

# **LOW- INCOME HOUSING DEVELOPMENT CHALLENGES FACING SATELLITE TOWNS (A CASE STUDY OF MLOLONGO: NAIROBI, KENYA)**

**DAUDI JACKSON CHARO**

**B65/0464/2008**

## **ABSTRACT**

Housing is the provision of shelter; an abode to live in. Shelter should be adequate, affordable and decent. Adequate in that there are enough good quality rental and owner occupier housing units for low income households. Affordable in that total housing costs are affordable to those that have low income. Decent in that it provides a foundation for good physical and mental health, personal development and fulfilment of life objectives. Affordable housing is however a major problem here in Kenya particularly in most satellite towns. Informal settlements and slums have continued to grow and a large percentage of the urban population lives here. The slums are characterized by congested tin roofed and mud houses. There is also poor infrastructure with regards to sewerage system, electricity, clean water and access roads.

The overall demand for housing according to a UN Habitat survey is 150,000 housing units as compared to 35,000 housing units being delivered in the market annually. The supply shortage has left private developers focusing on highest return market segments which are the upper income class. It has been cited that the housing problem cannot be solved starting at the bottom because the poor will still be overshadowed. Houses meant for the lower end could still be snapped up by individuals in the higher income class thereby distorting prices and displacing the target market for the low income housing. The solution would be for the government and socially motivated entrepreneurs to offer homes for the bottom end of the market while commercial players and maximum profit driven entrepreneurs take care of the upper income segment (Macharia, 2011).

The research study focuses on examining the challenges of providing low-income housing in satellite towns (case study of Mlolongo). Challenges identified included the high cost of land in urban areas, the complicated land acquisition process, high transaction costs, outdated planning and building regulations, and the lack of adequate infrastructure. The research concludes that the only way to arrest acute shortage of low cost housing is for the municipal council of Mavoko to partner with relevant agencies to improve the supply.