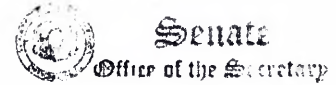
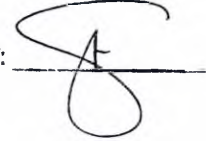


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 25 AIO :29

SENATE
S. No. 799

RECEIVED BY: 

Introduced by Senator Jinggoy Ejercito Estrada

**AN ACT
CREATING A LOCAL HOUSING BOARD IN ALL CITIES AND FIRST TO THIRD
CLASS MUNICIPALITIES, PROVIDING FOR ITS POWERS AND FUNCTIONS,
AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Section 2 of the Urban Development and Housing Act of 1992 provides that the State shall *"undertake, in cooperation with the private sector, a comprehensive and continuing Urban Development and Housing Program."*

To ensure the achievement of the objectives of this Program, Section 6 called for the formulation of a comprehensive plan for urban and urbanizable areas. Under this comprehensive plan the following responsibilities were given to the Local Government Units (LGUs):

- (1) inventory of lands for socialized housing, under Section 7;
- (2) identification of sites for socialized housing, under Section 8;
- (3) registration of socialized housing beneficiaries, under Section 17; and
- (4) monitoring of compliance by developers of the twenty percent (20%) balanced housing provision, under Section 18.

With the total housing need at 6.7 million and the number of Informal Settler Families at 3.8 million¹, clearly there is a need for a specialized body in our LGUs that shall ensure the faithful and proactive execution of housing programs at the local level. A void at the local level in the form of a mechanism to hasten the delivery of shelter services to our people, especially those who need it most, needs to be filled up.

It is envisioned that this proposed measure will provide an administrative machinery at the local level to carry out the implementation of the UDHA as well as cope with the fast pace of urbanization of the country. Another reason for the passage of this bill is that there is also a need to institutionalize multi-sectoral representation in local housing initiatives. This is premised on the fact that the success of these programs will, to a large extent, depend on the direct participation and cooperation of the stakeholders in the planning and implementation process.

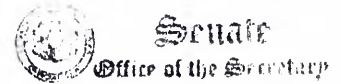
In view of the foregoing, the passage of this bill is earnestly sought.



JINGGOY EJERCITO ESTRADA


¹ Department of Human Settlements and Urban Development (DHSUD) FY 2022 Budget Presentation

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

- 1 Section 1. *Short Title.* - This Act shall be known as the "*Local Housing Boards*
2 *Act*".
- 3 Sec. 2. *Declaration of Policy.* - It is hereby declared the policies of the State
4 to:
- 5 a) Adopt a continuing housing program that will make available at
6 affordable cost, decent housing and basic services to all, especially the
7 underprivileged and homeless;
- 8 b) Protect urban and rural poor dwellers from evictions or demolitions
9 undertaken in violation of the law;
- 10 c) Require all national agencies and offices to conduct periodic
11 consultations with appropriate local government units (LGUs), Non-
12 Governmental Organizations (NGOs) and People's Organizations (POs),
13 and other concerned sectors of the community before any project or
14 program is implemented in their respective jurisdictions;
- 15 d) Promote and institutionalize the participation of the private sector,
16 NGOs, and POs in the urban and rural development process; and

- 1 e) Promote genuine and meaningful local autonomy to political subdivisions
2 of the State to enable them to attain their fullest development as self-
3 sufficient communities and make them more effective partners in the
4 attainment of national goals.

5 Toward these ends, the State shall provide for a more responsive and
6 accountable local government structure instituted through a system of
7 decentralization whereby LGUs, through the creation of Local Housing Boards, shall
8 be given more powers, authority, responsibilities and resources in the planning and
9 execution of their housing programs.

10 *Sec. 3. Definition of Terms.* - For purposes of this Act, the following terms:

- 11 a) *Balanced Housing Requirement* shall refer to the responsibility given to
12 developers of subdivision projects pursuant to Section 18 of the Urban
13 Development and Housing Act (UDHA) of 1992;
- 14 b) *Comprehensive Land Use Plan* shall refer to the primary and dominant
15 bases for land use, applying a rational approach for allocating available
16 land resources as equitably as possible among competing user-groups
17 and for different functions, consistent with the development and zoning
18 plan of the area and the provisions of the UDHA;
- 19 c) *Economic Housing* shall refer to a type of housing project provided to
20 moderately low income families with lower interest rates and longer
21 amortization periods;
- 22 d) *Local Shelter Plan* shall refer to a general framework that effectively
23 provides a step-by-step procedure by which cities and municipalities
24 could formulate solutions to their housing problems. It shall include
25 measures to enable cities and municipalities to plan and implement their
26 specific mandates based on the UDHA, and to facilitate a linkage with
27 comprehensive land use plans as defined under this Act;
- 28 e) *Non-Government Organization* shall refer to a non-stock, non-profit
29 domestic corporation or organization as defined under Section 34 (H) (2)
30 (c) of the Tax Code organized and operated exclusively for scientific,
31 research, educational, character building, youth and sports development,
32 health, social welfare, cultural or charitable purposes, or a combination

1 thereof, no part of the net income of which inures to the benefit of any
2 private individual;

3 f) *NUDHF* shall refer to the comprehensive plan for urban and urbanizable
4 areas aimed at achieving the objectives set forth under the UDHA of
5 1992;

6 g) *People's Organization* shall refer to a *bonafide* association of citizens with
7 demonstrated capacity to promote the public interest and with
8 identifiable leadership, membership, and structure;

9 h) *Rural Areas* shall refer to those areas that are not urban areas as defined
10 under this Act;

11 i) *Socialized Housing* shall refer to housing programs and projects covering
12 houses and lots or home lots only undertaken by the Government or the
13 private sector for the underprivileged and homeless citizens which shall
14 include sites and services development, long-term financing, liberalized
15 terms on interest payments, and such other benefits in accordance with
16 the provisions of the UDHA;

17 j) *Underprivileged and Homeless Rural or Urban Poor Dwellers* shall refer
18 to individuals or families residing in rural or urban areas whose income
19 or combined household income falls within the poverty threshold as
20 defined by the National Economic Development Authority and who do
21 not own housing facilities, and shall include those who live in makeshift
22 dwelling units and do not enjoy security of land tenure;

23 k) *Urban Areas* shall refer to all cities regardless of their population density
24 and to municipalities with a population density of at least five hundred
25 (500) persons per square kilometer;

26 l) *Local Housing Boards* shall refer to all housing boards in cities and first
27 to third class municipalities created under this Act; and,

28 m) *Local Housing Office* shall refer to the implementing body of the Local
29 Housing Board.

30 Sec. 4. *Local Housing Boards Creation and Composition.* - There shall be
31 created a Local Housing Board, hereinafter referred to as the Board, in all cities and
32 first to third class municipalities as classified by the Secretary of Finance: *Provided,*

1 That fourth and fifth class municipalities may create their own Local Housing Board if
2 they so desire. The Board shall be composed of the following:

- 3 a) The City/Municipal Mayor as Chairperson;
- 4 b) The Vice Mayor as Vice Chairperson;
- 5 c) The Chairperson of the Sangguniang Bayan Committee on Housing and Urban
6 Development or its equivalent as Member;
- 7 d) The City/Municipal Planning and Development Coordinator as Member;
- 8 e) The City/Municipal Engineer as Member;
- 9 f) A representative of the housing agencies to be designated by the Department
10 of Human Settlements and Urban Development (DHSUD) as Member;
- 11 g) A representative from a private organization engaged in subdivision and
12 housing development operating in the city or municipality as Member;
- 13 h) A representative from Pos operating in the city or municipality as Member:
14 *Provided, That a PO already represented in any local special body may be*
15 *concurrently represented in any local housing board; and,*
- 16 i) A representative from NGOs operating in the city or municipality as Member
17 *Provided, That an NGO already represented in any local special body may be*
18 *concurrently represented in any local housing board. Representatives to the*
19 *Board from organizations mentioned in the last three paragraphs of this*
20 *section shall be selected through the same process as that of filling up the*
21 *representatives of the local special bodies.*

22 *Sec. 5. Powers and Functions.* - Local Housing Boards shall have the following
23 powers and functions:

- 24 a) Formulate, develop, and recommend to the *Sanggunian*, policies,
25 directives, rules and regulations, consistent with laws, as it may deem
26 necessary, on the provision of decent and affordable housing and
27 resettlement areas and on the observance of the right of the
28 underprivileged and homeless to just and humane evictions and
29 demolitions;
- 30 b) With the assistance of the (DHSUD) and other concerned government
31 agencies, prepare a Local Shelter Plan which shall form part of the
32 city/municipal development plan: *Provided, That such plan shall be*

1 consistent with the city/municipal land use plan: *Provided further*, That
2 public hearings shall be conducted for the purpose;

3 c) Approve preliminary and final subdivision schemes and development
4 plans of subdivisions and condominiums in accordance with the
5 provisions of Presidential Decree No. 957, as amended, otherwise known
6 as the Subdivision and Condominium Buyers' Protective Decree, and its
7 implementing standards, rules and regulations concerning subdivisions
8 and condominiums;

9 d) Approve preliminary and final subdivision schemes and development
10 plans of all economic and socialized housing projects as well as individual
11 or group building occupancy permits covered by Batas Pambansa Blg.
12 220 and its implementing standards, rules and regulations;

13 e) Evaluate and resolve the opposition to the issuance of development
14 permits for any of the projects stated in the two (2) preceding sub-
15 sections, in accordance with the said laws and the Rules of Procedure
16 promulgated by the (DHSUD) incident thereto;

17 f) Designate at least one (1) representative to their respective local
18 development councils: *Provided*, That said representative is not already
19 a member of the council;

20 g) Recommend to the *Sanggunian*, the sites for socialized housing, subject
21 to the requirements prescribed by Section 8 of R.A. 7279 and guidelines
22 issued for the purpose;

23 h) Advise the *Sanggunian* on matters of local taxation which may affect the
24 local government housing program, which includes, but shall not be
25 limited to, the formulation of a socialized housing tax, idle land tax, and
26 an additional levy on the real property tax to constitute a Special
27 Socialized Housing Fund;

28 i) Recommend, for approval of their respective Local Chief Executives
29 (LCEs), formulated schemes for the acquisition and disposition of lands
30 within their localities for socialized housing purposes, subject to Section
31 9 to 14 of R.A. 7279 and its implementing guidelines: *Provided*, That
32 such schemes shall ensure that the valuation of a particular land for

1 socialized housing purposes shall be within the affordability levels of
2 prospective beneficiaries;

3 j) Recommend for approval of their respective LCEs, partnership
4 arrangements with the national government on the provision of decent
5 and affordable shelter;

6 k) Through the local chief executive, submit to the President and the
7 Congress of the Philippines, an annual report as provided by Section 41
8 of R.A. 7279; and,

9 l) Perform such other related functions established by law or ordinance, as
10 necessary to implement the mandate of local government units under
11 the UDHA.

12 *Sec. 6. Local Housing Office Creation and Functions.* - There shall be created
13 a Local Housing Office in all cities and municipalities which shall heretofore become
14 a regular office under the local government unit and serve as the implementing arm
15 of the Board. The Urban Poor Affairs Office or its equivalent office in cities or
16 municipalities shall be converted into the Local Housing Office and in addition to its
17 existing functions, shall have the following additional functions:

- 18 a) Assist the Board in the preparation of the local shelter plan;
- 19 b) Assist the city/municipal development councils in the formulation of their
20 respective comprehensive land use plans;
- 21 c) Oversee and coordinate government activities relative to consultation,
22 relocation, and resettlement of underprivileged and homeless urban or
23 rural poor dwellers in cases where evictions and demolitions affecting
24 them are necessary and allowed by existing laws;
- 25 d) Ensure that the balanced housing requirements as provided in Section 18
26 of R.A. 7279 and its implementing rules and regulations are implemented
27 and enforced;
- 28 e) In coordination with other offices within the LGU, monitor the nature and
29 progress of land development of projects that the Board has approved, as
30 well as housing construction in the case of house and lot packages, to
31 ensure their faithfulness to the approved plans and specifications thereof,
32 and impose appropriate measures to enforce compliance therewith;

- 1 f) Conduct an inventory of all lands within their respective localities, and
2 update the same every three (3) years, in accordance with Section 7 of
3 R.A. 7279 and guidelines issued for the purpose;
- 4 g) Identify the sites for socialized housing, subject to the requirements
5 prescribed by Section 8 of R.A. 7279 and guidelines issued for the
6 purpose,
- 7 h) Ensure the registration of underprivileged and homeless urban or rural
8 dwellers as socialized housing beneficiaries under Sections 16 and 17 of
9 R.A. 7279: *Provided,* That the Local Housing Office shall assume the
10 functions of city or municipal registration committees as constituted under
11 the implementing rules and regulations of the same sections;
- 12 i) Ensure the prevention of proliferation of professional squatters and
13 squatting syndicates within its jurisdiction;
- 14 j) Ensure the enforcement of laws, policies and programs on housing and
15 shelter as provided for under laws and such directives, rules and
16 regulations adopted by the Board;
- 17 k) Assist in the organization of housing and shelter cooperatives, associations
18 or organizations in establishing linkages with government agencies and
19 NGOs involved in the promotion and integration of the concept of shelter
20 development and generation, taking into account the livelihood of the
21 people and other community activities;
- 22 l) Provide technical and other forms of assistance to existing housing
23 associations or cooperatives to enhance their viability as economic
24 enterprises and social organizations;
- 25 m) Coordinate with government agencies and instrumentalities performing
26 functions which may affect housing and urban development; and,
- 27 n) Perform such other duties and functions as may be prescribed by law or
28 ordinance.

29 Sec. 7. Local Housing Officer. - The local housing office shall be headed by a
30 Local Housing Officer who shall be a career official. No person shall be appointed
31 Local Housing Officer unless, he is a citizen of the Philippines, a resident of the LGU
32 concerned, of good moral character, a holder of a college degree either in public

1 administration, urban planning, civil engineering, economics, development studies or
2 such other related courses. He must have at least five (5) years experience in the
3 case of cities, and three (3) years experience in the case of municipalities, either in
4 housing development projects, organization of housing associations or cooperatives,
5 management and operation of housing and shelter programs or such other related
6 activities.

7 *Sec. 8. Generation and Mobilization of Resources.* - The Boards are hereby
8 constituted as the primary entities tasked to advise local development councils on
9 matters of sourcing of funds for socialized housing. For this purpose, the Boards may
10 recommend the following schemes for funding socialized housing projects:

- 11 a) Build-operate-transfer and other related schemes;
- 12 b) Bond flotation and other credit financing arrangements;
- 13 c) Availment of foreign or local grants: *Provided*, That local housing boards
14 are hereby authorized to receive foreign and local grants which shall be
15 remitted to the local treasury, and shall be credited to the socialized
16 housing account of the local government unit concerned;
- 17 d) Loan packages from government financing/lending institutions;
- 18 e) Joint venture projects with private sector groups or developers and with
19 NGOs and POs; and,
- 20 f) Pooling of resources between and among LGUs, the private sector, NGOs
21 and POs.

22 *Sec. 9. Meetings and Quorum.* - The Board shall have its meeting at least
23 once a month or as often as may be deemed necessary. The presence of the
24 Chairperson or the Vice-Chairperson and a majority of the members of the Board
25 shall constitute a quorum. Special meetings may be called by the Chairperson or by
26 a majority of the members when situations so warrant. Decisions shall be reached by
27 the Board through a simple majority.

28 A written notice of the date, time, place and agenda of the meeting shall be
29 sent to each member of the Board at least three (3) days prior to the scheduled
30 meeting or at least one (1) day, if it is a special meeting.

31 *Sec. 10. Compensation and Remuneration.* - Members of the Board who are
32 not government officials or employees shall be entitled to the necessary traveling

1 expenses and allowances chargeable against the funds of the local housing board
2 concerned, subject to existing accounting and auditing rules and regulations.

3 This does not cities and municipalities from mobilizing other possible funding
4 sources for the compensation and remuneration of members of the Board who are
5 not government officials or employees.

6 *Sec. 11. Special Housing Trust Fund.* - Cities and municipalities shall establish
7 a special account to be called the "Special Housing Trust Fund" to initially establish
8 the local housing office and as source of funds for the housing programs of the
9 city/municipality for the underprivileged and homeless. Sources of said trust fund
10 shall come from, but not limited to, the following:

- 11 a) Proceeds generated from the collection of the additional one-half percent
12 (0.5%) tax on real properties;
- 13 b) All funds/monies generated from various sources intended for housing
14 and other related development programs; and,
- 15 c) All payments, remittances, accrued interests, penalties, and such other
16 fees generated from housing related activities.

17 *Sec. 12. Roles of Stakeholders.* - In order to facilitate the work of the Board,
18 the roles of the stakeholders shall be as provided for under this section:

19 a. The Local Government Unit shall:

- 20 1) Identify and prioritize areas for housing development;
- 21 2) Plan on the total housing need of its constituents;
- 22 3) Provide basic information relative to the areas that may be proposed for
23 issuance of Presidential Proclamation;
- 24 4) Assist in the conduct of verification survey;
- 25 5) Monitor and oversee the implementation of the activities in accordance with
26 their respective work programs; and,
- 27 6) Prepare the detailed work program for approved housing projects.

28 b. Housing and Urban Development Coordinating Council shall:

- 29 1) Recommend to the local housing board, options for the development of sites
30 or disposition schemes to the intended beneficiaries;

- 1 2) Process and recommend to the President, idle or underutilized government
2 ands identified by the local housing board as sites which are suitable for
3 housing purposes;
- 4 3) Solicit assistance from other national government agencies whose functions
5 and services are necessary in the provision of housing and delivery of basic
6 services;
- 7 4) Through the National Housing Authority (NHA), prepare the Master
8 Development Plans of the areas identified for housing;
- 9 5) Identify and recommend housing projects/programs which can be
10 implemented and funded through alternative schemes; and,
- 11 6) Draw-up guidelines as well as Terms of Reference to cover the
12 implementation of identified priority housing projects.

13 c. The Presidential Commission for the Urban Poor shall:

- 14 1) Monitor all evictions and demolitions, whether extra-judicial or court-ordered,
15 involving homeless and underprivileged citizens;
- 16 2) Require the concerned departments and agencies, including concerned LGUs,
17 proposing to undertake demolition and eviction activities to secure first from
18 either the PCUP Central Office, in the case of national projects, or from the
19 PCUP Regional Office concerned, in the case of regional or local projects, the
20 checklists, guidelines and compliance certificates on demolition and eviction
21 prior to the actual implementation thereof and thereafter, submit to the PCUP
22 the completed checklist, attested to under oath by the proponent that the
23 provisions of Section 28 of RA 7279 or its implementing rules and regulations
24 have been complied with;
- 25 3) Based on the completed checklist and subject to further verification, issue
26 demolition and eviction compliance certificates to proposed demolitions and
27 evictions involving homeless and underprivileged citizens;
- 28 4) Investigate *motu proprio* or upon complaint by any party, any violation of the
29 provisions of Section 28 of RA 7279 and its implementing rules and
30 regulations;
- 31 5) File *motu proprio* or by way of assistance to any aggrieved party, the
32 appropriate criminal, civil or administrative case against any person or

1 persons found to have violated the provisions of Section 28 of RA 7279 or its
2 implementing rules and regulations; and,

3 6) Such other functions as provided for under Executive Order No. 152, series of
4 2002.

5 d. The PO and NGO representatives shall:

6 1) Assist in the holding of dialogues and consultations with affected families
7 leading to their full acceptance and support to the program;

8 2) Provide feedback mechanism to the Local Housing Board and ensure urban
9 poor participation in the decision-making process;

10 3) Assist the Local Housing Board in processing applications and documents;

11 4) Provide support to the local housing board in the community relations, social
12 preparations and information disseminations and motivation activities at the
13 identified housing sites;

14 5) Actively participate in the drawing up of the development plan for the area;
15 and,

16 6) Identify pro-poor programs to uplift the socio-economic conditions of the
17 affected urban poor residents.

18 Sec. 13. *Penalties.* - Unjustified failure or refusal of a mayor to constitute the
19 local housing board as created and defined by this Act, shall subject the national and
20 local government officials and employees responsible for the such omission,
21 misrepresentation, fraud, or unjustified failure or refusal to:

22 a) disciplinary action under Book I, Title Two, Chapter 4 of the Local Code;
23 and/or

24 b) Government prosecution under the penalty clause of the UDHA.

25 Sec. 14. *Transitory Provisions.* - Local chief executives of cities and first to
26 third class municipalities shall constitute their respective Boards within ninety (90)
27 days from the promulgation of the implementing rules and regulations of this Act.
28 Local Chief Executives of fourth to sixth class municipalities are given a minimum of
29 two (2) years from the promulgation of the implementing rules and regulations of
30 this Act to constitute their Boards. Failure to constitute the Board within this
31 prescribed period shall be *prima facie* evidence of unjustified failure or refusal to do
32 so.

1 Cities and municipalities with existing local housing and urban development
2 boards or similar entities are hereby given ninety (90) days from the promulgation of
3 the implementing rules and regulations of this Act to conform with the provisions of
4 this Act: *Provided*, That nothing herein stated shall preclude cities and municipalities
5 from designating additional functions and/or appropriating additional funds to
6 achieve the objectives of this Act.

7 *Sec. 15. Implementing Rules and Regulations.* - Within sixty (60) days after
8 the approval of this Act, the HUDCC and the DILG, in consultation with the
9 concerned government agencies, the private sector, POs and NGOs, shall formulate
10 the appropriate rules and regulations necessary to effectively implement any or all of
11 the provisions of this Act. Such rules and regulations shall include, among others,
12 guidelines on the following:

- 13 a) Resource generation and mobilization for socialized housing purposes;
- 14 b) Schemes for local government housing assistance; and,
- 15 c) Accreditation and selection of representatives of the private sector, NGOs
16 and POs to the local housing board.

17 *Sec. 16. Repealing Clause.* - (a) Sections 447 (a) (2) (x) and 458 (a) (2) (x) of
18 the Local Government Code are hereby repealed; (b) Section 107 (b) of the Local
19 Government Code is hereby amended; and (c) All laws, decrees, executive orders,
20 proclamations, rules and regulations, and other issuances, or part or parts thereof,
21 which are inconsistent with the provisions of this Act are hereby repealed or
22 modified accordingly.

23 *Sec. 17. Separability Clause.* - If for any reason, any provision of this Act is
24 declared invalid or unconstitutional, the remaining provisions not affected thereby
25 shall continue to be in force and effect.

26 *Sec. 18. Effectivity Clause.* - This Act shall take effect fifteen (15) days after
27 its publication in the *Official Gazette* or at least two (2) newspapers of general
28 circulation.

Approved,