

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 1164



Introduced by **Rep. Arturo B. Robes**

**AN ACT CREATING THE CITY OF SAN JOSE DEL MONTE DEVELOPMENT
AUTHORITY (CSJDMDA), DEFINING ITS POWERS AND FUNCTIONS, PROVIDING
FOR ITS ORGANIZATIONAL STRUCTURE AND CAPITALIZATION**

EXPLANATORY NOTE

This bill has been patterned from the establishment of the Quezon City Development Authority and despite Quezon City being a much larger local government, the City of San Jose del Monte has been dubbed as the “rising city” – with the continuous influx of people, businesses and economic opportunities.

The City of San Jose del Monte is a 1st class city in the province of Bulacan. With a population of 651, 813¹ and a population growth rate of 3.64%², or an additional 138,746 persons per year, the need for social services continuously increase. With this measure, the GOCC of the CSJDMDA will be given more leeway in implementing programs and projects through privatization.

Strengthening and attracting private investments through the creation of this development authority will also ease the burden on public finances while operating with efficiency, measurable targets and transparency. As the 1987 Constitution mandates, ensuring the availability of health, education and housing facilities at an affordable cost has been a top priority of this representation and with the approval of this bill, streamlining and regulating administrative procedures and protocols will be easier.

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



ARTURO B. ROBES

¹ Census, 2020 – Philippine Statistics Authority

² <https://csjdm.gov.ph/socioeconomic-and-physical-profile/demography/>

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

SECTION 1. Short Title. – This Act shall be known as the “Charter of the City of San Jose Development Authority.”

SEC. 2. Declaration of Policy - The State recognizes the vital role of government-owned or -controlled corporations (GOCCs) in social and economic development. Thus, it is hereby declared the policy of the State to authorize the creation of GOCCs that may be used to implement certain programs of local government units (LGUs) without violating their autonomy. The GOCCs may also assist LGUs in providing their constituents access to socialized housing, education, health and the other basic services. Towards this end, the State shall allow LGUs, with their available resources, to venture with GOCCs to accomplish the purpose of this Act.

SEC. 3. Definition of Terms. - As used in this Act:

- a. Areas for priority development refer to those areas declared as such under existing statutes, ordinances, and pertinent executive issuances.
- b. Blighted urban communities refer 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.
- c. Consultation refers to the constitutionally mandated process whereby the public, on their own or through people’s organizations, is provided an opportunity to be heard and to participate in the decision-making process on matters involving the protection and promotion of their legitimate collective interest, which shall include appropriate documentation and feedback mechanisms.
- d. Idle lands refer to nonagricultural lands in urban and urbanized areas on which no improvements, as herein defined, have been made by the owner, as certified by the city assessor.
- e. Improvements refer to all types of buildings and residential units, walls, fences, structures and constructions of all kinds of a fixed character or which are adhered to the soil but shall not include trees, plants and growing fruits except for urban community vegetable and fruit gardens maintained by the landowner, an existing homeowner, a neighborhood association, the barangay and the landowner’s authorized representative.

- f. Marginal and low-income families refer to individuals or families residing in urban and urbanized areas whose income or combined household income falls within the poverty threshold as defined by the National Economic and Development Authority and who do not own any housing facility or home lot. These shall include those who live in makeshift dwelling units and do not enjoy security of tenure.
- g. Monitoring refers to the collection, analysis, reporting and use of information about the progress of resettlement, and focuses on physical and financial targets and delivery of entitlements to people.
- h. On-site development refers to the process of upgrading and rehabilitation of blighted urban areas with a view of minimizing displacement of dwellers in said areas, and with provisions for basic services.
- i. Professional squatters refer to individuals or groups who occupy lands without the expressed consent of the landowner and who have sufficient income for legitimate housing. The term also applies to persons who were previously awarded home lots or housing units by the government but who sold, leased or transferred the same to settle illegally in the same place or in another urban area and non-*bonafide* occupants and intruders of land reserved for socialized housing. The term shall not apply to individuals or groups who simply rent land and housing from professional squatters or squatting syndicates.
- j. Resettlement areas refer to areas identified by the local government unit which shall be used for the relocation of the underprivileged and homeless families.
- k. Social services refer to healthcare, education, welfare programs, and community-based initiatives that aim to support individuals and the community by promoting well-being and addressing various needs.
- l. Socialized housing refers to the housing programs and projects covering real properties with or without existing houses undertaken by the government or the private sector for underprivileged and homeless citizens which shall include sites and services development, long term financing, liberalized terms of interest payments, and such other benefits in accordance with the provisions of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992".

SEC. 4. Creation. – There is hereby created a government-owned or -controlled corporation to be known as the City of San Jose del Monte Development Authority (CSJDMDA), which shall have its principal office in the City of San Jose del Monte.

The CSJDMDA shall be governed by the provisions of Republic Act No. 10149, otherwise known as the "GOCC Governance Act of 2011", and be subject to the regulatory jurisdiction of the Governance Commission for GOCCs (GCG).

SEC. 5. Objectives. – The CSJDMDA shall have the following objectives:

- a.) To provide adequate and affordable housing to marginal and low-income families in the City of San Jose del Monte, Bulacan
- b.) To uplift educational standards among public educational institutions in the province through active learning, infrastructure building and human resource capitalization
- c.) To upgrade the provision of social services, especially the health sector
- d.) To encourage the participation of the private sector in housing ventures and urban renewal;
- e.) To promote greening and development of vacant, blighted and underutilized lands in the city of San Jose del Monte owned by the local government; and

- f.) To provide the constituency of San Jose del Monte, Bulacan, projects that will alleviate their quality of life, such as affordable means and schemes of transportation, energy, telecommunication, information technology and manufacturing.

SEC. 6. Capitalization and Funding. – The CSJDMDA shall have an authorized capital stock of five hundred million pesos (P 500,000,000.00) divided into five hundred million shares (500,000,000.00) shares having a par value of One peso (P1.00) each which may be available for subscription by the City of San Jose del Monte government. The CSJDMDA shall also have the authority to increase the authorized capital stock as deemed fit by the authority.

SEC. 7. Powers and Functions of the CSJDMDA. – The CSJDMDA shall have the following powers and functions in accordance with the established urban development and housing, local development, plan prepared by the City of San Jose del Monte government:

- (a) Develop and implement a comprehensive and integrated urban renewal program, fostering economic growth and social services enhancement for San Jose del Monte, Bulacan;
- (b) Promote urban housing communities development in the City of San Jose del Monte with due consideration to ecological balance and geohazard assessment;
- (c) Acquire, develop, and manage lands and buildings of every kind and character whether belonging to or to be acquired by the CSJDMDA;
- (d) Invest its funds as it may deem proper, in bonds and securities issued and guaranteed by the city government or national government;
- (e) Promote housing development, human resources advancement, and social welfare enhancement by providing technical assistance to any related development project;
- (f) Receive donations, grants and bequests for the resettlement of displaced families and development of socialized housing;
- (g) Enter into joint ventures and partnerships to allow investments;
- (h) Plan, implement and monitor urban renewal programs, in coordination with the Environmental Management Bureau of the Department of Environment and Natural Resources, to protect and conserve unique, vital and sensitive ecosystems, watershed areas, scenic landscapes, cultural sites and provide resources and funding support for that purpose;
- (i) Develop, improve, administer, subdivide or lease any lands, buildings, estates and other forms of real property;
- (j) Invest in various proprietary ventures to earn income to pursue its primary objective of urban renewal;
- (k) Exercise all necessary corporate powers under Republic Act No. 11232, or the Revised Corporation Code of the Philippines;
- (l) Perform such other acts necessary to effect the policies and achieve the objectives herein declared.

SEC. 8. Board of Directors. – The CSJDMDA shall be governed by a board of directors, hereinafter referred to as the “Board”, which shall be composed of nine (9) members, who shall be the following:

- (a) The City Administrator as Chairperson;
- (b) The head of the City Housing Department;
- (c) The head of the City Planning Department;
- (d) The head of the City Social Services Department;
- (e) One (1) representative from the City Local Housing Board who shall not be an elected public official, to be nominated by the Local Housing Board members themselves;
- (f) One (1) representative from the City Development Council who shall not be an elected public official and who shall be nominated by the officers of the City Development Council.

Appointive members of the Board must be qualified by the Fit and Proper Rule as determined by the GCG in accordance with the provisions of Republic Act No. 10149. They shall be appointed by the President of the Philippines from a shortlist submitted by the GCG in accordance with the provisions

of Republic Act No. 10149: Provided, That in all Board positions, the GCG shall give utmost consideration to the nominees recommended by the City Mayor and City Council of San Jose del Monte, Bulacan, recommending at least three (3) names for every vacant position.

The members of the Board may receive per diems, allowances, and incentives in accordance with the guidelines promulgated by the GCG.

The Board shall meet regularly at least once a month, but special meetings may be called either by the Chairperson or by five (5) members of the Board, when necessary. Five (5) members of the Board shall constitute a quorum and any approval of business shall require the concurrence of at least five (5) members.

The Board may hire from time to time up to a maximum of two (2) consultants from the private sector who are known professionals in the urban renewal and housing industry, with proven track record. They shall be entitled to receive honoraria to be determined by the Board.

SEC. 9. Powers and Duties of the Board. – The Board shall have the following powers and duties:

- (a) Formulate policies, develop programs and promulgate rules and regulations to carry out the powers and functions of the CSJDMDA;
- (b) Act upon the annual budget and such supplemental budgets of the CSJDMDA submitted by the General Manager: *Provided*, That the Board may reduce but may not increase any item proposed by the General Manager;
- (c) Approve the organizational structure of the CSJDMDA as well as its staffing pattern, the salaries of the personnel and their powers and duties as submitted by the General Manager: *Provided*, That the CSJDMDA shall be covered by Republic Act No. 6758, as amended by Joint Resolution Nos. 1, series of 1994, and 4, series of 2009, the Compensation and Position Classification System for GOCCs under Republic Act No. 10149, as approved by the President of the Philippines: *Provided further*, That the prior approval from the GCG shall be obtained therefor;
- (d) Formulate and enforce general and specific policies for housing development, resettlement, urban renewal, education and social services advancement and other policies that the CSJDMDA may require for the effective discharge of its duties which are not contrary to existing laws;
- (e) Order, authorize, direct and coordinate with offices and task forces of the City of the San Jose del Monte, Bulacan in areas important to the implementation of its projects;
- (f) Enter into contracts or agreements as may be necessary for the attainment of the objectives of this Act with parties other than members of the Board, City of San Jose del Monte officials and employees and their relatives up to the fourth civil degree of consanguinity or affinity, or any judicial entity where such persons mentioned have pending cases or interest;
- (g) Acquire by purchase privately owned lands for purposes of urban renewal, housing development, resettlement, educational institutions or facilities, social service infrastructure, and related services and facilities: *Provided*, That the acquisition is with the consent of the City Council through a resolution;
- (h) Design, formulate, negotiate and implement financial or investment schemes;
- (i) Enable private sector assistance and participation in the achievement of the goals of the CSJDMDA and in carrying out its operations;
- (j) Render annual reports and special reports, as may be requested, in relation to Section 20 of this Act; and
- (k) Enter into and execute memoranda of agreements, joint ventures, long-term leases and management contracts with private sector entities, to include real estate developers or construction companies with dependable reputes and proven track record in developing and managing real estate ventures.

SEC. 10. Duties and Powers of the Chairman of the Board. – The Chairman shall:

- (a) Call and preside at the meetings of the Board and shall see to it that the policies, programs, and rules and regulations developed and promulgated by it are implemented properly;
- (b) Present for approval by the Board:
 - a. The annual budget of the CSJDMMDA
 - b. The rules and regulations needed to carry out the provisions of this Act and the amendments thereto;
 - c. Other matters which is deemed necessary or proper for the effective implementation of this Act; and
 - d. The annual report on the activities and finances of the CSJDMMDA, pursuant to Section 20 of this Act; and
- (c) Perform such other functions, which the Board may direct to carry out the provisions of this Act.

SEC. 11. General Manager. – The General Manager shall be elected by the Board from the appointive members. The General Manager must possess:

- (a) A career service executive eligibility (CSEE) or career executive service officer (CESO) eligibility;
- (b) A post-graduate degree related to law, management or public administration; or
- (c) A minimum of ten (10) years of management experience and must be a recognized authority in housing or related field.

The General Manager shall be the Chief Executive Officer of the CSJDMMDA and shall be entitled to receive a salary in accordance with the guidelines promulgated by the GCG, and shall serve for a fixed term of one (1) year, unless sooner removed by the Board for cause.

SEC. 12. Duties and Responsibilities of the General Manager. – The General Manager, as the Chief Executive Officer of the CSJDMMDA, shall have the following duties and responsibilities:

- (a) Execute, administer and implement the policies and measures approved by the Board;
- (b) Directly supervise the operation and internal affairs of the CSJDMMDA. The General Manager may delegate certain administrative responsibilities to other officers subject to the rules and regulations promulgated by the Board;
- (c) Recommend the number and salaries of, appoint the subordinate officers and personnel of the CSJDMMDA, and remove or otherwise discipline for cause any officer or employee: *Provided*, That the CSJDMMDA shall be covered by Republic Act No. 6758, as amended by Joint Resolution Nos. 1, series of 1994, and 4, series of 2009, the Compensation and Position Classification System for GOCCs under Republic Act No. 10149, as approved by the President of the Philippines: *Provided, further*, That prior approval from the GCG shall be obtained therefor;
- (d) Represent the CSJDMMDA in all dealings with other offices, agencies, and instrumentalities of the government and with all persons and entities, public or private, domestic or foreign; and
- (e) Exercise such other powers and perform such other duties as may be vested by the Board.

SEC. 13. Organizational Structure of the CSJDMMDA. – The General Manager shall prepare the organizational structure of the CSJDMMDA that would best carry out its powers and functions, and attain the objectives of this Act and shall present the same to the Board for its approval.

Subject to approval of the Board, the General Manager shall likewise determine the rates of allowances, honoraria and other additional compensation, which the CSJDMMDA is hereby authorized to grant its officers, technical staff, consultants and personnel detailed to it.

In all cases, the CSJDMMDA shall be covered by Republic Act No. 6758, as amended by Joint Resolution Nos. 1, series of 1994, and 4, series of 2009, the Compensation and Position Classification System for

GOCCs under Republic Act No. 10149, as approved by the President of the Philippines: *Provided*, That prior approval from the GCG shall be obtained therefor.

SEC. 14. Issuance of Bonds and Power to Borrow. – The CSJDMDA may be authorized to issue bonds and other securities and enter into any form of indebtedness to finance the implementation of its programs: *Provided*, That only so much of such bonds and securities as the annual project implementation would require shall be issued and sold: *Provided, further*, That no bonds and securities shall be issued unless eighty percent (80%) of those already issued have been sold: *Provided, furthermore*, That the total amount of the bonds or securities and long-term debts issued shall in no case exceed twenty (20) times the paid-up capital and surplus of the CSJDMDA: *Provided, finally*, That in no instance shall the sovereign guarantee of the Republic of the Philippines be required or allowed.

The CSJDMDA, in consultation with the Secretary of Finance and the Monetary Board, shall prescribe the form, the rate of interest and denomination, maturities, negotiabilities, call or redemption features and all other terms and conditions for the bonds and securities to be issued.

The bonds and securities issued under this Act, including the income thereof shall be exempted from all kinds of local taxes and from attachment, execution and seizure which facts shall be stated on the face thereof.

SEC. 15. Reports. – The CSJDMDA shall submit an annual report to the Office of the President of the Republic of the Philippines, both Houses of Congress, the Representative of San Jose del Monte, and the City Council, indicating, among others the programs being implemented, stages of implementation and financial position of the authority. It shall likewise submit periodic reports as may be required by the GCG, City Mayor and City Council.

The City Council of San Jose del Monte shall undertake internal and external monitoring of the programs to ensure efficiency, effectivity and impact of the program.

SEC. 16. Dissolution. – In the event that the CSJDMDA is dissolved for any reason, all of its assets and properties remaining at the time of such dissolution shall revert to the City of San Jose del Monte government.

SEC. 17. Applicability of the Corporation Code. – The provisions of the Corporation Code, as amended, insofar as these are not inconsistent with the provisions and policies provided in this Act, shall be applicable and suppletory.

SEC. 18. Separability Clause. - If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 19. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or parts thereof which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

SEC. 20. Effectivity. - This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in a newspaper of general circulation.

Approved,