



GOVERNMENT VERSUS COMMUNITIES: PROVISION OF LOW-INCOME COMMUNITY HOUSING IN DAERAH ISTIMEWA YOGYAKARTA

Dionika Hayu Kurnia Fitri¹⁾, Deva Fosterharoldas Swasto²⁾
Departemen Teknik Arsitektur dan Perencanaan, Fakultas Teknik,
Universitas Gadjah Mada
e-mail: dionikahaykf@gmail.com

ABSTRAK

Pemulihan pascapandemi di berbagai sektor membuat alokasi anggaran negara dan daerah tidak dapat diandalkan untuk mengembangkan sektor perumahan. Padahal kebutuhan masyarakat akan perumahan terus meningkat, ditambah lagi dengan permasalahan ketersediaan lahan yang semakin terbatas. Untuk mengatasi hal tersebut, pemerintah mulai berupaya mengembangkan alternatif pembiayaan sektor perumahan melalui pendanaan non-pemerintah, dengan sasaran utama adalah masyarakat berpenghasilan rendah. Pendanaan non-pemerintah merupakan mekanisme pembiayaan non-konvensional untuk pengadaan infrastruktur melalui kolaborasi pemangku kepentingan. Daerah Istimewa Yogyakarta menghadapi beberapa permasalahan terkait penyediaan perumahan bagi masyarakat berpenghasilan rendah. Penelitian ini bertujuan untuk mengeksplorasi prospek penerapan skema non-pemerintah untuk pembangunan perumahan bagi masyarakat berpendapatan rendah melalui analisis perbandingan antara kemauan dan kemampuan masyarakat dengan kapasitas pemangku kebijakan, potensi tren, dan arah kebijakan ke depan. Pendekatan yang digunakan dalam penelitian ini adalah metode campuran deduktif, yaitu pengumpulan data melalui kuesioner untuk menilai kemauan dan kemampuan masyarakat, serta Metode Delphi melalui wawancara ahli. Kajian ini mengungkap beberapa disparitas antara kemauan dan kemampuan masyarakat dengan kapasitas pemerintah sebagai penyedia layanan. Di sisi lain, pendanaan non-pemerintah untuk perumahan bagi masyarakat berpendapatan rendah bersifat prospektif dalam jangka panjang, dengan pertimbangan dan prasyarat tertentu. Hasil dari penelitian ini adalah dengan melakukan peningkatan koordinasi antara masyarakat dan pemerintah, dibarengi dengan upaya untuk meningkatkan pengertian dan komunikasi antara dua pihak tersebut akan menjadi lebih efektif dan berpotensi meningkatkan prospek pendanaan pembangunan perumahan MBR di Daerah Istimewa Yogyakarta. Namun upaya ini memerlukan waktu yang cukup lama dalam kondisi tertentu.

Kata Kunci: *Prospek, Pembangunan Perumahan Masyarakat Berpenghasilan Rendah, Pendanaan Non-Pemerintah.*

ABSTRACT

Post-pandemic recovery in various sectors makes state and regional budget allocations unreliable for developing the housing sector. Even though the public's needs for housing continue to increase, coupled with the issue of limited land availability. To overcome that, the government began working to develop alternative financing for the housing sector through non-government funding, with the main target being the low-income community. Non-government funding is a non-conventional financing mechanism for infrastructure procurement through stakeholder collaboration. Daerah Istimewa Yogyakarta faces several issues regarding housing provisions for low-income communities. This research explores the prospects of implementing non-government schemes for low-income housing development through a comparative analysis between the community's willingness and ability and the policy stakeholder's capacity, potential trends, and future policy direction. The approach used in this research is deductive mixed methods, employing data collection through questionnaires to assess the willingness and ability of the community, as well as the Delphi method through expert interviews. This study reveals several disparities between the community's willingness and ability and the government's capacity as a provider. On the other hand, non-



government funding for low-income housing is prospective in the long term, with specific considerations and preconditions. The result of this research is that by improving coordination between the community and the government, coupled with efforts to enhance mutual understanding and more effective communication between the two parties, holds the potential to advance the funding prospects for low-income housing development in Daerah Istimewa Yogyakarta. However, it requires a considerable amount of time under specific conditions.

Keywords: *Prospect, Low-Income Housing Development, Non-Government Funding.*

A. INTRODUCTION

One essential physiological necessity for humans is the requirement for shelter or housing. With the growth of the population, there is a corresponding rise in the demand for housing. The need for additional housing, as determined by the increase in new households, has been estimated to be around 800,000 annually. Regrettably, achieving equilibrium from the supply perspective has proven challenging, as is frequently observed in metropolitan settings. Many urban activities have ramifications for land utilization, hence constraining the accessibility of land for housing development. The combination of solid demand and limited land resources inherently leads to a consequential effect on land and housing costs. The government remains committed to addressing the issue of housing provision for low-income communities in metropolitan regions through various initiatives and programs.

The allocation of funds from the National Budget (APBN) is significant in facilitating housing development. Nevertheless, the distribution of the APBN can be perceived as limiting due to the substantial number of needs. The allocation of the APBN can cover 30% of the home development costs for the MBR segment. In addition, there is a need for economic recovery in several sectors in light of the post-pandemic conditions. This circumstance renders it unfeasible for house buildings to rely solely on budgetary allocations.

Consequently, the government developed cooperative funding alternatives using innovative funding mechanisms. Non-government funding is a form of creative funding that the government extensively implements in the housing sector. Nevertheless, using non-government funding schemes in the housing

industry could be more frequent. Two instances of projects in the housing sector that have been executed using non-government money include the Cisaranten flat Public-Private Partnership (PPP) project and the development of Tzu Chi flats.

Nowadays, the province of Daerah Istimewa Yogyakarta is recognized for its relatively low Regional Minimum Wage (UMR). *Housing* is a significant non-food commodity that is essential to determining the poverty line, particularly in urban areas, where it accounts for approximately 7.83% of the overall influence. This aligns with the prevailing housing challenges in urban areas, wherein economically disadvantaged communities face considerable obstacles in attaining suitable housing options. In addition to these causes, the escalation of land prices and the diminishing availability of urban land areas resulting from the expansion of commercial land uses are noteworthy. In order to address this challenge, it is evident that the government must do more than just depend on the regional budget. Consequently, it is plausible to consider the implementation of non-government funding schemes in the future to provide housing to low-income communities. Additional research is necessary to investigate the potential for alternative sources of finance, apart from governmental entities, to support the housing industry in metropolitan areas with a focus on government initiatives. The examination of non-government funding in infrastructure must be connected to the dynamics of demand and supply. Therefore, this study will concentrate on both the public and government sectors. The aim of this study is to examine the conditions that influence the willingness and ability of low-income communities to pay for housing compared to the government's capability to provide housing for these communities in the context of Daerah Istimewa Yogyakarta Province initiatives. This will be a parallel consideration when assessing the potential opportunities for low-income communities housing development within the Daerah Istimewa Yogyakarta Province, explicitly focusing on the utilization of non-governmental financial sources.



Literature Review

1. Housing Development

Housing development refers to a purposeful and organized undertaking to build, utilize, and manage residential areas. This encompasses several aspects, including institutional development, funding and financing mechanisms, and community participation (Undang-Undang No. 1 tahun 2011).

2. Low Income Community

Based on Peraturan Menteri Pekerjaan Umum dan Perumahan Rakyat Nomor 1 tahun 2021, low-income community is a group of people who face restricted opportunities and financial resources, typically with a maximum monthly income of approximately IDR 3,000,000.00. The nominal refers to a numerical value calculated as 1.5 times the Regional Minimum Wage, with appropriate rounding applied. As mentioned earlier, the value is derived by the amalgamation of decent living necessities criteria (KHL) and deficit affordability, incorporating criteria founded on the PIR (Price to Income Ratio) index.

3. Non-Government Funding

Non-government funding refers to financial resources allocated for infrastructure development from sources external to the government's designated budgetary provisions. The sources of funding can be derived from several channels, including private businesses engaged in Corporate Social Responsibility (CSR), private infrastructure initiatives, partnerships with corporate organizations through Public-Private Partnerships (PPP), Government Non-Budget Investment Financing (PINA), and foreign donations (Ismanto, 2018). The primary purpose of non-governmental funding is to address the financial requirements associated with infrastructure development, aiming to achieve high-quality infrastructure within specified timeframes.

4. Housing Consumer Finance

In addition to the government's perspective, the community also considers the notions of ability to pay, willingness to pay, and psychological price.

The concept of "Ability to Pay" examines the economic capacity of a community to influence the decision-making process around housing ownership.

When seeking housing help for the low-income community, it is crucial to acknowledge that while individual income is considered, family income should also be appropriately recognized. Supplementary household income does not preclude the potential for enhancing one's capacity to acquire a residential property. The concept of the Ability to Pay leads to multiple variables. Including the income of each individual, overall wealth, or additional income, which are subsequently integrated into the family income variable. Furthermore, costs and dependents are also considered in terms of the total number and especially for housing commodities.

The concept of Willingness to Pay requires an analysis of the attributes of a given community to their inclination to allocate financial resources, as demonstrated by their preferences for housing type, anticipated quality, and desired infrastructure format. Along with facilitating an assessment of the compatibility between the community's attributes and the existing housing options, the notion of Willingness to Pay assists the local government in forecasting the level of demand for goods and services expected to be consumed and determining the appropriate pricing and levies. The idea of Willingness to Pay provides birth to several vital variables of customer preferences. These preferences include various aspects, including the type of houses desired, the preferred payment methods during the house acquisition process, and the pricing preferences.

Moreover, psychological pricing is a supplementary framework for explaining subjective factors that may impact consumer decision-making. More precisely, it encompasses the inclusion of desired supplementary amenities and specific criteria that immediate consumers are willing to pay premium prices in exchange for superior quality products compared to the standard.

5. Prospect

This theory, based on economics and psychology, illustrates the phenomenon wherein an individual engages in decision-making in conditions of ambiguity. According to Kahneman and Tversky (1979, as cited in Aryobimo and Cahyonowati, 2012), prospect theory suggests that individuals are more likely to



prioritize gathering information before engaging in choice framing or considering decision concepts.

The purpose of establishing a connection between prospect theory and research is to understand policymakers' decision-making processes in uncertain circumstances.

B. METHODS

The approach to research employed in this study is deductive in origin. The deductive approach is selected in this study due to utilizing theory as a crucial tool in the research process. This technique involves employing theory to guide several stages of the investigation, including problem selection, hypothesis formulation, and the derivation of general conclusions that belong to specific themes. Furthermore, using a deductive technique facilitates the author in combining study variables based on the amassed theoretical concepts. The methodology employed in this study is a combination of different approaches. This approach involves the integration of quantitative and qualitative methodologies. The rationale for selecting mixed techniques is to achieve a more thorough knowledge and obtain results by interpreting qualitative and quantitative data.

Further, the research design that has been selected is embedded. This particular design is employed in situations where numerous sets of data exist, with one set serving as supportive evidence for the other sets in a parallel manner. In addition to the point mentioned above, it is worth noting that there exists another prominent approach in practical application, as discussed by Almeida (2018). This study employs an embedded design, wherein quantitative data is utilized to substantiate qualitative data. The prevailing methodology in this study is qualitative in origin.

In collecting data during this study, two primary methodologies were used: the utilization of a questionnaire and the implementation of the Delphi technique. Utilizing the questionnaire approach facilitates the researcher in assessing the inclination and capacity of the low-income community residing in the Special Region of Yogyakarta to make financial contributions toward the housing sector.



This aligns with the first study objective. Furthermore, the questionnaire outcomes were presented to specialists fluent in method 2, precisely the Delphi method, to serve as substantive content for evaluating and formulating opinions. The factors utilized in the questionnaire were derived from the theoretical constructs of ability to pay, desire to pay, psychological pricing, and consumer motivation. The study employed the questionnaire approach to observe the low-income community population in Daerah Istimewa Yogyakarta Province. The sample selection criteria were determined as follows:

1. Individuals from a low-income community with an upper-income threshold not exceeding IDR 3 million.
2. Individuals who are older than 20 years of age
3. The individual currently resides in Daerah Istimewa Yogyakarta Province or intends, within 3-5 years, to establish a permanent residence and maybe acquire property in Daerah Istimewa Yogyakarta Province.

A total of 109 participants completed the questionnaire, and after the selection and reduction processes, the final dataset contained responses from 85 participants. The data selection and reduction procedure relies on the degree of accuracy and alignment of responses provided by each informant across different questions.

The Delphi method is used to determine the preparedness of the involved parties. This objective seeks to determine subjective prospects based on the expertise and prevailing conditions, which will serve as the outcomes of research objective. The authors conducted interviews with a total of three experts. All three entities originate from governmental organizations that are responsible for managing the housing sector at the regional level. The distinguishing characteristic of the informant agency was its specific focus on three key areas: the planning agency, the implementing agency for housing construction, and the spatial planning agency. The factors employed in the Delphi technique encompass regional financial conditions, supply conditions, permits, contributions, capacities, limits, demands, decisions, optimism, and trends.



The study implemented a mixed-methodologies approach with an embedded design, emphasizing qualitative outcomes. The data analysis procedure involved qualitative and quantitative methods and was conducted in two separate stages. The initial analysis phase involves employing quantitative and qualitative tools to examine the outcomes obtained from the questionnaire. The questionnaire findings were analyzed using the univariate approach to provide quantitative data. This strategy was selected based on the fact that the data, precisely the respondents' answers, are given individually and do not consider their link with other data. The qualitative data collected through the questionnaire were analyzed using qualitative methodologies, namely through data reduction and data presentation stages. Combining the two analytical results serves as supporting proof, which can be utilized as substantive material for deliberation during the Delphi phase. The research employs an embedded design that prioritizes qualitative findings, with the primary analysis conducted in the second stage being qualitative. This second stage encompasses the reduction of data, presentation of findings, and formulation of conclusions.

C. RESULTS AND DISCUSSION

The primary focus of this study is the Special Region of Yogyakarta, which has a housing and settlement land area of 9,115 hectares. The total demand for housing in this region is estimated to be 369,521 units. Given the present situation, the optimal approach for addressing the housing backlog entails implementing vertical housing development in urban regions and landed housing in rural areas. Specifically, it is recommended that 72% of the housing composition be allocated to vertical housing while the remaining 28% is dedicated to landed housing.

C.1. Conditions of Willingness and Capability of MBR related to Home Ownership in Daerah Istimewa Yogyakarta Province

The amount of samples, determined by the application of a specific formula, serves as a representation of the entire population. The survey is designed for individuals whose maximum monthly individual income falls within the range of



IDR 3.000.000,00. Out of the aggregate personal income, it was found that 47% of participants reported supplementary earnings derived from both individual and spousal sources. According to the studies, respondents who have derived their income from various sources such as family enterprises, online transportation services, garden/rice field crop cultivation, trading activities, livestock rearing, and service/equipment rental have reported additional sources of income. Based on the self-reported data provided by the respondents, it was found that 54% of the participants had a monthly family income within the range of IDR 3.000.000,00. Additionally, 32% of the respondents reported a family income falling between IDR 2.000.000,00 and IDR 3.000.000,00, while 14% of the participants indicated a family income below IDR 2.000.000,00. Among the 85 respondents surveyed, it was found that 43 individuals are presently engaged in credit or home installments.

Concerning expenditures on credit, installments, rent, and boarding, it is noteworthy that out of the 51 participants who furnished data, 40 individuals utilized personal income for making payments, while five respondents relied on supplementary income derived from secondary employment. The remaining 6 participants reported utilizing designated funds for this purpose. Based on the provided data, it is evident that a majority of respondents, exceeding 50%, who are presently engaged in installment payments, rental agreements, contracts, or boarding arrangements, dedicate a sum of less than IDR 2.000.000,00. Furthermore, it is noteworthy that these individuals utilize personal income rather than money designated for housing purposes.

Regarding the selection of housing type, a majority of 78% out of the total 85 respondents opted for a property under ownership, citing reasons such as pre-existing ownership rights, enhanced living comfort, improved security, greater flexibility, and more straightforward accessibility. On the other hand, a notable proportion of participants, namely 14% of respondents, preferred vertically owned residences due to their perceived advantages regarding land conservation and simplicity relative to landed dwellings. A notable proportion of survey participants, at 4%, indicated their preference for renting a landed house due to its



temporary nature, which facilitates ease of relocation. Regarding the remaining respondents, just 1 percent opted for a vertical rental house due to its temporary nature and the immediate occupation requirement; 3% of respondents expressed no specific inclination toward this housing option.

Alongside expressing their housing preferences, participants were also requested to indicate their preferences for the ideal means of acquiring a house. A majority of the participants, that is, 73% of the respondents, preferred to engage in independent house construction, which involves the decision-making process regarding the house's location. Moreover, a notable proportion of participants, which is 16%, express a preference for purchasing pre-existing residential properties, such as those available on the property market. Subsequently, 2% of the participants opted to rent a contracted residence, while the remaining 9% showed no specific inclination towards a particular housing acquisition method. The analysis of consumers' willingness to acquire a house, which is the study respondents, is also conducted by examining their preferred payment method for the property. The preference for cash payments is directly associated with individual capabilities and prevailing financial situations, as evidenced by 68% of the respondents prefer cash payments. Some responders have provided several arguments in favor of this choice. These arguments include avoiding long-term obligations, increased ease, the prevention of usury, and reduced costs.

The inquiry associated with financing the property then evolved into examining the community's inclination towards the maximum price that could be afforded. Among the 85 participants who took part in the survey, 69 individuals provided their responses on their pricing preferences for landed houses. It was observed that 51% of the respondents preferred prices ranging from IDR 100.000.000,00 to IDR 150.000.000,00, deemed more affordable and within their budgetary constraints.

In addition to privately owned residential properties, 41 participants also provided their preferences regarding rental prices for residential properties. The majority of respondents (49%) expressed a preference for rental prices ranging from IDR 1.000.000,00 to IDR 4.000.000,00 per month. This preference was driven by

the desire to align rental costs with their income levels and secure accommodations offering standard amenities.

Additionally, 39 participants completed a survey regarding their price preferences for vertically owned houses. The findings revealed that a majority of 59% indicated a desire for a nominal value of less than IDR 150.000.000,00. Additionally, a subset of respondents provided written explanations highlighting the importance of affordability and economic feasibility in their decision-making process.

In the study, 35 participants completed a survey regarding their preferences for rental prices of vertical houses. The results indicated that most respondents, accounting for 40% of the sample, favored a rental range between IDR 100.000,00 to IDR 250.000,00 per month. This preference was primarily driven by the perception that it represented the most affordable alternative, allowing individuals to allocate their remaining income towards house installments.

The participants were also requested to indicate their preferences for the cost-effectiveness of locations with specific amenities, resulting in subsequent outcomes.

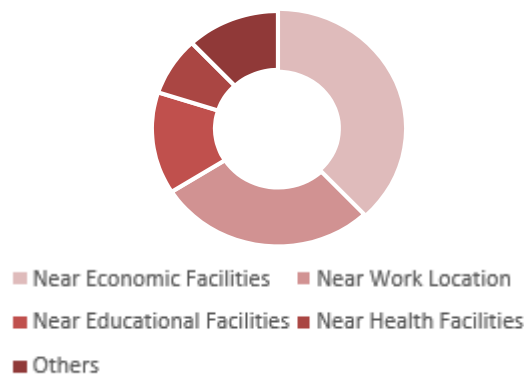


Figure 1. Location Affordability Preferences with Certain Facilities
Source: Analysis Results, 2023

C.2. Capability of Policy Holders related to MBR Housing Development based on Non-Government Funding in the Province of Daerah Istimewa Yogyakarta

The Covid-19 pandemic has profoundly influenced diverse sectors, notably the economy. The deterioration of economic conditions can be attributed not only



to a reallocation of budgetary priorities by the government but also to a reduction in individual income, which subsequently led to a downturn in demand and expenditure on certain goods and services. The real estate industry, encompassing the housing sector, witnessed a decrease in the rate of economic expansion both prior to (5.84%) and after (1.27%) the outbreak of the Covid-19 pandemic. Implementing affordable housing initiatives for those with low income and the broader population necessitates a substantial financial investment. The APBD, initially prioritized for this developmental endeavor, is considered improbable in its ability to adequately address the escalating demand for housing, particularly in the aftermath of the Covid-19 pandemic.

One of the factors challenging the satisfaction of housing requirements for those with low incomes in the Province of the Special Region of Yogyakarta is the need for a dedicated budget designated explicitly for the development of affordable housing. At this point, the local government has prioritized addressing the needs of low-income communities. This has been achieved via the adoption of several programs, such as the PSU (Prasarana Sarana Fasilitas Umum), BSPPS (Bantuan Stimulan Perumahan Swadaya), DAK (Dana Alokasi Khusus), dan BPPS (Bantuan Pemeliharaan Perumahan Swadaya). The government's capacity to address the enhancement of RTLH (Rumah Tidak Layak Huni) or undertake substantial-scale new buildings is limited.

The main obstacle faced by the government of the Special Region of Yogyakarta in facilitating housing for the low-income community pertains to the constraints of financial resources and available land. The primary issue that garners significant attention is the scarcity of land, as it is a finite resource that cannot be enlarged in terms of area. If left unmanaged, this scarcity would ultimately impede the fulfillment of human requirements. In this particular instance, the government at the provincial level has brought attention to land-related matters, explicitly focusing on Sleman Regency. The provincial-level regional government believes that home development in Sleman Regency should be restrained due to a conservation area. One potential solution that might be proposed is the implementation of vertical, rather than extensive, development strategies.



Additionally, it may be beneficial to redirect housing construction efforts towards alternate districts, such as Bantul, Kulon Progo, and Gunungkidul.

In contrast to districts characterized by low land costs, Sleman is presently seeing a significant increase in land prices, rendering the creation of affordable homes for low-income communities unfeasible. In regions with relatively low land prices, there has been an overabundance of low-income communal housing constructions beyond the anticipated quantity. The exorbitant cost of land in Sleman Regency is accompanied by a need for more developers catering to the housing needs of low-income communities. Profit-oriented developers are inclined to prioritize housing development that caters to the upper-middle-class market due to the influence of high land prices.

Further, concerning the participation and engagement in the execution of affordable housing projects within the jurisdiction of the Daerah Istimewa Yogyakarta province government, the extent of involvement is constrained primarily by financial limitations. Consequently, the government's capacity to oversee and administer such initiatives is restricted to the resources now at its disposal. Furthermore, it is essential to note that there needs to be more regulatory integration between the central governing body and several regional entities. Now, there exists a well-established form of cooperation known as horizontal cooperation. This kind of cooperation is shown by the PKP forum and the PKP Working Group, which serve as platforms for communication and facilitation between developers and non-housing sectors involved in procurement operations. Besides, local governments create partnerships with organizations like Baznas, Habitat Humanity (a non-governmental organization), and banking institutions. Typically, the formation of collaboration follows the ABCG (Academic-Business-Community-Government) framework.

In recent years, there has been notable attention by the central government on promoting innovative funding methods for strategic projects. This has been achieved through partnerships with the private sector, non-governmental organizations (NGOs), Government Non-Budget Investment Financing (PINA), and the establishment of Government and Business Entity Cooperation (PPPs). The



Ministry of National Development Planning/National Development Planning Agency (Bappenas) has disseminated information and raised awareness about various innovative financing mechanisms available to provincial governments. However, the local administration has not received any subsequent communication or guidance. The government in question thinks that this occurrence can be attributed to the presence of neighboring provinces with more pressing housing requirements.

C.3. Comparison of the Conditions of Low-Income Communities and the Capability of Policymakers

Several indicators suggest disparities or commonalities between the state of the MBR and the policymakers. The findings can be considered to see the prospects for non-government funding in implementing housing development for low-income communities in Daerah Istimewa Yogyakarta in the future

The initial aspect under consideration is the disparity observed in the community's capacity and inclination to provide financial resources for housing initiatives. The study results indicate that the allocation of funds towards housing does not have a prominent position in the community's list of priorities, potentially due to budgetary constraints. In contrast, a significant majority of 68% of the participants preferred utilizing cash as the primary payment method for their residential properties, as opposed to relying on credit or engaging in rental agreements. This observation indicates that the existing capabilities have not adequately addressed individuals' preferences. From the perspective of policymakers, specifically those within the government, it is widely acknowledged that there is no singular answer capable of effectively addressing this issue. The implementation of housing subsidies and assistance policies has proven to be beneficial. However, their effectiveness in meeting the diverse desires of individuals has been constrained by limited financial resources.

The subsequent aspect relates to individuals preferences, specifically their housing preferences. The majority of research participants, precisely 78%, preferred residential properties with land, commonly called landed houses. This



assertion directly opposes the primary challenge in land management, which revolves around the finite nature of land resources and their inability to expand. The observed phenomenon can be related to the predominant participation of individuals belonging to the millennial, X, and baby boomer generations. The tendency of these generational cohorts to exhibit resistance to attitude shifts renders the potential for vertical housing management to capture a more substantial portion of the market among those belonging to Generation Z. Generation Z is widely regarded as possessing a more inclusive mindset when it comes to flexibly embracing various forms of housing.

The following discussion topic relates to the community's demands and aspirations concerning the expansion of green open areas. The government has tried to achieve a minimum of 30% green space. However, this goal is hindered by the constraint of restricted land availability. This point demonstrates the connection between communal requirements and governmental endeavors.

The following point concerns the implementation of more stringent regulations on permits for development activities conducted on agricultural land. Several participants in the study emphasized the issue of constructing buildings on agriculturally productive sites, such as rice fields and gardens, in violation of rules. The issue at hand has garnered the attention of the authorities, particularly in Sleman Regency, which has a significant number of conservation areas. However, the Daerah Istimewa Yogyakarta Province now needs incentives that can serve as a benchmark for district and city-level governments.

One notable aspect relates to the community's appeal for the imposition of restrictions on land ownership by individuals residing beyond the designated Daerah Istimewa Yogyakarta area. In addition to land, there exists a notable prevalence of non-resident homeownership in the Daerah Istimewa Yogyakarta province, when properties are acquired as investments but remain unoccupied for extended periods. The implications of this situation are disconcerting for the community, as it is perceived to diminish the prospects of community members, particularly those with low incomes, in attaining homeownership and perpetuate the marginalization of the local community. Currently, the government continues to



seek an optimal resolution, taking into consideration that ownership is a fundamental entitlement accessible to those with the means to acquire it, and is intricately tied to the legal association between individuals and the land. Thus, it is not wholly without merit.

The last component is the community's requirement for housing support infrastructure, specifically access roads and transportation systems. Undoubtedly, the government has undertaken this endeavor because of the inherent correlation between housing and transportation infrastructure, as both are essential requisites that exhibit a linear relationship. Nevertheless, it is acknowledged by the government that additional assessment is required, particularly in conjunction with other pertinent governmental entities.

The study does not explore the correlation and impact between different aspects. This enables the participants in the research to express their interests subjectively, without the need to take into account the current economic conditions. As a result, it can be shown that both individual economic capabilities and government providing efforts may not fully meet the overall trend of public interest.

While there is a diversity of parties within the legislative body, the research findings predominantly align with the local government. Unexpectedly, the local government exhibits limited enthusiasm for policies concerning low-income housing (MBR), despite its designated role as the primary driver in this domain. This is evident in the outcomes related to capabilities, encompassing economic conditions, challenges faced, and the policies implemented to date.

Professionals subsequently provide an overview of the prospective implementation of low-income housing (MBR) in the Daerah Istimewa Yogyakarta region, drawing upon the insights gathered from responses to the initial and secondary research inquiries. This framework illustrates the requisite decision-making process and fosters an optimistic perspective on the utilization of non-governmental financial initiatives for low-income housing.

Beyond the initially delineated research variables, this study unveiled unforeseen findings, particularly in relation to the presence of Sultan Ground (Tanah Kasultanan) and Tanah Desa. Presently, the utilization of both Sultan



Ground and Village Land appears to lack clarity, and there has been no sufficiently decisive action taken by the local government.

The study has presented a theoretical progression concerning the presence of internal individual traits that possess the capacity to psychologically influence community decision-making. To substantiate findings characterized by subjectivity and individuality, the reinforcement of the theory of psychological pricing concepts is undertaken. Additionally, an enhanced evolution of the theory implies that envisioning the future based on prospect theory necessitates considering the present for the sake of continuity. This can be achieved through modifications, additions, or removals of the existing and past regulations.

D. CONCLUSIONS AND RECOMMENDATION

The conclusion in this study underscores the gap and irregularity between the community's existing capacity and the capabilities of policymakers to provide low community housing in Daerah Istimewa Yogyakarta, give rise to various disparities in willingness. The phenomenon mentioned earlier can be attributed to disparities in cognitive frameworks between the general public and policymakers, the inherent constraints faced by government, and the absence of effective communication channels between them.

Moreover, from these conclusions, it also can be inferred that improving coordination between the community and the government, coupled with efforts to enhance mutual understanding and more effective communication, holds the potential to advance the funding prospects for low-income housing development in Daerah Istimewa Yogyakarta. However, it requires a considerable amount of time under specific conditions, which are important notes.

In future research, it is essential to expand the range of information sources beyond government and society. Including perspectives from other stakeholders like investors, developers, banks, and non-governmental organizations will enrich the depth of information and analysis.



REFERENCES

- Artiningsih, A., Putri, N. C., Mukhtali, M., & Ma'rif, S. (2019). Skema Pembiayaan Pembangunan Infrastruktur Non-Konvensional di Kota Semarang. *Jurnal Riptek Bappeda Kota Semarang*, 13(2), 92–100. <https://doi.org/10.35475/ripteck.v13i2.61>
- Aryobimo, P. T., & Cahyonowati, N. (2012). Pengaruh Persepsi Wajib Pajak tentang Kualitas Pelayanan Fiskus Terhadap Kepatuhan Wajib Pajak dengan Kondisi Keuangan Wajib Pajak dan Preferensi Risiko sebagai Variabel Moderating (Studi Empiris Terhadap Wajib Pajak Orang Pribadi di Kota Semarang). *Diponegoro Journal of Accounting*, 1(1), 1–12.
- Digdowiseiso, K. (2019). *Teori Pembangunan*. Jakarta: Lembaga Penerbitan Universitas Nasional (Lpu-Unas).
- Indonesia. Undang-Undang Nomor 1 Tahun 2011 tentang Perumahan dan Kawasan Permukiman. Lembaran Negara RI Tahun 2011. Sekretariat Negara. Jakarta.
- Ismanto. (2018). *Sistem Pembiayaan Proyek Infrastruktur Dalam Rangka Pengembangan Wilayah*. Diambil kembali dari Badan Pengembangan Sumber Daya Manusia Kementerian PUPR.
- Praditia, A. (2013). Pola Jaringan Sosial pada Industri Kecil Rambut Palsu di Desa Karangbanjar Kecamatan Bojongsari Kabupaten Purbalingga. *Skripsi*. Universitas Negeri Yogyakarta. Yogyakarta.
- Randy, M. (2013). Identifikasi Kemampuan dan Kemauan Membayar Sewa Masyarakat Berpenghasilan Rendah Terhadap Rumah Susun Sederhana Sewa dan Faktor- Faktor yang Mempengaruhinya. *Jurnal of Regional and City Planning Institut Teknologi Bandung*, 24(2), 95-108. <https://doi.org/10.5614/jpwwk.2013.24.2.1>
- Rosa, Y., Sulasmi, S. (2019). Standar Nasional Perhitungan Batas Pendapatan MBR (Studi Kasus Kota Bandung). *Prosiding PPIS 2019*, 261-272.
- Sofiyana, M. S., Sukhoiri, Aswan, N., Munthe, B., Wijayanti, L. A., Jannah, R., Juhara, S., SK, T., Laga, E. A., Sinaga, J. A. B., Suparman, A. R., Suaidah, I., Fitrisari, N., & Herman. (2022). *Metodologi Penelitian Pendidikan*. Padang: PT. Global Eksekutif Teknologi.
- Srivastav, A. K. (2023). *Psychological Pricing*. WallStreetMojo. <https://www.wallstreetmojo.com/psychological-pricing/#h-what-is-psychological-pricing>
- Yu, X., & Khazanchi, D. (2017). Using Embedded Mixed Methods in Studying IS Phenomena: Risks and Practical Remedies with an Illustration. *Information Systems and Quantitative Analysis Faculty Publications*, 70.



Zatar, A., Katili, P. B., & Suparno. (2016). Penentuan Kriteria Kualitatif Penentu Dalam Pemilihan Objek Audit Internal Menggunakan Metode Delphi (Studi Kasus: Dana Pensiun PT. X). *JTI: Jurnal Teknik Industri Jurnal Ilmiah, Keilmuan, dan Penerapan Teknik Industri*, 4(1), 1–6. <http://dx.doi.org/10.36055/jti.v0i0.1399>