
 - (b) bank overdrafts
 - (c) check cashing services

This restricted use of monies, in effect, reduces the normal cash flow of contractors by 45 to 60 days. This represents a differentiation of banking procedures that would not normally be anticipated, and could present a severe hardship for the contractor.

This problem has been aggravated by delay in receipt of AID payments. If AID could make arrangements to have checks reimbursed in 15 - 20 days, this would be a major contribution in solving this problem. Further, there have been instances where the payments due contractors were not received for months after invoices had been submitted.

- (4) The materials purchased off-shore will not be available before July, 1985. Based on the construction progress schedule submitted on May 10th., the laying of sewer pipes was to begin in May of 1985. A two months delay in the delivery of materials would in turn delay commencement of general construction until July of 1985.
- (5) Fifty lots of the New Georgia site are located in a swamp area. According to recent projections, the 50 lot area will be under water during the rainy season. A new site on higher elevation has been secured. However, it is suggested that consideration be given to reducing size of the site for serviced lots from 450 to 400 lots. This would save the additional cost and time involved to prepare new configurations and develop another 50 lots. The newly purchased site may be used for additional commercial and community facilities and as it is located adjacent to the project and near the main road. The use of the land for commercial and community facilities could be incorporated in the master plan. If so, the proceeds from sale of some of the land could be used to construct community facilities.

The savings from reducing the project size is estimated at \$66,883.

- (6) There have been several variation orders issued for modifications in contracted work that will effect the cost and time schedules for completion of the project. The cost of the variations have not yet been determined. As a result of the unsatisfactory work previously done on sewer and septic tanks by other contractors, additional variation orders may be required. Such changes may lead to claims of further delays and additional cost by the contractor. Because of such delays, the estimated date of completion for the New Georgia Project is January, 1986.

Based on the factors described above, it is reasonable to assume that further delays may require an additional three (3) months due to: 30 day late ship arrival of materials, clearing materials through customs, more defective work already on site. The need to issue more variation orders of the kind noted above will undoubtedly require more time and money. Additional work such as sewer and water connections not in existing contract. Therefore, the team's revised estimated date for completion of construction is April, 1986.

Additional Increase in Cost - New Georgia

This increase in cost has been estimated by PIU to be:

Contingency	\$100,000
Plot connection (sewer & water)	67,500
Renovation of cores	125,000
Total	\$292,500

These estimates appear reasonable given the high standards requested. However, if additional funds are not made available to this project, reduction in expenditures may be considered. For instance, seek a less complex sewer and water connection for each lot (i.e., capped laterals properly staked at ground level to accept manholes at a later date).

**Progress - West Point Site
New Sanitary Block**

Hollywood-Dixon Construction Co. (HDC) progress to date has been delayed.

Hollywood-Dixon Construction Co. for the construction of sanitary blocks and repairing of previously installed facilities.

Construction Started - January, 1985
Original Completion Date - October, 1985
Revised Completion Date - February, 1986
Alternate Completion Date - March, 1986
(If amended to include rehabilitation of sanitary works)

Original Contract Amount	\$118,142.28
Estimated Additional Cost	\$174,000.00
Total Cost	\$293,142.28

Again, the construction progress schedule was not available by this contractor until May 10th. and didn't show progress to date.

The contractor and AID (PIU) estimate the delay to be about six (6) weeks. Some of the reasons for delay are:

1. Cash flow problems as noted in the new Georgia contractor and apparently all other contractors are having problems brought about with the banking institution problems with lack of liquidity and policy changes in procedures.

Hollywood-Dixon's problems were further compounded by having to use its advance payments on other contracts and couldn't get appropriate interim financing. Consequently, workers were not paid and work virtually stopped during the month of April. The Contractor has solved his financial problems at present and work is advancing at an accelerated rate - working overtime and weekends. During the three (3) weeks of this visit substantial increase in work has occurred.

2. Variation orders due to defective septic tanks.

During construction it was determined that the septic tank has leaks that required additional work to be done in order to ensure the proper operation of the sanitary blocks. Increase in cost and time. The amounts have not been determined.

- (a) Projected date of completion - West Point Sanitary Block No. 4 - August, 1985

If this contractor can keep the pace of work he will finish six (6) weeks beyond the October, 1985 date. Once behind, it is difficult to catch up, but a two months extension seems appropriate.

If he is awarded contract or given amendments to contract to repair/expand the other three (3) sanitary blocks and related works, it is estimated to be a minimum of four (4) more months.

Repair and expand the three (3) existing sanitary block completion date March, 1986.

(b) Additional increase in cost - West Point

This increase in cost has been estimated by PIU to be as follows:

Repair and Renovate 3 Blocks (includes repair to septic tank in 4th Sanitary Block)	175,000
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If funds are not available, it is recommended that decreases be made in the Scope of Work in the following manner:

- (1) Eliminate rehabilitation of three (3) sanitary blocks except to get the water running and plumbing repaired sufficiently to operate the facility.
- (2) Seek minimal repair solutions to septic tanks such as grouting and waterproofing.
- (3) Provide minimal alterations to sanitary blocks to permit appropriate management.

Before spending \$50+ thousand dollars to repair a \$90,000 installation, it may be worthwhile to consider other alternatives.

- (1) sell the facility to a community organization, cooperative (co-op), catholic church, etc. and provide them with a \$20,000 grant to put into working order.
- (2) Use of token for shower and toilets and reduce amount of management or other means to get the facility opened to the public.
- (3) give the Sanitary Blocks to a non-profit community organization that will agree to operate the facility.

(4) gift plus grant to community organization that will operate facility.

NOTE: Each month of delay is costing AID approximately \$30,830 + dollars or \$1,000/calendar day for T.A.

A&E cost per month \$ 8,330

PIU cost per month 22,500

Total \$30,830

7. REVISED PROJECT OUTPUTS

WEST POINT

1. Elementary school with attached sanitary block.

School is occupied but sanitary block and school need repairs.

2. 49-stall community shopping center.

The number of stalls has been reduced to 47. Forty-seven have been built and 43 are occupied. It is not intended to build the other two as the space was used for better circulation.

3. 4 sanitary blocks with shower and laundry facilities.

- 3 were constructed but never used
- 1 is now under construction
- 3 need repair work to make them suitable for use and management
- defective septic tanks
- missing plumbing
- no roofs over laundry area
- no showers were built
- modifications to permit management control

4. 1 community office building.

Completed and occupied.

5. 36 low cost housing units.

Completed and occupied by families displaced by a fire, not selected beneficiaries.

Sanitary block not operating.

6. Management of Public Facilities - West Point:

PIU (with NHA agreement) is in the process of preparing a proposal for the West Point Co-op to take over the management of the four sanitary blocks and the shopping center in West Point as soon as the work is completed. NHA will retain management until the Co-op or some other public organization in the area can be selected.

Budget for Co-op is \$10,000
Date proposed for turnover of shopping center to Co-op is
July, 1985.

NEW GEORGIA

1. Infrastructure

Construction contract let for completion of sewer, water, electricity, roads, bus stop shelters and garbage bins.

March, 1986 estimated date of completion of 400-450 serviced lots.

As it will be necessary to correct bad infrastructure previously done on the site, there is further potential for delay in the time for the contractor to complete his work.

2. 100 core units

Provisions have been made to select a contractor to renovate existing core units, replace plumbing, and construct perimeter foundations for each core unit.

Estimated cost \$125,000
Could be completed by October, 1985.

3. 4 demonstration units

Have been completed but repairs will be made under 100 core units renovation contract included in previous estimate.
Completion date - October, 1985.

4. Sales agreement has not been executed with eligible beneficiaries, however, sales could start immediately with first occupancy in November, 1985. This would allow for the start-up of home construction as well as full occupancy of the 500-550 lots by September, 1986.

5. Cost recovery mechanisms have been established among GOL institutions to collect normal users' fees but have not contractually promised to reimburse NHA for capital cost of infrastructure.

The beneficiaries will also repay land costs and infrastructure expenses at the rate of approximately \$1,500 - \$1,700 per serviced lot and \$4,000 for core and serviced lot. (Refer to ANNEX I REVISED.)

*The following REVISED LOG FRAME is presented here to reflect the intended outputs and actual progress to date.

INPUTS	VERIFIABLE INDICATORS		ASSUMPTIONS
	Implementation Target		September, 1986
	Total Accrued Expenditures		
	Mar. '85 Estimate	Contracted or proposed as necessary add'l cost	
1. <u>Project Technical Assistance</u> a) 1 LT Housing Advisor (24MP)	TA \$422,565 (22,300/mo.)	\$182,618	1. Estimated \$338,680 remains unspent and uncommitted in grants 0167 and 0146.
b) 1 LT construction mgmt. advisor (24 MP)			
c) 1 ST CPA team (2PM) PT in-country, project accounts monitoring (2.5PM)			
d) 6 18 day TDY experts (3.5M) -Provided by the PIU.	PIO/P 8,322	97,000	2. PIU will maintain necessary management & technical personnel without additional budget support to supervise and monitor construction.
2. <u>Urban Infrastructure</u> (3) 4 septic tanks	2,264,658 (MOD constr.)	(3) 175,000 for repair (P)	
	164,438	(1) 104,000 & extras (C)	
(2) 4 TH Sanitary Unit -Under construction.	(MOD commod.) 14,000		
3. <u>Sites & Services Construction</u>			
100 core units completion	30,000	67,500 plot connections (P) 125,000 renovation cores (A) 795,000 Contracted (C) 100,000 Contingency (P)	
450 sites completion -Under construction.			
4. <u>Additional Core Units/constr.</u>			
Materials and home expan. loans -To be decided.			
5. Sales & Promotion		48,200	
	<u>\$2,966,882</u>	<u>\$1,694,438</u>	
		Funds originally \$5,000,000 Accrued Expenditures <u>2,966,882</u> 2,033,118	
		Contracted & Projected cost <u>1,694,438</u> Unearmarked & potential savings \$ <u>338,630</u>	

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<u>Project Purpose</u>	VERIFIABLE INDICATORS	<u>ASSUMPTION</u>
<p>Judging that the original project purpose of institutional development can not be successfully realized in the current economic and political Liberian environment, focus expenditure of remaining grant funds on low-cost home construction and core unit expansion in the New Georgia Sites/Services project can be satisfactorily completed.</p>	<u>EOPS (Grants)</u>	<p>1. GOL and USAID are able to achieve satisfactory renegotiation of Project Agreement. (Completed PIL 8 Annex I (Revised))</p>
<u>OUTPUTS</u>	<u>MAGNITUDE</u>	<p>1. Project accounts are reconcilable based upon available records (Yes? maybe)</p> <p>2. Community facilities can be sold or leased to assure cost recovery (Yes)</p> <p>3. GOL accepts the concept of sites/services and evolutive shelter. (Yes)</p> <p>4. a) Level of funds available depends on validity of cost estimates for preceding components. (Yes) b) low-income families willing to apply through formal financial sector to obtain credit. (Presently not available)</p>
<p>1. Reconcile project accounts and establish a system of generally accepted accounting practices. (Audit in PIU)</p> <p>2. Partial project completion of West Point Upgrading. (Yes)</p> <p>3. Partial project completion of New Georgia Sites/Services under construction.</p> <p>4. Core construction/selfhelp building program. Not yet under way.</p>	<p>1. a) Accounting system in place and operation in accordance with generally accepted accounting principles. (PIU) b) Final project accounting - Sept., '86</p> <p>2. West Point Upgrading: 47 market stalls, school buildings, community site offices, 4 sanitary units, 36 rental units operational and sold or leased to provide for capital recapture. Ring road and market road fence completed with provision for continued maintenance. (43 of 47 stalls occupied, works under construction, road completed.)</p> <p>3. 100 core units (4 demos owned or rented) 450 serviced lots, including core lots, and warehouse. (To be rehabilitated; construction in progress)</p> <p>4. Low-income families receive construction materials and home improvement loans (average of \$2,840/lot available based upon 506-serviced lots-reference narrative). Additional core unit construction under contract to NHA possible from these funds. (Possibility \$650 (maximum) per lot with existing funds.)</p>	<p>1. System of accountability for project funds establish and operating in NHA and NHSB. (Establishment of PIU)</p> <p>2. Only residual benefits to improved staff capacity and organizational management within NHA. (PIUs counterpart AID & NHA)</p> <p>3. Community facilities made operational and partial costs recovered at upgrading site. (Underway)</p> <p>4. Infrastructure in place for 606 serviced lots with completion of core housing on first 100 lots, and (contracts let 550 S&S)</p> <p>5. Remaining seed capital draws to finance additional core units and/or self help construction and home improvement loans. (Insufficient funds unless construction cost can be reduced)</p>

8 OPTIONS

The following options are submitted recognizing that certain variations may occur within the options (i.e., number of serviced lots, period of time to complete project, availability of funds and materials loans.) The various cost and time variations are estimated in the charts titled "Low Income Housing Project Estimated Cost to Complete Project" and "Construction Progress Chart" (Annexes III and IV).

MINIMUM ACTION (OPTION 1)

This option includes completing all infrastructure and core rehabilitation in New Georgia, rehabilitation of the three existing sanitary blocks, and construction of one new sanitary block in West Point.

The PIU would immediately initiate sales and the education of potential beneficiaries for the sale of the 450 or 400 serviced lots and the 100 rehabilitated core units. Beneficiaries would not be eligible for home construction loans nor would they receive technical assistance other than plans and layouts for their homes.

On March 31, 1986, all completed work and sales to that date will be turned over to NHA.

The management of the sanitary blocks and shopping center would be turned over to the West Point Community Coop before March 1986.

This option has the advantage of setting a fixed date for when NHA takes over the completed facilities while commencing sales prior to the turnover date. However, by stopping the project in this fashion, the risk is high that the lots and cores might never be occupied by the intended beneficiaries (due to the lack of technical support services) and the project would be seen as a failure.

The option assumes that all construction work can be completed by March 1986. Unfortunately, progress to date does not support this.

The Financial Implications of Option 1 are as follows:

PIU estimated monthly costs	\$22,500
A & E estimated monthly costs	8,330
Total	\$30,830 (monthly or approximately \$1000/day)
Funds budgeted (pipeline)	\$2,033,118
Total Cost (Funds contracted & projected to be spent)	- 1,695,407
Plus six months extension (PIU 6 x 22,500)	- 135,000
A & E (\$8,330/one month)	- 8,330
LEAVING A BALANCE OF	\$177,721

While Option 1 is a viable option, the team fears that the chances of achieving the goal of getting satisfied beneficiaries on site are slim, given potential delays in completing construction, poor loan availability, and the lack of support services and technical assistance provided the beneficiary for the completion of his or her home.

MINIMUM ACTION EXTENDED TIME (OPTION 2)

This option is basically the same as option 1, however, it allows the PACD to be extended either to June, 1986 (9 months) or Spetember, 1986 (12 months) in order to provide more supervision to the project, provide technical assistance to the beneficiaries and oversee the transition of the project into NHA hands.

Period of Extension:	9 months	12 months
Funds budgeted (pipeline)	2,033,118	2.033,118
Cost of Construction	-1,695,407	-1,697,407
Plus 9 months (PIU 9 x 22,500 + A & E (\$27,072)	-229,572	
Plus 12 months		

(PIU 12 x 22,500 + A & E (\$27,906)		-297,906
LEAVING A BALANCE OF	108,139	37,806

Extending the PACD to June, 1986 would leave the project with a balance of \$108,139 and an extension to September, 1986 leave a balance of \$37,806.

SOME ASSISTANCE (OPTION 3)

In addition to option 2, this option includes providing minimal assistance of up to \$650 in materials loans for the beneficiaries with education, technical assistance in layout, and construction assistance for 400 serviced lots and 100 core units in New Georgia and managerial assistance to the West Point Community Co-op by the PIU.

The project completion date for this option is September, 1986.

Materials Loans:

The administration of material loans will be the responsibility of the PIU as a part of its sales and promotion activities. It is proposed that this loan amount of \$500 to \$650 be added to the sales price and included in the monthly mortgage payment.

Loans will be disbursed to the beneficiaries in two or more installments. The first loan will be made after beneficiary selects the home design and has completed the excavations for footings in accordance with PIU and NHA approved plans and specifications. The additional loans will be made in accordance with the needs as determined by PIU technicians. It may be possible for checks to be drawn in specific predetermined amounts and numbers having them on hand for disbursement. If the checks could be issued by AID, it would be much easier for beneficiaries to purchase materials. Down payments and other funds to be used for material loan funds could be transferred to AID to be used for other expenses. The loans would be available to the beneficiaries for a period of 3 months.

The material loan funds are to be obtained from the following sources:

Downpayments:

\$200 x 400 lots	80,000
\$400 x 100 lots	40,000
Subtotal	\$120,000
Unobligated funds:	
Unearmarked funds*	237,400*
Unused construction costs	101,000
Savings:	
Reduced rehabilitation cost of sanitary blocks	75,000
Reduced project size:	
50 serviced lots	66,800
Total Savings	\$600,200

*120,000 of this sum may not be available as it seems to be an obligation to NHA for retention funds due from the project.

NOTE: A&E Firms present \$160,000 contract covers supervision cost through January, 1986.

* Method of Calculating A & E Supervisional Costs
(after present contract)

	Jan.	Feb.	Mar.	Apr.	May	June	July	
Time		100%	100%	75%	50%	10%	0	
Cost		8,333	8,330	6,248	4,165	833	0	= 27,906

This sales and promotion, and TA to the beneficiaries and materials loans would generate the following additional costs. The cost of materials loan of \$260,000 (400 lots @ \$650 each) could be covered by funds from potential savings and unearmarked funds previously noted (\$600,200). The team feels Option 3 is definitely superior to either Option 1 or 2, since the provision of a materials loan will greatly enhance the value of the project to the beneficiaries. Without a materials loan, the likelihood that beneficiaries would be able to begin construction immediately is remote. Unless construction can begin immediately and people begin moving onto the site, this project stands a great chance of failure.

Since there is virtually no other source of home improvement or construction loans in Liberia this appears to be a way of relaxing these otherwise binding constraints to successful completion of the project.

Additional Costs of Materials Loans:

Materials Loans 400 x 650	\$260,000
12 months ext. A&E/PIU	297,905
(See computation above)	
	\$557,905

Without additional funding this additional cost can be covered through savings within the project and downpayments.

The Financial Implications of Option 3:

Funds Available & Savings	600,200
Additional Costs	-557,905
LEAVING A BALANCE OF	42,295

If the downpayments of 10% against value are collected, given sufficient monthly cash flow and timing, \$120,000 could be available for materials loans. An additional project surplus of 480,200 would allow sufficient funds for the materials loan program.

These loans could be made by PIU as a part of the sales and TA being made to the beneficiaries as follows:

When the beneficiary has completed the excavation of his foundation in accordance with an acceptable PIU and NHA plan, he will receive the Home Materials Loan of \$650.+

If the beneficiary doesn't request a loan within 3 months after lot is made available, PIU will have no further obligation to make the loans.

PLUS WET CORES (OPTION 4)

This option is the same as Option 1 with a 12 month project extension except that it also includes construction of a wet core with lean-to roof construction on the now 400 or 450 serviced sites. This option greatly improves the product to be sold. It allows a family to immediately move on site while phasing in the construction of their new home. The cost of this wet core

lean-to construction is estimated to come to about \$2,500. Since this option provides immediate housing for all beneficiaries, occupation can begin as soon as construction is complete. A materials loan is not provided here, yet this option is still feasible due to immediate occupancy. Home improvement can take place over time dependent on the beneficiaries personal finances.

The Financial Implication of Option 4:

	450 Lots	400 Lots
Funds Available	377,711	444,594
Additional Cost:		
Roofed wet core (2500/lot)	- \$1,125,000	-\$1,000,000
12 months A & E and PIU	- 297,905	- 297,905
NET FUNDS NEEDED	- 1,045,194	- 853,311

That is, Option 4 would require new funds of \$853,311 to \$1,045,194.

NOTE: Cost of A&E supervision would no doubt increase. However, downpayment amounts could also be available to offset this potential increase.

BEST OF THE LOT (OPTION 5)

This option, the best of them all, is of course, the most expensive. This option is basically the same as option 4 except that it also includes a materials loan of \$500 (minimum) for each of the wet core recipients and completes all infrastructure for both New Georgia and West Point projects.

The cost to beneficiaries is highest under this option although the monthly mortgage service is still within the affordability range.

Cost to Beneficiary

Core	\$2,500
Land	1,500
Materials Loan	500
TOTAL	\$4,500

A mortgage of \$4,500 over 20 years at 12% would require a monthly payment of less than \$50.

The Financial Implications of Option 5:

Funds Available	\$ 377,711
less: 12 mo. A&E & PIU	- 353,300*
Materials loans	- 225,000
roofed wet core	- 1,125,000
NET FUNDS NEEDED	- \$1,325,589

* Full A&E services for 12 month period.

The team's recommendation is that Option 5 be adopted since it is the most likely to assure beneficiary acceptance of the low income housing concept and so is the most likely to fulfill the project's ultimate goals. However, if the funds are not available, the team strongly recommends Option 3.

9 COMMUNITY DEVELOPMENT SUPPORT NEEDS

NEW GEORGIA

The success of this project is determined ultimately by the acceptance, occupation and improvement of sites by the intended beneficiaries. However, very little time and money has been allocated toward the education of the beneficiaries, sales promotion, financing arrangements and technical services. Indeed in the period covered by this evaluation it is projected that \$2 million will be spent on physical infrastructure alone, whereas only \$40 thousand has been planned to provide for the community development support needs, education and promotion.

Education and sales promotion need to begin now in earnest. It is important that beneficiaries are selected and educated to the concept of the low income sites and services core housing project. Great pains must be taken to ensure understanding of the concept so as to avoid disillusionment and resulting consequences in the future.

One of the greatest boons to sales and understanding of the project's concepts would be early occupation of sites as soon as they become available. According to this contractor's estimates, Section A could be completed and fully functional by October of this year. Our target should then be that beneficiaries begin occupying Section A by November 1.

As soon as beneficiaries begin to occupy the sites technical and financial services must be made available to them so that they can immediately begin improvement of cores or construction of homes. The sooner occupation and improvement begin the sooner this project will start to meet its ultimate objectives.

Technical assistance to beneficiaries should include a selection of several house plans and costing for partial construction as well as total cost to completing various proposed solutions. The beneficiaries should make decision on the type of selection preferred.

Mortgages have not yet been arranged. The National Housing and Savings Bank (NHSB) had originally been indicated as the mortgage servicer. However, due to the banking crises in Liberia and NHSB's own financial states, this may not materialize. We know of no other banking institution in Liberia that is currently in the mortgage business.

NHSB could collect the monthly mortgage payments, collect a service fee, and remit the balance to NHA. However, NHSB already has difficulty in collecting its own loans and also does not currently have sufficient staff to assume this responsibility.

An alternative method would be for NHA to hold the mortgage and make the collections on its own. But NHA has had considerable difficulty in collecting rents from its other housing estates. It may be worthwhile to explore the establishment of a Community Co-op to collect mortgage on behalf of NHA. However, it is suggested that, if the option providing materials loans is selected, PIU should administer the material loans and act as a collector of monthly mortgage payments for NHA. The PIU staff with previous estate management experience would be well qualified to assume this responsibility.

The issue of mortgage financing is of great importance and must be resolved immediately.

WEST POINT

Community Support needs in West Point consist mainly of getting the West Point Community Co-op (WPCC) on its feet. The WPCC will most likely be the managers and eventual owners of the abolition facilities and the West Point Shopping Center. It is imperative that

WPCC be given sufficient support and technical assistance so that at the proper time it can take over the West Point facilities.

The WPCC members are residents of the area and are familiar with its needs. There is a general consensus that this local co-op would be the most effective manager of the facility due to the ties to the neighborhood and the sense of community among the co-op members. Considerable work has already been done on the budget and management guidelines.

The Cooperative Development Agency (CDA) a GOL agency will be providing the WPCC with some technical and managerial assistance. The CDA feels the WPCC with this technical assistance could very effectively deliver the support needed. Officials of CDA express great confidence in the Co-op's ability to manage their facilities.

10 CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

1. The project should be continued.

Reasons for believing the PACD should be extended for one year (until September, 1986) include the following:

- The rate of construction progress history in this project is slow.
- The liquidity problem in the banking system w/no construction financing, over drafts, loans, etc.
- The two contractors have been working 3 months. One contractor reports 3 months delay in anticipated completion. The other contractor is six weeks behind schedule. This doesn't inspire great confidence that work will be completed on schedule.
- The materials for New Georgia are scheduled to arrive in Monrovia on June 30. Allow 30 days on late ship arrival - 30 days for customs clearance and delivery to site. The contractor may be in position to start laying pipes in September, 1985. The projected period for completing the laying of pipes is 4 1/2 months. Sales of serviced lots for 35 x 50 (small) may not have a ready market. The sales effort may really need a lot of TA, education and assistance to sell beneficiaries on living 8 miles from where he works and have to keep paying rent where he lives until he/she can build a new home even with a \$650 materials loan.

This project has some positive indication that the construction period is achievable in an additional 6 months time. However, judging from the pace of work to date and some problems noted and the possibility of unforeseen delays combined with the need of TA to the beneficiaries, it's our opinion that an additional 6 months should be provided just in case.

2. PIU has been operating as intended in PIL 2, 3, and 8 as reflected in Annex I (Revised).
3. It's a credit to USAID and NHA that they have made PIU work. This is no small feat - congratulations are in order to NHA, USAID and PIU.
4. The beneficiaries should be selected and trained ASAP.

5. The services of this project are dependent on many factors, some of which are:
- (1) Satisfactory performance of the:
 - (a) construction contractors
 - (b) A&E Firm
 - (c) PIU
 - (2) (NHA's) owners acceptance of project work and sales program by PIU
 - (3) Adequate source of supply for maintenance of utilities provided on the site.
 - (4) Political, official and public acceptance.
 - (5) Cost recovery - mortgage servicing.
 - (6) Beneficiary's satisfaction with the product offered (price and quality) and his ability to complete his home with pride and dignity.

The latter, No. 6 is the true test and will ultimately be the major factor related to the project success.

6. The implementation of physical infrastructure is not enough, considering that more than 90% of funding is projected to be spent on the so-called "Hardware" side and less than 10% on the "Software" side (TA to beneficiaries) therefore, more emphasis should be shifted to the provision of technical assistance to the beneficiaries.

During our discussion with some 50 people, without exception they have all agreed the measure of success of this project will be in the beneficiaries acceptance of the S&S -squatter upgrading concept. We don't know all the reasons why this project has had its rocky and long delays. But the sewer and water infrastructure was completed once before several years ago and that completion of that infrastructure was in itself not enough to make a successful project, therefore, it is suggested that sales, education, allocation, promotion efforts be marshalled to select allottees immediately and that community development and site technical assistance be provided to these beneficiaries to assist them in constructing shelter on the serviced lots.

7. The computations of cost used in this report are for illustration of potential cost projections and are recognized as being estimates. The base data was taken from "USAID/Liberia Low Income Housing Phase II - Project No. 669-0167 financial status as of March 31, 1985" and A Critical Analysis of Project Cost". Prepared by Andy van der Schaff. Certain funds indicated to be unearmarked (\$237,399.12) may be in fact be needed for example to pay NHA the retention (amt. est. \$120,000) due from the

project. It is also noted that funds obligated in the March 31, 1985 financial summary may include an additional three months funding past the projected PACD of September 1, 1985 (i.e., Mr. van der Schaff's salary). Support cost for persons who have departed post and funds not used for TA or funds required for TA (i.e., Eastman-Upchurch and evaluation cost) may not be accurately reflected in our estimates. Therefore, it is suggested that the USAID/Liberia may wish to have the financial status of this project revised to be sure of the amount of funds that may be unearmarked at this time.

RECOMMENDATIONS

1. Greater TA resources must be expanded on community development needs such as sales education, promotion, financing arrangements and technical assistance to the beneficiaries.
2. The USAID engineer's office should take a more active role in the project, participating more in the contracting and contract change process as well as periodically inspecting the construction sites. The USAID engineer or representative should also attend site meetings.
3. NHA should provide more technical input to PIU. Especially, a NHA technician should approve all contract and design changes and be available to the PIU team for technical consultation. It is suggested that a NHA person on the PIU staff, sign certificates of payment and variation orders, as referred to in Annex I Reveised.
4. The PACD should be extended to September 1, 1986.
5. Sales of serviced lots and cores should begin as soon as possible. A target date of November 1, 1985 should be set for occupation of Sector A at New Georgia by beneficiaries.
6. To the extent possible, construction at New Georgia should be phased to allow occupation sector by sector.
7. Mortgage servicing arrangements should be made and confirmed by July 1, 1985.
8. The solutions chosen by the PIU for repair to the West Point sanitary facilities appear to be optimum considering unlimited capital. However, since there is great demand for

finances by other aspects of this project, those repairs should be undertaken, if possible, with a substantial reduction in the expenditure currently planned.

9. PIU should obtain from utility companies assurance of the availability and maintenance of water and electricity and related services required for November 1, 1985 used in Block A.
10. The PIU should assist Co-op in management of West Point facilities. Determine criteria for Co-op continuance after 6 months operation ASAP about August 1, 1985.
11. PIU experience should be used for other implementation projects - PIU should be continued as quasi-independent section of NHA with expatriates being replaced with NHA staff before the end of the project. NHA staff may be used for mortgage servicing division of NHA after project is completed.
12. Make appropriate arrangements regarding the selection of mortgage servicing institutions (NHSB) and others ASAP by July 15, 1985. NHA may be the only viable institution to service mortgages.
13. The project should be properly completed with appropriate infrastructure, roofed cores and material loans to beneficiaries in New Georgia and appropriate management of Shopping Center and Sanitary blocks in West Point (Option 5).

If funds are not available, then orderly completion of the project with properly working infrastructure, maximum materials loans and maximum TA to beneficiaries in New Georgia and sanitary blocks operated by the co-op or other West Point community organizations should be accomplished before September, 1986 (Option 3).

14. In Option 3, it is strongly recommended that the 50 lots lost to the swamp on the New Georgia site should not be replaced due to additional cost and time consideration. This could apply to other options.
15. It is recommended that Regional Housing and Urban Development Office (RHUDO) in Abidjon, Ivory Coast continue to assist and support this project, and, if possible, provide periodic visits to the site and assist USAID in the implementation of the program.
16. It is urged that USAID prepare a revised financial summary of the project as soon as possible.

11 METHODOLOGY

In undertaking this evaluation, the team set out to familiarize itself first by learning the history of the project through briefings by Amy Nolan, RHUDO; John Piehemerio, Doug Kline, USAID; Samuel Toby NHA; and Andy Vander Schytf, PIU, review of project documentation and interviews with persons involved with the project (see Annex I). While interviews, of course, varied, a single set of questions served as the team's guide. Aside from interviews and documentation reviews the team observed a site meeting at New Georgia and at West Point, and a second informal site meeting at New Georgia. The site meetings were attended by representatives of the contractor, the A&E firm and the owner (PIU/NHA/USAID). Site meetings are held to resolve contracting, engineering and design problems and often discuss issues of contractor/owner claims and alterations and adjustments to contracts.

The evaluation team also attended one steering committee meeting. The steering committee meets once a month and is attended by representatives of NHA, PIU, and USAID. The steering committee has a rotating Chair and Doug Kline, USAID, was Chairperson at the meeting the team attended.

Aside from regular project documentation, the team reviewed and scrutinized contracts let, PIO/Ts and controller's financial report.

Evaluation of this project is greatly based on the status of the project in relation to Annex I attached to PIL #8. In the discussions, interviews, documentation reviews, etc., the team attempted to ascertain both the present financial status of the project, and the current PACD. The team then tried to estimate when the project could actually be completed, recommended how remaining resources should be expanded in order to successfully complete the project, and provided alternative scenarios that might be pursued in implementation of the project.

The team generally worked together on all aspects of the evaluation. A consensus view is presented here. This is not a hammered out consensus but rather represents our general agreement in all respects.

It should be noted that despite numerous attempts to arrange meetings with the Ministers of Planning and Economic Affairs and the Minister of Public Works who is Chairman of the Board of Directors of the NHA, the Team was unable to meet with them.

12 REFERENCES

Background and Reference Materials LOW INCOME HOUSING PROJECT 0167

- I. A critical Analysis of project cost, cost allocation and cost recovery requirements - prepared by A. van der Schaff assisted by Willard L. Eastman and Evelyn N. Kehleay corrected march 1985.
- II. Development of a TA and training proposal to improve Financial Systems in NHA including a limited audit of project accounts and a Review of the Small Business Loan Program prepared by FA Conner consultant, National Savings and Loan League, November, 1982.
- III. USAID & RHUDO Files.
- IV. USAID contract with A&E Firm, Milton & Richards - 669-0167-C-00-4016-00

USAID contract with construction contractor, Engineering and Construction Services, 669-0167-C-00-5005-00 signed January 4, 1985. Notice to proceed January 7, 1985. February 8 start-up date.

New Georgia Infrastructure.
- VI. USAID contract with construction contractor, Hollywood-Dixon Construction No.669-0167-C-00-6005-00 for construction of the West Point Sanitary Units. 118, 142, 28. Signed January 10, 1985.
- VII. Files and reports of Project Implementation Unit for National Housing Authority (PIU).
- IIX. Project Agreement between the Republic of Liberia and the United States of America for Low-Income Housing, Sept. 14, 1979. Nos. 669-0167 & 669-HG-002.
- IX. Project Implementation Letters.
- X. Log frame Alternative A, B1, B2, and C Solution.
- XI. 3rd Quarterly Report, A. van der Schaff, January - April, 1985.

- XII. West Point Construction progress.
- XIII. New Georgia program/progress chart.
- XIV. Four Scenarios for completion of Low Income Housing Scheme. West Point and New Georgia dated May 6, 1985 Project Completion Timetable.
- XV. USAID/Liberia, Low Income Housing Phase II, Project No. 669-0167, Financial Status as of March 31, 1984.
- XVI. Minutes of Special Coordinating Meeting held with Milton & Richards by USAID & PIU on Tuesday, April 14, 1985. Project 0167.
- XVII. A&E Consultants Report for the month of April, 1985.
- IXXX. Minutes of the 4th Steering Committee Meeting held at 2:00 p.m. on March 26th, 1985 at the PIU.
- IXX. Engineering approval of plans and specifications by NHA, Water & Sewer and Electrical Co.
- XX. West Point Facilities Management Program 6 March, 1985.
- XXI. Project Implementation Unit for National Housing Authority as of March 15, 1985 by Eleven N. Kehleay, USAID Project Accountant.
- XXII. Action Memorandum for the Mission Director, USAID/Liberia, Liberia/Low-Income Housing Program 669-0146, 669-0167/HG-002, December 1, 1982.

ANNEX I
(Revised)

PROJECT DESCRIPTION

for the

LOW INCOME HOUSING PROJECT/LIBERIA

The original Annex I of the subject Project Grant Agreement is hereby deleted in its entirety and the following revised Annex substituted in lieu thereof.

I. PROJECT DESCRIPTION

As amended, this Project will consist of two subprojects, New Georgia Sites and Services and West Point Neighborhood Upgrading, whose development objectives will be: 1) to construct a limited-scale sites and services project which demonstrates a cost effective approach to providing lower income Liberians with access to serviced lots and home ownership, and 2) to provide community facilities in an existing low income neighborhood to be sold or leased to organizations agreeing to operate and maintain the facilities for the general benefit of the community.

A. Subproject Descriptions

This Project will consist of two subprojects, New Georgia Sites and Services, and West Point Neighborhood Upgrading.

1. New Georgia Sites and Services Subproject

Under the subproject in New Georgia, AID will assist GOL to implement a small-scale sites and services program to include delivery of basic urban services (water, sewer, electricity, roads and drainage) to approximately 550 lots of which 100 lots will have evolutive core units (1 room plus sanitary block) constructed upon them. The serviced lots with or without core units, will be allocated and sold to eligible low-income beneficiaries as defined below on a cost-recoverable basis and in accordance with standard Liberian banking practices for mortgage lending and loan terms. The National Housing Authority will be the owner-of-record of the improved

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lots until such time as lot sales to eligible beneficiaries have been concluded. The Project Implementation Unit (PIU) will undertake and manage lot sales and, in conjunction with the National Housing and Savings Bank (NHSB), establish a loan servicing program. The NHSB will provide loan servicing with standard fees and service charges for services rendered paid from mortgage payment or recovered costs. Costs recovered under mortgage loans for improved lots will be returned, less mortgage servicing charges, to the National Housing Authority to expand or improve the new community established on the New Georgia site or be used to provide a fund for home construction support.

2. West Point Neighborhood Upgrading Subproject

Under this subproject, a group of community facilities will be constructed which will include 4 sanitary blocks, 1 covered market or shopping center, 1 school, 1 community office building and 36 low-cost housing units. The community facilities will be sold or leased with an agreement to purchase to organizations agreeing to operate and maintain the facilities for the general benefit of the West Point community. The housing units will be sold to eligible beneficiaries as defined below. The National Housing Authority will be the owner-of-record charged with the responsibility for operating and maintaining community facilities and housing units on a rental basis until such time as they are sold or lease-purchased. The funds recovered through sale of these facilities will go into a special project account (see Section IV. Financial Plan) for further community development in West Point by the NHA. During the rental phase, NHA may charge reasonable costs of operating and maintaining facilities.

B. Eligibility and Selection Criteria

1. Eligible Beneficiaries

To be eligible to purchase housing, beneficiaries must earn less than the current median urban income for Monrovia as agreed. The median urban income was re-established in January 1983, by AID and the GOL at 226 dollars per household per month. This figure was based upon the earnings of the primary wage earner of the applicant's household, but exclusive of any secondary or informal income. The median urban income may be periodically adjusted by AID and the GOL to keep the figure current with changing urban income levels.

2. Selection Criteria

Beneficiaries eligible by income must also meet certain criteria to be permitted to purchase a lot in New

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Georgia or a housing unit in West Point. These selection criteria set forth below require that a beneficiary must:

- a. Be a citizen of the Republic of Liberia and be a resident of Monrovia, having lived in the city for at least five years;
- b. Be the primary household wage earner to qualify for the loan and have full-time employment which assures a steady income;
- c. Show evidence of age not to exceed 55 years;
- d. Have no record of default or excessive arrears on previously held loans;
- e. Agree to initiate construction on the lot or expansion on the core unit within 180 days of purchase (New Georgia);
- f. Agree to occupy the housing unit for a minimum of three years though subletting a portion of the premises will be permitted;
- g. Agree not to sell the housing unit or lot or any portion thereof for at least three years from the date of purchase and, if the property and/or improvements are to be sold during the fourth or fifth year following purchase, the owner agrees to notify the NHA in advance and shall give to NHA right of first refusal on the property sale;
- h. Shall not own any other residential property in Montserrado County;
- i. Shall not purchase more than one lot (New Georgia) or housing unit (West Point), and
- j. Must have maximum income not exceeding 226 dollars per month or as subsequently adjusted by a Project Implementation Letter (PIL).

Beneficiary applications will be processed by the Project Implementation Unit (PIU). If selection criteria are satisfied, applications will be forwarded to the NHSB for a credit check. Applicants who satisfactorily meet selection criteria and pass the NHSB credit verification will be allocated lots or core units by the PIU and notified by the PIU that they have been selected. Allottees will be asked to execute a purchase agreement with NHSB and NHA within a specific period of time.

C. Host Country Contribution

The Government of the Republic of Liberia will provide, or cause to be provided through its institutions, the political and technical support and approvals and all other resources required to carry out the project effectively and in a timely manner. The GOL contribution shall include specifically the cost of land acquisition; the staff time and office services of the NHA and other GOL reviewing institutions, such as Liberia Water and Sewer Corporation (LWSC) and Liberia Electricity Corporation (LEC); community services, such as police and fire protection, garbage collection and primary road maintenance in New Georgia and West Point; certain infrastructure costs, such as the entry road to New Georgia. The GOL shall also cause to be recovered by the NHA from LWSC and LEC the costs of water and sewer and electrical infrastructure financed in New Georgia by the Project and transferred to LWSC and LEC public utility systems. Recovered monies will be placed in the special Project account to be used to support or expand project activities.

D. Project Outputs and End-of-Project Status

By the Project Assistance Completion Date (PACD), September 1, 1985, unless otherwise amended by AID and the GOL, the Project will have produced and turned over to eligible beneficiaries or to the organizations for the benefit of eligible beneficiaries the following:

1. West Point

1 elementary school with attached sanitary block

1 49-stall community shopping center

4 sanitary blocks with toilet, shower and laundry facilities

1 community office building

36 low-cost housing units

2. New Georgia

Approximately 550 lots with water, sewer and electricity services available for connection to the plot owner.

100 core units of which 4 units have been expanded in full or in part for demonstration purposes

4 demonstration units, testing building design and materials alternatives

completed

1 warehouse to be sold and/or converted at the end of construction to a use beneficial to the community or retained by NHA as a warehouse by special agreement between USAID and NHA.

3. Sales agreements executed with eligible beneficiaries for all lots and core units in New Georgia.

4. All public facilities constructed at West Point will be open and operating with proposals prepared or executed to purchase and/or manage facilities by private or public organizations outside NHA.

5. A cost recovery mechanism will be established among GOL institutions with effective collection procedures established and operating.

II. PROJECT IMPLEMENTATION STRUCTURE

A. Project Implementation Unit (PIU)

A Project Implementation Unit (PIU) comprised of staff of AID and NHA shall have the primary responsibility for implementing the Project as defined herein. The functions, staffing, funding, and accountability of the PIU are established and defined in PIL No. 3, dated December 20, 1983, and shall remain in effect unless otherwise altered or revised by a subsequent PIL. The NHA will make available all staff needed to fully implement the Project through the PIU.

B. Direct AID Contracting

AID shall contract directly with private firms to carry out certain Project construction and related activities. AID is granted this authority by PIL No. 2, dated Nov. 14, 1983, which shall remain in effect unless otherwise altered or revised by a subsequent PIL.

III. IMPLEMENTATION PLAN AND ACTIVITIES

A. Implementation Responsibilities and Inputs of Project Signatories

The Project is to be implemented hereafter in accordance with this revised ANNEX I as executed between the GOL and USAID/Liberia but with reference to its predecessor, ANNEX I

and the Project Agreement, dated September 14, 1979, for implementation issues predating or not treated in this Revised ANNEX I.

The GOL's principal agents for implementation will continue to be the National Housing Authority (NHA) and the National Housing and Savings Bank (NHSB) but the former agree to transfer major implementation responsibilities to the PIU as described above.

Project implementation at the field sites will be directly supervised by an architectural and engineering firm under contract to AID.

1. Overall Responsibilities of the Government of Liberia:

a. To uphold the primary Project principles of obtaining cost recovery on all major project investments and of maintaining the affordability of serviced lots and housing units financed by the Project to Liberians, whose incomes are below the urban median income level as specified in Section I.B.1. above.

b. To purchase or cause to be purchased with GOL funds the land required for the Project, and

c. To provide or cause to be provided from LWSC and LEC just financial compensation to NHA for capital investments in water and sewer and electrical infrastructure made from grant proceeds on behalf of these utilities.

2. Responsibilities of the National Housing Authority:

a. To continue to provide a qualified and experienced staff to the PIU as set forth in PIL.No. 3, unless amended, and to provide such additional services and staff in support of the PIU as shall be requested,

b. To perform inspections jointly with USAID of work-in-place or materials purchased that may result in acceptance for payment to contractors and provide prompt written agreement to its acceptability and any corrective actions to be taken,

c. To maintain ownership responsibility for operating, maintaining and safeguarding the community facilities and housing units in West Point until private purchasers can be obtained, and making all efforts to identify purchasers and conclude sales as promptly as possible, and

d. To furnish to AID conclusive legal evidence of rights-of-ownership to all lands required for project construction or on which project investments have already been realized.

3. Responsibilities of National Housing and Savings Bank:

To assign a qualified and experienced loan officer(s) who will manage and complete Project loan activities including loan case documentation, credit checks, loan processing and approval, and loan servicing and collections.

4. USAID Responsibilities:

a. To provide a qualified and experienced Housing Advisor and such other staff as may be needed to serve the PIU,

b. To undertake direct contracting with local firms to complete unfinished Project elements in a timely manner and within the limits of remaining grant funds,

c. To jointly perform with NHA any inspections required to determine acceptability of work-in-place or purchased materials for payment to contractors, providing prompt written agreement to its acceptability and any corrective actions to be taken.

IV. FINANCIAL PLAN

A. Administrative Procedures, established in PIL No. 7, dated October 2, 1984, are outlined below:

1. All funds generated by project facilities or project activities managed by NHA will be credited to the NHA bank account established for Project No. 699-0167 at the NHSB (funds generated from rent, sale, operating revenue, reimbursement of expenditures, etc.).

2. All funds received by NHA from USAID including all USAID checks relating to project activities and retention release will be credited to the Project bank account of NHA at the NHSB.

3. NHA will maintain a record system which will identify the nature, amount and description of deposits made into the above account.

4. A specific budget for each disbursement of Project funds will be agreed to by NHA and USAID before issuance of the checks by USAID. This Section relates to

checks for advance(s) and/or reimbursement for expenditure(s) as well as any other payment which may be made by USAID.

5. On a quarterly basis, NHA will produce a budget reconciliation report including details of all deposits and expenditures relating to the project account. The balance of funds identified in the report will be budgeted by USAID/NHA agreement and allocated for expenditure and reserve.

6. In order to monitor the system, NHA will provide the PIU with copies of all their internal check requisition vouchers and attachments executed by the NHA on USAID account as well as monthly bank statements and bank reconciliation reports.

B. Retention

USAID contracting procedures will be adhered to and retention of 10% held on new construction contracts let by AID.

No further retention will be held on disbursements paid to GOL institutions. Existing retention held will be released by mutual USAID/NHA agreement and the expenditure of the released retention budgeted by mutual agreement.

C. Summary of Revised Project Budget

Budget Support, National Housing Authority \$ 311,000

New Georgia Construction

Infrastructure and site devel.	1,326,000
Warehouse	87,000
Core Units	475,000
Demonstration Units	38,000
Electrical Reticulation	<u>280,000</u>

Sub-total 2,206,000

West Point Construction

Road Construction	32,000
New School Sanitary Unit	125,000
Riverside Sanitary Unit	113,000
Rental Unit Sanitary Unit	117,000
Shopping Center Sanitary Unit	149,000
West Point School	150,000
West Point Shopping Center	165,000
West Point Rental Units	156,000
West Point Site Office	<u>47,000</u>

Sub-total 1,054,000

NHA Sub-total 3,571,000

National Housing & Savings Bank

Budget Support and Small Loans	<u>233,000</u>
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General Project Support

Technical Assistance	460,000
Support Cost	530,000
Evaluation	<u>20,000</u>

Sub-total	<u>1,010,000</u>
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Unallocated Mortgage Loan Support Fund, West Point and New Georgia	<u>186,000</u>
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T O T A L	<u>5,000,000</u>
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Notes to the Budget

1) Budget includes expenditures incurred to date plus costs to complete.

2) Not all construction costs attributed to budget are cost recoverable.

3) Unexpended funds are subject to deobligation.

V. PROJECT EVALUATION PLAN

There will be an interim and a final evaluation. The interim evaluation will be held during second quarter FY 1985 and will be used as a basis to decide whether to continue, restructure or terminate the Project and schedule the final evaluation. The project budget will include funds reserved to perform these two evaluations. Evaluations will be designed and conducted by AID and implemented by a team comprised of the representatives of both AID and the GOL.

VI. PROCUREMENT

The Project will follow procedure and regulations set forth in the Standard Grant Provisions Annex (Annex III). Procurement procedures may be defined in greater detail by a PIL.

VII. PROJECT MONITORING

Project monitoring will be performed at three levels to include periodic technical and administrative monitoring and assistance by the RHUDO/WA; daily monitoring by the PIU on behalf of USAID/Liberia and NHA through the AID Project Manager and

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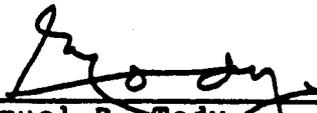
direct field supervision and monitoring by means of an A&E firm contracted to AID and managed by the AID Chief Engineer.

VIII. PROJECT COORDINATION

A Project Steering Committee will be established to coordinate overall project implementation policy. The Project Steering Committee will meet periodically to agree, coordinate and establish policy guidelines for implementation by the PIU. The Steering Committee will consist of USAID, NHA and PIU staff members and will establish its own operating procedures.

The Republic of Liberia

The United States of America

By: 
Samuel B. Tody
Managing Director
National Housing Authority

By: 
Lois Richards
Director
USAID/Liberia

Date: Feb. 13, 1985

Date: February 8, 1985

ANNEX II

The Evaluation Team expresses its appreciation for the assistance and cooperation provided in the meetings held with the following persons:

PIU

Andy van der Schaff, USAID Contractor, Advisor
Lloyd Morris, USAID Contractor, Advisor
Dempsey Woods, NHA, Project Coordinator
Alfreda Merchant, NHA, Deputy Project Coordinator
Evelyn Kehleay, NHA, Project Account

NHA

Samuel Toby, Managing Director
Robert Gray, Deputy Managing Director for Technical Services
Anthony Delaney, Technical Coordinator
Robert C.W. Pour, Deputy Managing Director for Administration

MILTON & RICHARDS (A&E Firm)

Aaron B. Milton, President
Fred Lamptey, Coordinating Engineer
Mr. Ashong, New Georgia Engineer
Mr. Mettle, New Georgia Engineer

Hollywood & Dixon (Contractor at West Point)

Mike Hollywood
Jim Burton

Engineering and Construction Service (ESC)

Bill Cooper

USAID

Bob Braden, Engineer
Doug Kline, Project Officer
John Pielemeier, Director (Acting)
Mike Rugh, Deputy Director (Acting)
Mike Rogal, Controller

Cooperative Development Agency

Joseph Kettor

West Point Community Cooperative

Frank A. Krah, Chairman
Dennis E.S. Nyondueh, Business Manager

National Housing and Savings Bank

William Diggs
Alvin Eastman

Regional Housing and Urban Development Office, Abidjan

Amy Nolan
Mike Lippe

LOW INCOME HOUSING PROJECT-ESTIMATED COST

	Mar. 1985 Contract Cost Oblig.	Estimate Comp. Dtd.	Net Change Projected Add'l. Contract Cost	Revised Estimates Date of Completion	Revised Total to be con- tracted	Sales and Promot.	Projected Total Contracted Cost	PIO/Ts	Not Earmarked (Diff.)
Infr structure New Georgia	825,968	Oct. '85	100,000 (1) 67,500 (2) 125,000 (3)	Mar. '86	1,118,468	5,000 (6) 23,220 (7) 10,000 (8)	1,156,688*	1,360,000	+\$203,312
Sanitary Unit Infr structure West Point	118,142	Oct. 85	175,000 (4)	Mar. '86	293,142	10,000 (9)	303,000**	220,000	(- 83,000)
A&E Firm	140,000	Sept. '85	20,000 (5) +	Sept. '85	160,000		160,000	140,000	(- 20,000)
FIU Operations Salary & other TA	263,159 <u>342,024</u> 605,183	Sept. '85		Sept. '85			605,183***	605,183	
Other unearmarked Construc. closed MODS Commods. Participant Training	237,399 2,264,658 164,438 8,322					sub-total	2,224,871 2,264,658 164,438 8,322	2,325,183 2,264,658 164,438 8,322	+100,312 237,399
			\$487,000				4,662,289	5,000,000	\$337,711

- (1) Contingency
- (2) Sewer & Water connections
- (3) 100 core unit renovations
- (4) (3) Sanitary Block Renovations
- (5) Amendment to A&E contract
- (6) Publicity - misc.
- (7) Sales promotion & education
- (8) Office equipment (field)
- (9) West Point Co-op Grant

Funds Available \$337,711

Including some salary Budgeted for PIU until Dec. '85 (Est. \$30,000)

*** Includes \$422,565 already spent

** Includes \$10,000 already spent

* Includes \$30,000 already spent

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	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP																						
	1985											1986																															
Construction contract New Georgia (500 lots) Infrastructure	\$ 825,968												revised 5/10/85																														
													\$ 25,000					Contingency time during election year and for economic adjustment																									
													\$ 67,500					Contingency & core rehab sewer & water connections																									
Construction West Point Sanitary blocks	\$ 118,142												Revised																														
													Rehab (3) sanitary blocks →					\$ 100,000																									
A & E. firm	\$ 140,000												\$ 20,000																														
																							\$ 27,906					cost for additional supervision															
P.I.U.	\$ 202,500																																										
																							\$ 27,000											Implementation, Sales, Technical assistance to beneficiaries, Admin of materials, loans									
Concentrated sales + I.A. to Beneficiaries & Coops																																											
																							P.I.U. & N.H.A.																				

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