

Haiti: USAID Houses Found to be of Poor Quality, Will Cost Millions to Repair

By [Center for Economic and Policy Research](#)

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USAID homes in Haut Damier. (Photo: Marthen Malo)

According to documents from USAID, 750 houses built by USAID near the new Caracol industrial park, were found to be of poor quality and will take millions of dollars to repair. The houses are part of USAID's "New Settlement Program," which was the subject of a Government Accountability Office (GAO) [report](#) in October 2013 as well as a USAID Inspector General (IG) [audit in April 2014](#).

The GAO report found that USAID had initially planned on building 15,000 houses but that the number had been reduced to just 2,600. At the same time costs skyrocketed, from \$53 million to over \$90 million. At the time of the report, just 900 houses had been built across Haiti. (For more on the housing project, and how these estimates changed, see "[Outsourcing Haiti](#)" from earlier this year in *Boston Review*.)

Speaking before the House Foreign Affairs Committee in October 2013, Beth Hogan, an Assistant Administrator at USAID, explained how those cost increases occurred:

Again, it's because of the requirements that we put into our solicitation document that it meet international building codes, that it comply with federal building standards, that these materials would be disaster- and hurricane-proof.

Hogan went on to say that she was "very happy with the quality" with which the contractors were building the houses. David Gootnick, the author of the GAO report and the Director of International Affairs and Trade at the agency, echoed Hogan's remarks, telling Congress that, "they are excellent homes that are built to a very high standard."

However, last month, USAID quietly [awarded a contract](#) worth up to \$4.5 million to an American-based firm, Tetra Tech, to provide a remediation plan for the Caracol houses. The seriousness of the deficiencies was great enough for USAID to bypass normal contracting procedures and award the contract without receiving other bids. [The justification document](#), required when normal procedures are not followed, explains that an independent assessment was performed in August 2014, which "revealed numerous deficiencies" including "missing roof fasteners, sub-specification roof materials and concrete reinforcement, and other structural and drainage issues."

The document explains that given the location's susceptibility to hurricanes and other

extreme weather events, the repairs must be “carried out immediately in order to prevent possible harm to residents.” The contractors responsible for the deficient buildings have already been asked to begin repairs, with Tetra Tech providing construction management services. But the blame for the poor construction doesn’t simply rest with the contractors.

The IG audit from April 2014 found that USAID required quality control plans to be drafted by the contractors themselves and that USAID personnel “did not review the contractor’s quality control procedures.” If USAID had reviewed the plans, it would have been determined that they were “not adequate to ensure that contractors documented, tracked, and corrected deficiencies,” according to the IG. Further, the IG reported that USAID “had not completed annual contractor performance evaluations” for any of the contractors working on the New Settlements Program. The lack of oversight has proven costly.

With the \$4.5 million just in construction management costs, the average cost per house will increase another 20 percent, to \$39,000, more than four times the original estimate.

The continued lack of decent housing in Haiti as we approach the fifth year anniversary of the 2010 earthquake remains an issue of great concern to many groups monitoring international post-quake assistance efforts. On November 24th, Mennonite Central Committee and other groups will host a conference on [“Housing and Shelter in Haiti”](#) with Haitian civil society leaders and academics who will discuss the flagging and inefficient international response to Haiti’s critical housing crisis.

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