

SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'13 JUL -3 P6 50

SENATE  
Senate Bill No. 423

RECORDED BY: *[Signature]*

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INTRODUCED BY SENATOR FERDINAND R. MARCOS, JR.

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### EXPLANATORY NOTE

By 2015, our country's population shall enter the 100-million threshold. With the escalating populace, it is vital that there is a full-fledge department to meet the challenge in housing and urban development to address the projected mass housing backlog of 5.8 million housing units in 2016, according to the Philippine Development Plan, 2011-2016.

This legislative measure proposes the creation of the **Department of Housing and Urban Development** (DHUD) that will consolidates 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). This Department is tasked to act as the primary national government entity responsible for the management of 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 development concerns, primarily focusing on the access to and affordability of the basic human needs.

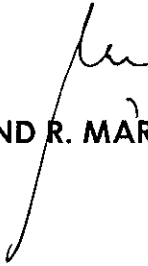
Under this proposal, the HLURB is hereby reconstituted and shall henceforth be known as the Adjudication Commission for Housing, Land Use and Urban Development which shall exercise the adjudication function of the HLURB.

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 Department of Housing and Urban Development for policy and program coordination, monitoring and evaluation. All these Agencies shall continue to function according to existing laws and their respective Charters.

Furthermore, under this bill, the Department may establish Social Housing One-Stop Processing Center (SHOPCs) in the Regions, which shall centralize the processing and issuance of all required housing-related permits, clearances, and licenses.

Through this legislative initiative, it is with great anticipation that the crucial housing needs of our country, including the growing housing backlog, and the institutional weaknesses of housing agencies, will be effectively addressed and resolved.

The early passage of this bill is earnestly requested.



**FERDINAND R. MARCOS, JR.**

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SENATE

Senate Bill No. 423

RECEIVED BY: 

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INTRODUCED BY SENATOR FERDINAND R. MARCOS, JR.

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**AN ACT**  
**CREATING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (DHUD),**  
**DEFINING THE MANDATES, POWERS, AND FUNCTIONS, PROVIDING FUNDS**  
**THEREFOR AND FOR OTHER PURPOSES**

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

**CHAPTER 1**

**TITLE AND POLICIES**

**Section 1. Title.** - This Act shall be known as the "**Department of Housing and Urban Development Act of 2013.**"

**Section 2. Declaration of Policies.** - The State shall, by law, and for the common good, 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 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, through partnerships with multi-stakeholders; where urban areas have

1 affordable housing, sustainable physical and social infrastructure and services  
2 facilitated under a democratic and decentralized system of governance; and  
3 where urban areas provide the opportunities for an improved quality of life and  
4 the eradication of poverty.

5 Urban or rural poor dwellers shall not be evicted nor their dwelling  
6 demolished, except in accordance with law.

## 7 CHAPTER II

### 8 DEFINITION OF TERMS

9 **Section 3. Definitions.** - As used in this Act, the following terms shall mean:

10 3.1 *Attachment* - refers to the relationship between the department and  
11 the attached agency or corporation for purposes of policy and program  
12 coordination and as further defined under the Administrative Code of 1987.

13 3.2 *Housing* - refers to the system and its components which establish the  
14 residential quality of life, including housing, utilities, access to social services and  
15 other community facilities, security, and other aspects related to an individual's  
16 residence.

17 3.3 *Informal Settler Families (ISFs)* refer to household/s living in: (a) lot  
18 without consent of the property owner; (b) danger areas; (c) areas for  
19 government infrastructure projects; (d) protected/forest areas (except for  
20 indigenous people); (e) Areas for Priority Development (APDs), if applicable;  
21 and/or (f) other government/public lands or facilities not intended for  
22 habitation.

23 3.4 *Urban Development* – pertains to the process of occupation and use  
24 of land or space for such activities as residential, industrial, commercial and the  
25 like or their combinations, necessary to carry out the functions of urban living. It  
26 entails the building or rebuilding of more or less permanent structures over land  
27 that is often withdrawn or converted from its original use, resulting in the creation  
28 of a built environment.

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## CHAPTER III

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

#### **Section 4. Creation and Mandate of the Department of Housing and Urban**

**Development.** - There is hereby created the Department of Housing and Urban Development (DHUD), hereinafter referred to as the Department, 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 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 development concerns, primarily focusing on the access to and affordability of the basic human needs.

**Section 5. Powers and Functions.** - The planning and regulatory function of the Housing and Land Use Regulatory Board (HLURB) is hereby transferred to the Department.

In addition thereto, the Department shall perform the following:

5.1. 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 (NPFPP) to promote social and economic welfare;

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

5.3. Formulate effective and efficient housing finance policies and programs to promote the establishment of a self-sustaining, private sector-led housing finance system;

1           5.4. Manage and oversee the development of proclaimed housing sites,  
2 including the use of land assets as resource mobilization strategy to raise  
3 alternative funds in developing new town housing projects which will serve as  
4 central relocation sites for the affected Informal Settlers;

5           5.5. Utilize income generated from fees, fines, charges, and other  
6 collections in the performance of its functions, to defray operating expenses;

7           5.6. Enter into contracts, joint venture agreements, public-private  
8 partnerships, and such other memorandum of agreements/understanding,  
9 either domestic or foreign, under such terms and conditions as it may deem  
10 proper and reasonable subject to existing laws;

11          5.7. Discharge all responsibilities of government as may arise from treaties,  
12 agreements and other commitments on housing, land use and urban  
13 development to which it is a signatory, including the determination of forms of  
14 assistance for housing, land use and urban development to be extended  
15 through bilateral or multilateral loans and/or assistance program;

16          5.8. Receive, take and hold by bequest, device, gift, purchase or lease,  
17 either absolutely or in trust for any of its purposes from foreign and domestic  
18 sources, any asset, grant or property, real or personal, subject to such limitations  
19 provided under existing laws and regulations;

20          5.9. Exercise oversight function, coordinate, monitor and evaluate the  
21 policies and programs of all attached agencies;

22          5.10. Conduct comprehensive studies and researches, and build and  
23 maintain a database necessary for housing and urban development;

24          5.11. Provide assistance to build the capability of local government units  
25 in housing and urban development and management to strengthen the role  
26 of provinces, cities and municipalities as the primary entities for urban  
27 development/renewal planning and management;

1           5.12. Promulgate zoning and other land use control standards and  
2 guidelines which shall govern land use plans and zoning ordinances of local  
3 governments, subdivision or estate development projects;

4           5.13. Monitor local government compliance with housing and urban  
5 development laws, standards and guidelines and Republic Act No. 9485,  
6 otherwise known as the Anti-Red Tape Act of 2007 with respect to housing and  
7 urban development projects, as well as their judicious and fair application of  
8 local housing and urban development ordinances;

9           5.14. Support local government partnerships with communities, civil  
10 society organizations, non-government organizations, and private groups in  
11 the implementation of urban development/renewal projects;

12           5.15. Develop and establish a sector performance monitoring and  
13 assessment mechanism, and monitor the performance of national government  
14 agencies, local government units, as well as other entities involved in housing  
15 and urban development;

16           5.16. Lead in the disposition of lands intended for housing owned by the  
17 Government or any of its subdivisions, instrumentalities, agencies or government-  
18 owned or controlled corporations such as but not limited to military reservations,  
19 lands reserved for government offices, facilities and other installations, and other  
20 land assets including friar lands which have not been used for the purposes for  
21 which they have been reserved or set aside for the past ten (10) years from  
22 effectivity of Republic Act No. 7279, otherwise known as the Urban  
23 Development and Housing Act (UDHA);

24           5.17. Declare areas as Urban Development/Renewal site(s) including the  
25 development and implementation of sub-projects jointly with the concerned  
26 local government units under a Public Private Partnership (PPP) arrangement;

27           5.18. Advocate and assist the local government units (LGUs) in the  
28 establishment of Special Housing Fund (SHF) to be sourced from the proceeds of  
29 Real Property Tax (RPT) as provided for under Section 43 of Republic Act No.

1 7279 pegged at one half percent (.5%) of the assessed value of real property  
2 which will be exclusively used for the identification of sites for socialized housing  
3 and low-cost housing, data gathering, inventory of lands; mobilization and  
4 implementation of socialized and low-cost housing programs of the LGUs.

5 5.19. Take the lead in the conduct of Pre- and Post-Proclamation activities  
6 as orchestrator and facilitator of the entire disposition process including the  
7 stewardship of the Local Inter-Agency Committee (LIACs) which are primarily  
8 tasked to oversee the implementation of housing proclamation projects;

9 5.20. Effect and oversee a single regulatory system that shall govern all  
10 activities relative to the planning, production, marketing, and management of  
11 housing and urban development projects;

12 5.21. Take over unfinished, incomplete or abandoned licensed real estate  
13 development projects under Presidential Decree No. 957;

14 5.22. Encourage the private sector to address and serve a large part of  
15 the country's housing needs;

16 5.23. Promote, accredit and regulate the use of indigenous materials  
17 and technologies in housing construction;

18 5.24. Implement prototype projects in housing and urban development  
19 undertakings, with the right to exercise the power of eminent domain, when  
20 necessary;

21 5.25. Determine, fix and collect reasonable amounts to be charged as  
22 fees and charges necessary for the effective implementation of all laws, rules  
23 and regulations enforced by the Department and impose reasonable fines and  
24 penalties for violation thereof;

25 5.26. Register and regulate Homeowners and Homeowners Associations  
26 (HOAs) and Condominium Units Owners' Association/Corporation (CUOA/Cs)  
27 and provide assistance in the formulation of community development  
28 programs;



1           5.27. Formulate and ensure the implementation of housing policies and  
2 programs for urban poor communities and informal settler families (ISFs) that will  
3 promote the social and economic welfare of homeless families particularly the  
4 poor and underprivileged;

5           5.28. Initiate and encourage deeper and active involvement and  
6 participation of civil society organizations, developers associations, urban  
7 planners and other stakeholders which shall be used as a venue through  
8 which housing needs are assessed and recognized and, in coordination with  
9 the local government units, serve as the lead agency for housing and urban  
10 development concerns; and,

11           5.29. Perform such other related functions as may be mandated by law.

12           **Section 6. Composition.** - The Department shall be composed of the  
13 Office of the Secretary, his/her immediate staff, and the Offices of the  
14 Undersecretaries and their respective staff, and the other Offices directly  
15 supportive of the Office of the Secretary.

16           **Section 7. The Secretary.** - The Secretary shall:

17           7.1. Report to the President on the promulgation of rules, regulations and  
18 other issuances relative to matters under the jurisdiction of the Department;

19           7.2. Establish policies and standards for the efficient and effective  
20 operations of the Department in accordance with the programs of the  
21 government;

22           7.3. Promulgate rules, regulations and other issuances necessary in  
23 carrying out the Department's mandate, objectives, policies, plans, programs  
24 and projects;

25           7.4. Review and approve, with a panel of planners and builders, the  
26 physical framework plans of the provinces and the comprehensive land use  
27 plans of cities, as well as the municipalities within Metro Manila;

28           7.5. Exercise control and supervision over all personnel of the Department;

1           7.6. Have the power to delegate authority for the performance of any  
2 administrative or substantive function to subordinate officials of the Department;

3           7.7. Appoint all officers and employees of the department, except those  
4 whose appointments are vested with the President subject to the provisions of  
5 Civil Service Law, rules and regulations.

6           7.8. Have the power to call on other agencies and instrumentalities of the  
7 government and private entities for cooperation and assistance in the  
8 performance of its functions;

9           7.9. To impose administrative fines and/or penalties of not more than  
10 one hundred thousand pesos (P 100,000.00) for violation of this Act, Republic  
11 Act No. 7279 and other laws implemented by the Commission, including  
12 pertinent rules and regulations, orders, decisions, and/or rulings; *Provided*, that  
13 the Secretary may adjust such fines not more than once every three (3) years;  
14 and,

15           7.10. Perform such other functions as may be provided by law or assigned  
16 by the President.

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

27           **Section 8. The Undersecretaries.** - The Secretary shall be assisted by

28           8.1. One (1) Undersecretary for Policies, Plans and Programs, Coordination,  
29 Monitoring and Evaluation;

1           8.2. One (1) Undersecretary for Environmental, Land Use and Urban  
2 Planning and Development;

3           8.3. One (1) Undersecretary for Regulation of Housing and Real Estate  
4 Development; and,

5           8.4. One (1) Undersecretary for Homeowners, Homeowners Associations  
6 and Community Development.

7           They shall have the powers and functions as provided for in Section 10,  
8 Chapter 2, Book IV of the Administrative Code of 1987. The Secretary is further  
9 authorized to delineate and assign the other functional areas of responsibility of  
10 the Undersecretaries.

11           **Section 9. Departmental Offices and Regional Offices.** - The Department  
12 shall establish, operate, and maintain Departmental Offices under them such as,  
13 but not limited to: (1) Policies, Plans and Programs, Coordination, Monitoring and  
14 Evaluation; (2) Environmental, Land Use and Urban Planning and Development;  
15 (3) Regulation of Real Estate Development; and (4) Homeowners, Homeowners  
16 Associations and Community Development.

17           There shall be Regional Offices in all of the country's regions. Each  
18 Regional Office shall be headed by a Regional Director.

19           **Section 10. Staffing Pattern.** - The Secretary shall cause the preparation  
20 and implementation of a staffing pattern for the Department. The development  
21 of the staffing pattern shall be based on an assessment of the personnel  
22 requirements of the entire Department. The remuneration structure of the  
23 positions in the staffing pattern shall conform to the provisions of Republic Act  
24 No. 6758, otherwise known as the Salary Standardization Law, as amended. The  
25 Department of Budget and Management (DBM) shall, upon its approval, fund in  
26 full the staffing pattern of the Department.

27           **Section 11. Advisory Council.** - The Secretary shall have the power to  
28 establish advisory councils consisting of the Secretaries and other heads from  
29 national government agencies and local government units, representatives

1 from the private sector including private developers associations, urban poor  
2 communities, academe, and other marginalized groups, to provide a forum for  
3 stakeholder participation and dialogue on key housing and urban development  
4 policies, issues and concerns. Such councils shall be convened and chaired by  
5 the Secretary of the Department of Housing and Urban Development.

#### 6 CHAPTER IV

### 7 ADJUDICATION COMMISSION FOR HOUSING, LAND USE

### 8 AND URBAN DEVELOPMENT

#### 9 Section 12. *Reconstitution of the HLURB as the Adjudication* 10 *Commission for Housing, Land Use and Urban Development (Commission).*

11 The HLURB is hereby reconstituted and shall henceforth be known as the  
12 Adjudication Commission for Housing, Land Use and Urban Development,  
13 hereinafter referred to "Commission", which shall be attached with the  
14 Department for policy, plan and program coordination only.

15 Section 13. *Assumption and Exercise of Adjudication Function of the*  
16 *Housing and Land Use Regulatory Board (HLURB) to the Commission.* The  
17 adjudication function of the HLURB shall be assumed and exercised by the  
18 Commission.

19 Section 14. *Composition of the Commission and Qualification of*  
20 *Commissioners.* The Commission shall be composed of nine (9) full-time  
21 commissioners; *Provided*, that the term of incumbent Commissioners shall be  
22 respected; *Provided* further, that the subsequent appointees of the President  
23 shall be members of the Philippine Bar of good standing and has been  
24 engaged in the practice of law for at least ten (10) years with experience  
25 and/or exposure in housing and/or urban development.

26 The Commissioners shall hold office for a period of six (6) years, unless  
27 earlier removed for cause.

28 The Department Secretary shall be the *Ex-Officio* Chairman of the  
29 Commission.

1           **Section 15. Collegiality, Divisions, and Sessions.** The Commission shall  
2 exercise its adjudicatory and all other powers, functions, and duties through its  
3 Divisions.

4           The Commission, sitting *en banc*, shall be presided over by the Secretary  
5 and shall decide only on the promulgation of rules and regulations  
6 governing the hearing and disposition of cases before any of its Divisions  
7 and its Arbiters in its Regional Offices, and on the formulation of policies  
8 affecting its administration and operations.

9           **Section 16. Precedence and Supervision.** The most senior Commissioner  
10 shall be the presiding Commissioner of the first Division and the two (2) next most  
11 senior Commissioners shall be the presiding Commissioners of the second and  
12 third Divisions, respectively.

13           The Commission *en banc* shall have administrative supervision over the  
14 Commission and its Regional Offices and all their personnel, including the  
15 Arbiters.

16           **Section 17. Decisions and Resolutions.** The concurrence of two (2)  
17 Commissioners of a Division shall be necessary for the promulgation of a  
18 judgment or resolution.

19           Whenever the required membership in a Division is not complete and  
20 the concurrence of two (2) Commissioners to arrive at a judgment or resolution  
21 cannot be obtained, the Executive Commissioner shall designate into the  
22 Division such number of additional Commissioners from the other Divisions, as  
23 may be necessary.

24           The conclusions of a Division on any case submitted to it for decision shall  
25 be reached in consultation before the case is assigned to a Commissioner for  
26 the writing of the decision. It shall be mandatory for the Division to meet for  
27 purposes of the consultation ordained herein. A certification to this effect  
28 signed by the presiding Commissioner of the Division shall be issued and a  
29 copy thereof attached to the record of the case and served upon the parties.

1           **Section 18. Jurisdiction of Arbiters.** The Arbiters shall exercise exclusive

2 jurisdiction to hear and decide cases involving the following:

- 3           a. Claims for refund, complaints against unsound real estate business  
4           practices and other actions for specific performance of contractual  
5           and statutory obligations filed by subdivision lot or condominium unit  
6           buyer against the project owner, developer, dealer, broker or  
7           salesman; and other complaints for violation of Presidential Decree  
8           No. 957 and other related laws;
- 9           b. Intra-association disputes or controversies arising out of the relations  
10          between and among members of homeowners associations or  
11          condominium corporations; between any or all of them and the  
12          homeowners association or condominium corporation of which they  
13          are members, including federations of homeowners associations;
- 14          c. Inter-association disputes or controversies arising out of the corporate  
15          relations between and among two or more homeowners associations  
16          or condominium corporations or federations;
- 17          d. Disputes between such homeowners association or condominium  
18          corporation and the State, insofar as it concerns their individual  
19          franchise or right to exist and those which are intrinsically connected  
20          with the regulation of homeowners associations and condominium  
21          corporations or dealing with the internal affairs of such entity;
- 22          e. Suits filed in opposition to an application for certificate of registration  
23          and license to sell, development permit for condominium projects,  
24          clearance to mortgage, or the revocation or cancellation thereof, and  
25          locational clearances, certifications or permits, when issued by the  
26          HLURB/the Department;
- 27          f. Suits filed by the project owner/developer against a buyer for the  
28          collection of unpaid amortization, cancellation of contract and/or  
29          ejectment.

- 1 g. Eviction of informal settlers in open spaces or common areas of  
2 subdivisions and condominiums filed by the project owner or  
3 developer or the duly registered homeowners association or  
4 condominium corporation of the project;
- 5 h. Disputes involving buyer financing agreements with any financing  
6 institution for the purchase of condominium units or subdivision lots;  
7 and,
- 8 i. Disputes involving easements within or among subdivisions projects.
- 9 j. Violations of administrative rules and regulations implementing  
10 Sections 7, 8 and 18 of Republic Act No. 7279.
- 11 k. Disputes between landowners and developers, and between  
12 banks/financing institutions and developers whenever the interest of  
13 the buyers is involved;
- 14 l. Disputes involving the enforcement of comprehensive land use plans  
15 (CLUPs) and/or their accompanying zoning ordinances.

16 **Section 19. Jurisdiction of the Commission and the Secretary.** The

17 Commission shall have the exclusive appellate jurisdiction over all cases  
18 decided by the Arbiters.

19 The decision of the Commission shall be final and executory after fifteen  
20 (15) calendar days from receipt thereof by the parties.

21 The Secretary may assume jurisdiction over any complaint or case and  
22 decide the same or certify such case for decision to the Commission if the  
23 controversy involves massive real estate fraud or unsound business practices of  
24 critical socio-economic or environmental considerations that may have serious  
25 potential impact on the interests of the sector or the general welfare.

26 **Section 20. Powers of the Commission.** - The Commission shall have the  
27 power and authority:

1           20.1. To promulgate rules and regulations governing the hearing and  
2 disposition of cases before it and its Arbiters, as well as those necessary to carry  
3 out its functions;

4           20.2. To administer oaths, summon the parties to a controversy, issue  
5 subpoenas requiring the attendance and testimony of witnesses or the  
6 production of such books, papers, contracts, records, statement of accounts,  
7 agreements, and others as may be material to a just determination of the case;

8           20.3. To hold any person in contempt directly or indirectly and impose  
9 appropriate penalties therefor in accordance with law.

10           A person guilty of misbehavior in the presence of or so near any member  
11 of the Commission or any Arbiter as to obstruct or interrupt the proceedings  
12 before the same, including disrespect toward said officials, offensive  
13 personalities toward others, or refusal to be sworn, or to answer as a witness or to  
14 subscribe an affidavit or deposition when lawfully required to do so, may be  
15 summarily adjudged in direct contempt by said officials and punished by fine  
16 not exceeding five thousand pesos (P5,000.00) or imprisonment not exceeding  
17 five (5) days, or both, if it be the Commission, or a member thereof, or by a fine  
18 not exceeding one thousand pesos (P1,000.00) or imprisonment not exceeding  
19 one (1) day, or both, if it be an Arbiter.

20           The person adjudged in direct contempt by an Arbiter may appeal to the  
21 Commission and the execution of the judgment shall be suspended pending the  
22 resolution of the appeal upon the filing by such person of a bond on condition  
23 that he/she will abide by and perform the judgment of the Commission should  
24 the appeal be decided against him/her. Judgment of the Commission on direct  
25 contempt is immediately executory and unappealable. Indirect contempt shall  
26 be dealt with by the Commission or Arbiter in the manner prescribed under Rule  
27 71 of the Revised Rules of Court (ROC); and

28           20.4. To enjoin or restrain, after due notice and hearing, any actual or  
29 threatened commission of any or all prohibited or unlawful acts or to require the



1 performance of a particular act in any dispute within its jurisdiction which, if not  
2 restrained or performed forthwith, may cause grave or irreparable damage to  
3 any party or render ineffectual any decision in favor of such party. In no case  
4 shall a temporary or permanent injunction be issued except after a finding of  
5 fact by the Commission, to the effect that:

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

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

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

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

18 e. Public officers charged with the duty to protect complainant's  
19 property are unable or unwilling to furnish adequate protection.

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

1 temporary restraining order shall be effective for no longer than twenty (20) days  
2 and shall become void at the expiration of said twenty (20) days.

3 No such temporary restraining order or temporary injunction shall be  
4 issued except on condition that complainant shall first file an undertaking with  
5 adequate security in an amount to be fixed by the Commission sufficient to  
6 recompense those enjoined for any loss, expense or damage caused by the  
7 improvident or erroneous issuance of such order or injunction, including all  
8 reasonable costs, together with a reasonable attorney's fee, and expense of  
9 defense against the order or against the granting of any injunctive relief sought  
10 in the same proceeding and subsequently denied by the Commission.

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

24 20.5. To exercise such other powers as are implied, necessary, or  
25 incidental to carry out the express powers granted to the Commission.

26 Authority is hereby vested in the Commission to directly utilize the income  
27 generated from fees, fines, charges, and other collections in the performance of  
28 its functions, to defray operating expenses.

1           **Section 21. Compensation.** A Commissioner shall receive a minimum  
2 monthly compensation corresponding to Salary Grade 30 as prescribed under  
3 Republic Act No. 6758, as amended.

4           The incumbent full time Commissioners of the present HLURB shall  
5 remain in office unless they opt to avail of the retirement and separation  
6 benefits as provided for in Section 34 of this Act or are earlier removed for  
7 cause.

8           **Section 22. The Arbiters, Qualifications and Compensation.** The existing  
9 HLURB Arbiters shall be deemed qualified. Additional Arbiters shall have the  
10 following qualifications:

11           22.1 No person shall be appointed as Arbiter unless he or she is a member  
12 of the Philippine Bar of good standing and has been engaged in the practice of  
13 law for at least seven (7) years with at least three (3) years experience or  
14 exposure in the field of real estate and land use development cases, and,

15           22.2 The Arbiters shall receive a minimum monthly compensation  
16 corresponding to Salary Grade 28 as prescribed under Republic Act No. 6758, as  
17 amended.

18           The President shall appoint Arbiters, as may be necessary, upon the  
19 recommendation of the Commission.

20           **Section 23. The Sheriff.** The Commission shall appoint a Sheriff or such  
21 number of Sheriffs in its Central and Regional Offices in accordance with the  
22 provisions of the Civil Service Law, rules and regulations. The Sheriff shall be  
23 responsible for the service and execution of all writs, summonses, and orders and  
24 other processes of the Commission.

25           **Section 24. Appeals.** Decisions, awards, or orders of the Arbiters shall  
26 be final and executory unless appealed to the Commission within fifteen  
27 (15) calendar days from receipt of such decisions, awards, or orders. The  
28 appeal may be entertained only on any of the following grounds:

1 24.1 There is *prima facie* evidence of abuse of discretion on the part  
2 of the Arbiter in rendering the questioned decision, award, or order;

3 24.2 The decision, order, or award was secured through fraud or  
4 coercion, including graft and corruption;

5 24.3 The appeal is made purely on questions of law; and,

6 24.4 Serious errors in the findings of facts are raised, which errors  
7 would cause grave or irreparable damage or injury to the appellant.

8 **Section 25. Criminal Prosecution.** The criminal prosecution for violation  
9 of housing laws and regulations shall be instituted before criminal Courts having  
10 appropriate jurisdiction.

11 **Section 26. Pending Cases.** All cases pending in regular Courts arising  
12 from or in connection with the implementation of pertinent laws on housing  
13 shall continue to be heard, tried, and decided to their finality by such Courts.

## 14 CHAPTER V

### 15 ATTACHED AGENCIES

16 **Section 27. Attached Agencies and Corporations.** The following agencies  
17 and corporations are hereby attached to the Department for policy and  
18 program coordination, monitoring and evaluation:

19 27.1 National Housing Authority (NHA);

20 27.2 Home Guaranty Corporation (HGC);

21 27.3 National Home Mortgage Finance Corporation (NHMFC);

22 27.4 Home Development Mutual Fund (HDMF);

23 27.5 Social Housing Finance Corporation (SHFC); and,

24 27.6 Adjudication Commission for Housing, Land Use and Urban  
25 Development (Commission).

26 All these Agencies shall continue to function according to existing laws  
27 and their respective Charters. However, each of the heads of the attached  
28 agencies shall enter into a performance contract annually with the Department  
29 Secretary. Such contracts shall embody the national targets on housing and

1 urban development and shall include the over-all administration of the agency  
2 and the streamlining of personnel for effective and efficient service.

3 Any reorganization, merger, streamlining, abolition or privatization of any  
4 attached government owned and controlled corporation (GOCC) initiated by  
5 the Governance Commission on GOCCs under Republic Act 10149, otherwise  
6 known as the GOCC Governance Act of 2011, shall require the concurrence of  
7 the Secretary.

8 **Section 28. Nature of Attachment.** The Secretary shall be elected as  
9 Chairperson of the governing Boards of the National Housing Authority (NHA),  
10 Home Development Mutual Fund (HDMF), National Home Mortgage Finance  
11 Corporation (NHMFC), Social Housing Finance Corporation (SHFC), and Home  
12 Guaranty Corporation (HGC).

## 13 CHAPTER VI

### 14 OTHER PROVISIONS

15 **Section 29. Social Housing One-Stop Processing Centers (SHOPCs) –**  
16 The Department may establish SHOPCs in the Regions, which shall  
17 centralize the processing and issuance of all required housing-related  
18 permits, clearances, and licenses in accordance with Executive Order No.  
19 45, series of 2001 entitled "Prescribing time periods for issuance of housing  
20 related certifications, clearances and permits, and imposing sanctions for  
21 failure to observe the same": *Provided*, that for the foregoing purpose, the  
22 respective ceilings for socialized, low cost/economic and middle-income  
23 housing shall be jointly determined by the Department and the NEDA:  
24 *Provided* further that at any time , but not more than once every two  
25 years, such ceilings may be reviewed or revised to conform to prevailing  
26 economic conditions.

27 All agencies involved in the issuance of said permits, clearances and  
28 licenses shall be represented in the SHOPC and shall assign to SHOPC

1 regional centers personnel who shall be sufficiently authorized to process  
2 and issue the same.

3         **Section 30. Identification and Designation of Lands for Housing and**  
4 **Urban and Rural Development.** – For the purpose of designating lands for  
5 housing and urban and rural development, the Department of Housing  
6 and Urban Development, the Department of Environment and Natural  
7 Resources (DENR), the Department of Agrarian Reform (DAR) Department  
8 of Agriculture (DA), and the Land Registration Authority (LRA) shall, within  
9 one hundred eighty (180) days from the effectivity of this Act, jointly  
10 identify agricultural lands which under Republic Act No. 6657, as  
11 amended, otherwise known as the Comprehensive Agrarian Reform Law,  
12 and other existing laws, rules and regulations are already exempted from  
13 conversion requirements: *Provided*, that the list shall exclude lands that are  
14 declared as non-negotiable or protected from conversion under existing  
15 laws and issuances and those lands covered under Republic Act No. 6657:  
16 *Provided* further, that the designation of lands for housing and urban and  
17 rural development purposes shall neither prejudice the rights of qualified  
18 beneficiaries under Republic Act No. 6657, nor undermine the protected  
19 agricultural areas intended to ensure the attainment of food security  
20 under Republic Act No. 8435, otherwise known as Agricultural and Fisheries  
21 Modernization Act (AFMA) of 1997 and other existing laws: *Provided*, also  
22 that in the case of lands exempted from conversion though these have  
23 been approved by the DAR, if these are contested by affected individual  
24 or community beneficiaries, it shall not be allowed to proceed with any  
25 horizontal or vertical development without need for any prior clearance or  
26 approval from the DAR or the DA consistent with the terms of the  
27 approved order or conversion: *Provided*, finally, that all idle government  
28 lands in highly urbanized cities are hereby prioritized for housing and urban  
29 development purposes.

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## CHAPTER VII

### TRANSITORY PROVISIONS

**Section 31. 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 Department or the Commission, in accordance with their staffing patterns and the selection process as prescribed under Republic Act No. 6656 on the Rules on government reorganization, unless the civil servant wants to avail of Section 34, hereof.

**Section 32. Transfer of Assets and Obligations.** The following dispositive actions shall be implemented within six (6) months from the effectivity of this Act:

32.1 The assets, equipment, funds, choses in action, records, and pertinent transactions of HUDCC and HLURB shall be transferred to the Department and the Commission; and,

32.2 The Department and the Commission shall cause the creation of additional positions and augment their budget appropriations, as may be necessary.

**Section 33. 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 Department 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.

**Section 34. Separation from the Service.** 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, receive a separation pay equivalent to two hundred fifty percent

1 (250%) of the latest monthly basic salary for every year of service in the  
2 government. *Provided*, that those who are qualified to retire under existing  
3 retirement laws shall be allowed to retire under said laws and shall receive the  
4 benefits within ninety (90) days from their separation from service.

5 The miscellaneous personnel benefits, the organization adjustment, and  
6 corporate funds may be used to fund the purpose.

7 **Section 35. Abolition of the Housing and Urban Development Coordinating**  
8 **Council (HUDCC) and the Transfer of Rights and Assets.** The Housing and Urban  
9 Development Coordinating Council is hereby abolished.

10 The Department shall, by virtue of this Act, be subrogated to all rights and  
11 assume all the liabilities of the HUDCC and HLURB, except those that may  
12 hereafter be transferred to or absorbed by the Commission.

13 **Section 36. Formulation of Implementing Rules and Regulations.** The  
14 HUDCC, HLURB, DBM and Civil Service Commission (CSC) shall prepare and issue  
15 the implementing rules and regulations (IRR) within sixty (60) days upon the  
16 effectivity of this Act.

## 17 CHAPTER VIII

### 18 IMPLEMENTING AUTHORITY AND FUNDING

19 **Section 37. Implementing Authority.** The HUDCC Chairman is hereby  
20 authorized to undertake the implementation of the provisions of this Act and  
21 implement the necessary organizational changes within six (6) months or until a  
22 Department Secretary has been appointed and has assumed office.

23 **Section 38. Funding.** The amount needed for the initial implementation of  
24 this Act shall be charged against the current year's appropriations of HUDCC  
25 and HLURB. Thereafter, such sums as may be necessary for the continued  
26 implementation of this Act, shall be included in the General Appropriations Act  
27 (GAA).

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## CHAPTER IX

### MISCELLANEOUS PROVISIONS

**Section 39. *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 40. *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 41. *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 42. *Effectivity.*** This Act shall take effect fifteen (15) days after its complete publication in at least two (2) national newspapers of general circulation.

Approved,