

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



Senate
Office of the Secretary

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SENATE
SENATE BILL NO. **2065**

RECEIVED BY: *fi*

Introduced by SENATOR FERDINAND R. MARCOS, JR.

Explanatory Note

Decent shelter is recognized as one of the basic needs of man.

It is unfortunate, however, that there is a reported housing backlog in the country which currently stands at 3.6 million, and which may balloon to 5.8 million by 2016. The current housing programs have not effectively respond to the increasing housing demand, especially of the urban poor.

This legislative proposal seeks to strengthen the mandate of Republic Act 7279, otherwise known as Urban Development and Housing Act of 1992, as amended, by strengthening the Balanced Housing Development Program.

Under this proposed law, owners and/or developers of proposed subdivision and condominium projects shall be required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total subdivision or condominium net saleable floor area, or total subdivision or condominium project cost, at the option of the developer.

Balanced housing development may be achieved through the development of socialized medium-rise condominium projects in urban areas, with a minimum floor area of twenty (20) square meters per unit.

All concerted efforts of the Government and the private sector are undertaken to achieve a unified goal, and that is to address the housing needs of our countrymen, especially those belonging to the lower economic stratum of the society.

Early approval of this bill is earnestly requested.

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FERDINAND R. MARCOS, JR

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Introduced by Senator FERDINAND R. MARCOS, JR.

AN ACT STRENGTHENING THE BALANCED HOUSING DEVELOPMENT PROGRAM, AMENDING FOR THIS PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NO. 7279, ENTITLED: "AN ACT TO PROVIDE FOR A COMPREHENSIVE AND CONTINUING URBAN DEVELOPMENT AND HOUSING PROGRAM, ESTABLISH THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES"

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

SECTION 1. Short Title. - This Act shall be known as the "**Balanced Housing Development Program Amendment of 2014**".

SEC. 2. Section 3 (r) of Republic Act No. 7279 otherwise known as the Urban and Development Act of 1992, is hereby amended to read as follows:

(r) "Socialized housing" refers to housing programs and projects covering houses and lots, or homelots only, **OR CONDOMINIUM PROJECTS OR UNITS** undertaken by the Government or the private sector for the underprivileged and homeless citizens [which], **ACCORDING TO THE PRICES, STANDARDS AND TECHNICAL REQUIREMENTS SET BY THE HOUSING AND URBAN DEVELOPMENT AND COORDINATING COUNCIL (HUDCC) AND THE NATIONAL ECONOMIC DEVELOPMENT AUTHORITY (NEDA) AS MANDATED BY BATAS PAMBANSA BILANG 220.** IT 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;

SEC. 3. Section 18 of Republic Act No. 7279 is hereby amended to read as follows:

SEC. 18. *Balanced Housing Development.* - The Program shall include a system to be specified in the Framework plan whereby **OWNERS AND/OR** developers of proposed subdivision **AND CONDOMINIUM** projects shall be required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total subdivision **OR CONDOMINIUM NET SALEABLE FLOOR** area, or total subdivision **OR CONDOMINIUM** project cost, at the option of the developer, [within the same city or municipality, whenever feasible, and in accordance with the standards set by the Housing and Land Use Regulatory Board and other existing laws [.];] **ANYWHERE IN THE PHILIPPINES; PROVIDED THAT, OWNERS AND/OR DEVELOPERS OF PROPOSED SOCIALIZED HOUSING SUBDIVISION PROJECTS, AND OWNERS AND/OR DEVELOPERS OF PROPOSED CONDOMINIUM PROJECTS TO BE SOLD AT SOCIALIZED HOUSING PRICES, SHALL BE EXEMPT FROM THE ABOVE-MENTIONED REQUIREMENT.**

COMPLIANCE WITH THE BALANCED HOUSING DEVELOPMENT REQUIREMENT SHALL BE MADE ON LANDS ACQUIRED, IDENTIFIED, DECLARED OR PROCLAIMED AS SUITABLE FOR SOCIALIZED HOUSING.

The balanced housing development as herein required may also be complied with by the **OWNERS AND/OR** developers concerned in any of the following manner, **SUBJECT TO THE ABOVE- STATED TWENTY-PERCENT MINIMUM ALLOCATION FOR SOCIALIZED HOUSING AND OTHER PERTINENT GUIDELINES, REQUIREMENTS, AND PROCEDURES THAT MAY BE PROMULGATED BY THE HOUSING AND LAND USE REGULATORY BOARD:**

(a) Development of new settlement, **OR DEVELOPMENT OF SOCIALIZED MEDIUM-RISE CONDOMINIUM PROJECTS IN URBAN AREAS, WITH A MINIMUM FLOOR AREA OF TWENTY (20) SQUARE METERS PER UNIT;**

(b) Slum upgrading or renewal of areas for priority development either through zonal improvement programs or slum improvement and resettlement programs;

(c) Joint-venture projects **FOR SOCIALIZED HOUSING** with either the local government units or any of the housing agencies, or **WITH ANOTHER PRIVATE DEVELOPER[;] NON-GOVERNMENT ORGANIZATION OR NON-PROFIT ORGANIZATION ACCREDITED BY THE PHILIPPINE COUNCIL FOR NGO CERTIFICATION (PCNC) AND THE HOUSING AND LAND USE REGULATORY BOARD, PROVIDED, THAT THE OWNER AND/OR DEVELOPER OF THE MAIN SUBDIVISION OR CONDOMINIUM PROJECT SHALL BE SOLIDARILY LIABLE WITH THE OWNER AND/OR DEVELOPER OF THE SOCIALIZED HOUSING PROJECT FOR COMPLIANCE PROJECT IN CONNECTION WITH THE DEVELOPMENT OF THE LATTER, IRRESPECTIVE OF THE PROVISIONS OF THEIR JOINT-VENTURE AGREEMENT;**

(d) Participation in the community mortgage program;

(E) INVESTMENT IN LONG-TERM RESETTLEMENT HOUSING BONDS ACCREDITED WITH AND APPROVED BY THE HOUSING AND LAND USE REGULATORY BOARD; OR

DONATIONS IN CASH TO NON-GOVERNMENTAL ORGANIZATIONS OR FOUNDATIONS THAT ARE ENGAGED IN DEVELOPMENT OF SOCIALIZED HOUSING PROJECTS AND HAVE BEEN DULY ACCREDITED BY THE PHILIPPINE COUNCIL FOR NGO CERTIFICATION (PCNC) AND THE HOUSING AND LAND USE REGULATORY BOARD, IN THE AMOUNT OF NOT LESS THAN TWELVE PERCENT (12%) OF THE REQUIRED MINIMUM ALLOCATION FOR SOCIALIZED HOUSING OF TWENTY PERCENT (20%) OF THE TOTAL SUBDIVISION AREA OR CONDOMINIUM NET SALEABLE FLOOR AREA, OR TOTAL SUBDIVISION OR CONDOMINIUM PROJECT COST, WHICHEVER IS APPLICABLE.

IN ANY CASE, THE COMPLIANCE PROJECT UNDER THIS SECTION SHOULD BE EQUIVALENT TO AT LEAST TWENTY PERCENT (20%) OF THE TOTAL SUBDIVISION AREA OR CONDOMINIUM NET SALEABLE FLOOR AREA, OR TOTAL SUBDIVISION OR CONDOMINIUM PROJECT COST, WHICHEVER IS APPLICABLE.

FURTHERMORE, NO SUBDIVISION PLAN SHALL BE APPROVED BY ANY LOCAL GOVERNMENT UNIT OR, IN THE CASE OF CONDOMINIUM PLAN, BY THE HOUSING AND LAND USE REGULATORY BOARD, UNLESS THE SAME IS ACCOMPANIED BY A WRITTEN UNDERTAKING, MADE UNDER OATH, BY THE OWNER AND/OR DEVELOPER, SETTING FORTH IN DETAIL THE MANNER IN WHICH COMPLIANCE WITH THIS SECTION IS PROPOSED.

Sec. 4. Section 21 of Republic Act No. 7279 is hereby amended to read as follows:

SEC. 21. *Basic Services.* - Socialized housing or resettlement areas shall be provided by the local government unit or the National Housing Authority in cooperation with the private **OWNERS AND/OR** developers and concerned agencies with the following basic services and facilities:

- (a) Potable water;
- (b) Power and electricity and an adequate power distribution system;
- (c) Sewerage facilities and an efficient and adequate solid waste disposal system; and
- (d) Access to primary roads and transportation facilities.

The provision of other basic services and facilities such as health, education, communications, security, recreation, relief and welfare shall be planned and shall be given priority for implementation by the local government unit and concerned agencies in cooperation with the private sector and the beneficiaries themselves.

The local government unit, in coordination with the concerned national agencies, shall ensure that these basic services are provided at the most cost-efficient rates, and shall set a mechanism to coordinate operationally the thrusts, objectives and activities of other government agencies concerned with providing basic services to housing projects.

Sec. 5 Section 45 of Republic Act No. 7279 is hereby amended to read as follows:

SEC. 45. *Penalty Clause.* - . Any person who violates any provision of this Act shall be imposed the penalty of not more than six (6) years of imprisonment or a fine of not less than Five thousand pesos (P5,000) but not more than One hundred thousand pesos (P100,000), or both, at the discretion of the court: **PROVIDED, THAT ANY PERSON WHO VIOLATES THE PROVISION OF SECTION 18 HEREOF SHALL BE IMPOSED A PENALTY OF NOT MORE THAN SIX (6) YEARS OF IMPRISONMENT OR A FINE OF NOT LESS THAN FIVE HUNDRED THOUSAND PESOS (P500,000) BUT NOT MORE THAN TEN MILLION PESOS (P10,000,000), OR BOTH, AT THE DISCRETION OF THE COURT FOR THE FIRST OFFENSE AND CANCELLATION OF LICENSE TO DO BUSINESS FOR THE SECOND OFFENSE;** Provided, **FURTHER**, that, if the offender is a corporation, partnership, association or other juridical entity, the penalty shall be imposed on the officer or officers of said corporation, partnership, association or juridical entity who caused the violation.

SEC. 6. *Implementing Rules and Regulations.* - Within sixty (60) days from the effectivity of this Act, the Housing and Land Use Regulatory Board shall promulgate a new set of implementing rules and regulations for the amended Sections 3 paragraph (r), 18, 21 and 45 of Republic Act No. 7279, consistent with the parameters and standards set forth in said sections. Non-government organizations and people's organizations involved in housing rights and urban poor advocacy, as well as the private sector, shall be consulted in the process of drafting these implementing rules and regulations.

SEC. 7. Separability Clause. - If, for any reason, any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in force and effect.

SEC. 8. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or part or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 9. Effectivity Clause. - This Act shall take effect fifteen (15) days after the completion of its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,