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# ADAPTING THE HABITAT FOR HUMANITY MODEL TO SABAH, MALAYSIA

by

Rozita Abdul Manap

A Thesis
Submitted to the
Faculty of The Graduate College
in partial fulfillment of the
requirements for the
Degree of Master of Arts
Department of Geography

Western Michigan University
Kalamazoo, Michigan
June 2001

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2001

DEDICATION

ALHAMDULILAH

To My Four Wonderful Children

Khalid, Khalil, Khalidah and Khalif

My Success belongs to You

May this be Your inspiration

ACKNOWLEDGEMENTS

I wish to express my appreciation and thanks to my advisor, Dr. David Lemberg, for his extensive guidance and continuous support during my graduate training. Also to the members of my thesis committee, Dr. David Dickason and Dr. Gregory Veeck, for the invaluable contribution to this thesis. I am grateful for all the professional and expert guidance given.

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Rozita Abdul Manap

# ADAPTING THE HABITAT FOR HUMANITY MODEL TO SABAH, MALAYSIA

Rozita Abdul Manap, M.A.

Western Michigan University, 2001

Building sustainable housing and community developments through the Habitat for Humanity International (HFHI) homeownership program, is one of the many ways that has successfully improved housing standards for low-income communities in the U.S. Findings show that this model can be used as a mechanism to stimulate serious programs and as an alternative to improve and solve housing problems.

This study focuses on how the Habitat for Humanity model can be applied towards increasing the benefits to the community in Kota Kinabalu, Sabah. Located on Borneo Island, Sabah is the second largest state in the Federation of Malaysia, but is regarded as one of Malaysia's least developed states. Kota Kinabalu, the state capital, with nearly half a million in population faces problems of affordable housing for its lower income community. This study highlights various issues and problems occurring during the adaptation of Habitat for Humanity model. It suggests the best practices and sustainable approaches that can be applied to serve the needs of the lower income groups in Kota Kinabalu, Sabah. Finally, the study will evaluate HFHI not only as a social welfare program, but also as an alternative for future direction to an economic recovery for Sabah.

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# CHAPTER I

# INTRODUCTION

## Background

Research and practical experience has taught us a great deal about the role of the built environment and its potential to create a sustainable community (Norgard, 1988). As members of our communities, we are exposed to social, economic and environmental problems. These may include lack of economic viability, deteriorating infrastructure, natural disasters, environmental pollution, social disintegration, loss of community, crime, violence, urban blight, and unmanaged population growth (Mantell, 1990).

Natural hazard mitigation, crime prevention, energy conservation, and viable neighborhood development are practical examples of how a sustainable development can be attained through community planning (Beatley, 1995). Yet, we urgently need to find more effective strategies that will enable our communities to grow in ways that enhance, rather than degrade their more distinctive qualities.

The struggle for shelter in the developing world is far from over. Recent decades have witnessed changes in strategies and policies on how "best" to achieve housing for all, or at least for most people (Ogu, 1999). Through the model of Habitat for Humanity (HFH), these issues can be answered. HFH has proven to be greatly effective in eliminating substandard

housing by contributing to solving the worldwide problem of deprived housing conditions. Alternatively, Habitat for Humanity International (HFHI) represents how sustainable development can be achieved by providing affordable housing for the community throughout the world. Habitat for Humanity International has worked successfully through many details of project coordination that bring quality homes for lower income families. It is a not-for-profit organization with more than 1,200 affiliates nationwide and 200 international affiliates. HFHI model was developed in the U.S. with the concept of "partnership housing". It helps community members working together in partnership, to build simple, decent places to live on terms they can afford. This model attempts to eliminate poverty housing and homelessness from the world, and to make decent shelter a matter of conscience and action (Jennings, 1999). More importantly, the benefits that families receive from this model are the homeownership program which makes them feel security, pride and stability about their own homes. Inevitably, this model creates a well-planned community with a higher quality of life.

In the future, more effective use of resources and attraction towards economic development can be sustained. This is necessary to identify and prioritize the community needs and problems, and to harness their resources in dealing with the problems in taking collective action. Through the years, the community-based resource management program has been the best way to empower the local communities and equip them with knowledge and skills.

## Research Objectives

This study attempts to explore how the Habitat for Humanity home partnership program successfully applies the principles of sustainable development in building simple, decent and affordable housing for the low-income community. Alternatively, the study shows how the HFHI model can be applied to achieve sustainable development and to adopt it to Kota Kinabalu, Sabah. The aim of this study is to analyze how this housing model may be applied by considering factors associated to social and cultural differences, community participation, land ownership, housing policy development, housing corporation and housing finance.

Achieving these goals requires participation from all sectors of the community, by determining community needs, and by identifying and implementing more adaptable innovative solutions to housing. Like elsewhere in the world, Kota Kinabalu, Sabah faces the problems of providing affordable housing for the lower income community. The issues of squatters' settlements have had a great impact on the State government in battling these problems and in finding the best housing solutions. Hence, in tackling this problem, a more appropriate method of housing co-ordination is required.

This study will anticipate the U.S. and International programs of Habitat for Humanity. For instance, the Kalamazoo Valley Habitat for Humanity (KVHH) situated in Michigan, U.S. has successfully established home partnership program in assisting lower income families attaining affordable homes (Hepp and Winters, 2000). Habitat for Humanity International (SHFHI) in Kuching, Sarawak Malaysia has also developed a

similar program by establishing revolving funds for lower income families to own simple, decent and affordable houses (Orr, 2000). Therefore, a review and evaluation of these two programs would be useful to resolve the advantages and disadvantages of each. This would also reveal the potentials and implications in applying this model to Kota Kinabalu, Sabah.

This study will recommend suitable methods in adopting this model to Sabah considering factors such as socio-economic status, housing type and design construction, methods, building materials, land ownership, and funding schemes. Anticipating local values and needs in designing habitat houses is an important factor that will be considered in this study. Additionally, supportive resources are required to provide initial financing for land, and building materials, as well as tools and training. Potential uses of natural resources such as local building materials for the construction of the houses will be discussed. Ultimately, this study will look for potential aspects in the HFHI model, which can be used to solve the housing problem in Sabah. Based on these findings, implications for adopting the model to Sabah will also be suggested.

## Study Area

The study area concentrates mainly in Sabah, which is one the eleven states in Malaysia. Known as the East of Malaysia, Sabah is situated on the island of Borneo neighboring Sarawak, Kalimantan and Brunei, and is separated from Peninsular Malaysia by about 530 kilometers of the South China Sea (Figure 1).

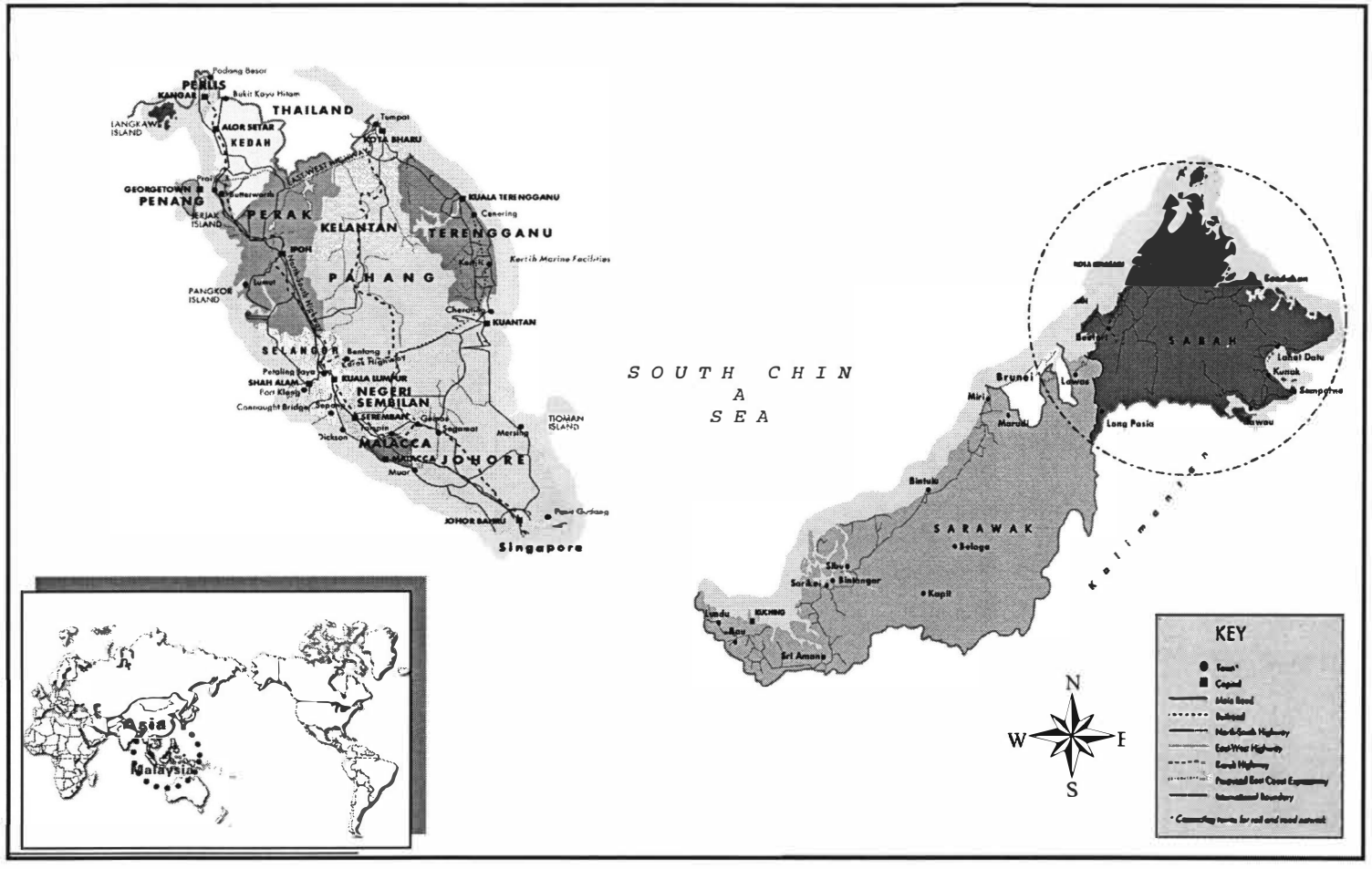



Figure 1. Location Map of Sabah, Sarawak, and Peninsular Malaysia (SEDCO, 2000).

With a land area of 76,115 sq. km, it is the second largest state in the Federation of Malaysia. Sabah has a total population of 2.4 million and consists of 31 different indigenous groups. Kota Kinabalu, the state capital with less than half a million-population covers an area of 350 sq. km. Most of the population in Sabah settles near the coastal plains. It has a wide diversity of flora and fauna, as well as one of the world's largest rainforests. Sabah's leading export commodities include palm oil, crude petroleum, plywood, sawn timber, and cocoa beans account for seventy percent of the total exports (SEDCO, 2000). Nevertheless, Sabah is still considered to be one of the least developed states in Malaysia.

Table 1

Land Area and Population in the Study Area

| State | Land Area | | Population (1999) | |
|---|---|---|---|---|
| | (sq. km) | (sq. miles) | (millions) | (thousands) |
| Sabah | 76,115 | 29,388 | 2.4 | 2,400,000 |
| Sarawak | 124,000 | 47,876 | 2.0 | 2,000,000 |
| Michigan | 147,135 | 56,809 | 9.9 | 9,863,775 |
| City | | | | |
| Kota Kinabalu | 350 | 135 | 0.4 | 354,153 |
| Kuching | 431 | 166 | 0.5 | 495,996 |
| Kalamazoo | 1,455 | 562 | 0.2 | 229,867 |

Sources: Department of Statistics, Malaysia and U.S. Bureau Census, 2000.

This study also relates to other areas including Kuching, Sarawak, Malaysia and Kalamazoo, Michigan, U.S. Kuching, the state capital of Sarawak is also located in the East of Malaysia comprises an area of 431 sq. km. With approximately half a million in population, Kuching is the focus for economics and politics. Kuchings' economy is largely dependent on its rich natural resources, particularly oil, liquefied natural gas, timber and the famous Sarawak black and white pepper. It is also a State that is developed in agriculture, commerce, and industries with a tremendous potential for tourism. Sarawak's history is very unique, filled with tales and legends of adventure, piracy, and headhunting (Sarawak Online, 2000).

Kalamazoo, located in southwestern Michigan has a land area of 1,455.58 sq. km (Figure 2). It is the fifth largest metropolitan area in Michigan with a total population of 229,867 (U.S. Census Bureau, 2000). Kalamazoo consists of 15 townships, 4 cities and 5 villages that have evolved and prospered into a city. It has a broad-based, diverse economy, ranging from small businesses to corporate headquarters. The County's population is eighth highest in Michigan with the City of Kalamazoo being the eleventh largest incorporated area in the state. Kalamazoo is renowned for its educational facilities, agricultural products, industrial prominence, and atmosphere for living

Overall, Kalamazoo has wide diversify of banking operations and businesses including pharmaceutical and medical products, cereals, and financial services, which are in the midst of a major building expansion. It is regarded as a major educational center for the State of Michigan with Kalamazoo College and Western Michigan University (County Profile, 2001).

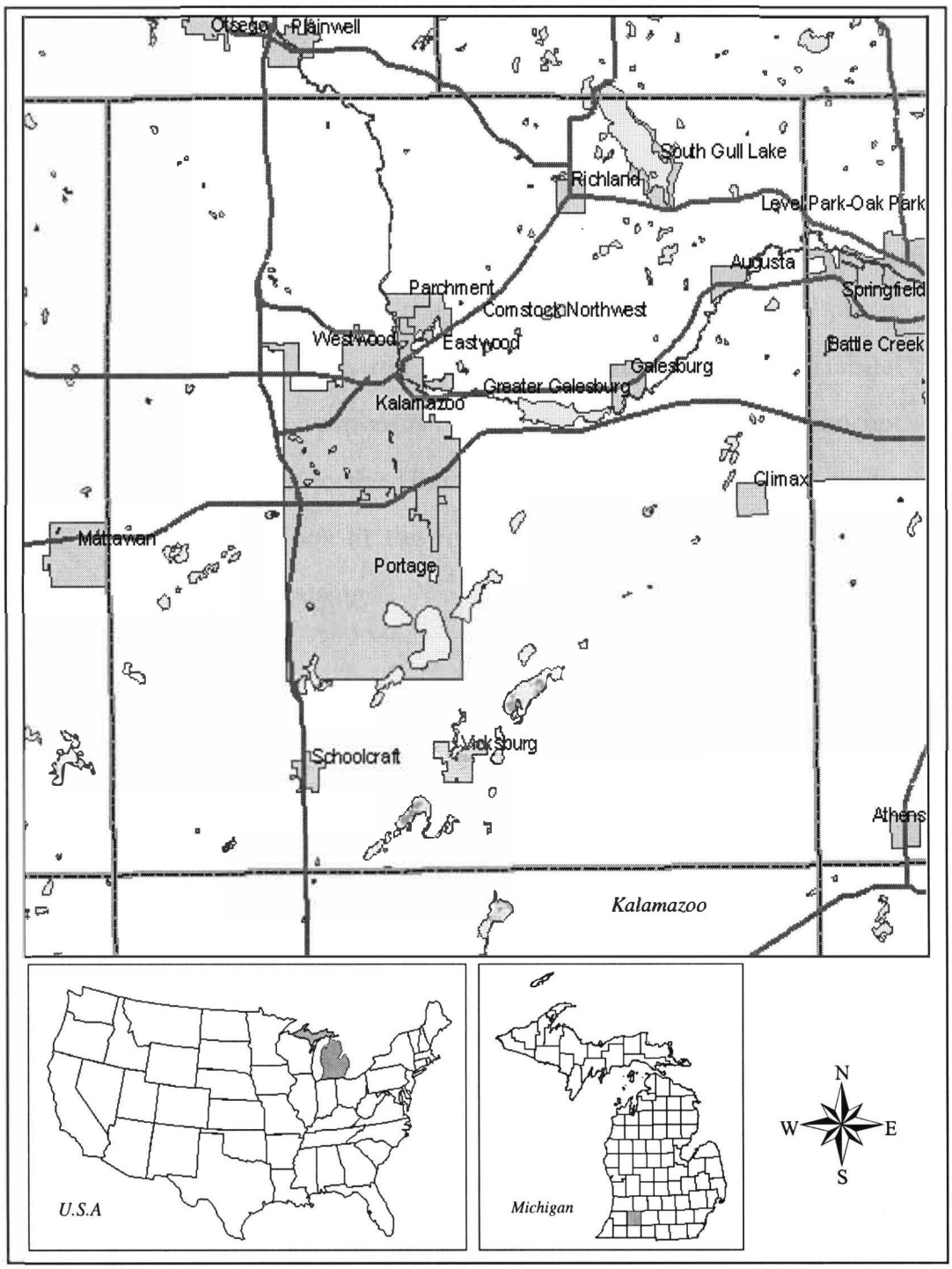



Figure 2. Location Map of Kalamazoo, Michigan.

# CHAPTER II

# LITERATURE REVIEW

This literature review will examine the relationships between the idea of Habitat for Humanity and the philosophy of sustainable housing in community planning. First, the study will examine how the Habitat for Humanity partnership program successfully applies the concept of sustainable development to the Habitat community. Second, the study will take a comprehensive look at the role that Habitat for Humanity plays in providing sustainable housing.

## Sustainable Community Concept

Over the years, the concept of sustainability has grown in popularity (Geis, 1995). However, great concern exists where sustainable development lacks conceptual clarity since it has meant something different for everyone (Norgard, 1988; Batie, 1989; Lele, 1991). Essentially, sustainability is the effective use of resources (natural, human, and technological) for community present needs while ensuring that these resources are also available for future needs (Geis, 1995). The Human Settlement Development program regarded sustainability as "to promote a healthy environment that will continue to support adequate shelter for all and sustainable human settlements for current and future generations" (UNCHS, 1990, p.2). Therefore, a sustainable

community is one that seeks to improve public health and provide a better quality of life for all residents. Such efforts can be initiated by limiting waste, preventing pollution, maximizing conservation, promoting efficiency, and developing local resources to revitalize the local economy (Geis, 1995). Sustainable communities seem devoted to achieving balance between a desirable quality of life and the standard of how it is sustained (Scherch, 1998). In this, sustainable communities offer many examples of how social problems can be addressed and resolved.

Sustainability embraces numerous concepts. It defines the ethics, values, and institutions that help organize society and play a critical role in addressing the question of sustainability (Beatley, 1994). Value systems evolve over time, responding to changes in social and natural systems and technologies that transform them (Norgard, 1988). Generally, value systems reflect a strong sense of sharing, equitable distribution, and harmony. Through planning for sustainable communities, emphasis is placed on ecological limits, equity, integrated and holistic approaches, ethics, and a sense of community (Geis, 1995).

Some preliminary ideas of sustainability came in the 1950s, which raised concern for an environment's carrying capacity and its ability to absorb human influences while sustaining all of its life forms and processes (Geis, 1995). The most commonly accepted definition of sustainable development came from the 1987 report by the U.N.Worlds Commission on Environment and Development (UNCED): " it is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Geis, 1995). According to Jackson & Marks (1999), needs are

conceived dualistically as deprivation on one hand and potential on the other. A need is a deprivation in the sense of something that is in demand. However, it is also a potential to motivate or mobilize community members. Practical understanding and application of sustainability are keys to improving the quality of life of a community.

Sustainable communities are nothing less than the key to optimizing our future. As we move into the new millenium, the world that is emerging is completely different from days past. Sale (1985), points to research that the achievement of sustainability will require values of cooperation and democratically developed community consensus for action. Daly (1996) further states that participatory planning is essential to development of values, which must undergird sustainable development. While sustainable development requires sociocultural changes in values and behavior, it also requires positive evaluation of cultural continuity and social stability for the many and diverse human societies (Hoff, 1998).

Safe, affordable housing is a necessity for every family in a sustainable community. Without a decent place to live, people cannot be productive members of society, children cannot learn, and families cannot thrive. Until the world's housing crisis is remedied, we cannot solve other social problems. Families will continue to lose the battle against crime, poor education, inadequate nutrition, decaying neighborhoods, insufficient health care and welfare dependency. Inadequate housing also has an impact on the physical and psychological development of children and the problems can be irreversible (HFHI, 2000). Communities of the future will be very different from the ones we live in today. These communities will need to be different

because we will be facing a new set of socioeconomic, technological, and global forces in this twenty-first century (Geis, 1995).

According to the United Nations, community development planning should be integrated within the community and the government, to unite and activate the community's involvement, and promote socio-economic and cultural development (UNCHS, 1996). Community development is the leading feature to initiate community groups and implement community programs and projects. In such cases, local communities should identify their needs, set their priorities, and use their resources to create programs and develop their own communities (Arendt, 1994).

Similarly, Hoff (1998) indicates the importance of practical skills and knowledge, such as planning, development, and community organization skills, as well as group facilitation and conflict resolution skills. These abilities contribute towards initiating new directions for their communities.

## Habitat for Humanity Model

Jordan and Fuller in 1965 developed the concept of "partnership housing" that grew into Habitat for Humanity International. The goal of Habitat for Humanity is to eliminate poverty housing and homelessness worldwide. The Habitat for Humanity feels that the economically disadvantaged need capital and assistance in obtaining decent housing. Habitat's mission is accomplished essentially through the efforts of over 1,500 U.S. affiliates and operations in 63 different countries (HFHI, 2000).

Habitat for Humanity provides the initial capital in helping local communities establish HFHI affiliates to lead the building process. Subsequently, international affiliates and national organizations are encouraged to raise as much local funding as possible. However, for most developing nations with limited resources, HFHI will continue to supplement local fund raising. HFHI receives substantial support in the form of donated assets and services (Fuller, 2000).

Although HFHI is a Christian-based organization, the notion of helping the needy is supported by other religious groups. Moreover, HFHI has established partnership in several predominately Islamic countries such as Indonesia, Bangladesh, and Egypt. Malaysia has also initially undertaken such an approach. According to Bagget (1998), the Habitat for Humanity model demonstrates how a particular social form of religion uniquely adapted to the prevailing of modernization. He perceived that religious value and community-based blended cooperatively into the HFHI through social service provision, political mobilization and consciousness-raising has formed a trust in the community.

HFHI is regarded as the most successful community service project in the history of the United States, which provides sustainable housing for low-income communities (Gaillard, 1996). It was listed in a 1996 U.S. News and World Report survey of America's fifty favorite charities (Bagget, 1998). The 2000 HUD Housing Production Study ranks HFHI among the Nation's top 20 homebuilders for successfully providing homeownership programs for low-income families (HUD, 2000). This HFHI model builds homes on a no profit, no interest basis, thus making homes affordable to families with low incomes.

This means that Habitat houses are sold to families at cost with no interest. The Habitat housing program does not use direct government funding, but works with all levels of government to acquire donated surplus land in building Habitat homes.

Likewise the habitat housing construction involves mainly volunteer labor and uses donated building materials and services. This idea encourages communities to reach the spirit of willingness and commitment by working together in partnership, building and renovating houses to prepare for a sustainable place to live. Wishloff (1996) regards the values embedded in the HFHI model as a moral vision of eliminating poverty housing that emphasizes partnership and participation. HFHI helps communities develop a feasible plan to eliminate substandard housing in their area. The Habitat for Humanity model illustrates a community-based program that to provides safe, simple, decent, and affordable housing for the low-income families (Lederman, 1993).

Previous studies show that partnerships between Governments and community-based organizations are an effective way to facilitate sustainable development (Fredericksen, 2000). Partnerships also enable government authorities to respond more effectively to the housing demands. Moreover, it demonstrates a partnership system that promotes the integration of communities to work collectively. Giri (1995) regards the practice of HFHI as a result of self and cultural transformation through the setting of collective action. In the Habitat community, a key principle is requiring housing through 'sweat equity'. This unique scheme provides equity and responsibility to needy families and creates a long-term commitment towards

the community. This is achieved by contributing their effort to the construction of their home along with the volunteers. Such effort is regarded as a long-term investment towards achieving homeownership (Lederman, 1993).

Similarly, Habitat for Humanity concentrates on more than just building houses, but also on building communities and lives (Fuller, 2000). It presents volunteering participation opportunities that help close the gap "in community" with others. This describes the collective efforts of HFHI and other interest groups in addressing housing needs set towards sustainable communities. According to Rogge (1998), lack of community involvement can cause serious conflict, mistrust, and intervention that fits poorly to the community needs and wishes. Therefore, an integral relationship between the community and their needs will exist when we have planned and developed a community through its form, pattern, and use to meet its social, environmental and economic needs (Potapchuck, 1996).

Consequently, sustainable housing should also anticipate methods of generating housing finance and community-based saving schemes. The concept of partnership housing in HFHI model allows families that do not qualify for conventional mortgages to build and then pay for the cost of the house with no-profit, no-interest loans (Lederman, 1993). According to Kamete (2000), affordability is a principle that has been closely linked to cost recovery where it is usually perceived as ability to pay. In achieving this, HFHI coordinates a revolving fund that comes from individuals, corporations, foundations and other organizations to help those in need.

In other similar studies, Finn (1994), describes the home ownership process involved in the Habitat program a empowered through the organizational participation, group support, and learning activities. Partnerships comprising the homeowners, the building contractors or affiliates, and the volunteers as well as other interest groups help to build more houses at a lower cost. Using volunteer labor and local building materials in the construction reduces the cost of the Habitat houses and increases the personal stake of family members in their home.

Cox (1998) indicates sustainable community development itself must ultimately be manifested with effective community-based organizations initially linking the needs and wishes of the community to the macro structures and policies of society. This includes the community participation to improve their living standard, with self-reliance and owner initiatives, and the provision of technical and other services in encouraging self-help and mutual help to make it more effective. It also indicates that community development should be supported by committed government service agencies, and enabling a political system geared towards providing sustainable environment so that the potential needs of the community development is greatly enhanced. Once a community was ready to embark based on its own needs, the strategy of education and training is essential.

Habitat house size is always designed to meet the homeowner's needs, yet be affordable. However, it is also important that homeowners be given the choices of materials and preferred elements to enhance the house beauty and aesthetic value (Kowaltowski, 1998). According to HFHI homeownerships survey, the most common benefits of homeownership is the

satisfaction and pride grown into the families towards feeling secure about their homes (Fuller, 2000). Habitat builds houses that incorporate basic accessible design features that meet the homeowners' needs. It also uses sustainable construction techniques that will conserve natural resources and energy that will reduce long-term costs for Habitat homeowners. The HFHI model emphasizes resource efficiency, construction materials' conservation, energy efficiency and environmental sensitivity, which incorporates minimal design criteria. In other related studies, Greenleaf (1994) addresses the feasibility and long-term cost advantages of using solar energy for space heating in Habitat for Humanity housing projects. He demonstrates the cost effectiveness by reducing energy required for heating.

Salleh (1998) points out that traditional design concepts can be used to solve problems of space use and articulation. He believes that development of new communities should respect, but not be limited to local cultural preferences, needs and identity in addition to climatic considerations, geological formations and environmental evidence. There are attitudes, values, and beliefs that are inherent in the culture and are necessary to sustain the intellectual and emotional integrity of the community. This helps to promote energy-efficient, environmentally friendly construction and encourages good stewardship of natural resources, and raises awareness of the environmental impact of house building (HFHI, 2000).

Around the world, HFHI encourages the concept of material conservation that uses local natural resources and reusable and recyclable building materials. This allows for sustainable construction of environmental friendly Habitat houses.

Consequently, house-building materials differ from region to region based on the existing natural resources, climate suitability, natural disaster and weather resistance. However, the selection of building material must include different types of technology, which allows for faster, more efficient construction. For instance, in Zaire, houses are made from bricks that are a mixture of cement and clay. Likewise, houses in Papua New Guinea were built on stilts to keep the homes dry during heavy rains. Alternatively, in Sri Lanka, houses are built to withstand earthquakes by using hollow concrete blocks for walls and micro concrete tiles for roofs. Given these entire examples, the building materials used are from sustainable resources, which can be acquired on-site or purchased locally.

In Romania, builders are choosing to use wood frame construction, which is quicker, more volunteer friendly and energy efficient. Conclusively, in Malaysia, houses are designed using wooden walls and tin roofing, which is locally manufactured, inexpensive and more volunteer friendly. Most of the techniques offer various benefits such as low-cost participatory construction using appropriate, locally derived, renewable resources and resistance to hazards such as fire and earthquake. According to Ogu (1999), the availability and accessibility of building materials are very essential to sustainability in housing in developing countries.

Apparently, Habitat affiliates build houses designed for local settings that reflect each individual culture and custom. It uses locally available materials, reducing costs and making it easier for maintenance. Comfortable living environment is also important in sustainable development, which is necessary for a healthy and productive life. Kowaltowski (1998) suggests that

more attention should be given to siting and plan layout, as well as construction and comfort quality considering other local factors such as topography, wind and sun orientation.

Scherch (1998) emphasizes that ethnicity, and religious identity should be treated as very important factors and thus the house design should reflect the ideas, experiences, interests, plans, techniques, and the spirit of each community. Although Habitat for Humanity is an ecumenical Christian housing ministry, it is respectful of many angles of interpretation and wisdom available through different perspectives and secular points of view. According to Legg and Fromherz (1998), communities should not be self-centered so that the ethics of a community's character can be developed in the faith traditions by forming regional coalitions. Additionally, Baggett (2000) points out the tremendous success in HFHI is the ability to institutionalize expressive values by developing religious faith into practical action, ecumenical inclusiveness, economic justice, and personal responsibility. This forms a certain practice that has influenced the behavior pattern of a community.

Salleh (1998) indicates that intragenerational and intergenerational diversity, as well as individual and community open-mindedness are important to allow the assimilation of differences that must be addressed in the development of a community. However, when cultural factors and norms evidence clear conflict with religion, a more flexible pattern accepting changes should be presented so it doesn't contradict with religious interests. Such coalition formation will attempt to renew a culture and practice of relational respect with the Creator, human beings, and good Earth (Legg and

Fromherz, 1998). Therefore in this spiritual belief that combined the true faith, the strong commitment and hard work, and sense of obligation, as well as being a caring society has integrally represented HFHI's prevailing accomplishments with pride and grace.

As a whole, studies show that the long-term benefits of the Habitat projects have increased tourism, created more jobs, strengthened educational performance, improved health and reduced crime that contributed towards building a sustainable community (Fuller, 2000). Moreover, it is now more widely recognized that community social programs need to be directly linked to economic development efforts and environmental restoration and protection, and that development at the local level needs to have a long-term, sustainable commitment (Livermore and Midgley, 1998).

# CHAPTER III

## PROBLEM STATEMENTS

### Sabah and Sarawak, Malaysia

#### Population and Economy Growth

In Malaysia about 83 percent of the population lives in Peninsular Malaysia, 8 percent in Sabah and 9 percent in Sarawak. With a total population of 22.2 million, Malaysians are comprised of many ethnic groups, linguistically, culturally, and religiously. By the first quarter of this century, the nation's population is projected to exceed 32 million in population, with an average of 3.6 persons per households. The overall population growth rate for Malaysia has dropped slightly from 2.24% in 1995 to 2.01% in 2000.

Additionally, the State of Sabah recorded the second most rapid population increase with a growth rate of 3.83% in year 2000. The main factor that contributes to a higher growth rate for the State of Sabah was the immigration of foreigners particularly from Indonesia and the Philippines. The reason for migrating to Malaysia is because of the job opportunities it offers. Other factors such as a higher fertility rate has created a larger household size for the state of Sabah. As for Sarawak, its population growth rate of 2.26%, is higher than the National level (Department of Statistics, 2000).

Statistics reveal that as a result of the migration process, the total population in the cities has risen from 29% in 1970 to 34% in 1980 and further inclined to 50% in 1991. Similarly, for these groups of people, the issues of poverty, unemployment, and underemployment have become chronic, which has contributed to many other social problems. As a result, they are adversely effected by unsatisfactory housing conditions. The increase in the urban population has had further impact on the provision of urban services especially housing (ESCAP, 2001).

In addition, the national incidence of poverty has decreased from 9.6% of the total population in 1995 to 7.6% in 1999. The number of poor households declined by more than 50% at the end of the Seventh Malaysia Plan. As for Sabah, it had the highest poverty incidence rate in the nation with 26.2% in 1995. This value decreased slightly to 22.1% in 1997 (Department of Statistics, 2000). The poverty line incomes in the Peninsular Malaysia are RM460 ($115), with Sabah RM633 ($158), and Sarawak RM543 ($135). The hardcore poverty was estimated using half the poverty line income (EPU, 2001). These low-income people are concentrated mainly in the inner-city neighborhoods and rural areas.

After 43 years of independence, Malaysia is now widely recognized as a developing country that can be a model of development. Malaysia, as one of the fastest growing developing country, has a relatively high level of Gross Domestic Product per capita (Govindan, 2001). The Malaysian economy index has shown that the Gross Domestic Product (GDP) per capita has increased from $8,650 in 1994 to $10,700 in 1999. The inflation rate had increased from 3.7% in 1994 to 5.3% in 1998, and was reduced to 2.8% in 1999.

Similarly, the unemployment rate has also declined from 2.9% in 1994 to 2.6%, however inclined to 3% in 1999. Between the years 1999 and 2000, Malaysia's economy grew by more than four percent. Consequently, Malaysia has successfully overcome the financial and economic turmoil following the attack by currency traders and short-term stock market speculators in 1997. According to a globalization study, Malaysia ranked as the second highest global economy in Asia, based on three main criteria: equity of income distribution; lower levels of corruption; and higher levels of political freedom (Govindan, 2001). As a whole, Malaysia has a record of strong and sustained economic growth. In line with Vision 2020, Malaysia is determined to achieve its objective of becoming a fully developed country by the year 2020 (Appendix B).

## Housing Issues and Problems

The economic crisis that hit Malaysia in 1997 brought a great impact to the housing and property sector throughout the county including Sabah and Sarawak. The value of residential transactions fell by 36% in 1998, showing a decline in sales especially in the higher end properties that suffered weaker demand. The housing and property sector was among the worst affected. Reacting to the changes in market forces, most property developers shifted from building higher cost dwellings to more affordable lower cost housing (EPU, 2001). Housing is one of the primary needs that must be fulfilled as a prerequisite for human development. Previous studies have shown that housing conditions that do not meet the minimum level of housing need will

result in negative effects such as congested and polluted surroundings, housing dissatisfaction and other socially related effects (Yahya & Paim, 1999). In Sabah, there is a great demand for low-cost housing due to the ever-increasing population as a result of rural-urban and foreigner immigration. This creates a problem where housing cannot keep up with the exploding population. In due course, this has contributed to housing shortages, sub-standard houses and poor housing conditions (SEDCO, 2000).

The problem of housing is especially prevalent among the low-income families. It is anticipated to become more serious resulting from the high rate of rural-urban migration, natural population growth, and insufficient provision of low cost houses in the country. As a fast developing country, nearly 60 percent of the Malaysian population are low-income that earn less than RM1,000 ($250) per month (Department of Statistics, 2001). This is the target group that expects and desires a house that they could rent or buy at affordable price.

One of the major problems of housing in Sabah and Sarawak is the issue of squatters. Recently, it was estimated that there were about 144 squatter settlements throughout Sabah. These settlements constitute approximately 160,000 number of people representing 6.5 percent of the total population in Sabah (MPKK, 2001). Additionally, the problems of squatter settlements in Sabah involve immigrants, comprising of 28 percent illegal immigrant settlements, while the rest were local squatter settlements. Most of the settlements are sited on government lands, while others are on private land. In dealing with the squatter settlement problem, the state government has proposed a long-term planning including the relocation of local settlers.

Similarly, the government has taken proactive action towards those illegal squatters by clearing their settlements, demolishing illegal structures, and deporting them home. Yet, demolishing squatter settlements alone will not solve the problem, as the occupants will always re-erect their houses somewhere else. According to Aldrich and Sandhi (1998), the presence of squatter settlements in a society is a clear indication of the failure of that society and government to provide an adequate habitat for human development. The squatter's problem in the State of Sabah is the effect of insufficient affordable housing, which relates to the issues of immigration. This phenomenon raises concerns of providing durable, functional and affordable homes for the people in Sabah. Furthermore, housing is an integral factor contributing to the country's economy in addition to being an important social requirement. The housing development also constitutes a major social component towards the government's effort to provide decent and affordable housing to people in need (Sabah Daily Express, 200).

On the whole, Malaysia still faces some critical problems in providing affordable housing. Further the government has not found an effective measure to address these problems as it gets more acute every day. In addition, lack of market analysis on housing and inexperienced developers making quick profits have caused an over supply of non-residential and condominiums rather than providing affordable housing. In confronting with the housing demand, more low cost houses will be built under the Eighth Malaysian Plan. Table 2 shows the total number of houses targeted under the Seventh Malaysia Plan, where 30 percent are low-cost housing.

The building of these houses during the last five years involved approximately 160,000 unskilled and semi-skilled foreign workers. The huge numbers involving foreign workers is related to the local people's attitude towards labor-intensive jobs. In general, the local people have less interest in labor-intensive jobs such as the construction of houses, which could be associated to the lower productivity of labor. According to Ramli and Noordin ( 1998), one worker on average can only build one house per year valued at RM80,000 ($20,000). This rising cost of labor in the building industry has really affected the developers as it consumed over 30 percent of house construction costs. Previously, it was estimated to be 10 percent in 1980. In addition, they perceive the Malaysian style of building houses using sand, cement and sweat labor as impractical and ineffective.

Table 2

Projection of Housing Stock by Type in Malaysia

| House Type | Target | | Price Range | |
|---|---|---|---|---|
| | (Unit) | (%) | (RM) | ($) |
| Low-cost | 235,000 | 30 | 25,000 | 6,250 |
| Low-medium | 350,000 | 44 | 25,000 - 60,000 | 6,250 - 15,000 |
| Medium-cost | 130,000 | 16 | 60,000 - 80,000 | 15,000 - 20,000 |
| High-cost | 85,000 | 10 | > 80,000 | > 20,000 |
| Total | 800,000 | 100 | - | - |

Sources: EPU, 2000. Seventh Malaysian Plan, Housing Needs (1995-2000).

The overall statistics show that the numbers of skilled workers in Malaysia are actually inadequate. The attitude of Malaysian society toward vocational and technical schools is discouraging and should be changed. Most feel that those schools are only meant for "below average" students, and therefore people have less interest in training in this areas. To them, building skill or construction knowledge is still not a priority and doesn't promise a good future. This discourages students from gaining skills and knowledge in vocational schools and pursuing careers in the building construction industry.

Alternative programs are required to help the government to develop more low-cost housing. The problems associated with the delay in low-cost housing construction include, labor shortages of skilled workers, limited availability of land, inadequate supply of building material, acquiring building and planning approval, and complications associated with government bureaucracies. As a result, a large number of homeowners have spent years on the waiting list in qualifying for government subsidized low-cost housing.

Similarly, a lack of financial resources and technical expertise, and ineffective housing regulation has stunted housing growth in Malaysia. Additionally, much more consideration and effort should be made in providing more affordable housing.

Government Housing Policies

Comfortable housing at a reasonable price is a basic need for everyone. The provision of housing is the most important priority of the Malaysian government, not only, as a basic need for living but also as a contributor to economic growth. The government's objective of housing is to provide adequate, decent and affordable shelter to all levels of society. With increasing urbanization, this need has become more pressing. In particular, under the Eighth Malaysian Plan, the government will focus on the provision of low-cost housing.

The National Housing Department under the Ministry of Local and Housing has assisted the government in building low-cost and medium cost housing, to comply with the demand. Similarly, Sabah Ministry's of Housing has supported the Federal Government's immediate action by building proper and sufficient housing for the people in Sabah. Thus, Sabah Housing Town Development Authority (SHTDA) is taking the initiative to provide sufficient and satisfactory housing for the lower income groups throughout Sabah. The government has organized various programs and provides funding to help overcome the problem of housing for low-income people.

Figure 3 shows the projections of Malaysian low-cost housing stock by the state under the Seventh Malaysian Plan. It indicates that Sabah required more low-cost housing to accommodate the community needs as compared to the other states.

Additionally, several measures have been taken by the government to boost the housing sector and encourage property sales. Special Housing Funds were introduced to support the construction of low and medium-cost housing. A Home ownership campaign was initiated by giving incentives on stamp duty, reducing legal fees and increasing the loan margin to 95 percent. The lower interest rates offered will stimulate the housing market and improve affordability (Mahbob, 1999).

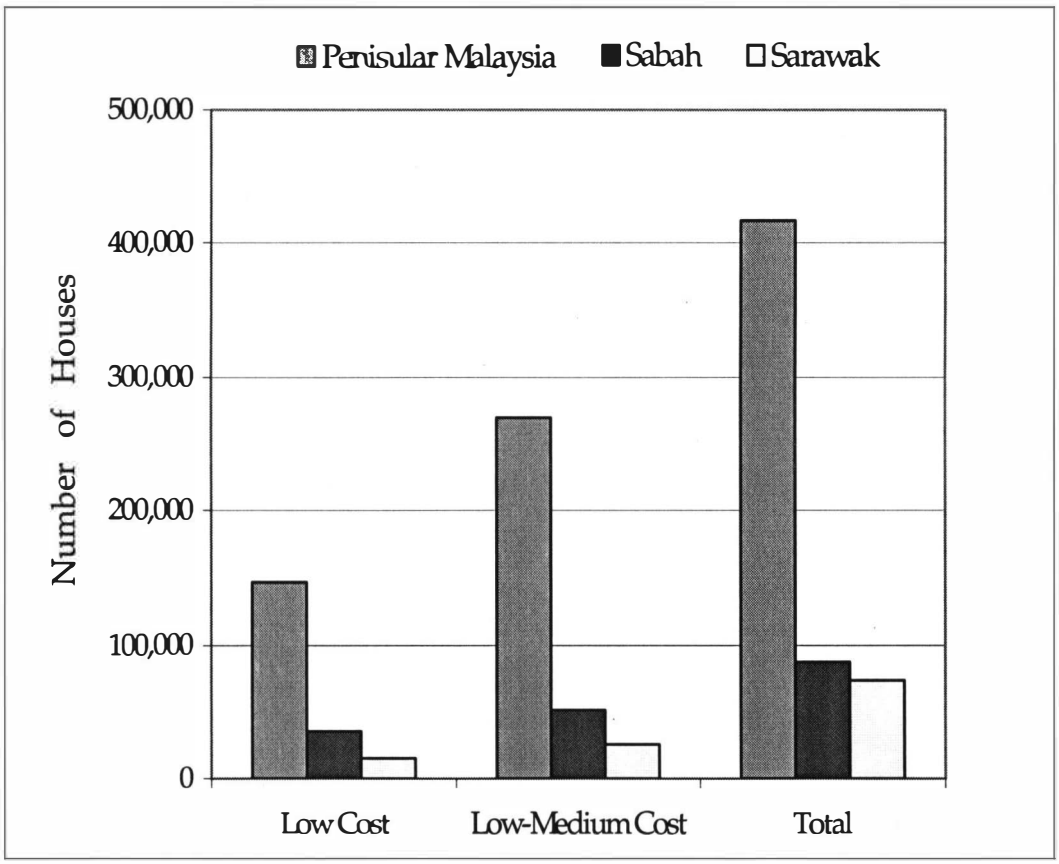



Figure 3. Projections of Malaysian Low-cost Housing Stock (NHD, 2001).

The government has provided some of the prevailing public housing programs such as Public Low Cost Housing (PLCH), Site and Services Scheme (SSS), and Housing Loan Scheme (Appendix D). Consequently, many housing programs have been undertaken by both public and private sectors in meeting the housing needs and targets set by the government. Figure 4 shows the projected housing by stock during the Seventh Malaysian Plan, based on public and private sector cooperation. The table indicates how the private sector plays a major role in providing housing in Malaysia. Similarly, some of the housing programs undertaken by the private sector include the Licensed Private Developers Housing Programs and the Special Low-cost Housing Program (SLCHP).

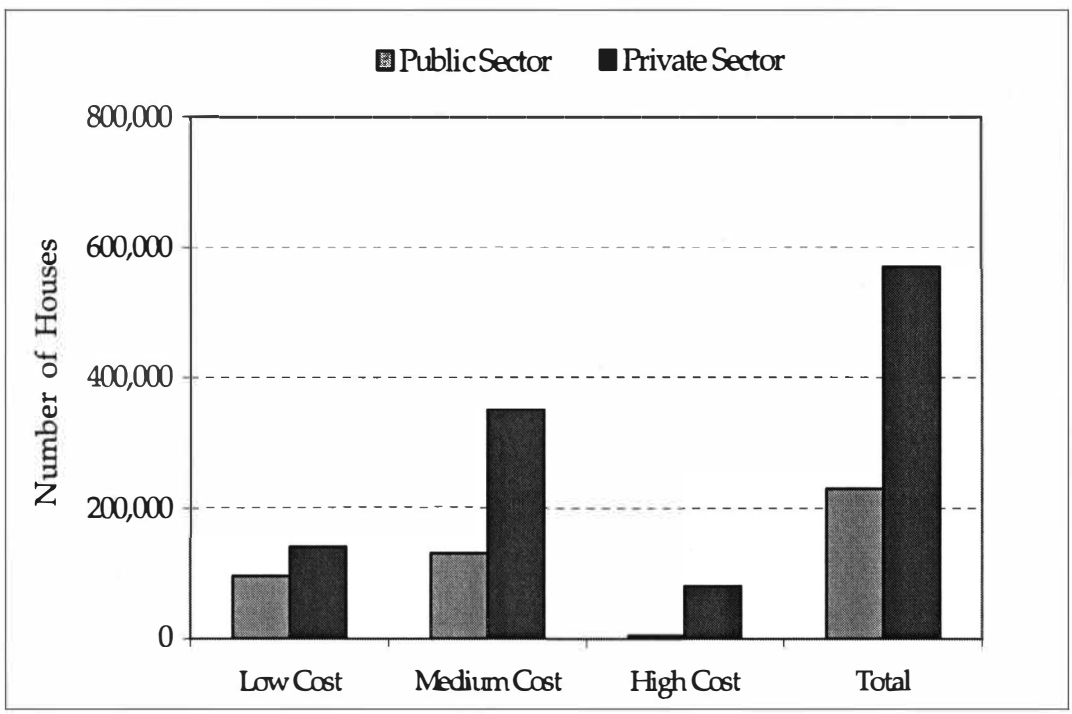



Figure 4. Projections of Malaysian Housing Stock by Sector (NHD, 2001).

As of now, the Sabah government has been initiating many on-going low cost housing projects where approximately 2,000 low cost houses have already been completed (NHD, 2001). The overall perspective on housing stocks and needs under the Seventh Malaysian Plan are shown in Figure 5. The percentage reveals that the low-cost and medium cost housing has been given the priority.

Thus, various projects have been implemented in line with the government's intention to provide affordable and quality housing to the lower income groups.

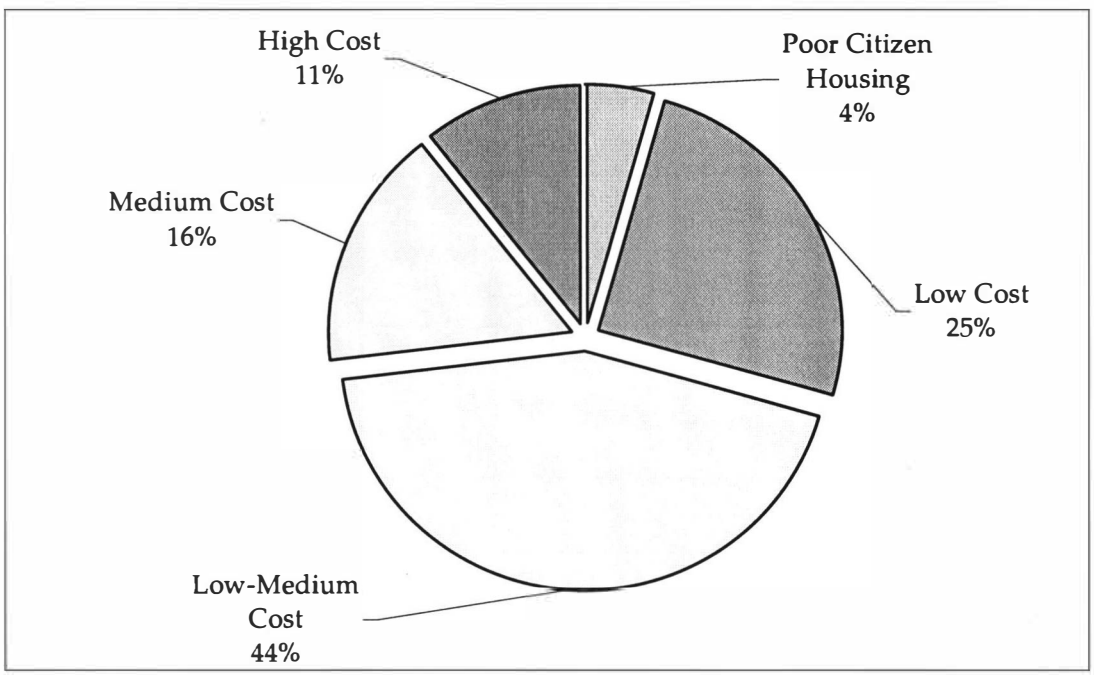



Figure 5. Projections of Malaysian Housing Stock by Scheme (NHD, 2001).

However, government programs alone have not been sufficiently successful in providing adequate affordable housing. The development of low cost housing units is slightly behind schedule as compared to the development rate of other basic facilities in the country. This may be due to the unavailability of cheaper land and the tremendous increase of demand for low cost housing.

The chart in Figure 6 illustrates the percentage of housing stock by type that has been constructed during the Seventh Malaysian Plan. This indicates enormously commitment during that period.

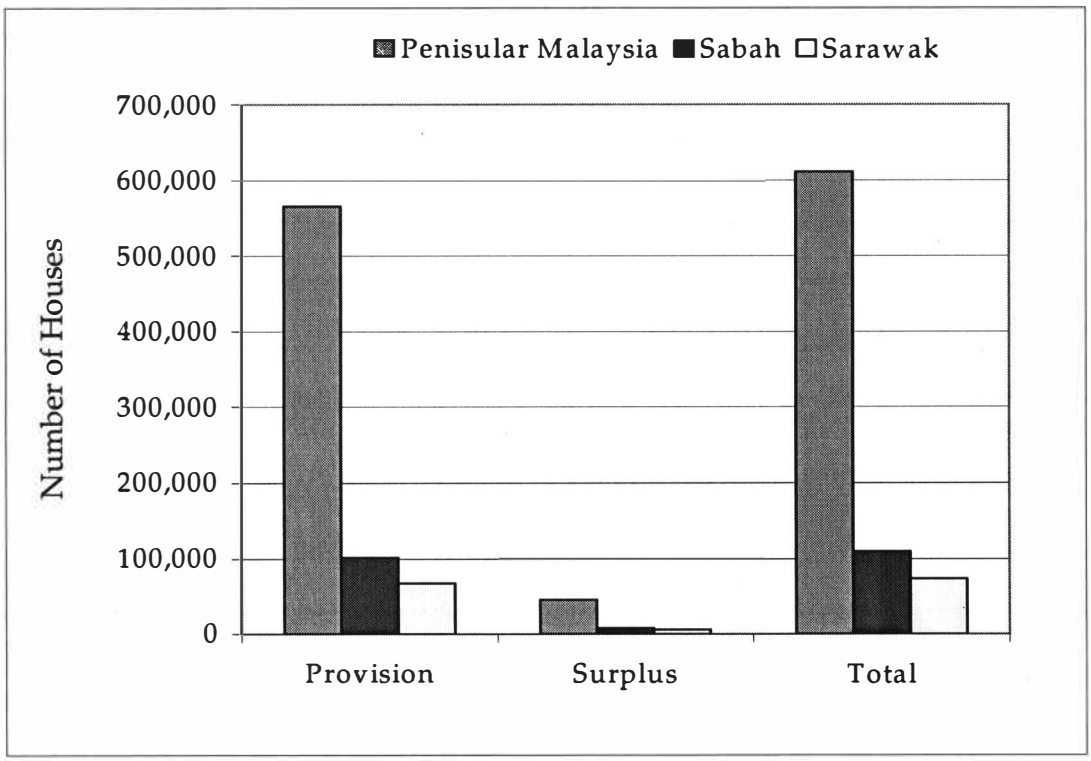



Figure 6. Projections of Malaysian Housing Stock and Surplus (NHD, 2001).

However, this factor was influenced by the fact that more high cost housing had been built instead of the projected low-cost housing. In consequence, Table 3 shows the medium and low-cost housing, which was not fully, implemented as proposed under the Seventh Malaysian Plan. The figure also illustrates that there was an over supply of high-cost housing due to over estimate of housing stocks. Therefore, the low-cost housing provision was insufficient and did not fulfil the housing demand during the Seventh Malaysia Plan.

Table 3

Housing Stock in Malaysia

(1995 - 2000)

| House Type | Provision | | Deficit | | Targeted |
|---|---|---|---|---|---|
| | Units | (%) | Units | (%) | (Units) |
| Low-Cost | 192,521 | 77 | 60,479 | 23 | 253,000 |
| Medium-Cost | 316,570 | 66 | 163,430 | 34 | 480,000 |
| High-Cost | 206,081 | 242 | (121,081) | 0 | 85,000 |
| Total | 715,172 | - | 84,828 | - | 800,000 |

Sources : National Housing Department. (NHD, 2001).

Planning and Investment

The Ministry of Local Government and Housing has set various strategies and policies in promoting housing growth. The National Housing Department, the land development agencies, the State Economic development agencies and other government departments are some of the leading agencies involved in implementing housing programs (Appendix C). Housing development also embodies a major social element in the Government's goals to provide decent and affordable housing to the needy. The Government has introduced different categories of ceiling prices for low cost housing to spur the market and provide enough units to meet demand. The Federal government has also urged the State Governments and local authorities to accelerate the approval of housing projects and avoiding red tape and bureaucracy.

The government has taken several measures to raise the demand for housing and encourage property sales. The key measures include establishing a Special Housing Fund to support the construction of low cost houses. They also include the exemption of the 20 percent deposit on loans for the construction of residential properties costing RM250,000 or less (Mahbob, 1999). Similarly, lowering the interest rate was the best way to improve affordability and stimulate the housing sector. On the other hand in resolving the issues of immigration, the state governments are discouraging rural people from migrating to towns. Houses and land are hard to find, which will aggravate the situation. Over the issues of local squatters, the state government should provide alternative housing instead of threatening

them. Alternatively, the government should develop more low-cost housing for them to rent in relocation programs (Cho and Park, 1995). However, this involves a huge financial allocation and takes longer for implementation.

Along with the Vision 2020 plan, the government has inspired "A Caring Society", which stimulates the community to become responsive to housing related issues. The government urged the people to organize more community-based activities to promote voluntary self-house building. It would encourage greater interaction in the community. It would also help to nurture the spirit of unity, co-operation and understanding among the community. Initially the Community Development Division (KEMAS) and Village Development and Security Committee (JKKK) should expand their role in organizing and initiating more community-based programs. They should facilitate social interaction among communities and promote sustainable, self-reliant and self-building programs. Provisions and campaigns, that every house needs to be equipped with a builder's basic tools, should also be motivated.

The Federal Government has allocated an additional RM2 billion ($50 million) under the People-Housing Program (PPR) towards achieving the Zero Squatters Initiative. As an extension to PPR, the government has launched the People Tranquility Program (PKR), which is to alleviate the poor citizen standards of economy (Appendix D). Additionally, under the national economic recovery plan, Malaysia will need to focus on the objectives and key areas for action. This will stabilize the market, strengthen economic fundamentals, as well as address the socio-economic agenda and the sectors adversely effected by the economic crisis.

As for Sabah, the government has provided over RM1 billion ($25 million) under the Eighth Malaysian Plan for building low-cost housing, in which 63% was allocated by the federal funding and 37% by the state funding (Table 4). A total of 38,714 units of housing will be build throughout Sabah within the Eighth Malaysian Plan. In general, the government will continue to give priority and intensify the construction of low-cost housing projects for the community to benefit.

Table 4

Low-Cost Housing Stock in Sabah

(2001-2005)

| Project | State | | Federal | | Total |
|---|---|---|---|---|---|
| | Unit | (%) | Unit | (%) | |
| Continued | 3,012 | 58 | 2,086 | 42 | 5,135 |
| New | 892 | 4 | 23,312 | 96 | 24,241 |
| Special | 9,375 | 100 | - | - | 9,375 |
| Total | 13,279 | - | 25,398 | - | 38,714 |
| Funding (RM) | 6 million (37%) | | 9 million (63%) | | 1.5 billion |

Sources : Sabah Town Housing Development, 2001

Cultural Attributes

Malaysia is rich in traditional culture, which is intertwined with religion and longstanding customs. As a multi-racial country, Malaysia represents ethnic heterogeneity and cultural diversity. Despite these many differences, the community lives together in a stable social setting with self respect and respect for others. Malaysia's multi-ethnic population shows evidence of earlier immigration, which took place largely in the late nineteenth and early twentieth centuries. The Malays, the Indigenous People and the Orang Asli fall under the same category group known as Bumiputra, which translates as "son of the soil". The Chinese, Indians and other minority groups are termed as Non-Bumiputra referring to immigrant descent (Malaysian Geography, 2001).

The Malay is Malaysia's largest ethnic group, which constitutes about two-thirds of the population and is politically the most important group. They speak the national language Malay, officially called Bahasa Malaysia, and are overwhelmingly Muslim. Traditional Malay culture centers in the "kampung" or village where it is still likely to find Malays in the cities. The Malaysian Chinese, who make up about one-third of the peninsular population, originally migrated from southeastern China. They are ethnically homogeneous, but are less homogeneous than the Malays in language and religion. They do not have a dominant religion; most of them are either Buddhist or Taoist, with a minority of Christians. The Malaysian Indians, who only constitute about 10 percent of the population, settled in large numbers in 19th century (Malaysian Geography, 2001).

The oldest inhabitants of Malaysia are its tribal peoples. They account for about 5 percent of the total population, and represent a majority in Sarawak and Sabah. In Sarawak, the dominant tribal groups are the Dayak, Iban (sea Dayak) and Bidayuh (land Dayak) whereas in Sabah, most tribes group is the Kadazan (Dusun), Bajau (seafarers), and Murut (hill people) who typically live in longhouses. In peninsular Malaysia, the tribal people were often referred as Orang Asli, or "Original people" who practice the nomadic way of life. The indigenous attitude to land is not one of commercial exploitation. They generally share a strong spiritual tie to the rain forest. For them, land supply is not just food and resources, but also the spiritual home of the community. It is one in which the community has entrusted the responsibility for preserving and nurturing the land so that it can be passed on to future generations, intact.

Although Islam is the official religion of the county, the people of Malaysia perform religious freedom. In Sabah, the great majority of Kadazan are animists, although a significant proportion is Christian, and a small number are Muslim. The Bajau, mostly Muslim are not cohesive communities, as they are split into two main groups: sedentary agriculturists living on the north coast, and those who live by the sea on the East Coast. The Murut of Sabah descended from the same people as the Kadazan and are shifting cultivators. Even though they are divided into sub tribes, their languages are mutually intelligible and follow traditional religions, with a significant minority being Christian. The Iban community forms the largest indigenous group in Sarawak who is mostly Christian believers.

The Bidayuh people are mainly Muslims, whereas the Melanau are either Muslim or Christian. However, most are the Orang Ulu are still animists. Overall, the Malaysian culture has always emphasized social relationships based on collectivism. Accordingly, in a collectivistic culture, cooperation and affiliation are emphasized rather than competition or aggressiveness (Samovar and Porter, 1997).

In general, the Malaysian culture has very strong beliefs in respect and obedience towards the elders, especially in matters of community self-help and "gotong royong" (mutual assistance). This basic principal that guided the community aspect of life, includes the concepts of "musyawarah" (deliberations) and "mufakat" (consensus). Derived from the rural way of life, this system is still very much in use in community life throughout the country (Belia; and Bali, 2001).

Likewise, the spirit of "gotong royong", in helping one another, has long been established in Malaysian culture (Kampung Charity, 2001). Studies show there are more volunteer community projects in Malaysia than in most other countries of the world. In this case, teamwork, task force and voluntary activities are efforts initiated by community groups, especially in rural areas and small villages. Evidence of this "gotong-royong" spirit is displayed through the Bidayuh community in Sarawak (Bidayuh, 2001).

The Bidayuh people have been practicing "gotong-royong" by sharing of work burdens and community work for hundreds and hundreds of years. The Bidayuh build their longhouses in a joint co-operative effort and help each other in their farm work known as "pingirih". It is the way farmers help each other in the rice fields, to be paid back later, in the form of labor.

However, the "pingirih" is a dying tradition when community gears towards modernization. In another example, the spirit of gotong royong can be perceived among the Malay culture particularly during important family events, such as in traditional wedding ceremonies, where the community will join and work together, creating a genuinely enjoyable atmosphere.

In urban settings, the social cohesion of the rural areas is no longer present and therefore opportunities for community participation are rare. Consequently, the spirits become impaired, as the community becomes less collectivistic in urban situations. Obviously, cultural values and traditional concepts influence a society's attitude and behavioral patterns. As members of the collectivistic societies, Malaysian communities are more dependent on the organizations they belong to (Samovar and Porter, 1997). Thus, they become reliable and loyal to their leaders. In such cases, responsibility for communities' affairs has been turned over to an institutionalized government of whatever matters.

This culture establishes a closed behavior and a closed-minded manner in the society. According to Yanoov (1999), close human groups tend to function in a decidedly self-righteous style, to dominate decision making, and to exclude others as unworthy of consideration. The project orientation style in Malaysia is somehow geared towards authoritarianism that demonstrates formal interactions among colleagues. According to Meredith and Mantel (1995), the work ethics in Asian communities are more resistant to changes, more risk averse, more accepting of bureaucracy, and more focused on quality. This is the effect of top-down flow of work style that reflects the status-quo distinctions.

Additionally, the era of British occupation in Malaysia has brought a great cultural influence to the local community. The distinctive values established into the Malaysian culture were emphasized more on authorities. This is clearly the indication of hierarchical structure differs in status order that has embedded in most Malaysian governmental institutions. This is one of the cultural attributes that have engaged toward bureaucracy and red tape.

Despite that, the government today hopes that social and economic reengineering effort will pave the way for greater community stability. This aim is to create a stronger middle class and a group of forward-looking globally oriented younger Malaysian leadership. Malaysians believe that this development signifying the evolution of a true Malaysian society. The community is aware that building a civil society is important and is perpetually in progress.

The Malaysian perspective towards the building and construction of houses is not positive and is regarded as low status. Additionally, the middle and upper income community often attach themselves to the importance of reputation and social status. According to Yanoov (1999), this kind of status distinction made within the upper-class society relates to wealth and power. In this situation it is clearly shown that status, and position traditionally have access to influence the power elite and limit voluntary work.

On a related issue, the concept of self-building and home improvement in term of "DIY" or "do it yourself" job is still rare among the Malaysians. Often, they are not self-motivated and would still rely on skilled workers on very simple house repair and maintenance work such as plumbing, telephone cabling, painting, landscaping and others. This shows that they are less

interested in "DIY", either they are not trained, or they view it as a low skill-labor wage. On a positive note, the government has successfully improved the quality of the Malaysian education system by engaging the life skill development course in the elementary school syllabus. Generally aimed at providing some specialization in the arts, science, technical or vocational discipline, Malaysia today is progressing smartly to rectify previous mistakes. The government has established new policies and guidelines in the school system by introducing and educating the younger generation with basic skill building such as hammering, welding, plumbing and others. However, in the case of community development there is still much effort required to encourage and promote youth to get involve and participate in healthier community-based projects.

Kalamazoo, Michigan

## Population and Economy Growth

The U.S. overall population growth rate perspective since 1995 to 1999 showed a decline from 1.02% to 0.91% respectively, presenting much slower population growth. However, by the year 2050, the United States population is projected to increase to 394 million, which is about 50 percent larger than present population (U.S. Census Bureau, 2000). According to the 1997 population profile of the U.S., the population trends in mid-western states indicate a moderate growth rate but lower than that of the national average.

The State of Michigan estimated a 6.1% population change between 1990 to 1999 and a 2.9% change for Kalamazoo County. The share of households represented by families fell from 81% in 1970 to 71% in 1996. The average number of people per household declined significantly during the decades of the 1970s and 1980s but has not changed since 1990. In 1980, there were 2.76 people per household, increasing to 3.14 people per household in 1990, with a decline to 2.63 people per household in 1999. In 1999, the State of Michigan recorded 2.65 people per household, which is slightly higher than the national average, whereas Kalamazoo County shows 2.53 people per household (U.S. Census Bureau, 2000).

Present studies in Kalamazoo show that almost 65% of female-headed households with children under the age of five have very low incomes. In addition, the study also reveals that on any given night, 250 to 300 individuals are homeless where about 40% are children (KVHH, 2000). The

median monthly income in 1999 for Michigan and Kalamazoo County is estimated to be $38,883 and $41,517 respectively, which is higher than the national average of $37,005. Ultimately, the U.S. numbers of population that is below the poverty line had showed a declined from 13% in 1997 to 12.7% in 1999. The poverty level for Michigan and Kalamazoo County in 1999 was estimated to be 11.5% and 10.8% respectively (U.S. Census Bureau, 2000).

The 1993 homeownership affordability study indicates that about 42% of the American families could not afford a modestly priced house. However, the study shows that affordability rate was higher in the Midwest where 55 percent could afford a modestly priced house as compare to the West with only 42 percent. It also shows that more people can afford a modestly priced house in a suburban area (55 %) and outside a metropolitan area (53%), however less people can afford a modestly priced house in central cities in the metropolitan areas (39%). Eventually, the 1996 homeownership rate for the United States was 65.4%, where Michigan records the highest homeownership rate of 71%, and Kalamazoo County 64.4%. Based on census 1990, the average home value in Kalamazoo was $62,800 and the average monthly rent was $372 with a renter occupancy rate of 35.6%. However, the 1990 census showed that nearly 38% out of the 84,021 households in Kalamazoo County, could not afford to buy the average priced home value (U.S. Census Bureau, 2000).

The economic trend in the U.S., between the year 1994 to 1999 has shown a tremendous expansion of growth, accompanied by remarkably low inflation and unemployment rates. The growth had started to show signs of recovery with an increased in real output from 2.3% in 1992 to 3.1% in 1993

after a major economic turn down during the 1970s and 1980s. The U.S. economy index has shown that the Gross Domestic Product (GDP) per capita has increased from $25,850 in 1994 to $33,900 in 1999. The inflation rate has also dropped from 2.6% in 1994 to 1.6% in 1999. Similarly, the unemployment rate has also declined from 5.5% in 1994 to 4.2% in 1999. The unemployment rates in Kalamazoo are consistently lower (3.6%) than the state (4.7%) and national averages (5.2%). This past era had showed a good economic stability for the U.S. with strong economy growth (U.S. Economy, 2000).

According to the U.S. Economy 2000, reviewed that the United States has the most technically powerful, diverse, advanced, and largest economy in the world. The Internet applications that currently account for less than one percent of retail sales have influenced the way the U.S. economy behaves by keeping the inflation low. This vast and efficient online marketplace plays a big role in holding down inflation. Other industry related services are software, telecommunications, semiconductors, aerospace, e-commerce products, and services such as banking, engineering, insurance and travel that has benefited from foreign customer's exchange.

However, towards the beginning of the first quarter of 2001, the U.S. economy pattern began to show a slight decline with the effect, from the present recession, which has increased the unemployment rate from 4.2% in 1999 to 4.7% in April, 2001 (U.S. Economy, 2000).

Housing Issues and Problems

In the U.S., at least one million people, including an increasing number of children and working adults, are homeless at some point each year (Dreier, 2000). About half of young families can't afford the American dream of homeownership. According to a recent report from the Department of Housing Urban Development (HUD), the gap between the supply of affordable units and the demand is steadily widening. The 1999 HUD report called the situation a "crisis in affordable housing". Homelessness is another problem that effects many people in America (HUD, 2000).

However, the 1990 housing census data indicated that the State of Michigan had an over 50 % home ownership rate. This shows that Michigan has always had one of the highest homeownership rates in this country (U.S. Census Bureau, 2000). Alternatively, Kalamazoo in Michigan is a great place to live that offers good housing opportunities. Still, the study shows that Kalamazoo also faces many barriers in providing safe, decent, and affordable housing for the community (Michigan HFH, 2001). Some of the housing problems in Kalamazoo associate with the issues of low-income, overcrowding, homeless and single parent families. This indicates that the demand for low-cost affordable housing is high.

The survey shows that more than 70 percent of the households in the city of Kalamazoo, with low-income (less than $24,400 for a family of four) face housing problems. Almost 40% of the population in Kalamazoo still cannot afford to purchase the median priced home ($63,000). The problems encountered by the homeowners mainly related to issues of overcrowding,

insufficient facilities, and high housing expenditures (Michigan HFH, 2000). A study indicates that nearly half of the housing stock in Kalamazoo, mainly hardwood houses are over 40 years old (KVHH, 2000). This contributes to a high maintenance cost and effects the homeowner's quality of life.

## Government Housing Policies

The United States devotes more than $100 billion a year to housing subsidies. Ultimately, less than one-quarter of that is from the Department of Housing and Urban Development (HUD). The majority of the incentives were provided through the home mortgage interest and property tax deductions scheme (McQuiston, 1996). During the 1930s, the public housing programs established the federal role in expanding homeownership and providing subsidies to the poor (Sazama, 2000). Alternatively, the local housing agencies and landlords are required to adopt a federal policy to subsidize housing to the very poor.

The government has reformed a housing policy, which emphasizes the role of nonprofit and community organizations in building, owning, and managing housing for poor and working-class families (Schwartz, Bratt, & Vidal, 1996). These federal policies provide federal housing assistance covering loan incentives by subsidizing local public housing authorities and private developers to build low-income housing. The government facilitates substantial effort and steady progress toward expanding homeownership and improved housing (Leigh, 1999). The U.S. government policy focuses not only on affordable housing and community development programs, but also

on subsidized agencies (Guggenheim, 1999). The federally assisted housing agencies are important in leading the public and private subsidized project coordinators to become managers and homeowners (Leigh, 1999). The government also introduced housing voucher programs to help families and elderly tenants who live in these subsidized projects to pay rent. The plan is basically to privatize almost the entire inventory of HUD-assisted projects providing local housing authorities and private developers with funds. For the past few years, funds for existing public housing projects and subsidized developments continue to receive great priority from the federal government.

The federal policy has helped low income people obtain their homeownership through various incentives including tax breaks and tax credits. Government policy promoting the nonprofit community-based organizations to build and rehabilitate housing for low-income families has been encouraging. These groups have accomplished enormous challenges in providing affordable housing, working against overwhelming odds. In the past few years, an increasing proportion of the major federal programs have been allocated to nonprofit housing groups. The government has also continued to provide operating subsidies to the successful, well-managed public housing agencies (Stone and Howard, 1999).

Additionally, U.S. government policy provides support to the nonprofit groups and resident-owned cooperatives projects. This stimulates the concept of "cooperatizing" rather than just "privatizing" developments. In this situation, community-based affiliates such as Habitat for Humanity, Americorps, and Local Initiatives Support Corporations accomplish substantial responsibility in supporting government intentions to provide

adequate, affordable houses for low-income families. Their participation and involvement has successfully contributed to the nations housing needs.

Planning and Investment

In the United States, there are many established agencies including government agencies, corporations, financial institutions, foundations, and individuals that are involved in generating opportunities and economic revitalization for the low-income communities (Graham, 2000). Through HUD, the leading housing agencies were also responsible to initiate programs for the nations' housing needs. Initially, this has helped to support project development of affordable homes for low-income people.

The U.S. government has continued to support faith-based initiative programs and similar nonprofit housing groups by providing funding for Self-Support Home-ownership Programs (SHOP). The public-private partnerships, consisting of the private and nonprofit sectors, are encouraged to build more affordable homes for low-income families (Anderson and Thompson, 1999). Incorporating such a program can assist the government in eliminating poverty housing.

Home Investment Partnerships (HOME) is another government initiative program that provides grants to community-based nonprofit housing partnership groups to build, buy, or rehabilitate affordable housing for low-income people (Novelli, 2000). HOME is the largest Federal block grant available to State and local governments designed to create affordable housing for low-income households. The program was formulated to

reinforce several other important principles of community development (Stone & Howard, 1999). This includes providing technical assistance program activities, strengthening partnership between government and private sector, and empowering the communities to design and implement strategies for their own needs and priorities.

The Local Housing Authorities, the U.S. government's largest landlord play a significant role in housing development programs (NCSHA, 1999). One of its leading initiative groups is the Local Initiatives Support Corporation (LISC's) that helps communities to revitalize their areas. The U.S. government has outlined several tax incentive programs such as the Low-Income Housing Tax Credit (LIHTC), Community Development Tax Credit Coalition (CDTCC) and the New Markets Tax Credit (NMTC) to encourage more low cost housing development (Appendix E). Initially, LIHTC has been the most successful federal housing programs to create affordable housing in the United State today because it offers a large range of tax credits for homeowners (LIHTC, 2001).

The budget granted through the LIHTC program is used as a tax credit for the development of low-cost housing (LIHTC, 2001). This helps boost the construction of affordable housing for low-income families. Through the CDTCC, a nationwide organizations association has effectively promoted and practiced economic development in economically disadvantaged urban and rural communities (CDTCC, 2001). The New Markets Tax Credit proposal builds on some of the most hopeful and effective private-sector efforts currently underway to help low and moderate income Americans (CDT, 2001). Other related funding organizations include the National Equity Fund

(NEF), Inc., the nation's largest nonprofit public-private partnership to provide low-income housing tax credits. NEF, Inc is an affiliate of the Local Initiatives Support Corporation that provides equity and asset management services to finance low-income housing developments.

Over five years, investors can claim a tax credit worth about 25 percent of the amount invested. Ultimately, the U.S. government has accomplished remarkable outcomes through effective planning and investment programs (Bratt, Vidal, & Schwartz, 1998).

## Cultural Attributes

The United State also consists of more socially and racially diverse communities. Based on the U.S. Census 1999, the population composition for Kalamazoo ranges from White American (87.6%), Black American (9.8%), Native American (0.5%), and Hispanic (2.3%).

The people of the U.S. represent an individualistic culture, which has emphasis on individual goals, and works hard for personal accomplishments. The American is more imbued with the cultural traits of individualism, directness, and a historically influential and competitive spirit. The egalitarian culture traits in the United States emphasize individual ability (Samovar and Porter, 1994).

On the other hand, such cultures constitute of a high tolerance for uncertainty and ambiguity that are more likely to engage in risk taking behavior, which rely on own common sense. This allows them to act proactively in their actions and decision-making that gear towards a stronger

and dynamic characteristic. The American society always practices informally and mobile customs, which avoid protocols and overcome bureaucracy as well as red tape. This permits the society to interact comfortably and freely in terms of speech, action and movement (Legg and Fromherz, 1998). Additionally, the concepts of social mobility in America society are oriented towards the importance of the individual and equality of all individuals. Consequently they rely strongly on logic and objective reality in more achievement and social contribution. Although these traits are emphasized, there is also a strong sense of community orientation, volunteerism and social service by many people. Otherwise, the American society is more community-oriented, with more stress on community building programs and acknowledgment of the social work effort.

According to Meredith and Mantel (1995) the Americans are more collegial, more willing to experiment and innovate, have a shorter center of focus, communicate more openly, are usually trained in hands-on and on-site job experience, and are less apt to support the status quo. They regard this performance as the result of a bottom up approach of work style.

## Traditional and Contemporary Housing Practices

This section describes the contemporary and traditional housing practices particularly in Sabah. Similar studies were conducted to determine the degree of housing satisfaction using the perception of both traditional and contemporary houses as conducted by Shawesh & Awotona (1999). Their findings indicate that levels of satisfaction in both the contemporary and

traditional housing design depend on building material, texture, aesthetic qualities and the ability to meet climatic needs.

Additionally, for Malaysia, the traditional practices of building houses are very similar in each state. The design character usually depends on the needs and the individual's affordability. The traditional design is mainly wooden houses, which are concentrated mostly in rural areas or small villages. Different groups have different styles and design concepts that have strong influence from their cultural beliefs and way of life. The design of traditional housing is influenced by culture and ethnic background, availability of local materials and climatic factors. Most of the local houses are built from local material such as wood, timber, attap, and bamboo (Appendix H).

In Sabah the main traditional houses consist of the Malay traditional house, the Chinese traditional house, and the Indigenous groups traditional long houses. The Malay's houses reflect certain characteristics as they are built on stilts and are above ground level. The houses are designed and blended with traditional architecture craftsmanship. The Chinese houses are usually built at ground level, where the floors are made of trodden earth and the walls of whitewashed sawn timber. The similarity between these two styles of houses is that their roofs are made of attap or clay tiles. The roofs of these two houses are usually pitched, which is suitable for rainwater run-off during monsoon season. According to Powell (1999), the traditional houses were built, not only as a shelter for tropical climate but also for the creation of social and symbolic space. It forms a hierarchy of space that provides for public display, semi-private reception and intimate privacy.

Ultimately, for the indigenous groups comprising the Kadazan, the Murut, and the Bajau communities, their traditional house is the longhouses. A traditional longhouse looks exactly as it is implied; it is a long, one-story dwelling built of axe-hewn timber, tied with creeper fiber, roofed with leaf thatch that creates some relationship with nature. The traditional longhouses in Sabah are built on piles 10-15 feet above the ground. This is because most of the settlements in Sabah are located along the riverbanks and seacoast. Each of these longhouses has a veranda for receiving guests and performing major ceremonies. Vernacular longhouses are built to last for almost 15 to 20 years to serve the needs of an extended family. The position of the longhouse always orientates towards east west to keep the interior cool in the tropical heat. However, the Bajau community that lives near the seacoast lives in houseboats that vary in size and construction. The average size of this houseboat is about ten meters in length and two meters wide. All of the boats are equipped with roofed living areas made of mats supported by poles. Most of the traditional houses described above embrace traditional forms, customs, culture and materials.

The significant value of the traditional house is that the homeowner works toward self-sufficiency and self-determination since they build the houses themselves. The communities help practice self-building through the spirit of "gotong royong" creating more sustainable and independent communities. In his study, Ahmed (1998) agrees that traditional rural housing is largely based on the use of locally self-help building undertaken by the community. This is because housing is well adapted to a natural

environment with widely available resources that can support the people's direct involvement in construction of their homes.

According to Davis (1995), affordable housing will fit comfortably into the community when there is a sense of appreciation and self-sufficiency assimilating into the homeowner. Likewise, a study conducted in Dar es Salaam, Tanzania, showed how the local community successfully built houses without any help as "unaided self-help" either from the government or from the banks (Wells, Sinda, & Haddar, 1998). The houses were built at incremental stages when resources are available thus upgrading from traditional houses to semi-modern houses. A number of studies have concluded that by promoting self-help housing and using natural building materials will enable the community to build better housing for themselves (Kowaltowski, 1998). However, Potter and Conway (1997), believe that self-help housing should also require the assistance of a skilled builder, which is important in order to strengthen the values of self-reliance.

Additionally, some of the related governmental assistance programs for the low-income in Malaysia can be divided into two sectors, i.e. public and private. Under the public sector the housing provision includes the Site and Services Scheme (SSS), the Public Low-cost Housing, and the Poor Citizen Program (Appendix D). The housing provisions undertaken by the private sector, include ordinary and special low-cost programs. The Site and Services Scheme is a provision for rural communities who cannot afford to purchase the houses offered by the government public low-cost housing program. These low-cost housing programs can be apply through the National Housing Department whereas the Poor Citizen Housing Program

can be apply through the Ministry of Rural Development. The Poor Citizen Housing Program provides only basic facilities for the homeowner with the design type constructed from less durable materials such as zinc and plywood which is less costly.

In recent years, the contemporary houses have replaced many traditional elements in Malaysia (Yahya & Ramachandran, 1998). Wood is no longer the most accessible building material having become more costly. Modern building technologies have displaced traditional crafts. Thus, contemporary housing reflects the historical and cultural transformations of the Malaysian society. The contemporary house design for Malaysian low-cost housing is mainly concentrated in the urban areas. The transition of house design from traditional to contemporary occurred during the era of modernization. This factor was influenced by Western ideas and techniques for planning, land subdivision, building design and architectural style (Al-Nafea, 1997).

Generally, in Malaysia the contemporary house design types for the low-cost housing consist of 3-bedroom single/double story link/terrace houses, semi-detached houses, and high rise apartments/flats. The cost of these houses is under RM35,000, which are considered affordable for the low-income families in Malaysia. However, several other low-cost housing designs using alternative construction materials and technology aim at providing low-cost houses costing below RM25,000 to more affordable limits. Concrete blocks and cement bricks are the most commonly and economically used building materials in the contemporary low-cost housing. However, Ramli & Noordin (1998) point out that the ferrocement technique has become

more popular and is used in the construction of low-cost housing. This technique comprises of a low-cost composite material, highly versatile in construction.

Ultimately the house model has successfully been built with a cost of RM15,000. This was a joint venture project between the University Science Malaysia and the Ministry of Housing and Local Government, which provided an alternative, design to improve the quality of low-cost housing (Ramli and Noordin, 1998). In similar studies, the Housing Research Center in University Putra Malaysia has designed three other low-cost housing models in the Putra Home Series (UPM, 2001). This design was developed to initiate affordable quality house designs for low-income families (Appendix H). They consist of single and double story terraced houses with the cost range between RM14,500-RM16,000. The study also proposed a low-rise apartment design consisting of a five-story walk-up flat. These apartments use interlocking load bearing hollow block, which is both durable and cheap. In addition, all the formal housing practices will need to comply with planning and building processes and be approved by the relevant authorities before they can be constructed.

However, in her research, Md.Zin (1998) highlights the importance of establishing Housing Inventory to assist the government in providing maintenance program and planned reconstruction for all public housing schemes.

# CHAPTER IV

## HABITAT FOR HUMANITY PROGRAMS

### Kalamazoo Valley Habitat for Michigan

The Habitat for Humanity program in Kalamazoo, Michigan was established in 1983. The construction of their first house way in 1986. The concept of Habitat is based on a "Home Partnership Program". Their mission is to make homeownership possible for motivated families for whom ownership is not otherwise attainable (Table 5). In Kalamazoo, the responsible affiliate that initiated this program was the Kalamazoo Valley Habitat for Humanity (KVHH). KVHH is a non-profit ecumenical agency that works with lower-income people to improve their living conditions. The team committee consists of the Executive Director, Managers, Site and Construction Supervisors. They are responsible for planning, coordinating and managing KVHH program. Other supporting staff includes the administrative workers and the volunteers.

Over the years, KVHH has worked successfully through many details of project coordination to bring quality homes to many families in Kalamazoo. They help build or renovate simple, decent houses, which are sold on a no profit and no interest land contract where house payments are recycled into future projects. Nearly 100 homes have been completed to

Table 5

Mission, Objectives and Problems

| | Sarawak, Malaysia | Kalamazoo, Michigan |
|---|---|---|
| Mission | ▪ Eliminate poverty housing in the Kuching, Sarawak affiliate service area. | ▪ Make homeownership possible for motivated families for whom ownership is not otherwise attainable. |
| Objective | ▪ Demonstrate the love and teachings of Jesus Christ by constructing simple, decent, affordable houses in partnership.<br>▪ Representative local leadership without discrimination of race, religion, ethnicity.<br>▪ Selling the houses at no profit to those in need | ▪ Increase inventory of build able lots & homes.<br>▪ Promote accurate public understanding of needs.<br>▪ Find more skilled supervisors.<br>▪ Improve partner/homeowner.<br>▪ Develop & refine fund development. |
| Problems | ▪ Many Malaysians need low cost housing<br>▪ The 3 ethnic groups do not mix very much<br>▪ Land a major issue<br>▪ Conflicting in different religious beliefs | ▪ Explore alternatives to single family homes<br>▪ Homeowner relations<br>▪ Intolerance of the different groups<br>▪ Land, skilled volunteers |

Sources : (1) Kalamazoo Valley Habitat for Humanity, November 2000.
(2) Habitat for Humanity International, Malaysia, November 2000.

the needs of the low-income families in Kalamazoo (KVHH, 2000). The Habitat committee selects successful homeowners based on their level of need, eligibility criteria, willingness to physically work 300 hours of "sweat equity" at the construction site, and their ability to repay the no-interest loan (Table 6). The wonderful aspect of this model is that it uses the concept of community partnership, involving volunteers and owner participation. Additionally, KVHH also promotes public contribution and understanding towards sponsorship, skilled volunteers and properties (Hepp and Winters, 2000).

Approximately, 85 percent of the labor involved in the habitat program consist of volunteers with various skill levels, including retired builders. Overall, KVHH depends on the local community for support in terms of cash, or in the form of used building materials. Habitat will only use items that are in good condition and have sufficient life expectancy. Almost half of the donations that supports the KVHH program comes from the tax-free philanthropy foundations such as the Kalamazoo, Gilmore and Upjohn foundations, along with other individual contributions. Alternatively, KVHH also anticipates the use of recycling and donated building materials in reducing the construction costs. According to KVHH affiliates, they received donated building materials such as cellulose insulation from the local recycling company. The McLeodUSA Publishing Company actually shredded old phone books and recycled it into cellulose insulation for habitat houses. In addition, KVHH also gets support from the government agencies in terms of purchasing land at lower rates with tax exemptions.

Table 6

Criteria for Homeowners

| | Sarawak, Malaysia | Kalamazoo, Michigan |
|---|---|---|
| Income | ▪ RM 400- 700/month (US$125- $175) | ▪ Min. income US$12,000 |
| Loan Payment | ▪ RM 75-100/month (US$20 - $25) | ▪ US$300- $450/month |
| Eligibility | ▪ Need--live in poor housing and not exceed monthly income guideline<br>▪ Ability to repay loan<br>▪ Land adequate to build a house.<br>▪ Willingness to Partner by attending orientation classes.<br>▪ Completing 500 hour sweat equity requirements. | ▪ Current housing is substandard, unsafe, too small, too expensive, unable to secure conventional financing.<br>▪ Able to repay loan, makes down payment/closing fee of US$700 & meets income guideline.<br>▪ Willing to work a minimum of 300 volunteer hours per adult . |
| Participation | ▪ Over 100 volunteers to work on 3 houses.<br>▪ Army/Marine soldiers based in Kuching. | ▪ Volunteer partnership<br>▪ Homeownership counseling<br>▪ Budget counseling<br>▪ Community volunteers<br>▪ Homeowners |

Sources: (1) Kalamazoo Valley Habitat for Humanity, November 2000.
(2) Habitat for Humanity International, Malaysia, November 2000.

Generally, KVHH builds or renovates homes in the central city neighborhoods of Kalamazoo, specifically in the Eastside, Edison, Northside, Oakwood, Stuart, Vine, and the West Douglas Neighborhoods. KVHH offers a standard housing package that is reviewed regularly. The standard size of a habitat house is usually less than 1,100 square feet, comprised of 3-bedroom homes (Table 7). The most common types of Habitat homes in Kalamazoo are the Cape Cod and the Ranch designs. About half of the homes KVHH sold each year are rehab houses. Many of them are the two-story houses that vary in type and cost (Appendix A). Initially, the selling prices of habitat homes is between the range of $40,000-$55,000 for rehabs and $53,000-$65,000 for new homes. House payments are 30 percent of the gross monthly income of the homeowner.

Like any other building contractors, KVHH also needs to comply with building permits, building codes, zoning and other necessary building regulations. The KVHH affiliate also provides community development programs through its budget including counseling, family friend affiliates and ambassador as well as partner family activities. This encourages and strengthens spirits towards volunteering in local community. KVHH also organizes volunteer orientation program to invite the community to learn and participate in KVHH programs.

Other efforts made by KVHH include providing home partnership information packets, partner handbooks, and regulating homeowner meetings. This allows interested families in the community to learn more about the KVHH Home Partnership Program and get advice on the terms and conditions of the program.

Table 7

Project Implementation

| | Sarawak, Malaysia | Kalamazoo, Michigan |
|---|---|---|
| Number of projects : | ▪ 5 houses | ▪ 102 houses |
| Date : | ▪ Started 1998 | ▪ 1984 |
| Location : | ▪ Kuching | ▪ Kalamazoo |
| House style | ▪ 3-bedroom, wooden or cement block house with tin roofing | ▪ 3-bedroom,wood frame - starter home with tiles roof. |
| Floor space | ▪ 500 sq. ft. | ▪ 1,240 sq. ft. |
| Cost of buildings | ▪ RM10,000 - RM12,000 (US$2,500-$3,000) | ▪ US$50,000 ▪ (land & hard cost) |
| Cost of Land | ▪ RM15,000 (US$3,750) | ▪ US$5,000 - US$10,000 |
| Approaches | ▪ Homeowner need to provide their land. | ▪ KVHB provide land, prepare building plans, and blue prints |
| Funding | ▪ HFH International ▪ Individuals ▪ Corporations ▪ Civic Clubs ▪ Global Village groups | ▪ Churches ▪ Individuals ▪ Organizations ▪ Foundations ▪ Other Grants |

Sources: (1) Kalamazoo Valley Habitat for Humanity, November 2000.
(2) Habitat for Humanity International, Malaysia, November 2000.

Some of the problems encountered by the KVHH while implementing this model, are such as coordination between different groups, sufficiency of land, and adequacy of skilled volunteers. KVHH also feels the requirement to explore alternatives for single-family homes such as the two-bedroom homes. Alternatively, each year KVHH also organize the Fast Built House project involving participation from the Homebuilders Association of Greater Kalamazoo and the local community contributing to building houses for the Habitat for Humanity homeowners.

Overall, KVHH has satisfied the need of low-income families by fulfilling the homeowners' dream of owning a house. They have made a big effort to assist the government to provide affordable housing and solving social problems.

## Sarawak Habitat for Humanity International

In Malaysia, the model of Habitat for Humanity International (HFHI) was established in 1993. Nationally, only a few States in Malaysia have actually adopted this model, which includes the State of Sarawak (SHFHI, 20001). The implementation of HFHI in Sarawak began early in the year 2000 with the construction of two houses in Batu Kawa Village, Kuching (Appendix A). Since then, Sarawak HFHI affiliates (SHFHI) have built five houses including three additional houses in Sikong Village, Kuching. The construction of these houses took only one month to complete. This involved the SHFHI affiliates, the homeowner families, and volunteer workers.

SHFHI affiliates work closely with the WTW international network, a sole proprietorship of CH Williams Talhar & Wong Sdn Bhd firm. Other volunteer participation and involvement comes from the Rotary Club of Kuching, army troop personnel, skilled workman, as well as the local and international youth volunteers. The SHFHI mission is to eliminate poverty housing in Kuching with the objective of demonstrating Christianity by constructing simple, decent and affordable houses in partnership (Table 5).

In principal, the selection of homeownership for Sarawak HFHI is based on the level of the family need, monthly income between RM400-RM700 ($125-$175) and land ownership. Additionally, other criteria consists of factors such as willingness to work 500 hours "sweat equity" of time spent volunteering, involvement in habitat programs and their ability to repay the house loan (Table 6). Intentionally, their focus was building houses only for certain target group.

The HFHI houses in Kuching were built using local material with either wooden or cement blocks and tin roofs. This house size comprises 500 square feet in area with three-bedroom (Table 7). The cost of the house including, land value, is between the range of RM25,000-30,000 ($3,800-$8,000). While implementing the program, SHFHI encounters the land ownership problem although many of the people need low-cost housing. Other related issues are concerning the integration between the different ethnic groups. Since SHFHI is still in the early stages of establishing its program, much effort is required to successfully adopt this model. SHFHI should engage a constant learning throughout each step of the process. The

affiliates should also promote community participation programs by harmonizing all the different ethnic groups together.

Other attempts should include giving knowledge and understanding of community development, social skill training, competency-based vocational training, and other supportive services in housing construction and home improvement for the local community. This gives them opportunities to become skilled and productive volunteers.

## Comparative Implementation of HFHI

In comparison, both HFHI affiliate in Kalamazoo and Kuching have similar intentions, which is to assist the government in providing affordable housing for low-income families. Based on the same grounds, both affiliates strive to improve the quality of life for each new homeowner. KVHH is more firmly incorporated considering its long establishment as compared to Kuching HFHI, which is still progressing through the process.

The major difference between the two is that KVHH sells homes on land contracts, whereas SHFHI only provides houses. The disadvantage for the habitat program in Sarawak is that it can only be launched if homeowners own land. This approach presents a constraint for the community in need. For KVHH, affiliates usually offer several site alternatives and housing types for homeowners to choose from. What makes the KVHH program more independent and community based is because it doesn't depend on government funding but rather relies on the local community for support and

donations. This helps the community to be more self-reliant and self-governing.

Essentially, Table 8 summarizes the strengths and weaknesses of the HFHI model. Based on the comparative implementation of the two affiliates, the strength of the HFHI model is focussed on two important factors: (1) affordability, and (2) home partnership.

Affordability is through the non-profit, no interest loan, donation and contribution, use of cheap local building material, and good quality recycled building material. The Home partnership consists of the "sweat equity", community-based approach, and volunteering work.

Table 8

Strength and Weakness of HFHI Model

| Strength (pros) | Weakness (cons) |
|---|---|
| ▪ Affordable | ▪ Religious faith (self-interest) |
| ▪ Home partnership (sweat-equity) | ▪ Certain target groups |
| ▪ Community-based | ▪ Non-governmental control |
| ▪ Volunteer participation | |
| ▪ Non-profit , no interest loan | |
| ▪ Local use of building material | |
| ▪ Recycling of building material | |

Alternatively, building home partnership has developed a sense of self-satisfaction and stability for the community to feel secure about their own homes. Additionally, the objective for the SHFHI program is basically religious based, as compared to KVHH, which is more secular orientated. This type of religious based approach is regarded as unfavorable in a Malaysian society that represents different religious beliefs. This will create sensitive issues and develop negative sentiments among the communities.

# CHAPTER V

# METHODOLOGY

## Rationale

The main goal of conducting this study was to determine if the Habitat for Humanity (HFH) model could be applied to solve some portion of the housing problem in Kota Kinabalu, Sabah. The hypothesis of this study is that the HFH model provides a viable solution to housing problems for low-income families. This study will evaluate the model with respect to its possible acceptance and implementation by the public and private housing agencies in Kota Kinabalu, Sabah. It particularly focuses on the aspect of sustainable housing development for the local community in Kota Kinabalu, Sabah. Specifically, this study will explore: (a) the fundamental characteristics of the Habitat for Humanity model; (b) the cultural values, needs and aspirations of the low income community in Sabah; (c) the best approach for implementing the model in Sabah; (d) the potential use of existing resources; and (e) the pros and cons in adopting the model.

## Research Questions

This study examines four issues associated to the role of HFHI in developing affordable housing for the low-income community in Sabah: (1) a

comparison of the KVHH and SHFHI missions and objectives; (2) the strengths and weaknesses of HFHI model; (3) the needs and housing types, which the community lacks; and (4) the effectiveness and intensively used of local resources.

The research question design was based on five important aspects: (1) How can the HFHI model be useful for developing affordable housing for the low income families in Sabah?; (2) What is the perception of Sabah's housing agencies towards the HFHI model?; (3) What is the best possible approach and the most suitable sector to implement this model?; (4) What is the most practical house type and design to satisfy the community needs?; and (5) Are the housing implementers in Sabah aware of the existence of this model?

## Research Design

The primary focus of this study is to anticipate the practice of the Habitat for Humanity model in providing adequate housing for low-income families in Kota Kinabalu, Sabah. This study proposes to determine whether the model of HFHI can be applied to Kota Kinabalu, Sabah. The purpose of this study is to lead Sabah's local housing agency towards implementing HFHI model. This is based on determining whether or not the HFHI model can assist the government in providing affordable housing to the low-income community in Kota Kinabalu, Sabah.

This research design is based on a qualitative method using a descriptive and interpretative approach. The procedures involved in this methodology include an in-depth interview, focus group discussions, and

performing questionnaires. The research design was presented into two parts: (1) data collection; and (2) data analysis. Data collection includes the type of data, sources of data, and how data could be retrieved. Data analysis was generated through the questionnaires, discussions, and interviews, which was formulated based on the research questions. There will be some explanatory correlation as how these responses relate to adopting HFHI in solving housing problems in Kota Kinabalu, Sabah.

## Data Collection

The data collection in this study gathers information from secondary sources such as statistical data from the U.S. Census Bureau, the Department of Statistics Malaysia, U.S. and the Malaysian Housing Authorities, the Kalamazoo Valley Habitat for Humanity, the Sarawak Habitat for Humanity International and other relevant sources. Other means of collecting information are through feedback from interviews, group discussions, and questionnaires.

### Questionnaire

The questionnaire was designed to gather information and perceptions from four various perceptions: (1) Sabah housing authority (SHTDA); (2) Malaysian diplomats; (3) Malaysian religious scholars; and (4) Sarawak housing commission (SHDC). This opinion survey covers attributes related to the HFHI model with respect to the level of awareness, acceptance,

benefits, problem solving, support, goals statement, and practices (Appendix F). These questionnaires were prepared and sent to the respective respondents in December 2000. Because this study was conducted in the U.S., the researcher encountered delays in retrieving this information. However, the information was eventually replied and responded to in April 2001 after several attempts of follow up. The returned questionnaires provide views of each respondent perceived towards the Habitat for Humanity model. These perceptions are correlated to the research hypothesis assumption that the HFHI model does provide a solution to housing problems.

Focus Group Discussion

This study also organized a focus group discussion with KVHH affiliates and the Malaysian delegation. The discussion was facilitated by the researcher to attain definite and reliable direction. This practice presented an overall perspective and offered better understanding on issues related to the study. The discussion was effective as it revealed an inclusive representation of each member's perceptive towards the study. The group discussion was performed at two different occasions focussing on Malaysian and U.S. practices on housing matters. Both meetings were conducted in Kalamazoo, Michigan.

The first group discussion was arranged with two of KVHH affiliate personnel including Brent Hepp, Executive Director and Sarah Winters, the Administrative Assistant. The discussion , which took place in February

2000, lasted for about half an hour. The purpose was to gather accurate information regarding their program. This enabled the researcher to increase her understanding toward the implementation of Habitat housing project in Kalamazoo, Michigan.

The second focus group discussion was organized in December 2000. This involved the Malaysian government delegates. This gathering represented a more diverse group comprising an academician, a politician, a lawyer, contractors, and religious participants. The leaders from this delegation represent a dynamic profile with influential powers as policy and decision-makers. They include Dato Dr. Ibrahim Saat (professor, former Chief Minister of Penang State), Dato Salleh Tun Said Keruak (politician, current chairman of SHTDA, former Chief Minister of Sabah), Dato Zainal Abidin Kadir (Director of Special Information, Information Department of Malaysia), and Mariany Mohammad Yit (lawyer, leader of the women's movement for Bukit Bintang).

This focus group discussion is regarded as an effective way to collect descriptions of each representative's experience concerning the study. It gave the researcher the conception and assurance that such a study will benefit Malaysia. In order to stimulate the discussion a brief presentation on the study was made. Throughout the discussion that took over an hour, many informative facts, knowledge, thoughts and ideas were collected. This type of platform is an effective means to gather more synergistic insights of each individual's experiences, practices and disciplines.

The discussion covered the issues related to housing policy, government initiated projects and low-cost housing programs in Malaysia.

This helped the researcher to anticipate perceptions about the outcomes and consequences of this study. The group discussions were helpful in generating deeper insights and apparent understanding in relation to the study.

Internet Correspondence

Because this study was done in a long-distance manner, transmission and communication through electronic mail (e-mail) was quick and efficient. The correspondence began in May 2000 by contacting the Habitat affiliate in Sarawak (SHFHI). It is one of the three existing affiliates in Malaysia. The contact person was Arthur Orr, who is the Manager of the Habitat for Humanity affiliate in Kuching, Sarawak. The purpose of this was to obtain first hand information about the establishment of the HFHI in Sarawak, Malaysia. Several e-mails were sent in the form of discussion and constructive questions, which relate to HFHI program in Sarawak.

This method was considered effective since the response was positive and supportive. The respondent was willing to cooperate and respond during the consultation period.

In-depth Interview

The in-depth interview was conducted on a long distance telephone conversation with Saleha Abdul Wahid early in March 2001. She is the Sabah Housing Town Development Authority (SHTDA) Branch Manager in charge

of housing developments. This interview was conducted to attain her personal work experience dealing with housing problems in Sabah.

This was considered a reliable way to collect descriptions of her work experiences. To make this interview more practical and effective, the researcher has prepared a set of general open-ended questions as a guide to interrogate during the discussion (Appendix G).

However, since the interview was conducted through a long distance telephone conversation, there was a slight disturbance in term of echo that interrupted the efficiency of dialogue.

Site Visit

In order to be more sensitive and accountable in experiencing the Habitat for Humanity project, the researcher has made an attempt to visit the construction of a habitat house in Mt. Vernon, Portage, Michigan in September 2000. This project is the Fast Built House, a home built by volunteers from the Homebuilders Association of Greater Kalamazoo to benefit a local family through Kalamazoo Valley Habitat for Humanity. This visit allowed the researcher to explore and observe the construction of a Fast Built House.

The construction of the fast build house took only 48 hours to be completed, which required careful planning and teamwork. Informal interviews were conducted with the project coordinators including Monica Shields, Special Events Coordinator of Homebuilders Association Kalamazoo, Brent Hepp, Executive Director of KVHH, and the named Homeowner. The

purpose of this visit was to develop an understanding of how the project was implemented. Through the site observation, the researcher was able to examine how the construction workers and the volunteers work together in building homes for the homeowners (Appendix A).

Confronting such projects in life and observing the work coordination between skilled builders, contractors, managers and volunteers provided a great experience. This helped to generate reasonable conclusions through the observation of such a relevant community-based project and the adaptation of community values.

## Data Analysis

The process of this qualitative analysis was based on data interpretation gathered from the questionnaires, discussions and interviews. This was done by sorting the questionnaires into categories to compare and contrast ideas. The interview was formatted into a description statement, and the discussion was generated into subject matter. The observation was rationalized in the form of qualitative text. This process was considered comfortable and convenient for the researcher to achieve a more meaningful analysis.

Still, this study would have been more significant if the researcher had the opportunity to actually perform a quantitative type of survey in Kota Kinabalu, Sabah. A more comprehensive sample survey is essential to determine the social-cultural values and community needs in housing. According to Batsche, Hernandez, & Montenegro (1999), it is important to

design the need assessment process to ensure representation of the diverse populations that live in the community. They feel that human service activities must be culturally responsive. In other related studies, Noll (1997) describes how a preset design methodology can be applied in assessing the affordable housing needs.

Contrary evidence was also provided by Tiwari & Parikh (1998), who concluded that different households might also have different perceptions of housing demands based on their economic and demographic factors. In a different perspective, Thomson & Hardin (2000) suggested integrating Geographical Information System (GIS) and Remote Sensing techniques to identify potential land for low-cost housing.

For this purpose, sufficient land use and a land cover map is required to determine land suitability and availability. This is required to determine the land cover pattern and identify suitable land for low-income housing in the area. Similarly, the University Kebangsaan Malaysian has conducted a study applying the Remote Sensing and GIS technologies to model relationships of Land Use and Land Cover Change (1985-1994) with socio-economic data (UKM, 2001). This research was undertaken with the collaboration from the System for Analysis, Research, and Training Program (START) for the Southeast Asia Regional Committee (START, 2001). Presently, in Malaysia, the study area concentrates in Klang-Langat River Basin.

Considerably, all of the above information would be more accessible if the study would have been conducted in Kota Kinabalu, Sabah. On the other hand, findings from previous research will be used to justify the qualitative

description of this study. Furthermore, presenting in depth citations of previous related research will provide strong standing towards the analysis of this study.

Consequently, to strengthen the study's qualitative approach, strong evidence was provided based on contemporary and traditional housing practices to explain the relationship with the HFHI model, adapting it to Kota Kinabalu, Sabah. In order to establish definite interpretation of the findings, sorting, categorizing, and coding, the Microsoft Excel® software was used to analyze the information collected. Those results were then classified and assembled into a graphical and tabular format. This is a more effective and presentable way of showing the interrelationship between each category.

## Observed Results

### Perception Towards the Habitat for Humanity Model

Table 9 presents the perception summary among two of Malaysia's prominent housing professionals as well as two other influential authorities towards the Habitat for Humanity model. They consist of Sabah Housing Town Development Authority (SHTDA), Sarawak Housing Development Commission (SHDC), the Political groups and the Islamic Religious groups. This results of these perception was derived from the questionnaires and are classified in terms of percentages as shown in Figure 8. The bar chart shows that each of these respondents has different views towards the overall

Table 9

Perceptions on the Habitat for Humanity Model

| Perception Parameters | SHTDA | Politician | SHDC | Religious scholar |
|---|---|---|---|---|
| 1. General Awareness | No | Yes | Yes | No |
| 2. Acceptance | 1 | 2 | 3 | 4 |
| 3. Beneficial | 1 | 1 | 2 | 3 |
| 4. Provide solution | 1 | 2 | 2 | 3 |
| 5. Supportive | 1 | 3 | 2 | 4 |
| 6. Goals Statement | | | | |
| - KVHH | 1 | 3 | 2 | 3 |
| - SHFHI | 4 | 4 | 3 | 5 |
| 7. Best Method* | Combination | Secular | Secular | Religious |

Rating scale: (1) strongly agree; (2) slightly agree; (3) neutral; (4) slightly disagree; (5) strongly disagree
* Combination [(Secular & Non-Secular), Secular-based, Religious-based]

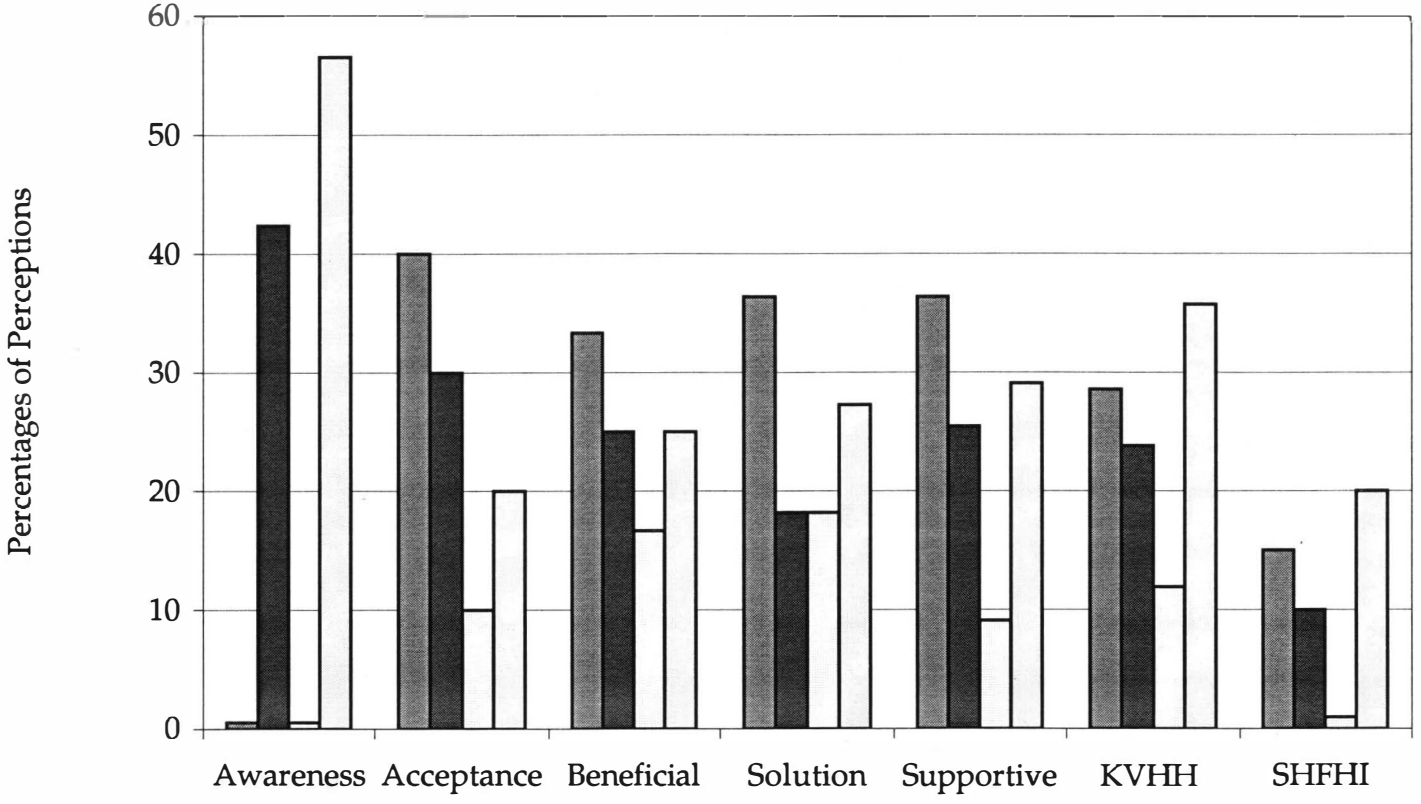



Figure 7. Perceptions of Respondents Towards the HFHI Model

component of the model. In terms of awareness on the model, only two respondents, consisting of the political group and SHDC were aware of the existence of the model. Even though SHTDA were not aware of the existence of the model, they presented the highest-ranking of acceptance towards the model. They believe that such a model can provide solutions to housing problems and anticipate its benefits to the low-income families in Sabah.

SHTDA shows a great interest and is supportive towards this model. In general, other authorities also feel comfortable if the model is applied to Sabah. Yet, there is a strong concern among the entire respondent set regarding SHFHI goals and mission. This is because that they are too specific towards religious matters, which could raise other sensitive issues. They feel that the goals and mission should be more focused on housing problems so they don't only serve the needs of a certain group. Since Islam is the official religion in the country, introducing new methods based on other religions will cause friction.

On the whole, the respondents are more comfortable and satisfied with KVHH goals. Figure 8 shows a pie chart illustrating the seven different segments of perception towards the HFHI model. The findings show that the perception towards the HFHI model varies between each value. The most significant value in the finding perceives that the community in Sabah can benefit a lot if this model is adopted. This means more affordable housing can be provided for the needs. This will help the government boost the provision of affordable housing and increase homeownership. This will also increase opportunities for the community to own their dream house.

They also regard the model as the best alternative solution to support the existing approaches in providing affordable housing in Sabah.

Acceptance is the third most important value that is necessary for any authority concerned on successfully adopting the model, as it requires exposure and commitment. The respondents also perceived that this model could support and assist the government in providing adequate, affordable housing based on its strengths of home partnership.

On the other hand, it is important to also educate and create awareness to the community and implementers that are responsible to adopt this model.

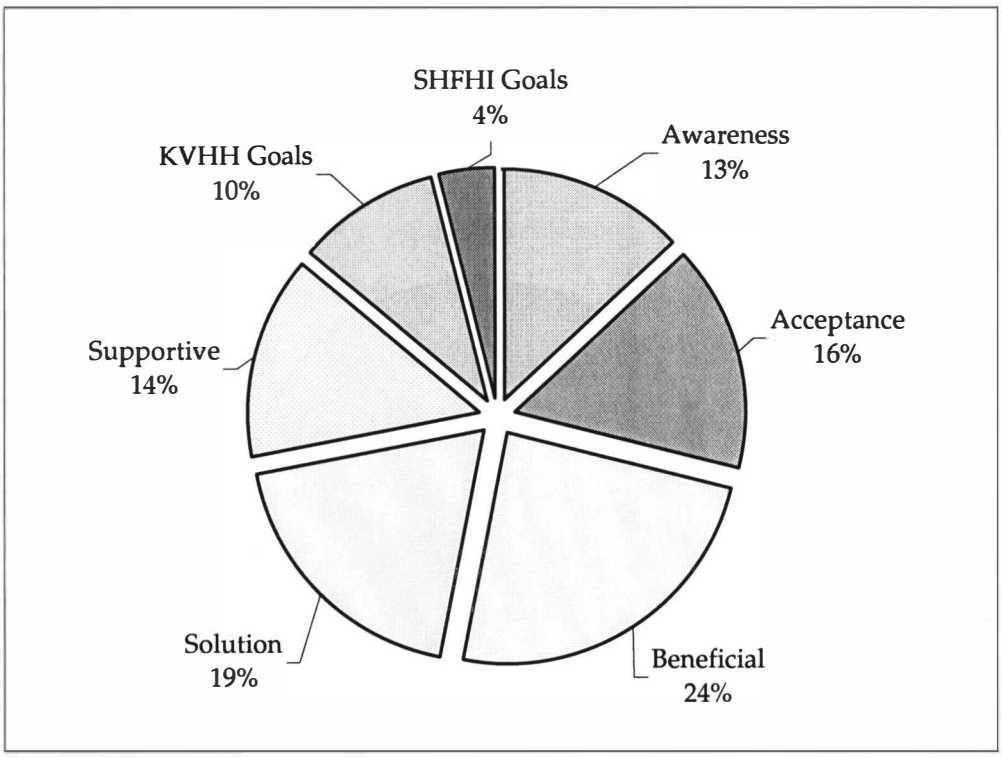



Figure 8. Different Values of Perception on the HFHI Model

Similarly, the pie chart in Figure 9 demonstrates the level of recognition given by the four different groups. As compared to other agencies, the finding describes Sabah Housing Town Development Authority as more serious and certain in adopting this model. The authority feels that this model will be able to support the present housing programs and provide a practical solutions to Sabah. The result indicates that the perceptions of the other two agencies, which are the Sarawak Housing Development Commission and the political groups, also recognized the strength of this model. They are convinced that this model can offer some alternatives in solving part of the housing problems in Malaysia.

On the other hand, the religious group is more skeptical towards this model feels that this model can be opposed by other religious beliefs.

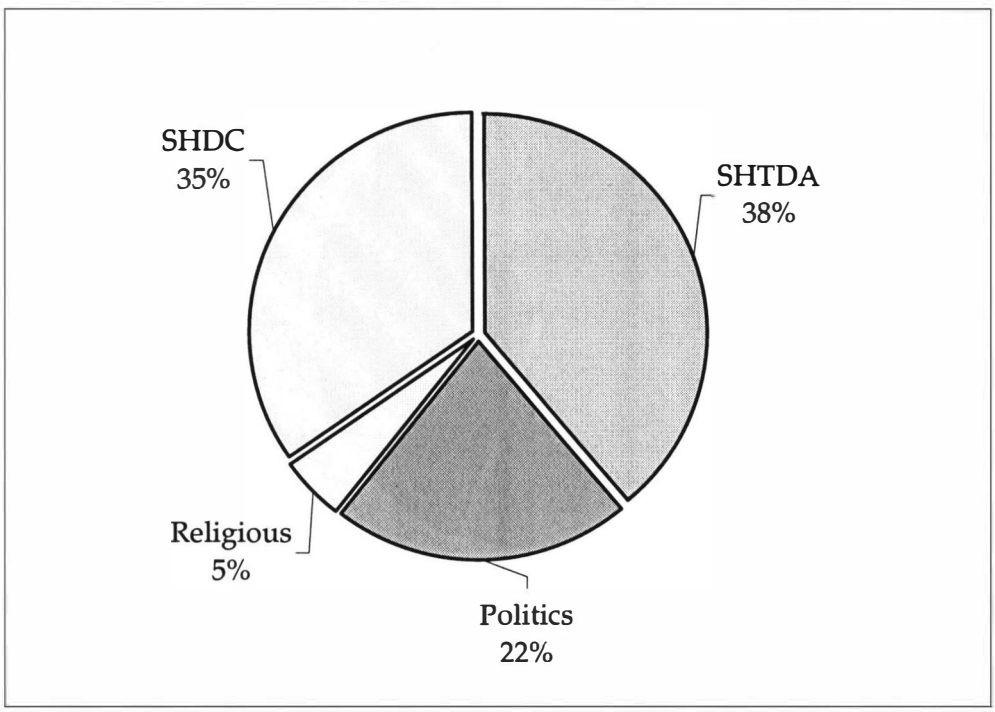



Figure 9. Perceptions of Recognition on the HFHI Model

In contrast, Figure 10 shows the most preferred type of approach. The combination method was found to be more popular as compared to the religious and secular based method. Both the religious and secular based approaches were too specific to only a certain group of the community. This approach was seen to be biased towards the community, where it might effect the chances of other families that are really in need.

However, they perceive that the religious and non-religious activities can be incorporated together as long it has the same objective, which is to provide affordable housing for the needs. Rationally, the main reason is to ensure that this method is suitable to be applied in Sabah.

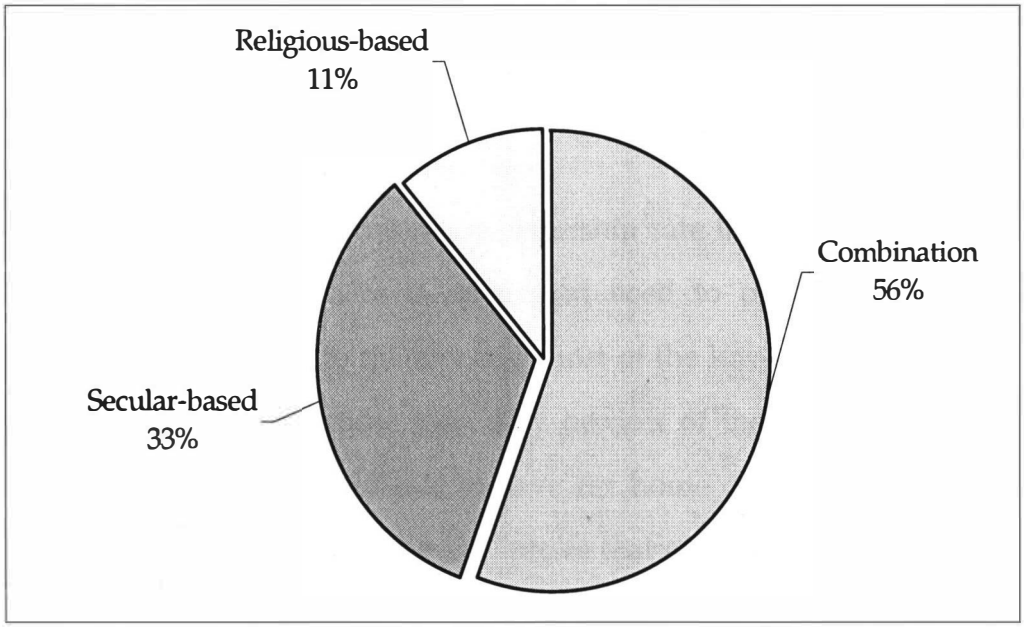



Figure 10. Different Types of Approaches

In general, the respondents have conceded that the most suitable method appropriate for Sabah will be the combination approach. They feel that within a more diverse community and different spiritual beliefs in Sabah, the combination approach will be easily accepted and are more practical. It is regarded as the best method, which will tolerate with any unexpected conflict that might occur.

Conclusively, the findings above foresee how the government should provide more self-sufficient federal housing assistance covering loan incentives and tax credits to encourage the development of low-cost housing. In this case, the government should lay a strong foundation of housing finance systems and programs for the low-cost housing (Renaud, 1999). This will motivate private developers to participate in building more affordable low-cost housing. Government should promote and give support to local initiative groups and community-based nonprofit housing groups by allocating more grants and incentives.

Anticipating the low homeownership rate in Sabah, especially for the low-income groups, there is an urgent need to provide more affordable housing. This is due to the fact that most of the low-income communities in Sabah have to spend more than fifty percent of their incomes on rent and food, making it more difficult to save for home ownership (Abdul Wahid, 2001). Similar findings in the U.S. prove that only one-third of the very low-income urban homeowners devote the majority of their incomes to housing (HUD, 2000).

In addition, the ten-percent down payment terms that apply to house purchase should be waived. This is the main reason that the low-income

people are discouraged from buying a house. Besides lowering the interest rate, the government should also make an effort to grant more funding and loan incentive programs for the lower income families to finance their homes. It provides more opportunities for the low-income people to purchase their own homes, which is another way to revitalize homeownership. By developing strong financial mechanisms, the government will improve security and financial capacity to the low-income families. This is an important procedure to expand homeownership.

Finally, this section presented the results of the present examination and concentrated on low-income family's needs, thus implementing innovative and appropriate solutions in providing affordable homes in Kota Kinabalu, Sabah. Alternatively, based on these findings, the study has recommended three important factors, which can be used as a guideline that include: (1) the best alternative approaches, (2) the appropriate agency to implement, and (3) the house type and design.

# CHAPTER VI

# RECOMMENDATION

The results gathered from the questionnaire and interviews show that there is considerable interest in the HFHI model. This indicates the Sabah government is prepared to adopt the model to assist them in providing affordable housing for the low-income families in Kota Kinabalu, Sabah. Therefore this findings focused on three aspects: (1) the best alternative approaches, (2) the appropriate agency to implement the program, and (3) the suitable house type and design to meet the low-income needs.

## Best Alternative Approaches

The concept of Habitat for Humanity has never been heard of in Sabah, although it is internationally established. The Sabah housing agency was not familiar with the HFHI model, as it has not yet been adopted. This is due to the fact that HFHI is a non-governmental organization, which makes it less, exposed to the media in Malaysia. Although the HFHI affiliate has been formed in Kuching, Sarawak because of its hidden motive and mission, which was oriented on religious affairs, has limited its recognition to certain interest groups. This formed a less credible perception among the local community in gaining their support and cooperation. The community tends to feel

aggravated from this religious oriented approach, and becomes less motivated in the project. This approach tends to concentrate on a particular agenda only, which allocates housing opportunities to a certain group of people in the local community.

However, since the Habitat for Humanity model proves to be an effective approach that could help solve housing problem in Kota Kinabalu, SHTDA feels that the objective should not be too narrow towards religion. The authority also believes that this model can be implemented and is beneficial to Kota Kinabalu to resolve the shortage of affordable housing for low-income families. The authority regards the model as a very straightforward and simple model, which is less complicated and much easier to implement. Since the problem with low-income earners is they are not eligible for bank loans, this model gives a good alternative for financial sustainability of low cost housing programs. Adopting the concept of "sweat-equity" and voluntary participation as in HFHI can be a good way to develop sense of pride, commitment, and responsibility to homeowners. This encourages the community to become more independent and self-reliant.

Observations from the results also reveal the importance of community-based organizations such as Habitat for Humanity in assisting the government in proving adequate housing for the low-income community. This is supported by Pugh (1997) who pointed out that community-based housing organizations have the ability to balance social and financial necessities in building communities. It exhibits the importance of private-

public partnerships consisting of the private and nonprofit sectors working together, building more affordable homes for low-income families.

In a similar study, Fredericksen (2000) indicates that community-based development organizations should prove their ability and capacity in effectively managed affordable housing projects in gaining trust and support from the government. Still, more initiative programs from all sectors are necessary to promote the development of affordable housing for low-income families in Sabah.

On the other hand, the Poor Citizen Housing programs has accommodated community participation and the spirit of "gotong royong" in building houses for the poor despite it being a government-funded program. Incorporating the HFHI model into the SHTDA program will provide a choice of housing solutions for affordability to lower income people. Thus, this study assures such approaches will prepare the society to become more independent and not rely too much on government funding. However, in spite of encouraging communities to be self-reliant, Cisneros (1997) feels that the government should continue to provide financial assistance. They should not take away the margin of support that makes housing available to the low-income families. Some studies have also emphasized that housing subsidies should be diverted to a social housing programs by providing housing allowances, housing subsidies, and public rental housings.

Likewise, many other studies have also concentrated on engaging public-private partnerships, which are an effective way to develop consensus and support in providing more affordable housing. Synthesizing the HFHI method will allow the community to preserve toward building a sustainable

environment. This maybe regarded as one of the most appropriate approaches in creating a stable society that is sustainable.

Finally, this study recommends that this method should be geared more towards a secular based approach, integrating all ethnic group needs and avoiding any kind religious sentiment. The most practical approach to be adopted in Kota Kinabalu is by combining all aspects of values and custom background existing in the community without segregating their religious, ethnic, cultural and racial beliefs. Although most of the low-cost housing doesn't generate an enormous profit, the commitment that public and private sectors contribute is regarded as more valuable and brings satisfaction in life.

## Appropriate Agency to Implement

Results from the interviews favorably embrace SHTDA functions as the main local housing agency responsible to provides sufficient and satisfactory housing for the lower income groups throughout Sabah. SHTDA plays an important role to assist the federal government in implementing low cost housing programs in response to the needs (Table 10). SHTDA housing programs include revitalization of squatter settlements, redevelopment of slum areas, rent and sale purchase of low-cost house contracts, and construction of public low-cost housing.

Accordingly, housing has been the most serious problem in Sabah for the past five years due to local and foreign immigration. As a result, many squatter settlements have emerged, distressing the housing conditions and

Table 10

Alternative Agencies and Approaches

| Functions | SHTDA | Welfare Department |
|---|---|---|
| 1. Role | - Advisor and Coordinator | - Implementers and Organizer |
| 2. Support | - Experience Managers<br>- Skill Builders<br>- Funding | - Experienced Social workers<br>- Volunteers<br>- Funding |
| 3. Program | - Housing Rehabilitation<br>- Rent and Purchase | - Community Development<br>- Poor Citizen Housing |
| 4. Target Group | - Income RM750-1800/month | - Income less than RM405/ month |
| 5. House Design | - 2 bedroom<br>- 3-4 floor apartments, single or double storey terrace and cluster houses | - Single house |
| 6. Building Material | - Timber, wooden, bricks, | - Wooden plywood and zinc |

Sources: Questionnaire Analysis, March, 2001

bringing poor quality of life to the low-income community. In ensuring meeting the community needs. Additionally, SHTDA provides adequate housing only for families with a gross household income between RM750-RM1,800 who is eligible for bank loans. In equally distributing the housing provision among racial groups, SHTDA provides a 60-40 percent quota distribution to the Bumiputera and Non-Bumiputera respectively. Except on conditions where houses are gazettes under the Bumiputera "Native Reserve" the houses were assigned individually in a specific location by voting. The intention is to provide equal access and resolve desegregation among the different ethnic groups. In terms of land provision, SHTDA is confronted with the decline of its land bank in which the availability of state land is limited.

Recently, the authority has initiated joint-venture low-cost housing projects with private landowners. State governments should also consider providing land for low-cost housing to private developers so they can build low-cost housing within the ceiling price. Private developers with land banks acquired at a low cost should consider helping out in low-cost housing development. According to Yahya and Ramachandran (1998) to better serve future housing requirements, the land institutions should set up land efficiency and management systems. This is to ensure that land supply will be sufficient for present and future needs of housing. They further suggest implementing GIS application to develop a comprehensive housing management information system.

SHTDA is able to supervise and coordinate the planning and development programs with local initiative and interest groups, local

communities, and other related agencies. They can support HFHI related programs in terms of providing skill managers and builders that have 30 years experience in housing construction. They possess building ability and wide experience in managing low-cost housing. Ahmed (1998), views that being a self-builder with a do-it-yourself theme as good way to save money. However, in making it successful, it requires professionals such as semi-professional builders or architects who are thoroughly familiar with the construction processes and the use of materials. In similar cases in Jamaica where housing is a major issue, self-help housing is a popular practice and also requires professional advice in building quality houses (Potter & Conway, 1997).

Sequentially, SHTDA recommended the Department of Social Welfare Malaysia as the main initiative agency to organize habitat related programs. The Social Welfare department has the capacity to implement efficient and effective supporting consultation and community services through various community works and community based rehabilitation programs (see Table 8). The agency is also responsible for encouraging corporate sectors and voluntary involvement in community services. Their staff and volunteers are well exposed and equipped with knowledge, skills and ethical attitudes. This is in line with their goal to establish a caring society and create societal awareness with involvement and participation of welfare work by providing education, skills training, and financial aid. This agency is also more appropriate to identify the families in need of affordable housing.

Additionally, this project can also involve the role and function of the Village Development and Security Committee (JKKK) working together in supporting a habitat program.

## Type of House Designs

When confronted with the choices of design and types of affordable housing, it is most important to accommodate the needs of the low-income families. Additionally, Davis (1995) points out that affordable housing is often for families with children who require three or more bedrooms, so we should not be misleading with market-rate projections focused only for one or two bedroom units. This complies with most of the Habitat houses that already anticipate the homeowner needs. In order to provide more affordable housing to accommodate the tremendous demand from the community in Sabah and the constraints on land, the most adaptable type would be the link or cluster house. Additionally, SHTDA does offer a selection of other low-cost dwelling units. The affordable low-cost house commonly implemented in Sabah is the "Rumah Enam Tiang" meaning "Six Pillar House", which is more adaptable to the local community. The design concept of this house is that it is built based upon the six-foundation column or shaft (Appendix H).

In his study, Davis (1995) considers building a two-story house as an effective and efficient way to increase the house density. This allows more units of houses to be built rather than designing a single type of house. The low-cost housing should also include community facilities and blend with the

existing neighborhood. Research and advances in building techniques have revealed the most economical and affordable ways to build houses. In dealing with squatter's issues, Cho & Park (1995), suggest that designing an apartment building for lower-income groups will increase the use of land use and provide alternative housing opportunities to squatters. Thus, the government should formulate a proper immigrant housing policy to prevent the sprouting of slums in the countryside. A housing levy should be imposed on employers for each immigrant employed to defray the cost of providing low-cost housing for rental to the immigrants. Employers are also encouraged to provide houses or hostels for their workers.

Consequently, adopting the habitat model that anticipates the use of local material and the recycling of building material are seems to be a good practice. However, there is a need to consider the long lasting durability and the effectiveness in providing quality houses. As for that the low-cost house model design as proposed by the University Science Malaysia and University Putra Malaysia should also be considered. Similarly, the Human Settlement report on housing development has encouraged the use of local building materials and adapting local building regulations (ESCAP, 2001). This is to suit the local affordability levels and permit incremental constructions of houses. Despite the many advantages of conventional design of roofs and superstructures in traditional houses, the findings show there is a strong desire for building houses to western design using modern materials. On the other hand, architects and developers should regard building affordable housing as a community-based project and not only aim to make profit.

Conclusively, whatever type and design of houses are recommended, the best design alternatives should conform to the social-economic and cultural needs of the community. Besides being affordable the building design should also preserve the socio-cultural, spiritual, and traditional values of the Malaysian society. Similarly, a more realistic building standard should be adopted in facilitating the supply of housing and reducing the costs. Among other factors, Ogu (1999) describes unsustainable building codes and planning regulations as the greatest influences on the implementation of any low-cost housing. In looking to the future, more studies should be performed to develop appropriate building technologies, and define more realistic housing standards.

# CHAPTER VII

# CONCLUSIONS

A Homeownership program for low-income families through community-based projects is an important approach to form a sustainable community in Kota Kinabalu, Sabah. This will help to provide alternative measures to solve housing problems in Sabah. This study explored adopted the Habitat for Humanity model as an alternative to provide affordable housing for low-income families, which is a tremendous need in Sabah.

This paper presents a comparative analysis between different approaches practiced by SHFHI and the KVHH habitat affiliate. The study has classified the perception from the responsible authorities in Sabah, Malaysia towards the Habitat for Humanity model. The evaluation of the perception is based on the significant benefits of the model.

The overall perspective towards the adaptation of the HFHI model was assessed through its strengths that focused on (1) affordability, and (2) home partnership. These two important factors were based on HFHI method of providing housing by establishing a revolving fund and no interest housing finance, donations and contributions, sweat-equity and volunteering, as well as recycling and use of local building materials. Additionally, all of these factors promote self-sufficiency and sustainability. From the analyses, significant relationships were discovered between sustainable housing,

anticipating the community needs satisfactions, expectations, interactions, participation, and development. Still, it is important to enhance the awareness of the model to encourage participation and involvement from the communities and agencies.

In addition the results were also based on survey responses accumulated from interviewing the housing agencies in Sabah. Research questions were analyzed to explain significant relationships between the perceptions towards the model and how the model can benefit the community in Sabah. The findings indicate there is a need for a fundamentally new approach to achieve sustainability in Sabah. This means that the community in Sabah, should absorb new values into their culture and take advantage of these new opportunities. Eventually, a strong community development program could be organized among the local community.

This study finds that this model has potentials, and the Sabah housing agency can take serious effort to adopt it. Adopting this model can help to increase homeownership among the low-income community. To further implement this model in Sabah, it is suggested that a pilot study should be initiated in priority areas. This study highlights a strong cooperation between government and public-private participation as an important element to successfully adopting this model. Also, the government should fully promote and accept more community-based groups that will lead to creating a conducive and sustained environment.

Similarly, the public and private sectors need to be informed about all aspects of the housing and property industry, ranging from market analysis of demand to inputs for construction. Past experiences have shown that the

inadequate and inequitable provision of housing in Malaysia was the result of inequalities in access to resources, and the inability of the free market to meet diverse housing needs. In making sure that supply and demand of housing is properly projected, developers, financial banks, planners, and other related housing agencies should be knowledgeable on the housing market.

However, it should be considered that providing subsidized public housing to all low-income families depends also on the country's welfare in terms of their economic development and affordability. That is why it is not surprising that more developed countries such as the United State, can afford to provide more grants and allocation, as well as tax exemptions and credits, in taking initiatives in addressing housing issues.

Finally, it is expected that this research can be used as a guideline for the Sabah housing authority in assessing sustainable housing environments for the local community. For future study, a more detailed study will be required to examine the needs of the multi-national community in Sabah. Therefore it is suggested that a housing needs assessment should be conducted to determine the actual demand for housing types and designs in the local communities of Sabah. Thus, to adequately address the housing needs, a comprehensive study on the standard house design, construction, livability, and size should be included. Ultimately, it would also be interesting to study the land availability and land suitability patterns for housing in Sabah by using the GIS and Remote Sensing techniques.

# Appendix A

## Habitat for Humanity International Profile

1. The Draft Development Plan of the Federation of Malays – 1950

2. Progress Report on the Development Plan of the Fed. of Malays – 1953

3. A Plan of Development for Malaya (The First Malaya Plan) – 1956

4. The Second Malaya Plan – 1961

5. Interim Review of Dev. in Malaya under the 2nd Malaya Plan – 1963

6. 5 –Years Malaysia Plan
   i. The First Malaysia Plan (1966 – 1970)
   ii. The Second Malaysia Plan (1971 – 1975)
   iii. The Third Malaysia Plan – (1976 – 1980)
   iv. The Fourth Malaysia Plan – (1981 – 1985)
   v. The Fifth Malaysia Plan – (1986 – 1990)
   vi. The Six Malaysia Plan – (1991 – 1995)
   vii. The Seven Malaysia Plan – (1996 – 2000)
   viii. The Eight Malaysia Plan – (2001 – 2005)

7. Medium –term Plan
   i. Mid-Term Review of the First Malaysia Plan – (1969)
   ii. Mid-Term Review of the Second Malaysia Plan – (1973)
   iii. Mid-Term Review of the Third Malaysia Plan – (1979)
   iv. Mid-Term Review of the fourth Malaysia Plan – (1983)
   v. Mid-Term Review of the Fifth Malaysia Plan – (1989)
   vi. Mid-Term Review of the Six Malaysia Plan – (1993)
   vii. Mid-Term Review of the Seven Malaysia Plan – (1999)

*8.* New Economic Policy (NEP) - 1976
*(Eradicating poverty irrespective of race and restructuring society to eliminate the identification of race with economic function)*

9. National Economic Recovery Plan – (1998)
*(Presents a comprehensive framework for action for national economic recovery).*

10. Long-term Plan - Vision 2020
*(Malaysia's Vision 2020 envisages that it will be a fully developed country by the year 2020).*

## VISION 2020

The Vision 2020 framework, however, states that there can be no fully developed Malaysia until Malaysians can overcome the nine central strategic challenges identified are as follows:

- To establish a united Malaysian nation with a sense of common and shared destiny.
- To create a psychologically liberated, secure, and developed Malaysian society with faith and confidence in itself.
- To foster and develop a mature democratic society, practicing a form of mature consensual, community-oriented Malaysian democracy.
- To establish a fully moral and ethical society, whose citizens are strong in religious and spiritual values and imbued with the highest of ethical standards.
- To establish a matured, liberal and tolerant society of all colors and creeds are free to practice and profess their customs, cultures and religious beliefs and yet feel that they belong to one nation.
- To establish a scientific and progressive society of innovative and forward-looking.
- To establish a fully caring society and a caring culture
- To ensure an economically equitable society.
- To establish a prosperous society, with an economy that is wholly competitive, dynamic, robust and resilient.

# Appendix B

## Malaysian Development Plans

## Habitat for Humanity International

### How Habitat Started

- In 1968, Millard Fuller, businessman and lawyer from Alabama, and Dr. Clarence Jordan, founder of Koinonia Farms in Americus, Georgia, began work to eliminate substandard housing in Sumter County, Georgia.
- Determined not to act as money lender and charge interest when lending to the poor, Koinonia Farms began building and selling houses to the poor at no profit, no interest in 1968.
- Rapid building continues in Sumter County today. A local initiative is underway to eliminate all substandard housing by the year 2000.
- In 1973, Millard and Linda Fuller carried the Koinonia Farms concept to Zaire, Africa, and launched a building program for more than 160 houses.
- When they returned to the United States in 1976, the Fullers settled in Americus, Georgia, and created Habitat for Humanity in order to expand their work.

### Habitat Headquarter

- Located in Americus, Georgia, and has more than 1,000 affiliates across the United States.
- Habitat also operates in 40 countries around the world.
- By early 1994 over 25,000 homes were built worldwide, with 10,000 of them in the United States.

### Other Affiliate Countries

- Argentina, Armenia, Australia, Bolivia, Botswana, Brazil, Burundi
- Canada, Central African Republic, Costa Rica, Dominican Republic, Egypt, EI Salvador, Ethiopia, Fiji, Ghana, Guatamala, Haiti, Honduras, Hungary, India, Indonesia, Jamaica, Kenya,
- Malaysia, Malawi, Mexico, New Zealand, Nicaragua, Nigeria, Pakistan, Papua New Guinea, Peru, Philippines, Poland, Solomon Islands, South Africa, Tanzania, Uganda, United States, Zaire, Zambia.

Sources : HFHI, 2000.

**Site Visit:** Location [Mt.Vernon in Portage, Michigan]
**Date:** Friday [09/14/00]

**Objectives:**

i) Observing the construction of the Fast Built House at Portage
ii) Interviewing the project coordinator [Director of KVHH, Secretary of Homebuilders Association] and the homeowners.

**Information collected:**

i) This project is a joint venture between KVHH and HomeBuilders Association.
ii) This kind of project is usually done once a year fully sponsored by the homebuilders association.
iii) The homeownership has been waiting almost 1 year to go through the regular process to finally purchase this house.
iv) The house value including land is estimated to be $28,000. This 2-storey house is designed based on the 50's house type "Cape Cod". It consists of 2 bedrooms, a kitchen, a living room and a basement.
v) For this project KVHH has to go through normal procedure such as planning permission, building plans approval, neighborhood participation, and certificate of occupancy.
vi) The actual construction took 30hrs and 3 minutes involving constructions worker, volunteers, homebuilder staffs and KVHH staffs.
vii) The house building started from 8.00a.m (Thursday) with a base ground foundation which then includes the building of framing, roofing, plumbing, painting, Trim carpenter, flooring and carpeting, landscaping, house cleaning and final inspection at 1.03p.m (Friday) when the house is finally completed.

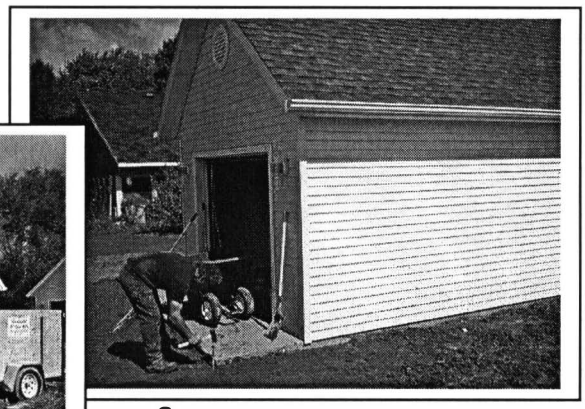
**Photographs:**

1. Showing volunteers from the community helping out with the project.
2. Showing skilled worker working on the garage.
3. Showing workers working on the landscaping.
4. Staffs from KVHH and Homebuilders monitoring and coordinating the project, which is also shown life via Internet.

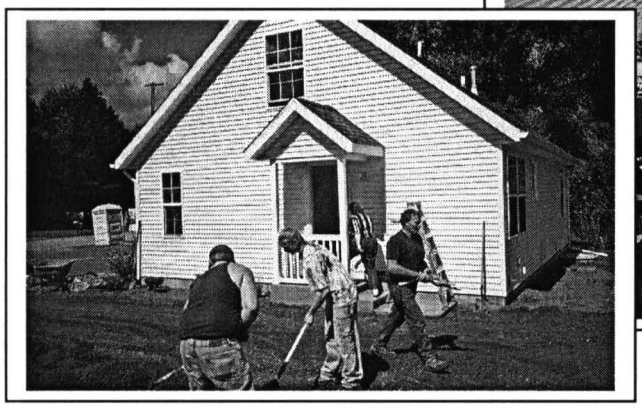
HABITAT FAST BUILT HOUSE DESIGN



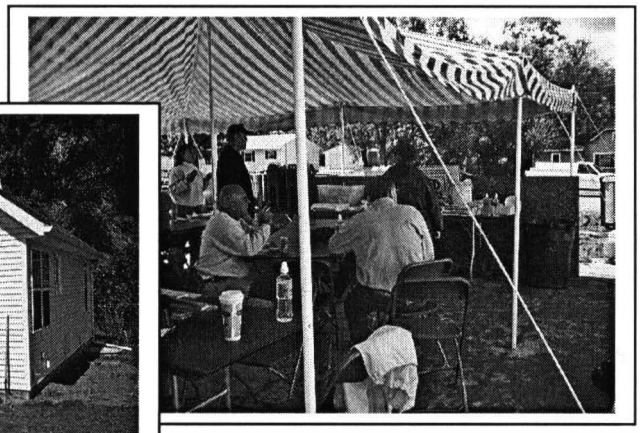
1 Volunteers and Skill workers



2 Side view of Garage



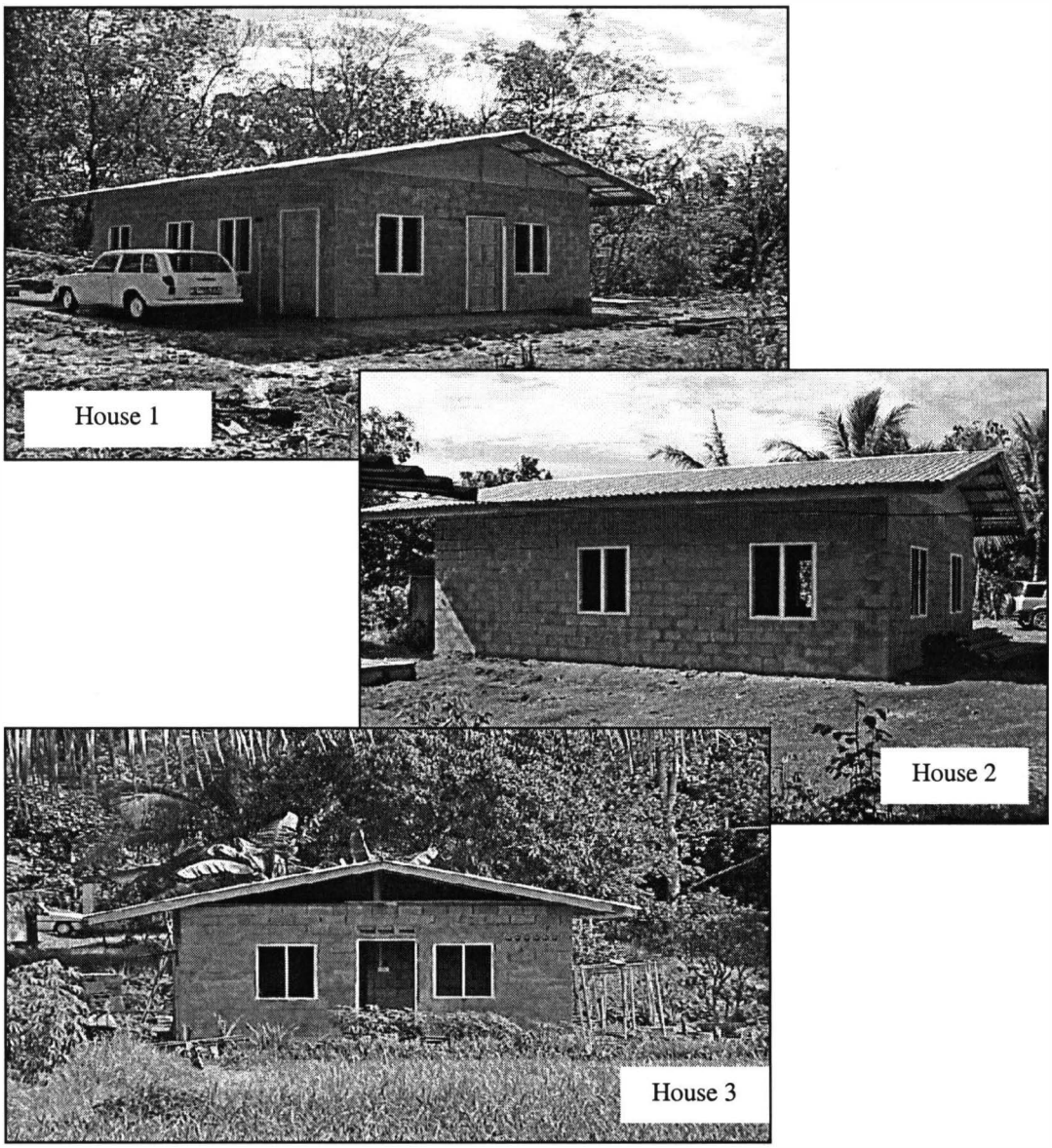
3 Front view of house



4 Spirit of Partnership

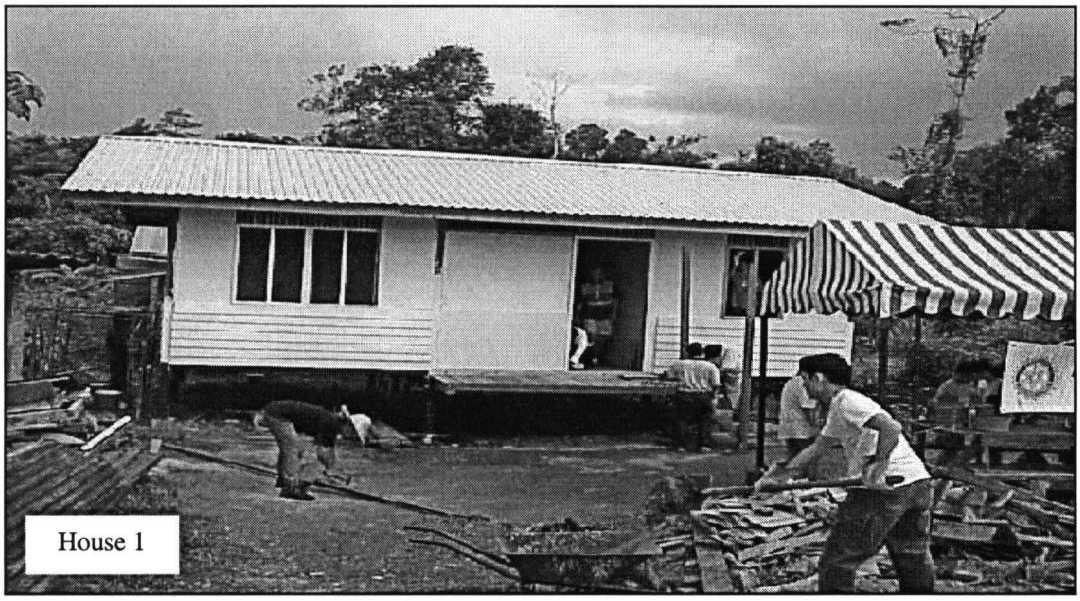
Sources: Site Visit at Mt.Vernon. Portage. September 2000.

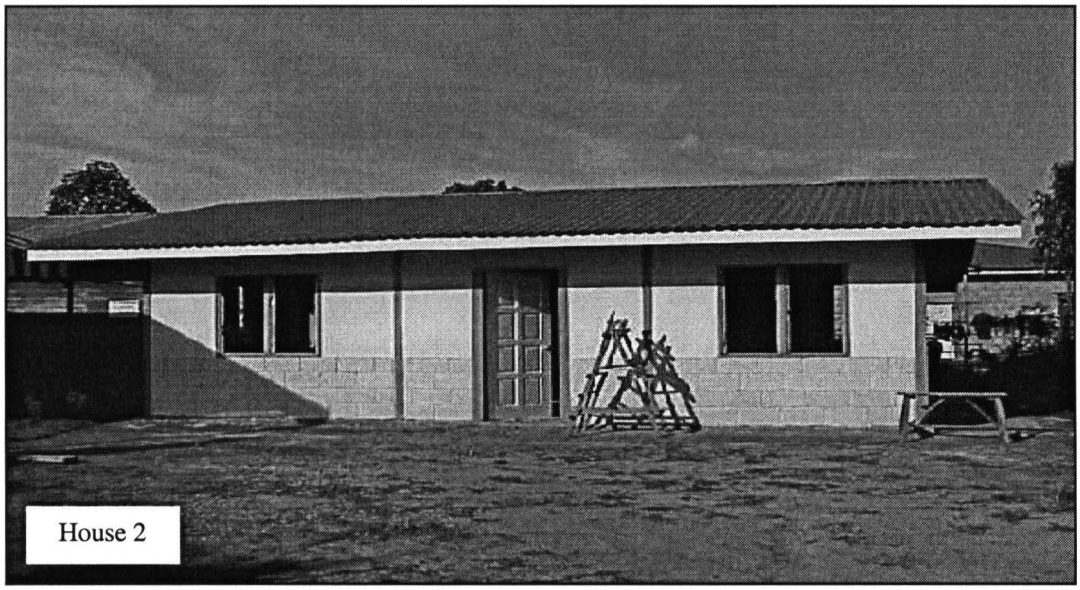
KAMPUNG SIKONG, KUCHING, SARAWAK (JUNE 7-18, 2000)




Sources: Sarawak Habitat for Humanity International. (SHFHI), 2000.

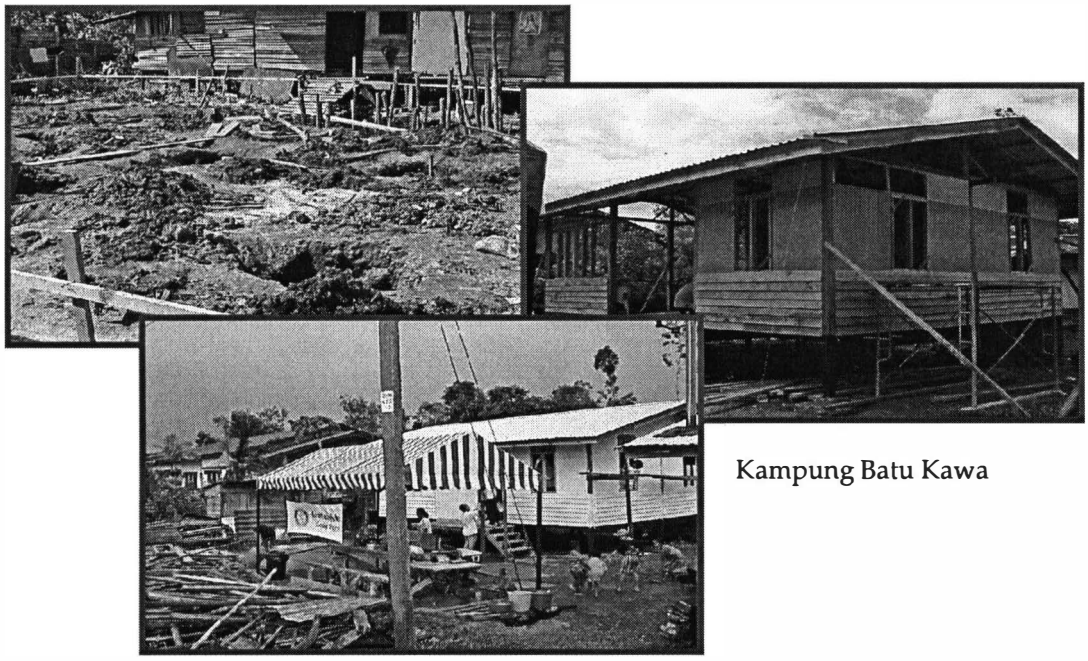
KAMPUNG BATU KAWA, KUCHING, SARAWAK (MAY 17-30, 2000)



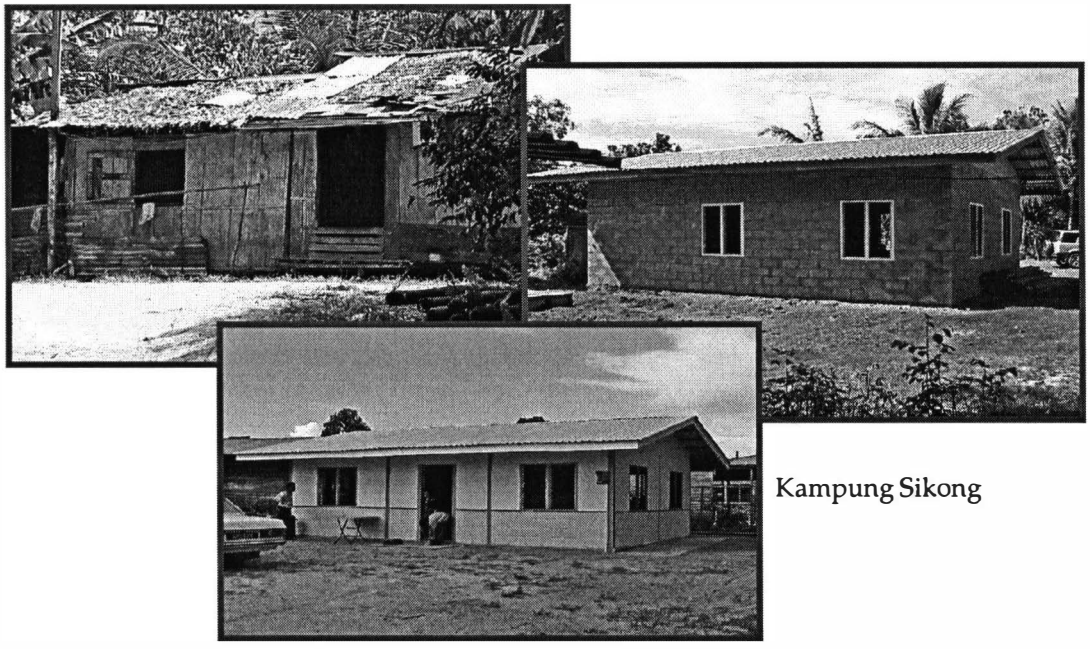




Sources: Sarawak Habitat for Humanity International. (SHFHI), 2000.

SARAWAK HFHI HOUSING PROJECT:
A UNIQUE TRANSFORMATION.



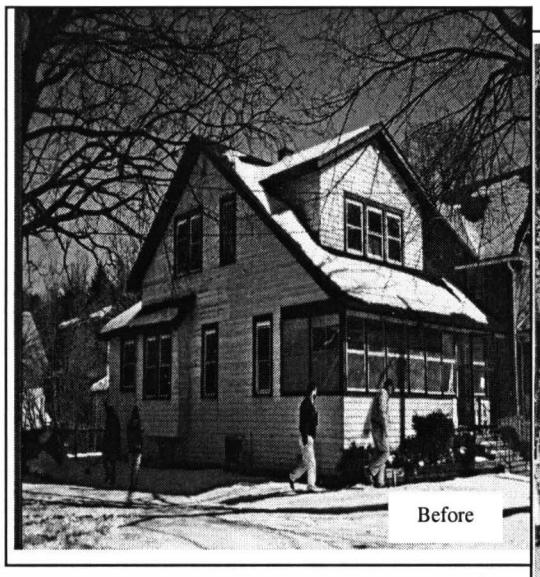
Kampung Batu Kawa

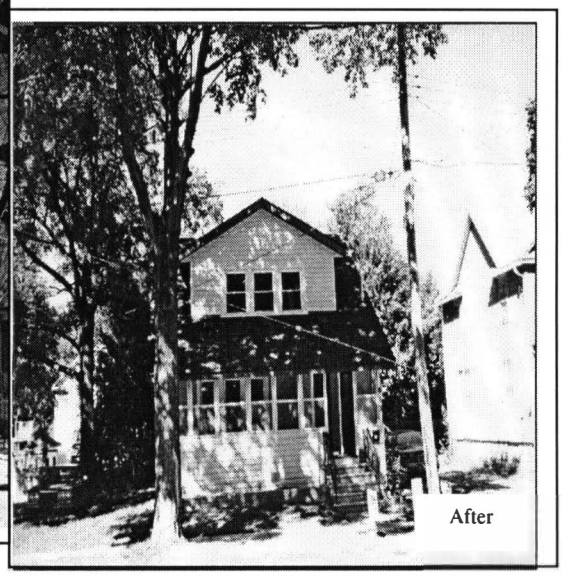


Kampung Sikong

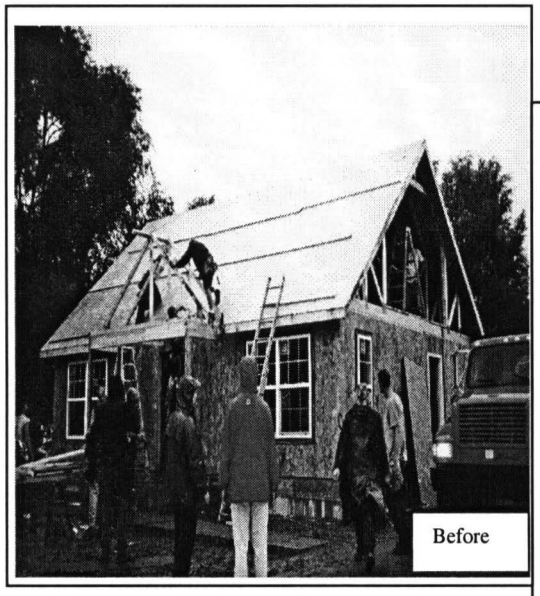
Sources: Sarawak Habitat for Humanity International. (SHFHI), 2000.

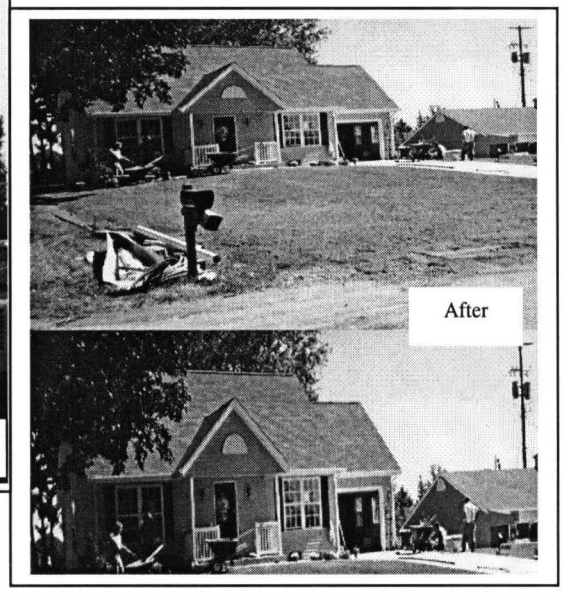
HABITAT FOR HUMANITY, KALAMAZOO




2 story Rehabs House [$47,200]




Cape Cod House [$28,300]

Sources: Kalamazoo Valley Habitat for Humanity. (KVHH), 20001.

# Appendix C

## Malaysian Government Housing Initiative Agencies

## Ministry of Local Government and Housing

- Focus on effective and collective growths of housing industry and emphasize its contribution to social economic development.

## National Housing Department (JPN)

- Focus on effective and collective growths of housing industry and emphasize its contribution to social economic development
- National Housing Department or "Jabatan Perumahan Negara" is a Federal Government under the Ministry of Housing and Local Government.
- Its Mission is to develop a comprehensive and effective housing industry in maximizing the contribution to socio economy and the county.
- The Vision is to structure housing industry in conjunction with the objective to develop prosperous and progressive community.
- The department policy is to establish and provide adequate, affordable, comfortable, convenient housing facilities in line with the vision for a prosperous and progressive community.

## Sabah Housing and Town Development Authority (LPPB)

- LPPB is a State Government Agency under the jurisdiction of the Ministry of Local Government and Housing.
- LPPB is a purpose-driven one-stop organization with the responsibilities of providing low-cost housing and the development of self - contained new townships throughout the State.
- Its mission is to plan, program and implement Sabah's low-cost housing and new township development schemes.
- The objective for providing low-cost housing was to address the acute problem of affordable housing for the low-income earners within the State

## Community Development Division (KEMAS)

- Mainly known as "KEMAS" is a community development program under the federal government .
- Its objective is to initiate plan that focus on kindergarten education, Islamic religious groups, resource center, village vision, community library and caring family program for every state

## Department of Social Welfare Malaysia

- The role and function is to encompass preventive and rehabilitative services and social development addressing social issues that resulted from World War II. Since.
- The vision is to create a caring society that practices a caring culture.
- The objective is to enhance the well being of the dependent and socially maladjusted segments of society through the delivery of protective, rehabilitative and developmental services via community participation.

## Village Development and Security Committee (JKKK)

- The group committee responsible to evaluate the progress implementation of development project in the village.
- Linking government official and citizen representative with village community.
- Building community development spirit

# Appendix D

## Malaysian Low Cost Housing Programs

## Public Low Cost Housing Program (PLCH)

- Mainly known as "Perumahan Awam Kos Rendah Program" is funded through Federal and State government loans.
- Its objectives are to provide adequate housing facilities and homes to lower income group in the rural and suburban area.
- Implemented both by the private and public sector in line with government intention to upgrade the standard of living and eliminate poverty.
- The state government is responsible for site selection, tender and construction of the houses, identify eligible applicants to purchase the houses with household income between RM500-RM750 (US$125-187.5).



- Type of house either Flats (3-5 level) in the urban area or terrace (link) houses and single wooden house in rural area.
- Floor space area of 46 – 56 sq. meters comprising of 2 bedroom, 1 living room, kitchen and bathroom.
- House price not more than RM25,000 per unit with 30 years mortgage payment surplus (5.5% ) interest rate.

## Site and Services Scheme (SSS)

- Known as "Program Skim Pertapakan dan Kemudahan" was introduced by the government as part of the low cost housing project.
- It is to provide housing facilities and infrastructure for rural communities who cannot afford to purchase the PLCH (PAKR) low-cost housing.
- The planning and implementation of this scheme is managed by State government. Majority of the State has implemented this scheme including the State of Sabah and Sarawak.
- Eligible only for people with household income between RM300-RM600 (US$75-150).



- Provides only the basic house needs with a floor space of 241.7 sq. meters and sale cost price between RM7,500 - RM13,000 (US$1,875– 3,250).
- The house can then be extended by homeowners if required.

## Housing Loan Scheme (HLS)

- Introduced in conduction with the lower-income housing loan scheme commonly known as "Skim Pinjaman Perumahan" scheme.
- Provide housing loans for lower income people to build their own homes.
- The amount of the loan is RM7,500 (US$1,875) with no interest only for a construction of new house that cost not less than RM20,000 (US$5,000).
- The criteria for such scheme includes:
  - Household income monthly income less than RM700 (US$175);
  - own a land (rural resident, new villages, plantation resident and squatters) ;
  - Malaysian citizen age 18-48 years old;
  - mortgage loan payment is between 5-20 years with no interest.

## Poor Citizen Development Program (PPRT)

- PPRT or "Program Pembangunan Rakyat Termiskin" is coordinated under the Ministry of Rural Development.
- Implemented during the Seven Malaysian Plan to reduce poverty rate.
- The government has successfully achieved to reduce the poverty rate from 53 percent in 1970 to 5.5 percent now.
- Development program includes initiating housing project such as provide funding to construct housing and infrastructure to poor and homeless.
- Category as poor/destitute family with household income less than RM405.00 a month.
- The houses are rented to eligible household for only $100 per month.

## People Housing Program (PPR)

- PPR or "Program Perumahan Raykat" is a government housing program.
- Houses are being built for renting to the low income group who could not afford to buy houses of their own at a monthly rate of RM110.
- Initially, the PPR project was categorized as a low cost housing project.
- It reflect the central government's concerned for those who have yet to own a dream house, and at the same time gradually eliminate the squatter problem in the State, and the country as a whole.

## People Tranquility Program (PKR)

- PKR or "Program Kesejahteraan Raykat" is the extension of PPRT Program, will be implemented during the Eight Malaysian Plans.
- The purpose of PKR is to upgrade the standard of economy for the lower income groups.
- The approach is to help the lower income group become more adaptable rather than relying on government support.

## Others Low Cost Housing Program

- Private sectors are also encouraged to build low-cost housing where developers are required to provide 30 percent low-cost houses in new housing project. This provision needs to be complied by in order to meet the demand for low-cost housing.
- Every local authority will enforce this condition in approving a layout plan.

Appendix E

United State
Community and Housing Initiative Agencies

## Kalamazoo , Michigan Community Agencies

- Michigan Neighborhood Partnership, Detroit, MI
- Michigan Coalition Against homelessness, Lansing, MI
- Edison Neighborhood Association, Kalamazoo, MI
- Local Initiatives Support Corporation, Kalamazoo, MI
- Portage Community Outreach Center, Portage, MI

## AmeriCorps* NCCC

- The Corporation focuses on four objectives: Getting things done with results-oriented projects; strengthening community spirit; encouraging responsibility among residents and expanding economic opportunities.
- The selection of service projects (which includes development of affordable housing and community organizing/education) and CDC sites are driven by local need.
- Provide extensive training and an entry-level opportunity, the program expands the pool of trained and committed professionals in community development.
- Assisting in the development of affordable housing; offering first-time home ownership education and counseling; and helping those in need locate and secure affordable housing.

## National Equity Fund (NEF)

- An affiliate of Local Initiatives Support Corporation (LISC), the nation's largest nonprofit syndicator of low-income housing tax credits.
- Provides equity and asset management services to tax-credit-financed low-income housing developments.

## Community Development Corporations (Cdcs)

- The best vehicles to achieve lasting and positive community change for the benefit of low and moderate income people.
- These groups are accountable to local residents and engage in a wide range of physical, economic and human development activities.

## Local Initiatives Support Corporation's (LISC)

- Its mission is to assist community development corporations (CDCs) in their efforts to transform distressed neighborhoods into healthy communities.
- Administering private sector resources and extending financial and technical support to CDCs in the development of affordable housing.
- Provide direct assistance to individual CDCs, improve local community development, strengthen national support for community development and enhance the visibility and credibility of neighborhood-based.

## Community Development Tax Credit Coalition(CDTCC)

- Is the nation wide association of local, regional, and national organizations.
- Its role is to promote and practice economic development in economically disadvantaged urban and rural communities.

## Low Income Housing Tax Credit (LIHTC)

- The most important resource for creating affordable housing in the United States. Created by the Tax Reform Act of 1986, the LIHTC program has been recently amended giving the States a budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.
- The credits can be used by property owners to offset taxes on other income, and are generally sold to outside investors to raise initial development funds for a project.

## Community Renewal Tax Relief Act of 2000

- **Is** a major community development investment package
- The package includes two top community development priorities
  - the creation of New Markets Tax Credits to stimulate $15 billion in equity investments for community-sponsored economic development
  - the 40% expansion and targeting of Low Income Housing Tax Credits.
- Valuable for community-sponsored economic development as the Low Income Housing Tax Credit has been for rental housing development.

# Appendix F

## Questionnaires

Questionnaire:
**Rating scale:** (1) strongly agree; (2) slightly agree; (3)neutral; (4) slightly disagree; (5) strongly disagree

1. Is your department aware of the Habitat for Humanity program? Circle one: Yes/No _____. If Yes, how does your department feel about such program? Please specify reasons:

   _____
   _____
   _____
   _____

2. Does your department feel that such program would benefit the government?
   Please give rating * (1 – 5). _____

3. Does your department feel that such program can help solve the housing needs for the low-income community in Kuching, Sarawak/Kota Kinabalu, Sabah?
   Please give rating * (1 – 5). _____

4. Should or will your department support such program if the HFHI Malaysia objective should be more rationalized in general?
   Yes/No
   If Yes, please give rating * (1 - 5). _____
   If No, please Go to #6

5. If your department can support this program, what level of contribution can your department provide for HFH, Malaysia?
   Please specify:

   _____
   _____
   _____
   _____

6. What is your department mission and objectives in solving housing problems in Kuching, Sarawak/Kota Kinabalu and Sabah?

   _____

7. Does your department feel that SHFH, Malaysia's mission is in line with your mission statement?
   Please give rating * (1 – 5). _____

8. How would your department describe the habitat project that has been implemented in Kuching, Sarawak/Kota Kinabalu and Sabah?
   Circle one: Good / Fair / Bad / Don't know

9. Does your department regard that HFH will successfully contribute to help solving the housing needs in Kuching, Sarawak/Kota Kinabalu and Sabah?
   Circle one: Yes / No
   If Yes why? Please specify:
   _____
   _____
   _____
   _____

Appendix G

List of Informal Questions:
Interviewing Sabah Housing Town Development Authority

1. Role of SHTDA and its function in providing housing? SHTDA low-cost housing program and guideline? Funding, government incentives? Objective indicator for low-cost housing? Housing policies?

2. State government housing provision according to the need of the communities? Supply and demand of low-cost housing?

3. Do you think housing is the most serious problem in Sabah? Comparing to last 5 years? Housing problems and issues? Squatters Vs in-migration? Land problem?

4. Land availability? What is the % of vacant land and % of land ownership. What is the homeownership rate? Low/high. What are the Land customary problems? Barrier/Constraint.

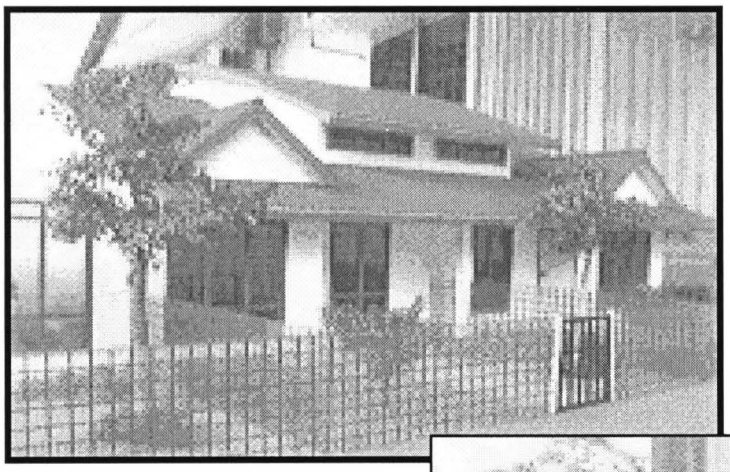
5. Current approach? Any kind of community-based type housing program? Example of private (developer/builders) and public (local community) program? Who is responsible? Community support? Participating agencies?

6. Cultural value, needs and aspirations of low income community in Sabah? Potential use of existing resources? What is the practical house type and design to satisfy the community needs?

# Appendix H

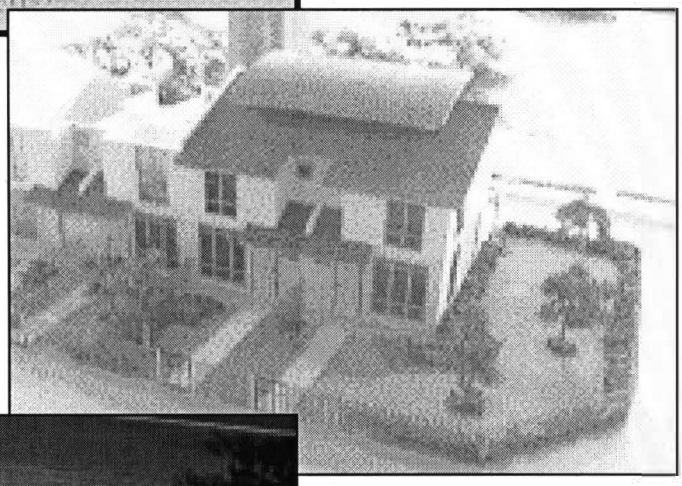
## House Type and Design

PROPOSED QUALITY LOW-COST HOUSING MODEL



Model 1:
Single story-Terrace house. Aesthetically appealing, 650 sq. ft 3 bedroom, 2 toilets Estimated construction cost [RM14,500]

Model 2 :
2 story- terrace house. 690 sq. ft, 3-bedroom, 2 toilets. Estimated construction cost [RM16,100]

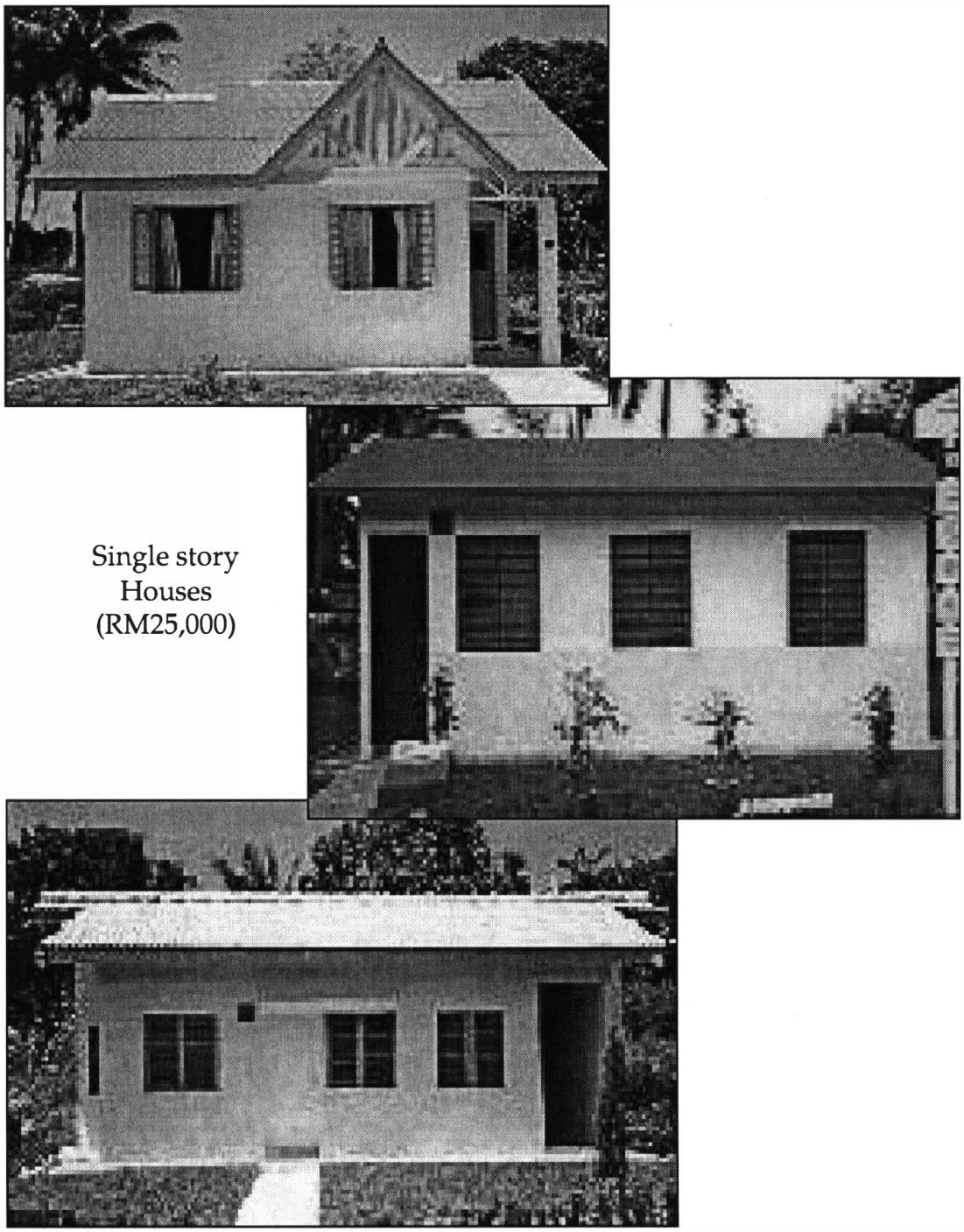





Model 3:
5-story walk-up apartment. A comfortable 650 sq. ft, 3 bedroom, 2 toilets . Estimated construction cost [RM15,800]

Sources: Housing Research Center (UPM, 2001).

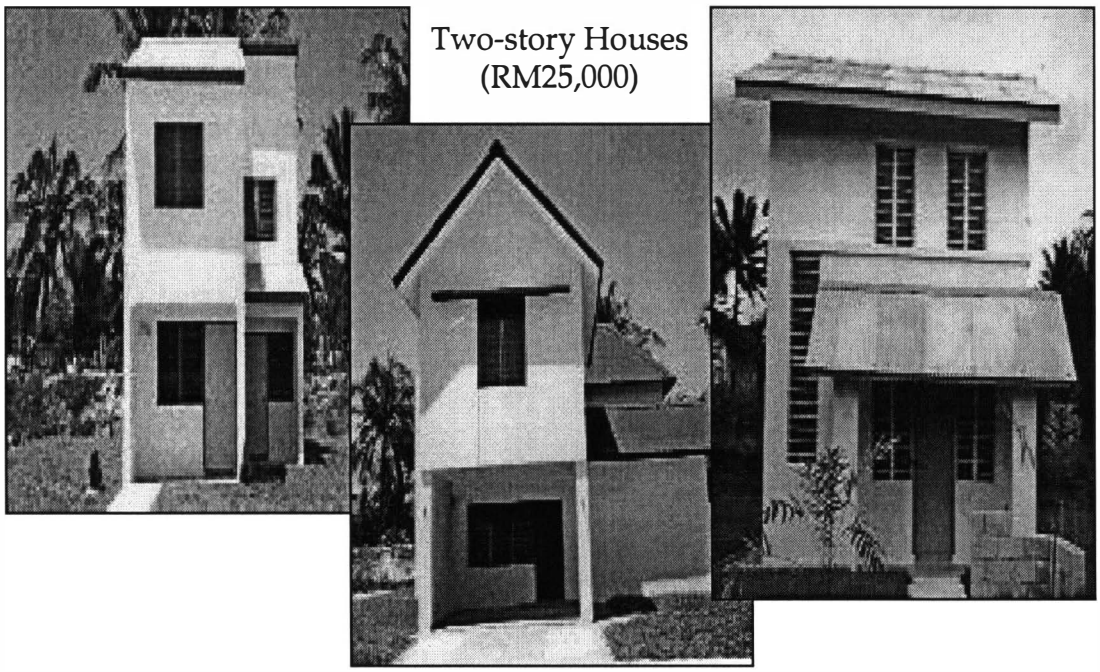
CONTEMPORARY DESIGN LOW-COST HOUSING

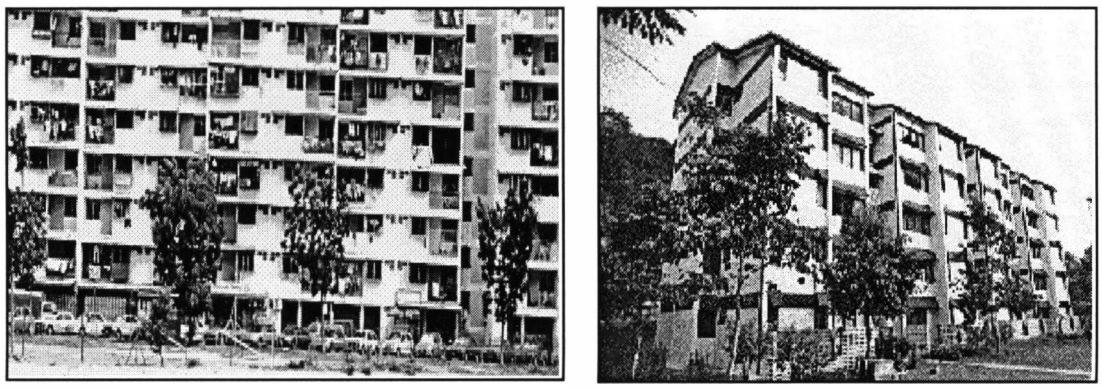


Single story
Houses
(RM25,000)

Sources: National Housing Department (NHD, 2001).

CONTEMPORARY DESIGN LOW-COST HOUSING

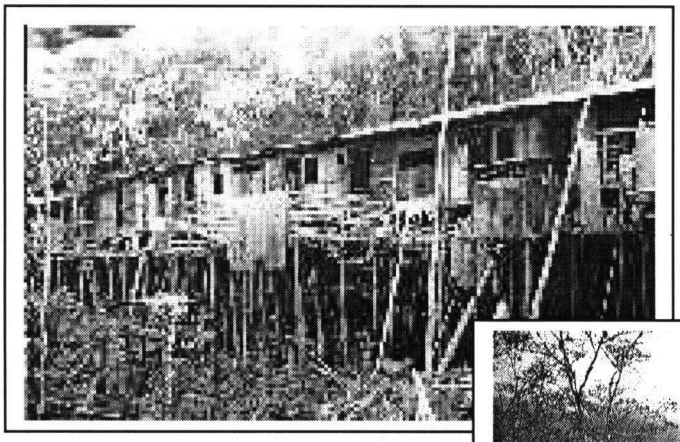


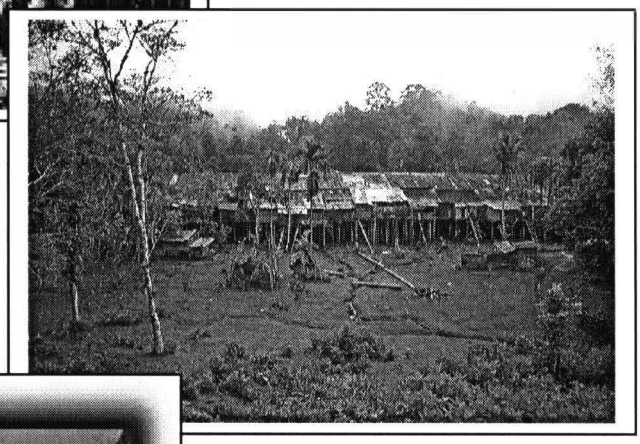
High rise Flats/apartments

Sources: National Housing Department (NHD, 2001).

TRADITIONAL MALAYSIAN HOUSING

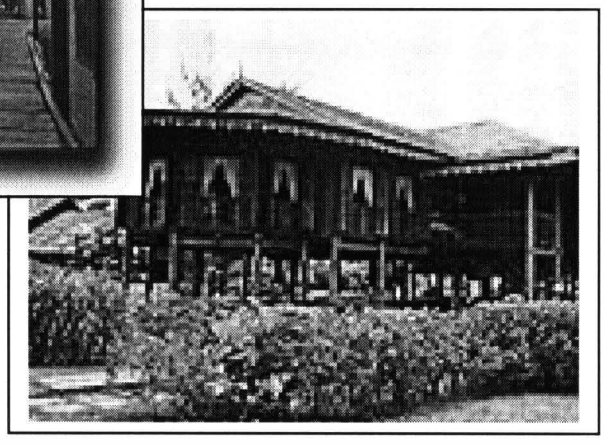


Longhouses



Semi-traditional
(Rumah Tiang Enam)





Malay House

Sources: NHD; & Sabah Tourism, 2001.

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