

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. ~~3~~451

Introduced by **HONORABLE LANI MERCADO-REVILLA**

EXPLANATORY NOTE

The Constitution, Article XIII, Section 9 states:

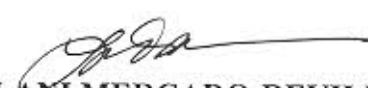
“SEC. 9. The State shall, by law, and for the common good, undertake in cooperation with the private sector, a continuing program of urban land reform and housing which will make available at affordable cost decent housing and basic services to underprivileged and homeless citizens in urban centers and resettlement areas. It shall also promote adequate employment opportunities to such citizens. In the implementation of such program the State shall respect the rights of small property owners.”

When R.A. No. 7279 otherwise known as the “Urban Development and Housing Act of 1992” was enacted into law, many underprivileged and homeless Filipinos in urban areas thought they can acquire decent housing at affordable cost. However, the demand for housing continues to grow. According to a 2008 United Nations Committee on Economic, Social and Cultural Rights study, about “16.5 million Filipinos, roughly 30 percent of the urban population, continues to live in informal settlements and slums, sometimes built on riverbanks, railroad tracks and other high-risk areas, with no or limited basic infrastructures and services, without legal security of tenure and under constant threat of eviction.”

In Metro Manila alone, an estimated 544,609 families live in informal settlements. Of these, around 54,000 families live in danger areas.

This bill seeks to address the housing shortage by including the owners and developers of condominium projects in the production of socialized housing projects by requiring them to allocate 20 percent of the total condominium project cost for socialized housing. It also mandates owners and developers of subdivision projects to set aside 20 percent of the total subdivision project cost for socialized housing instead of allowing them another option, which is to devote 20 percent of the total subdivision area for socialized housing. In so doing, owners and developers of condominium projects will contribute its share in the development of counterpart socialized housing projects in urban areas as they continue to reap huge profits from their continuous production of condominium projects in urban areas where there is a huge demand for housing and employment. Further, it will make it easier for owners and developers to comply with the law by encouraging joint ventures not only with the National Housing Authority and the Home Guaranty Corporation but also between and among the private developers. Lastly, it will be easier for government agencies to monitor the compliance of owners and developers in producing socialized housing projects in urban areas.

Hence, approval of this bill is earnestly sought.


REP. LANI MERCADO-REVILLA
2nd District, Cavite

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **3451**

Introduced by **HONORABLE LANI MERCADO-REVILLA**

**AN ACT AMENDING SECTION 18 OF REPUBLIC ACT NO. 7279, OTHERWISE
KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992, AND FOR
OTHER PURPOSES**

*Be it enacted by the Senate and House of Representative of the Philippines in Congress
assembled:*

SECTION 1. Section 18 of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992," is hereby amended to read as follows:

"Section 18. **Balanced Housing Development.** - The Program shall include a system to be specified in the Framework plan whereby OWNERS AND developers of proposed subdivision AND CONDOMINIUM projects shall be required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the [total subdivision area or] total subdivision project cost OR THE TOTAL CONDOMINIUM PROJECT COST, [at the option of the developer,] within the same city or municipality, [whenever feasible,] and in accordance with the standards set by the Housing and Land Use Regulatory Board and other existing laws. The balanced housing development as herein required may also be complied with by the OWNERS AND developers concerned in any of the following manner:

- a) Development of new settlement;
- b) Slum upgrading or renewal of areas for priority development either through zonal improvement programs or slum improvement and resettlement programs;
- c) Joint-venture projects FOR SOCIALIZED HOUSING with either the local government units or any of the housing agencies[;] or with ANOTHER PRIVATE DEVELOPER, PROVIDED THAT, THE OWNER AND/OR DEVELOPER OF THE MAIN SUBDIVISION OR CONDOMINIUM PROJECT SHALL BE SOLIDARILY LIABLE WITH THE OWNER AND/OR DEVELOPER OF THE SOCIALIZED HOUSING PROJECT FOR THE DEVELOPMENT OF THE LATTER, IRRESPECTIVE OF THE PROVISIONS OF THEIR JOINT VENTURE AGREEMENT; OR
- d) Participation in the community mortgage program, EITHER AS FINANCIER OR DEVELOPER."

SECTION 2. *Separability Clause* – If any part or provision of this Act shall be held unconstitutional or invalid, the other provision hereof that are not affected thereby shall continue to be in full force and effect.

SECTION 3. *Repealing Clause* – All acts, executive orders, administrative orders, proclamations, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 4. *Effectivity* – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,

CHANGE TITLE

Oct-11, 2010

House Bill No. 3451, entitled:

"AN ACT AMENDING SECTION 18 OF REPUBLIC ACT NO. 7279, OTHERWISE
KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992, AND
FOR OTHER PURPOSES "

By Representative Mercado-Revilla

TO THE COMMITTEE ON HOUSING