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The Accommodation Process of the Informal Sector Settlements with the Formal Structure of Tegucigalpa and Comayaguela

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Abstract: This study investigated strategies and processes which have led to the successful incorporation of informal sector settlements within two Honduran cities. For each of the settlements investigated, the study addresses three phases which lead to accomodation: the planning and prepartaion for land take-over; the actual take-over; and consolidation, when the settlers work to mobilize internal and external resources to acquire services and legalize the land.

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THE ACCOMMODATION PROCESS OF THE INFORMAL SECTOR SETTLEMENTS WITH THE FORMAL STRUCTURE OF TEGUCIGALPA—COMAYAGUELA

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Executive Summary

Introduction

The Study, *The Accommodation Process of the Informal Sector Settlements with the Formal Structure of Tegucigalpa-Comayaguela* investigated strategies and processes which have led to the successful incorporation of two informal sector settlements, La Colonia Roberto Suazo Cordova (located in Tegucigalpa) and La Colonia 21 de Febrero (located in Comayaguela), within the formal structure of the city. The study also reviewed three other successful examples of the accommodations of informal settlements. Finally, the study identified lessons learned from the experiences of the two selected settlements.

The selection criteria of the two settlements included location, origin of land tenure, the occupation of the land, leadership, and mobilization of internal resources. The contract for the task was 18 work days. The actual task took approximately 30 days. During that period, available literature was reviewed and several interviews were held with settlers and other key persons in the accommodation process.

For each of the settlements investigated, the study addresses three phases which lead to accommodation: the planning and preparation for land take-over; the actual take-over; and consolidation, when the settlers work arduously to mobilize internal and external resources to acquire services and legalize the land. Lastly, future projects, as planned by the **Patronato**, the grass-root community organization, are discussed.

La Colonia Roberto Suazo Cordova No.2

La Colonia Roberto Suazo Cordovo No.2, located in Tegucigalpa, is an example of a group of urban settlers who have successfully incorporated into the formal structure of the city. This experience exemplifies a successful transaction between an entrepreneur and a determined community of urban settlers. The land owner and the settlers were able to find satisfactory solution for all concerned.

The planning and preparation phase began in April of 1981 when a group of renters living in three poor neighborhoods of the city began meeting at the University Social Center to search for solutions to their housing needs. During the planning phase, the leaders worked full-time carrying out a survey of families in the communal housing **cuarterias** of the three neighborhoods and investigating at the Cadastre Office and the Property Registration Office different plots of land throughout the city with the goal of selecting one for the take-over.

The researchers considered mainly: (1) the location of the property; (2) access to basic services, including schools and health centers; (3) land origin and titles; and (4)

present status of land title. After identifying the lots, the leaders visited them to determine actual conditions and make the final selection. Eight **manzanas** of land were selected for the settlement.

On June 11, 1981. approximately 150 families participated in the land take-over. The day after, the previously organized committees began their work. Those settlers with some skills in masonry and carpentry measured the lots. This first effort of urbanization assigned areas for internal roads and for public services such as a school. health center. and other social areas. The Defense Committee identified the guard Posts which controlled entry points and organized 24 hour guard shifts. Others were responsible for investigating each new family who wanted to join the group to determine its need of housing.

One committee was responsible for obtaining legal status for the **patronato**. The strategy, with the assistance of a law professor. was to capitalize upon the political interests of some political candidates. The settlement was named after the presidential candidate of the Liberal Party who was elected president of Honduras in 1981.

The struggle for ownership of the land began immediately after the state claimed the land and filed suit for land usurpation. Leadership corruption was part of the struggle. But, the community was strong enough to change the opinions of some of the leaders and continue to find solutions to their housing problems.

The consolidation phase began a year and a half (November, 1982) after planning was initiated. The **patronato** signed a Promise of Purchase contract with the land owner for 8.2 **manzanas** of land for a total of Lps. 410.008.90. Punctuality of land Payments and services has been an important issue with the **patronato**. The land fees to the land owner were paid within the time period stipulated in the contract. By July 1989, between 60% and 70% of all the residents of La Colonia had finished Paying for their Plots and most of the remaining families continued to make their monthly Payments.

At the beginning, the Payment regulations established by the patronato were very strict and some families relinquished their property because they were unable to make the payments on time. Now that the settlement has acquired credit worthiness and is a consolidated community, policy on land and service payments has become more flexible.

During the Period from 1982 to 1989, the residents of La Colonia Roberto Suazo Cordova No.2, raised at least a half a million Lempiras from both internal and external sources to pay for the land, build streets, install electricity, establish 11 public water taps and build a primary school, a kindergarten, a Center and a Women's Center.

The **patronato** Board of Directors at the time of the study had developed a work Plan which included those Projects which the administration expected to implement in the short. medium and long term. The negotiations with the municipality for the water Project for individual house connections were underway and work was scheduled to begin in February 1991. The **patronato** is negotiating funds for the drainage ditches project and the terms of payment for the Pavement of the front street of the neighborhood.

An incipient land market is evolving which will allow the **patronato** to fund other community development projects. The **patronato** requested the relocation of the electricity posts now placed in a section of the settlement facing the paved road so that this land may be divided into lots. In addition. there are some vacant lots. part of the Purchased land, on the upper section of the neighborhood which will probably be marketed.

La Colonia 21 de Febrero

This settlement is located in the **ejidos** or public land of Comayaguela. The accommodation process for this settlement took 11 years from planning through settlement. During the two-year planning and preparation phase, the activities included: meetings of interested families; new recruitment: visits to vacant lots; selection of lots; and, in-depth research of property titles.

The families seeking to solve their shelter needs were renters of an old neighborhood located in downtown Comayaguela. During two years, these families and leaders held meetings and planned the land recuperation and recruited other renters to strengthen the group. The number of families grew to 300.

Land selection criteria included: legal status; topographic conditions which would facilitate the installation of basic services; and the existence of transportation route which served two nearby settlements.

On February 21, 1981, approximately 300 families took the land and settled on the first part of the property. In the next two weeks the settlers measured the land and made an "urbanization Plan" which included areas for Public buildings and recreation. As soon as the measurement was complete the lots were randomly distributed. Within a week of the take-over most families had built shelters out of cardboard or scraps of construction materials. Shortly afterwards the number of families increased to approximately 700.

During this period there was constant struggle; the police went after men. women and children; people were beaten. The owners of nearby neighborhoods claimed portions of the land as theirs and jailed several of the settlers. Eight months went by before the municipality began its search on each settler to determine land ownership in other areas of the city and the military forces stopped persecuting them. Finally, on October 22, 1981, the local government declared the land occupied by the 21 de

Febrero as part of the **ejidos** of Comayaguela. This was the starting point of the consolidation or accommodation phase.

According to the settlers, many began making land payments to the municipality in 1982, after the recuperation agreement was issued. Municipal records of land payments for this settlement start on April 11, 1986, showing a total of Lps. 54,851.89 from payments made by the settlers.

The municipality did not sign a payment agreement with each settler until sometime in 1989. The cost per square vara had been established since the land recuperation decree was issued in 1982. If the lot is 200 square varas or less, the price per square vara was set at Lps. 3.48 for hillside land and Lps. 4.88 for flat land. The price for each square vara over the 200 is Lps. 7.00. The down-payment was negotiable, depending on the amount the person could afford and how much he or she had already paid throughout the years.

The **patronato** estimates there are approximately 1,500 families living in La Colonia 21 de Febrero but the AMDC only has 814 registered land holders. Payment of monthly fees is cumbersome and time consuming. According to legislation, 75% of the land payments will be returned to the settlers for community upgrading. Thus far, La Colonia 21 de Febrero has withdrawn small amounts on two occasions to pay for the topographic works and Lps. 73,900.73 in 1988 to be used for the sanitary sewage project.

The incorporation of La Colonia 21 de Febrero into the formal structure of the city happened mainly through the installation of basic services and a demonstration of the management and administrative capacities of the community. The **patronato** of this settlement presented a request for legal status to the Ministry of Justice on June 27, 1986; this was not granted until September 18, 1989. Nevertheless, the leaders and administrators of the settlement were able to mobilize significant internal and external resources for the installation of basic infrastructure and collective services.

Perhaps the most significant struggle of the accommodation process of La Colonia 21 de Febrero has been the water system. Between 1982 and 1983, the settlers strived to obtain public water taps. By the end of the decade, the goal of the settlement was the construction of a complete water system and the installation of home connections. Through the home water project, La Colonia 21 de Febrero completed its accommodation Process from the informal sector into the formal structure of the city

In 1988 La Colonia 21 de Febrero negotiated a large water project with SANAA and UNICEF. The project was implemented in two Phases and the total cost was Lps. 214,956.83. With cash and labor the settlers covered approximately 80% of the cost of the project and UNICEF provided the remaining 20% by supplying the water pipes. SANAA provided technical assistance and supervision. Presently, (1990) of the

approximately 1500 families living in the settlement, about 771 have home water connections.

The **patronato** signed an agreement with SANAA and UNICEF which establishes that the community will manage the water system and the funds for two years and SANAA will supervise the administration of the project. A water committee was organized for this purpose. Each household Pays a monthly fee of Lps. 12.00 to the water committee. The water funds are used to cover maintenance and administration costs of the water project. The remaining money can be used for other community projects. After the two years are up the water system will be handed over to SANAA.

The **patronato** of La Colonia 21 de Febrero is planning to implement one large project and three smaller ones in the future. The settlement has already started saving for the sewage system and has been requesting support from potential donors.

The dynamism of this neighborhood is evident. The residents and the leaders are aware that there is still much work to do in order to obtain their desired standard of living. Fortunately. the enthusiasm of the early years seems to endure and many of the original leaders continue to live in the community and to participate in its development.

Other Successful Examples

The search for existing literature identified three examples of processes whereby the informal settlements were incorporated into the formal structure of the city. Each exemplifies a different accommodation strategy: La Colonia Zapote Norte became part of the formal sector through the organization of a housing cooperative and its affiliation to FEHCOVIL. La Colonia Policarpo Paz Garcia entered the formal structure of the city through the installation of basic services. The transition from informal settlement to a formal neighborhood for La Colonia 30 de Noviembre was smoother than for the other two, the leaders of this land occupation negotiated the purchase of the land with the land owner, INVA.

In spite of the different strategies used by the residents of these three settlements. the similarities among them are worth mentioning. In the three cases, the residents mobilized external resources, particularly political contacts. The organization and determination of the settlers was a key factor to survive the struggle to solve their shelter needs. Lastly, the residents in the three settlements eventually Paid for the land and basic urban services.

Lessons Learned

Preparation and Organization Phase

The time period for this phase depends of the allocation of human and economic resources to the assignment. The cost of organizing and carrying out a thorough research, necessary to establish the foundation for a successful land take-over and eventually a relatively smooth consolidation phase, must be paid for by someone. In some cases, a large portion of the cost is covered by the organizers themselves (or the institutions which endorse them) and in others. by the interested Parties. In all of the examples discussed, the people interested in solving their shelter Problem had to disburse a considerable portion of the expenses during the organization Phase.

The organizers of urban land occupations served in the role of informal sector real estate agents without gaining a personal profit for the transaction. The compensation, in most cases, included covering costs and the provision of a lot in the settlement. In other cases, the main gratification to some of the "agents" was probably the opportunity to act on their convictions.

The analysis of the advantages and disadvantages of probable lands undoubtedly facilitated the accommodation with the service agencies and the city. It is well known that many of the informal sector settlements in the D.C. were established in either areas with ecological restrictions, or where the provision of basic services is extremely costly.

The Take-Over

The organization system during this phase is very similar among the successful informal sector settlements. Three main factors condition the survival of urban settlements after the land occupation and the duration of this phase:

a) Certain political, legal, economic and social conditions must exist for the land occupation shelter strategy to evolve and operate. Although veiled and in most cases overtly in opposition, there has been Political patronage. In many cases the purpose was mainly for Political gain. However, the allowance of this type of accommodation strategy to emerge was probably a sound political decision because it served as an escape valve for the social pressures which had surfaced from the mid-1970s through the early 1980s in Honduras.

b) Leaders with Political connections must be willing to persevere in the struggle.

c) A thorough research of the history and current status of the land title facilitates coming to an agreement with the land owners (private land) or administrators (ejidal land).

The Consolidation Phase

Land Payment and Titling: Land purchasing mechanisms are more efficient and less cumbersome when the owner has to deal with the elected representatives of the grass-root organization. This can happen only when the occupied land is private. When the occupied land is ejidal, each buyer must make his/her payments directly to the AMDC. This is a complex arrangement which lead to unsound and unwieldy management practices. Payments on legally recognized private land will eventually result in secure tenure. The settlers perception of tenure of ejidal land, despite government assurances of dominio Pleno, or full ownership, is one of uncertainty.

Management and Administration: For private-land occupants who have come to a purchase agreement with the land owner, the main concern seems to be land payments. Resources are allocated to establish minimum basic services, but the bulk of the effort is to make the land payment. When the possibility of acquiring secure land tenure is obscure, as in the case of ejidal land, the residents aim most of their resources to the establishment of durable and permanent services to legitimize the settlement.

The settlers, through their grass-root organizations have established their credit worthiness and their management and administration skills. Government support to these settlements comes only after several requests and usually after the group exerts pressure. This seems to confirm that land occupation, as a pressure mechanism, was the most effective alternative–and the only one for most–to resolve their shelter needs.

Patronatos have not been free of corruption. Even with those limitations, there are significant advantages to the management and administration of the informal land market and services by the **patronato** because most of the management and administration activities of the settlement are done on a voluntary basis by people with vested and immediate interests in the efficiency of the services. Also, the grass-root organization can develop more effective and flexible mechanism to recover loans and payments and control arrears.

Women's Participation in the Accommodation process

During the organization and take-over phases there has been at least one woman leader with Political contacts and the ability to mobilize resources. Women also Participate in the guard shifts and often served as deterrents to the authorities trying to vacate the land. Women hold leadership Positions in the from the outset of the **patronato** settlement. . However, women leaders seem to emerge once the

neighborhood has been formalized and the **patronato** is geared towards community management and further development.

The Future

The accommodation process of these urban residents has not concluded: the settlers continue striving to upgrade their communities and improve their living conditions. Recognition of the efforts and accomplishments on the part of the formal structures of the urban sector would contribute to further strengthen the grass-root organizations, and it could open new avenues to allow a better use of the dynamic and effective management skills within the informal sector settlements.

Urban-Land Management

The data evidences the existence of informal land markets researched and exploited by urban settlers in need of shelter. The principal lessons learned with regards to urban land management and the possible establishment of an informal sector land market are:

- The Predominance of informal strategies of accommodation used by the poorer urban residents, for the most part related to land occupation, is largely explained by the fact that comparable formal accommodations are beyond their economic capacity.

- The **patronato**, as the manager of the informal sector settlement, establishes a land market with the lots not allocated to the original settlers. This mechanism can easily be implemented when the land is Private and the **patronato** has negotiated its Purchase.

- Of the existing informal land markets it is easier to determine actual cost of private than **ejidal** land.

- The dynamic and effective management capacities of the urban settlers could be put to use in a systematic and legitimate manner. Land which is **ejidal** and assigned for housing lower income families according to the urbanization Plans of the city, could be managed by those interested in obtaining it. A similar procedure could be established with land owners interested in registering their properties in an available land market.

Advantages and Disadvantages

This section addresses the advantages and disadvantages of land procurement through occupation as expressed by all those involved:

- In the case of the private land occupation, the land seller acknowledged that in analyzing the process in retrospect it was essentially a business transaction. Nonetheless, he did not admit that the transaction was Profitable.

- To those families who acquired urban property and built homes, land occupation was the only alternative to solve their shelter needs.

- The process was not advantageous to all the participant families. Several of the original families were forced to abandon their quest because of the Precariousness of their economic situation. This situation is particularly applicable to the settlement in private land.

- The most important disadvantage of this accommodation strategy is the fact that the city developed without compliance to any type of urbanization plan. This situation has made the management and administration of the city a much more difficult task.

- Considering the political, economic and social constrains of Honduras the greatest advantages of this process can probably be accrued to the State:

    - It is the responsibility of the State to facilitate housing to all citizens but it has not been able to comply with this mandate. Consequently, the settlers who took the initiative of designing a strategy to carry out the job for the Government "took a load off its back".

    - The take-over and Purchase of private land did not require any participation, effort or cost either in cash or in time from the local government.

    - The families who have found successful accommodations in the city no longer represent pressure groups to the State.

    - The residents of these neighborhoods have already incurred tax debts with the city which they will probably pay. In addition, once they become property owners they will also become tax payers.

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LIST OF ABBREVIATIONS AND ACRONYMS

-AMDC	-Alcaldía Municipal del Distrito Central (Municipal Government of the Central District).
-APRUH	-Asociación de Promoción Humana (Human Promotion Association)
-BLOCOPA	-Bloque coordinador de Patronatos (Coordinating Block of Patronatos).
-CGT	-Central General de Trabajadores (Workers Union)
-Cuarterias	-Several rooms clustered around one central area. Each family rents a room and must share water and sanitary facilities.
-D.C.	-Distrito Central (Central District which includes Tegucigalpa and Comayaguela).
-DNI	-Dirección Nacional de Investigación (Police Investigation).
-Dominio Pleno	-Property title which allows the owner to carry out any type of transaction; it represents full ownership.
-Dominio Util	-Property title granted for communal land by which the holder has the right to use the property and to own any improvements on it.
-Ejidal	-Land which belongs to the community and is managed by the Municipal Government.
-ENEE	-Empresa Nacional de Energía Eléctrica (National Electricity Company)
- FENAPACOM	-Federación Nacional de Patronatos Comunales (National Federation of Community Patronatos)
-FEHCOVIL	-Federación Hondureña de Cooperativas de Vivienda Limitada (Honduran Federation of Housing Cooperatives)

-FHIS	-Fondo Hondureño de Inversión Social (Honduran Social Investment Fund).
-FRECEDICH	-Frente Central Pro-Defensa de los Intereses Comunales de Honduras (Central Front for the Defense of Community Interests in Honduras).
-FUSEP	-Fuerza de Seguridad Pública (Public Security Force).
-INFOP	-Instituto de Formación Profesional (Institute of Professional Training).
-INVA	-Instituto de la Vivienda (Housing Institute).
-Manzanas	-A land area equivalent to 0.7 hectares.
-METROPLAN	-Plan de Desarrollo Metropolitano del Distrito Central (Metropolitan Development Plan of the Central District).
-Patronato	-A grass-root organization which exists both in rural and urban communities.
-SANAA	-Servicio Autónomo Nacional de Acueductos y Alcantarillado (National Water and Sewage Company).
-SECOPT	-Secretaria de Comunicaciones Obras Publicas y Transporte (Ministry of Communications, Public Works and Transportation)
-Tina	-pan of different sizes used to save water.
-UNAH	-Universidad Nacional Autónoma de Honduras (National Autonomous University of Honduras).
-UNC	-Union Nacional de Campesinos (National Peasant Union).
-Varas	-Equivalent to 0.8 meters.

CHAPTER ONE

TERMS OF REFERENCE

Background

Local governments in Honduras particularly the government of the Distrito Central (D.C.), are not able to provide basic services to the informal settlements resulting from massive urban growth. In terms of squatter needs, urban services such as running water, sewerage and electricity often take precedence over the actual completion or improvement of shelter.

Some of the occupants of the city's informal settlements have decided to provide basic services to their communities themselves, with or without the approval and cooperation of the local government or the public service agencies. The result is an incremental improvement cycle created within the settlements, which leads to legal status, or an accommodation of the squatter settlements within the structure of the city, and access to the service agencies.

Most of the studies and discussions on informal urban growth have dealt with the problems created by the process, rather than an in-depth analysis of the positive contributions made by the squatters towards upgrading settlements.

In order to better implement shelter and infrastructure programs oriented to support the informal sector, it is necessary to gain additional knowledge about the accommodation process, strategies and mechanism it uses.

Objectives

The objectives for this study are the following:

1.Investigate strategies and processes which have led to the successful accommodation of two representative informal sector settlements within the formal structure of Tegucigalpa or Comayaguela.

2.Identify the lessons that can be learned from the experience of the selected settlements, particularly for urban land management.

The tasks of the study are described in the scope of work as:

1.Identify two successful representative informal settlements to be analyzed, and provide criteria utilized in the selection process.

2.Describe the process by which the two selected settlements were organized and how internal and external resources were mobilized.

3.Describe the benefits received by the residents and those that have accrued to the public sector, if any.

4.Provide a general description of the actions taken by the informal sector groups to legitimize their settlements, including the costs of these processes.

5.Describe the evolving relationships among the settlements, the local municipal government, the central government, and the basic service agencies.

6.Describe additional plans the residents may have to benefit their settlements.

7.Provide a review of other successful examples of informal settlement experiences that led to legalization and the concrete advantages that could derive from the informal sector's involvement in the delivery of shelter.

CHAPTER TWO

METHODOLOGY

Selection of the Settlements

The first task of the study was to select the two informal sector urban settlements. The selected settlements were to represent examples of legalization processes and the type of strategies and mechanisms used by some of the informal sector settlements to become part of the formal structure of the D.C.

To identify the two settlements, approximately 10 persons working with the urban informal sector, leaders of the community-based **patronato** federations, and other persons linked to the sector were consulted. Based on their suggestions, la Colonia Roberto Suazo Cordova No. 2 and la Colonia 21 de Febrero were selected.

The selections were not ideal. The availability of existing secondary data was originally a selection criteria because only 18 days were allocated for the study phase of the project under the contract. Although secondary data were not available, the two settlements were selected because they represent two different strategies used by urban settlers to acquire shelter that eventually become part of the formal structure of the city. The settlements were chosen because of the differences between them with regard to location, type of land ownership and the strategies to become part of the formal structure. Other criteria utilized for the selection were some of the common characteristics linking the two settlements. The differences and similarities of the two communities are described below.

-Location: La Colonia Roberto Suazo Cordova No. 2 is in Tegucigalpa and La Colonia 21 de Febrero in Comayaguela.

-Origin of land tenure: The land utilized in la Colonia Roberto Suazo Cordova No. 2 was private while the land where la Colonia 21 de Febrero was established was decreed public domain, or **ejidal**, by the municipal government.

-Period: Both land settlements took place in 1981.

-Leadership: Both settlements have had dynamic leaders with negotiation skills that resulted in the mobilization of external resources for community up-grading.

-Mobilization of internal resources: Residents of both settlements have demonstrated determination and responsibility to participate in the improvement of their living conditions and in the community in general.

Field Work

The first task of the data collection phase was to identify studies about the two selected settlements; unfortunately, only one document for La Colonia 21 de Febrero was identified (Annex 1). An assistant interviewer with ample experience in the urban sector was hired to carry out some of the interviews and to identify and obtain copies of pertaining documentation of the two settlements and other informal sector settlements which had successfully become part of the formal structure of the city.

The coordinator of the study developed three basic interview guides to collect data (Annex 2). A total of 14 persons, from government and non-government institutions, were contacted to identify documents or to request information pertaining to the two selected settlements and other informal sector communities which had successfully become part of the formal structure of the city. Eighteen formal and extensive interviews were held with persons working with government institutions, residents and leaders of La Colonia Roberto Suazo Cordova No. 2 and La Colonia 21 de Febrero, and with the original owner of the land of La Colonia Roberto Suazo Cordova No. 2 (Annex 3).

The data gathered in the field were reviewed daily by the coordinator of the study and checked against the scope of work. In addition to the original 18 formal interviews, it was necessary to visit the settlements and the leaders on several occasions to obtain support documentation and clarify data. After the first draft of the study was reviewed, an additional four-hour interview was held with three of the original leaders of La Colonia Roberto Suazo Cordova to expand on the organization phase of the settlement. Leaders of La Colonia 21 de Febrero also were consulted again to try to clarify some aspects of the life of the settlement. Even with these efforts, the information in some areas is incomplete because it depended on the recall capabilities of the informants. A perfect recall of events that occurred a decade ago cannot be expected.

CHAPTER 3

LA COLONIA ROBERTO SUAZO CORDOVA NO. 2

Introduction

La Colonia Roberto Suazo Cordova No. 2, located in Tegucigalpa, is an example of a group of urban settlers who have successfully accommodated to the formal structure of the city. The organization process, struggles and consolidation of what was once a squatter settlement, illustrate the determination of a group of urban residents to find alternative solutions to their shelter needs.

La Colonia Suazo Cordova No.2 shares boarders with La Colonia Delmy and La Colonia La Rosa(Map 1). The front part of the neighborhood faces a paved road which goes from La Colonia Matamoros to La Colonia 21 de Octubre. It is located on eight **manzanas** of land which are divided into lots of approximately 200 square **varas.**

The appropriation of private urban land illustrates a specific strategy for the procurement of shelter used by the urban poor of the city of Tegucigalpa/Comayaguela. It lays the groundwork for a process of negotiation and purchasing of land by which the owner and the **patronato** (a grassroots, community-based organization that acts as the representative of the settlers) negotiate the value of the land. The **patronato** signs a contract which stipulates the purchasing conditions
(Kawas: 28; 1988).

The experience of La Colonia Suazo Cordova No.2 exemplifies a successful transaction between an entrepreneur and a determined, hard- working community of urban settlers. The land owner was faced with the fact that his property had been settled and could not be regained within the existing legal system. Working with the settlers, however, resulted in a satisfactory solution for all concerned.

The origins, the process of organizing the community and implementing projects in La Colonia Roberto Suazo Cordova No. 2 are almost identical to those found in many other urban land occupations in Tegucigalpa [1]. The following sections describe the three main phases of the settlement which illustrate the transformation from an informal sector settlement to a formal neighborhood.

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[1] For more information see Kawas, 1988.

The Planning and Preparation Phase

The take-over or the recuperation of the land [2], according to one of the founders of La Colonia Roberto Suazo Cordova, originated in the classrooms of the National Autonomous University of Honduras (UNAH). Manuel de Jesus Ramirez, a university student, was the main promoter and organizer of the land settlement.

In April 1981, a group of renters from El Barrio Morazan, La Pagoda and El Barrio Guadalupe began meeting at the University Social Center in El Barrio Morazan of Tegucigalpa to search for solutions to their housing needs. The organization process, according to one of the interviewees, "originated from a need; in this case, a need for land."

Ramirez, leaders of the three neighborhoods and other emerging leaders who later became members of the first board of the **patronato**, planned and implemented a survey of families in the **cuarterias**, or communal houses, of the three neighborhoods to determine the need for housing and the interest of the people in participating in a land settlement. Simultaneously, the group began investigating at the Cadastre Office and the Property Registration Office different plots throughout the city to select one for the recuperation. The researchers were mainly considering:

-location of the property;
-possible access to basic services, including schools and health centers;
-land origin and titles;
-present status of land title.

Once the possible plots were identified, the leaders visited them to determine the actual conditions and to make the final selection. Eight **manzanas** of land known as El Cerrito Blanco of the Lara Lardizabal family were selected for the settlement. The selection criteria are explained below.

-This property was once part of the title known as El Comun de Labradores de la Plazuela, which were lands of the municipality. In 1948, the group of farmers who had the right to use the land (**derecho de uso y goze**) began to sell the plots they were using to the Lara family (According to the legislation of the time, property held under that title could not be sold). Although the Lara family had a property title, there was no purchase document so the leaders hoped to negotiate a just price for it with the Lara family.

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[2] The organizers and promoters of this land take-over never defined this process as a "land invasion" because: a) the land was part of Honduras; b) they were willing to negotiate the land for a just price and pay for it; c) the investigation of the land titles indicated that, although at the time the property was owned in **dominio pleno** by the heirs of the Lara Lardizabal family, the origin of the land to be of **derecho de uso y goze** (the right to use and enjoy) which granted the user the right to grant the property to his/her heirs but it could not be sold as in the case of land with **ejidal** titles.

-The land was close to the downtown area of the city.

-Health and education services were nearby and access to other basic services such as water and electricity would not be difficult. The geological conditions of the land would facilitate its urbanization. As one of the founders of the settlement explained, "The immediate problem was to acquire a lot to solve not only the shelter needs, but also, the overall living conditions of the participants. So we needed to think of access to services in the near future."

The planning and preparation phase demanded that the leaders work full time. "When we were planning the take-over," says one of the founders of the settlement, "we began working at 6 a. m. and finished at 11 p.m." The intensity of the work and the level of commitment on the part of the leaders required significant sacrifice. Manuel Ramirez, the main organizer, used his student scholarship to subsist and eventually lost it. Thus, his parents gave him economic support during the planning phase. Ramón Velez, another key person during this phase, resigned from his job to work full time planning the settlement and had to use his savings to support himself. After the initial occupation of the land, the settlers provided food for the leaders who needed to keep working full time on the organization of the settlement and the land negotiation.

On June 7, 1981, the group elected the first board of the **Patronato** at the University Center of El Barrio Morazan. Manuel de Jesus Ramirez, the main promoter and organizer of the land recuperation, was elected president. The elected vice-president, Remberto Portillo, joined the group by accident. He was a resident of the southern region of Honduras who had come to Tegucigalpa for medical reasons. He was an experienced rural leader of one of the peasant organizations (UNC) and had participated in several rural land recuperation activities. Consequently, Ramirez and Portillo became the key organization leaders. Two other important members of the first Board of Directors were José Abel Moncada and Ramón Antonio Velez.

According to one of the original members, the main interest of the Board was the collective well being. Furthermore, not all the leaders were looking for a personal plot of land. Portillo was interested in having a house in Tegucigalpa and Velez was looking for an alternative shelter solution. According to one of the informants, José Abel Moncada lived in a neighboring settlement and refused to accept a lot which the group had agreed to grant him. A similar situation almost happened with Ramirez who lived in his parents home. He eventually had to accept the lot because under the legal statutes only those persons who were allocated lots could be members of the **patronato**. Of the original four leaders and founders of the settlement Ramirez[3] and Velez continue to live in La Colonia Roberto Suazo Cordova and Velez is a member of the present Board of Directors of the **patronato**.

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[3] He sold the lot allocated to him and lives with his female companion.

The **patronato** began negotiating the mobilization of the people with the Transportation Union. The Union finally agreed to assign three buses if the group paid for the diesel fuel. During the last planning meeting the **patronato** established a common fund to cover expenses related to the land settlement. The minimum each participant had to contribute was fifty cents to cover transportation cost. In addition, the **patronato** needed to buy paper and other types of office supplies, plus materials to build the first barracks and to begin organizing the settlement. The majority of the participants made a Lps.5.00 contributions but others gave as much as Lps.30.00.

The Take-Over

On June 11, 1981, approximately 150 [4] families participated in the land settlement. Each family brought its own food and some belongings. The first night, the people rested any place. Because of rain and darkness, there was some confusion and a few participants established themselves in the lower part of the hill which was owned by the Gomez family. The settlers of this area were re-located the next day, but some of them feared the authorities and abandoned the group.

The day after the occupation, those settlers with some skills in masonry and carpentry began to measure the lots. This first effort at urbanization reserved an area for public services such as a school, health center and other social areas. The demarcation of the lots also left space for internal roads. Later an engineer from UNAH provided some ideas on urbanization and identified certain areas which were not geologically suitable for urbanization. The families located in those lots were re-located and that section of the settlement was assigned for streets or green areas.

Immediately after the occupation, the group established a Defense Committee to identify guard posts to control entry points. It organized 24-hour guard shifts. The men assigned to a shift were stationed in the posts and made the rounds in the appointed area with the list of names of those assigned to the lots. Four poles with plastic bags over them were placed in each allocated lot. In the center of the lot was a piece of wood with the name of the person to whom the land had been assigned. The women were responsible for providing guards with coffee and bread throughout the shift. Those settlers who could not serve as guards because of work paid Lps. 5.00 in place of their shift.

One of the most exhaustive jobs was investigating each new family who wanted to join the group to determine its need for housing. There were a few cases of people who wanted to acquire land for speculation. For example, in one of the guard areas, a man had marked and begun to clean 12 lots which he said were for different family members. The **patronato** investigation showed that he owned a **cuarteria** in

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[4] One of the founders estimates that approximately 40 families of the original 150 are still residents of the settlement.

another area of the city. The **patronato** called an assembly meeting to present the facts and this person was asked to vacate the land.

Those families who joined the group later paid their share of **turnos** [5] and other expenses. By 1983, when the first **patronato** Board left office, the fee to acquire the right to purchase a lot was Lps. 155.00. By the end of 1981, there were 218 families. The membership of the **patronato** has increased to the current number of 266 families.

During the occupation phase, the number of family settlers was not stable. Some families abandoned the group for fear of being forced out and others were concerned about the geological conditions of the land. In some cases, the **patronato** leaders called the people back to clarify some of their concerns and to motivate them to continue in the struggle.

From the outset, the **patronato** organized a committee responsible for obtaining legal status for the community. A law professor at UNAH provided his services, free of charge, for this task. The strategy to obtain legal status for the **patronato** was to capitalize upon the political interests of some political candidates. The settlement was named after the presidential candidate of the Liberal Party who was elected President of Honduras in 1981. A connections between someone in the **patronato** and the Minister of Justice, who was a member of the same party and faction as the incoming president, helped to expedite the paper work [6]. Consequently, the **Patronato de Unidad y Lucha 11 de Junio Pro Mejoramiento de la Colonia Roberto Suazo Cordova** obtained legal status under resolution No. 142 on January 19, 1982, less than year after the land was occupied.(Annex 4).

Five days after the occupation, Mr. Lara, the owner of the property, claimed the land and filed suit for land usurpation. He also came to the site to explain that he had plans to build a neighborhood on that property. The Mayor of the city also demanded that the families leave what he called "private property." There was conflict between the settlers and the authorities and fear of being forced off the land. The police came on several occasions searching for the leaders, and some of the leaders were jailed.

During the first six months, the **patronato** requested assistance from the city government. According to one of the original leaders, the city government

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[5] Turns: This refers to the guard shifts during the most turbulent period before entering negotiations.

[6] The main requirement to obtain legal status is that the **patronato** represents a group of people who will benefit from the organization. There is no stipulated format of statutes for **patronatos**. To request legal status each **patronato** must fill out a form. The Ministry of Justice supposedly investigates that the request is valid and the information provided true. This has not always been the case and in some urban settlements, such as Villa Nueva, there are three different **patronatos** with legal status granted by the Ministry.

recommended that they draw-up a type of land title (titulo supletorio) which guaranteed rights to land. The **patronato** consulted the legal advisor from UNAH and collected funds to cover the costs.

There are several accounts in the community regarding the land title in the name of the **patronato**. According to some settlers, the president of the **patronato** led the group to believe that the land was **ejidal** and that the property titles would be issued promptly. The president collected between Lps.10,000 and Lps. 17,000 from the settlers to cover legal fees. However, the president of the **patronato**, with the assistance of a lawyer, created a property title in his name. All the interviewees, internal and external to the settlement, agree that the people were "swindled" but the final destination of the Lps. 17,000 is unclear. Some believe that the money was embezzled by the lawyer while others think that the lawyer and the president of the **patronato** were jointly responsible for the misappropriation of the funds.

This situation created some unrest among the settlers. According to one of the members of the first Board, a group of 37 persons instigated the rest to overthrow the **patronato** Board. The **patronato** leaders, acting in the best interest of the community, decided to resign and leave the settlers free to elect new leaders. The Board requested an audit from the local government before handing the administration of the community to the newly elected Board. According to a member of the first Board, they had managed approximately Lps.22,000 from 1981 to 1983 (including the funds used to pay legal fees for the land title) and the audit showed Lps.2.32 as missing.

The main point, as Mr. Lara himself acknowledges, is that the community was strong enough to change some of the leaders and continue to struggle to find a solution for their shelter needs.

This search to solve the land tenancy situation led a commission from the **patronato** to request assistance from General Policarpo Paz Garcia, then Chief of State, with no results. Finally a group of settlers went to visit Mr. Lara to request a negotiation for the land. After much discussion and negotiation, Mr. Lara agreed to sell. He even held meetings in the settlement to determine what kind of fees would be within the range of the settlers, and later he explained the terms of the intent to purchase contract.

The **patronato** of La Colonia Roberto Suazo Cordova No.2 has not become a member of any of the existing **patronato** federations. The prevailing feeling among the present leaders is that the level of organization and solidarity among the federations is inferior to that of the **patronato**. The same leaders interviewed also contended that there is greater risk of being politicized if they were to join a **patronato** federation. As one informant clearly expressed, "The members of the Board of Directors of the **patronato** are apolitical in defending our rights; but we do visit the headquarters of the political parties to request their assistance."

However, members of the Board of the **patronato** have been linked to some of the **patronato** federations and have received assistance, particularly at the beginning of the settlement, from the National Federation of Community Patronatos (FRECEDICH) and the Coordinating Block of Patronatos (BLOCOPA). Velez, for example, who was a member of the first Board of Directors and is serving in this term, has been an active member of FRECEDICH since 1975.

The Board of Directors is elected every two years. Members to the Board can be re-elected as many times as the assembly desires. Before the August 1989 election of the **patronato** Board of Directors, only one women had served on the Board. For this term, which ends in August of 1991, there are four women on the Board who occupy important positions: president, secretary and commissary.

The Consolidation Phase

Land Negotiation and Purchase

In November 1982, the **patronato** of the settlement signed a promise of purchase contract with Gustavo Lara Lopez and the other heirs to the property for 82,001.78 square **varas** (8.2 **manzanas**) of land for a total of Lps. 410,008.90 (Annex 5). At the time of the signature, the **patronato** gave the sellers a down-payment of Lps. 6,400.54. and agreed to pay, beginning in January 1983, 80 monthly fees of Lps. 5,000 each and a final one for Lps. 4,008.90.

The contract has two clauses regarding delinquency of payment:

1.The account will be considered delinquent if the buyer has failed to pay the fee for two consecutive months. If this happens, the seller has the option of revoking the contract and can consider all past payments as rent.

2.If the account becomes delinquent, the buyer must pay the current bank interest. The interest will be charged only for the delinquent quota.

According to the contract, from the moment of occupation all taxes, public services and other needs that might arise are the responsibility of the **patronato**. This includes all property registration costs once the land has been paid for in full.

In spite of these conditions, the **patronato** leaders and its members felt they had won the struggle and agreed to the terms of the contract.

The community held several general meetings to determine the price to be charged per square **vara** and the monthly fee of each member. The families agreed to pay Lps. 10.00 per square **vara** in order to collect enough additional funds to cover some of the urbanization costs. The individual terms were a down-payment of Lps. 30.00 and a monthly fee of Lps. 25.00 plus Lps.1.00 for the administrative costs (mostly

paper work) of the **patronato**. Up to the present time, the price of the land and the purchasing terms have remained the same.

Management and Administration of the Neighborhood

As has been documented in other studies [7], the management of the informal urban settlements and the administration of funds by the **patronato** has not always been efficient and honest. La Colonia Roberto Suazo Cordova No.2 has not been free of corrupt leaders and misappropriation of funds. Nonetheless, and as the following sections of this chapter will illustrate, the successes by far outweigh the failures.

Land Payment

"The Board of Directors," says Mr. Lara , "has been serious; it has been conscientious about buying their plot." Between 1983 and 1989 the **patronato** paid the fees within the time period stipulated in the contract. According to the residents, when there was any difficulty in making the payment on time, members of the **patronato** visited Mr. Lara [8] to explain the situation. Mr. Lara was always understanding and never applied the 17% interest for delinquency stipulated in the contract.

The **patronato** paid the last fee in July 1989. According to the **patronato**'s records, the debt to Mr. Lara is Lps. 8,000. Mr. Lara is in the process of determining the balance of the account, but he has said that the pending debt is minimal.

The **patronato** has withheld the due balance because it hopes to negotiate a discount with Mr. Lara. The community argues that besides being a good client, it paid for neighborhood services including building streets, green areas and plots for public buildings. Mr. Lara, on the other hand, claims that the neighborhood is in a good area of town and very close to downtown Tegucigalpa.

According to the current treasurer of the **patronato**, by July 1989 between 60% and 70% of all the residents of La Colonia Suazo Cordova No. 2 had finished paying for their plots and most of the remaining families are continuing to make their monthly payments. It seems that the punctual payment of the land and services quotas has been an important issue within the **patronato.** The current president recalls that at the beginning the payment regulations established by the **patronato** were very strict and some families had to relinquish their property because they were unable to make the payments on time. Now the **patronato** is more flexible with the families who are delinquent in their payments because of the number of

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[7] see Zuniga et. al. 1982; Kawas 1988.

[8] Mr. Lara made a comparison of this settlement with La Colonia Guillen, also established in land owned by the Lara family, where there has been significant conflict with the settlers.

single women heads of household in the neighborhood and the high percentage of unemployment.

The present flexibility of the **patronato** regarding payment can probably be explained in terms of the institutional phase of the settlement. At the beginning there was great pressure to collect funds to meet basic needs and create an image of credit worthiness. Now the community is more consolidated and has proven to outsiders that it can meet its responsibilities. Consequently, the local organization can afford to be more understanding of individual problems. Furthermore, the payment delinquency of poorer families is being "financed" by residents in a better economic situation rather than by outside creditors.

Although it is not official policy, there is a degree of flexibility with regard to payments to the **patronato**. Those who can pay on time do so but those who need more time may take it, with the understanding that they will eventually cover their debts. During assembly meetings the **patronato** Board informs the residents of the delinquency rates. The members of the Board also visit those families which are in arrears to motivate them to pay, but no legal measures are taken against them.

Another issue related to the land, which is of concern to many **patronato** members, is the turnover among the residents. Some residents (the interviewees could not quantify the number) have sold their property for a profit. The newcomers do not have the same bond with the community because they did not experience the long and costly struggle of organizing the community and implementing basic infrastructure projects. Many of these new residents are better off economically than the majority of the settlers and some feel that they can do without the rules and regulations of the community organization. Thus far, this situation has not weakened the **patronato,** but if the turnover of property continues, the risk of entering the "individualistic phase" of the settlement (Kawas: 1988;19) is much greater.

Consequently, the Board of Directors of the **patronato** is analyzing the possibility of establishing a type of "community tax" whereby the seller must pay the **patronato** 7% of the total sale price of the land. These funds will be used for outstanding debts and future community projects.

Mobilization of Resources: Internal and External

The statutes of the **patronato** state that the purpose of this organization is to mobilize internal and external resources for the improvement of the community (Annex 4). The mobilization process and accomplishments of this particular **patronato** illustrate compliance with this mandate.

In 1984, the political parties were preparing for the presidential election to be held in the following year. Some of the leaders of La Colonia Suazo Cordova No. 2, particularly a woman, were very resourceful in gaining support for the community

by promising that members of the settlement would vote for a specific candidate. This included loading up buses with people from the community to be part of rallies in the political campaign. In addition to political networking, the accomplishments of the settlement required strong organization and residents who were willing to collaborate, often through great personal sacrifice.

The installation of electricity, the building streets, and securing the public water supply were three projects that the community completed with some donated support from the Liberal Party. This required great determination on the part of the leaders, who spent hours searching for support, and significant economic sacrifice from the population.

The Central Committee of the Liberal Party donated one-third of the cost for the electricity project. The approval for this project came only 30 minutes prior to the close of the annual budget for community subsidies. There was one condition, however. The community had 10 days to deposit one-third of the cost of the project (Lps.22,000). This meant that each member had to contribute Lps. 80.00 for the electricity project, but not all of them could come up with the money on such short notice. To make up the deficit, a commission of the **patronato** asked Mr. Lara if that month's land payment could be postponed in order to pay the Lps. 5,000 to the electricity fund. Mr. Lara agreed and the community was able to pay the amount required for the installation of the electricity within the stipulated time.

Table 3.1 illustrates the main projects carried out by La Colonia Roberto Suazo Cordova No. 2 since it was established. If the cost of the labor provided by the settlers were calculated and added to the cash contributed, the total disbursement of these urban residents to cover their shelter and basic service expenses would probably amount to approximately half-a-million Lempiras over this nine-year period.

Besides the land payments and the contributions for public works, each household must cover many other expenses such as the Lps. 20.00 for the installation of the electricity meter, their monthly electricity bill, and the Lps. 3.00 or Lps. 5.00 [9] for water consumption to the **patronato**.

The **patronato** carries out several management and administrative tasks, such as making the monthly payment of Lps. 203.32 to SANAA for water consumption and arranging for the general maintenance
of community property. Recently, the **patronato** repaired the fences of the school and the **Patronato** Center at a total cost of Lps.1,000.

There are usually some funds left over from the monthly fees for land payment and water consumption for use in maintenance and basic community upgrading. There

[9] The households which connect a water hose to the public faucet pay Lps.5.00 a month.

are, however, delinquent accounts for both water and the land purchase. According to the treasurer payment for water is Lps.1,000 in arrears and for land Lps. 4,000 [10]

The enforcement of payment for the water service seems to be left at the judgment of the coordinators of hose groups. In some cases, the coordinator requests the receipt of past payment before allowing the person to get water. The coordinator also reports the families in arrears to the nearby water houses as a measure to pressure for payment. According to a hose coordinator, when this regulation was implemented in his alley, several families who owed for a year and a half of water paid immediately.

Other than the networking of some community leaders with politicians in power and the political parties during campaign periods, the principal external relationships which have contributed to neighborhood improvements have been with a Canadian Catholic nun and a Swiss female doctor who secured funds for several community projects. These projects include:

- The women's center, a building of 180 square meters, which is equipped for training with three sewing machines and a stove.

- The Patronato Center, a building of 240 square meters, which is used for meetings and other community activities.

- The building which houses the kindergarten.

The community implemented a home improvement project with Swiss funds and the support of the same Catholic nun. Each beneficiary provided 20% of the cost of the construction and the project donated the remaining 80% [11]. The interviewees were not aware of the total available fund for this project. Actual construction was a community effort. The project participants worked in the construction activities of each home.

The interaction with government institutions has been relatively sporadic and initiated only at the request of settlers. There is no systematic support from any government office. Recently, the streets were repaired with the support of the Ministry of Communications, Public Works, and Transportation (SECOPT) and the Municipal Government of the General District (AMDC). This came about after several requests and with the agreement that the **patronato** would pay for diesel fuel and food for tractor operators.

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[10]The **patronato** has made the regular monthly quotas for the land purchase. This is the debt of some residents to the **patronato.**

[11]There was no pay back requirement from the donor.

Between 1982 and 1983, there were some coordinating efforts of the leaders of La Colonia Roberto Suazo Cordova with neighboring settlements, La Colonia La Rosa and La Colonia Guillen. One of the interviewees recalls that the three settlements coordinated to simultaneously present a project to repair the streets of La Colonia Roberto Suazo Cordova and to build drainage ditches for the other two settlements and thus prevent the water from damaging the streets of La Colonia Roberto Suazo Cordova. There have been other sporadic efforts at coordination and support. Most importantly, however, is that there is no conflict with any of the neighboring settlements.

Future Projects

The statutes of the **patronato** require the Board of Directors to develop an annual work plan and budget and submit these to the general assembly (Annex 4: Article 22). The current Board of the **patronato** worked on a plan which includes those projects which the administration expects to implement in the short, medium and long term. Not all of the future projects discussed below will be completed during this administration, but at least the proposals and negotiation processes will be in progress.

The community has negotiated a water project for individual house connections with the Municipality. This project was scheduled to begin (began) in February 1991. It has been approved by the National Water and Sewage Company (SANAA) and the Inter-American Development Bank (IDB). Each family will pay Lps. 300.00 to SANAA for the home water connection over a 36-month period. The interviewees do not know the total cost of the project but their understanding is that their input does not cover it; IDB is donating a significant part of the total cost.

TABLE 3.1

COMPLETED PROJECTS OF LA COLONIA ROBERTO SUAZO CORDOVA NO. 2
ESTIMATES OF RESOURCES USED AND TOTAL COSTS

YEAR	PROJECT	TOTAL COST/RESOURCES		
		Internal Lps.	Labor	External Lps.
1981	Opening streets	3,500 **	yes	Equip. SECOPT
1982-1990	Land purchase	410,000	--	--
1982	11 Public taps		yes	main pipes*
	Patronato Center		yes	48,000
	New water pipes	3,000	yes	--
1984	Electricity	22,000		42,000
1984	Primary School	1,000	yes	8,800***
	Women's Center	--	yes ****	16,000
1987	Kindergarten	7,800 *****	yes	13,000

* These were donated by the Central Committee of the Liberal Party. The key interviewees did not know the cost.

** This is an estimate made by key interviewees of the cost for double-time payment of tractor operator and his food while he completed the project. The community covered these costs.

*** 11,000 German Marks.

**** The women leveled the land for the construction.

***** The community has been paying Lps. 2,600 a year for a teacher since 1987. In 1989, the Ministry of Education began paying one teacher, but the number of students has increased so the community continues to pay the salary of the second teacher.

The **patronato** has requested the National Electric Company (ENEE) to relocate the electricity posts placed within a section of the settlement [12]. This property faces the paved road and the **patronato** plans to divide it into approximately 15 lots of 200 square **varas**. In addition, there are some vacant lots, part of the purchased land, on the upper section of the neighborhood and the **patronato** is analyzing the possibility of selling them. During the last visit to the settlement a man who works with a security company came to request information about purchasing a piece of property.

An significant development is evolving which will allow the **patronato** to procure funds for other community improvement projects. The market price per square **vara** in front of the paved road is much higher than the Lps. 10.00 the community has been paying. Although the price for either type of lot has not been stipulated, the **patronato** leaders calculate a minimum of Lps. 40.00 a square **vara**. The profits from the sale of these lots will be used for a sewage project which is included in the long range plans.

The two educational centers in the community, the school and the kindergarten, are already insufficient for the current demand. The **patronato** has requested support from several institutions for the expansion of these two buildings and is waiting for their responses.

The **patronato** is trying to get access to Honduran Social Investment Fund (FHIS) monies and has been negotiating with the Municipality. It wants to use these funds to build drainage ditches in the community. The **patronato** has submitted all the required documentation to the Municipality and is waiting for FHIS's reply. The estimated cost of the project is Lps. 120,000.

One of the main purposes of FHIS is to create employment (it would pay for labor and some of the materials) but the community must provide some of the materials. The **patronato** is negotiating for the hiring of labor from within the settlement. According to the president of the **patronato,** the workers will be paid approximately 60% in cash and another percentage in food through the Food for Work Program (each community worker will donate a percentage of work time). The Implementing Unit at the Municipality is interested in doing this as a model project.

The front street of La Colonia Roberto Suazo Cordova No. 2 connects some upper and middle class neighborhoods and has been paved by the Municipality. According to municipal regulations all property owners who use the road must collaborate in paying for the costs of the pavement. The contribution of the residents of this neighborhood is between Lps. 80,000 and Lps. 86,000. With the exception of the lots

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[12] During the last visit to the neighborhood (Oct.6,1990) the re-location of the electricity posts had begun.

in front of the paved road which the **patronato** hopes to sell to raise funds for other community upgrading projects, overall the pavement does not represent a real benefit to the settlement since streets inside the community are in very bad condition. Vehicles can only circulate within certain areas of the community.

To correct this situation, the **patronato** is trying to negotiate the terms of payment for the street pavement with the Municipality. A petition has been sent to the Mayor requesting that the Municipality not charge interest on delinquency.

One of the most pressing and most costly needs of La Colonia Roberto Suazo Cordova is the construction of concrete walls around the settlement to prevent land slides. The **patronato** prepared a proposal and a budget and presented it to Bread for the World, a funding organization with a regional office in Costa Rica, but there has been no response to date. The budget, calculated with 1988 prices, is for Lps. 455,540.

Since the community has almost finished paying Mr. Lara for the land, the leaders have been researching the procedures for registering the property. This task includes getting quotes from different lawyers and recommendations from Mr. Lara. The **patronato** must first acquire a property title for the entire eight **manzanas**. According to Mr. Lara, the registration and property taxes would cost around Lps. 16,400. The president of the **patronato** was quoted Lps. 75,000 by a lawyer. This amount may also include the individual property titles issued to each buyer.

The first step will be to register the land in the name of the buyer, the **patronato**. The community organization will then issue property titles to each buyer who finishes paying for his lot. It then remains to be seen if the **patronato** must comply with all the municipal regulations for land urbanization before the individual lots can be registered. The city regulations, for example, require a complete set of urbanization plans which include the layout of the neighborhood, the electrical system, the water network, sanitary services and rain water drainage, location of green areas and other public services. The community leaders did not discuss the implications of these regulations and the costs involved in meeting them.

CHAPTER 4

LA COLONIA 21 DE FEBRERO

Introduction

La Colonia 21 de Febrero exemplifies a specific accommodation strategy used by urban settlers in need of shelter to enter the formal structure of the city. This settlement is located on the public land **(ejidos)** of Comayaguela [13]; it is representative of the occupation of public land prevalent during the late 1970s and the beginning of the 1980s in the D.C..

The community borders with La Colonia San Francisco, El Progreso and Nueva Esperanza (Map 1). The settlement has an approved urbanization plan by the Municipal Government of the Central District (AMDC) and the average lot size is 200 square **varas**. According to Maradiaga Díaz (1988; 8) La Colonia 21 de Febrero is located on 40 **manzanas** of land. The key persons interviewed both at the AMDC and the Colonia, however, did not know the size of the settlement.

The phases which the settlement has gone through coincide with those identified by other studies : (1) planning and preparation for the occupation; (2) the occupation; and, (3) consolidation (Kawas: 1988; 33-35). Table 4.1 illustrates the three phases of the settlement and an estimate of the time period for each phase.

The Planning and Preparation Phase

The planning and preparation phase took two years. According to the leader and promoter of the recuperation, who continues to live in the community, most of the families seeking to solve their shelter needs were renters who lived in Villa Adela, an old neighborhood located in downtown Comayaguela, where the meetings were held. During this period, both the leaders and the families who attended the meetings began recruiting other renters to strengthen the group. The number of families grew to 300.

The **patronato** representative at the local government council [14] had studied all the land titles of the city to identify the **ejidos**. This person provided the leader of the

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[13] Legally these lands are not the property of the Municipal Government. The Constitution as well as the Municipal Legislation grant the Municipalities **the administration and equitable distributions** of these lands and not their property (Castaldi: 1990;12)

[14] During the administration of Arquitect Henry Merriam the local government was organized as the Concejo Metropolitano del Distrito Central (The Metropolitan Council of the Central District). The Mayor was the president of the Council and one of the Council members was the representative of the **patronatos**.

settlement, who became the first president of the **patronato**, the information on vacant lands which were part of the **ejidos** of the D.C..
The leader visited several vacant lands throughout the city. He finally selected and carried out an in-depth investigation at the local government and at the Property Registration Office to determine property titles for the plot where the settlement is now located. The main criteria for the selection were:

- The legal situation of the land.
- The topography of the land would facilitate the installation of basic services.
- The existence of a transportation route which served La Colonia San Francisco and El Retiro.

The research concluded that the origin of most of the selected land was **ejidal** and another section was transferred to the Municipality by Petrona Verde as payment of back taxes.[15] The planners of the land recuperation received assistance and support from the representative of the **patronatos** at the Municipality and leaders from the **patronato** federations to do much of the paper work. These collaborators served as advisors to the group, were never members, and did not expect to get plots in the settlement.

The Take-Over

The group organized the land occupation for February 21, 1981, right after midnight. The original 300 families settled in the first part of the property. In the next two weeks the settlers measured the land and made an "urbanization plan" which included areas for public buildings and recreation. The lots were distributed as soon as the measurement was complete in an area. To keep the process democratic, the lots were distributed by choosing names out of a hat. Within a week of the occupation, most families had built shelters out of cardboard or scraps of construction materials.

About a month later, the settlers started building the community center. It was finished six months later, but the construction effort was a strategy to provided the settlement with an atmosphere of legitimacy.

Shortly after the initial group had taken the land, the number of families increased to approximately 700. The new settlers were assigned plots in the second section of the recuperated land, which was part of the original **manzanas** of the occupation.

During this period there was constant struggle. The Public Security Force (FUSEP) went after men, women and children; people were beaten. The main conflict was

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[15] For more information on the differences between land owned by the Municipality and land that is part of the **ejidos** of the city see Castaldi: 1990.

over the land where the newly arrived families settled. The owners of nearby neighborhoods claimed this portion of the land as theirs and jailed several of the settlers. For a short period, 14 persons were jailed by the FUSEP and another 29 persons were in jail for three months at the national penitentiary.

The group hired a well known defense attorney who, according to one of the interviewees, did not charge them much for his services. Nonetheless, funds were needed to cover legal expenses. The first president of the **patronato** recalls a first disbursement of Lps. 3.00 made by each family for this purpose; this contribution amounted to approximately Lps. 2,100. Later, since there were many people in jail, the Board of Directors requested a contribution of Lps. 10.00 per family to cover legal expenses, approximately Lps. 7,000.

A significant part of the battle has been fought with Francisco Lacayo, the owner of a nearby cemetery, Jardín de Paz Santa Anita, who built walls in portions of the occupied land. On several occasions the settlers destroyed these walls and Lacayo filed suit against the settlement. Section five of the neighborhood is still in litigation.

A retired military captain living in the vicinity of the land occupation tried to bribe the president of the **patronato** into to buying a house in another area of the city. The captain hoped to weaken the group, and thus, protect the value of his nearby property.

As a strategy to begin legitimization of the settlement, a common practice during the first months after the occupation was the organization of large general assemblies on Sundays. The settlers invited political leaders to these events, as well as leaders of **patronato** federations and other worker or peasant organizations.

The main goal of the group during this period was to acquire the recuperation agreement from the Municipality. To work towards this end, the president of the **patronato** accepted a position on the Board of Directors of FRECEDICH, one of the **patronato** federations.

During that time the **patronato** federations carried out several demonstrations to pressure the government to issue the land recuperation agreements for several of the recently organized urban settlements.

The struggle was difficult. Eight months went by before the Municipality intervened and the military forces stopped persecuting the settlers. The Municipality began its research on each settler to determine if any of them owned property in other areas of the city. Finally, on October 22, 1981, the local government of the D.C. issued Agreement No. 169 declaring the land occupied by the Patronato 21 de Febrero as part of the **ejidos** of Comayaguela. The decree recognizes the right of the settlers to

use this plot according to the social function of the land [16] (Annex 6). This was the starting point of the consolidation or accommodation phase.

The Consolidation Phase

Land Payments and Titling

According to the Recuperation Agreement, the Implementing Unit of the Municipality would carry out the necessary studies to determine the cost of infrastructure. Based on the land and urbanization costs calculated by the studies, the Municipality would decide the price per **vara** to be paid by the settlers. Contrary to the clear purchasing mechanism agreed to and followed by the **patronato** of La Colonia Roberto Suazo Cordova No. 2 and the owner, the steps and procedures for making payments to the Municipality are not easily identified.

In 1982, after the recuperation agreement was issued, many of the settlers began making payments to the Municipality. However, the most recent data the AMDC could provide were as of April 11, 1986. The amount in the Land Fund of the AMDC from payments made by the settlers was Lps. 54,851.89. These funds were deposited in three different banks of Tegucigalpa.

The Municipality did not sign a payment agreement with each settler until sometime in 1989. The AMDC launched a campaign for the re-measurement of each plot. The land holder went to the AMDC to request the services of a topographer and pay for the re-measurement service. To get the job done, each settler covered the transportation expenses (taxis) of the assigned topographer (even a tip). Once the re-measurement was completed the land holder signed the agreement of payment with the AMDC.

The cost per square **vara** had been established since the land recuperation decree was issued in 1982. If the lot is 200 square **varas** or less, the price per square **vara** of hillside land was determined at Lps. 3.48 and Lps.4.88 for flat land. The price for each square **vara** over the 200, is Lps. 7.00. The down-payment was negotiable depending on the amount the person could afford and how much he or she had already paid throughout the years. The agreement of payment stipulates the size of the lot, the down-payment and the monthly fees. According to the residents there is no charge for interest or for delinquent accounts.

The process to arrive at the signing of the agreements with the AMDC was not simple. Besides the re-measuring of lots there were other disbursements made by some settlers. According to data gathered in the community, the approximately 300

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[16]The Decree does not define "the social function of the land". This term, however, is used both for rural and urban land which is community property (**ejidal**) and must be serving the people. The government has the right to recuperate idle land which are part of the community **ejidos**.

original families [17] were deceived twice during the previous municipal administration by some employees of the AMDC. Interviewers from the AMDC visited the community to inform the residents that the payment agreements between the settlers and the AMDC would be issued shortly and they must pay Lps.6.00. No receipt was issued for these payments, but the settlers were told to go to the offices of the AMDC to sign the agreement. At a later date, the same AMDC employees returned to request another Lps. 12.00, and most of the same families paid again. The AMDC seemed to ignore this transaction and when the settlers went, hoping to sign the agreement, the documents were not ready.

The **patronato** estimates there are approximately 1,500 families living in La Colonia 21 de Febrero but the AMDC only has 814 registered land holders. To pay the monthly fees to the AMDC each resident must go to the Land Administration Office of the AMDC where he identifies himself and the number of his or her lot. The AMDC then issues a receipt which the person takes to the bank to make the payment. He must then come back to return the stamped stub of the receipt.

The payments made by the residents of municipal land are managed by the AMDC. According to legislation, 75% of these funds will be returned to the settlers for community upgrading. Thus far, La Colonia 21 de Febrero has withdrawn small amounts on two occasions to pay for the topographic works and a larger sum was withdrawn in 1988. At that time, the **patronato** of La Colonia 21 de Febrero withdrew from the land fund Lps. 73, 900.73. The **patronato** deposited these funds in the Municipal Bank and plans to use them for the sanitary sewage project.

It takes at least one month for a settlement to withdraw funds from its account at the AMDC. The community presents an application to the Department of Social Work at the AMDC with a budget. This Department checks whether there are sufficient funds in that community's account. Next the request and an account statement is sent to the Secretariat of the AMDC where it is discussed. If the application is approved, the Municipal Corporation issues a decree authorizing the bank to draw the check for the requested amount. The Department of Social Work, in a general assembly in the community, gives the check to the Board of Directors of the **patronato**.

There are some doubts among the settlers regarding the management of their land fund within the AMDC. According to some community leaders, they were able to investigate (through a contact working in the accounting office of the AMDC) the status of the account which belongs to La Colonia 21 de Febrero. The informant reported Lps. 38,256.53 of the funds were missing. Consequently, many people discontinued payments to the AMDC.

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[17] Because of lack of funds not all the families paid.

The number of delinquent accounts at the AMDC is unknown both by the Office of Land Administration at the AMDC and the **patronato**. The AMDC is in the process of organizing and updating the documentation of La Colonia 21 de Febrero including the delinquent accounts because it is planning to start issuing land titles by September 1991.

According to informants at the AMDC the property titles to be issued by the AMDC will be in **dominio pleno**, or full ownership, rather than **dominio util**, or title for use of communal land. To begin the titling transaction, the settler must have the following documentation:

-All his or her legal documents which demonstrate that the person is properly registered by the government and has paid income and city taxes, or is exempted from them. These documents include: the Identity Card, the National Registration Card (Registro Tributario Nacional), the Income Tax Card and the City Tax Card.

- The purchase agreement signed by the purchaser and the AMDC.
- An account statement demonstrating that the purchaser has finished paying for the land.
- METROPLAN must re-measure the plot for which the purchaser must pay Lps.50.00.

Once all the above documentation is ready, it must be reviewed by the Legal Department at the AMDC. Each resident must hire an attorney to draw up the property title and pass it through the legal channels until it is registered at the Office of Property Registration. The **patronato** requested the AMDC to assign an attorney from the legal department to carry out these tasks, but thus far, the request has been denied.

Some of the leaders of La Colonia 21 de Febrero are concerned about a decree of the Executive Branch of the National Government. According to the law, The AMDC can grant a land title in **dominio pleno** of **ejidal** land only after Congress has authorized it. Consequently, the concern of the settlers is that the decision could be easily revoked in future government administrations.

Management and Administration of the Neighborhood

The accommodation process of La Colonia 21 de Febrero into the formal structure of the city happened mainly through the installation of basic services and a demonstration of the management and administrative capacities of the community. The **patronato** of this settlement presented to the Ministry of Justice a request for legal status on June 27, 1986; this was not granted until September 18, 1989 (Annex 7). Nevertheless, the leaders and administrators of the settlement were able to mobilize significant internal and external resources for the installation of basic

infrastructure and collective services. This section illustrates the mobilization process.

1981 was an election year; thus, the new settlers were able to build streets [18] with equipment provided by some politicians in search of votes. During that same year, the **patronato** promoted a latrine project which received the support of a group of students from UNAH. For the latrine project, the students provided the materials and each participating family paid Lps. 12.00.

During that same political year the settlers installed electricity in the community. The settlers paid for the blueprints necessary to calculate the cost of the electricity project. The cost estimate made by ENEE for the first part of the electricity project was Lps.89,000. With a Lps. 50.00 contribution by each family, the **patronato** paid for one-third of the total cost of the project and ENEE and the Municipality covered the other two-thirds. Later, it was necessary to expand the electrical network and the community covered the additional Lps. 20,000 cost of the project.

Perhaps the most significant struggle of the accommodation process of La Colonia 21 de Febrero has been the water system. At the outset, the settlers used alternative solutions, explained below, for water procurement. It was through the perseverance of its residents that this community solved its water needs. Between 1982 and 1983 the settlers strived to obtain public water taps. By the end of the decade, the goal of the settlement was the construction of a complete water system and the installation of home connections. Through the home water project, La Colonia 21 de Febrero completed its accommodation process from the informal sector into the formal structure of the city; it is worth summarizing the struggle for water procurement.

The petition to the National Water and Sewage Company (SANAA) for a main water connection took a year and a half to be granted. SANNA refused the petition officially because the settlers lacked property titles. The real reason for refusal and mistreatment of the group commissioned to request this service was that the chief of operations at SANAA lived in La Fuente, a nearby residential area, and did not want to authorize the two inch water pipe connection from the main pipe of this neighborhood because it would reduce water availability to La Fuente.

Under the circumstances, some of the settlers found an alternative solution and made a clandestine water connection from the main pipes serving La Fuente, while others brought water from nearby communities. When SANAA discovered this, each person taking unauthorized water was fined Lps. 428.00. The residents assumed that this payment gave them the right to continue using the water, but SANAA re-

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[18] There is no periodic street maintenance. When the deterioration of the streets is unbearable the residents begin pressuring the AMDC and SECOPT to repair them. One of these institutions provides the equipment but the community pays for diesel and the time of the machine operator.

routed the water pipes. However, the settlers persisted in finding ways of using clandestine water.

At the same time, the **patronato** continued to knock on different doors trying to find a permanent and "formal" solution to the water problem. Finally, through a contact with an assistant magistrate of the Supreme Court the leaders got an appointment with the Vice Minister of Health. Faced with a letter from the Vice Minister to the manager of SANAA and the fact that the settlers would continue finding alternative solutions to their water needs, SANAA ultimately agreed to negotiate for the installation of public water in La Colonia 21 de Febrero. The first condition was that the settlers would dig the wells at their own expense. SANAA provided the **patronato** with a list of materials they would need to supply. The **patronato** obtained a Lps. 2,500 credit at a hardware store which it was able to cancel in two payments. The settlers contributed, through labor and cash, approximately Lps. 7,000 for the installation of six public water taps in the community.

In 1988, La Colonia 21 de Febrero negotiated a large water project with SANAA and UNICEF. The project was implemented in two phases and the total cost was Lps. 214,956.83. The settlers covered approximately 80% of the cost of the project with cash and labor, and UNICEF provided the remaining 20% by supplying the water pipes. SANAA provided technical assistance and supervision.

The **patronato** determined each family should contribute Lps. 250.00 for the water project. The **patronato** was responsible for purchasing the materials and equipment necessary for the project based on the list provided by SANAA. When it was time to buy the two water pumps there were funds to purchase only one. The president of the **patronato** requested credit at another local hardware store for the purchase of the water pump. Although he had no credit references, the manager agreed to provide credit. The settlers settled the account in a short time.

The settlers of La Colonia 21 de Febrero built a water tank and dug two wells to cover their water needs. Immediately after the completion of the first phase of the project there were 300 home connections; presently (1990) about 771 of the approximate 1500 families living in the settlement have water connections.

The **patronato** signed an agreement with SANAA and UNICEF which stipulates that the community will manage the water system and the funds for two years and SANAA will supervise the administration of the project (Annex 8). A water committee was organized for this purpose. The water committee has an office in the settlement and employs three community residents: an office boy, a secretary and a plumber. Each household pays a monthly quota of Lps. 12.00 to the water committee; with 771 users this represents a monthly income of Lps. 9,252. SANAA conducts an audit every three months.

The water funds are used to cover maintenance and administration costs of the water project. The remaining money can be used for other community projects. At

the end of the two years, the water system will be handed over to SANAA with the understanding that the water funds will be used to pay for the sanitary sewage project. The use of the water funds once the sewage project is finished has not been discussed with SANAA. As one of the leaders said, "The sewage project is very expensive and it will be a long time before we finish it. Right now we want to maintain a good relationship with SANAA."

There is a verbal maintenance agreement with a mechanic living in the settlement. The **patronato** sold him the land designated for the construction of a health clinic in exchange for his services. The mechanic agreed to check the water pumps twice a week. He does not receive a salary for his services but when there is additional work the water committee gives him a cash bonus. There is no mechanism established to determine the amount of the bonus; it depends on each situation and the availability of funds. Recently he worked for about six days on the pumps. The quote for these repairs was Lps.5,000 and the water committee gave the mechanic a Lps.250.00 bonus.

The next largest project of the residents of La Colonia 21 de Febrero was the construction of a primary school. The first phase of the school's construction was in 1983. This was accomplished with a Lps. 20,000 donation from the government. Later, the community built the school's water tank and installed toilets and sinks with the support of the Ministry of Education and money from the water fund; the total cost was Lps. 8,000. During the third phase two classrooms and the director's office were built at a cost of approximately Lps. 3,000 financed by the settlers themselves. The Institute for Professional Training (INFOP) did on-the-job training for the community residents who worked on the construction; the cost estimate of the training was Lps. 9,000. The residents of the settlement paid the 12 masons of INFOP Lps. 2.00 a day for the duration of the construction.

According to the key informants interviewed the total cost of building the school was Lps. 40,000. There are seven classrooms and the school operates on a double shift with 42 students per classroom per shift. There is also a night school with approximately 100 students.

Besides these large projects, the **patronato** leaders and interest groups within the neighborhood have mobilized internal and external resources to satisfy other community needs.

- The settlers built a milk center. The **patronato** collected Lps. 1,000 during the anniversary celebration of La Colonia 21 de Febrero. In addition, each family contributed Lps. 1.00. CARE provided Food for Work during the construction and La Junta Nacional de Bienestar Social (JNBS)[19] furnishes the milk to the

[19] The Council of Social Welfare managed by the First Lady.

center. This center serves as a kindergarten and a nutrition control center for children.

- Between 1982 and 1987 two medical doctors visited the settlement once a year to provide medical attention and medicine to the population. The residents covered food and transportation costs for the two doctors. This service was a result of a request made by the president of the **patronato** to a medical doctor he knew.

- Some of the neighbors needed a bridge to facilitate entry into their properties. Through their own efforts they built a cement bridge which crosses over a creek in the settlement.

- In 1985, another group of residents planned and implemented a project to install home phones. The cost of the project was Lps. 9,550. Presently there are 25 private phones in the settlement.

- In 1987, La Colonia 21 de Febrero built a kindergarten with the support of the Ministry of Communications, Public Works and Transportation (SECOPT) and the JNBS. SECOPT provided two masons, two construction assistants and materials. Each resident who worked in the construction received a Lps. 40.00 food ration from the JNBS. This same institution pays the salary of the kindergarten teacher. Recently the parents whose children attend the kindergarten contributed Lps. 5.00 for the construction of a wall that will surround the kindergarten building; this project is still in progress.

The relationship between La Colonia 21 de Febrero and other neighboring communities in general has been good. Before the settlers solved their water needs, residents of neighboring communities were willing to sell them water. In another occasion the residents of La Colonia 21 de Febrero joined forces with the residents of Residencial La Fuente, La Era and La Colonia Israel to request the Transportation Directorate to authorize a bus route, which was approved, to serve all these settlements.

Future Projects

The **patronato** of La Colonia 21 de Febrero is planning to implement one large project and three smaller ones in the future. As mentioned in another section of this report, the settlement has already started saving for the sewage system. It paid Lps. 3,000 for the project study which presented a budget of one million Lempiras. The **patronato** has begun its search for support; it has visited five embassies, UNICEF and a cement factory requesting support, but so far, there has been no definite response. The Canadian Embassy offered Lps. 250,000. The **patronato** leaders have been following up on this offer, but the dollars have not yet arrived.

A short-term project towards which the **patronato** has been working is the construction of a health center. A group has presented the request to the Minister of Health. The approval of the request is still pending.

With community efforts, the **patronato** also is planning to build the outside wall of the primary school and a fence around the soccer field.

The dynamism of this neighborhood is evident. The residents and the leaders are aware that there is still much work to do in order to achieve their desired living conditions. Fortunately, the enthusiasm of the early years seems to endure and many of the original leaders continue to live in the community and to participate in its improvements.

TABLE 4.1

PHASES OF THE SETTLEMENT AND TIME PERIODS

PHASES	TIME PERIOD
1. **Planning and Preparation**	2 years
- Meetings/interested families - New recruitment - Visit vacant lots - Selection of lot - In-depth research of property title	
2.**The Occupation**	8 months
- Land occupation with 300 families - Random distribution of lots - Organization of work committees - Hiring legal assistance - Building of temporary shelter - Designing and implementing strategies to obtain the Land Recuperation Decree	
3.**The Consolidation**	9 years [20]
- Installation of electricity - Construction of latrines - Installation of a temporary water service - Negotiation and installation of a main water system (one and a half years of negotiation before beginning construction). - Request for legal status for the **patronato** presented in 1986 and obtained until 1989. - Building a primary school - Building a kindergarten	

[20] This period includes the 8 months of the take-over phase.

CHAPTER 5

THE TRANSITION FROM THE INFORMAL TO THE FORMAL SECTOR IN HOUSING: OTHER SUCCESSFUL EXAMPLES

Introduction

One of the assignments of this study is to summarize the process of incorporation of other informal urban settlements into the formal structure of the D.C.. The accomplishment of the task at hand required the existence and access to documents pertaining to the subject. The scarcity of urban studies in Honduras is well known. The consultant anticipated access to the reports of the urban workshops required of the students of social work and to Masters' theses from the Latin American Master Program at the UHAH. Unfortunately, documents at UNAH are not readily available. Substantially more time and resources would have been necessary to identify and review the documentation in this institution.

Consequently, the only information available was from other organizations and institutions working with the urban sector. The search for existing literature identified three examples of the transition process that leads from the informal sector into the formal structure of the city.

The settlements identified exemplify three different legitimization strategies: La Colonia Zapote Norte becomes part of the formal sector through the organization of a housing cooperative and its affiliation to the Honduran Federation of Housing Cooperative (FEHCOVIL). La Colonia Policarpo Paz Garcia enters the formal structure of the city through the installation of basic services. The transition from being an informal settlement to becoming a formal neighborhood for La Colonia 30 de Noviembre is smoother than for the other two; the leaders of this land occupation negotiated the purchase of the land with the land owner, the Housing Institute (INVA).

In spite of the different strategies used by the residents of these three settlements, the similarities among them are worth mentioning. In the three cases, the residents mobilized external resources, particularly political contacts. The organization and determination of the settlers was a key factor to survive the struggle to solve their shelter needs. Lastly, the residents in the three settlements eventually paid for the land and basic urban services.

This chapter summarizes the accommodation process with the formal structure of the D.C. of these three originally informal sector settlements. It tries to illustrate the organization process, the mobilization of resources and the consolidation phase of the settlements.

La Colonia Zapote Norte [21]

Organization and Mobilization of Resources

At the beginning of 1976, a group of persons linked to the San Isidro Market in Comayaguela organized the **patronato** Villa Mexico 2 de Febrero. The purpose of this organization was to identify a communal plot in the city which they would occupy to solve their shelter needs.

The **patronato** identified an empty lot of communal domain known as El Zapote in the northeastern part of the city near La Colonia 3 de Mayo. The land occupation took place on February 7, 1976, with the support of the Workers Union, CGT, and other **patronatos** affiliated with the National Federation of Community Patronatos (FENAPACOMH).

The original land occupants included approximately 400 persons but within two days, several other persons joined the group. The Municipality, with the assistance of the FUSEP and Police Investigation (DNI) forced the group to vacate the premises. Once off the land, the families found themselves in worst conditions than before because they could not return to their rented rooms.

After much discussion with the **patronato** leaders, the municipal government began exploring the possibility of developing a lots and services project for these families. When the Municipality announced the plan, it triggered the establishment of another **patronato** which demanded to be included in the urbanization project. Approximately 900 more families invaded the same land, but were also forced out by the authorities. The Municipality carried on the discussions of the lots and services project with the Patronato Villa Mexico.

The Patronato Villa Mexico continued to hold meetings almost daily. The members paid weekly fees of Lps. 2.00 and were pressuring the Board to finalize the negotiations with the Municipality. After a difficult period, the members elected a new Board of Directors of the **patronato** which re-established the relationship with the municipal authorities. The president of the local government became interested in the group because of their discipline and determination. By that time, the group had saved Lps.8,000.

The **patronato** persisted in its search of alternatives to solve the shelter needs of its members. The group was constantly sponsoring activities to raise more funds. The School of Engineering of UNAH, at the **patronatos** request, made the topographic

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[21]Taken from Castro H., 1987.

study and some blueprints for houses. However, both the mobilization of internal and external resources to raise funds were insufficient.

The Consolidation Phase

The leaders continued to search for solutions to solve the shelter needs of the members of the **patronato**. By the end of 1977 the group had Lps. 14,000 deposited in a bank account. The Board of Directors of the **patronato** held several meetings with the president of the local government to discuss possible alternative housing to find one appropriate to the economic capacity of the members. Finally, the president of the Municipality, convinced of the determination of the patronato Villa Mexico introduced them to FEHCOVIL to explore the options.

FEHCOVIL organized La Cooperativa de Vivienda "ZAPOTE NORTE" Limitada which acquired legal status on April 4, 1978. In August of that same year, La Cooperativa Zapote Norte signed a service contract with FEHCOVIL for the construction of houses.

FEHCOVIL presented a project to the Central American Bank for Economic Integration (BCIE) which included the construction of 320 houses in an area of 61,718.86 Mts.2. The urbanization project included all the basic services such as water, sewage and electricity. The size of the houses was based on the paying capacity of the cooperative members; it included 25 Mts.2 of construction in a plot of 65 Mts.2. The BCIE approved the loan on December 1977.

The Municipality transferred to FEHCOVIL the land of El Zapote. FEHCOVIL in turn sold it for Lps. 75,208.10 to La Cooperativa El Zapote Norte. The cost estimate per house was Lps. 4,479.28 with a down payment of Lps. 205.00 and a monthly payment of Lps. 42.00 over 20 years. The monthly fee included the loan payment, annual interest of 8.5%, administration charges, mortgage and life and fire insurance.

At the end of the decade, the first phase of the project was finalized with the delivery of 183 houses to the cooperative members. The remaining 137 homes of the second phase were still under construction and were finished a few months later (Map 1). Presently, La Colonia Zapote Norte is a formal working class neighborhood with all the urban services and other community infrastructure which cover the basic shelter needs of the population residing in its 323 homes (Kawas: 1988; Annex 2).

La Colonia Policarpo Paz Garcia [22]

[22] Taken from Caldera, 1986.

Organization and Mobilization of Resources

La Colonia Policarpo Paz Garcia (La Colonia P.P.G.) is located in Comayaguela next to the road to the northern part of Honduras. This settlement is in the vicinity of many other informal sector settlements which emerged during the early 1970s such as La Colonia 3 de Mayo, La Colonia Gracias a Dios and El Rosario (Map 1).

A group of renters who lived near the land that later became La Colonia P.P.G., requested Eugenio Quiroz to help them find land to build their homes. Quiroz, one of the principal leaders of FENAPACOM, was a well known promoter of urban land occupations at the time and had organized several, including La Colonia Gracias a Dios.

To organize the new settlement, Quiroz selected an empty lot bordering with La Colonia Gracias a Dios. He then proceeded to organize a group of the women whose task was to draw up several large signs with different colors and slogans such as: "This property is in the hands of the people without shelter." and "Unity makes force."

The land occupation took place during an early morning of April 1979. The national flag and the signs drawn by the women were placed in different areas of the plot. Word of the occupation spread fast and many other people came to join the group either at their own initiative or encouraged by a relative or friend.

During the first meeting of the settlers, shortly after the occupation, Quiroz was elected president of the **patronato**. He encouraged the settlers to build their houses as soon as possible. Immediately, the newly elected Board proceeded to organize the following work committees: land guarding, advertising, land cleaning and preparation and the committee of legal affairs.

During the organization phase of La Colonia P. P. G. the settlers endured a significant struggle with the authorities who made many efforts to force them out of the occupied land. Before the first week was over, the group had build a barracks as a meeting place. Soon after it was finished the FUSEP came to destroy the construction, evacuating the occupants and jailing Quiroz.

Four different "owners" requested the evacuation of the land: two banks, an insurance company and a private citizen. Quiroz, who had experience with other land occupations, knew several lawyers and was able to obtain a legal document which stated that the occupation had been pacific and that the occupants were willing to purchase the land for a reasonable price.

As soon as Quiroz was freed from jail he gathered the occupants to inform them of the latest events and re-organize the work. This time they were to build a better barracks with more durable materials. In two days, working day and night, the group had built the new barracks which would be used as a community center.

The struggle with the authorities and the land claimants continued. The settlers were in constant fear of being forced out and the leaders requested assistance from lawyer friends on several occasions. The group had received an order from the authorities to vacate the land within 24 hours. During Labor Day (May First), approximately 1,400 persons, including all the occupants, marched and carried signs protesting being forced out of the land. At that time the settlers named the land occupation Primero de Mayo (May First).

The month of May went by without any problems. The new strategy of the leaders of the **patronato** was to promote the incorporation of members of the armed forces from the lower ranks to the settlement; 120 of them joined the occupation. The **patronato** also hired a topographer, paid by all community members, to measure the land and develop the plans of the community. Immediately afterwards the **patronato** made a provisional distribution of the lots. The occupants settled in their lots ready to protect and defend them.

The tension and fear of evacuation continued until July 1979 when Quiroz requested the **recurso de amparo** [23] from lawyer-members of the Nationalist Party, the same political party with which Quiroz was affiliated. A few days later the FUSEP and the Municipal Police destroyed the community center and two houses that had been built. This time the police remained on the land.

Quiroz went back to the lawyers who presented the **recurso de amparo** before the judge. To the surprise of the settlers, the court filed in favor granting the settlers permission to remain on the land. The reasons for this outcome are not clear: some members of the community believe it to be the result of the work of the leaders; others attribute the outcome to the collective effort of all the occupants; another group believes that the land was communal and those who claimed ownership had no proof. With this court order the settlers went back to the land and requested the police to leave. From that time, there were no more efforts to force the settlers out.

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[23] A legal mechanism which allows for the presentation of proof as defense against a formal accusation. It is a legal mean to counteract an accusation.

The Consolidation Phase

The consolidation phase of this informal sector settlement begins once the fear of being forced out of the land disappeared. The consolidation phase initiates with the internal struggles of the residents. The settlers questioned the actions of some of the leaders so a new Board of the **patronato** was elected in November 1979 keeping Eugenio Quiroz as president. One of the first task of the newly elected Board was the final allocation of the lots. This created conflict within the Board which was split into two factions. Nonetheless, by December of that year the **patronato** had distributed a total of 223 lots.

In January 1980, one of the families began building the first house of the settlement and brought brick and cement to its lot. The police visited the settlement and requested the construction permit. Quiroz asked his legal connections for a notary act which was apparently sufficient because the authorities never again requested the construction permits. The families then began to build their homes.

The settlement was in the process of consolidation amidst the internal conflicts of the **patronato** leaders. A faction requested an audit which, according to one of the leaders, showed Lps. 50,000 missing. Quiroz finally resigned and the previous vice president was elected president. He had been a national leader and an activist in the southern departments of Honduras for the UNC, one of the peasant organizations in Honduras.

The **patronato** decided to change the name of the settlement in the honor of the Chief of State, General Policarpo Paz Garcia. Immediately the **patronato** sent the Chief of State a letter requesting his help in the legalization of the land and the installation of services. According to the settlers, the change of name never resulted in any assistance.

The main purpose of the **patronato** was to acquire the title of the land. Contacts were made with the president of the municipal government who told them they must vacate the land because according to city plans it was assigned to industrial activities. Instead, the group hastened the construction efforts and hired two tractors to repair the streets.

There were no more efforts on the part of the Municipality to vacate the land but new claimants of the property began to appear. The confusion over the land tenancy continued and there did not seem to be a quick solution. Consequently, the **patronato** in a general assembly decided to begin saving money for the installation of community services and for the purchase of the land if the rightful owners decided to sell it. The settlers agreed to pay the **patronato** a down-payment of Lps. 165.00 per lot and a monthly fee of Lps. 112.00.

On May 27, 1980, the new president of the Municipality decreed the land where La Colonia P. P. G. was located as **ejidal**. This decree, however, was not sufficient for the

service institutions to install water and electricity. The institutions required a land title. The settlers had to find mechanisms to overcome this limitation. With the help of the president of the Municipality the settlers acquired the electricity at a cost of Lps. 41,000 of which the community paid Lps. 15,000 and the ENEE and the Municipality the rest. The **patronato** was also able to install five public water taps.

When the next election of Board of Directors came up, the settlers elected Jesus A. Chávez as president who at the time was also president of a newly organized federation of **patronatos** (BLOCOPA). This federation carried out numerous pressure activities and several political and social conquests are attributed to BLOCOPA. On October 20, 1980, the Municipality legalized 21 settlements which originated from land occupations, including La Colonia P.P.G.

With the final legalization of the land, the **patronato** began working for the installation of other community basic services and infrastructure to gradually transform the informal sector settlement into a neighborhood of the D.C. One of the most important accomplishments of the Chávez administration was the construction of the water and sewage project through the support of the Municipal Government with US/AID funding. The total cost of this project is over Lps. 500,000 and must be paid entirely by the community.

At the time of the Caldera Study the residents were negotiating the price of the land with the Municipality to begin payments. After much discussion both parts agreed to Lps. 5.00 per square meter. The available documents do not specify whether the settlers canceled all land payments. However, presently La Colonia Policarpo Paz Garcia has land titles (escritura publica), all the basic urban services and the cost per square **vara** is estimated at Lps. 40.00 (Castaldi: 1990; Annex II).

La Colonia 30 de Noviembre [24]

Organization and Mobilization of Resources

La Colonia 30 de Noviembre, located in 10 **manzanas** of land is one of the informal sector settlements of the D.C. To the east it borders with la Colonia La Sosa, to the south with La Colonia San Miguel and to the north and west with land owned by Isabel Agurcia (Map 1).

On November 30, 1980, a group of urban residents invaded the land where the settlement is now located. The process to negotiate the land took the settlers almost two years. The Ministry of Education owned the invaded land. When the land

[24]Taken from Kawas: 1990.

occupation took place, the Ministry of Finance gave the Ministry of Education a lot in La Colonia Kennedy in exchange for the occupied land which was then granted to IVA.

In 1982, the **patronato** of la Colonia 30 de Noviembre negotiated with INVA the purchase of the land and agreed to pay a total of Lps.240,024 plus 6% interest in a five year period. Since the **patronato** did not finish paying INVA until 1988, the final payment, including delinquency interests, amounted to Lps. 288,000. In 1988, the **patronato** of La Colonia 30 de Noviembre received the land title from INVA free of mortgage.

The land was divided into lots of 200 **varas**. Each resident agreed to pay the **patronato** Lps.983.40 in five years with monthly fees of Lps. 16.39. Including the delinquency interests, the cost per lot was Lps. 1,043.40.

By 1988, the great majority of the residents had paid for their lots and were in the process of getting their land titles. The procedure to obtain the individual land titles, once the settler finished paying for the land, is as follows:

-Each resident must fill out a request form with the necessary information to process the land title.

-With the request to process the land title the resident must include a photocopy of his personal documents (identification card, the national tax registry card, income and municipal taxes cards), and Lps. 150.00 to pay the lawyer.

Some of the residents, although they have finished paying for the lot have not yet been able to get the land title because of the expenses. The **patronato** president was receiving the request form with partial payment for the cost of the lawyer.

The Consolidation Phase

Contrary to most informal sector settlements, La Colonia 30 de Noviembre begins its consolidation period two years after the land occupation, when the **patronato** negotiated with INVA the purchase of the land. The relatively smooth accommodation process of la Colonia 30 de Noviembre to the formal structure of the city is mainly due to the organization capabilities of the settlers.

This does not mean that the community organization has been void of problems. As in most informal sector urban settlements, there have been internal power struggles and accusations of fund embezzlement by Board members. The delinquency in the land payment in 1987 is due to fund embezzlement. Nonetheless, the community was able to re-structure the Board of Directors who were able to negotiate an extension on the payment.

The **patronato** of La Colonia 30 de Noviembre has legal status. All those persons who were allocated lots in the settlement are part of this community organization; renters are not considered members of the **patronato**. According to the statutes, the Board of the **patronato** is elected every two years in a general assembly.

The **patronato**, as a strategy, has chosen to elect a Board of Directors which includes persons from several political parties. A multi-party Board allows the **patronato** to assign the appropriate person to mobilize resources from several sources.

The organization and dynamism of the **patronato** is best illustrated by its capacity to mobilize internal and external resources for community up-grading. Between 1980 and 1989, the settlers have been able to accomplish numerous community infrastructure projects which required negotiation and resource mobilization capabilities. The three largest projects are described below:

- For the installation of the electricity the **patronato** negotiated with ENEE and the Municipality The total cost of the electricity project was Lps.45,000. The community paid Lps. 15,000 and the other two institutions the remaining Lps. 30,000.

- The **patronato** was able to place 12 public water taps throughout the settlement. There are three water houses with four taps each. The residents purchase the water at 0.05 per **tina** and O.60 the barrel. The water is managed by the water committee who must pay SANAA the monthly bill and cover all other maintenance costs of the service. In addition, the managers of the four water houses receive 20% of the monthly sales. After covering all the expenses related to the water service, the funds left over are deposited in a savings account for the construction of the home water project.

- The 10-classroom school in the settlement was build by the residents. The government provided the construction materials and the residents the labor force.

With the land paid by most of the residents, the **patronato** is working for the installation of other basic community services which will further improve the living conditions in the settlement among which is the installation of a main water system with home connections. In addition, some of the families who have finished paying for their lots are now participating in a home improvement project sponsored by APRHU, a local private development organization. This informal sector settlement which has become part of the formal structure of the city is probably entering a new phase in which the residents will allocate part of their family resources to improving their homes and living conditions.

CHAPTER 6

LESSONS LEARNED

Introduction

The success of the two informal sector settlements in becoming integrated neighborhoods of the D.C. merits further reflection. This chapter first offers some general conclusions derived from the study of the two selected settlements and the review of other existing ones. It highlights some of the differences and similarities of accommodation strategies among the urban poor. Secondly, the chapter addresses the lessons learned from the study of these two settlements in relation to urban land management. Lastly, the benefits that accrued to all parties involved are reviewed, along with the problems they encountered.

Conclusions

Preparation and Organization Phase

- The phases followed to establish and consolidate an informal sector settlement are very similar. The internal procedures, depending on particular situations and resources, may differ.

- The preparation and organization phase requires at least one person dedicated full time to the task. The time period for this phase depends of the allocation of human and economic resources to the assignment.

- The cost of organizing and carrying out a thorough research, necessary to establish the foundation for a successful land occupation and eventually a relatively smooth consolidation phase, must be paid by someone. In some cases a large portion of the cost is covered by the organizers themselves (or the institutions which endorse them) and in others, by the interested parties themselves. In all of the examples discussed, the people interested in solving their shelter problem had to disburse a considerable portion of the expenses during the organization phase.

- The organizers of urban land occupations served the role of informal sector real estate agents without necessarily getting a personal profit for the transaction. The compensation in most cases included covering costs and the provision of a lot in the settlement. In other cases, the main gratification to some of the "agents" was probably the opportunity to act on their convictions.

- The analysis of the advantages and disadvantages of probable lands undoubtedly facilitated the accommodation with the service agencies and the city. It is well known that many of the informal sector settlements in the D.C.

were established in either area with ecological restrictions or where the provision of basic services is extremely costly.

The Take-Over

- The organization system during this phase is very similar among the successful informal sector settlements.

- Three main factors condition the survival of urban settlements after the land occupation and the duration of this phase:

  a) Certain political, legal, economic and social conditions must exist for the land occupation shelter strategy to evolve and operate. Although veiled and in most cases overtly in opposition, there has been political patronage. In many cases the purpose was mainly for political gain. However, the allowance of this type of accommodation strategy to emerge was probably a sound political decision because it served as an escape valve of the social pressures which had surfaced during the mid-1970s up to the early '80s in Honduras.

  b) Leaders with political connections willing to persevere in the struggle.

  c) A thorough research of the history and actual situation of the land title facilitates coming to an agreement with the land owners (private land) or administrators (**ejidal** land).

The Consolidation Phase

Land Payment and Titling

- Land purchasing mechanisms are more efficient and less cumbersome when the owner has to deal with the elected representatives of the grass-root organization. This can happen only when the occupied land is private. When the occupied land is **ejidal** each buyer must make his or her payments directly to the AMDC which results in complex mechanisms and overall an unsound management and administration practice.

- When the land is private the parties involved remain fairly constant and there is greater possibility of continuity. When the land is **ejidal** the agreements and transactions with the settlers are often reviewed and modified by new governments.

- When the land is **ejidal** the obstacle is not only obtaining the Recuperation Agreement. The intricacy of signing the individual contracts for land purchase, which in some cases takes years, seems to be a greater obstacle for

actual payment. The signing of the purchase contracts does not guarantee payment.

- The difficulty of sustained payment of the urban settlers to the AMDC, compared to examples of settlers paying to private land owners, has several possible explanations. However, the most important one is a prevailing feeling of mistrust of the AMDC and the use of the funds. This is aggravated by the cumbersome payment mechanisms established at the AMDC.

- Payments on legally recognized private land will eventually result in secure tenure. The perception of tenure that the settlers have of **ejidal** land, even when the present government is promising **dominio pleno**, is one of uncertainty.

Management and Administration

- For private land occupants who have come to a purchase agreement with the land owner the main concern seems to be land payments. Resources are allocated to establish minimum basic services but the bulk of the efforts is toward the land payment.

- When the possibility of acquiring secure land tenure is obscure, as in the case of **ejidal** land, to legitimize the settlement the residents aim most of their resources to the establishment of durable and permanent services.

- **Patronatos** have not been free of corruption. Similar conditions as those that prevail at the government level are reproduced at the grass-root level. Even with those limitations, there are significant advantages to the management and administration of the informal land market and services by the **patronato** because:

- Most of the management and administration activities of the settlement are done on a voluntary basis by people with vested and immediate interests in the efficiency of the services.

- The grass-root organization can develop more effective and flexible mechanism to recover loans and payments and control arrears.

- If the residents have the capability to exert their right to self-determination they control the selection of their representatives, can better oversee their performance and can remove them from office if their actions do not comply to their mandate.

- Collected funds or generated income is immediately allocated to community upgrading projects.

- The settlers, through their grass-root organizations have established their credit worthiness and their management and administration skills.

- Government support to these settlements only comes after several requests and usually until the group exerts pressure. This seems to confirm that land occupation, as a pressure mechanism, was the most effective alternative, and the only one for most, to solve their shelter needs.

Women Participation in the Accommodation Process

- During the organization and take-over phases there is at least one woman leader with political contacts and the ability to mobilize resources.

- During the take-over phase women participated in the guard shifts and often served as deterrents to the authorities trying to vacate the land.

- Women hold leadership positions in the **patronato** from the outset of the settlement. However, the participation of women in leadership positions seems to increase once the neighborhood has been formalized and the efforts of the **patronato** are geared towards community management and further upgrading.

- The **Patronato** tends to be flexible with women heads-of-household who are delinquent in their payments.

The Future

- The accommodation process of these urban residents has not concluded. The strive to continue upgrading their communities and improving their overall living conditions has not diminished.

- Recognition of the efforts and accomplishments on the part of the formal structures of the urban sector would contribute to further strengthen the grass-root organization, and it could open new avenues to allow a better use of the dynamic and effective management skills within the informal sector settlements.

Urban Land Management

The results of the study and some of the conclusions offered above, suggest alternative mechanism to manage urban land and thus establish land sub-markets. The data suggest the existence of informal land markets researched and exploited by urban settlers in need of shelter. The principal lessons learned from this study with regards to urban land management and the possible establishment of an informal sector land market are:

- The predominance of informal strategies of accommodation used by the poorer urban residents, for the most part related to land occupation, is largely explained by the fact that comparable formal accommodations are beyond their economic capacity.

- The **patronato**, as the manager of the informal sector settlement, establishes a land market with the lots not allocated to the original settlers. During the early stages of the settlement the new arrivals pay the same price for the land as the founders. However, often, some lots are left which can be sold years later, at a higher price, as a means of generating funds for community upgrading. This mechanism can easily be implemented when the land is private and the **patronato** has negotiated its purchase.

- Of the existing informal land markets it is easier to determine actual cost of private property rather than **ejidal** land. The purchasing system and disbursements of the residents are clear cut in the case of a private land occupation. The contrary occurs with land which is **ejidal**. Apparently, the price per square **vara** is lower in **ejidal** land than in private land but the ambiguity of the process restrain the possibility of determining real cost.

- From the above follows the hypothesis of whether the occupation of **ejidal** land is the alternative market for the poorer urban groups. The less costly price per square **vara**, the ambiguity and confusion with regards to payments and the absence of interest charges for delinquency accounts, may represent a more flexible alternative to these settlers.

- The dynamic and effective management capacities of the urban settlers could be put to use in a systematic and legitimate manner. Land which is **ejidal** and assigned for housing lower-income families according to the urbanization plans of the city, could be managed by those interested in obtaining it. Some possible components of the land management system for **ejidal** land are offered below. A similar procedure could be established with land owners interested in registering their properties in an available land market:

- The AMDC should continue to oversee the **ejidos** of the city but could delegate the administration details to the grass-root organization. This would definitely reduce management costs, would represent a better income to the AMDC and increment community upgrading.

- The AMDC should make certain that the grass-root organization requesting land for housing is a valid one and that its members include only families in need of shelter.

- Once the above has been completed, the AMDC could sign a land management agreement with the **patronato** similar to the one used by SANAA for the water projects.

- Payment for the lots would be channel through the **patronato**. This organization in turn would reimburse the AMDC the 25% of the payments to cover general administration and supervision of the land management activities. The remaining 75% would be directly managed by the community initially to carry out basic services projects and later other upgrading activities to improve the overall living conditions of the residents.

Advantages and Disadvantages

A key question explored in this study are the advantages and disadvantages to all those affected by land procurement through occupation. This section addresses the issues mainly as expressed by all those involved:

- In the case of the private land occupation, the land seller acknowledged that, in retrospect, it was essentially a business transaction. Nonetheless, he did not admit that the transaction was very profitable. According to the seller, if the land was vacant, an urbanization project in 1990 would have most likely produced far more revenues than those accrued with the sale to the **patronato**. To determine the level of profit a financial analysis of the sale terms and payments would be necessary.

- To those families who acquired urban property and built homes, land occupation was the only alternative for needed shelter.

- The process was not advantageous to all the participant families. Several of the original families were forced to abandon their quest because of the precariousness of their economic situation. This situation is particularly applicable in the settlement in private land. It might be supporting the hypothesis expressed above.

- A further recognized advantage of the process is that if it had not taken place the families would be living in **cuarterias**, under poorer living conditions and with no possibility of improvement.

- According to the residents of the private land settlement the greatest advantages accrued to the seller. The seller drafted the contract and

"established all the rules of the game," as one of the key informants explained. The seller received his money on a fairly regular basis without any investment and no conflict.

- The most important disadvantage of this accommodation strategy is the fact that the city developed without compliance to any type of urbanization plan. This situation has made the management and administration of the city a much more difficult task.

- Considering the political, economic and social constrains of Honduras the greatest advantages of this process can probably be accrued to the State:

- It is the responsibility of the State to facilitate housing to all citizens but it has not been able to comply with this mandate. Consequently, the settlers who took the initiative of designing a strategy to carry out the job for the government "took a load off its back."

- The take-over and purchase of private land did not require any participation, effort or cost either in cash or in time from the local government.

- The families who have found successful accommodations in the city no longer represent pressure groups to the State. They no longer represent a potential pressure group demanding solutions and thus diverging the attention of the State and the local government from other matters.

- The residents of these neighborhoods have already incurred tax debts with the city which they will probably pay. In addition, once they become property owners they will also become tax payers. "We," emphasized two of the community leaders, "do not want charity; we have a goal and do not want to go around begging. We need to learn to survive within our own means. The government should only facilitate the efforts that we make."

ANNEX 1

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ANNEX 2

INTERVIEW GUIDES

GUIA DE ENTREVISTA: INFORMANTES CLAVES

1.Como se originó la Colonia? Cuales fueron los pasos o etapas para formar la Colonia?

2.Además de los esfuerzos de los pobladores..... recibieron apoyo de alguna organización privada o institución del Gobierno para:

-Obtener algun servicio comunal (electricidad, agua, alcantarillado, escuela etc.).

-Arreglar la situación de la tierra.

-Cualquier otro beneficio para los residentes (prestamos para mejoramiento o construcción de vivienda etc.).

3.Como fue ese apoyo? **Explique los detalles incluyendo todos los aportes económicos.**

4.Y los residentes en el asentamiento cooperaron para:

-Legalizar la tierra
-La instalación de servicios
-Ejecución de otros proyectos

5.Como cooperaron?

> **Indague suficiente para determinar si la cooperación fue con trabajo, dinero o ambos. Numero de días y horas por residente y aporte económico por residente. Cifras, cantidades de días y Lempiras.**

6.Tiene o ha tenido la comunidad alguna relación con:

-La Alcaldía
-El Gobierno Central
-Las instituciones de servicios básicos (SANAA, ENEE)
-Organizaciones privadas de desarrollo nacionales o internacionales.

7.Cual es la relación? **Asegúrese de obtener todos los detalles de la relación: Cuando? Para que? Como fue la relación?**

8.Tiene La Colonia planificado algún proyecto? Que proyecto?

9.Como van a lograrlo? Han gestionado algún apoyo externo? Con quien? y la comunidad va a aportar a este proyecto? Con que? Cuanto?

Especifique los detalles para cada proyecto. Las cantidades detalladas de dinero de la comunidad y de apoyos externos son muy importantes.

10.Cree Ud. que la forma en que se consiguió la tierra y los servicios fue beneficioso o ventajoso para los pobladores? y para el Estado?

-Cuales son las ventajas para los pobladores?

-Y para el Estado?

GUIA DE ENTREVISTA: VENDEDOR DE LA TIERRA DE LA COLONIA ROBERTO SUAZO CORDOVA NO.2

1. Como se originó la Colonia? Cuales fueron los pasos o etapas para formar la Colonia?

2. Como fue su la relación con los pobladores inmediatamente después de la toma de la tierra?

3. Cuales fueron los pasos que siguieron para negociar la venta de la tierra? Como se dio esa relación?

4. Una vez acordada la venta, como ha sido su relación con los pobladores?

5. Y la situación de los pagos? Ya terminaron de pagar? Cuanto le deben todavía?

6. Además de los esfuerzos de los pobladores..... recibieron apoyo de alguna organización privada o institución del Gobierno para:

   - Obtener algún servicio comunal (electricidad, agua, alcantarillado, escuela etc.).

   - Arreglar la situación de la tierra.

   - Cualquier otro beneficio para los residentes (prestamos para mejoramiento o construcción de vivienda etc.).

7. Cree Ud. que la forma en que se consiguió la tierra y los servicios fue beneficioso o ventajoso para los pobladores? y para el Estado?

   - Cuales son las ventajas para los pobladores?

   - Y para el Estado?

8. Analizando la situación en retrospectiva... Cree que esta relación tuvo alguna ventaja o beneficio para Ud?

GUIA DE RECOLECCION DE DATOS: ALCALDIA MUNICIPAL

TRATE DE OBTENER ESTOS DATOS EN LA AMDC O CON LOS LIDERES DE LA COLONIA.

- En total, cuanto tiene en la cuenta la Col. 21 de Febrero (agosto, 1990).
- Han utilizado algunos fondos de esa cuenta?
- Para que proyectos?
- Cuanto dinero han utilizado por proyecto?
- Cual es el procedimiento para utilizar los fondos?
- Desde cuando empezaron a pagar los moradores?
- Cuanto era la prima?
- Cual es el cobro por Vara2 o Mt2 ? Especifique la medida.
- Hay cobro por mora? Cuanto?
- Cual es el procedimiento para pagar en la AMDC ?
- Hay algunas personas que ya terminaron de pagar? Que tipo de titulo se le otorgó?
- Cual es el total de tierra adjudicada a La Colonia?
- Cuantos lotes se otorgaron? Tamaño de los lotes.
- Cual es el nivel de mora?
- Existen algunos planes de proyectos futuros para utilizar los fondos? Explique.
- Cual es el plan de escrituración de La Colonia?

ANNEX 3

PERSONS CONTACTED AND INTERVIEWED

Persons Contacted

Government Institutions

-Juan Carlos Castaldi	-Consultant - INVA
-Ana Antonieta de Andino	-Chief of the Land Department at the AMDC.

Other Organizations and Institutions

-Oscar Arnulfo Maldonado	-General Secretary, FEDIPTENH.
-Aracely Flores	-Social worker, Centro de Promoción y Desarrollo (CEPROD).
-Lily Caballero	-Previous coordinator of the Social Work Master Program - UNAH.
-Miguel Amador	-Responsible of the Documentation Center of the Social Work Latin American Master Program - UNAH.
-Margarita Oseguera	-Coordinator of the Social Work Master Program - UNAH.
-Mario Efrain Beltran	-Promoter, FEHCOVIL.
-Lizeth Sosa	-Promoter, FEHCOVIL.
-Lucy Raudales	-Secretary of the Promotion Department - FEHCOVIL.
-Francis Funes	-Promoter, APRUH.

-Bernt Assen	-Director of the Urban Basic Services Program - UNICEF.
-Aminta Navarro	Social Worker, OEF-Tegucigalpa.
-Narda MelendezDirector, OEF	-Tegucigalpa.

Persons Interviewed

Government Institutions

-Efrain Valladarez	-Accountant at the Office of Social Work at the AMDC.
-Santos Teodoro Vides	-Responsible of account of La Colonia 21 de Febrero, AMDC.
-Rene Alaniz	-Asistant Coordinator of the FHIS projects at the AMDC.
-Luis Rubio	-Engineer of the Implementing Unit at the AMDC.

La Colonia Roberto Suazo Cordova # 2

-Julia Vasquez	-Resident.
-Martha Lidia Cardenas	-Resident.
-Gertrudiz Lazo	-Resident.
-Feliciano Nuñez	-Treasurer of the **patronato**.
-Angela Pérez	-**Fiscal** of the **patronato.**
-Doris Urbina	-President of the **patronato**.
-Gustavo Lara	-Original land owner.

La Colonia 21 de Febrero

-Francisco Guevara-President of the water Committee.

-Armando Sevilla-**Fiscal** of the water committee.

-Manuel de Jesus Zelaya-President of the **patronato**.

-Mario Pineda-Ex-president of the **patronato**.

-Fausto Castillo-First president of the **patronato**.

-Juan Zelaya-Treasurer of the water committee.

- Santos Lagos-Resident.