

NAHRO IN CHINA

A Delegate's Journal

BY LISA BAKER

In September of 2005, I was fortunate enough to be part of NAHRO's delegation to China. This was arranged through NAHRO's International Committee as part of its ongoing work with other countries on housing and community development issues. We were on a mission to find out about similarities and differences between issues in the U.S. and in China and to find the places where we might work together and learn from each other. NAHRO has been actively engaged with other countries on joint issues, most notably with Great Britain and Canada, but also recently with Israel. (See the Sept./Oct. 2005 issue of the *Journal of Housing and Community Development* for coverage of the Israel trip).

Given China's emerging place in the world economy, the size of its population and land mass, as well as its ever more intense use of the world's resources as it moves towards modernization, it is a natural choice for NAHRO to learn about how it provides housing and

NAHRO's delegation to China (including author Lisa Baker, back row, sixth from the right) benefited from the hospitality and knowledge of several local guides.



community development programs for its citizens. We can, as well, share information on construction technologies that may perhaps help with global resource sharing.

It's estimated that China currently uses about 40% of the world's cement and concrete, and 54% of steel used in construction and other commodities. These all have price and availability implications for the work we do in our own communities. This is especially true in New Orleans and other communities hit by hurricanes Katrina and Rita as they attempt to rebuild. But even non disaster-related construction is impacted by global availability of materials. In one California-based project in which I am involved, a

32-unit project for low-income families, price increases have forced a change from green sustainable materials to less costly ones; they have also increased the funding gap after the initial deal was already completed, but before construction could begin.

The Trip

September 9 and 10, 2005

On the Tokyo leg of the flight, while browsing a copy of the *Nikkei Weekly*, I find an article about pollution in the Chinese western provinces brought about by rapid industrialization without safeguards. The article states that the local government response is to

but not to impose emissions restrictions on the factory. This makes me wonder: how does China view the community development notion of green development and sustainability? What are the checks and balances between development and environmental protection?

After 26 hours I finally arrive in Beijing. The air outside looks like pictures of Los Angeles in 1968.



Tourists take in the sights at the Heavenly Gate, which is the entrance to the Forbidden City from Tiananmen Square.

It's brown and thick, and you can already smell it seeping into the airplane cabin. The climate is hot, humid and muggy. There are a lot of people out and about, even at 9:30 p.m. Beijing appears to be an interesting mix of new and old, high-rise and low-rise buildings and many public spaces. The streets and sidewalks are very clean, with very little litter—certainly a lot less than in California or other urban parts of the U.S. The downtown, with its wide boulevards and street lighting, reminds me a little of Mexico City.

September 11, 2005

Today's tour of Beijing emphasized its history. We visited Tiananmen Square and the Forbidden City, which was the governmental headquarters for China under the last dynasty before the Revolution. The City's cultural sites are thronged with tourists, both local and foreign. Most of the areas that are popular with foreign tourists sport signs in

the volume of tourists and entrance fees make these sites great attractions from an economic development perspective, most of them are currently stand-alone, and don't seem to use the area as a nexus for commercial development. There are some small vendors, but no large shopping, eating, or hotel complexes nearby. The type of master planning that takes place

in many of our U.S. cities just seems to be getting started in China.

September 12, 2005

This morning we visited an area known as the Hutongs, an area near the river behind the Forbidden City which is being preserved and rebuilt because of tourism. This is original housing for government workers from the Forbidden City, which is now used as regular housing. Renting a unit in this area is as expensive as other parts of central Beijing, but the homes don't have personal bathrooms. Instead, there are communal baths for each block.

Beijing and most of the cities have ring roads, similar to the Beltway in Washington, D.C. Living inside the first ring is very expensive—units are small and public transportation is very good. Out past the third ring, units are larger and less expensive, but there is limited transportation.

Today we had lunch in a government-owned housing unit. In tradi-

courtyards. The one we visited had seven families of 3 to 4 persons each, or approximately 21–28 people living around a courtyard. Unlike other units in Beijing, it is low-rise, cooler and has more trees.

One of the first things that struck me was how small the area was by U.S. standards and how little personal space is required to maintain a comfortable lifestyle. Chinese housing officials handed out an interesting statistic: the average person needs 24.8 square meters of space in China, 40 square meters in Europe and 60 square meters in the United States. Officials estimate that, in China, the figures will rise to an average of 35 square meters within the next ten years.

The unit we visited was approximately 645 square feet (60 square meters) with two bedrooms and a living room. The kitchen is in a separate small structure to the side of the house. The arrangement around the central courtyard makes the living space seem larger and adds privacy to the area, a difficult commodity to come by in a city as large as Beijing. The family is an elderly husband and wife, who pay approximately 3,000 yuan (approximately \$373) per month as rent. They have prepared a lunch for us and have squeezed tables into the living room. After we all crowded in, there wasn't too much space for anything else, but the crowd was lively, the couple was gracious and food was fit to die for. No matter where you go, there's nothing like a home-cooked meal.

In the afternoon, we met at the offices of the China Center for Housing Industrialization. After we are introduced to the Vice-Chairman and several officials, we watch a very well-done presentation regarding growth in the country, and are presented with information regarding housing supply and demand.

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A view of the top of

as well as housing financing.

Currently, China suffers from a housing shortage, and prices continue to rise throughout the country. Chinese residents save in order to buy a second house because it is considered a better investment than savings accounts. In 2004, there were sales of 5 million property units within the country and 1.3 billion square meters of housing was constructed. Housing is financed through a combination of government and personal investment, while mortgages are just beginning to gain ground within the country.

There are many differences between the Chinese and U.S. housing situations. In Chinese urban areas, over 80 percent of people own their own home; homeownership in the country is at around 100 percent. The government provides help with homeownership or rental, as well as income payments to those who are elderly or disabled. Instead of individual subsidy payments or down payment assistance, the government provides its subsidy for construction. Because the government owns the underlying land, homeownership is on a land lease. Those who rent are generally students, white-collar employees with transient jobs (such as consultants) and foreigners who are working in the country.

There are similarities as well, though. One person remarked that the Chinese dream is a house and a car—goals that don't seem so dif-

ferent from those of U.S. residents. Despite differences in government and economy, China has many of the same housing issues as the U.S., including homelessness and finding the balance between growing the economy and having affordable options available for households. In addition, there is the sheer number of persons and a very real difference in opportunity and housing in the country as opposed to in the cities.

We share information with them regarding how subsidies and assistance are structured in the United States and about NAHRO's mission. While our hosts are cautious, we agree that we are able to learn each from the other and there is interest in having a Chinese delegation come to the United States and be hosted by NAHRO.

Finally, it is time to go to the banquet. In China, banquets have a very important function and a protocol all their own. We do our best to understand the customs; no major rules are broken and everyone learns a little bit more. As a result, two of us are invited to attend a round of unscheduled meetings in Hangzhou, while the rest of us go on to Xi'an.

September 13, 2005

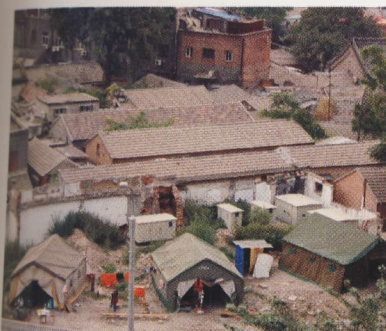
Today's bus tour of Beijing took us to both residential and commercial properties, and allowed us to examine the differences in first-, second- and third-ring housing. Though the residences are almost uniformly

dense high-rises, big parks and open space help keep the areas from seeming overbuilt. The inner ring seems to have easy access to open space, transportation and jobs, whereas the outer rings seem to require more reliance on cars and provide less access to walkable shopping and to jobs. It is very reminiscent of the difference between urban and suburban spaces in the U.S. in that living in the third ring and having a job in the city would be almost impossible without a car. Car ownership appears to be on the rise.

Throughout our visit, we learned even more about Chinese society from an English-language newspaper. Though the reporting isn't the same as news coverage in Europe or the United States, it is far from being a single voice. From the editorial pages, we learn that the old system of caring for the elderly within the family is at risk due to out-migration, the success of the one-child policy and longer life spans. There are not enough elder care or nursing facility beds. Housing, affordability, land use issues and other familiar topics are also covered.

September 14, 2005

Today's schedule includes what is arguably one of mankind's biggest public works projects: the Great Wall of China. We will also look at a government factory store—one of the government's big employment projects and an attractor of tourism dollars. On the bus trip, we drive



A view of the construction area, as seen from the top of Beijing's Drum Tower.



Rickshaws and bicycles are the only wheeled vehicles that can navigate the narrower streets and alleys.



A high-rise residential project in Beijing.

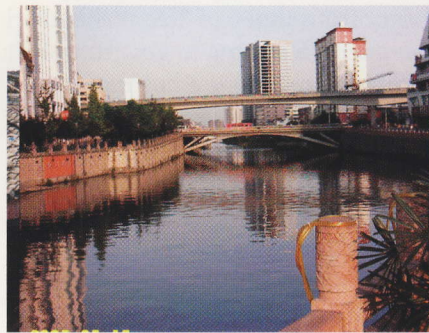
NAHRO's delegation to China consisted of:

Lisa A. Baker, Tara Balfe Clifford, Richard Herrington, Jr., Larry A. Loyd, Montez C. Martin, Jr., Raymond P. Murphy, Jr., W. James Rice, Steven D. Rudman, Mary Sweeney, Ed Talbot and Annette G. van Hilst.

through a very clean and tidy countryside. Villages appear to be well laid out and the families are engaged in agriculture. The fields, which belong to small family farms instead of large agribusiness projects, are tidy and productive. As we drive through the country, I am struck by how much this part of China looks like some of the farms in Northern California.

The Great Wall was originally several walls built by different kings. Once China's first emperor conquered all the kingdoms and unified China in 2,000 b.c.e., he spent the next decade consolidating the walls into a single one. It meanders like a large sleepy serpent along the hills and mountains, with guard towers posted along the way. This particular area outside of Beijing boasts the best preserved section of the wall. Here, I caught the first glimpse of a shopping and entertainment nexus next to a cultural monument. It is also the home of the Great Wall Starbucks, which we drive past on our way to the bus parking lot.

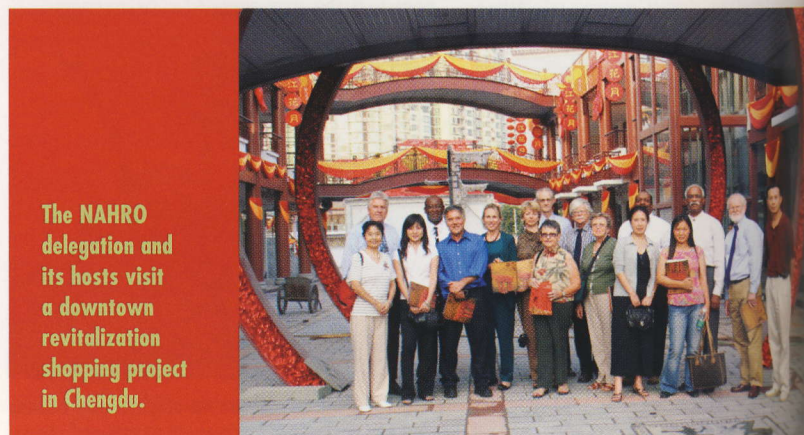
The wall itself is wide enough to march an army across. Today it is thronged with an army of tourists and small vendors. I get my second look at the globalization phenomenon about half way along the wall, when I stop to help two elderly women who are trying to load film into their camera. Suddenly it dawns on me that I am an American in China, standing on the Great Wall,



A river runs through downtown Chengdu.

speaking Spanish and helping two women from Argentina load film into their Japanese camera. We all laugh and I continue on my way.

The Chinese government operates a variety of government factory stores as a way of promoting the arts, providing jobs and trading goods for foreign currency. These factory stores are scattered throughout the country and offer jade, pearls, silk, lacquer, inlay, replicas of the Terra Cotta warriors, painting and other traditional Chinese arts. Many of them appear to be located in low-income areas that need employment opportunities. According to an article in the *Los Angeles Times*, such jobs are highly valued in China because they offer good wages, benefits and steady work. This particular enterprise is a jade carving factory. The tour begins with a discussion of jade and its qualities, how the stone is processed and how to distinguish jade from imitations; it ends at a showroom



The NAHRO delegation and its hosts visit a downtown revitalization shopping project in Chengdu.



The stores in this outdoor shopping mall in Chengdu include many European and American name brands.

where we can purchase items.

In the afternoon, we visit a local village and eat lunch with the local government official at his home. The home is arranged around a quadrangle courtyard; this particular one has a kitchen vegetable garden in the center. There are rooms for sleeping that are used by crew during the harvest season and are rented out at other times. Lunch is very good; the food is simple, very fresh and with a lot of vegetables. The wife presents a plate of preserved eggs as a special treat. I eat one to show respect, but it is pretty hard to get my mouth to accept an egg whose white is now translucent brown, while the yolk is green. I think about Dr. Seuss' *Green Eggs and Ham*, close my eyes and bite. It's not bad.

September 15, 2005

We woke at 5:00 a.m. for a 5:40 a.m. flight to Xi'an to view housing and commercial developments. We



The government official for lunch also provided...

head out to the airport. Our flight is delayed. Xi'an has been a capital of China since prehistoric times. It can track its rise through bronze and iron. Currently famous as the home of the Terra Cotta warriors, it is a strangely industrial city to many high tech jobs, as well as a space program. It is the capital of China until Beijing. After Beijing, Xi'an was a military base of the country. A business and technology center. Xi'an has eight million people. The area itself was one of the irrigation empires of China. During the Tang times. During the Ming it is said that the area supported over one million people. Today, it is a city of seven million.

September 16, 2005

Today we have the chance to look at the economic changes brought about by Xi'an's resources, especially the Terra Cotta Warriors. The government has built a complex that covers the warriors, who are situated, and additional artifacts. The museums are in the Tang style, which was for China, known for prosperity. The war



Shopping mall in Chengdu with American name brands.



The government official who hosted the delegation to the beach also provided a T'ai C'hi demonstration.



This large outdoor plaza, built for Chengdu residents, is very popular in the evenings.



This entrance to the stone garden of a Ming dynasty prince is now a public garden and historic area.

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head out to the airport only to find
our flight is delayed until 10:00 a.m.
Xi'an has been a main center in
China since prehistoric times. You
can track its rise from stone age,
through bronze age to the iron age.
Currently famous to tourists as the
home of the Terra Cotta warriors, it
is a strangely industrial town, home
to many high tech and manufactur-
ing jobs, as well as to the country's
space program. It was the original
capital of China until its move to
Beijing. After Beijing became the
capital, Xi'an was still the main mil-
itary base of the country. It is now
a business and technology center.
Xi'an has eight rivers and the
area itself was one of the original
irrigation empires in prehistoric
times. During the T'ang dynasty,
it is said that the area was able to
support over one million people.
Today, it is a city of approximately
seven million.

September 16, 2005

Today we have the opportunity to
look at the economic opportunities
brought about by Xi'an's cultural
resources, especially the discovery
of the Terra Cotta Warriors. The
government has built a museum
complex that covers access to the
warriors, who are still buried in
tomb, and additional museums for
artifacts.

The museums are built in the
Tang style, which was a golden age
for China, known for its peace and
prosperity. The warriors were an

army built for China's first emperor,
the same one who unified the coun-
try and the Great Wall; they are
guardians of what is supposed to be
his tomb. Every soldier has a differ-
ent face and expression. The preser-
vation efforts and obvious care that
is taken with the site is inspiring.

The museum and gardens are
big, modern, clean and very nice.
However, although there are shops

within the museum complex, there
doesn't seem to be a large shopping
entertainment venue or nexus that
uses the museum for additional
economic advantage.

September 17, 2005

Off to the airport and on to
Chengdu, capital of Schezuan
province, for meetings with
officials and official tours.

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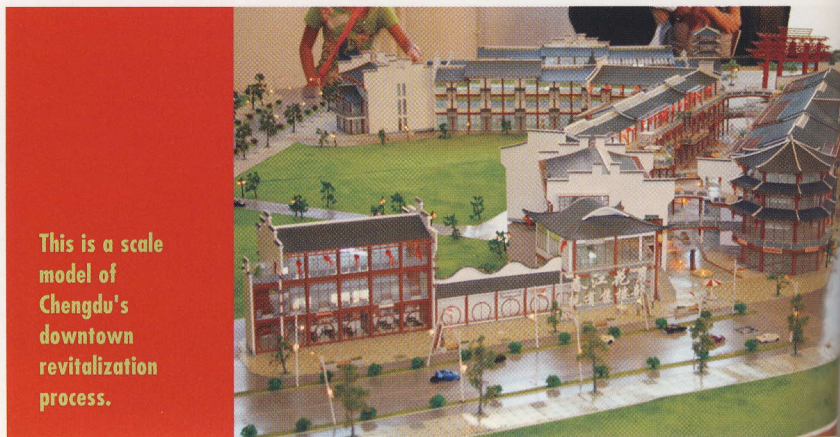
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The meeting was very informative. They provided a PowerPoint presentation regarding Chengdu, which is one of the top 15 largest cities in China. It has been the capital of Schezuan for about 2,300 years, and is notable as the "home-town" of the giant panda. According to officials, housing is the region's main economic driver—Chengdu ranks fifth in the country in housing investment. However, they are also looking to diversify and broaden the city's opportunities. In the last year officials opened a computer production base in the city. They are active in the Sister City program—Phoenix, Ariz. is their sister city—and are also interested in historic preservation and in working to rebuild the old portion of the city.

Despite their progress, the officials cited four areas in which they believe that the city needs to improve. These include: adjusting production of some industries, relocating some industries, adjusting occupation of the land and making good use of limited land available. These issues are felt in the real context of housing, infrastructure and environment.

Because it is an old city, Chengdu has a large amount of aged and dangerous housing in areas that lack infrastructure and amenities. Increased car ownership and use has led to a great amount of gridlock. Finally, there is the heavy population load, which results in residential areas right



This is a scale model of Chengdu's downtown revitalization process.

next to heavy industry. Most industry has not been regulated for environmental constraints, and this has led to pollution that impacts the general population.

In 2002, the city decided to rebuild four million square meters of housing. This includes the issues of relocation, affordable housing for persons of limited means and historic preservation. By 2005, officials say, they had achieved much of the construction.

Another project was the reclamation of the river east of the city, which had become very polluted. It was a location of housing for the very poor and for industry and industrial run-off. The government partnered with a French multinational firm to clean the river and surrounding area. Households were relocated and many industries were required to move and to control discharge. The result over the last ten years has been the reclamation of the river, creation of a large open

space park area and new housing.

After the meeting, we visited the historic district undergoing renovation and the reclaimed waterfront. Everywhere, we see the Chinese character for demolition on the walls. The majority of the units in the area are now vacant. New housing is being constructed in the old style, by hand, using traditional techniques. At one location, we were able to see the staging area where logs are shaped into joists and p and beam components. There seems to be a notion that historic preservation consists of rebuilding in the same style, but not necessarily in saving the original components.

The park at the waterfront is an amazing example of a large-scale reclamation project. Everything has a newness about it. The trees are not yet mature, but you can see how they will grow in. The new housing sits on the edge of the open space. Like most of the



A new shopping complex under construction.



A sewer line installation in one of Chengdu's historic preservation areas.



Chengdu is also the hometown of the giant panda.

country's housing high-rise concrete construction. So far, the housing does not. We ask questions about relocation and money for the low-income used to live there to find out whether they will have to occupy the re-

September 18,

Sunday, September Chinese holiday: Day or the Autumn also, apparently, time to be married was taking place of the restaur had lunch. Though one side, the bride were determined happiness with e their way to our t look very official a toast on behalf of

We then took a city's commercial buildings. Both se mainly of concrete rise construction. open to showing u even those still un Whenever we wan closer look, manag happy to explain t quick to give us pr rials. In one case, took time to speak describe the projec

One of the inter learned was the dif a finished, occupan China versus in the a unit ready for occ have wall finishes, kitchen and bath ap ing/air conditioning This is all considere to be completed by In China, there is a devoted to finishing occupancy—from to



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country's housing stock, it is dense
dense concrete and steel con-
struction. So far, the majority of
housing does not look occupied.
ask questions regarding the
relocation and replacement housing
for the low-income families that
need to live there, but are unable
to find out where they live now or
when they will have first opportunity
to occupy the replacement housing.

September 18, 2005

Monday, September 18 was a major
Chinese holiday: Family Unification
Day or the Autumn Festival. It is
traditionally an auspicious
time to be married. A wedding
was taking place in the main sec-
tion of the restaurant in which we
had lunch. Though we were off to
the side, the bride and groom
were determined to share their
happiness with everyone and made
their way to our table. We tried to
look very official and gave them a
toast on behalf of NAHRO.

We then took a bus tour of the
city's commercial and residential
buildings. Both seem comprised
mainly of concrete and steel high
rise construction. People were very
open to showing us their projects,
even those still under construction.
Whenever we wanted to have a
closer look, management was
happy to explain their project and
quick to give us promotional mate-
rials. In one case, the head architect
took time to speak with us and
describe the project.

One of the interesting things we
learned was the difference between
a finished, occupancy-ready unit in
China versus in the U.S. In China,
a unit ready for occupancy will not
have wall finishes, floor coverings,
kitchen and bath appliances, heat-
ing/air conditioning or cabinets.
This is all considered finish work,
to be completed by the homeowner.
In China, there is a whole industry
devoted to finishing a unit for
occupancy—from toilet installation

to window treatments and every-
thing in between!

September 19, 2005

Another early morning as we head-
ed back to Beijing. Since we'd gone
through about half the country,
the flight was fairly long. But we
did arrive in time to visit a special
commercial improvement area,
tour a traditional garden and
witness a Chinese tea ceremony.

September 20, 2005

This was our one free day. After
all these days of eating local and
traditional foods, we finally relent-
ed, and breakfasted at the largest
McDonald's in Beijing. It tastes
exactly like McDonald's in the U.S.
After that, we shop at an outdoor
street that has been converted to
a pedestrian mall.

The notion that things are chang-
ing almost daily in China is keenly
felt here. And it's not just the signs
for the new Outback Steakhouse
coming soon. Nor is it the stacks of
Chicken Soup for the... that fill the
shelves of the local non-chain book-
store. It is the energy of the place.
Perhaps this is what tourists to
America must have felt like when
they arrived in New York City at the
beginning of the twentieth century:
This sense that everything can be
new, can be reinvented—the feeling
of an entire population on the move.

September 21, 2005

Time to return home. On the way
to the airport and during the long
flight ahead of me, I think about
what I have learned.

China is both very old and very
new. It faces many of the same
housing challenges, especially the
preservation of affordability, the
burgeoning needs of those who
are aging in place, the push-pull
between old and new land uses, the
rising resource constraints in both
materials and energy, the need for
sustainability and the social change

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that comes with development. It
faces these issues on a tremendous
scale due to the sheer numbers of
people within the country.

There is a lot here that we in
NAHRO can learn. There is a lot
that housing and community
development professionals in
China can learn from us. I hope
that the relationship continues to
grow and look forward to seeing
how we each work for the mutual
benefit of our communities and
of the people we serve.

*NOTE: No NAHRO funds were used
to defray the costs of this trip. ■*

Lisa A. Baker is President of Baker Street
Associates, LLC. She is the past Chair of the
Balanced Growth Working Group and past
Vice President of Community Revitalization
and Development (CRD) for NAHRO and a
current member of the CR and D Committee.