

Low Income Housing in Brazil: The Case of São Sebastião

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In the winter of 2006, the CRP department received visiting researcher Flavio Malta from Brazil. He presents us with an overview of one of the most challenging planning problems faced by Brazilian cities: the exploding housing demand for the poor and the conflicts that it generates. Through the case of São Sebastião municipality, in São Paulo, he discusses some of the issues he deals with in his job as a city planner: the control of illegal settlements and the production of low income housing in a city which depends on tourism development and is located in an environmentally protected coastal zone.

From a sociological point of view, housing is an issue that depends on specific economic and social realities and needs to be understood in its full dynamics and complexity. The provision of housing is not only a material issue, but it also responds to a collective demand that is present in most cultural conditions, in individual and family aspirations. This helps to explain why demand for housing varies significantly within the different sectors of society, and why it is subject to a continuous change over time.

In Brazil, social reality is compounded by inequality. In other words, the market does not operate equally for all people and reveals the fact that capitalist processes are deficient in many ways, particularly in the provision of housing for the poor. As a result, today Brazil's housing deficit is around 7 million units, mostly in the southeast and northeast regions. Moreover, a great number of existing dwellings in the country have very poor living conditions and lack adequate infrastructure, such as sewage and drinking water.

It is important to note that "housing deficit" is a key concept for the planning of public housing in Brazil because it expresses a deficiency in the housing market. Firstly, the deficit encompasses all housing that is inadequate due to precarious building conditions or bad infrastructure. Such units may also be overpopulated or located in areas not fit for residential use (such as flood zones, areas subject to land slides, public rights-of-ways, etc) and need to be replaced or evicted. Therefore, the housing deficit is a concept that needs to include not only the production of new housing but also the replacement, reconstruction, and expansion of existing units. Secondly, bearing this concept in mind, it has been identified that 84% of the housing deficit in Brazil is concentrated on families earning less than three minimum wages (a minimum wage is around \$360 per month).

It is also important to note that the housing deficit has been a long-standing problem in Brazil; it is ever marked with a

limited amount of government resources and poor planning. This problem has become even more complicated since 1990, when the federal government closed the National Housing Bank (BNH).¹ Since then, housing production has become a real challenge for all levels of government. An enormous gap has opened between public policies and the actual housing provision, which has decreased to an almost insignificant level.

One of the main reasons for this gap is the difficulty to continue providing funds to subsidize large housing programs mainly for the poorest sectors of society. From the mid 1980s a new political and economic global order imposed severe limits on governmental expenditures as the nation became much busier paying never-ending internal and external loans and service debts.

Last but not least, there is another key aspect: land tenure and the need for public policies to regulate it. In many Brazilian cities, regulating land tenure together with upgrading existing irregular settlements are fundamental goals in housing policies, particularly in dealing with "favelas" (squatter settlements). In the city of São Paulo for instance, the local government has put a great amount of effort and money into land acquisition for low-income housing projects. However, some critics point out that this policy is inappropriate because it facilitates government corruption in buying the land at unreasonable prices according to the real estate market, or because it can generate vacant lots nearby while landowners bet on the appreciation of their properties along the development process.

¹ *The National Housing Bank (BNH) had been created by the military regime in their first year in power (1964) to "solve" the housing problem by encouraging ownership and supporting the production of large quantities of low-income projects. As a "second-line" bank it captured money from savings accounts and workers compensation funds to fund housing programs through banks and state agencies. The bank was also meant to inject dynamism and resources in the construction sector..*

The Case of São Sebastião

The municipality of São Sebastião is located in the northern coast of the state of São Paulo, and holds a population of 70,000. The region, called “The Green Coast” due to its lavish landscape and the surrounding Atlantic Forest, is within a state environmental protection area and was declared a national natural heritage along with other ecosystems by the 1998 Federal Constitution.² Tourism is a major economic activity in São Sebastião, and while the pressure for land with good infrastructure, public facilities, public transportation, and services is very high, this type of valuable land is mostly located near the seafront and is also the area of major tourist attraction.

The local topography is an obstacle to development due to the steep hills, rivers, mangroves, and other natural elements concentrated along the plains near the sea. As a result of high land values near the sea, lower income groups are pushed out towards cheaper areas with no infrastructure or services, and where job opportunities are scarce.

To make things worse, land tenure is a peculiar issue in the whole region due to its historic conditions that date back to colonial times. São Sebastião was initially settled in the sixteenth century as a stronghold, but the Portuguese were only interested in the exploitation of natural resources such as wood, precious stones and gold from the inner regions. A

formal settlement was only formed during Brazil’s second economic period in the seventeenth century to support sugar cane plantations and the production of “pinga”, a spirit made of distilled sugar cane juice that is very popular in Brazil. Due to constraints on the productiveness of its plantations, such as the lack of good soils, the narrowness of its valleys and geographical formation, São Sebastião grew at a slow pace and its economy was mostly based on the small-scale production of tobacco, sugar cane, and cassava.

In the beginning of the nineteenth century, during the third economic period that was based on coffee plantations in the hinterland, along the Paraíba Valley, the first roads were opened to provide a connection to the sea in order to export coffee beans to Europe. São Sebastião then became connected to the Valley and the coastline began to experience more intense urban growth. After World War II tourism grew in the region and together with better accessibility, induced a radical change in the local lifestyle. A new settlement pattern started to consolidate. Land subdivisions along the sea line expanded the original historic central area into a corridor-like shape, initially towards the north.

Unfortunately, most of this urbanization lacked basic infrastructure, particularly sewage systems. The coastal environmental conditions were aggravated as new housing for tourism began to appear, with the real estate market



Figures 1 & 2.
Map indicating the municipalities of the Green Coast of São Paulo state and the exuberant Atlantic Forest in the coastal region.



² The Brazilian ecosystems protected by the Constitution are: the Amazon Tropical Rain Forest, the Atlantic Forest, the Ocean Mountains, the Pantanal, and the Coastal Zone.

catering for the middle and upper classes. This urban growth in São Sebastião results from what is named the “second home movement,” which can be considered the biggest tourist impact in the region. It is still the prevalent form of urban expansion and has an immense influence on local and regional social and economic structures.

Paradoxically, this type of urban pattern is based on high levels of land occupation and generates a great deterioration of environmental quality, which negatively impacts the image of São Sebastião as a tourist destination. The excessive use of land close to the sea for tourism and second-home subdivisions, the lack of proper infrastructure, and the seasonality proper to tourism result in an increase in low paying jobs and informal work. Tourism development generates service work, such as cleaning and gardening, that attracts unskilled workers from outside areas and stimulates migration.

Also, a large number of residents and migrants coming to work have no job security and no access to banks, mortgages, or loans. They are not able to buy houses in the formal market. Meanwhile, the pressing demand for low-income housing poses a difficult problem to be solved, as in everywhere else in Brazil. Besides, the majority of the properties don't have

regular land deeds, which largely restricts the possibility of receiving financial support from a bank or normal lenders.

Therefore São Sebastião has a large quantity of illegal housing built in favelas and land invasions on hill slopes or inside areas that otherwise should not be urbanized. Some of these areas are those subject to land sliding and floods, or in Environmental Areas. The intensity of social exclusion gives rise to all sorts of violence that damages the city's image as a tourist destination and its potential for business.

The Provision of Public Housing

The history of public housing in São Sebastião is short and discontinuous. It started in the late 60s with the construction of a new harbor for an oil terminal. Administrative buildings and pipelines in the São Paulo metropolitan region attracted workers, who in turn needed suitable housing. Between 1967 and 1981 a number of housing cooperatives were formed and received loans from the National Housing Bank (BNH) for the construction of 300 residential units in the central area.

Later, between 1986 and 1988, the municipality promoted and managed a self-help housing program that produced 24 residential units for city employees. More recently, from 1988



Figure 2.
Vila Tropicanga, one of the illegal housing settlements in São Sebastião.



Figure 3.
Vila Amelia, an illegal settlement dangerously next to oil containers.

to 1996, there were two main public housing initiatives in São Sebastião. One led by the CDHU, the state government housing agency, built 181 units, and an initiative of the local government built 176 units through a partnership with the union of local public employees.

According to the city planning division, the housing demand in São Sebastião is approximately 5,000 units, which includes both what the market could provide and what needs to be provided through some sort of public subsidy. It is also important to note that the lack of consistent and reliable information on the housing market in São Sebastião, both formal and informal, is another serious obstacle to proper planning.

In São Sebastião, the customary city government attitude towards the urban problems that are derived from tourism development does not differ from those of other municipalities in the region. There are not enough resources available and government action is slow and unable to face the increasing numbers of illegal settlements and the overall social exclusion.

To better understand the real picture, one also needs to consider that the tourism development model in practice by the municipality is based on the existing natural resources, such as the beaches, the sea, and the forest. This affects local social relations and land use patterns because tourists want to stay close to the attractions, therefore increasing land value.

The favelas and illegal settlements follow a pattern that include precariously built buildings, lack of infrastructure and urban services, and, of course, a lack of land deeds. Housing demand in a context of social inequality to which the local government is unable to respond gives rise to illegal actions,

such as invasion of land as a means of surviving. Illegal settlements scare tourism, destroy the natural environment, and augment social conflict. It is a difficult problem to face, but the local government needs a housing policy able to support the provision of adequate low income housing in order to promote a socially just urban development. The poor have hardly any access to jobs and are totally dependent on public services that the municipality has to provide.

Planning and Design

In terms of the planning and design of low-income housing by São Sebastião, three major aspects are to be considered. Firstly, in Brazil local governments have no tradition of providing for housing, except in larger cities such as São Paulo where it is still very recent. Lack of public resources and financial means have always marked Brazilian small cities; even if the National Housing Bank was inefficient, its extinction created a much larger void in the production of low-income housing. Housing as a local planning issue has not yet been prioritized by the city in terms of data collection, analysis, and proposals to be considered within the planning process.

Secondly, participatory planning processes are almost unheard of in local government planning practices, again a situation not unlike the vast majority of Brazilian cities. Despite the fact the Local Plan of 1998 set up a participatory system as a condition for local planning in São Sebastião, there were almost no such initiatives since then. The absence of community participation has amplified social exclusion, particularly in terms of access to land and in the production of low cost housing.



Figures 4 a & b. The low quality of design and construction in low-income housing provided by the municipality of São Sebastião.

The final aspect to be considered is the lack of design quality. On one hand, even the small number of housing units provided by the local government were extremely poorly designed in every possible sense: aesthetics, quality of the construction, mix of housing types, quality of the architecture and the urban design, etc. On the other hand, apart from the zoning law there is no other regulation to ensure urban quality as well as to improve the decision making process in land tenure regulation and property development. Care and proper guidance in defining suitable locations and sites for construction, and in developing the projects are badly needed if São Sebastião wants to promote quality in low-income housing.

Final Remarks

In spite of a great deal of effort that has been put into the organization of local government recently in São Sebastião, low-income housing provision is, together with overall distribution of public services, an unsolved urban problem. One of the main reasons is the lack of a housing policy that is capable of establishing criteria and principles for the planning process: firstly for land provision and financing, as well as for urban design and architecture. Another reason is that the municipality needs to adopt planning for housing as a strategic element within its overall planning issues if a sound tourist image is desired.

Sources

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