



HOUSE OF REPRESENTATIVES

H. No. 4116

BY REPRESENTATIVES BAGATSING, CO, MERCADO-REVILLA, GUTIERREZ, BELLO (W.), BATOCABE, ROMUALDO, REVILLA, RODRIGUEZ (M.), ACEDILLO, TEJADA, BAG-AO, FORTUN, NAVA (P.), PAQUIZ, MASONGSONG, MENDOZA (R.), BATAOIL, ACOSTA-ALBA, HERNANDEZ, ALEJANO, CORTUNA, FERRER (L.), CASTELO AND PAEZ, PER COMMITTEE REPORT NO. 140

AN ACT STRENGTHENING THE BALANCED HOUSING DEVELOPMENT PROGRAM, AMENDING FOR THE PURPOSE 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:

1 SECTION 1. This Act shall be known as the "Balanced Housing
2 Development Program Amendments Act".

3 SEC. 2. The following provisions of Republic Act No. 7279, entitled
4 "An Act to Provide for a Comprehensive and Continuing Urban Development
5 and Housing Program, Establish the Mechanism for its Implementation, and
6 for other Purposes", are hereby amended:

7 (a) Section 3 of Republic Act No. 7279 is hereby amended by
8 redefining paragraph (r) to read as follows:

1 “(r) ‘Socialized housing’ refers to housing programs and
2 projects covering houses and lots or homelots only, **OR**
3 **RESIDENTIAL CONDOMINIUM UNITS** undertaken by the
4 government or the private sector for the underprivileged and
5 homeless citizens which shall include sites and services
6 development, long-term financing, liberalized terms on interest
7 payments, and such other benefits in accordance with the
8 provisions of this Act;”

9 (b) Section 18 of Republic Act No. 7279 is hereby amended to read as
10 follows:

11 “SEC. 18. *Balanced Housing Development.* – The
12 Program shall include a system to be specified in the Framework
13 plan whereby **OWNERS AND/OR** developers of proposed
14 subdivision **AND CONDOMINIUM** projects shall be required to
15 develop an area for socialized housing equivalent to at least
16 **[twenty percent (20%)] FIFTEEN PERCENT (15%)** of the total
17 subdivision area or total subdivision project cost **AND AT LEAST**
18 **FIVE PERCENT (5%) OF CONDOMINIUM AREA OR PROJECT**
19 **COST**, at the option of the developer, within the same city or
20 municipality, whenever feasible, and in accordance with the
21 standards set by the Housing and Land Use Regulatory
22 Board and other existing laws[.]: **PROVIDED, THAT OWNERS**
23 **AND/OR DEVELOPERS OF PROPOSED SOCIALIZED SUBDIVISION**
24 **PROJECTS AND OWNERS AND/OR DEVELOPERS OF PROPOSED**
25 **SOCIALIZED CONDOMINIUM PROJECTS SHALL BE EXEMPT**
26 **FROM THIS REQUIREMENT.**

27 “**FOR THIS PURPOSE, THE HOUSING AND URBAN**
28 **DEVELOPMENT COORDINATING COUNCIL AND THE NATIONAL**

1 **ECONOMIC AND DEVELOPMENT AUTHORITY SHALL JOINTLY**
2 **DETERMINE AND SET SEPARATE SOCIALIZED HOUSING PRICE**
3 **CEILINGS FOR SOCIALIZED SUBDIVISION AND SOCIALIZED**
4 **CONDOMINIUM PROJECTS WHICH SHALL BE REVIEWED OR**
5 **REVISED EVERY THREE (3) YEARS TO CONFORM TO**
6 **PREVAILING ECONOMIC CONDITIONS. THE HOUSING AND**
7 **URBAN DEVELOPMENT COORDINATING COUNCIL AND THE**
8 **NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY ARE**
9 **LIKewise HEREBY MANDATED TO REVIEW AND ADJUST THE**
10 **REQUIRED PERCENTAGE OF COMPLIANCE FOR BOTH**
11 **SUBDIVISION AND CONDOMINIUM PROJECTS NOT LATER THAN**
12 **THE END OF THE FIFTH (5TH) YEAR FROM THE EFFECTIVITY OF**
13 **THIS ACT AND EVERY FIVE (5) YEARS THEREAFTER:**
14 ***PROVIDED, THAT LEGISLATION BY AN ACT OF CONGRESS***
15 **SHALL BE RESORTED TO IF THE ADJUSTMENT SOUGHT IS LESS**
16 **THAN THE MINIMUM PERCENTAGE OF COMPLIANCE SET**
17 **FORTH HEREIN.**

18 “The balanced housing development as herein required may
19 also be complied with by the OWNERS AND/OR developers
20 concerned in any of the following manner:

21 “(a) Development of SOCIALIZED HOUSING IN A new
22 settlement;

23 “[(b) Slum upgrading or renewal of areas for priority
24 development either through zonal improvement programs or
25 slum improvement and resettlement programs;]

26 “[(c)] (B) Joint-venture projects FOR SOCIALIZED HOUSING
27 with either the local government units or any of the housing
28 agencies[;] or WITH ANOTHER PRIVATE DEVELOPER, OR WITH
29 A NONGOVERNMENTAL ORGANIZATION ENGAGED IN THE

1 PROVISION OF SOCIALIZED HOUSING AND DULY ACCREDITED
2 BY THE HOUSING AND LAND USE REGULATORY BOARD:
3 *PROVIDED*, THAT THE OWNER AND/OR DEVELOPER OF THE
4 MAIN SUBDIVISION OR CONDOMINIUM PROJECT SHALL BE
5 SOLIDARILY LIABLE WITH THE OWNER AND/OR DEVELOPER OF
6 THE SOCIALIZED HOUSING PROJECT FOR THE DEVELOPMENT
7 OF THE LATTER, IRRESPECTIVE OF THE PROVISIONS OF THEIR
8 JOINT VENTURE AGREEMENT; OR

9 “(d) Participation in the community mortgage program.]

10 “(C) DEVELOPMENT OF EDUCATION FACILITIES IN AN
11 EXISTING SOCIALIZED HOUSING AREA.

12 “NO OTHER FORM OF COMPLIANCE TO THIS SECTION MAY
13 BE PRESCRIBED EXCEPT THROUGH THE ENACTMENT OF A
14 SUBSEQUENT LAW.

15 “FURTHERMORE, NO SUBDIVISION PLAN OR
16 CONDOMINIUM PLAN SHALL BE APPROVED BY ANY LOCAL
17 GOVERNMENT UNIT OR GOVERNMENT AGENCY UNLESS THE
18 SAME IS ACCOMPANIED BY A WRITTEN UNDERTAKING, MADE
19 UNDER OATH, BY THE OWNER AND/OR DEVELOPER, SETTING
20 FORTH IN DETAIL THE MANNER IN WHICH COMPLIANCE WITH
21 THIS SECTION IS PROPOSED.

22 “THE HOUSING AND LAND USE REGULATORY BOARD IS
23 HEREBY MANDATED TO SUBMIT TO CONGRESS AN ANNUAL
24 REPORT ON THE COMPLIANCE HEREOF BY THE OWNERS
25 AND/OR DEVELOPERS OF SUBDIVISION AND CONDOMINIUM
26 PROJECTS.

27 “ANY PERSON VIOLATING ANY PROVISION OF THIS
28 SECTION SHALL BE IMPOSED A FINE OF NOT LESS THAN FIVE
29 HUNDRED THOUSAND PESOS (P500,000.00) BUT NOT MORE
30 THAN TEN MILLION PESOS (P10,000,000.00) FOR THE FIRST

1 **OFFENSE AND CANCELLATION OF LICENSE TO DO BUSINESS**
2 **FOR THE SECOND OFFENSE.”**

3 (c) Section 21 of Republic Act No. 7279 is hereby amended to read as
4 follows:

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

10 “(a) Potable water;

11 “(b) Power and electricity and an adequate power
12 distribution system;

13 “(c) Sewerage facilities and an efficient and adequate solid
14 waste disposal system; and

15 “(d) Access to primary roads and transportation facilities.

16 “The provision of other basic services and facilities such as
17 health, education, communications, security, recreation, relief
18 and welfare shall be planned and shall be given priority for
19 implementation by the local government unit and concerned
20 agencies in cooperation with the private sector and the
21 beneficiaries themselves[.]: **PROVIDED, THAT THE PROVISION**
22 **OF EDUCATION FACILITIES BY AN OWNER AND/OR A**
23 **DEVELOPER IN SOCIALIZED HOUSING AREAS PURSUANT TO**
24 **SECTION 18(C) HEREOF SHALL BE ACCORDED A HIGH**
25 **PRIORITY.**

26 “The local government unit, in coordination with the
27 concerned national agencies, shall ensure that these basic
28 services are provided at the most cost-efficient rates, and shall

1 set a mechanism to coordinate operationally the thrusts,
2 objectives and activities of other government agencies concerned
3 with providing basic services to housing projects.”

4 SEC. 3. Within sixty (60) days from the effectivity of this Act, the
5 Housing and Land Use Regulatory Board shall promulgate a new set of
6 implementing rules and regulations for the amended Sections 3, 18, and 21 of
7 Republic Act No. 7279, consistent with the parameters and standards set forth
8 in said sections. Nongovernment organizations and people’s organizations
9 involved in housing rights and urban poor advocacy, as well as the private
10 sector, shall be consulted in the process of drafting these implementing rules
11 and regulations.

12 SEC. 4. All laws, decrees, executive orders, proclamations, rules and
13 regulations and other issuances or part or parts thereof which are inconsistent
14 with the provisions of this Act are hereby repealed or modified accordingly.

15 SEC. 5. If, for any reason, any provision of this Act is declared invalid
16 or unconstitutional, the remaining provisions not affected thereby shall
17 continue to be in force and effect.

18 SEC. 6. This Act shall take effect fifteen (15) days after the completion
19 of its publication in the *Official Gazette* or in a newspaper of general
20 circulation.

Approved,

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