

SIXTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
FIRST REGULAR SESSION

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HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 2791



Introduced by **HON. CRESENTE C. PAEZ, HON. ANTHONY M. BRAVO, HON. ALFREDO B. BENITEZ, HON. KAKA BAG-AO, HON. MARIA LEONOR G. ROBREDO, HON. WALDEN BELLO, HON. IBARRA GUTIEREZ III, HON. BENJAMIN D. ASILO, HON. JOSE CHRISTOPHER Y. BELMONTE, HON. GARY C. ALEJANO, HON. ALFREDO VARGAS III, HON. ENRICO R. ECHIVERRI, HON. EDGAR R. ERICE, HON. ROMAN T. ROMULO**

EXPLANATORY NOTE

No less than the Constitution protect the marginalized, powerless, and oppressed citizens of this country against any violent eviction and/or demolition and mandates provision for a decent housing at affordable cost, with basic services and livelihood opportunities. Section 10, Article XIII of the Constitution of the Republic of the Philippines states that "urban or rural poor dwellers shall not be evicted nor their dwelling demolished, except in accordance with law and in a just and humane manner."

To carry out this constitutional mandate, Republic Act No. 7279 or the Urban Development and Housing Act was enacted which likewise covers urban land reform program. This seemingly progressive piece of legislation however failed to meet the expectations of the urban poor taking into considerations the recent various incidents of violent evictions and demolitions involving urban poor communities. Thus, the need to amend and consequently improve the law.

This bill aims, therefore, to further secure the urban poor from eviction and demolition of their homes and relocating them in distant places lacking basic services and livelihood opportunities thus clarifying the definition of "resettlement areas" that it must be within and/or near city areas. The bill further provides that consultation must be effectively done with the active participation of the affected communities with the right to offer and make counter-offer for relocation sites when reasonable and allowable. This expands likewise the mandate of the law by requiring developers to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total area or project cost, at the option of the developer, not only on proposed subdivision projects but also on proposed condominiums, memorial parks, golf courses and all other land development projects. The bill ensures strengthening the requirements in cases of eviction of informal settlers and demolition of their residential structures and broadening of the penalties on the violation of the Urban Development and Housing Act.

In view of the foregoing, the immediate passage of this measure is earnestly sought.

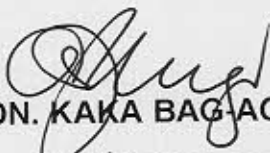


HON. CRESENTE C. PAEZ



HON. ANTHONY M. BRAVO

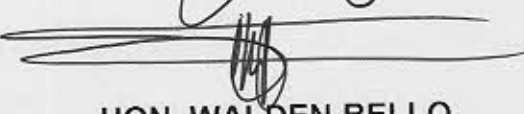
HON. ALFREDO B. BENITEZ



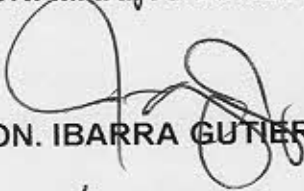
HON. KAKA BAG-AO



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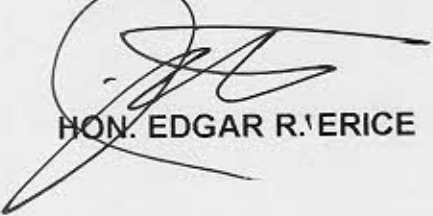
HON. BENJAMIN D. ASILO



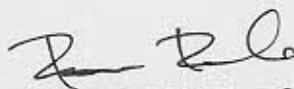
HON. ALFREDO VARGAS III



HON. ENRICO R. ECHIVERRI



HON. EDGAR R. ERICE



HON. ROMAN T. ROMULO
(amendment to 7279)

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ERICE, HON. ROMAN T. ROMULO

AN ACT

STRENGTHENING AND SECURING THE RIGHTS OF THE URBAN POOR AGAINST
EVICTIONS AND/OR DEMOLITIONS AND TO PROVIDE ADEQUATE HOUSING
AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 7279 OTHERWISE KNOWN
AS "AN ACT TO PROVIDE FOR A COMPREHENSIVE AND CONTINUING URBAN
DEVELOPMENT AND HOUSING PROGRAM, ESTABLISH THE MECHANISM FOR
ITS IMPLEMENTATION, AND FOR OTHER PURPOSES" OR THE "URBAN
DEVELOPMENT AND HOUSING ACT OF 1992".

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

SECTION 1. Section 3 of Republic Act 7279 is hereby amended as follows:

Sec. 3. Definition of Terms. — For purposes of this Act:

x x x

(d) **Blanket Loan/Wholesale Loan** — shall refer to a housing loan contracted/obtained by
a **housing cooperative** intended to identify member-beneficiaries for land acquisition,
land improvement, house construction, home improvement, or renovation and other
similar purposes.

e) **Danger Zone/High Areas** — Danger Zone/High Risk Areas are areas with high level
of threat to the lives and well-being of people that cannot be addressed through
scientific, physical and engineering methods, and thus not suitable for resettlement and
permanent structures. Areas can only be declared as Danger Zone/High Risk Area for
conducting proper technical study and public consultations with affected families.

promotion of this legitimate collective interests, which shall include appropriate documentation and feedback mechanisms. **This includes the right of the program beneficiaries to decide on the location of the relocation sites, to make an offer or counter-offer, and to have the same be heeded when reasonable and allowable.**

(g) **"Housing Cooperative"** is one organized to assist or provide access to housing for the benefit of its regular members who actively participate in the savings program for housing. It is co-owned and controlled by its members" (Cooperative Code of 2008 [RA 9520])

h) "Resettlement areas" refers to areas identified by the appropriate national agency or by the LGU with respect to areas within its jurisdiction, which shall be used for the relocation of the underprivileged and homeless citizens. **The resettlement areas must be within the same city or municipality unless it is substantially proven that such is not feasible or practicable that resettlement may be established outside thereof.**

SECTION 2. Section 5 of Republic Act 7279 is hereby amended as follows:

Section 5. **Exemptions.** – The following lands shall be exempt from the coverage of this Act:

- a) Those included in the coverage of Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law;
- b) Those actually used for national defense and security of the State;
- c) Those used, reserved or otherwise set aside for government offices, facilities and other installations, whether owned by the National Government, its agencies and instrumentalities, including government-owned or controlled corporations, or by the local government units: Provided, however, That the lands herein mentioned, or portions thereof, which have not been used for the purpose for which they have been reserved or set aside for the past ten (10) years from the effectivity of this Act, shall be covered by this Act;
- d) Those used or set aside for parks, reserves for flora and fauna, forests and watersheds, and other areas necessary to maintain ecological balance or environmental protection, as determined and certified to by the proper government agency; and
- e) Those actually and primarily used for religious, charitable, or educational purposes, cultural and historical sites, hospitals and health centers, and cemeteries or memorial parks. The exemptions herein provided shall not apply when the use or purpose of the abovementioned lands has ceased to exist.

PROVIDED, THAT ANY EVICTION OR DEMOLITION ON THE AFOREMENTIONED LANDS SHALL STILL COMPLY STRICTLY WITH SECTION 28 HEREOF BEFORE ANY DEMOLITION OR EVICTION CAN BE EFFECTED.

SECTION 3. Section 8 of Republic Act 7279 is hereby amended as follows:

Section 8. Identification of Sites for Socialized Housing. - After the inventory the local government units, in coordination with the National Housing Authority, the Housing and Land Use Regulatory Board, the National Mapping Resource Information Authority, and the Land Management Bureau, shall identify lands for socialized housing and resettlement areas for the immediate and future needs of the underprivileged and homeless in the urban areas, taking into consideration and degree of availability of basic services and facilities, their accessibility and proximity of jobs sites and other economic opportunities, and the actual number of registered beneficiaries.

Government-owned lands under paragraph (b) of the preceding section which have not been used for the purpose for which they have been reserved or set aside for the past ten (10) years from the effectivity of this Act and certified as suitable for socialized housing, shall **AUTOMATICALLY** be transferred to the National Housing Authority **WITHOUT NEED OF APPROVAL** from the President of the Philippines or from the Local Government Unit for proper disposition in accordance with this Act.

SECTION 4. Section 10 of Republic Act 7279 is hereby amended as follows:

Section 10. Modes of Land Acquisition. - The modes of acquiring lands for purposes of this Act shall include, among others, community mortgage, **housing cooperative** project as defined under Republic Act No. 9520, otherwise known as the Cooperative Code of 2008, land swapping, land assembly or consolidation, land banking, donation to the Government, joint-venture agreement, negotiated purchase, and **expropriation**. *[Provided, however, That expropriation shall be resorted to only when other modes of acquisition have been exhausted.]* Provided, that where expropriation is resorted to, parcels of land owned by small property owners shall be exempted for purposes of this Act. Provided, further, that abandoned property, as herein defined, shall be reverted and escheated to the State in a proceeding analogous to the procedure laid down in Rule 91 of the Rules of Court.

PROVIDED FINALLY, THAT THE MODES OF LAND ACQUISITION MAY BE RESORTED TO IN ANY ORDER. EXPROPRIATION MAY BE AVAILED OF WITHOUT EXHAUSTING OTHER MODES. LAND ACQUISITION FOR SOCIALIZED HOUSING THROUGH EXPROPRIATION ONLY REQUIRES A DEPOSIT OF TEN PERCENT (10%) OF THE MARKET VALUE OF THE LAND, AS INDICATED IN THE TAX DECLARATION.

For the purpose of socialized housing, government-owned and foreclosed properties shall be acquired by the local government units, or by the National Housing Authority primarily through negotiated purchase: Provided, that qualified beneficiaries who are actual occupants of the land shall be given the right of first refusal.

SECTION 5. Section 16 of Republic Act 7279 is hereby amended as follows:

Section 16. Eligibility Criteria for Socialized Housing Program Beneficiaries. - To qualify for the socialized housing program, a beneficiary:

- (a) Must be a Filipino citizen;
- (b) Must be an underprivileged and homeless citizen, as defined in Section 3 of this Act;
- (c) Must not own any real property whether in the urban or rural areas; and
- (d) Must not be a professional squatter or a member of squatting syndicates.

Aside from the abovementioned, no other requisites are needed to confer beneficiary status on an individual. Provided further, to forestall any discrimination, there shall be no cut-off date for one to be considered a beneficiary under this law.

SECTION 6. Section 18 of Republic Act 7279 is hereby amended as follows:

“Section 18. Balanced Housing Development. The Program shall include a system to be specified in the Framework plan whereby developers of proposed subdivision projects, condominiums, memorial parks, golf courses and all other land development projects shall be required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total land area sought to be developed or total land development cost at the option of the developer and in accordance with the standards set by the Housing and Use and Regulatory Board and other existing laws.xxx.

However, such option must be clearly defined and made manifest in its application for the project. Furthermore, the said 20% compliance must be within the same city or municipality. Only when the developer has substantially proven that such compliance is not feasible in the same city or municipality can such compliance be made outside thereof.

However, said compliance must be made in the adjacent city or municipality where the project is to be undertaken. In no case shall compliance be outside, unless approved by the local Sanggunian and only after a favorable recommendation from the Local Housing Board or similar office.

Although not limited to the following list, the balanced housing development as herein required may be complied with by the developers concerned in 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 with either the local government units or any of the housing agencies; or
- d) Participation in the community mortgage program.

SECTION 7. Section 23 of Republic Act 7279 is hereby amended to read as follows:

Section 23. Participation of beneficiaries. "The local government units, in coordination with the PCUP and concerned government agencies, shall afford program beneficiaries or their duly designated representatives an opportunity to be heard and to participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interests which shall include the right of the program beneficiaries to decide on the location of the relocation sites, to make an offer or counter-offer, and to have the same be heeded when reasonable and allowable, appropriate documentation and feedback mechanisms. They shall also be encouraged to organize themselves and undertake self-help cooperative-housing and other livelihood activities. They shall assist the government in preventing the incursions of professional squatting syndicates into their communities.

In the instances when the affected beneficiaries have failed to organize themselves or form an alliance within a reasonable period prior to the implementation of the program or projects affecting them, consultation between the implementing agency and the affected beneficiaries shall be conducted with the assistance of the PCUP and the concerned government organization."

SECTION 8. Section 28 of Republic Act 7279 is hereby amended as follows:

Section 28. Eviction and Demolition.- AS A GENERAL RULE, EVICTION OF UNDERPRIVILEGED AND HOMELESS CITIZENS OR DEMOLITION OF THEIR RESIDENTIAL STRUCTURES SHALL BE PROHIBITED. EVICTIONS OF UNDERPRIVILEGED AND HOMELESS CITIZENS AND/OR DEMOLITIONS OF THEIR RESIDENTIAL STRUCTURES MUST ALWAYS BE COVERED WITH A COURT ORDER INCLUDING BUT NOT LIMITED TO EVICTIONS AND/OR DEMOLITIONS UNDER THE FOLLOWING SITUATIONS:

- a) When persons or entities occupy danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and other public places such as sidewalks, roads, parks, and playgrounds; and
- b) When government infrastructure projects with available funding are about to be implemented.

ANY EVICTION OR DEMOLITION INVOLVING UNDERPRIVILEGED AND HOMELESS CITIZENS, THE AGENCY WHICH SEEKS TO IMPLEMENT THE DEMOLITION MUST SUFFICIENTLY PROVE THE FOLLOWING FACTS:

(A) IN CASES OF EVICTIONS OR DEMOLITIONS INVOLVING DANGER AREAS,

THE DANGEROUS CIRCUMSTANCES AFFECTING THE RESIDENTS TO BE EVICTED AND HOUSES TO BE DEMOLISHED;

(B) IN CASES OF EVICTIONS OR DEMOLITIONS INVOLVING GOVERNMENT INFRASTRUCTURE PROJECTS, THE SUBSTANCE OF THE PROPOSED PROJECT AND THE BUDGET PERTAINING TO IT;

(C) IN ALL CASES, THAT THE AFFECTED COMMUNITIES SHALL HAVE ALREADY BEEN PROVIDED WITH A RELOCATION OR RESETTLEMENT SITE WITH BASIC SERVICES AND FACILITIES AND ACCESS TO EMPLOYMENT AND LIVELIHOOD OPPORTUNITIES SUFFICIENT TO MEET THE BASIC NEEDS OF THE AFFECTED FAMILIES. PROVIDED, ANY FINANCIAL ASSISTANCE OFFERED AND/OR RECEIVED BY THE RELOCATEE SHALL NOT BE CONSIDERED A WAIVER OF THE OBLIGATION OF THE IMPLEMENTING AGENCY AND/OR LOCAL GOVERNMENT UNIT TO PROVIDE PROPER RELOCATION.

PROVIDED FURTHER, IN THE EXECUTION OF EVICTION OR DEMOLITION INVOLVING UNDERPRIVILEGED AND HOMELESS CITIZENS, THE FOLLOWING SHALL LIKEWISE BE MANDATORY:

- (1) Notice upon the effected persons or entities at least thirty (30) days prior to the date of eviction or demolition;
 - (2) Adequate consultations on the matter of resettlement with the duly designated representatives of the families to be resettled and the affected communities in the areas where they are to be relocated;
 - (3) Presence of local government officials or their representatives during eviction or demolition;
 - (4) Proper identification of all persons taking part in the demolition;
 - (5) Execution of eviction or demolition only during regular office hours from Mondays to Fridays and during good weather, unless the affected families consent otherwise;
 - (6) No use of heavy equipment for demolition except for structures that are permanent and of concrete materials;
 - (7) Proper uniforms for members of the Philippine National Police who shall occupy the first line of law enforcement and observe proper disturbance control procedures.
- The Department of the Interior and Local Government and the Housing and Urban Development Coordinating Council shall jointly promulgate the necessary rules and regulations to carry out the above provision.

COMPLIANCE WITH THE ABOVEMENTIONED REQUIREMENTS SHALL BE MANDATORY IN ALL INSTANCES OF EVICTION AND DEMOLITION WITHOUT PREJUDICE TO WHETHER OR NOT SUCH RESIDENCES OF UNDERPRIVILEGED AND HOMELESS CITIZENS WERE CONSTRUCTED AFTER THE EFFECTIVITY OF THIS ACT.

SECTION 9. Section 40 of Republic Act 7279 is hereby amended as follows:

Section 40. Role of Government Housing Agencies. – In addition to their respective existing powers and functions, and those provided for in this Act, the hereunder mentioned housing agencies shall perform the following:

- (a) The Housing and Urban Development Coordinating Council shall, through the key housing agencies, provide local government units with necessary support such as: (1) Formulation of standards and guidelines as well as providing technical support in the preparation of town and land use plans; (2) In coordination with the National Economic and Development Authority and the National Statistics Office, provide data and information for forward-planning by the local government units in their areas, particularly on projections as to the population and development trends in their localities and the corresponding investment programs needed to provide appropriate types and levels of infrastructure, utilities, services and land use patterns; and (3) Assistance in obtaining funds and other resources needed in the urban development and housing programs in their areas or responsibility.
- (b) The National Housing Authority, upon request of local government units, shall provide technical and other forms of assistance in the implementation of their respective urban development and housing programs with the objective of augmenting and enhancing local government capabilities in the provision of housing benefits to their constituents;
- (c) The National Home Mortgage Finance Corporation shall administer the Community Mortgage Program under this Act and promulgate rules and regulations necessary to carry out the provisions of this Act; and
- (d) The Home Insurance Guaranty Corporation shall design an appropriate guarantee scheme to encourage financial institutions to go into direct lending for housing.

SEC. 40-A. –CREATION OF SOCIALIZED HOUSING COMMISSION.
SOCIALIZED HOUSING COMMISSION SHALL BE ESTABLISHED WITH QUASI-JUDICIAL POWERS AND AUTHORITY WITH EXCLUSIVE JURISDICTION OVER ALL ISSUES ARISING FROM THE IMPLEMENTATION OF THIS ACT, ITS IMPLEMENTING RULES AND REGULATIONS, PARTICULARLY HOUSING RIGHTS OF THE HOMELESS AND UNDERPRIVILEGED, INCLUDING BUT NOT LIMITED TO ISSUES INVOLVING DEMOLITION, EVICTION, RESETTLEMENT, RELOCATION PARTICULARLY IN RELATION TO SECTION 28 AND IMPLEMENTATION OF BALANCED HOUSING DEVELOPMENT UNDER SECTION 18 HEREOF, COMMUNITY MORTGAGE PROGRAM, AND HOUSING RIGHTS PROVIDED IN THE CONSTITUTION, INTERNATIONAL COVENANTS OF WHICH THE PHILIPPINES IS A SIGNATORY.

SECTION 10. Section 45 of Republic Act 7279 is hereby amended as follows:

Sec. 45. Penalty Clause. — Any person who violates any provision of this Act shall be imposed the penalty of not more than six (6) years of imprisonment or a fine of not less than **TWENTY-FIVE [Five] thousand pesos (P25,000) [(P5,000)]** but not more than One hundred thousand pesos (P100,000), or both, at the discretion of the court: Provided, That, if the offender is a corporation, partnership, association, **THE GOVERNMENT OR ANY OF ITS POLITICAL SUBDIVISIONS, INSTRUMENTALITIES OR AGENCIES, INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS**, or other juridical entity, the penalty shall be imposed on the officer or officers of said corporation, partnership, association, **GOVERNMENT ENTITY**, or juridical entity who caused the violation.

SECTION 11. *Separability Clause.* — If any provision of this Act, or any part thereof, is declared unconstitutional, the same shall not affect the validity and effectivity of the other portions.

SECTION 12. *Repealing Clause.* — All laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances, and enactments or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 13. *Effectivity.* — This Act shall take effect after fifteen (15) days from its complete publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,