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HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2684

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INTRODUCED BY HONORABLE GAVINI "APOL" C. PANCHO

EXPLANATORY NOTE

While there have been a number of initiatives in the past that have endeavored to address the challenge of coming out with a responsive national shelter program, sadly these have been able to fully achieve its objectives. This may be attributed to the fact that the various shelter agencies, though imbued with a single purpose, have not been able to act in synchrony with each other for one reason or another. There have also been instances where socialized housing projects have not been properly planned nor monitored, which have resulted in several deficiencies that have negatively impacted on welfare and security of its intended beneficiaries, the adjacent communities and the natural environment as well. Moreover, because of the many agencies involved in addressing the problem of homelessness, there has been a lot of confusion among the great number of our deserving but underprivileged citizens who desire to avail of housing assistance from government would not know where to go and how to proceed with the processing of their applications for housing loan.

For these reasons, the creation of single, responsive, and purposeful governmental housing entity with a broad mandate becomes a must. This bill has sought to consolidate the provisions of similar bills imbued with the same objective during the past Congresses. It brings together the provisions of Senate Bill Nr 423 which were introduced by Senator Ferdinand R Marcos Jr. during the Sixteenth Congress, and those of Senator Franklin Drilon Senate Bill Nr 136 during the Fifteenth Congress.

This legislative measure proposes the creation of the National Community Development Authority (NCDA) that will consolidate the functions of the Housing and Urban Development Coordinating Council (HUDCC) and the planning and regulatory functions of the Housing and Land Use Regulatory Board (HLURB). The NCDA will act as the primary national government entity responsible for the management of housing and urban community development in the country. It shall be the sole and main planning and policy-making, regulatory, program coordination, and performance monitoring entity for all housing and urban developmental concerns, primarily focusing on the access to and affordability of the basic human needs.

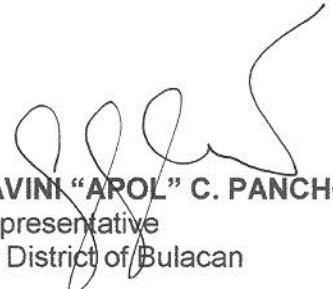
Likewise under this proposal, the HLURB is hereby reconstituted and shall henceforth be known as the Adjudication Commission for Housing, Land Use and Urban Development which shall exercise the adjudication function of the HLURB.

The existing key shelter agencies and corporations such as the National Housing Authority, Home Guaranty Corporation, National Home Mortgage Finance Corporation, Home Development Mutual Fund, Social Housing Finance Corporation, are attached to the NCDA for policy and program coordination, monitoring and evaluation. All these Agencies shall continue to function according to existing laws and their respective Charters.

The creation of the NCDA will do much to lessen the burden of the homeless by providing a single entity which can facilitate and expedite the availability of housing projects

and loans. With a singular government entity tasked to manage all matters pertaining to housing and urban community development there would no longer be a need for a housing applicant to go from one government agency to another to pursue his application. Furthermore, under this bill, the NCDA may establish Social Housing One-Stop Processing Center (SHOPCs) at the regional level in order to centralize the processing and issuance of all required housing-related permits, clearances, and licenses. The only agency that beneficiaries would be dealing with is the proposed NCDA for all of our governments housing programs.

We can be highly optimistic that through this legislative initiative the State can effectively address the urgency of this developmental concern. With it, the crucial housing needs of our country, including the growing housing backlog, and the institutional weaknesses of housing agencies can be effectively and efficiently resolved.



GAVINI "APOL" C. PANCHO
Representative
2nd District of Bulacan

HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2684

INTRODUCED BY HONORABLE GAVINI "APOL" C. PANTO

**AN ACT CREATING THE NATIONAL COMMUNITY DEVELOPMENT AUTHORITY,
DEFINING THE MANDATES, POWERS, AND FUNCTIONS, PROVIDING FUNDS
THEREFOR AND FOR OTHER PURPOSES**

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

CHAPTER 1
TITLE AND POLICIES

SECTION 1. Short Title. *This Act shall be known as the "National Community Development Act of 2016".*

SECTION 2. Declaration of Policy. *It is hereby declared the policy of the State to undertake in cooperation with the private sector, a continuing program of urban development and housing which will make available at affordable cost, decent housing and basic services to underprivileged and homeless citizens. 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.*

The State shall, by law, and for the common good, pursue the realization of a modern, humane, economically viable and environmentally sustainable society where the urbanization process is manifest in towns and cities being centers of productive: economic activity, led by market forces; where urban areas have affordable housing, sustainable physical and social infrastructure and services facilitated under a democratic and decentralized system of governance; where urban areas provide the opportunities for an improved quality of life and the eradication of poverty; and where there is a high degree of complementarity between urban and rural communities.

SECTION 3. Definition of Terms. *It is hereby declared the policy of the State to undertake in cooperation with the private sector, a continuing program of urban development and housing which will make available at affordable cost, decent housing and basic services to underprivileged and homeless citizens. 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.*

(a) "Affordable cost" refers to the most reasonable price of land and shelter based on the needs and financial capability of Program beneficiaries and appropriate financing schemes;

(b) "Areas for priority development" refers to those areas declared as such under existing statutes and pertinent executive issuances.

(c) Attachment - refers to the relationship between the NCDA and the attached agency or corporation for purposes of policy and program coordination and as further defined under the Administrative Code of 1987.

(d) "Blighted lands" refers to the areas where the structures are dilapidated, obsolete and unsanitary, tending to depreciate the value of the land and prevent normal development and use of the area. "Improvements" refers to all types of buildings and residential units, walls, fences, structures or constructions of all kinds of a fixed character or which are adhered to the soil but shall not include trees, plants and growing fruits, and other fixtures that are mere superimpositions on the land, and the value of improvements shall not be less than fifty percent (50%) of the assessed value of the property;

(e) Housing - refers to the system and its components which establish the residential quality of life, including housing, utilities, access to social services and other community facilities, security, and other aspects related to an individual's residence.

(f) "Land banking" refers to the acquisition of land at values based on existing use in advance of actual need to promote planned development and socialized housing programs;

(g) "Land use plan" refers to the rational approach of allocating available resources as equitably as possible among competing user groups and for different functions consistent with the development plan of the area and the Program under this Act;

(h) "On-site development" refers to the process of upgrading and rehabilitation of blighted slum urban areas with a view of minimizing displacement of dwellers in said areas, and with provisions for basic services as provided for in this Act;

(i) "Socialized housing" refers to housing programs and projects covering houses and lots or homelots only undertaken by the Government or the private sector for the underprivileged and homeless citizens which shall include sites and services development, long-term financing, liberalized terms on interest payments, and such other benefits in accordance with the provisions of this Act;

(j) "Urban areas" refers to all cities regardless of their population density and to municipalities with a population density of at least five hundred (500) persons per square kilometers;

(k) Urban Development - pertains to the process of occupation and use of land or space for such activities as residential, industrial, commercial and the like or their combinations, necessary to carry out the functions of urban living. It entails the building or rebuilding of more or less permanent structures over land that is often withdrawn or converted from its original use, resulting in the creation of a built environment.

(l) "Urbanizable areas" refers to sites and lands which, considering present characteristics and prevailing conditions, display marked and great potential of becoming urban areas within the period of five (5) years; and

SECTION 3. Coverage. — The Act shall cover all socialized housing programs to be developed by the government in urban and urbanizable areas, including existing areas for priority development sites, and in other areas that may be identified by the local government units as suitable for socialized housing.

CHAPTER 2

NATIONAL COMMUNITY DEVELOPMENT AUTHORITY (NCDA)

Section 4. Creation and Mandate of the National Community Development Authority. — There is hereby created the of National Community Development Authority (NCDA), hereinafter referred to as the NCDA, by consolidating the functions of the Housing and Urban Development Coordinating Council (HUDCC) and the planning and regulatory functions of the Housing and Land Use Regulatory Board (HLURB), which shall act as the

primary national government entity responsible for the management of socialized housing and urban development. It shall be the sole and main planning and policy-making, regulatory program coordination, and performance monitoring entity for all housing and urban and community development concerns, primarily focusing on the access to and affordability of the basic human needs.

Section 5. Powers and Functions. -The NCDA shall perform the following functions:

- (a) The planning and regulatory function of the Housing and Land Use Regulatory Board (HLURB) is hereby transferred to the NCDA which shall formulate the national urban development and shelter policy and strategy in coordination and consultation with the stakeholders, and ensuring its consistency with the National Development Plan;
- (b) In consultation with the stakeholders, formulate the urban development and shelter planning framework, establish and operate a national urban development and shelter planning system, and develop the necessary planning guidelines, procedures and urban development standards that will define and delineate the roles of all stakeholders, and guide the planning, standards localization, promulgation and enforcement of rules, and service delivery programs of national government and local governments, and facilitate private sector investment;
- (c) Formulate housing finance policies, and recommend and facilitate the development of mechanisms that promote the establishment of a self-sustaining private sector led housing finance system;
- (d) Formulate and implement a shelter program for urban poor communities that will promote their social and economic welfare, and mobilize resources and encourage stakeholder participation in the provision of urban services for the poor;
- (e) Provide assistance to and capability building of local governments in urban development, urban redevelopment and urban management in support of national policies and strategies in the sector, as well as strengthen the role of independent component cities and provincial governments as the primary entities for urban development planning and management at the local level;
- (f) Develop and establish a sector performance monitoring and assessment mechanism, and monitor and independently report on the performance of the sector, national government agencies, and local governments in housing and urban development to enable continuing improvements in sector policy and strategy formulation;
- (g) Delineate areas for priority development as urban renewal areas and prepare programs for their regeneration; Support devolution and decentralization where local governments in partnership with communities, non-government organization and private groups assume the functions of urban renewal and regeneration;
- (h) Exercise administrative investigatory powers over local governments to ensure their faithful compliance with housing and urban development laws, standards and guidelines, as well as their judicious and fair application of local housing and urban development and housing ordinances, and require the submission by local governments of pertinent documents and information, as may be necessary in the judicious and effective conduct of investigation;
- (i) Develop and implement the comprehensive and integrated housing program provided for under this act;
- (j) Formulate and enforce general and specific policies for housing development and resettlement;
- (k) Prescribe guidelines and standards for the reservation, conservation and utilization of public lands identified for housing and resettlement;
- (l) Exercise the right of eminent domain or acquire by purchase privately owned lands for purposes of housing development, resettlement and related services and facilities;
- (m) Develop and undertake housing development and/ or resettlement projects through joint ventures or other arrangements with public and private entities;
- (n) Discharge all responsibilities of the government, on behalf of the NCDA, as may arise from treaties, agreements, and other commitments on housing and resettlement to which it is

a Signatory, including the determination of forms of assistance for housing development to be extended through multilateral or bilateral assistance programs;

(o) Promote housing development by providing technical assistance;

(p) Purchase, acquire, sell, discount, refinance, or otherwise deal in home mortgages or participations therein under such terms and conditions as may be prescribed by the board of directors of the corporation;

(q) Own, lease, purchase or otherwise acquire, sell or otherwise dispose of, property, real or personal, as may be necessary and appropriate for the conduct of its business;

(r) Enter into and perform such contracts with any person or entity, public or private, as may be necessary, proper or conducive to the attainment or furtherance of the objectives and purposes of this act;

(s) Receive donations, grants, and bequests and utilize the same for the attainment of its objectives. Such donations, grants and bequests shall be exempt from the payment of transfer taxes and be fully deductible from the gross income of the donor or grantor for income tax purposes;

(t) Promulgate such rules and regulations and to do and perform any and all things as may be necessary and proper to carry out its responsibilities, powers and functions under this Act;

(u) Perform such other related functions as may be mandated by law.

(v) Formulate the national and urban development and housing policy and strategy, in coordination and in consultation with the stakeholders, which ensures consistency with the Philippine Development Plan (PDP) and the National Physical Framework Plan (NPFP) to promote social and economic welfare;

(w) Exercise initiative and assume a lead role in coordinating, supervising and integrating all government activities relative to housing and urban development;

(x) Formulate effective and efficient housing finance policies and programs to promote the establishment of a self-sustaining, private sector-led housing finance system; Manage and oversee the development of proclaimed housing sites, including the use of land assets as resource mobilization strategy to raise alternative funds in, developing new town housing projects which will serve as central relocation sites for the affected Informal Settlers;

(y) Utilize income generated from fees, fines, charges, and other collections in the performance of its functions, to defray operating expenses;

(z) Enter into contracts, joint venture agreements, public-private partnerships, and such other memorandum of agreements/understanding, either domestic or foreign, under such terms and conditions as it may deem proper and reasonable subject to existing laws;

(aa) Discharge all responsibilities of government as may arise from treaties, agreements and other commitments on housing, land use and urban development to which it is a signatory, including the determination of forms of assistance for housing, land use and urban development to be extended through bilateral or multilateral loans and/or assistance program;

(bb) Receive, take and hold by bequest, device, gift, purchase or lease, either absolutely or in trust for any of its purposes from foreign and domestic sources, any asset, grant or property, real or personal, subject to such limitations provided under existing laws and regulations;

(cc) Exercise oversight function, coordinate, monitor and evaluate the policies and programs of all attached agencies;

(dd) Conduct comprehensive studies and researches, and build and maintain a database necessary for housing and urban development;

(ee) Provide assistance to build the capability of local government units in housing and urban development and management to strengthen the role of provinces, cities and municipalities as the primary entities for urban development/renewal planning and management;

(ff) Promulgate zoning and other land use control standards and guidelines which shall govern land use plans and zoning ordinances of local governments, subdivision or estate development projects;

(gg) Monitor local government compliance with housing and urban 5 development laws, standards and guidelines and Republic Act No. 9485, otherwise known as the Anti-Red Tape Act of 2007 with respect to housing and urban development projects, as well as their judicious and fair application of local housing and urban development ordinances;

(hh) Support local government partnerships with communities, civil society organizations, non-government organizations, and private groups in the implementation of urban development/renewal projects;

(ii) Develop and establish a sector performance monitoring and assessment mechanism, and monitor the performance of national government agencies, local government units, as well as other entities involved in housing and urban development;

(jj) Lead in the disposition of lands intended for housing owned by the Government or any of its subdivisions, instrumentalities, agencies or government- owned or controlled corporations such as but not limited to military reservations, lands reserved for government offices, facilities and other installations, and other land assets including friar lands which have not been used for the purposes for which they have been reserved or set aside for the past ten (10) years from effectivity of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act (UDHA);

(kk) Declare areas as Urban Development/Renewal site(s) including the development and implementation of sub-projects jointly with the concerned local government units under a Public Private Partnership (PPP) arrangement;

(ll) Take the lead in the conduct of Pre- and Post-Proclamation activities as orchestrator and facilitator of the entire disposition process including the stewardship of the Local Inter-Agency Committee (LIACs) which are primarily tasked to oversee the implementation of housing proclamation projects;

(mm) Effect and oversee a single regulatory system that shall govern all activities relative to the planning, production, marketing, and management of housing and urban development projects;

(nn) Take over unfinished, incomplete or abandoned licensed real estate development projects under Presidential Decree No. 957;

(oo) Encourage the private sector to address and serve a large part of the country's housing needs;

(pp) Promote, accredit and regulate the use of indigenous materials and technologies in housing construction;

(qq) Implement prototype projects in housing and urban development undertakings, with the right to exercise the power of eminent domain, when necessary;

(rr) Determine, fix and collect reasonable amounts to be charged as fees and charges necessary for the effective implementation of all laws, rules and regulations enforced by the NCDA and impose reasonable fines and penalties for violation thereof;

(ss) Register and regulate Homeowners and Homeowners Associations (HOAs) and Condominium Units Owners' Association/Corporation (CUOA/Cs) and provide assistance in the formulation of community development programs;

(tt) Formulate and ensure the implementation of housing policies and programs for urban poor communities and informal settler families (ISFs) that will promote the social and economic welfare of homeless families particularly the poor and underprivileged;

(uu) Initiate and encourage deeper and active involvement and participation of civil society organizations, developers associations, urban planners and other stakeholders which shall be used as a venue through which housing needs are assessed and recognized and, in coordination with the local government units, serve as the lead agency for housing and urban development concerns; and,

(vv) Perform such other related functions as may be mandated by law.

CHAPTER 3 NCDA COMPOSITION, ORGANIZATION AND STAFFING PATTERN

Section 6. Composition. *The NCDA shall be composed of the Office of the Secretary, his/her immediate staff, and the offices of the undersecretaries and assistant secretaries, the department services, bureaus, regional offices, the attached agencies, their constituent units and the other Offices directly supportive of the Office of the Secretary.*

Section 7. Office of the Secretary. - *The Office of the Secretary shall consist of the secretary, and his immediate staff.*

Section 8. Powers and Functions of the Secretary. *The Secretary shall:*

- (a) Advise the President in issuing executive orders, regulations, proclamations and other issuances relative to matters under the jurisdiction of the NCDA;*
- (b) Establish policies and standards for the efficient and effective operations of the NCDA in accordance with the programs of the government;*
- (c) Promulgate rules, regulations and other issuances necessary in carrying out the NCDA's mandate, objectives, policies, plans, programs and projects;*
- (d) Review and approve, with a panel of planners and builders, the physical framework plans of the provinces and the comprehensive land use plans of cities, as well as the municipalities in the country;*
- (e) Appoint all officers and employees of the NCDA, except those whose appointments are vested with the President subject to the provisions of Civil Service Law, rules and regulations.*
- (f) Exercise control and supervision over all personnel of the NCDA;*
- (g) Exercise disciplinary powers over officers and employees of the NCDA in accordance with law including their investigation and the designation of a committee or officer to conduct such investigation;*
- (h) Have the power to delegate authority for the performance of any administrative or substantive function to subordinate officials of the NCDA;*
- (i) Have the power to call on other agencies and instrumentalities of the government and private entities for cooperation and assistance in the performance of its functions;*
- (j) To impose administrative fines and/or penalties of not more than two hundred thousand pesos (P 200,000.00) for violation of this Act, Republic Act No. 7279 and other laws implemented by the Commission, including pertinent rules and regulations, orders, decisions, and/or rulings; Provided, that the Secretary may adjust such fines not more than once every three (3) years; and,*
- (k) Perform such other functions as may be provided by law or assigned by the President.*

The Secretary shall also serve as a voting member of the National Economic and Development Authority (NEDA) Board, the governing Boards of the Climate Change Commission (CCC), the National Disaster Risk Reduction Management Council (NDRRMC), and the National Land Use Committee (NLUC). The Secretary shall be a member of NEDA's Committee on Infrastructure (INFRACOM), Investment Coordinating Committee (ICC) and Social Development Committee (SDC). The Secretary shall also be a member of the body authorized to formulate, prescribe, or amend guidelines under Republic Act No. 6957 as amended, otherwise known as the Build-Operate-Transfer (BOT) Law. The Secretary shall chair the governing board of the Home Development Mutual Fund (HDMF).

Section 9. The Undersecretaries and Assistant Secretaries. - *The Secretary shall be assisted by:*

- (a) One (1) Undersecretary for Policies, Plans and Programs, Coordination, Monitoring and Evaluation;*

(b) One (1) Undersecretary for Environmental, Land Use and Urban Planning and Development;

(c) One (1) Undersecretary for Regulation of Housing and Real Estate Development;

(d) One (1) Undersecretary for Homeowners, Homeowners Associations and Community Development.

(e) and three (3) Assistant Secretaries who shall all be appointed by the President upon the recommendation of the Secretary. The assistant secretaries shall be career officers.

The Undersecretaries and assistant secretaries shall have the powers and functions as provided for in Section 10 & 11 Chapter 2, Book IV of the Administrative Code of 1987. The Secretary is hereby authorized to delineate and assign the respective functional areas of responsibility of the undersecretaries and assistant secretaries and assign them as required.

Section 10. Departmental Offices and Regional Offices. – The NCDA shall establish, operate, and maintain Departmental Offices under them such as, but not limited to: (1) Policies, Plans and Programs, Coordination, Monitoring and Evaluation; (2) Environmental, Land Use and Urban Planning and Development; (3) Regulation of Real Estate Development; and (4) Homeowners, Homeowners Associations and Community Development. There shall be Regional Offices in all of the country's regions. Each Regional Office shall be headed by a Regional Director.

Section 11. NCDA Staffing Pattern – With the end in view of creating a lean but effective organization, the Secretary shall cause the preparation and implementation of an organizational framework and staffing pattern within sixty (60) days after the approval of this act. The organization, staffing, and compensation standards shall be based on shall conform to the provisions of Republic Act 24 No. 6758, otherwise known as the Salary Standardization Law, as amended and other existing budgeting and compensation rules and regulations. The authorized positions created therein shall be filled by regular appointments by the president or the secretary as the case may be: provided, that, in the filling of positions created, preference shall be given to the personnel of abolished agencies: provided, however, that such individuals comply with the qualification standards set by the civil service commission for the positions that they shall be appointed to: provided, finally, that, if such individuals possess the same qualifications, seniority shall be given priority. The Department of Budget and Management (DBM) shall, upon its approval, fund in full the staffing pattern of the NCDA.

CHAPTER 4 NCDA SERVICES

Section 12. Financial Management Service. – The Financial Management Service shall:

a. Formulate the medium-term and annual expenditure program for the NCDA and prepare, execute and administer its annual budget;

b. Develop and implement approaches, methodologies and procedures for ensuring efficiency in the allocation and utilization of budgetary and other resources of the NCDA;

c. Provide accounting, financial management, disbursement and cashiering services to the NCDA and ensure the submission of the appropriate financial and physical performance reports and financial statements;

d. Monitor and make recommendations on the financial and physical performance of the NCDA's programs, projects and activities; and

e. Perform such other related functions as may be assigned by the Secretary.

Section 13. Administrative Services. – *The Administrative Service shall provide the NCDA with efficient and effective services relative to personnel, human resources development, records management and custodial work, supplies and inventory management, procurement, physical assets management, and other related administrative functions as may be assigned by the Secretary.*

Section 14. Legal Service. – *The Legal Service shall:*

- a. Provide the NCDA, its officials and personnel with legal counseling services;*
- b. Provide assistance to the Secretary in handling cases affecting the NCDA and in the investigation of administrative cases involving NCDA personnel;*
- c. Provide assistance to the Secretary and other NCDA personnel in the preparation of legislative proposals and legal issuances affecting the sector or the NCDA;*
- d. Review and make recommendations to the Secretary on the legal and legislative implications of plans, programs and activities affecting the sector or the NCDA; and*
- e. Perform such other related functions as may be assigned by the Secretary.*

Section 15. Public Relations and Information Service. – *The Public Relations and Information Service shall;*

- a. Formulate and implement a public information and relations program that will promote public and stakeholder knowledge of and feedback on the policies, regulations, incentives, opportunities and programs and projects in the housing and urban development sector;*
- b. Prepare, produce and publish materials to support such public information and public relations program;*
- c. Establish collaborative networks for the dissemination of information and generation of feedback on sectoral concerns; and*
- d. Perform such other related functions as may be assigned by the Secretary.*

Section 16. Information and Communications Technology Service. – *The Information and Communications Technology Service shall:*

- a. Formulate and implement an information and communications technology plan for the sector that will ensure the speedy generation, organization, and processing of data and production of analytic information to support planning, policy formulation, performance monitoring and assessment and transaction processing systems of the NCDA;*
- b. Define the design of the integrated information systems and their functional specifications, and undertake the management of the development, operation and maintenance of applications;*
- c. Establish collaborative electronic data sharing and communications linkages with other departments, agencies, industry and local government units to ensure the generation of comprehensive, up-to-date and accurate data and promote their wider use in decision making;*
- d. Undertake continuing user training and assistance to improve computer literacy and promote the sophisticated use of information technology in planning, analysis, transaction processing and decision making;*
- e. Be responsible for the maintenance and provision of support services to all NCDA employees in the use of information technology;*
- f. Conduct continuing studies on best uses of information and communications technology in the housing and urban development sector; and*
- g. Perform such other functions as may be assigned by the Secretary.*

Section 17. Plans, Policies and Monitoring Office. – *The Plans, Policies and Monitoring Office (PPMO), shall be headed by an Assistant Secretary and shall be the*

central government policy, planning and monitoring think tank for housing and resettlement, and urban planning, development and regeneration. The Office shall be responsible for the:

- a. Formulation of national housing policy, urban and regional development policies, and resettlement policy;
- b. Updating of national urban development and housing framework; preparation of national shelter plan and agency corporate plan;
- c. Conducting research and development in housing technologies and into housing and urban development;
- d. Monitoring the effectiveness of government policies and programs in housing delivery and urban development, including those of the attached agencies;
- e. Development of performance indicators for housing and urban development, develop the performance indicators and program targets for key shelter agencies and local governments;
- f. Monitoring key shelter agencies' performance against targets as well as the accomplishment of national shelter plan and adherence to the urban development and housing framework;
- g. Integration of housing and urban development data banks with those of 'other government agencies; and
- h. Monitor the performance of local government programs in housing and urban development.

Section 18. Bureaus under the PPMO. -The Assistant Secretary for Plans, Policies and Monitoring shall supervise the following:

a. Plan Policies and Programs Bureau. The Plans, Policies and Programs Bureau shall:

1. Formulate, review and update, in consultation with national government agencies, local governments, private sector, communities and other stakeholders, national plans, objectives and policies for housing and urban development, specifically the National Urban Development and Housing Framework and the National Shelter Program;
2. Establish and implement a national housing and urban development planning system and coordinate the preparation and timing of the sectoral plans of national government agencies with the local development plans of local government units, ensuring their consistency with the National Urban Development and Housing Framework, the National Shelter Program and the Medium-Term Philippine Development Plan;
3. Design programs for the provision of capacity building assistance to local governments in housing and urban development planning, investment programming, formulation of zoning ordinances, plan administration and performance assessment;
4. Formulate policies and design interventions that will directly address the shelter concerns of the urban poor communities, including the formulation of guidelines on eviction and relocation;
5. Standardize planning data and sector information requirements under a uniform data classification and storage and through geographic information systems;
6. Formulate and implement a research and development agenda and mobilize public and private sector resources to generate new knowledge; develop and/or adopt new technologies; identify and design new products and services, to support continuing improvement in housing and urban development regulation, production, and service delivery;

7. Undertake continuing studies on the research and development requirements of the housing and urban development sector, for the purpose of, but not limited to, policy development, planning and standards formulation; and

8. Perform such other functions as may be assigned by the Secretary.

b. Monitoring and Evaluation Bureau. The Monitoring and Evaluation Bureau shall:

1. Formulate an effective monitoring and performance evaluation system and undertake the overall monitoring and performance assessment of housing and urban development projects of the NCDA, its attached agencies, local government units, and other entities;

2. Monitor and evaluate the performance of the sector particularly on the consistency of programs, projects and activities of national government agencies, local government units, industry and other stakeholders with the National Urban Development and Housing Framework, National Shelter Strategy, sector public investment programs and the policies of the NCDA;

3. Develop and operate a sector performance monitoring and evaluation system and monitor, evaluate and independently report on the performance of the sector and that of local governments, industry, national government and other key sector stakeholders;

4. Recommend changes and coordinate action needed to ensure the accomplishment of the objectives of the National Urban Development and Housing Framework, National Shelter Strategy, sector public investment programs and the policies of the NCDA;

5. Regularly monitor the corporate and operational performances of all the organic bureaus, attached agencies and corporations, and make recommendations thereon; and

6. Perform such other related functions as may be assigned by the Secretary.

c. Housing Finance Development Bureau. The Housing Finance and Development Bureau shall:

1. Formulate policies and implement schemes to encourage a sustainable market-oriented housing finance system that will ensure greater private sector participation and adequate flow of private funds into the housing industry;

2. Design the most appropriate mechanism to increase transparency and efficiency in the use of public funds, including the creation of a socialized housing fund or other mechanisms to administer up-front grants or amortization support, and design the implementing system and procedures for the program maximizing the principles of decentralization and devolution;

3. Undertake continuing studies for the improvement of the institutional framework and administrative operations for housing finance; and

4. Perform such other functions as may be assigned by the Secretary.

Section 19. The Urban Development and Housing Operations Office (UDHOO) - The Urban Development and Housing Operations Office (UDHOO), shall be headed by the Undersecretary for Operations who shall discharge the following duties and responsibilities:

a. Administration of homeless assistance advances/ grants to LGUs, NGOs, and private communities for temporary or emergency housing in response to man-made or natural calamities;

b. Development of the capacity of local governments to plan, implement and monitor housing, land management, urban development and urban redevelopment programs;

c. Development and administration of the national government subsidy program for social housing;

d. Provision of technical and administrative support to, management and implement foreign assisted projects at the central level; and

e. Exercise administrative supervision and control over the housing and land use regulatory office and the regional offices.

CHAPTER 5

RECONSTITUTION OF THE HLURB AS THE ADJUDICATION COMMISSION FOR HOUSING, LAND USE AND URBAN DEVELOPMENT (COMMISSION)

Section 20. Reconstitution of the HLURB as the Adjudication 10 Commission for Housing, Land Use and Urban Development (Commission). The HLURB is hereby reconstituted and shall henceforth be known as the Adjudication Commission for Housing, Land Use and Urban Development, hereinafter referred to "Commission", which shall be attached with the NCDA.

Section 21. Assumption and Exercise of Adjudication Function of the Housing and Land Use Regulatory Board (HLURB) to the Commission. The adjudication function of the HLURB shall be assumed and exercised by the Commission.

Section 22. Composition of the Commission and Qualification of Commissioners. The Commission shall be composed of nine (9) full-time commissioners; Provided, that the term of incumbent Commissioners shall be respected; Provided further, that the subsequent appointees of the President shall be members of the Philippine Bar of good standing and has been engaged in the practice of law for at least ten (10) years with experience and/or exposure in housing and/or urban development. The Commissioners shall hold office for a period of six (6) years, unless earlier removed for cause. The NCDA Secretary shall be the Ex-Officio Chairman of the Commission.

Section 23. Collegiality, Divisions, and Sessions. The Commission shall exercise its adjudicatory and all other powers, functions, and duties through its Divisions. The Commission, sitting en banc, shall be presided over by the Secretary and shall decide only on the promulgation of rules and regulations governing the hearing and disposition of cases before any of its Divisions and its Arbiters in its Regional Offices, and on the formulation of policies affecting its administration and operations.

Section 24. Precedence and Suspension. The most senior Commissioner shall be the presiding Commissioner of the first Division and the two (2) next most senior Commissioners shall be the presiding Commissioners of the second and third Divisions, respectively. The Commission en banc shall have administrative supervision over the Commission and its Regional Offices and all their personnel, including the Arbiters.

Section 25. Decisions and Resolutions. The concurrence of two (2) Commissioners of a Division shall be necessary for the promulgation of a judgment or resolution. Whenever the required membership in a Division is not complete and the concurrence of two (2) Commissioners to arrive at a judgment or resolution cannot be obtained, the Executive Commissioner shall designate into the Division such number of additional Commissioners from the other Divisions, as may be necessary. The conclusions of a Division on any case submitted to it for decision shall be reached in consultation before the case is assigned to a Commissioner for the writing of the decision. It shall be mandatory for the Division to meet for purposes of the consultation ordained herein. A certification to this effect signed by the presiding Commissioner of the Division shall be issued and a copy thereof attached to the record of the case and served upon the parties.

Section 26. Jurisdiction of Arbiters. The Arbiters shall exercise exclusive jurisdiction to hear and decide cases involving the following:

- a. Claims for refund, complaints against unsound real estate business practices and other actions for specific performance of contractual and statutory obligations filed by subdivision lot or condominium unit buyer against the project owner, developer, dealer, broker or salesman; and other complaints for violation of Presidential Decree No. 957 and other related laws;
- b. Intra-association disputes or controversies arising out of the relations between and among members of homeowners associations or condominium corporations; between any or all of them and the homeowners association or condominium corporation of which they are members, including federations of homeowners associations;
- c. Inter-association disputes or controversies arising out of the corporate relations between and among two or more homeowners associations or condominium corporations or federations;
- d. Disputes between such homeowners association or condominium corporation and the State, insofar as it concerns their individual franchise or right to exist and those which are intrinsically connected with the regulation of homeowners associations and condominium corporations or dealing with the internal affairs of such entity;
- e. Suits filed in opposition to an application for certificate of registration and license to sell, development permit for condominium projects, clearance to mortgage, or the revocation or cancellation thereof, and locational clearances, certifications or permits, when issued by the Commission/the NCDA;
- f. Suits filed by the project owner/developer against a buyer for the collection of unpaid amortization, cancellation of contract and/or ejectment.
- g. Eviction of informal settlers in open spaces or common areas of subdivisions and condominiums filed by the project owner or developer or the duly registered homeowners association or condominium corporation of the project;
- h. Disputes involving buyer financing agreements with any financing institution for the purchase of condominium units or subdivision lots; and,
- i. Disputes involving easements within or among subdivisions projects.
- j. Violations of administrative rules and regulations implementing Sections 7, 8 and 18 of Republic Act No. 7279.
- k. Disputes between landowners and developers, and between banks/financing institutions and developers whenever the interest of the buyers is involved;

1. Disputes involving the enforcement of comprehensive land use plans (CLUPs) and/or their accompanying zoning ordinances.

Section 27. Jurisdiction of the Commission and the Secretary. The Commission shall have the exclusive appellate jurisdiction over all cases decided by the Arbiters. The decision of the Commission shall be final and executory after fifteen (15) calendar days from receipt thereof by the parties. The Secretary may assume jurisdiction over any complaint or case and decide the same or certify such case for decision to the Commission if the controversy involves massive real estate fraud or unsound business practices of critical socio-economic or environmental considerations that may have serious potential impact on the interests of the sector or the general welfare.

Section 28. Powers of the Commission. - The Commission shall have the power and authority:

1. To promulgate rules and regulations governing the hearing and disposition of cases before it and its Arbiters, as well as those necessary to carry out its functions;

2. To administer oaths, summon the parties to a controversy, issue subpoenas requiring the attendance and testimony of witnesses or the production of such books, papers, contracts, records, statement of accounts, agreements, and others as may be material to a just determination of the case;

3. To hold, any person in contempt directly or indirectly and impose appropriate penalties therefore in accordance with law. A person guilty of misbehavior in the presence of or so near any member of the Commission or any Arbiter as to obstruct or interrupt the proceedings before the same, including disrespect toward said officials, offensive personalities toward others, or refusal to be sworn, or to answer as a witness or to subscribe an affidavit or deposition when lawfully required to do so, may be summarily adjudged in direct contempt by said officials and punished by fine not exceeding five thousand pesos (P5,000.00) or imprisonment not exceeding five (5) days, or both, if it be the Commission, or a member thereof, or by a fine not exceeding one thousand pesos (P1,000.00) or imprisonment not exceeding one (1) day, or both, if it be an Arbiter. The person adjudged in direct contempt by an Arbiter may appeal to the Commission and the execution of the judgment shall be suspended pending the resolution of the appeal upon the filing by such person of a bond on condition that he/she will abide by and perform the judgment of the Commission should the appeal be decided against him/her. Judgment of the Commission on direct contempt is immediately executory and unappealable. Indirect contempt shall be dealt with by the Commission or Arbiter in the manner prescribed, under Rule 71 of the Revised Rules of Court (ROC); and

4. To enjoin or restrain, after due notice and hearing, any actual or threatened commission of any or all prohibited or unlawful acts or to require the performance of a particular act in any dispute within its jurisdiction which, if not restrained or performed forthwith, may cause grave or irreparable damage to any party or render ineffectual any decision in favor of such party. In no case shall a temporary or permanent injunction be issued except after a finding of fact by the Commission, to the effect that:

a. Prohibited or unlawful acts have been threatened and will be committed and will be continued unless restrained, but no injunction or temporary restraining order shall be issued on account of any threat, prohibited or unlawful act, except against the person or persons, association or organization making the threat or committing the prohibited or unlawful act or actually authorizing or ratifying the same after actual knowledge thereof;

b. Substantial and irreparable injury to complainant's property will follow;

c. As to each item of relief to be granted, greater injury will be inflicted upon complainant by the denial of relief than will be inflicted upon defendants by the granting of relief;

d. Complainant has no adequate remedy at law; and,

e. Public officers charged with the duty to protect complainant's property are unable or unwilling to furnish adequate protection. Such hearing shall be held after due and personal notice thereof has been served, in such manner as the Commission shall direct to all known persons against whom relief is sought, and also to the Chief Executive and other public officials of the province or city within which the unlawful acts have been threatened or committed, charged with the duty to protect complainant's property: Provided, however, that if a complainant shall also allege that, unless a temporary restraining order shall be issued without notice, a substantial and irreparable injury to complainant's property will be unavoidable, such a temporary restraining order may be issued upon testimony under oath is sufficient if sustained, to justify the Commission in issuing a temporary injunction.

Such a temporary restraining order shall be effective for no longer than twenty (20) days and shall become void at the expiration of said twenty (20) days. No such temporary restraining order or temporary injunction shall be issued except on condition that complainant shall first file an undertaking with adequate security in an amount to be fixed by the Commission sufficient to recompense those enjoined for any loss, expense or damage caused by the improvident or erroneous issuance of such order or injunction, including all reasonable costs, together with a reasonable attorney's fee, and expense of defense against the order or against the granting of any injunctive relief sought in the same proceeding and subsequently denied by the Commission.

The undertaking herein mentioned shall be understood to constitute an agreement entered into by the complainant and the surety upon which an order may be rendered in the same suit or proceeding against said complainant and surety, upon a hearing to assess damages, of which hearing, complainant and surety shall have reasonable notice, the said complainant and surety submitting themselves to the jurisdiction of the Commission for that purpose. But nothing herein contained shall deprive any party having a claim or cause of action under or upon such undertaking from electing to pursue his/her ordinary remedy by suit at law or in equity: Provided further, that the reception of evidence for the application of a writ of injunction may be delegated by the Commission to any of its Arbiters who shall conduct such hearings in such places as he/she may determine to be accessible to the parties and their witnesses and shall submit thereafter his/her recommendation to the Commission.

5. To exercise such other powers as are implied, necessary, or incidental to carry out the express powers granted to the Commission. Authority is hereby vested in the Commission to directly utilize the income generated from fees, fines, charges, and other collections in the performance of its functions, to defray operating expenses.

Section 29. Compensation. A Commissioner shall receive a minimum monthly compensation corresponding to Salary Grade 30 as prescribed under Republic Act No. 6758, as amended. The incumbent full time Commissioners of the present HLURB shall remain in office unless they opt to avail of the retirement and separation benefits as provided for in Section 44 of this Act or are earlier removed for cause.

Section 30. The Arbiters, Qualifications and Compensation. The existing HLURB Arbiters shall be deemed qualified. Additional Arbiters shall have the following qualifications:

1. No person shall be appointed as Arbiter unless he or she is a member of the Philippine Bar of good standing and has been engaged in the practice of law for at least seven (7) years with at least three (3) years experience or exposure in the field of real estate and land use development cases, and,

2. The Arbiters shall receive a minimum monthly compensation corresponding to Salary Grade 28 as prescribed under Republic Act No. 6758, as amended. The President shall appoint Arbiters, as may be necessary, upon the recommendation of the Commission.

Section 31. The Sheriff. The Commission shall appoint a Sheriff or such number of Sheriffs in its Central and Regional Offices in accordance with the provisions of the Civil Service Law, rules and regulations. The Sheriff shall be responsible for the service and execution of all writs, summonses, and orders and other processes of the Commission.

Section 32. Appeals. Decisions, awards, or orders of the Arbiters shall be final and executory unless appealed to the Commission within fifteen (15) calendar days from receipt of such decisions, awards, or orders. The appeal may be entertained only on any of the following grounds:

1. There is *prima facie* evidence of abuse of discretion on the part of the Arbiter in rendering the questioned decision, award, or order;
2. The decision, order, or award was secured through fraud or coercion, including graft and corruption;
3. The appeal is made purely on questions of law; and,
4. Serious errors in the findings of facts are raised, which errors would cause grave or irreparable damage or injury to the appellant.

Section 33. Criminal Prosecution. The criminal prosecution for violation of housing laws and regulations shall be instituted before criminal Courts having appropriate jurisdiction.

Section 34. Pending Cases. All cases pending in regular Courts arising from or in connection with the implementation of pertinent laws on housing shall continue to be heard, tried, and decided to their finality by such Courts.

CHAPTER 6

ATTACHED AGENCIES AND NATURE OF ATTACHMENT

Section 35. Attached Agencies and Corporations. The following agencies and corporations are hereby attached to the NCDA:

1. National Housing Authority (NHA);
2. Home Guaranty Corporation (HGC);
3. National Home Mortgage Finance Corporation (NHMFC);
4. Home Development Mutual Fund (HDMF);
5. Social Housing Finance Corporation (SHFC); and,
6. Adjudication Commission for Housing, Land Use and Urban Development (Commission).

All these Agencies shall continue to function according to existing laws and their respective Charters. However, each of the heads of the attached agencies shall enter into a

performance contract annually with the NCDA Secretary. Such contracts shall embody the national targets on housing and urban development and shall include the over-all administration of the agency and the streamlining of personnel for effective and efficient service. Any reorganization, merger, streamlining, abolition or privatization of any attached government owned and controlled corporation (GOCC) initiated by the Governance Commission on GOCCs under Republic Act 10149, otherwise known as the GOCC Governance Act of 2011, shall require the concurrence of the Secretary.

Section 36. Nature of Attachment. The Secretary shall be elected as Chairperson of the governing Boards of the National Housing Authority (NHA), Home Development Mutual Fund (HDMF), National Home Mortgage Finance Corporation (NHMFC), Social Housing Finance Corporation (SHFC), and Home Guaranty Corporation (HGC).

CHAPTER 7 OTHER PROVISIONS

Section 37. Social Housing One-Stop Processing Centers (SHOPCs) - The NCDA may establish SHOPCs in the Regions, which shall centralize the processing and issuance of all required housing-related permits, clearances, and licenses in accordance with Executive Order No. 45, series of 2001 entitled "Prescribing time periods for issuance of housing 20 related certifications, clearances and permits, and imposing sanctions for failure to observe the same": Provided, that for the foregoing purpose, the respective ceilings for socialized, low cost/economic and middle-income housing shall be jointly determined by the NCDA and the NEDA: Provided further that at any time, but not more than once every two years, such ceilings may be reviewed or revised to conform to prevailing economic conditions. All agencies involved in the issuance of said permits, clearances and licenses shall be represented in the SHOPC and shall assign to SHOPC regional centers personnel who shall be sufficiently authorized to process and issue the same.

Section 38. Identification and Designation of Lands for Housing and Urban and Rural Development. - For the purpose of designating lands for housing and urban and rural development, the NCDA, the Department of Environment and Natural Resources (DENR), the Department of Agrarian Reform (DAR) Department of Agriculture (DA), and the Land Registration Authority (LRA) shall, within one hundred eighty (180) days from the effectivity of this Act, jointly identify agricultural lands which under Republic Act No. 6657, as amended, otherwise known as the Comprehensive Agrarian Reform Law, and other existing laws, rules and regulations are already exempted from conversion requirements: Provided, that the list shall exclude lands that are declared as non-negotiable or protected from conversion under existing laws and issuances and those lands covered under Republic Act No. 6657. Provided further, that the designation of lands for housing and urban and rural development purposes shall neither prejudice the rights of qualified beneficiaries under Republic Act No. 6657, nor undermine the protected agricultural areas intended to ensure the attainment of food security under Republic Act No. 8435, otherwise known as Agricultural and Fisheries Modernization Act (AFMA) of 1997 and other existing laws: Provided, also that in the case of lands exempted from conversion though these have been approved by the DAR, if these are contested by affected individual or community beneficiaries, it shall not be allowed to proceed with any horizontal or vertical development without need for any prior clearance or approval from the DAR or the DA consistent with the terms of the approved order or conversion: Provided, finally, that all idle government lands in highly urbanized cities are hereby prioritized for housing and urban development purposes,

Section 39. Advisory Council. - The Secretary shall have the power to establish advisory councils consisting of the Secretaries and other heads from national government agencies and local government units, representatives from the private sector including private developers associations, urban poor communities, academe, and other marginalized groups, to provide a forum for stakeholder participation and dialogue on key housing and

urban development policies, issues and concerns. Such councils shall be convened and chaired by the Secretary of the NCDA.

CHAPTER 8 TRANSITORY PROVISIONS

Section 40. Abolition of the Housing and Urban Development Coordinating Council (HUDCC) and the Housing and Land Use Regulatory Board (HLURB), the Transfer of Rights and Assets. The Housing and Urban Development Coordinating Council (HUDCC) and the Housing and Land Use Regulatory Board (HLURB) are hereby abolished within six (6) months from the effectivity of this act subject to Section 33 of this Act.

The NCDA shall, by virtue of this Act, be subrogated to all rights and assume all the liabilities of the HUDCC and HLURB, and all their pertinent funds, records, property, assets, equipment and such personnel, as may be necessary, including unexpended portions of their appropriations and/or allocations. all contracts and liabilities of said offices, agencies, and government units are hereby transferred to and assumed by the NCDA, except those that may hereafter be transferred to or absorbed by the Commission, and shall be acted upon in accordance with the auditing code and other pertinent laws, rules, and regulations.

Section 41. Transfer of Power and Functions. - The powers and functions of the abolished agencies and corporations are hereby transferred to the NCDA.

Section 42. Transfer of Assets and Obligations. All transfer of functions, assets, funds, equipment, property, transactions and personnel in aforementioned affected government agencies; and the formulation and implementation of the internal organic structures, staffing patterns, operating systems and revised budgets of the NCDA and the Commission, shall be completed within six (6) months; provided, that the officers and employees of the HUDCC and HLURB shall continue to assume their posts in holdover capacity until such time as the NCDA has been organized and the new officers and employees have been appointed pursuant to the provisions of this act. The NCDA and the Commission shall cause the creation of additional positions and augment their budget appropriations, as may be necessary.

Section 43. Absorption of Employees of the Consolidated Agencies. The existing civil servants of HUDCC and HLURB shall enjoy security of tenure and be absorbed by the NCDA or the Commission, in accordance with their staffing patterns and the selection process as prescribed under Republic Act No. 7 6656 on the Rules on government reorganization, unless the civil servant wants to avail of Section 44, hereof.

Section 44. Gratuity. Any employee of HUDCC and HLURB who opts to avail of separation from service within six (6) months from the effectivity of this Act as a result of the consolidation and/or reorganization under the provisions of this Act shall, within one (1) month from their separation from the service, be paid the money value of his accumulated vacation and sick leave and receive a separation pay equivalent to two hundred fifty percent (250%) of the latest monthly basic salary for every year of service in the government payable in lump sum. Provided, that those who are qualified to retire under existing retirement laws shall be allowed to retire under said laws and shall receive the benefits within ninety (90) days from their separation from service. Any of the employees and laborers who do not qualify under any existing retirement law shall be paid one hundred fifty percent (150%) of their monthly basic salary for every year of service in the government. The miscellaneous personnel benefits, the organization adjustment, and corporate funds may be used to fund the purpose.

Section 45. Transition Period. All transfer of functions, assets, funds, personnel, equipment, properties, transactions, and personnel in the affected national government

agencies, and the formulation and implementation of the internal organic structures, staffing patterns, operating systems, and revised budgets of the NCDA and the Commission, shall be completed within six (6) months from the effectivity of this Act, during which existing personnel shall continue to assume their posts in holdover capacities until new appointments are issued.

CHAPTER 9 IMPLEMENTING AUTHORITY, RULES, REGULATIONS AND FUNDING

Section 46. *Implementing Authority.* The HUDCC Chairman is hereby authorized to undertake the implementation of the provisions of this Act and implement the necessary organizational changes within six (6) months or until a Department Secretary has been appointed and has assumed office.

Section 47. *Formulation of Implementing Rules and Regulations.* The HUDCC, HLURB, DBM and Civil Service Commission (CSC) shall prepare and issue the implementing rules and regulations (IRR) within sixty (60) days upon the effectivity of this Act.

Section 48. *Funding.* The amount needed for the initial implementation of this Act shall be charged against the current year's appropriations of HUDCC and HLURB. Thereafter, such sums as may be necessary for the continued implementation of this Act, shall be included in the General Appropriations Act (GAA).

CHAPTER 10 MISCELLANEOUS PROVISIONS

Section 49. *Mandatory Review of the Implementation of this Act.* The Congress shall undertake a mandatory review of the implementation of this Act at the end of the third year from the date of its effectivity.

Section 50. *Repealing Clause.* All laws, executive orders, proclamations, rules, regulations and other issuances or parts thereof which are inconsistent with the provisions of this act are hereby repealed, amended or modified accordingly.

Section 51. *Separability Clause.* If, for any reason or reasons, any portion or provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

Section 52. *Effectivity.* This Act shall take effect fifteen (15) days after its complete publication in at least two (2) national newspapers of general circulation.

Approved,