


OFFICE OF  
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**Committee of the Whole Ethics case against Senator Villar  
on the C-5 Road Extension Project**

**Committee Meetings/Adjudicatory Hearings Conducted**

**May 2009**

RECEIVED BY 

May 4, 2009  
May 7, 2009  
May 11, 2009  
May 14, 2009  
May 18, 2009  
May 21, 2009  
May 26, 2009

**June 2009**

June 1, 2009  
June 4, 2009

**August 2009**

August 12, 2009  
August 25, 2009

**September 2009**

September 3, 2009  
September 8, 2009  
September 16, 2009  
September 22, 2009  
September 29, 2009

**October 2009**

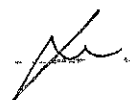
October 1, 2009  
October 6, 2009  
October 13, 2009

**Venue:** The Hearings were all conducted at the Senate Session Hall

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*Amor*  
ARTURO MOJICA JR.

10 JAN 18 11:30

SENATE

RECEIVED BY 

COMMITTEE REPORT NO. 780

Submitted by the Committee of the Whole on JAN 18 2010

RE: IN THE MATTER OF THE COMPLAINT FOR VIOLATION OF THE 1987 CONSTITUTION AND REPUBLIC ACT NO. 6713 AGAINST SENATOR MANUEL B. VILLAR, JR./RESOLUTION NO. 706, ENTITLED, "RESOLUTION DIRECTING THE COMMITTEE ON ETHICS AND PRIVILEGES TO INVESTIGATE THE CONDUCT OF SENATE PRESIDENT MANUEL B. VILLAR, JR. FOR USING HIS POSITION OF POWER TO INFLUENCE PUBLIC OFFICIALS IN RELOCATING THE C-5 ROAD EXTENSION PROJECT TO DELIBERATELY PASS THRU HIS PROPERTIES, AND TO NEGOTIATE THE OVERPRICED PURCHASE OF ROAD RIGHTS OF WAY THRU SEVERAL PROPERTIES ALSO OWNED BY HIS CORPORATIONS REDOUNDING IN HUGE PERSONAL FINANCIAL BENEFITS FOR HIM TO THE DETRIMENT OF THE FILIPINO PEOPLE, THEREBY RESULTING IN A BLATANT CONFLICT OF INTEREST" INTRODUCED BY SENATOR MARIA ANA CONSUELO A.S. MADRIGAL

Recommending its approval.

Sponsor: Senate President Juan Ponce Enrile

**TO THE MEMBERS OF THE SENATE:**

The Committee of the Whole, which assumed jurisdiction from the Committee on Ethics and Privileges over the complaint of Senator Maria Ana Consuelo A.S. Madrigal against Senator Manuel B. Villar, Jr. for violation of the 1987 Constitution and Republic Act No. 6713, after hearing the same, has the honor to submit this Committee Report to the Senate for its approval.

**I. The Complaint**

This is a complaint filed by Senator Maria Ana Consuelo A.S. Madrigal against Senator Manuel B. Villar, Jr. for alleged violations of the following: (a) Article VI, Section 14 of the Constitution which provides that "[n]o Senator... shall...directly or indirectly, be interested financially in any contract with ... the Government or any subdivision, agency, or instrumentality thereof...during his term of office" and that "[h]e shall not intervene in any matter before any office of the Government for his pecuniary benefit or where he may be called



upon to act on account of his office"; (b) Article VI, Section 12 of the Constitution which requires all members of Congress to "notify the House concerned of a potential conflict of interest that may arise from the filing of any proposed legislation of which they are authors"; and, (c) Section 9, in relation to Section 3, of Republic Act No. 6713, or the Code of Conduct and Ethical Standards for Public Officials and Employees, which mandates that "a public official or employee shall avoid conflicts of interest at all times... [and] [w]hen a conflict of interest arises, he shall resign from his position in any private business enterprise within thirty (30) days from his assumption of office and or divest himself of his shareholdings or interest within sixty (60) days from such assumption."

In her complaint, Senator Madrigal alleged that sometime during the term of then President Ferdinand E. Marcos, the Circumferential Road Project was designed to link major roads in Metro Manila; that among the components of the Circumferential Road Project was the construction of the link road between the Circumferential Road No. 5 ("C-5") to the Coastal Road; that the original plan and design of the C-5 Road extension showed that a fly-over crossing the South Super Highway and a highway from Barangay San Dionisio, Parañaque City would be constructed; that the government, in planning said road, decided that such route was the shortest and most economical to construct; and, that pursuant to the said plan and design, the government purchased and paid for several properties for right-of-way.

However, according to Senator Madrigal, despite the existence of the project for the construction of the C-5 Road extension and notwithstanding that payments were already made for the roads-right-of-way for said project, respondent Senator Villar caused the realignment of the C-5 Road extension to benefit the properties registered in the names of various corporations owned and controlled by him and his family, which were traversed by that road, thereby effectively abandoning the original plan of the C-5 Road extension to the prejudice of the Filipino people. According to Senator Madrigal, these corporations of Senator Villar would benefit from the payments for roads-right-of-way and from the tremendous increase of the market values of their properties traversed by the realigned C-5 Road.

To prove her claim, Senator Madrigal attached to her complaint the Project Profile for the "construction of road and/or bridges from Quirino Avenue, Pulang Lupa, Las Piñas City to A. Santos Avenue, San Dionisio, Parañaque City (Las Piñas-Parañaque Link Road)," which shows that Senator Villar and his wife, Congresswoman Cynthia A. Villar were the proponents for such project, which involved the purchase of new properties for roads-right-of-way and for the realignment of the original plan for the C-5 Road extension. Senator Madrigal alleged that the road from Quirino Avenue, Pulang Lupa, Las Piñas City to A. Santos Avenue, San Dionisio, Parañaque City is the same as the C-5 Road extension.

The Project Profile for the Las Piñas-Parañaque Link Road shows that the realigned project would cost the Filipino people another seven hundred ten million and ninety-seven thousand pesos (₱710,097,000.00), of which three hundred fifty-four million and eight hundred seventy thousand pesos (₱ 354,870,000.00) would be spent for the purchase of roads-right-of-way.

In the list of thirty-nine (39) affected lots obtained from the Department of Public Works and Highways (DPWH), at least eighteen (18) properties are owned by corporations controlled by Senator Villar or owned by corporations wherein he has interests, according to Senator Madrigal.

Senator Madrigal further alleged in her complaint that Senator Villar inserted funds in the 2004 national budget in order to pay his corporations for lots acquired by the government for

roads-right-of-way, and that Senator Villar did not only negotiate contracts with the government, but he also negotiated for the sale of his properties at a grossly overpriced amount to the grave damage and prejudice of the Filipino people.

Senator Madrigal submitted a Deed of Absolute Sale, whereby Brittany Corporation (formerly Azalea Real Estate Corporation) sold to the government a property under Transfer Certificate of Title (TCT) No. 18701 with an area of 22,543 square meters for ninety-two million three hundred twenty-five thousand pesos (₱ 92,325,000.00) or for fifteen thousand pesos (₱15,000.00) per square meter, when, according to Senator Madrigal, the sale of an adjacent property in the same location, not owned by Senator Villar and likewise affected by the realigned C-5 Road, was bought by the government for only four thousand pesos (₱ 4,000.00) per square meter.

Senator Madrigal submitted the General Information Sheet of Brittany Corporation showing that its stockholders are Vista Land and Lifescapes, Inc., Adelfa Properties, Inc. and Manuel Paolo A. Villar, who, according to Senator Madrigal, is the son of Senator Villar. Senator Madrigal also submitted the General Information Sheets of: (a) Vista Land and Lifescapes, Inc., which shows that it is owned by Adelfa Properties, Inc. and the sons of Senator Villar, namely, Manuel Paolo A. Villar and Mark A. Villar; and, (b) Adelfa Properties, Inc., which shows that it is owned by Senator Villar and his wife, Congresswoman Cynthia A. Villar.

Senator Madrigal further claimed that the zonal valuation of the Bureau of Internal Revenue for properties in Barangay San Dionisio, Parañaque City ranges only from a minimum of four thousand pesos (₱ 4,000.00) for residential properties to a maximum of eleven thousand pesos (₱ 11,000.00) for commercial properties.

Senator Madrigal also claimed that lots of Adelfa Properties, Inc. acquired for roads-right-of-way were bought at the overpriced amount of thirteen thousand pesos (₱ 13,000.00) per square meter when the assessed value of the property was only pegged at one thousand five hundred pesos (₱ 1,500.00) per square meter.

Senator Madrigal cited the lots of Masaito Development Corporation acquired for roads-right-of-way, which were bought at thirty thousand pesos (₱ 30,000.00) per square meter by the government, when the zonal valuation for properties in Barangay San Dionisio, Parañaque City where the said lots were located ranged from four thousand pesos (₱ 4,000.00) to eleven thousand pesos (₱ 11,000.00) only.

According to Senator Madrigal, Masaito Development Corporation has a memorandum of agreement with Adelfa Properties, Inc. whereby the latter was granted the right to collect such proceeds of the expropriation as indeed Adelfa Properties, Inc. had done through its Senior Vice-President and General Manager, Anastacio Adriano, Jr. when the latter received on 17 December 2004 the amount of twenty-five million pesos (₱ 25,000,000.00) as partial proceeds for the lots of Masaito Development Corporation, acquired for roads-right-of-way. Senator Madrigal alleged that the payment for this ₱ 25,000,000.00 came from the funds that Senator Villar proposed in 2004 through his Priority Development Assistance Fund (PDAF).

Senator Madrigal further alleged that Senator Villar surreptitiously inserted an extra two hundred million pesos (₱ 200,000,000.00) into the 2008 General Appropriations Act (Republic Act No. 9498) for the "Construction of C-5 Road Extension from SLEX to Sucat Road including ROW," when this project had already an allocation of another two hundred million pesos (₱200,000,000.00).

According to Senator Madrigal, Secretary Rolando Andaya of the Department of Budget and Management admitted during the 29 September 2008 joint hearing of the Committee on Finance and the Committee on Public Works that the two ₱ 200,000,000.00 appropriations were for one and the same project.

Based on these allegations, Senator Madrigal concluded in her complaint that Senator Villar blatantly violated: (1) Sections 12 and 14, Article VI of the Constitution and Section 7(a) of Republic Act No. 6713 when he proposed the realignment of the C-5 Road extension project notwithstanding his conflict of interest in that properties owned by the corporations controlled by him would be traversed and, consequently, would benefit from the said project; (2) Section 12, Article VI of the Constitution and Section 9 of Republic Act No. 6713 when he failed to divest himself of his interests in the said corporations; and (3) Section 1, Article XI of the Constitution when he deliberately, fraudulently, and maliciously inserted another ₱ 200,000,000.00 in the 2008 General Appropriations Act for the C-5 Road extension project despite full knowledge that the said project was already funded.

Senator Madrigal made reservations in her complaint to file the appropriate charges for violations of the Anti-Graft and Corrupt Practices Act.

In her pre-trial brief, complainant Senator Ma. Ana Consuelo A.S. Madrigal submitted the following issues for resolution:

1. Whether or not respondent Senator Manuel B. Villar, Jr. has violated Section 14 of Article VI of the Constitution which mandates that a Senator shall not, "directly or indirectly, be interested financially in any contract with, or any franchise or special privilege granted by the Government, or any subdivision, agency, or instrumentality thereof, including any government-owned or controlled corporation, or its subsidiary, during his term of office."
2. Whether or not respondent Senator Manuel B. Villar, Jr. has violated Section 14 of Article VI of the Constitution which mandates that a Senator "shall not intervene in any matter before any office of the Government for his pecuniary benefit or where he may be called upon to act on account of his office."
3. Whether or not respondent Senator Manuel B. Villar, Jr. has violated Section 12 of Article VI of the Constitution which mandates that Senators "shall, upon assumption of office, make a full disclosure of their financial and business interests."
4. Whether or not respondent Senator Manuel B. Villar, Jr. violated Section 12 of Article VI of the Constitution which mandates that Senators "shall notify the House concerned (i.e., the Senate) of a potential conflict of interest that may arise from the filing of a proposed legislation of which they are authors."
5. Whether or not respondent Senator Manuel B. Villar, Jr. violated Section 9 of Republic Act No. 6713, in relation to Section 3, which requires that "a public official or employee shall avoid conflicts of interest at all times" and that "(w)hen a conflict of interest arises, he shall resign from his position in any private business enterprise within thirty (30) days from his assumption of office and or divest himself of his shareholdings or interest within sixty (60) days from such assumption."
6. Assuming that respondent Senator Manuel B. Villar, Jr. has violated any or all of the foregoing, whether or not such violation "relat(e) to the discharge of his duties as a member

of the Senate” and/or whether or not he “has engaged in improper conduct which may reflect upon the Senate, at any time after he or she has taken his or her oath.”

## II. Committee Action

This complaint of Senator Madrigal was originally heard by the Committee on Ethics and Privileges chaired by Senator Panfilo M. Lacson.

### *The Committee of the Whole*

On 20 April 2009, Senator Villar rose on a question of privilege and declared that he would rather answer Senator Madrigal’s allegations not before the “Kangaroo Court” of the Ethics Committee, where most of its members are “presidentiables,” but before the Plenary.

*“ . . . Mahaba po itong aking sasabihin . . . I was accused on this floor, I will answer here in this floor. Hindi po doon sa kangaroo court ng Ethics Committee headed by, no less than one of my accusers and the members are all presidentiables, karamihan. . anong klaseng hustiya , G. Pangulo? . . .”*

xxx                      xxx                      xxx

*“ . . . Mahaba pa po G. Pangulo, ang aking gustong sabihin. Subalit ang isyu po ngayon ay ang Ethics Committee. Ang C-5, sasagutin ko po iyon, hindi po ako natatakot “Pero hindi po sa Ethics Committee, dito sa floor...”*

On 27 April 2009, reacting to Senator Villar’s statements, Senator Lacson moved before the Plenary that the Senate constitute itself into a Committee of the Whole to assume jurisdiction over the instant complaint from the Committee on Ethics and Privileges; that the Senate President be the Presiding Officer of the Committee of the Whole; and, that the proceedings would be in accordance with the Rules of the Committee on Ethics and Privileges (hereinafter also referred to as the “Rules”) that was published in the Official Gazette on 23 March 2009. The Senate, acting in plenary, approved Senator Lacson’s motion.

Consequently, the Committee of the Whole was constituted, with the Senate President Juan Ponce Enrile acting as Chairman. The Committee thus assumed jurisdiction over the ethics complaint of Senator Madrigal against Senator Villar, and adopted the Rules, with amendments introduced by Senator Alan Peter S. Cayetano and adopted by the Committee on 11 May 2009, to govern its proceedings.

### *Preliminary Inquiry (Sec. 23, Rules)*

On 14 May 2009, the Committee conducted a preliminary inquiry on the complaint “to determine whether there is credible substantial evidence that provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has been committed which includes improper conduct.” (Sec. 23, Rules)

Despite due notice given to Senator Villar on 11 May 2009 about the conduct of the preliminary inquiry on 14 May 2009 and about his right to respond to the charges against him, Senator Villar did not participate in the preliminary inquiry or file his answer to the charges.

On 18 May 2009, pursuant to Section 26 of the Rules, the Chairman of the Committee formally submitted his preliminary inquiry report to the Committee with the recommendation that “*the Committee carefully evaluate the evidence submitted by the complainant and make a judicious determination pursuant to Section 27 of the Rules, if such pieces of evidence constitute credible substantial evidence providing substantial cause for the Committee to conclude that respondent might have committed a violation that falls within the jurisdiction of the Committee.*”

Under Section 27(D) of the Rules, if the Committee finds “that there is such substantial credible evidence” “that the violation, if proven, would be sufficiently serious to warrant imposition of a severe disciplinary action,” then “the Committee shall order that an investigation be promptly conducted in accordance with Rule 5.”

Rule 5 of the Rules pertains to the conduct of adjudicatory hearings to “accord to the respondent an opportunity to be heard before [the Committee] recommends disciplinary action.”

Twelve Senators adopted the preliminary inquiry report and found that the documentary evidence submitted so far by Senator Madrigal appeared to constitute credible substantial evidence against Senator Villar that, if proven, would be sufficiently serious to warrant the imposition of a severe disciplinary action.

The Committee thus resolved to conduct a preliminary conference under Section 37 of the Rules and thereafter to conduct adjudicatory hearings under Rule 5 of the Rules, in relation to Rule 6 thereof, in order for the complainant, Senator Madrigal, to present her evidence and for the respondent, Senator Villar, to be afforded the opportunity to answer the charges against him.

### ***The Supreme Court Petition of the Minority Bloc***

On 22 May 2009, the Committee received a copy of the *Petition* dated May 21, 2009 filed by Senators Aquilino Q. Pimentel, Jr., Manuel B. Villar, Jr., Joker P. Arroyo, Francis N. Pangilinan, Pia S. Cayetano and Alan Peter S. Cayetano with the Supreme Court, docketed as SC-G.R. No. 187714.

In their petition, Senator Pimentel, et al. prayed that the Supreme Court issue a temporary restraining order (TRO) or a writ of preliminary injunction, and eventually a permanent injunction, enjoining the Committee from continuing its investigation and hearing of the ethics complaint filed by Senator Madrigal against Senator Villar under the *Rules of the Senate Committee of the Whole* adopted on 11 May 2009.

Instead of issuing a TRO or a writ of preliminary injunction, the Supreme Court directed the Committee to comment on the petition. The Committee filed its comment, to which Senator Pimentel, et al. and Senator Villar filed separate replies. The Committee filed its consolidated rejoinder, to which Senator Villar filed a sur-rejoinder. To date, the Supreme Court has not resolved the petition.

### ***Preliminary Conference (Sec. 37, Rules)***

Without any restraining order issued by the Supreme Court, the Committee continued its proceedings. Thus, on 25 May 2009, the Committee conducted the preliminary conference. Despite notice, respondent Senator Villar did not participate. On the other hand, complainant

Senator Madrigal, represented by her counsel Atty. Ernesto B. Francisco, Jr., marked her documentary exhibits and submitted the issues for resolution.

On 24 May 2009, complainant Senator Madrigal, through her counsel Atty. Ernesto B. Francisco, Jr., submitted her preliminary conference brief.

On 26 May 2009, the preliminary conference report was approved by the Committee.

### *Adjudicatory Hearings (Sec. 40, Rules)*

On 1 June 2009, the Committee commenced its adjudicatory hearings.

Complainant Senator Madrigal testified on her complaint. She also presented the following witnesses: (i) Atty. Yolanda Doblón, Director General of the Legislative Budget Review and Monitoring Office of the Senate; (ii) Engr. Anastacio C. Adriano, Jr., former Senior Vice-President and General Manager of Adelfa Properties, Inc.; (iii) Engr. Edilberto D. Tayao, District Engineer of the Department of Public Works and Highways – National Capital Region; (iv) Carlos P. Bacolod, Jr., Special Investigator of the DPWH; and, (v) Carmelita Bacod, Former Revenue District Officer of Parañaque City.

A total of twelve (12) adjudicatory hearings were conducted from 1 June 2009 to 6 October 2009.

### **III. Summary of Testimonial Evidence Presented by Complainant Senator Madrigal**

At the adjudicatory hearing of 1 June 2009, Senator Madrigal stated that she is the complainant and that she is a Senator of the Republic of the Philippines.<sup>1</sup> She said she knows the respondent Senator Manuel B. Villar, Jr. as he is a fellow Senator.<sup>2</sup> She identified and authenticated her Complaint-Affidavit in this case.<sup>3</sup> She also affirmed the material allegations in her complaint against Senator Villar, and submitted and identified her documentary exhibits in support of her allegations.<sup>4</sup>

At the 25 August 2009 adjudicatory hearing, Senator Madrigal exhibited a video presentation showing the properties affected by the government projects subject of her complaint, namely, the Manila Cavite Toll Expressway Project (MCTEP), the Las Piñas-Parañaque Link Road Project, and the DPWH C-5 Road Extension Project, as well as the lots expropriated for roads-right-of-way and adjacent areas.<sup>5</sup>

Senator Madrigal stated that properties owned by corporations of Senator Villar were located and could be found on both sides of the Las Piñas-Parañaque Link Road.

<sup>1</sup> TSN, 1 June 2009, 10:03 a.m., p. 7.

<sup>2</sup> *Id.*

<sup>3</sup> TSN, 1 June 2009, 10:13 a.m., p. 1.

<sup>4</sup> Journal of the Committee of the Whole Hearing of 1 June 2009, p. 4.

<sup>5</sup> Journal of the Committee of the Whole Hearing of 25 August 2009.



Senator Madrigal added that the location of the C-5 Road Extension Project used to be raw or underdeveloped land. She pointed out the impossibility of connecting Quirino Avenue with Coastal Road as previously stated by Senator Villar because of the existence of a dead end. This disproved, according to her, Senator Villar's statement that the ₱200 million insertion in the 2008 national budget would be used to connect C-5 to Coastal Road.<sup>6</sup>

Senator Madrigal also told the Committee that Senator Villar overpriced the value of the properties they had sold to the government that were affected by the construction of the C-5 Road Extension.<sup>7</sup>

*Atty. Yolanda Doblón*

During the adjudicatory hearing of 25 August 2009, Atty. Yolanda Doblón testified that she has been the Director General of the Legislative Budget Research Monitoring Office (LBRMO) of the Senate for almost fifteen years and that the LBRMO provides technical support during the deliberations on the annual General Appropriations Act (GAA). According to her, she reports to the Chairman of the Committee on Finance and to the Office of the Senate President.

Atty. Doblón confirmed that there was an item at page 646 of the GAA (Republic Act No. 9498), as published in the Official Gazette, for an allocation of ₱ 200,000,000.00 for the C-5 Project including right-of-way. She said that this line item in the C-5 Road Project was one of the amendments introduced by the Office of Senator Villar through a certain Engr. Adriano who dictated such amendments to Atty. Doblón in the presence of Senator Villar at the latter's office sometime in November 2007. She also confirmed that there was another item in the 2008 GAA pertaining to the same project, and that this second ₱ 200,000,000.00 appropriation emanated from and was already included in the National Expenditure Program of President Arroyo, which was submitted to Congress.

At the adjudicatory hearing of 3 September 2009, Atty. Doblón was shown a picture of Engr. Anastacio C. Adriano, Jr. and she confirmed that the person who appeared in the photo was the same person who enumerated to her the amendments of Senator Villar to the 2008 national budget. She said that the reason why she accepted the amendments enumerated by Engr. Adriano was because Senator Villar was seated beside them and she did not hear any objections from Senator Villar when the amendments were being enumerated to her by Engr. Adriano.

Atty. Doblón also confirmed that Senator Villar was the Chairperson of the Senate Finance Committee from FY 2002 to FY 2006, except for brief periods. She further confirmed that the line item referring to the "Construction of the C-5 Road Extension from SLEX to Sucat Road including ROW" with an appropriation of ₱ 200,000,000.00 was the insertion in the 2008 national budget as proposed by Senator Villar.

At the adjudicatory hearing of 8 September 2009, Atty. Doblón confirmed her letter dated 7 September 2009 to the Senate President and Chairman of the Committee of the Whole, Senator Juan Ponce Enrile, transmitting therewith "the summary based on available records of this office, of the request list of the Office of Senator Manny Villar for the Las Piñas-Parañaque Link Road which was submitted to the Department of Budget and Management."

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<sup>6</sup> *Id.*, p. 3.

<sup>7</sup> *Id.*

Attached to the 8 September 2009 letter of Atty. Doblón was a document captioned "Summary: Las Piñas-Parañaque Link Road Fiscal Year 2002 to 2006," which read:

Year	Project Title	Location	Amount	Implementing Agency	Region	Date rcvd (DBM**)
2006	Road Construction at LP-Parañaque Link Road (PCCP)	Las Piñas & Parañaque City	10,000,000.00	DPWH*	NCR	8/24/2006
2004	Construction of Las Piñas-Parañaque Link Road	Las Piñas & Parañaque City	30,000,000.00	DPWH	NCR	3/3/2004
2004	Construction of Las Piñas-Parañaque Link Road including ROW acquisition	Parañaque City	16,000,000.00	DPWH	NCR	4/12/2005
2003	Road construction, concreting of Las Piñas-Parañaque Link Road – Quirino Ave. to A. Santos Ave.	Las Piñas & Parañaque City	15,000,000.00	DPWH	NCR	12/23/200
2002	Slope Protection for Las Piñas-Parañaque Link Road at creek bounding Las Piñas City and Parañaque City and including removal of illegal structures	Las Piñas & Parañaque City	15,500,000.00	DPWH	NCR	9/16/2002
2002	Slope Protection for Las Piñas-Parañaque Link Road at creek bounding Las Piñas City and Parañaque City and including removal of illegal structures	Las Piñas & Parañaque City	15,500,000.00	DPWH	NCR	4/7/2003

\*DPWH – Department of Public Works and Highways

\*\*DBM – Department of Budget and Management

At the adjudicatory hearing of 6 October 2009, Atty. Doblón clarified that after the General Appropriations bill passed the Senate, there were two similar entries both for ₱200,000,000.00 for the construction of the C-5 Road Extension from SLEX to Sucat Road including right-of-way, one was the amendment introduced by Senator Villar and the other was the original entry in the General Appropriations Bill.

*Engr. Edilberto D. Tayao*

At the adjudicatory hearing of 25 August 2009, Engr. Edilberto D. Tayao stated that he is the Regional Director of DPWH National Capital Region and explained that the DPWH was

tasked with the planning aspect of the C-5 Road Extension Project envisioned to connect the NLEX, SLEX and the Coastal Road. He said that the length of the segment of the C-5 Project from SLEX to Multinational Avenue was around 4 to 4.2 kilometers and the budget for the project is ₱ 2.2 billion.

At the adjudicatory hearing of 1 October 2009, Engr. Edilberto D. Tayao testified that the Las Piñas-Parañaque Road Project was done under the regular infrastructure program of the DPWH.

Engr. Tayao submitted the Special Allotment Release Orders (SAROs) and Sub-Allotment Advice (SAA) for the Las Piñas-Parañaque Road Project. He confirmed that these SAROs and SAAs were under the right-of-way budget and the budget for civil works and that these were part of the category on various infrastructures and local projects in the national budget. He added that this category ordinarily consisted of the congressional initiatives or what is commonly called the pork barrel or the budgetary insertions, or amendments proposed by members of Congress.

Engr. Tayao also testified that in the 2002 national budget, the ₱ 30,000,000.00 allocation in this budgetary category was attributed to Senator Villar, and that the spouses Villar were the proponents of the Las Piñas-Parañaque Link Road Project.

Engr. Tayao also confirmed that the following amounts were set aside for road construction under the allocation for Senator Villar: in 2003, ₱ 15,000,000.00; in 2004, ₱30,000,000.00 and ₱ 16,000,000.00; and in 2006, ₱ 10,000,000.00.

Engr. Tayao further testified that the DPWH did not request the Office of Senator Villar to provide an additional funding of ₱ 200,000,000.00 for the C-5 Road project. He said that the redundant ₱ 200,000,000.00 inserted by Senator Villar in the 2008 national budget was not released and DPWH's petition to realign the said amount for other projects did not materialize.

Engr. Tayao affirmed that indeed there was a double appropriation of ₱200,000,000.00 for the C-5 Road project in the 2008 national budget.

Engr. Tayao also testified that the C-5 Road Extension Project from Quirino Avenue to the Coastal Road with a flyover traversing the Coastal Road was conceptualized only sometime in February 2008 during a DPWH groundbreaking ceremony attended by President Arroyo and DPWH Secretary Hermogenes Ebdane, Jr. He said that prior to February 2008, DPWH had no plans of constructing a road from Quirino Avenue all the way to Coastal Road.

Engr. Tayao also stated that he met Engr. Anastacio C. Adriano, Jr. sometime in FY 2003 when the latter visited the DPWH office and that occasionally he would bump into Engr. Adriano during Senate budget hearings. He said he could not recall if the Office of Senator Villar formally requested for the funding of the construction of a flyover traversing Coastal Road.

During the adjudicatory hearing of 6 October 2009, Engr. Tayao identified an ortho image map of the C-5 Road Extension prepared on 18 December 2008 by the National Mapping and Resource Information Authority (NAMRIA), marked as Exhibit "ZZ."

Perusing Exhibit "ZZ," Engr. Tayao confirmed that the lands traversed by the Las Piñas-Parañaque Link Road and by the Multinational Avenue-Sucat Road are raw lands, covered by greenery. He said there were no structures on those raw lands. He also confirmed that the only

structures visible to the naked eye are the SM establishment and the two buildings fronting Sucat Road.

Referring to an ortho image map of the C-5 Road Extension prepared in January 2003, marked as Exhibit "AAA," Engr. Tayao pointed to the portion of the map where the Las Piñas-Parañaque Link Road traversed and he confirmed that this portion was raw lands as of January 2003.

Engr. Tayao confirmed that, as shown by Exhibit "AAA," only one building of SM, on the southern portion of the existing Las Piñas-Parañaque Link Road, was already constructed at that time. He further confirmed that across the single SM building was the property of Masaito Development Corporation, which as of January 2003, was still a vacant and raw land and had portions that appeared to be former salt beds or salinar and, although such portions had been slightly graded, these were still generally covered by greenery.

Engr. Tayao further confirmed that per Exhibit "AAA" the lands traversed by Multinational Avenue to Sucat Road portion of the C-5 Road Extension were raw lands, covered by greenery, and that there were no structures erected on these raw lands.

When shown another ortho map of C-5 Road Extension, marked as Exhibit "AAA-1," Engr. Tayao stated that the lands traversed by the Las Piñas-Parañaque Link Road in Las Piñas City and Parañaque City and those traversed by Multinational Avenue to Sucat Road portion were raw lands.

Engr. Tayao pointed to the portion of a location map of Las Piñas and Parañaque City, marked as Exhibit "EEEEEE," as the location of the Golden Haven Memorial Park (Exhibit "EEEEEE-1").

Engr. Tayao also pointed to the location of Perpetual Real Street, Pulanglupa I in the vicinity of Perpetual Village (Exhibit "EEEEEE-2"). Using the same location map, Engr. Tayao drew a line showing the path traversed by the Las Piñas-Parañaque Link Road from Golden Haven Memorial Park to SM Sucat, which line was marked as Exhibit "EEEEEE-3." He confirmed that based on the line drawn, the area traversed by the Las Piñas-Parañaque Link Road is quite far from Real Street in the vicinity of Perpetual Village.

Engr. Tayao also identified the feasibility study captioned "Construction of President Carlos P. Garcia Avenue, C-5 Extension Project, from South Luzon Expressway to Sucat Road, Parañaque City," as well as the memoranda from Secretary Hermogenes Ebdane, Jr. addressed to the President and one from the President addressed to Secretary Ebdane.

Engr. Tayao said that the feasibility study is the official document used by DPWH as basis for the construction of the C-5 Road Extension from SLEX to Sucat Road or up to SM Sucat.

Engr. Tayao read a portion of the feasibility study which stated that "[t]he conceptualization of and the initial release of funds for the CX-5 Project [*the C-5 Road Extension Project*] was initiated by Senator Manuel Villar, whose same efforts also paved the way for the funding of the *Las Piñas-Parañaque Link Road*..."

According to Engr. Tayao, the proposed C-5 of the DPWH was the existing Kaingin Road, and one of the proposals was to widen the existing Kaingin Road insofar as the DPWH alignment was concerned.

Engr. Tayao added that in the records of DPWH, the alignment of the Toll Regulatory Board (TRB) is more on the southern portion of the existing Kaingin Road. He said that TRB has a C-5 link project running from South Luzon Expressway (SLEX) all the way to Sucat Road then crossing Sucat Road, going all the way to the Coastal Road. He said there was a plan for this alignment.

Engr. Tayao confirmed that the alignment of the C-5 link project of the Toll Regulatory Board from SLEX up to Sucat Road lies parallel to the alignment of the C-5 Road Extension Project of the DPWH which covers the same route. He confirmed that a portion of the alignment of the DPWH project overlapped with the alignment of the TRB project. He estimated that the distance between the two road projects, which were parallel to each other, was around 150 to 200 meters.

*Engr. Anastacio C. Adriano, Jr.*

At the adjudicatory hearing of 8 September 2009, Engr. Anastacio C. Adriano, Jr. stated that he has been a consultant and political officer of Senator Villar since August 2008.<sup>8</sup> He requested the Chairman to grant him permission to read his prepared affidavit, which request was granted. The affidavit that Engr. Adriano read stated in part:

“I, Anastacio Adriano, Filipino, of legal age, married, with residence at 199 Hawk Street, Camella II, Putatan, Muntinlupa, having been sworn in accordance with law, hereby depose and state:

xxx                      xxx                      xxx

In November of 2007, the Office of Senator Manny Villar referred to me the notice from the Senate Legislative Budget Research and Monitoring Office advising all senators to submit their amendments to the 2008 General Appropriations Act. I understand that while GAA originates exclusively from the House of Representatives, the Senator may recommend to the GAA. **I, therefore, together with some – together with technical staffs of the Senator studied the lists of project requests submitted to the Office of the Senator.**

In a meeting with Atty. Doblón, I and the chief of staff of Senator Villar, Ms. Caroline Cadelina, enumerated to her the priority projects of Senator Villar for 2008. These priority projects and recommended amendments to the GAA were as follows:

Philippine Science High School, 10 million; Rehabilitation of various barangay roads, 100 million; Upgrading of various national roads, 100 million; **Construction of C-5 Road, 400 million.**

xxx                      xxx                      xxx”<sup>9</sup>

Atty. Gabriel Enriquez entered his appearance as counsel for Engr. Adriano. According to Atty. Enriquez, “prior to the appearance of the witness in today’s hearing, I have apprised him

<sup>8</sup> TSN, 8 September 2009, 10:56 a.m., pp. 1, 3.

<sup>9</sup> TSN, 8 September 2009, 10:56 a.m., pp. 5, 7.

of his rights and he has expressed his willingness to openly testify and he is aware that he will be subject to cross-examination and such other rules that will be observed in the conduct of this hearing." He added that "[t]he witness ... is ready and able to answer whatever examination questions that may be propounded to him."<sup>10</sup>

Engr. Adriano testified that in November 2007, when he was enumerating to Atty. Doblón the insertions of Senator Villar in the 2008 national budget, he was holding executive positions in Adelfa Properties, Inc. as well as in the other companies of Senator Villar, namely, Golden Haven Memorial Park Inc. and Brittany Corporations. He admitted that all these companies benefited from the C-5 Road Extension Project.<sup>11</sup>

Engr. Adriano confirmed the deeds of absolute sale involving several parcels of land of Adelfa Properties Inc. sold to the government for the road-right-of-way of the Las Piñas-Parañaque Road Link. He said that there were eight affected properties amounting to ₱ 42.9 million which amount was already received by Adelfa Properties, Inc.<sup>12</sup>

Engr. Adriano also admitted that Brittany Corporation was a subsidiary corporation of Adelfa Properties, Inc. and that he held the position of Vice-President in both corporations. He said that Brittany Corporation was paid only for the TRB project or the MCTEP's Manila-Cavite Toll Expressway Project, but not for the C-5 Road Extension Project.<sup>13</sup>

Engr. Adriano confirmed that Azalea Real Estate and Brittany Corporation are one and the same since Azalea was renamed Brittany.<sup>14</sup>

When asked if the C-5 Road Extension Project would pass through a portion of the seven (7) hectare lot covered by the Land Development Agreement between Adelfa Properties Inc. and Doña Josefa Vda. De Santos Inc., Engr. Adriano answered in the affirmative.<sup>15</sup>

Complainant's counsel, Atty. Francisco, proceeded to ask Engr. Adriano whether the Land Development Agreement covering the said 7-hectare lot was known to Senator Villar. Engr. Adriano presumed that Senator Villar had knowledge of the agreement.<sup>16</sup>

Engr. Adriano admitted that Azalea Real Estate Corp. and Adelfa Properties, Inc., in a joint venture agreement with Doña Josefa de Santos, Inc., have a collectible of ₱ 48 million from the government. The collectible is due to the lots taken from the said corporations for roads-right-of-way traversing Sucat Road and Multinational Avenue, and which are affected by the construction of the C-5 Road Extension Project.

Engr. Adriano also admitted that Golden Haven Memorial Park, Inc. is a sister company of Adelfa Properties, Inc.<sup>17</sup>

Referring to a DPWH document, captioned "Lots affected by the Construction of C-5 Extension Project from Sucat Road to President Quirino Avenue...", Engr. Adriano confirmed

<sup>10</sup> TSN, 8 September 2009, 11:16 a.m., p. 2.

<sup>11</sup> Journal of the Committee of the Whole Hearing of 8 September 2009, p. 11.

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*, p. 12.

<sup>15</sup> *Id.*, p. 13.

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

that Golden Haven Memorial Park, Inc. has collectibles from the government in the amount of ₱ 83 million.<sup>18</sup>

Engr. Adriano also confirmed that Adelfa Properties, Inc. has a Memorandum of Agreement with Masaito Development Corporation involving the swapping of properties between the two companies. Engr. Adriano said that a portion of the properties of Masaito Development Corporation would be affected by the road-right-of-way of the C-5 Road Extension Project.<sup>19</sup>

At the adjudicatory hearing of 16 September 2009, Engr. Adriano admitted that Adelfa Properties, Inc. profited from the swapping of properties with Masaito Development Corporation.<sup>20</sup> He also admitted inconsistencies in the zonal valuations used in the valuation of the lots expropriated, but he said he could not explain why that is the case. Engr. Adriano said that the compensation paid by the DPWH for the Masaito properties is quite unique since the property was the only one valued at ₱ 30,000.00 per square meter considering the subject properties are raw lands.<sup>21</sup>

At the adjudicatory hearing of 29 September 2009, Engr. Adriano estimated the aggregate size of landholdings of Adelfa Properties, Inc. and those with joint venture agreements with other property owners in the vicinity of the Las Pinas-Paranaque Link Road to be at forty (40) hectares.<sup>22</sup>

Engr. Adriano also said that the landholdings of Brittany Corporation in the area between Sucat Road and Multinational Avenue were about ten (10) to twelve (12) hectares.<sup>23</sup>

On the query of Atty. Francisco on whether Engr. Adriano knew that part of the ₱400 million that he proposed to be inserted in the 2008 national budget could be utilized to defray the collectibles of Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. from the government, the latter replied that it was possible.<sup>24</sup>

Engr. Adriano confirmed that during the insertion of ₱ 400 million in the 2008 national budget, Adelfa Properties, Inc. and Golden Haven Memorial Park, Inc. had collectibles from the government for roads-right-of-way compensation.<sup>25</sup>

***Carlos T. Bacolod, Jr.***

At the adjudicatory hearing of 1 October 2009, Carlos T. Bacolod, Jr. stated that he is a Special Investigator II of the DPWH National Capital Region and his function basically revolves around investigation of administrative cases and road-right-of-way problems.<sup>26</sup> He said that his tasks included negotiating with property owners and researching for the zonal valuation from the Bureau of Internal Revenue.<sup>27</sup>

18

*Id.*

19

*Id.*

20

Journal of the Committee of the Whole Hearing of 16 September 2009.

21

*Id.*, p. 8.

22

Journal of the Committee of the Whole Hearing of 29 September 2009, p. 6.

23

*Id.*, p. 17.

24

*Id.*, p. 13.

25

*Id.*, p. 14.

26

Journal of the Committee of the Whole Hearing of 1 October 2009, p. 4.

27

*Id.*, p. 5.

Mr. Bacolod admitted his involvement in the C-5 Road Extension Project as well as in the Pulang Lupa link road.<sup>28</sup>

Mr. Bacolod confirmed his signatures in ten (10) of the twenty-two (22) deeds of absolute sale marked as Exhibit "SSSSS," series, executed from 1999 to 2004 pertaining to lots affected by the C-5 Extension Project.<sup>29</sup>

Mr. Bacolod admitted preparing and signing the following documents presented to him: (1) a document captioned, "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) A. Paid Lots (As of August 24, 2009) (marked as Exhibit "DDDDDD-4"); and, (2) "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) B. Unpaid Lots (As of August 24, 2009) (marked as Exhibit "DDDDDD-6")"<sup>30</sup> He said that he prepared these documents based on the data available on file with the DPWH.<sup>31</sup> He also attested to their accuracy.<sup>32</sup>

The two documents show that twenty-two (22) lots acquired for road-right-of-way for the Las Piñas-Parañaque Link Road were already paid while seventeen (17) remained unpaid.

Mr. Bacolod admitted that he was familiar with the Las Piñas-Paranaque Link Road.<sup>33</sup> He said that in 2000, some constructions were also started at Sucat Road and at Quirino Avenue, but there was no road yet in the area where the right-of-way would pass through, and what was being constructed then was a bridge.<sup>34</sup>

Mr. Bacolod confirmed that from Quirino Avenue to Sucat Road, the area was raw land.<sup>35</sup> He also confirmed that the project took eight years to be completed from 2000 to 2008 when it was finally opened to the public.<sup>36</sup> He said, however, that as early as 1999, payments were already made for road-right-of-way.<sup>37</sup> He further said that it was in 2007 when the last payment was made although there were still unpaid lots taken for road-right-of-way.<sup>38</sup>

Mr. Bacolod admitted that based on the project profile of the project, the funding therefor would come from the pork barrel of Senator Villar and Congresswoman Cynthia Villar.<sup>39</sup>

Mr. Bacolod confirmed that it was a common knowledge within the DPWH that the Las Piñas-Parañaque Link Road Project was being funded by Senator Villar.<sup>40</sup>

Mr. Bacolod also admitted that he helped facilitate the payments for Adelfa Properties, Inc. and Golden Haven Memorial Park, Inc., and that he even went to the office of Masaito Development Corporation in Makati City to personally deliver the letter-offer of DPWH for

<sup>28</sup> *Id.*, p. 4.

<sup>29</sup> *Id.*

<sup>30</sup> TSN, 1 October 2009, 10:51 a.m., pp. 2-3.

<sup>31</sup> *Id.*, p. 30.

<sup>32</sup> *Id.*, p. 31.

<sup>33</sup> *Id.*; 11:01 a.m., p. 7.

<sup>34</sup> *Id.*, 11:11 a.m., pp. 1-2.

<sup>35</sup> *Id.*, p. 3.

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*, p. 5.

<sup>39</sup> *Id.*, pp. 6-7.

<sup>40</sup> *Id.*, 11:21 a.m., pp. 3-4.



properties affected by the project's road-right-of-way.<sup>41</sup> He admitted that the usual practice of the DPWH in sending such letter-offer is by mail and not by personal service.<sup>42</sup>

Referring to the document showing the unpaid lots (Exhibit "DDDDDD-6") for the Las Piñas-Parañaque Link Road right-of-way, Mr. Bacolod confirmed that Lot 2 of Psu-16668 owned by Golden Haven Memorial Park, Inc., consisting of 5,917.84 square meter, and valued at ₱ 13,300.00 per square meter or a total of ₱ 78,707,272.00, is far from Quirino Avenue.<sup>43</sup>

Mr. Bacolod could not also explain why he placed a zonal value of ₱ 13,300.00 per square meter on the said Lot 2 even if there was no basis for placing such valuation –

“MR. FRANCISCO. Yung zonal valuation dito ay ang pinakamababa ay ₱1,600 per square meter. Pero dito sa Golden Haven Memorial Park, Inc. nilagay mo ₱ 13,300 per square meter kaya nagkaroon sila ng claim na ₱ 78,707,272 at ngayon sinasabi mo sa Komite na yung ₱ 13,300 per square meter na zonal valuation ay given.

MR. BACOLOD. Yes, given. What I mean given po dahil sa BIR zonal valuation.

MR. FRANCISCO. Pero sinasabi mo sa Komite ay wala pang dokumento na sinusumite yung Golden Haven...

MR. BACOLOD. Correct. Pero on our part, sa opisina namin, nagrequest na ho kami ng kung magkano sa area na yan ang mga zonal valuation. Pero wala silang sinabmit (submit). Mayroon na kaming idea kung magkano.

MR. FRANCISCO. Ah so kahit wala pang sinusumite na BIR Certification on Zonal Valuation, kayo sinabi n'yo na ₱ 13,300 per square meter iyong sa Golden Haven Memorial?

MR. BACOLOD: Sinasabi dahil based doon sa zonal valuation. Sa zonal valuation – katulad nito sa isang lugar na ito, halimbawa, sample, may propose kami dito, humingi kami na advance zonal valuation.

SEN. LACSON. Mr. Chairman. Mr. Bacolod...

MR. BACOLOD. Yes, Your Honor.

SEN. LACSON. Anong basehan ninyo para gumawa ng listahan na mayroong 13,300 para sa Golden Haven kung wala palang claim at wala namang sinisimulang – wala naming naniningil, Bakit kayo gumawa...

MR. BACOLOD. For record purposes lang iyon, Your Honor. Mayroon kaming...

SEN. LACSON. Eh kung wala nga talaga iyong kini-claim na iyon dahil lumalabas wala doon sa aktuwal, so wala pala talaga ganoong property na dapat

<sup>41</sup> *Id.*, 11:21 a.m., pp. 4-5.

<sup>42</sup> *Id.*, 11:31 a.m., pp. 1-2.

<sup>43</sup> *Id.*, 11:51 a.m., pp. 5-6.

bayaran. Ano ang basis ninyo bakit nag-prepare kayo ng listahan na kasama iyong ganoong kalaking...?

MR. BACOLOD. Amin lang iyon kasi mayroon kaming given na area at saka iyong zonal valuation, kino-compute namin. Pag nagsasubmit ho sila ng papers nire-revalidate namin kung tama o hindi.

xxx xxx

SEN. LACSON. Mr. Bacolod, magulo po iyong inyong mga statement.”<sup>44</sup>

When asked to justify why the lot owned by Antonia Ramos located at Quirino Avenue was valued only at ₱ 4,000.00 when the lot of Golden Haven Memorial Park, Inc. located very far away from Quirino Avenue was valued at ₱ 13,300.00, Mr. Bacolod said that they merely relied on the zonal valuation provided them by the Bureau of Internal Revenue. He also admitted that they made a valuation of Lot 2 of Golden Haven Memorial Park, Inc. despite the fact that the latter has not submitted any documents to the DPWH to process its payment.<sup>45</sup>

Mr. Bacolod also confirmed the valuation by the DPWH of Lot 2, Psu-93369, consisting of 1,629.75 square meters and covered by Transfer Certificate of Title No. 26482, owned by Golden Haven Memorial Park, Inc., in the amount of ₱ 13,300.00 per square meter, or a total of ₱ 21,675,675.00, as listed in the document that he prepared showing the paid lots for the project (Exhibit “DDDDDD-4”).<sup>46</sup>

Mr. Bacolod said that the valuation of ₱ 13,300.00 per square meter of the said lot of Golden Haven Memorial Park, Inc. was based on the certification dated 30 May 2002 issued by Revenue District Officer Marcelino Quinto, certifying that the zonal value of the commercial property covered by Transfer Certificate of Title No. T-26482 registered under Golden Haven Memorial Park, Incorporated located in Barangay Pulang Lupa is ₱13,300.00 based on the Revised Zonal Valuation of 1996.<sup>47</sup>

But when shown the Revised Zonal Valuation of 1996, under Department of Finance Department Order No. 10-97, dated 7 October 1996 (marked as Exhibit “VVVVV”), particularly the table of zonal valuations appearing at page 5 therein, Mr. Bacolod admitted that the document does not show that the zonal valuation of Barangay Pulang Lupa is ₱13,300.00 per square meter.<sup>48</sup>

Mr. Bacolod confirmed also that the same zonal valuation of ₱ 13,300.00 per square meter was used for the lot of Adelfa Properties, Inc., covered by TCT No. T-7990 and listed as lot no. 1 in the document that he prepared for paid lots (Exhibit “DDDDDD-4”),<sup>49</sup> as well as for the lots of Golden Haven Memorial Park, Inc. listed as lots no. 2, 3, and 4 in Exhibit “DDDDDD-4.”

<sup>44</sup> *Id.*, 11:41 a.m., pp. 7-8, to 11:51 a.m., pp. 1-3.

<sup>45</sup> *Id.*, 12:01 p.m., p. 7.

<sup>46</sup> *Id.*, 12:21 p.m., p. 1.

<sup>47</sup> *Id.*, 12:31 p.m., p. 4.

<sup>48</sup> *Id.*, p. 6.

<sup>49</sup> *Id.*, 12:31 p.m., p. 7.

Mr. Bacolod admitted that based on Exhibit "DDDDDD-4," except for the aforesaid lots of Adelfa Properties, Inc. and Golden Haven Memorial Park, Inc., the zonal valuation of the other lots acquired for road-right-of-way was even less than ₱ 2,000.00 per square meter.<sup>50</sup>

Exhibit "DDDDDD-4" shows that except for one lot of Adelfa Properties, Inc. and the three lots of Golden Haven Memorial Park, Inc., which were all valued at ₱13,300.00 per square meter, and the lot owned by Masaito Development Corporation valued at ₱ 30,000.00 per square meter, the zonal values of the other lots acquired for the road-right-of-way of the Las Piñas-Paranaque Link Road ranged from ₱ 1,000.00 to ₱4,000.00 per square meter only.

Mr. Bacolod also confirmed that these lots of Adelfa Properties, Inc. and Golden Haven Memorial Park, Inc., which were valued at ₱ 13,300.00 per square meter, were located near Zapote, Las Piñas City, and they were very distant from Real Street, Perpetual Village which has a zonal valuation of ₱ 13,300.00 per Revised Zonal Valuation of 1996.<sup>51</sup>

### *Carmelita R. Bacod*

At the adjudicatory hearing of 22 September 2009, Carmelita R. Bacod stated that she is the former Revenue District Officer of Paranaque City and that she had availed of optional retirement in November 2004 due to illness.<sup>52</sup>

Ms. Bacod confirmed issuing a certification which stated that the zonal value of the property classified as C-R (Commercial-Regular), covered by Transfer Certificate of Title (TCT) No. T68800, registered under Masaito Development Corporation located along Sucat Road in Barangay San Dionisio, Paranaque, is ₱ 30,000.00 per square meter based on the Revised Zonal Valuation of 1998.<sup>53</sup>

Ms. Bacod admitted that the ₱ 30,000.00 zonal valuation for the Masaito property pertained to a different street, which was for A. Bonifacio St., not for Sucat Road or Dr. A. Santos Avenue where the property is situated, which has a zonal valuation of ₱4,500.00 per square meter only.<sup>54</sup>

Ms. Bacod reasoned that she gave a high zonal valuation for the property because it would be beneficial for BIR's collection purposes, as the higher the valuation, the higher is the tax remittance. Nevertheless, Ms. Bacod apologized twice for issuing the certification of ₱30,000.00 per square meter for the Masaito property, and admitted that the valuation was grossly disadvantageous to the government.

On 16 October 2009, the Committee received complainant's formal offer of evidence consisting of exhibits marked as Exhibits "A" to "KKKKKK-146." These exhibits are described in detail in ATTACHMENT "A" hereof.

On 28 October 2009, the Committee received complainant's memorandum.

<sup>50</sup> *Id.*, p. 8.

<sup>51</sup> *Id.*, 12:41 p.m., p. 5.

<sup>52</sup> Journal of the Committee of the Whole Hearing of 22 September 2009, p. 13.

<sup>53</sup> *Id.*, p. 14.

<sup>54</sup> Journal of the Committee of the Whole Hearing of 22 September 2009, p. 15.

#### *IV. Documentary Evidence Presented to the Committee*

<u>Exhibit</u>	<u>Description</u>
"A"	Document captioned "Alignment of Circumferential Road-5 (NLEX, SLEX-Coastal Road)"

The above exhibit was offered by complainant Senator Maria Ana Consuelo A.S. Madrigal:

(1) to prove the alignments of the various segments or portions of the Department of Public Works and Highways ("DPWH") C-5 Road Extension Project as illustrated by the DPWH sometime after 2 February 2008; and,

(2) as part of her testimony.

<u>Exhibit</u>	<u>Description</u>
"B"	Document captioned "Project Profile" of the "Project: Construction of Road and/or Bridges from Quirino Avenue, Pulang Lupa, Las Piñas City to A. Santos Avenue, San Dionisio, Parañaque City (Las Piñas-Parañaque Link Road)"

The above exhibit was offered by complainant:

(1) to prove the Project Profile of the Las Piñas-Parañaque Link Road;

(2) to prove that based on the said Project Profile, the Las Piñas-Parañaque Link Road would be a six (6)-lane, 2.1136-kilometer road costing ₱ 710,970,000.00 consisting of ₱356,100,000.00 for civil works and ₱ 354,870,000.00 for road-right-of-way;


(3) to prove that based on the said Project Profile, the proponents of the Las Piñas-Parañaque Link Road were respondent Senator Manuel B. Villar, Jr. and Congresswoman Cynthia A. Villar;

(4) to prove further that based on the said Project Profile, the Las Piñas-Parañaque Link Road was designed to "promote and enhance industrial and commercial opportunities in the vicinity"; and,

(5) as part of the testimony of complainant Senator Madrigal.

<u>Exhibit</u>	<u>Description</u>
"C"	Document captioned "List of Affected Lots"

The above exhibit was offered by complainant:



(1) to prove that thirty-nine (39) lots were affected by the construction of the Las Piñas-Parañaque Link Road and used as road-right-of-way of the said road project; and,

(2) as part of the testimony of complainant Senator Madrigal.

**Exhibit**

**Description**

“R”

Portions Republic Act No 9498 otherwise known as the “General Appropriations Act for Fiscal year 2008”

The above exhibits were offered:

(1) to prove that in the 2008 General Appropriations Act under the heading “Arterial, Secondary & Local Roads and Bridges” is the item “Construction of Pres. Garcia Avenue Ext. from SLEX to Sucat Road including ROW” in the amount of ₱200,000,000.00; and, that in the same 2008 General Appropriations Act, under the heading “Urgent Infrastructure Including Local Projects,” is a similar item described as “Construction of C5 Road Extension from SLEX to Sucat Road including ROW” likewise in the amount of ₱ 200,000,000; and,

(2) as part of the testimony of complaint Senator Madrigal.

**Exhibit**

**Description**

“V”

Advertisement captioned “SA KAALAMAN NG LAHAT, R1- EXPRESSWAY (Cavite Coastal Road)”

The above exhibit was offered:

(1) to prove the alignments of the C-5 Link portion of the MCTEP, namely: a) the North Slip Road; b) the Main Alignment or C-5 Road Extension; and, c) the South Slip Road;

(2) to prove that under the alignments of the C-5 Link of the MCTEP, the Main Alignment or C-5 Road Extension that will connect to Quirino Avenue and the Coastal Road will not pass through that portion of the Sucat Road near SM Sucat and the junction of what is now the Las Piñas-Parañaque Link Road; that the South Slip Road is the road that will connect and end at the Sucat Road near SM Sucat and the junction of what is now the Las Piñas-Parañaque Link Road; and, that the South Slip Road will not run across Sucat Road and all the way to Quirino Avenue and the Coastal Road;

(3) to prove further that under the alignment of the DPWH C-5 Road Extension Project, the C-5 Road Extension will run across Sucat Road, connect with the Las Piñas-Parañaque Link Road, and continue to run across Quirino Avenue and all the way to the Coastal Road; and,

(4) as part of the testimony of complainant Senator Madrigal.



**Exhibit****Description**

"X"

Memorandum dated 27 April 1998 addressed to President Fidel V. Ramos, from Benjamin D. De Leon, Appointments Secretary and Presidential Assistant for Social Development and Foreign Affairs

The above exhibit was offered by complainant:

- (1) to prove that Amvel Land Development Corporation, SM Holdings Properties and Adelfa Properties, Inc. requested for and sought the approval of the change of the alignment of the C-5 Link of the MCTEP; and,
- (2) as part of the testimony of complainant Senator Madrigal.

**Exhibit(s)****Description**

"Y"

Letter dated 27 April 1998 of Amvel Land Development Corporation, represented by Mariano Z. Velarde, SM Holdings Properties, represented by Engr. Filemon Avelino, and Adelfa Properties, Inc., represented by Anastacio C. Adriano, Jr.

The above exhibit was offered by complainant:

- (1) to prove that in a letter dated 27 April 1998, Amvel Land Development Corporation, represented by Mariano Z. Velarde, SM Holdings Properties, represented by Engr. Filemon Avelino, and Adelfa Properties, Inc., represented by Anastacio C. Adriano, Jr., wrote Ramon Dumauual, Officer-in-Charge, Toll Regulatory Board, to submit "the final C-5 Road alignment" and to seek its "immediate approval and implementation";
- (2) to prove that Adelfa Properties, Inc., together with Amvel Land Development Corporation and SM Holdings Properties, requested for and sought the approval of the change of the alignment of the C-5 Link of the MCTEP; and
- (3) as part of the testimony of complainant Senator Madrigal.

**Exhibit****Description**

"LL"

NEDA Board Resolution No. 2 (s. 1996)  
Approving Certain ICC Projects

The above exhibit was offered by complainant:

- (1) to prove that in 1996, the National Economic Development Authority ("NEDA") approved the "Manila-Cavite Toll Expressway Project" or MCTEP with a total cost of P6.505 Billion subject to the following conditions:

"a) The national government, through the Department of Public Works and Highways (DPWH), shall provide for the right-of-way (ROW) acquisition for the

project. The amount needed for the ROW acquisition shall be programmed for a period of five years starting in 1997; and, b) The National Government and the Public Estates Authority (PEA) shall make arrangements prior to the commercial operation of the 6.6 km. 5-1 expressway for the latter's full repayment of the amount provided for ROW acquisition. The amount shall be on top of the 50% of PEA revenues that the Authority remits to the national government annually."

<u>Exhibit</u>	<u>Description</u>
"MM"	Letter dated 11 December 1997 of the Department of Budget and Management ("DBM") to the Public Estates Authority ("PEA")

The above exhibit was offered by complainant:

(1) to prove that on 11 December 1997, then Department of Budget and Management ("DBM") Secretary Salvador M. Enriquez, Jr. wrote Public Estates Authority ("PEA") General Manager, to wit:

"This refers to the amortization of the proposed loan for payment of the cost of right of way (ROW) for Manila-Cavite Toll Expressway Project (MCTEP) for ₱1.7 billion.

In the proposed loan, PEA will serve as a conduit to the proposed loan for a total of US\$68.616 million (at a 5-year, 6 months terms inclusive of a grace period of 2 years on the principal repayment). The amortization of loan shall be paid by the National Government to the lending institution through PEA by providing an appropriation in the DPWH budget annually instead of the Toll Regulatory Board budget.

However, PEA shall make an arrangement with the National Government for the full repayment of the amount provided for ROW acquisition which will be sourced from PEA's share under the Joint Venture Agreement on MCTEP and Income from other projects. The repayment shall be on top of the 50% dividend remittance to the National Government as required under RA 7656.

In view of the foregoing, please coordinate with DPWH for the inclusion of loan amortization in their annual budget and with DOF for the repayment arrangement."

<u>Exhibit</u>	<u>Description</u>
"QQ"	Manila-Cavite Expressway Project Profile

The above exhibit was offered by complainant:

(1) to prove the project profile of the Manila-Cavite Toll Expressway Project ("MCTEP"); that the viability of the MCTEP is premised on estimated average daily profit volume and average daily toll revenue based on the number of vehicles using the toll road; and,

that the 1995 estimate of the cost of the C-5 Road Extension or C-5 Link portion of the MCTEP was ₱2.2 Billion

(2) to prove that under the alignment of the MCTEP, the connecting road to Quirino Avenue and the Coastal Road or the Main Alignment, will not pass through that portion of the Sucat Road near SM Sucat and the junction of what is now the Las Piñas-Parañaque Link Road; that the South Slip Road of the MCTEP is the road that will end at the Sucat Road near SM Sucat and the junction of what is now the Las Piñas-Parañaque Link Road; and, that the South Slip Road will not run across Sucat Road and all the way to Quirino Avenue and the Coastal Road;

(3) to prove further that under the alignment of the DPWH C-5 Road Extension Project, the C-5 Road Extension will run across Sucat Road, connect with the Las Piñas-Parañaque Link Road, and continue to run across Quirino Avenue and all the way to the Coastal Road; and

(4) to prove further that the conceptualization and plan of the MCTEP does not include a parallel road like the DPWH C-5 Road Extension Project which at certain points overlaps with the alignment of the C-5 Link of the MCTEP or is just a few hundred meters away from the latter alignment.

**Exhibit**

**Description**

“ZZ” to “ZZ-2”

Ortho image Map of C-5 Road Extension taken by the National Mapping Resource Information Authority (“NAMRIA”) in December 2008

The above exhibit was offered by complainant:

(1) to prove that based on the Orthoimage Map of the C-5 Road Extension taken by NAMRIA in December 2008, the lands traversed by the Las Piñas-Parañaque Link Road portion of the C-5 Road Extension Project were still raw lands, vacant and undeveloped and covered with greenery as of December 2008;

(2) to prove that based on the said Orthoimage Map, portions of the lands traversed by the Las Piñas-Parañaque Link Road portion of the C-5 Road Extension Project still appeared to be former saltbeds as of December 2008;

(3) to prove that based on the said Orthoimage Map, the alignment of the Las Piñas-Parañaque Link Road is curved and not a straight line despite the fact that the lands traversed by the said road are vacant on both sides and that a road with a straight alignment could have easily been constructed;

(4) to prove that the alignment of the Las Piñas-Parañaque Link Road portion of the C-5 Road Extension Project was designed in a manner that it would pass through the properties of Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. and those of other property owners with which the said corporations owned by respondent Senator Villar have joint venture agreements;

(5) to prove that based on the said Orthoimage Map, the lands traversed by the Multinational Avenue to Sucat Road portion of the C-5 Road Extension were also rawlands, vacant and undeveloped and covered with greenery as of December 2008;



(6) to prove that based on the said Orthoimage Map, portions of the lands traversed by the Multinational Avenue to Sucat Road portion of the C-5 Road Extension Project still appeared to be former saltbeds as of December 2008;

(7) to prove that based on the said Orthoimage Map, the alignment of the Multinational Avenue to Sucat Road portion of the C-5 Road Extension Project is extremely curved and not a straight line despite the fact that the lands traversed by the said road are vacant on both sides and that a road with a straight alignment could have easily been constructed;

(8) to prove that the alignment of the Multinational Avenue to Sucat Road portion of the C-5 Road Extension Project was designed in a manner that it would pass through the properties of Brittany Corporation (formerly Azalea Real Estate Corporation) and Adelfa Properties, Inc. and Doña Jose Vda. De Santos, Inc. and Leonardo De Leon, et al. with which the corporations owned by respondent Senator Villar have joint venture agreements; and,

(9) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibit**

**Description**

“AAA” to “AAA-1-D”

Orthophoto Map of C-5 Extension taken by NAMRIA in January 2003

The above exhibit was offered by complainant:

(1) to prove that based on the Orthophoto Map of the C-5 Road Extension taken by NAMRIA in January 2003, the lands traversed by the Las Piñas-Parañaque Link Road portion of the C-5 Road Extension Project were rawlands, vacant and undeveloped and covered with greenery in January 2003;

(2) to prove that based on the said Orthophoto Map, portions of the lands traversed by the Las Piñas-Parañaque Link Road portion of the C-5 Road Extension appeared to be former saltbeds in January 2003;

(3) to prove that a road with a straight alignment could have been constructed to connect Sucat Road to Quirino Avenue considering that both sides of the Las Piñas-Parañaque Link Road were rawlands and vacant in January 2003;

(4) to prove that based on the said Orthophoto Map, the lands traversed by the Multinational Avenue to Sucat Road portion of the C-5 Road Extension were rawlands, vacant and undeveloped and covered with greenery in January 2003;

(5) to prove that based on the said Orthophoto Map, portions of the lands traversed by the Multinational Avenue to Sucat Road portion of the C-5 Road Extension appeared to be former saltbeds in January 2003;

(6) to prove that a road with a straight alignment could have been constructed to connect Multinational Avenue to Sucat Road considering that both sides of the Multinational Avenue to Sucat Road portion were rawlands and vacant lands in January 2003; and,

(7) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.



**Exhibit****Description**

"GGG"

Official Gazette, Volume 104 No. 1, page 563, General Appropriations Act, FY 2008

The above exhibit was offered by complainant:

(1) to prove that in the General Appropriations Act for the year 2008 as published in the Official Gazette, Volume 104 No. 1, page 563, there is an item under "National Arterial, Secondary Roads and Bridges" described as "Construction of President Garcia Avenue Ext. from SLEX to Sucat Road including ROW" in the amount of ₱ 200,000,000"; and,

(2) as part of the testimonies of complainant Senator Madrigal and Atty. Yolanda D. Doblón.

**Exhibit****Description**

"HHH"

Official Gazette, Volume 104 No. 1, page 646, General Appropriations Act, FY 2008

The above exhibit was offered by complainant:

(1) to prove that in the General Appropriations Act for the year 2008 as published in the Official Gazette, Volume 104 No. 1, page 646, there is an item under "Urgent Infrastructure including Local Project" described as "Construction of C-5 Road Extension from SLEX to Sucat Road including ROW" in the amount of ₱ 200,000,000"; and,

(2) as part of the testimonies of complainant Senator Madrigal and Atty. Yolanda D. Doblón.

**Exhibit****Description**

"III"

Details of Selected Programs/Projects, Fiscal year 2009 of the DPWH

The above exhibit was offered by complainant to prove that under the proposed FY 2008 Budget of the DPWH, there is a proposed appropriation for the "Construction of Pres. Garcia Avenue (C-5) Extension xxx Sucat to Coastal Section including ROW" in the amount of ₱ 187,000,000.

**Exhibit****Description**

"KKK"

Portion of House Bill No. 2454, otherwise known as the "2008 General Appropriations Bill" pertaining to the DPWH

The above exhibit was offered by complainant to prove that under House Bill No. 2454, otherwise known as the 2008 General Appropriations Bill, particularly in the portion pertaining

to the DPWH, there was a proposed appropriation under "Urgent National Arterial, Secondary & Local Roads and Bridges" described as "Construction of C-5 Road Extension from SLEX to Sucat Road including ROW" in the amount of ₱200,000,000.

<u>Exhibit</u>	<u>Description</u>
"LLL"	Amendments on 2nd/3rd Reading, Fiscal Year 2008 prepared by LBRMO on 10 December 2007

The above exhibit was offered by complainant:

(1) to prove that included in the insertions or amendments of the Senate on the 2008 General Appropriations Bill was the insertion of respondent Senator Villar for the "Construction of C5 Road Extension from SLEX to Sucat Road including ROW" in the amount of ₱200,000,000; and,

(2) as part of the testimony of Atty. Yolanda D. Doblón.

<u>Exhibit</u>	<u>Description</u>
"NNN"	Portions of the Transcript of the Proceedings of the Joint Hearing of the Senate Committees on Finance and Public Works held on 29 September 2008

The above exhibit was offered by complainant:

(1) to prove that at the joint hearing of the Senate Committees on Finance and Public Works, Senator Panfilo M. Lacson brought up the P200 million insertion in the 2008 General Appropriations Act for the Construction of the C-5 Road Extension from South Luzon Expressway to Sucat Road; that according to Senator Lacson and as confirmed by DBM Secretary Rolando Andaya, Jr., there was no mention in the 2008 General Appropriations Act that the said P200 million insertion was for the Sucat Road to Coastal Road portion of the DPWH C-5 Road Extension Project; that Secretary Andaya further confirmed that President Gloria Macapagal-Arroyo ordered the impounding of the release of the said ₱ 200 million insertion and that the DBM had no intention of releasing the said amount; and, that Secretary Andaya further said that the reason that the DBM did not release the said amount is that it did not know for what purpose was the said amount intended;

(2) to prove further that according to Secretary Andaya, the said ₱ 200 million insertion could have been released upon the endorsement of the Chairman of the Senate Committee on Finance and the Senate President; that before the DBM could release the said amount, there should be a project profile and a program of work attached to the request for its release; and, that what is controlling to determine whether or not there has been double funding is the program of work which sets forth the limits of the project and the technical description of the road to be constructed;

(3) to prove further that according to DPWH Secretary Hermogenes E. Ebdane, Jr., on 5 February 2008, while they were conducting an inspection of the project site after the groundbreaking ceremony at the Sucat Interchange, they found out that there was a 500-600

meters swamp area near the Coastal Road and thus he instructed his Regional Director and Undersecretary for Operations for Luzon to prepare an additional program of work with the end in view of making use of the said ₱ 200 million insertion; that his Regional Director submitted a request on 12 March 2008 and that the last document concerning the matter was submitted by him to the DBM on 12 August 2008; that when they “received the communications on the additional 200 million which, in fact, as I have noticed, and since we have already allotted 200 million on the flyover at Sucat Road, we requested that we utilize instead the 200 million on another side;” that he could not confirm that the DPWH has submitted a request to the office of respondent Senator Villar requesting for the ₱ 200 million insertion; that he further confirmed that the DPWH has not submitted any formal request; that the right-of-way that needed funding was in the Quirino Avenue to Coastal Road portion but the DPWH has not made any request for funding; that he requested that the ₱ 200 million insertion be used instead in the Quirino Avenue to Coastal Road portion; and, that he learned about the ₱ 200 million insertion after the 2008 General Appropriation Act was passed into law; and,

(4) to prove further that according to Secretary Andaya, “Kaya nga ho hindi na-release iyong pangalawa, pending for clarification from the Senate and from the public works department kung saan ba talaga ho gagamitin ito.”

**Exhibits**

**Description**

“OOO-2”

Deed of Absolute Sale dated 4 March 2002 executed by the Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“SSS-1”

Deed of Absolute Sale dated 21 September 2001 executed by the Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“TTT-1”

Deed of Absolute Sale dated 21 September 2001 executed by the Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“UUU-1”

Deed of Absolute Sale dated 21 September

2001 executed by the Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“VVV-1”

Deed of Absolute Sale dated \_\_\_\_ 2005 executed by the Republic of the Philippines represented by DPWH-NCR Asst. Regional Director, Mr. Edilberto D. Tayao and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette and Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“YYY-1”

Deed of Absolute Sale dated 12 June 2003 executed by Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“YYY-2”

Deed of Absolute Sale dated \_\_\_\_ 2001 executed by Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

“YYY-3”

Deed of Absolute Sale dated \_\_\_\_ 2001 executed by the Republic of the Philippines represented by DPWH-NCR Assistant Regional Director Remi R. Deang and Adelfa Properties, Inc. represented by its President, Jerry M. Navarrette, and its Senior Vice-President and General Manager, Anastacio C. Adriano, Jr.

The above exhibits were offered by complainant:

(1) to prove that Anastacio C. Adriano, Jr. was the Senior Vice-President and General Manager of Adelfa Properties, Inc.; that in such capacity, he was one of the signatories to the Deeds of Absolute Sale covering the sale of affected lots owned by the corporations of

respondent Senator Villar to the Republic of the Philippines; and, that the affected lots sold to the Republic of the Philippines were used as road-right-of-way of the Las Piñas-Parañaque Link Road portion of the DPWH C-5 Road Extension Project; and

- (2) as part of the testimony of Anastacio C. Adriano, Jr.

**Exhibits**

**Description**

“HHHH-1”

Deed of Absolute Sale between Brittany Corporation and the Republic of the Philippines through the Toll Regulatory Board executed sometime in 2000

“HHHH-16”

Transfer Certificate of Title No. 150121 in the name of Azalea Real Estate Corporation (now Brittany Corporation)

The above exhibits were offered by complainant:

(1) to prove that sometime in 2000, Brittany Corporation (formerly known as Azalea Real Estate Corporation), which is one of the corporations owned by respondent Senator Villar, executed a Deed of Absolute Sale whereby it sold a 6,155-sq. mtr. portion of the 22,543-sq. mtr. property covered by TCT No. 18701 in the name of Azalea Real Estate Corporation, to the Republic of the Philippines for ₱ 92,325,000 at P15,000 per sq. mtr.;

(2) to prove further that the 6,155-sq. mtr. portion was supposed to be part of the road-right-of-way of the C-5 Link portion of the MCTEP;

(3) to prove further that the said Deed of Absolute Sale falsely states that: “WHEREAS, the zonal valuation of the said property as determined and certified by the Bureau of Internal Revenue (BIR) is TWENTY FIVE THOUSAND PESOS (₱25,000.00) per square meter”;

(4) to prove further that the 22,543-sq. mtr. property of Brittany Corporation was subsequently subdivided and TCT No. 150121 covering Lot 6-C with an area of 6,155 sq. mtrs. was issued in the name of Azalea Real Estate Corporation;

(5) to prove further that the Deed of Absolute Sale covering the sale of the 6,155-sq. mtr. or Lot 6-C to the Republic of the Philippines, through the Toll Regulatory Board, has not been notarized which indicates that the sale has not been fully consummated to date and further considering the fact that a 3,705-sq. mtr. portion of Lot 6-C has been included in the road-right-of-way of the DPWH C-5 Road Extension Project and with a fixed zonal valuation of P4,000 sq. mtr. only; and,

(6) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao and Anastacio C. Adriano, Jr.

**Exhibits**

**Description**

“III” to “III-16”

General Information Sheets and Articles of

Incorporation of Adelfa Properties, Inc.

The above exhibits were offered by complainant:

(1) to prove that respondent Senator Villar is a principal stockholder of Adelfa Properties, Inc. owning fifty-two (52%) percent of the said corporation's shares of stock, while his wife, Congresswoman Cynthia A. Villar owns the remaining forty-eight percent (48%);

(2) to prove that respondent Senator Villar has not divested of his stockholdings in Adelfa Properties, Inc. to date;

(3) to prove that Anastacio C. Adriano was a Stockholder and Director of Adelfa Properties, Inc.;

(4) to prove that respondent Senator Villar was formerly the President of Adelfa Properties, Inc.; and,

(5) as part of the testimony of complainant Senator Madrigal.

**Exhibits**

**Description**

"JJJJ" to "JJJJ-17"

General Information Sheets and Articles of Incorporation of Golden Haven Memorial Park, Inc.

The above exhibits were offered by complainant:

(1) to prove that Adelfa Properties, Inc.; wherein respondent Senator Villar is a principal stockholder owning fifty-two (52%) percent of the said corporation's shares of stock, while his wife, Congresswoman Cynthia A. Villar owns the remaining forty-eight (48%) percent, owns ninety-two (92%) percent of the stockholdings of Golden Haven Memorial Park, Inc.;

(2) to prove that respondent Senator Villar has not divested of his interests in Golden Haven Memorial Park Inc. to date;

(3) to prove that in 1997, respondent Senator Villar was the principal stockholder of Golden Haven Memorial Park, Inc. before his stockholdings were transferred back to Adelfa Properties, Inc.;

(4) to prove that respondent Senator Villar was formerly a Director of Golden Haven Memorial Park, Inc.; and,

(5) as part of the testimony of complainant Senator Madrigal.

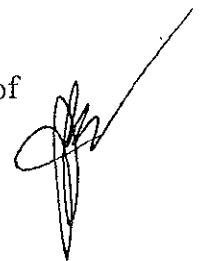
**Exhibits**

**Description**

"KKKK" to "KKKK-19"

General Information Sheets and Articles of Incorporation of Brittany Corporation

The above exhibits were offered by complainant:



(1) to prove that respondent Senator Villar is a principal owner of Brittany Corporation (formerly Azalea Real Estate Corporation) being a principal stockholder of Adelfa Properties, Inc., Fine Properties, Inc. and Vista Land and Lifescapes, Inc., which corporations are principal stockholders of Brittany Corporation;

(2) to prove that respondent Senator Villar has not divested of his interests in Brittany Corporation to date;

(3) to prove that Anastacio C. Adriano, Jr. formerly a stockholder and Vice-President of Brittany Corporation; and,

(4) as part of the testimony of complainant Senator Madrigal.

**Exhibit**

**Description**

“TTTT”

Document captioned “Manila Cavite Toll Expressway, issues Affecting the Future Phasing of the Project”

The above exhibit was offered by complainant to prove that as early as 3 November 1999, the C-5 Link portion of the MCTEP encountered problems with respect to the road-right-of-way funding; that out of the ₱ 2.65 billion proceeds of a US\$68,564,875 loan obtained by PEA for the road-right-of-way funding requirement of the entire MCTEP (i.e., R-1 Expressway, C-5 Link and R-1 Expressway Extension), ₱1.85 billion has been disbursed to secure the road-right-of-way for the C-5 Link Section 1 alignment alone; that for the remainder of the C-5 Link Section 1 alignment, ₱ 1.7 billion more would be needed; and, that another ₱ 1.3 billion would be needed for the C-5 Link Section 2 alignment. (p. 3)

**Exhibits**

**Description**

“TTTT-1” to “TTTT-3”

Documents captioned “Annex 1 Location Map of the MCTE,” “The Manila Cavite Toll Expressway,” and “The Manila Cavite Toll Expressway R1 Existing plus C5”

The above exhibits were offered by complainant to prove that the alignment of the C-5 Link of the MCTEP is almost a straight line as compared with the extremely curved alignment of the DPWH C-5 Road Extension Project, particularly at the Multinational Avenue to Sucat Road portion; that the curved alignment DPWH C-5 Road Extension Project at the Multinational Avenue to Sucat Road portion made possible the said road’s traversing the properties of Brittany Corporation (formerly Azalea Real Estate Corporation) and Adelfa Properties, Inc. and the properties registered under Doña Josefa Vda. De Santos, Inc. and Leonardo De Leon, et al. which are under joint venture agreements with the corporations owned by respondent Senator Villar.

**Exhibit**

**Description**

“ZZZZ”

Loan Agreement between the Public Estates Authority and Australia and New





Zealand Banking Group Limited, Standard Chartered Bank, The Bank of Nova Scotia, Manila Offshore Branch, The Development Bank of Singapore LTD, Bank of America, Asianbank Corporation, and Chinatrust (Phils.) Commercial Bank Corporation

The above exhibit was offered by complainant:

- (1) to prove that on 5 December 1997, PEA secured a US\$68,564,875 loan from a syndicate of foreign banks to fund the road-right-of-way requirement of the MCTEP (i.e., R-1 Expressway, C-5 Link and R-1 Expressway Extension);
- (2) to prove that the US\$68,564,875 loan was absolutely guaranteed by the Republic of the Philippines as set forth in Section 5 on pages 12 and 13 of the Loan Agreement;
- (3) to prove that the original budget for the road-right-of-way requirements of the MCTEP was ₱ 1.7 billion only at the dollar-peso exchange rate of ₱ 24.79 to US\$1;
- (4) to prove that the total proceeds of the US\$68,564,875 loan for the road-right-of-way requirements of the MCTEP increased to ₱ 2.65 billion when the dollar-peso exchange rate increased to ₱ 38.64 to US\$1; and
- (5) as part of the testimony of complainant Senator Madrigal.

<u>Exhibit</u>	<u>Description</u>
"AAAAA"	Portions of the Transcript of Proceedings of the Senate Committee on Finance held on 8 September 2008 in connection with the Briefing by the Development Budget Coordinating Committee (DBCC) regarding the Proposed FY 2009 National Budget

The above exhibit was offered by complainant to prove that at the 8 September 2008 hearing of the Senate Committee on Finance, DBM Secretary Rolando G. Andaya, Jr. asserted that the second ₱ 200 million appropriation for the "Construction of the C-5 Road Extension from SLEX to Sucat Road Including ROW" did not come from the Office of the President; that it was a Congressional insertion; that the Office of the President and DBM did not know what to do with the said amount; and, that the DBM did not release the said amount and that it further committed that it would not release the same in the future.

<u>Exhibit</u>	<u>Description</u>
"DDDDD"	Document captioned "Construction/ Concreting of C-5 Extension Project (Sucat Road to SLEX)"

The above exhibit was offered by complainant:



(1) to prove that the alignment of the Multinational Avenue to Sucat Road portion of the DPWH C-5 Road Extension Project was designed in a manner that it would pass through the properties of Brittany Corporation (formerly Azalea Real Estate Corporation) and Adelfa Properties, Inc. and those of Doña Jose Vda. De Santos, Inc. and Leonardo De Leon, et al. with which the corporations owned by respondent Senator Villar have joint venture agreements; and

(2) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibit**

**Description**

“EEEEEE”

Location Map of the vicinity of Las Piñas City and Parañaque City

The above exhibit was offered by complainant:

(1) to prove that the Las Piñas-Parañaque Link Road and the lands traversed by it are situated very far from the highly commercial area in “Real St., Pulanglupa Uno in the vicinity of Perpetual Village”;

(2) to prove that “Real St., Pulanglupa Uno in the vicinity of Perpetual Village” is situated very far from the lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. that were sold to the government at a zonal value of ₱13,300/sq. mtr.;

(3) to prove that there was no basis for BIR Revenue District Officer Rosalie U. Sarthou to issue a certification that the lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. which were sold to the government as road-right-of-way of the Las Piñas-Parañaque Link Road had a zonal value of ₱ 13,300/sq. mtr. using the zonal value of commercial properties situated at “Real St., Pulanglupa Uno in the vicinity of Perpetual Village”; and

(4) to prove that a road with a straight alignment could have been constructed to connect Sucat Road to Quirino Avenue considering that both sides of the Las Piñas-Parañaque Link Road are rawlands and vacant lands.

**Exhibits**

**Description**

“GGGGG”

Photograph of Anastacio C. Adriano, Jr.

“HHHHH”

Certification dated 25 August 2009 issued by Dolores B. Evidente, Service Chief, Senate Human Resources Management Service

“IIIII”

Certification dated 25 August 2009 issued by Adela P. Fernandez, Director III, Senate Legislative Accounting Service

The above exhibits were offered by complainant:

(1) to prove the identity of Anastacio C. Adriano, Jr.; that as certified by Dolores B. Evidente, Service Chief, Senate Human Resources Management Service, the said Anastacio C. Adriano, Jr. "is not an employee of the Senate of the Philippines or an employee in the Office of the Senator Manny Villar;" and, that as further certified by Adela P. Fernandez, Director III, Senate Legislative Accounting Service, the said Anastacio C. Adriano, Jr. "does not appear in our lists of consultants from CY 2001 to present at the Office of the Senator Manny B. Villar, Jr.;" and,

(2) as part of the testimonies of Atty. Yolanda D. Doblón and Anastacio C. Adriano, Jr.

<u>Exhibit</u>	<u>Description</u>
"JJJJ-4" to "JJJJ-4-G"	Memorandum of Agreement executed by Adelfa Properties, Inc. and Masaito Development Corporation

The above exhibit was offered by complainant:

(1) to prove that Adelfa Properties, Inc., represented by Jerry M. Navarrette and Anastacio C. Adriano, Jr., and Masaito Development Corporation, represented by Joseph C. Wang executed a Memorandum of Agreement whereby Masaito Development Corporation transferred to Adelfa Properties, Inc. portions of properties covered by TCT Nos. T-68800, T-82404 and T-122337 and which would be traversed by the Las Piñas Parañaque Link Road; that under the terms of the Memorandum of Agreement, the compensation for the road-right-of-way will go to Adelfa Properties, Inc. after deducting the taxes and other actual expenses for the exchange of properties; that Masaito Development Corporation would deliver possession of the subject properties to Adelfa Properties, Inc. upon the execution of the Memorandum of Agreement; and, that pursuant to the said Memorandum of Agreement, a 1,606-sq. mtr. lot was transferred to Adelfa Properties, Inc. and later sold to the government at ₱ 30,000/sq. mtr. for a total consideration of P48,180,000; and,

(2) as part of the testimony of Anastacio C. Adriano, Jr.

<u>Exhibit</u>	<u>Description</u>
"JJJJ-4-H"	Acknowledgement Receipt executed by Anastacio C. Adriano, Jr.

The above exhibit was offered by complainant:

(1) to prove that Anastacio C. Adriano, Jr. acknowledged having received from Masaito Development Corporation Land Bank Check No. 1772102 dated 17 December 2004 in the amount of ₱ 25,000,000.00 or its cash equivalent as partial proceeds of the compensation for the road-right-of-way of the Las Piñas-Parañaque Link Road;

(2) to prove that Anastacio C. Adriano, Jr. received the amount of ₱25,000,000.00 cash from one Norman Izon of Masaito Development Corporation; and,

(3) as part of the testimony of Anastacio C. Adriano, Jr.

<u>Exhibit</u>	<u>Description</u>
“JJJJ-4-I”	Document submitted by Anastacio C. Adriano, Jr. showing the amount collected as road-right-of-way compensation and breakdown of expenses

The above exhibit was offered by complainant:

(1) to prove that for the two (2) properties transferred by Masaito Development Corporation to Adelfa Properties, Inc. including the 1,606-sq. mtr. lot that was sold to the government at ₱ 30,000/sq. mtr. for a total consideration of ₱ 48,180,000, Masaito Development Corporation received the amount of ₱ 55,069,040.00 as road-right-of-way compensation; that out of the said amount, ₱ 18,619,787.93 was spent for expenses; and, that included in the said expenses was the amount of ₱ 3,401,000.00 representing expenses for “SOPs, Representations”; and,

(2) as part of the testimony of Anastacio C. Adriano, Jr.

<u>Exhibit(s)</u>	<u>Description</u>
“KKKKK-1” to “KKKKK-8”	Transfer Certificate of Title No. 68800 issued in the name of Masaito Development Corporation

The above exhibit was offered by complainant:

(1) to prove that the 10,213-sq. mtr. property covered by TCT No. 68800 and registered in the name of Masaito Development Corporation was mortgaged to Banco de Oro on 23 June 2002 for the amount of ₱ 23,000,000.00 only;

(2) to prove that as shown under Entry No. 5069 on TCT No. 68800, on July 2003, the said 10,213-sq. mtr. property was subsequently subdivided into two (2) lots;

(3) to prove that under Entry No. 5067 on TCT No. 68800, on 27 October 2004, one of the said lots, Lot 5-A-1-A-1 with an area of 1,606 sq. mtr., was sold to the Republic of the Philippines at P30,000 per sq. mtr. or for a consideration of ₱ 48,180,000;

(4) to prove that on 17 June 2003, when BIR Revenue District Officer Carmelita R. Bacod issued the Certification dated 17 June 2003 fixing the zonal value of the said 1,606-sq. mtr. lot., the said lot was still part of a bigger lot with an area of 10,213 sq. mtr.; that the proper classification of the said 10,213-sq. mtr. lot was general purpose being a rawland with an area of not less than 5,000 sq. mtrs.; and,

(5) as part of the testimonies of Anastacio C. Adriano, Jr. and BIR Revenue District Officer Carmelita R. Bacod.



**Exhibit****Description**

"LLLLL-1"

Subdivision Plan of Lot No. 5-A-1-A

The above exhibit was offered by complainant:

(1) to prove that the subdivision of the 10,213-sq. mtr. property of Masaito Development Corporation was approved on 2 July 2003 and that at the time BIR Revenue District Officer issued the BIR Certification dated 13 June 2003, the 1,606-sq. mtr. lot was still part of the 10,213-sq. mtr. lot of Masaito Development Corporation; and, that the proper classification of the said 10,213-sq. mtr. lot was general purpose being a rawland with an area of not less than 5,000 sq. mtrs.; and,

(2) as part of the testimonies of Anastacio C. Adriano, Jr. and BIR Revenue District Officer Carmelita R. Bacod.

**Exhibit****Description**

"MMMMM-1"

Letter dated 25 September 2009

"WWWWW-1"

Signature of Atty. Carlo Magno J. Verzo

The above exhibit was offered by complainant:

(1) to prove that Adelfa Properties, Inc. is not likely to submit the documents supposedly requested by Atty. Gabriel Q. Enriquez, counsel for Anastacio C. Adriano, Jr., which were required to be submitted by the Honorable Committee of the Whole; and,

(2) as part of the testimony of Anastacio C. Adriano, Jr.

**Description****Exhibits**

"NNNNN-1" to "NNNNN-6"

Land Development Agreement dated 24 November 1988 between Dona Josefa Vda. De Santos, Inc. and Azalea Real Estate Corp.

"NNNNN-2"

Transfer Certificate of Title No. 72871 issued in the name of Dona Josefa Vda. De Santos, Inc.

"NNNNN-3" to "NNNNN-4"

Declaration of Real Property No. E-010-05690 GR. issued by Parañaque City in the name of Mamerto Santos

The above exhibits were offered by complainant

(1) to prove that at the Multinational Avenue to Sucat Road portion of the DPWH C-5 Extension Road Project, Azalea Real Estate Corporation (now Brittany Corporation), one of

the corporations owned by respondent Senator Villar, has plans of developing a residential subdivision;

(2) to prove that as early as 24 November 1888, Doña Josefa Vda. De Santos, Inc. and Azalea Real Estate Corporation represented by its then President, respondent Senator Villar, executed a Land Development Agreement whereby Azalea Real Estate Corporation would develop the 70,183-sq. mtr. property of Doña Josefa Vda. De Santos as part of a residential subdivision project;

(3) to prove further that under the said Land Development Agreement, Azalea Real Estate Corporation undertook to "secure a suitable right-of-way for the subdivision" (par. 2 g) and that the said 70,183-sq. mtr. property did not have any road-right-right of-way or access to a public road;

(4) to prove the title of Doña Josefa Vda. De Santos, Inc. over the said 70,183-sq. mtr. property subject of the Land Development Agreement; and, that the said Land Development Agreement was duly annotated on the said title;

(5) to prove that based on the records of the Parañaque City Assessor's Office as shown in the Declarations of Real Property, the said 70,183-sq. mtr. property was classified as agricultural and rawland. In this regard, Anastacio C. Adriano, Jr., in his testimony, said that a ₱ 15,000/sq. mtr. zonal value for the said property is reasonable as compared with the ₱ 4,000/sq. mtr. fixed by the government; and,

(6) as part of the testimony of Anastacio C. Adriano, Jr.

**Exhibits**

**Description**

"OOOOO-1" to "OOOOO-7"

Land Development Agreement dated 1 August 2000 executed by Rosario Medina Vda. De Rodriguez and Rosario R. De Leon and Adelfa Properties, Inc. represented by Jerry M. Navarrette and Anastacio C. Adriano, Jr.

"OOOOO-8"

Original Certificate of Title No. 363 issued in the names of Jesus Rodriguez, Jr., et al.

"OOOOO-9"

Transfer Certificate of Title No. 163160 issued in the names of Rosario M. Rodriguez and Rosario De Leon Rodriguez

"OOOOO-10"

Transfer Certificate of Title No. 166756 issued in the names of Rosario M. Rodriguez and Rosario De Leon Rodriguez

"OOOOO-11"

Transfer Certificate of Title No. 166757 issued in the names of Rosario M. Rodriguez and Rosario De Leon Rodriguez

"OOOOO-12"

Transfer Certificate of Title No. 166758

issued in the names of Rosario M. Rodriguez and Rosario De Leon Rodriguez

“OOOOO-13”

Transfer Certificate of Title No. 166791 issued in the names of Rosario M. Rodriguez and Rosario De Leon Rodriguez

“OOOOO-14”

Subdivision Plan of Lot 3, Psu-12899 registered in the names of Rosario N. Rodriguez and Rosario De Leon Rodriguez

The above exhibits were offered by complainant;

(1) to prove that in the vicinity of the lands traversed by the Las Piñas-Parañaque Link Road portion of the DPWH C-5 Road Extension Project, Adelfa Properties, Inc. has “conceptualized a masterplanned community involving parcels of land which it owns or controls in joint venture with other property owners”;

(2) to prove further that on 1 August 2000, Rosario Medina Vda. De Rodriguez and Rosario R. De Leon executed a Land Development Agreement with Adelfa Properties, Inc. for the inclusion of the latter’s 25,779-sq. mtr. property in the masterplanned community of Adelfa Properties, Inc.;

(3) to prove further that under the Land Development Agreement, Adelfa Properties, Inc. paid Rosario Medina Vda. De Rodriguez and Rosario R. De Leon goodwill money in the amount of ₱ 3,500,000.00 and cash advance in the amount of ₱6,000,000;

(4) to prove the title of Jesus Rodriguez, Jr., et al. and later, Rosario M. Rodriguez and Rosario De Leon Rodriguez over the 25,779-sq. mtr. property; and, that the Land Development Agreement executed by them with Adelfa Properties, Inc. is duly annotated on the said titles;

(5) to prove further that on 7 December 2005, the Subdivision Plan of the said 25,779-sq. mtr. property was approved; and, that under the said subdivision plan, the proposed road (i.e., Las Piñas Parañaque Link Road) would traverse a portion of the said property; and,

(6) as part of the testimony of Anastacio C. Adriano, Jr.

**Exhibits**

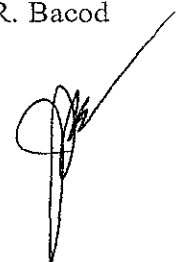
**Description**

“PPPPP-1” to “PPPPP-3”

Certification dated 7 September 2001 issued by BIR Revenue District Officer Carmelita R. Bacod with the attached portions of the Revised Zonal Valuation (6<sup>th</sup> Revision)

The above exhibits were offered by complainant:

(1) to prove that based on the Record of BIR Revenue District Office No. 52 Paranaque City, on 7 September 2001, then acting Revenue District Officer Carmelita R. Bacod issued the following Certifications to wit:



“CERTIFICATION

To whom it may concern:

This is to certify that the zonal values of properties located in Dr. A. Santos Avenue, Barangay San Dionisio are as follows:

Classification	Zonal Valuation
RR-(Residential)	4,500/sq. m.
CR-(Commercial)	20,000/sq.m.

Issued on this 7<sup>th</sup> day of September 2001.

CARMELITA R. BACOD  
Acting Revenue District Officer”

(2) to prove that the above Certification was based on the Revised Zonal Valuation (6<sup>th</sup> Revision) which provides that properties situated at Dr. A. Santos Avenue in the vicinity of Sucat Road with a commercial classification has a zonal value of ₱20,000/sq. mtr. (Exh. “RRRRR-20”);

(3) to prove further that even assuming *arguendo* that the 10,213-sq. mtr. property of Masaito Development Corporation would fall under a commercial classification under the Revised Zonal Valuation (6<sup>th</sup> Revision), its zonal value should have been ₱ 20,000/sq. mtr. only and not ₱ 30,000/sq. mtr. as falsely certified by Revenue District Officer Carmelita R. Bacod. (Exh. “RRRRR-20”); and,

(4) as part of the testimony of Revenue District Officer Carmelita R. Bacod.

**Exhibits**

**Description**

“RRRRR-1” to “RRRRR-23”

Department Order No. 16-98 dated 2 February 1998 prescribing for the Revised Zonal Values of Real Properties in the Municipality of Parañaque under Revenue District Office No. 52 – Parañaque (6<sup>th</sup> Revision)

“RRRRR-3”

Definition of Terms

“RRRRR-13”

Table of Zonal Values for Real Properties situated in Barangay San Dionisio, Parañaque

“RRRRR-20”

Table of Zonal Values for Real Properties situated in Various Barangays (Main Thoroughfares) in Parañaque

“RRRRR-23”

Certain Guidelines in the Implementation of Zonal Valuation of Real Properties or RDO No. 52 in Parañaque





The above exhibits were offered by complainant:

(1) to prove that under Department of Finance ("DOF") Department Order No. 16-98 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision) located in the Municipality of Parañaque, a commercial classification is defined as "land/building devoted principally to commercial purposes and generally for the object of profit," while a general purpose classification is defined as "rawland, undeveloped and underdeveloped area which has potential for development into residential, commercial, industrial, institutional, etc. (and) must not be less than 5,000 square meters." (Exh. "RRRRR-3");

(2) to prove that under the Revised Zonal Valuation (6<sup>th</sup> Revision), the zonal values of real properties with residential classification situated at Dr. A. Santos Avenue (Sucat Road) in the vicinity of San Dionisio is ₱ 4,500/sq. mtr., while the zonal value of real properties situated at B. Aquino Avenue in the vicinity of A. Bonifacio is ₱30,000/sq. mtr. for properties with a commercial classification and ₱ 25,000/sq. mtr. for properties with a residential classification. (Exh. "RRRRR-13");

(3) to prove that under the Revised Zonal Valuation (6<sup>th</sup> Revision), properties situated at Dr. A. Santos Avenue in the vicinity of Sucat Road with a commercial classification has a zonal value of P20,000/sq. mtr. (Exh. "RRRRR-20");

(4) to prove that under the Guidelines in the Implementation of Zonal Valuation of Real Properties, where in the approved schedule of zonal values for a particular Barangay no zonal value has been prescribed for a particular classification in a particular street/subdivision, the zonal value prescribed for the same classification of real property located in the other street/subdivision within the same Barangay of similar conditions shall be used" (underscoring supplied);

(5) to prove that under the Revised Zonal Valuation (6<sup>th</sup> Revision), the 10,213-sq. mtr. property of Masaito Development Corporation falls under the general purpose classification being a rawland and undeveloped area of not less than 5,000 sq. mtrs.; and, that its zonal value should have been fixed at ₱ 3,000/sq. mtr. only and not ₱30,000/sq. mtr. (Exh. "RRRRR-13");

(6) to prove further that even assuming *arguendo* that the 10,213-sq. mtr. property of Masaito would fall under a commercial classification under the Revised Zonal Valuation (6<sup>th</sup> Revision), its zonal value should have been ₱ 20,000/sq. mtr. only and not ₱ 30,000/sq. mtr. as falsely certified by Revenue District Officer Carmelita R. Bacod. (Exh. "RRRRR-20");

(7) to prove further that BIR Revenue District Officer Carmelita R. Bacod had no basis to use the ₱ 30,000/sq. mtr. zonal value for properties with commercial classification situated at the highly commercial area of B. Aquino Avenue in the vicinity of A. Bonifacio considering that it is far from the actual location of the 10,213-sq. mtr. property of Masaito Development Corporation; that the condition of the highly commercial area of B. Aquino Avenue in the vicinity of A. Bonifacio is not similar to the condition of the location of the said 10,213-sq. mtr. property of Masaito Development Corporation at Dr. A. Santos Avenue (Sucat Road); and, that the classification of the said 10,213-sq. mtr. property of Masaito Development Corporation was general purpose the same being rawland, vacant and idle and with an area of not less than 5,000 sq. mtrs. (Exh. "RRRRR-13");

(8) to prove further that under the Guidelines of the Implementation of Zonal Valuation, the zonal value prescribed for the same classification of real property located in the

other street within the same Barangay shall be used if no zonal value has been prescribed for a particular classification in a particular street provided that they are of similar conditions. (Exh. "RRRRR-23"); and,

(9) as part of the testimonies of BIR Revenue District Officer Carmelita R. Bacod, DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.

**Exhibits**

**Description**

"SSSSS-1" to "SSSS-277"	Annex "G" of the letter-compliance dated 24 August 2009 of DPWH-NCR Regional Director Edilberto D. Tayao consisting of documents captioned "Vouchers (paid lots) and its supporting documents related to Las Piñas-Parañaque Link Road"
"SSSSS-1" to "SSSSS-12"	Vouchers and supporting documents for the sale of Adelfa Properties, Inc.'s lot described as Plan Psu 240671 with an area of 1,613.00 sq. m. for ₱ 21,452,900.00 at ₱13,300/sq. mtr.
"SSSSS-13" to "SSSSS-22"	Vouchers and supporting documents for the sale of Golden Haven Memorial Park, Inc.'s lot described as Lot, 1-A of Subd., Plan (LRC) Psd-334765 with an area of 855.40 sq. m. for ₱ 11,776,884.00 at ₱13,300/sq. mtr.
"SSSSS-23" to "SSSSS-33"	Vouchers and supporting documents for the sale of Golden Haven Memorial Park, Inc.'s lot described as Lot No. Plan PSU-200768 with an area of 1,673.83 sq. m. for ₱ 24,488,132.00 at ₱ 13,300/sq. mtr.
"SSSSS-34" to "SSSSS-45"	Vouchers and supporting documents for the sale of Golden Haven Memorial Park, Inc.'s lot described as Lot No. 2, Psu-93369 with an area of 1,629.75 sq. m. for ₱21,675,675.00 at ₱ 13,300/sq. mtr.
"SSSSS-46" to "SSSSS-57"	Vouchers and supporting documents for the sale of Lombos Pedro (Atty. In-fact Renato V. Andrada)'s lot described as Plan Psu-144314 with an area of 1,881.00 sq. m. for ₱ 3,009,600.00 at ₱ 1,600/sq. mtr.
"SSSSS-58" to "SSSSS-77"	Vouchers and supporting documents for the sale of Gatchalian Realty, Inc.'s lot described as Lot Nos. 4 to 7 Psd-00-



041067 with an area of 1,540.50 sq. m. for ₱ 2,711,280.00 at ₱ 1,600/sq. mtr.

- “SSSSS-78” to “SSSSS-89”  
 Vouchers and supporting documents for the sale of Adelfa Properties, Inc.’s lot described as Lot No. 3, Psd-00-041067 with an area of 641.77 sq. m. for ₱1,341,299.30 at ₱ 1,900/sq. mtr.
- “SSSSS-90” to “SSSSS-100”  
 Vouchers and supporting documents for the sale of Adelfa Properties, Inc.’s lot described as Lot No. 2, Psd-00-041067 with an area of 459.32 sq. m. for ₱959,978.80 at ₱ 1,900/sq. mtr.
- “SSSSS-101” to “SSSSS-111”  
 Vouchers and supporting documents for the sale of Adelfa Properties, Inc.’s lot described as Lot No. 1, Psd-00-041067 with an area of 566.67 sq. m. for ₱1,184,340.30 at ₱ 1,900/sq. mtr.
- “SSSSS-112” to “SSSSS-125”  
 Vouchers and supporting documents for the sale of Rodriguez, Lourdes/Illuminada (Paid in the name of Adelfa Properties, Inc.)’s lot described as Plan Psu-183668 with an area of 2,875.00 sq. m. for ₱7,187,500.00 at ₱ 2,500/sq. mtr.
- “SSSSS-126” to “SSSSS-141”  
 Vouchers and supporting documents for the sale of Adelfa Properties, Inc.’s lot described as Lot No. 2, Plan Psu-190444 with an area of 1,960.88 sq. m. for ₱3,137,408.00 at ₱ 1,600/sq. mtr.
- “SSSSS-142” to “SSSSS-154”  
 Vouchers and supporting documents for the sale of Pedro Paz (Paid to Sarnar Realty Development Corp)’s lot described as Psu-183697 with an area of 1,874.22 sq. m. for ₱ 4,685,550.00 at ₱ 2,500/sq. mtr.
- “SSSSS-155” to “SSSSS-168”  
 Vouchers and supporting documents for the sale of Enrique Factor, et al. (Paid in the name of Adelfa Properties, Inc.)’s lot described as Lot No. 3, Plan Psu-190444 with an area of 514.10 sq. m. for ₱822,560.00 at ₱ 1,600/sq. mtr.
- “SSSSS-169” to “SSSSS-193”  
 Vouchers and supporting documents for the sale of Corazon Rodriguez/Aracelli Santos’ lot described as Lot No. 2-B, Plan Psu-99597 with an area of 4,667.00 sq. m. for ₱ 14,001,000.00 at ₱ 3,000/sq. mtr.

- “SSSSS-194” to “SSSSS-209”

Vouchers and supporting documents for the sale of Jesus Rodriguez, et al. (Paid in the name of Rosario Rodriguez, et al.)’s lot described as Lot No. 3-B, Plan Psu-129899 with an area of 3,644,00 sq. m. for ₱ 10,932,000.00 at ₱ 3,000/sq. mtr.
- “SSSSS-210” to “SSSSS-222”

Vouchers and supporting documents for the sale of Rodolfo Plaza, et al.’s lot described as Lot 13-B-1, Subd. Plan Psd-007604-026709-D with an area of 3,107.14 sq. m. for ₱12,428,560.00 at ₱4,000/sq. mtr.
- “SSSSS-223” to “SSSSS-229”

Vouchers and supporting documents for the sale of the Adelfa Properties, Inc.’s lot described as Lot No. 1, Psu-99597 with an area of 2,277.80 sq. m. for ₱ 6,833,400.00 at ₱ 3,000/sq. mtr.
- “SSSSS-230” to “SSSSS-256”

Vouchers and supporting documents for the sale of Nery Development Corporation (Paid to Masaito Dev’t. Corp.)’s lot described as Lot No. 1, Plan Pcs.-00-007722 with an area of 1,722.26 sq. m. for ₱ 6,889,040.00 at ₱ 4,000/sq. mtr.
- “SSSSS-257” to “SSSSS-277”

Vouchers and supporting documents for the sale of Masaito Development Corporations’ lot described as Lot No. 5-A-1, Plan Psd-007604-021230-D with an area of 1,606.00 sq. m. for ₱ 48,180,000.00 at ₱ 30,000/sq. mtr

The above exhibits were offered by complainant:

(1) to prove that the road-right-of-way compensation for twenty-two (22) of the affected lots traversed by the Las Piñas-Parañaque Link Road have been paid, as follows:

PROPERTY OWNER	LOT/TCT NO.	AFFECTED AREA (in sq.m.)	EST. RROWA COST (IN PHP) BASED ON BIR ZONAL VALUATION	
			Per sq. meter	Total
1. Adelfa Properties, Inc.	Psu-240671/ T-7990	1,613.00	13,300.00	21,452,900.00
2. Golden Haven Memorial Park, Inc.	Lot 1-A (LRC) Psd-334765 T-105324	885.48	13,300.00	11,776,884.00
3. Golden Haven Memorial Park, Inc.	Psu-200768/ T-6720	1,673.83	13,300.00	24,488,132.00

4. Golden Haven Memorial Park, Inc.	Lot 2, Psu-93369/ T-26482	1,629.75	13,300.00	21,675,675.00
5. Lombos, Pedro	Psu-144314/ 52183	1,881.00	1,600.00	3,009,600.00
6. Gatchalian Realty, Inc.	Lot 7, Psd-00- 41067/ T-64294	24.42	1,600.00	42,979.20
7. Gatchalian Realty, Inc.	Lot 5, Psd-00-41067/ T-64292	507.22	1,600.00	892,707.20
8. Gatchalian Realty, Inc.	Lot 6, Psd-00-41067/ T-64291	488.64	1,600.00	860,006.40
9. Gatchalian Realty, Inc.	Lot 4, Psd-00-041067/ T-64293	520.22	1,600.00	915,587.20
10. Adelfa Properties, Inc.	Lot 3, Psd-00-041067/ T-56813	641.77	1,900.00	1,341,299.30
11. Adelfa Properties, Inc.	Lot 2, Psd-00-041067/ T-56814	459.32	1,900.00	959,978.80
12. Adelfa Properties, Inc.	Lot 1, Psd-00-041067/ T-56843	566.67	1,900.00	1,184,340.30
13. Rodriguez, Lourdes/ Illuminada	Psu-183668/ T-354500	2,875.00	2,500.00	7,187,500.00
14. Adelfa Properties, Inc.	Lot 2, Psu 190444/ T-80379	1,960.88	1,600.00	3,137,408.00
15. Pedro Paz	Psu-183697/ T-14761	1,874.22	2,500.00	4,685,550.00
16. Enrique Factor, et al.	Lot 3, Psu-190444/ T-80379	514.10	1,600.00	822,560.00
17. Rodriguez, Corazon/ Araceli	Lot 2 Psu-99597/ S-28050	4,667.00	1,000.00	4,667,000.00
18. Rodriguez, Jesus et al.	Lot 3, Psu-129899/ OCT 363	3,644.00	3,000.00	10,932,000.00
19. Plaza, Rodolfo, et al.	Lot 13-B-1/ Psd-007604-	3,107.14	4,000.00	12,428,560.00

	026709 T-102993			
20. Adelfa Properties, Inc.	Lot 1, Psu-99597/ T-117952	2,277.80	3,000.00	6,833,400.00
21. Nery Property Dev't. Corp.	Lot 1 Pcs-00-007722/ T-122337	1,722.26	4,000.00	6,889,040.00
22. Masaito Devt. Corp.	Lot 5-A-1 Psd 007604- 021230-D/ T-68800	1,606.00	30,000.00	48,180,000.00

(2) to prove further that out of the twenty-two (22) paid lots, the corporations of respondent Senator Villar, namely, Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc., owned fourteen (14) lots;<sup>55</sup> that four (4) lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. were paid using the zonal value of ₱13,300/sq. mtr., or the total amount of ₱ 79,393,591.00;<sup>56</sup> that one (1) lot was paid using the zonal value of ₱ 30,000/sq. mtr. or the amount of ₱ 48,180,000;<sup>57</sup> that, on the other hand, the lots owned by other property owners were paid using zonal values which ranged from ₱ 1,600/sq. mtr. to ₱ 4,000/sq. mtr.; and, that the corporations owned by respondent Senator Villar was paid by the government the total amount of ₱172,400,637.40 as road-right-of-way compensation for the said fourteen (14) lots;

(3) to prove further that the four (4) lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. were paid using the zonal value of ₱ 13,300/sq. mtr., or the total amount of ₱ 79,393,591.00,<sup>58</sup> through the use of a BIR Certification dated 11 August 2000 issued by Revenue District Officer Rosalie U. Sarthou which certified that "the zonal value of commercial property located in Real St., Barangay Pulang Lupa Uno, vicinity of Perpetual Village is ₱13,300.00 based on the Revised Zonal Valuation 1996" and another BIR Certification dated 13 May 2002 issued by Revenue District Officer Marcelino M. Quito which certified that "the zonal value of the commercial property covered by Transfer Certificate of Title No. T-26482 registered under Golden Haven Memorial Park, Incorporated located in Barangay Pulanglupa is ₱13,300.00 based on the Revised Zonal Valuation 1996." (Exhs. "SSSSS-21", "SSSSS-22", "SSSSS-33" and "SSSSS-45");

(4) to prove that one (1) lot, which was transferred by Masaito Development Corporation to Adelfa Properties, Inc., was paid using the zonal value of ₱30,000/sq. mtr. or the amount of ₱48,180,000,<sup>59</sup> through the use of a BIR Certification dated 17 June 2003 issued by Revenue District Officer Carmelita R. Bacod which certified that "the zonal value of the

<sup>55</sup> These are the lots listed as Nos. 1, 2, 3, 4, 10, 11, 12, 13, 14, 16, 18, 19, 20 and 22 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5".

<sup>56</sup> These are the lots listed as Nos. 1, 2, 3 and 4 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5".

<sup>57</sup> This is the lot listed as No. 22 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5". This lot is in the name of Masaito Development Corporation that the road-right-of-way compensation went to Adelfa Properties, Inc.

<sup>58</sup> These are the lots listed as Nos. 1, 2, 3 and 4 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5".

<sup>59</sup> This is the lot listed as No. 22 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5". This lot is in the name of Masaito Development Corporation and the road-right-of-way compensation went to Adelfa Properties, Inc.

property classified as CR (Commercial Regular) covered by Transfer Certificate of Title No. T-68800 registered under Masaito Development Corporation located along Sucat Road in Barangay San Dionisio, Paranaque City is ₱30,000.00 per square meter based on the Revised Zonal Valuation of 1998." (Refer to Exh. "SSSSS-274");

(5) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.

<u>Exhibits</u>	<u>Description</u>
"ZZZZZ-1" to "ZZZZZ-23"	Construction of Las Piñas-Parañaque Link Road (Sucat Road to Quirino Avenue) Summary of Releases (Civil Works) with copies of Sub-Allotment Advices and Special Allotment Release Orders
"ZZZZZ-24" to "ZZZZZ-32"	Document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) A. Paid lots as of 24 August 2009 with Sub-Allotment Advices attached thereto.
"ZZZZZ-33" to "ZZZZZ-44"	Various Special Allotment Release Orders for the release of funds for the Las Piñas-Parañaque Link Road

The above exhibits were offered by complainant:

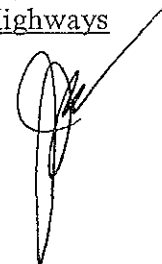
(1) to prove that the Las-Piñas-Parañaque Link Road was funded through Congressional initiatives under the items "Various Infrastructures Including Local Projects" and "Urgent Infrastructures Including Local Projects" in the General Appropriations Act;

(2) to prove that respondent Senator Villar funded the Las Piñas-Parañaque Link Road through his initiatives under the Priority Development Assistance Fund "PDAF" or Infrastructure Program under the DPWH;

(3) to prove that SARO No. A-02-03390 for the release of the amount of ₱30,000,000.00 under the item "Various Infrastructures Including Local Projects" (Exh. "ZZZZZ-7") corresponds to the ₱ 30,000,000.00 request of respondent Senator Villar in 2002 based on the documents and summary submitted by Atty. Yolanda D. Doblón (Exh. "KKKKK-146");

(4) to prove that SARO No. A-04-00104 for the release of the amount of ₱15,000,000.00 under the item "Road construction/concreting of Las Piñas-Parañaque Link Road-Quirino Ave. to A. Santos Ave., Las Piñas City & Parañaque City" (Exh. "ZZZZZ-12") corresponds to the ₱ 15,000,000.00 request of respondent Senator Villar in 2003 based on the documents and summary submitted by Atty. Yolanda D. Doblón (Exh. "KKKKK-146");

(5) to prove that SAA No. 3581 for the release of the amount of ₱30,000,000.00 under the item "Other National Public Works/Local Infrastructure Projects xxx Roads, Highways



and Bridges Cons. Of Las Piñas-Parañaque Link Road, Las Piñas City and Parañaque City” (Exh. “ZZZZZ-14”) corresponds to the ₱30,000,000.00 request of respondent Senator Villar in 2004 based on the documents and summary submitted by Atty. Yolanda D. Doblón (Exh. “KKKKK-146”);

(6) to prove that SARO No. A-05-02118 for the release of the amount of ₱16,000,000.00 under the item “Urgent Infrastructure Including Local Projects xxx Roads, Highways and Bridges xxx Construction of Las Piñas-Parañaque Link Road including ROW acquisition Parañaque City” (Exh. “ZZZZZ-17”) corresponds to the ₱16,000,000.00 request of respondent Senator Villar in 2004 based on the documents and summary submitted by Atty. Yolanda D. Doblón (Exh. “KKKKK-146”);

(7) to prove that SAA No. 4872 for the release of the amount of ₱10,000,000.00 under the item “Various Infrastructure including Local Projects – Nationwide xxx Roads, Highways and Bridges Road Construction of Las Piñas-Parañaque Link Road (PCCP), Las Piñas City and Parañaque City” (Exh. “ZZZZZ-20”) corresponds to the ₱10,000,000.00 request of respondent Senator Villar in 2006 based on the documents and summary submitted by Atty. Yolanda D. Doblón (Exh. “KKKKK-146”); and,

(8) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao and Atty. Yolanda D. Doblón.

**Exhibits**

**Description**

“BBBBBB-1” to “BBBBBB-2”	Transfer Certificate of Title No. T-26482 in the name of Golden Haven Memorial Park, Inc.
“BBBBBB-3”	Tax Declaration of Real Property No. E-003-01240 beginning year 2003 issued by Las Piñas City to Golden Haven Memorial Park, Inc.
“BBBBBB-4”	Tax Declaration of Real Property No. E-003-01491 beginning year 2002 issued by Las Piñas City to Golden Haven Memorial Park, Inc.

The above exhibits were offered by complainant:

(1) to prove that based on the records of the Las Piñas City Assessor, the Declarations of Real Property of the 11,302-sq. mtr. lot covered by TCT No. T-96482 in the name of Golden Haven Memorial Park, Inc. for the years beginning 2002 and 2003 show that the said lot is classified and declared as “agricultural”;

(2) to prove that a 1,629.75-sq. mtr. portion of the said 11,302-sq. mtr. lot covered by TCT No. T-96482 was sold to the Republic of the Philippines for ₱21,675,675.00 at a zonal value of ₱13,300.00/sq. mtr. based on a commercial classification; and,

(3) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.



<u>Exhibits</u>	<u>Description</u>
“WWWWW-23” to “WWWWW-44”	Department Order No. 10-97 dated 7 October 1996 prescribing the Zonal Values of Real Properties in the Cities of Las Piñas and Muntinlupa under Revenue District Office No. 53 (6 <sup>th</sup> Revision)
“WWWWW-26”	Definition of Terms
“WWWWW-29”	Table of Zonal Values of Real Properties in Barangay Manuyo Uno, Las Piñas City under Revenue District Office No. 53
“WWWWW-31”	Table of Zonal Values of Real Properties in Barangay Pulang Lupa Uno, Las Piñas City under Revenue District Office No. 53
“WWWWW-43”	Certain Guidelines in the Implementation of Zonal Valuation of Real Properties for RDO No. 53 Las Pinas- Muntinlupa
“CCCCC-8” to “CCCCC-14”	Table of Zonal Values of Real Properties in Las Piñas City and Muntinlupa City under Revenue District Office No. 53
“CCCCC-10”	Table of Zonal Values of Real Properties in Barangay Manuyo Uno, Las Piñas City under Revenue District Office No. 53
“CCCCC-12”	Table of Zonal Values of Real Properties in Barangay Pulang Lupa Uno, Las Piñas City under Revenue District Office No. 53

The above exhibits were offered by complainant:

(1) to prove that under DOF Department Order No. 10-97 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision) located in the Cities of Las Piñas and Muntinlupa, a commercial classification is defined as “land/building devoted principally to commercial purposes and generally for the object of profit,” while a residential classification is defined as “land/building principally devoted to habitation.” On the other hand, a general purpose classification is defined as “rawland, undeveloped and underdeveloped area which has potential for development into residential, commercial, industrial, institutional, etc. (and) must not be less than 5,000 square meters.” (Exh. “WWWWW-26”);

(2) to prove that under the Guidelines in the implementation of Zonal Valuation of Real Properties where in the approved schedule of zonal values for a particular Barangay no zonal value has been prescribed for a particular classification in a particular street/ subdivision,

the zonal value prescribed for the same classification of real property located in the other street/subdivision within the same Barangay of similar conditions shall be used”;

(3) the above exhibits are being offered to prove that the zonal values of properties situated in Barangay Manuyo Uno under Department Order No. 10-97 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision) are as follows: a) all other streets with residential classification – ₱1,900/sq. mtr.; b) all other streets with commercial classification – ₱3,500/sq. mtr.; and, c) all other streets with general purpose classification – ₱ 1,600/sq. mtr. (Exhs. “WWWWW-29” and “CCCCCC-10”);

(4) the above exhibits are further being offered to prove that the zonal values of properties situated in Barangay Pulanglupa Uno under Department Order No. 10-97 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision) are as follows: a) Real St. in the vicinity of Quirino Avenue with residential classification – ₱4,000/sq. mtr.; and, b) Real St. in the vicinity of Perpetual Village with commercial classification – ₱13,300/sq. mtr. (Exhs. “WWWWW-31” and “CCCCCC-12”);

(5) to prove that under Department Order No. 10-97 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision), the lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. fall under the general purpose classification being rawlands and undeveloped areas of not less than 5,000 sq. mtrs.; and, that their zonal values should have been fixed at ₱1,600/sq. mtr. for lots situated in Barangay Manuyo Uno with a general purpose classification (Exh. “WWWWW-29”);

(6) to prove further that in determining the zonal values of the lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc., BIR Revenue District Officer Rosalie U. Sarthou had no basis to use the ₱13,300/sq. mtr. zonal value for commercial properties situated at Real St. in the vicinity of Perpetual Village in Barangay Pulanglupa Uno, which is very far from the lots traversed by the Las Pinas-Paranaque Link Road;

(7) to prove further that BIR Revenue District Officer Marcelino M. Quito falsely certified that “the zonal value of the commercial property covered by Transfer Certificate of Title no. T-26482 registered in the name of Golden Haven Memorial Park, Incorporated located at Barangay Pulanglupa is ₱13,300.00 based on the Revised Zonal Valuation 1996,” for such classification and corresponding zonal value is not found in the Department Order No. 10-97 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision); and,

(8) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.

**Exhibits**

**Description**

“DDDDDD-1”

DPWH-NCR Regional Director Edilberto D. Tayao’s letter dated 26 August 2009 addressed to Honorable Juan Ponce Enrile

“DDDDDD-3”

DPWH-NCR Regional Director Edilberto D. Tayao’s letter dated 24 August 2009 addressed to Hon. Juan Ponce Enrile

“DDDDDD-7”

Document captioned “Service Record of

Edilberto D. Tayao from the year 03-15-72  
to 10-31-97”

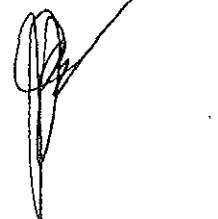
“DDDDDD-8”

Document captioned “Service Record of  
Edilberto D. Tayao from the year 11-01-97  
to date”

The above exhibits were offered by complainant:

(1) to prove that based on his letters dated 24 & 26 August 2009, DPWH-NCR Regional Director Edilberto D. Tayao, in compliance with the Order of the Honorable Committee of the Whole, was supposed to have submitted the following documents:

- a) Service Record;
- b) “Documents pertaining to the cost (civil works and right-of-way) of the South Luzon Expressway to Multinational Avenue Project including list of affected property owners and amounts paid;”
- c) “Documents pertaining to the cost (civil works and right-of-way) of the Multinational Avenue to Sucat Road Project including list of affected property owners and amounts paid;”
- d) “Documents showing the details and source of the P253.0 Million budget allocated to the Construction of the Fly-Over from Sucat Road to the Las Piñas-Parañaque Link Road;”
- e) “Documents pertaining to the cost (civil works and right-of-way) of the Quirino Avenue to Coastal Road Project including list of affected property owners and amounts paid;”
- f) “Plans regarding the Construction of the Fly-Over at Coastal Road including list of affected property owners and amounts paid;”
- g) “Documents showing the details of, and request for the ₱179.0 Million budget allocation from the 2009 General Appropriations Act;”
- h) “Documents pertaining to the cost (civil works and right-of-way) of the Las Piñas-Parañaque Link Road Project including list of affected property owners and amounts paid;”
- i) “Blue Print copy of Parcellary Survey/Plan of the Las Piñas—Parañaque Link Road of the C-5 Road Extension showing the exact location and list of the affected lots (Annex “A”) and amounts paid and unpaid for the road-right-of-way (Annex “A-1” and Annex “A-2”, respectively);”
- j) “Blue Print copy of Parcellary Survey/Plan of the Sucat Road—Multinational Avenue portion of the C-5 Road Extension showing the exact location and list of the affected lots (Annex “B”) and amounts paid and unpaid for the road-right-of-way (Annex “B-1” and Annex “B-2”, respectively);”
- k) “Blue Print copy of Parcellary Survey/Plan of the Multinational Avenue-Kaingin Road to South Luzon Expressway portion of the C-5 Road Extension showing the exact location and list of the affected lots and amounts paid and unpaid for the road-right-of-way. (Annex “C”);”
- l) “DPWH Spending Proposal/Project Profile for the Sucat Road—Multinational Avenue portion of the C-5 Road Extension (Annex “D”);”
- m) “Certification dated August 11, 2000, regarding the “zonal value of commercial property located in Real Street, Barangay Pulang Lupa Uno, vicinity of Perpetual Village,” issued by Rosalie U. Sarthou, Revenue District Officer (Annex “E”);”
- n) “Certification dated May 13, 2002, regarding the “zonal value of the commercial property covered by TCT No. T-26482 registered under Golden Haven Memorial Park, Incorporated, located in Barangay Pulanglupa, issued by Marcelino M.



- Quito, Revenue District Officer, Revenue District Office No. 53, Las Pinas-Muntinlupa (Annex "F"); and,
- o) "Vouchers (paid lots) and its supporting documents related to Item 1 above (Las Piñas-Parañaque Link Road)"; and,
- (2) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

<u>Exhibit(s)</u>	<u>Description</u>
"DDDDDD-4"	Document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) A. Paid lots (as of August 24, 2009)"

The above exhibit was offered by complainant:

(1) to prove that as of 24 August 2009, the road-right-of-way compensation for twenty-two (22) of the affected lots traversed by the Las Pinas-Parañaque Link Road have been paid; that out of the twenty-two (22) paid lots, the corporations of respondent Senator Villar, namely, Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc., owned fourteen (14) lots;<sup>60</sup> that four (4) lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. were paid using the zonal value of P13,300/sq. mtr., or the total amount of ₱ 79,393,591.00;<sup>61</sup> that one (1) lot was paid using the zonal value of ₱ 30,000/sq. mtr. or the amount of ₱48,180,000;<sup>62</sup> that, on the other hand, the lots owned by other property owners were paid using the zonal values of ₱ 1,600/sq. mtr. to ₱4,000/sq. mtr.; that the corporations owned by respondent Senator Villar was paid by the government the total amount of ₱ 172,400,637.40 as road-right-of-way compensation for the said fourteen (14) lots; and,

(2) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.

<u>Exhibit(s)</u>	<u>Description</u>
"DDDDDD-6"	Document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) B. Unpaid lots (as of August 24, 2009)"

The above exhibit was offered by complainant:

<sup>60</sup> These are the lots listed as Nos. 1, 2, 3, 4, 10, 11, 12, 13, 14, 16, 18, 19, 20 and 22 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5".

<sup>61</sup> These are the lots listed as Nos. 1, 2, 3 and 4 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5".

<sup>62</sup> This is the lot listed as No. 22 in the document captioned "A. Paid Lots (As of August 24, 2009) marked as Exhibit "DDDDDD-5". This lot is in the name of Masaito Development Corporation that the road-right-of-way compensation went to Adelfa Properties, Inc.

(1) to prove that as of 24 August 2009, the road-right-of-way compensation for seventeen (17) of the affected lots traversed by the Las Piñas-Parañaque Link Road portion of the DPWH C-5 Road Extension Project have not been paid; that out of the seventeen (17) lots, four (4) lots were so far shown to be owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc.;<sup>63</sup> that one (1) lot in the name of Golden Haven Memorial Park, Inc. was given a zonal value of ₱ 13,300/sq. mtr. despite the fact that as testified by DPWH Special Investigator Carlos T. Bacolod, Jr. no supporting documents have been submitted; that at the time respondent Senator Villar, through Anastacio C. Adriano, Jr., made a ₱ 200 million insertion in the 2008 National Budget, his corporations, Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc., had a total claim of ₱ 99,811,063.50 for unpaid road-right-of-way compensation for the Las Piñas-Parañaque Link Road portion of the DPWH C-5 Road Extension Project; and,

(2) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao, DPWH-NCR Special Investigator Carlos T. Bacolod, Jr. and Anastacio C. Adriano, Jr.

**Exhibit**

**Description**

“DDDDDD-9”

Document captioned “Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque City, Paid Road Right of Way (As of August 24, 2009)”

The above exhibit was offered by complainant to prove that in addition to the ₱1.2 billion earlier paid to Amvel Land Development Corporation owned by the family of Mr. Mariano “Bro. Mike” Velarde for the road-right-of-way of the C-5 Link of the MCTEP, the said corporation was further paid ₱ 315,312,000.00 for six (6) lots affected by the DPWH C-5 Road Extension Project using the zonal values of P16,500/sq. mtr. and ₱ 18,500/sq. mtr.

**Exhibits**

**Description**

“DDDDDD-10”

Document captioned “Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (as of August 24, 2009)”

“DDDDDD-11”

Document captioned “Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (as of August 24, 2009)”

The above exhibits were offered by complainant:

(1) to prove that in the Multinational Avenue to Sucat Road portion of the DPWH C-5 Road Extension Project, Azalea Real Estate Corporation (now Brittany Corporation) and

<sup>63</sup> These are the lots listed as Nos. 4, 5, 8 and 13 in the document captioned “B. Unpaid Lots (As of August 24, 2009) marked as Exhibit “DDDDDD-6”.

Adelfa Properties, Inc. owned properties or have joint venture agreements with other property owners namely: Dona Josefa Vda. De Santos, Inc. and Leonardo De Leon, et al.;<sup>64</sup>

(2) to prove that in November 2007 when respondent Senator Villar, through Anastacio C. Adriano, Jr., made a ₱200 million insertion in the 2008 General Appropriations Act, his corporations, namely: Azalea Real Estate Corporation (now Brittany Corporation) and Adelfa Properties, Inc., had unpaid road-right-of-way compensation in the total amount of ₱59,143,000.00, as follows:

PROPERTY OWNERS	LOT NO.	AFFECTED AREA	Cost of lot (based on BIR zonal value)	
			(per sq. m)	(TOTAL)
Dona Josefa Vda. De Santos, Inc.	Lot 2	7,768.00	4,000.00	31,072,000.00
Azalea Real Estate Corporation	Lot 6-C	3,705.00	4,000.00	14,820,000.00
Adelfa Properties, inc.	Lot 4166	570.00	4,000.00	2,280,000.00
Leonardo De Leon, et al.	Lot 4308	3,657.00	3,000.000	10,971,000.00

(3) to prove further that for the aforementioned lots, the government fixed the zonal values of ₱ 3-4,000/sq. mtr., but as testified by Anastacio C. Adriano, Jr., a zonal value of ₱15,000/sq. mtr. will be more reasonable; and, that at ₱ 15,000/sq. mtr., the total road-right-of-way compensation for the said lots will be about ₱ 235,500,000; and,

(4) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao and Anastacio C. Adriano, Jr.

### Exhibits

### Description

“DDDDDD-12”

Document captioned “Construction of C-5 Extension Project xxx xxx South Luzon Expressway (SLEX) to Multinational Avenue”

“DDDDDD-15”

Document captioned “Construction of C-5 Extension Project xxx xxx Multinational Avenue to Sucat Road”

“DDDDDD-16”

Document captioned “Construction of Fly-over along Pres. Carlos P. Garcia Avenue (C-5) Extension Crossing Sucat Road”

<sup>64</sup> These are the properties listed as No. 7, 9, 11 and 13 in the document captioned “Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (as of August 24, 2009)” and marked as Exhs. “DDDDDD-10” and “DDDDDD-11”

“DDDDDD-21”	Document captioned “Construction of Las Piñas-Parañaque Link Road (Sucat Road to Quirino Avenue”
“DDDDDD-19”	Document captioned “Construction of Pres. Carlos P. Garcia (C-5) Extn. (Pres. Quirino Avenue to Coastal Road”
“DDDDDD-22”	Document captioned “Program of Expenditures for the Construction of Pres. Garcia Avenue (C-5) Extension (Sucat Road-Coastal Section Including RROW)”

The above exhibits were offered by complainant to prove the cost of the construction of the DPWH C-5 Road Extension Project from South Luzon Expressway to the Coastal Road in the total amount of ₱ 3,764,799,130.35 broken down as follows:

- a) South Luzon Expressway to Multinational Avenue – ₱1,107,300,000.00;
- b) Multinational Avenue to Sucat Road - ₱ 1,075,469,000.00;
- c) Flyover crossing Sucat Road – ₱ 252,885,130.35;
- d) Las Piñas-Parañaque Link Road (Sucat Road to Quirino Avenue) – ₱723,690,000.00;
- e) Pres. Quirino Avenue to Coastal Road - ₱ 255,455,000.00; and,
- f) Flyover crossing Coastal Road, – ₱ 350,000,000.

**Exhibit**

**Description**

“DDDDDD-16”	Document captioned “Construction of Flyover along Pres. Carlos P. Garcia Avenue (C-5) Extension Crossing Sucat Road”
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The above exhibit was offered by complainant:

(1) to prove that for the construction of the flyover crossing Dr. A. Santos Avenue or Sucat Road, what was used was the original ₱ 200 million appropriation in the 2008 General Appropriations Act as originally contained and proposed in the 2008 National Expenditure Program; and,

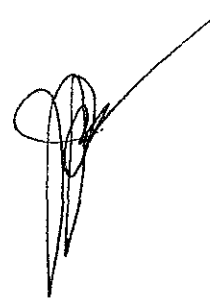
(2) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibit**

**Description**

“DDDDDD-18”	Document captioned “RROW Acquisition for the Construction of Pres. Carlos P. Garcia (C-5) Extension (Pres. Quirino Avenue to Coastal Road)”
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The above exhibit was offered by complainant:



(1) to prove that Lot No. PSU-2046581 registered under TCT No. T-6182 in the names of Jose Arevalo and Anastacia Dela Cruz and Lot No. 1-A registered under TCT No. T-110747 in the name of Jose Arevalo, which lots are situated along Pres. Quirino Avenue right across the Las Piñas-Parañaque Link Road corner Pres. Quirino Avenue, has zonal values of just ₱ 4,000/sq. mtr. and P3,450/sq. mtr., respectively; and,

(2) as part of the testimonies of DPWH-NCR Regional Director Edilberto D. Tayao and DPWH-NCR Special Investigator Carlos T. Bacolod, Jr.

**Exhibits**

**Description**

“DDDDDD-19”

Document captioned “Construction of Pres. Carlos P. Garcia (C-5) Extn. (Pres. Quirino Avenue to Coastal Road”

“DDDDDD-22”

Document captioned “Program of Expenditures for the Construction of Pres. Garcia Avenue (C-5) Extension (Sucat Road-Coastal Section Including RROW)”

The above exhibits were offered by complainant:

(1) to prove that consistent with the testimony of DPWH-NCR Regional Director Edilberto D. Tayao that the program of work for the Pres. Quirino Avenue to Coastal Road portion (including the flyover which will cross the Coastal Road) was conceptualized after February 2008 (that is, long after respondent Senator Villar, through Anastacio C. Adriano, Jr., made a ₱ 200 million insertion in the 2008 General Appropriations Act), the budget for the Pres. Quirino Avenue to Coastal Road portion consisting of the cost of the roadway and road-right-of-way in the amount of ₱ 187 million, was included in the “CY 2009 DPWH Infra Program” and the DPWH 2009 Program of Expenditures; that the estimated cost of the flyover that will cross the Coastal Road in the amount of ₱ 350 million has yet to be funded as of 2009; and,

(2) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibit**

**Description**

“FFFFFFF”

Location Map of the MCTEP

The above exhibit was offered by complainant:

(1) to prove the location and alignment of the C-5 Link of the MCTEP; that the C-5 Link has three (3) alignments, namely: a) the North Slip Road which is supposed to end at Ninoy Aquino Avenue; b) the main alignment or C-5 Road Extension which is supposed to cross Dr. A. Santos Avenue or Sucat Road at the corner of the old Sucat Road and run towards Quirino Avenue and Coastal Road; and, c) the South Slip Road which is supposed to end at Dr. A. Santos Avenue at Sucat Road across what is now SM Sucat;

(2) to prove further that the DPWH C-5 Road Extension Project crosses Dr. A. Santos Avenue or Sucat Road at almost the same point where the South Slip Road of the C-5 Link of the MCTEP is supposed to end; and,



(3) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

<u>Exhibit</u>	<u>Description</u>
"GGGGGG-1" to "GGGGGG-25"	DPWH Feasibility Study entitled "Construction of Pres. Carlos P. Garcia Avenue (C-5) Ext. Project (from South Luzon Expressway to Sucat Road, Parañaque City)" and memoranda attached thereto

The above exhibits were offered by complainant:

(1) to prove that on 3 March 2006, DPWH Secretary Hermogenes E. Ebdane, Jr. wrote to President Gloria Macapagal-Arroyo to submit a feasibility study conducted by the DPWH on the proposed construction of the C-5 Road Extension Project from South Luzon Expressway to Sucat Road, Parañaque City and the funding requirement in the amount of ₱ 2.25 billion. (Exh. "GGGGGG-1");

(2) to prove that on 29 March 2006, President Gloria Macapagal-Arroyo informed DPWH Secretary Hermogenes E. Ebdane, Jr. of the approval of the C-5 Road Extension Project. (Exh. "GGGGGG-24");

(3) to prove that the alignment of the DPWH C-5 Road Extension Project lies parallel to the alignment of the MCTEP and that at certain points the two (2) alignments overlap each other or are just a few hundred meters away from each other. (Exh. "GGGGGG-2");

(4) to prove that the DPWH C-5 Road Extension Project from South Luzon Expressway to Sucat Road was conceptualized in 2006 with the objective of linking and connecting it with the Las Piñas-Parañaque Link Road and Coastal Road. (Exhs. "GGGGGG-4", "GGGGGG-6" and "GGGGGG-7");

(5) to prove that the "conceptualization of and the initial release of funds for the DPWH C-5 Road Extension Project was initiated by respondent Senator Villar, to wit:

"xxx xxx

A. Conceptualization

The conceptualization of and the initial release of funds for the CX-5 Project was initiated by Senator Manuel Villar, whose same efforts also paved the way for the funding of the Las Piñas-Paranaque Link Road, which as mentioned earlier, will be linked to SLEX upon the completion of CX-5. The main idea behind the CX-5 Project is the linking of Coastal Road to C-5, effortlessly connecting the cities of Taguig, Paranaque and Cavite as well.

Also assisting Secretary Hermogenes E. Ebdane in the realization of the project is Cong. Rene Velarde of The Buhay Party List. The Congressman, thru his initiative is helping the DPWH in raising the necessary funds in order to complete the project.

xxx xxx" (Exh. "GGGGGG-7");

(6) to prove that the C-5 Road Extension Project is designed to benefit the property owners of the lands that would be traversed by the said project and spur a development "akin to what happened to a Fort Bonifacio area when it was opened to vehicle access," to wit:

"xxx xxx

- The creation and completion of the C-5 Extension Project will make the area boom with investment and corporations, akin to what happened in the Fort Bonifacio area when it was opened for vehicle access. The boom will not only attract new investment but will consequently improve the existing industrial and business areas in the vicinity, specially since C-5 Extension Project is also an easy access to the fast growing business areas in Taguig and Pasig. The benefits thus go both ways.

xxx xxx" (Exh. "GGGGGG-14")

(7) to prove that at the time of the preparation of the above Feasibility Study in 2006, the property of Masaito Development Corporation across SM Sucat, a 1,606-sq. mtr. portion of which was transferred to Adelfa Properties, Inc. and subsequently sold to the government at ₱ 30,000/sq. mtr. or ₱ 48,180,000, was a vacant and idle land described as "(a)n open space near SM Sucat nearby the Las Piñas-Parañaque Link Road." (Exh. "GGGGGG-14-B");

(8) to prove that the DPWH C-5 Road Extension Project is designed to pass through properties owned by the corporations of respondent Senator Villar and that it would overlap with the road-right-of-way of the C-5 Link of the MCTEP, to wit:

"xxx xxx

The roadway, from SLEX to Dr. A. Santos Avenue will traverse through RSG Town Homes, existing Kaingin Road crossing Multinational Avenue, in Parañaque to Sapphire property then to portions of properties owned by Global entities, SM Corporation, AMVEL Property, ADELFA Property and acquired property of TRB.

xxx xxx" (Exh. "GGGGGG-17-A")

(9) to prove that based on the above Feasibility Study, the estimated project cost of the C-5 Road Extension from South Luzon Expressway to Sucat Road is ₱2,250,000,000.00 broken down as follows: a) civil works – ₱ 775,000,000.00; and, b) road-right-of-way – ₱ 1,475,000,000. (Exh. "GGGGGG-21");

(10) to prove that at the time the DPWH C-5 Road Extension Project was conceptualized, it was known already that its alignment would overlap with the alignment of the C-5 Link of the MCTEP to wit:

"xxx xxx

The first problem area that the CX-5 anticipates is the predicament with the Toll Regulatory Board (TRB). The TRB has a present alignment stretching from SLEX to Las Piñas City. We are requesting, accordingly, that a kilometer of the said alignment (that which is in the area of the SLEX) be re-aligned in order for the said area to be utilized by the CX-5.

xxx xxx" (Exh. "GGGGGG-22-A");

(11) to prove further that in view of the anticipated overlapping of the alignments of the DPWH C-5 Road Extension Project with the C-5 Link of the MCTEP, the intervention of DPWH Secretary Hermogenes E. Ebdane, Jr. or President Gloria Macapagal-Arroyo with the Toll Regulatory Board was recommended to wit:

"xxx xxx

The following are strongly recommended for the hastening and success of the CX-5 Project:

a. Intervention of the Secretary or the President with the TRB.

xxx xxx" (Exh. "GGGGGG-23-A"); and,

(12) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

<u>Exhibit(s)</u>	<u>Description</u>
"HHHHHH"	Parcellary Survey Construction of Road and or Bridges from Quirino Ave., Pulang Lupa, Las Pinas City to A. Santos Ave., San Dionisio, Paranaque City (Las Piñas-Paranaque Link Road)
"IIIII" to "IIIII-6"	Reconstructed copy of the Parcellary Survey Construction of Road and or Bridges from Quirino Ave., Pulang Lupa, Las Pinas City to A. Santos Ave., San Dionisio, Paranaque City (Las Pinas-Paranaque Link Road)

The above exhibits were offered by complainant:

(1) to prove the location of the following properties listed in the document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Paranaque Link Road) in relation to the Las Piñas-Paranaque Link Road based on the above Parcellary Survey, to wit:

"A. Paid Lots (As of August 24, 2009)

1. Adelfa Properties, Inc. Psu-240671/T7990
2. Golden Haven Memorial Park, Inc. Lot 1-A (LRC) Psd-334-765 T-105324
3. Golden Haven Memorial Park, Inc. Psu-200768/T-6720
4. Golden Haven Memorial Park, Inc. Lot 2, Psu-93369/T-26482

5. Lombos, Pedro – Psu-144314/52183”

xxx xxx

B. Unpaid Lots (As of August 24, 2009)

1. Antonio Ramos - Psu-252505

xxx xxx

3. Arevalo, Geronimo – Psu-114981

xxx xxx

5. Golden Haven Memorial Park, Inc. – Lot 2, Psu-16668

xxx xxx”;

(2) to prove that while the above lots are near one another, the zonal value used on the lots owned by Golden Haven Memorial Park, Inc. was ₱ 13,300/sq. mtr., while the zonal value that was used on the lots owned by Pedro Lombos, Antonia Ramos and Geronimo Arevalo were ₱ 1,600/sq. mtr., ₱ 4,000/sq. mtr. and ₱ 3,450/sq. mtr., respectively;

(3) to prove that zonal value of ₱ 13,350/sq. mtr. was used on Lot 2, Psu-93369/T-26482 owned by Golden Haven Memorial Park, Inc. despite the fact that it is farthest from Quirino Avenue;

(4) to prove that the location of the aforementioned lots is very far from “Real St., Pulanglupa Uno in the vicinity of Perpetual village”; and,

(5) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibits**

**Description**

“JJJJJ” to “JJJJJ-4”

Parcellary Survey Construction of C-5 Extension from Sucat Road to Multinational Avenue

The above exhibits were offered by complainant:

(1) to prove the location of the following lots listed in the document captioned “Properties Affected By The Construction of C-5 Extension From Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (As of August 24, 2009)” (Exh. “DDDDDD-10”) based on the above Parcellary Survey, to wit:

“xxx xxx

7. Dona Josefa Vda de Santos, Inc. – Lot 2

xxx xxx

9. Azalea Real Estate Corporation – Lot 6-C

xxx xxx

11. Adelfa Properties, Inc. - Lot 4166

xxx xxx

13. Leonardo De Leon, et al. – Lot 4308

xxx xxx”

(2) to prove that the alignment of the Multinational Avenue to Sucat Road portion was made to pass through the above properties; and,

(3) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibit**

**Description**

“JJJJJ”

Declaration of Real Property Nos. E-010-03103

The above exhibit was offered by complainant:

(1) to prove that Lot No. 13-B-2 with an area of 8,548 sq. mtrs. and owned by Masaito Development Corporation, which lot lies just beside Lot No. 5-A-1-A, was classified and declared as Salinar or saltbeds and that the 1,606-sq. mtr. lot that was transferred by Masaito Development Corporation to Adelfa Properties, Inc. and subsequently sold to the government at ₱ 30,000/sq. mtr., or for ₱ 48,180,000.00, was a portion of the said Lot No. 5-A-1-A; and,

(2) as part of the testimony of DPWH-NCR Regional Director Edilberto D. Tayao.

**Exhibits**

**Description**

“KKKKKK” to “KKKKKK-134”

Letter dated 27 August 2009 of Atty. Yolanda D. Doblón, Director General, LBRMO, addressed to Hon. Juan Ponce Enrile, Senate President, and Chairman of the Committee of the Whole, with “copies of endorsements issued by the Chairman of the Committee on Finance and the Senate President for the period FY 2002-FY 2008” and letters of the Chairmen (sic) Committee on Finance of the amount allocated for Sen. Villar

“KKKKKK-140” to “KKKKKK-144”

Letter dated 1 September 2009 of Atty. Yolanda D. Doblón, Director General, LBRMO, addressed to Hon. Juan Ponce

Enrile, Senate President, and Chairman  
Committee of the Whole, with copies of  
endorsements

The above exhibits were offered by complainant:

(1) to prove that the Las-Piñas-Parañaque Link Road was funded through Congressional initiatives under the items "Various Infrastructures including Local Projects" and "Urgent Infrastructures including Local Projects" in the General Appropriations Act; and,

(2) to prove that respondent Senator Villar funded the Las Piñas-Parañaque Link Road through his initiatives under the Priority Development Assistance Fund "PDAF" or Infrastructure Program under the DPWH and amendments or insertions in the national budget, as follows:

- a) "DPWH-OSEC - Construction of C5 Road Extension from SLEX to Sucat Road including ROW - ₱ 200,000,000.00" (Exh. "KKKKKK-4")
- b) "Construction of slope protection for the Zapote River Improvement Project and its tributaries - Las Piñas City - ₱15,000,000.00" (Exh. "KKKKKK-16")
- c) "Road Construction at LP-Pque Link Rd (PCCP) - Las Piñas City & Parañaque - ₱ 10,000,000.00" (Exh. "KKKKKK-28")
- d) "Construction of Las Piñas-Parañaque Link Road including ROW acquisition - Parañaque City - ₱ 16,000,000.00" (Exh. "KKKKKK-73")
- e) "Channel cut-off and gabions at Kaybuboy Creek at Brgy. San Dionisio - Parañaque City - ₱ 25,000,000.00" (Exh. "KKKKKK-77")
- f) "Slope Protection for Las Piñas-Parañaque Link Road at creek bounding Las Piñas City and Parañaque City and including removal of illegal structures - Las Piñas-Parañaque - ₱15,000,000.00" (Exh. "KKKKKK-122")
- g) "Desilting and bank protection of Balihatar Creek - Manuyo, Las Piñas City - ₱ 10,000,000.00" (Exh. "KKKKKK-122")
- h) "Construction of road and/or bridge from Quitino, Ave., Las Piñas City to A. Santos Ave., San Dionisio, Parañaque City - Las Piñas City - Parañaque City - ₱ 14,750,000.00" (Exh. "KKKKKK-125")
- i) "Slope Protection for Las Pinas-Paranaque Link Road at creek bounding LP City and Pque City and including removal of illegal structures - Las Piñas City-Parañaque City - ₱ 15,500,000.00" (Exh. "KKKKKK-134")
- j) "Desilting and bank protection of Balihatar Creek - Manuyo, Las Piñas City - ₱ 10,000,000.00" (Exh. "KKKKKK-134")

ExhibitsDescription

"KKKKKK-145"

Letter dated 7 September 2009 of Atty. Yolanda D. Doblón, Director General, LBRMO, addressed to Hon. Juan Ponce Enrile, Senate President, and Chairman of the Committee of the Whole

"KKKKKK-146"

Document captioned "Summary Las Piñas-Parañaque Link Road" FY 2002-2006 attached to Exh. "KKKKKK-145"

The above exhibits were offered by complainant:

(1) to prove that respondent Senator Villar funded the Las Piñas-Parañaque Link Road through his initiatives under the Priority Development Assistance Fund "PDAF" or Infrastructure Program under the DPWH and amendments or insertions in the national budget, as follows:

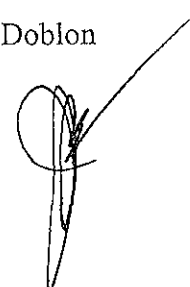
Year	Project Title	Amount
2006	Road Construction at LP-Parañaque Link Road (PCCP)	10,000,000.00
2004	Construction of Las Piñas-Parañaque Link Road	30,000,000.00
2004	Construction of Las Piñas-Parañaque Link Road including ROW acquisition	16,000,000.00
2003	Road construction, concreting of Las Piñas-Parañaque Link Road-Quirino Ave. to A. Santos Ave.	15,000,000.00
2002	Slope Protection for Las Piñas-Parañaque Link Road at creek bounding Las Piñas City and Parañaque City and including removal of illegal structures	15,500,000.00

xxx xxx" (Exh. "KKKKKK-146");

(2) to prove further that except for the year 2008 wherein she submitted ₱ 360 million worth of amendments or insertions of respondent Senator Villar, Atty. Yolanda D. Doblón did not submit the said respondent's amendments or insertions to the national budget for the years 2001 to 2007;

(3) to prove further that Atty. Yolanda D. Doblón did not submit the list of projects attached to the requests of respondent Senator Villar as follows: a) 2003 - ₱100,000,000 under the item "Urgent Infrastructures including Local Projects;" and, b) 2005 - ₱ 380,000,000 which was on top of the ₱ 60 million under the DPWH Infrastructure Program and ₱ 60 million under the Priority Development Assistance Fund;

(4) to prove that the documents and requests submitted by Atty. Yolanda D. Doblón were incomplete; and,



- (5) as part of the testimony of Atty. Yolanda D. Doblón.

#### *V. Non-Participation of Respondent Senator Villar in the Proceedings*

Despite opportunities accorded to respondent Senator Villar to participate in the proceedings for him to answer the charges against him, he chose not to participate. Nonetheless, he was furnished all notices issued and all pleadings, evidence, and papers submitted to the Committee.

#### *VI. Findings of Fact Based on the Evidence Presented*

Considering that respondent Senator Villar chose not to participate in the proceedings before the Committee, submit his answer to the complaint filed by Senator Madrigal, and present counterevidence, the following findings of fact by the Committee which are relevant to the issues at hand are based on its evaluation of the documentary and testimonial evidence submitted by the complainant to support her charges against the respondent, which evidence this Committee admits for the purposes they were offered and as part of the testimonies of the witnesses.

##### *Business interests of Senator Villar*

1. Respondent Senator Villar owns 52% of the outstanding capital stock of Adelfa Properties, Inc., a domestic corporation with principal office address at Las Piñas Business Center, Alabang-Zapote Road, Talon, Las Piñas City, while his wife, Congresswoman Cynthia A. Villar, owns the remaining 48%. (See General Information Sheet of Adelfa Properties, Inc. from 2008 to 1999 – Exhibits “III to “III-8”)
2. Adelfa Properties, Inc. owns 92% of the outstanding capital stock of Golden Haven Memorial Park, Inc., a domestic corporation with principal office address at 40 Real Street, Zapote, Las Piñas City. (See General Information Sheet of Golden Haven Memorial Park, Inc. from 2007 to 2001 – Exhibits “JJJ to “JJJ-7”)
3. Until January, 2007, Adelfa Properties, Inc. owned 96.07% of the outstanding capital stock of Brittany Corporation, a domestic corporation with principal office address at The Penthouse Richville Corporate Tower, Madrigal Business Park, Ayala Alabang, Muntinlupa City. (See General Information Sheet of Brittany Corporation from 2007 to 2001 – Exhibit “KKKK-2” to “KKKK-11”)
4. In 2008, Adelfa Properties, Inc. appears to have a subscription of 3,645,000 shares of the 10 million shares of Brittany Corporation, while Vista Land & Lifescapes, Inc. owns 6,352,498 shares. (See General Information Sheet of Brittany Corporation for 2008 and July, 2007 – Exhibits “KKKK” and “KKKK-1”)
5. Brittany Corporation is formerly Azalea Real Estate Corporation. (See Exhibits “KKKK-17” and “KKKK-18”)





### *Las Piñas-Parañaque Link Road Project*

6. Respondent Senator Villar, together with his wife Congresswoman Cynthia A. Villar, was the proponent of the government project Las Piñas-Parañaque Link Road, which, according to its Project Profile (Exhibit "B"), involved the construction of road and/or bridges, with a total length of 2.177 km., connecting Quirino Avenue, Pulang Lupa, Las Piñas City and A. Santos Avenue, San Dionisio, Parañaque City, with a total project cost of ₱ 710.97 million for civil works and road-right-of-way (RROW).

7. The same Project Profile of the Las Piñas-Parañaque Link Road indicates that the "[r]evised alignment [was] approved" and that "[t]he City of Government of Las Piñas together with the Staff from the Office of the proponent have negotiated the lot owners affected by the RROW" and that the project "**would also promote and enhance industrial and commercial opportunities in the vicinity.**"

### *Manila-Cavite Toll Expressway Project (MCTEP)*

8. The Las Piñas-Parañaque Link Road Project affected the ongoing Manila-Cavite Toll Expressway Project (MCTEP), a Build-Operate-Transfer (BOT) project that involves the development of the R-1 Expressway (commonly known as the "Coastal Road"), the C-5 Link Expressway, and the R-1 Expressway Extension by Renong Berhad and Majlis Amanah Rakyat (MARA) pursuant to a Joint Venture Agreement entered into on 27 December 1994 with the Public Estates Authority (PEA). (See Exhibits "QQ" and "V")

9. Under the Joint Venture Agreement, PEA and MARA agreed that Renong Berhad may assign its rights and transfer its liabilities and obligations under the agreement to United Engineers Malaysia Berhad (UEM), a member of the Renong Berhad Group of Companies. The assignment was confirmed on 17 August 1995 through a novation agreement. In a Toll Operation Agreement between PEA, MARA and UEM, UEM-MARA Philippines Corporation (UMPC) was incorporated to represent UEM and MARA. (See Exhibit "QQ")

10. A Location Map (Exhibit "FFFFFF") submitted by complainant shows that the planned C-5 Link Expressway under the MCTEP has three (3) alignments, to wit: (1) the North Slip Road which will end at NAIA Road; (2) *the Main Alignment or C-5 Road Extension which will run across Dr. A. Santos Avenue or Sucat Road near NAIA Road and then connect to the Coastal Road in Parañaque City*; and, (3) the South Slip Road which will end at Dr. A. Santos Avenue or Sucat Road near SM Sucat. It is the Main Alignment or C-5 Road Extension that is the subject of the present complaint.

11. While UMPC is responsible for the design, construction, and financing of the MCTEP (Exhibit "QQ"), the government, through PEA, is responsible for financing the acquisition of the right of way for the MCTEP and, for this purpose, PEA borrowed US\$68,564,875.00 from a consortium of foreign banks with the Republic of the Philippines acting as a guarantor. (See Loan Agreement dated 5 December 1997 – Exhibit "ZZZZ")

12. In a document entitled "Manila Cavite Toll Expressway Issues Affecting the Future Phasing of the Project" dated 3 November 1999 (Exhibit "TTTT"), it was mentioned that "work had already begun on the acquisition of the necessary right of way to construct the C5 Link." However, "[o]f the ₱ 2.65 billion fund originally made available for the acquisition of the Project ROW, to date **approximately ₱ 1.85 billion has been disbursed to secure ROW along**



the **C5 Section 1 alignment**, leaving a present ROW fund balance of approximately ₱ 850 million.”

13. In a letter dated 27 April 1998 (Exhibit “Y”) to the Toll Regulatory Board, Adelfa Properties, Inc., through its Senior Vice-President and General Manager Anastacio C. Adriano, Jr., together with Amvel Land Development Corporation, represented by Mariano Z. Velarde, and SM Holdings Properties, represented by Engr. Filemon Avelino, sought for the change of the C-5 Road alignment based on their proposed plan.

14. In a Memorandum dated 27 April 1998 (Exhibit “X”) addressed to then President Fidel V. Ramos, the Appointments Secretary/Presidential Assistant for Social Development and Foreign Affairs, Benjamin D. De Leon, conveyed to the President about “the request of Bro. Mike Velarde concerning the settlement of issues on the acquisition of Road Right of Way by DPWH relative to the construction of C-5 Road (Renone [*sic*] Berhad Package)” and, accordingly, recommended that “the Toll Regulatory Board (TRB) under DPWH Secretary Vigilar ... approve the plan jointly submitted by AMVEL Corp. of Bro. Mike, ShoeMart, Inc. under Henry Sy and **Adelfa, Inc. of Rep. Manny Villar.**”

15. In a letter dated 29 December 1998 (Exhibit “W”), DPWH Secretary Gregorio R. Vigilar informed the property owners (which included Adelfa Properties, Inc.) who “sought for the realignment of the entrance and exit ramps of the C-5 Interchange” that their “request was approved by the Toll Regulatory Board (TRB) in its Resolution No. 98-22 on 30 April 1998.”

***DPWH C-5 Road Extension Project, (CX-5 Project)***

16. In a Memorandum dated 3 March 2006 for President Gloria Macapagal-Arroyo (Exhibit “GGGGGG,” series), the DPWH presented the feasibility study for the construction of a ₱ 2.25 billion Circumferential Road 5 Extension Project, or the “CX-5 Project,” from South Luzon Expressway (SLEX) to Dr. A. Santos Avenue (formerly, Sucat Road), Parañaque City, with a total length of 6.356 km, linking the Las Piñas-Parañaque Link Road to SLEX upon its completion.

17. According to the feasibility study –

“The conceptualization of and the initial release of funds for the CX-5 Project was initiated by **Senator Manuel Villar**, whose same efforts also paved the way for the funding of the Las Piñas – Parañaque Link Road xxx” (Exhibit “GGGGGG-6”)

18. The DPWH C-5 Road Extension Project was conceptualized “[a]s a probable solution to today’s worsening traffic situation – particularly in the southern sector of Metro Manila” (Exhibit “GGGGGG-6”) and to economically benefit the areas traversed by it, including properties of Adelfa Properties, Inc., thus:

“**The creation and completion of the C-5 Extension Project will make the area boom with investment and corporations**, akin to what happened in the Fort Bonifacio area when it was opened for vehicle access. The boom will not only attract new investment but will consequently improve the existing industrial and business areas in the vicinity, specially since C-5 Extension Project has also an easy access to the fast growing business areas in Taguig and Pasig. xxx” (Exhibit “GGGGGG-14-A”)

“The roadway, from SLEX to Dr. A. Santos Avenue will traverse through RSG Town Homes, existing Kaingin Road crossing Multinational Avenue in Parañaque to Sapphire property then to portions of properties owned by Global entities, SM Corporation, AMVEL Property, **ADELFA Property** and acquired property of TRB.” (Exhibit “GGGGGG-17-A”)

19. The proponents of the DPWH C-5 Road Extension Project were aware that, at the time the project was conceptualized, the project’s alignment would affect the ongoing MCTEP:

“The first problem area that the CX-5 anticipates is the predicament with the Toll Regulatory Board (TRB). **The TRB has a present alignment stretching from the SLEX to Las Piñas City. We are requesting, accordingly, that a kilometer of the said alignment (that which is in the area of the SLEX) be re-aligned in order for the said area to be utilized by the CX-5.**” (Exhibit “GGGGGG-22-A”)

20. For this reason, the DPWH strongly recommended for the “intervention of the Secretary or the President with the TRB” for the hastening and success of the CX-5 Project. (Exhibit “GGGGGG-23-A”)

21. Perusing the “Aerial Photo of the Proposed Construction of Circumferential Road 5 Extension Project” (Exhibit “GGGGGG-2”) in relation to the Location Map of the planned C-5 Link Expressway under the MCTEP (Exhibit “FFFFFF”), complainant Senator Madrigal pointed out in her Memorandum dated October 27, 2009 (at p. 10) the effect of the DPWH C-5 Road Extension Project to the MCTEP, thus:

“It must be stressed that under the DPWH C-5 Road Extension Project, as constructed, it is the alignment of the Multinational Avenue to Sucat Road portion which runs across Dr. A. Santos Avenue or Sucat Road near SM Sucat and links with the Las Piñas-Parañaque Link Road and then will run all the way to the Coastal Road in Bacoor, Cavite. The said alignment of the Multinational Avenue to Sucat Road portion runs parallel to the alignment of the South Slip Road under the MCTEP and at certain areas, they lie just a hundred meters away and even overlap each other. (See Exhibit ‘GGGGGG-2’)

“On the other hand, under the alignment of the C-5 Link Expressway of the MCTEP, it is the Main Alignment or C-5 Road Extension (not the South Slip Road) which will run across Dr. A. Santos or Sucat Road near NAIA Road and then connect to the Coastal Road in Parañaque City (not Bacoor, Cavite). This shows that there was a drastic change in the alignment of the C-5 Road Extension, as constructed, compared with the C-5 road Extension as originally planned.

“Also, it must further be stressed that when the MCTEP was conceptualized, there was no plan to construct another road parallel to the C-5 Link Expressway, especially one which at certain areas will lie just a hundred meters away and will even overlap with it and, worse, one that is toll-free and which is likely to adversely affect the viability of the C-5 Link Expressway.”

22. DPWH-NCR Regional Director Edilberto D. Tayao, during his testimony before the Committee, affirmed the authenticity of the feasibility study of the DPWH C-5 Road Extension Project.<sup>65</sup>

23. Director Tayao also admitted the realignment of the MCTEP C-5 Road Extension to accommodate the design of the DPWH C-5 Road Extension Project.<sup>66</sup>

***Projects Passed Through Properties of Senator Villar's Corporations***

24. The Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project passed through the properties of Adelfa Properties, Inc., Golden Haven Memorial Park, Inc., and Azalea Real Estate Corporation (now, Brittany Corporation), corporations wherein Senator Villar has financial and business interests.

25. In a document captioned "Lots Affected by the Construction of C-5 Extension From Sucat Road to Pres. Quirino Avenue (Las Piñas – Parañaque Link Road) A. Paid Lots (As of August 24, 2009)" (Exhibit "DDDDDD-4") and in another document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas – Parañaque Link Road) B. Unpaid Lots (As of August 24, 2009)" (Exhibit "DDDDDD-6"), it appears that eighteen (18) lots belonging to either Adelfa Properties, Inc., or in which the latter has interests, or to Golden Haven Memorial Park, Inc. were affected by the Las Piñas-Parañaque Link Road Project.

26. Complainant provided the following summary of the affected lots in her Memorandum dated 27 October 2009 (at p. 28):

PROPERTY OWNER	LOT/TCT NO.	AFFECTED AREA (in sq. m.)
1. Adelfa Properties, Inc.	Psu-240671/ T-7990	1,613.00
2. Golden Haven Memorial Park, Inc.	Lot 1-A (LRC) Psd-334765 T-105324	885.48
3. Golden Haven Memorial Park, Inc.	Psu-200768/ T-6720	1,673.83
4. Golden Haven Memorial Park, Inc.	Lot 2, Psu-93369/ T-26482	1,629.75
5. Adelfa Properties, Inc.	Lot 3, Psd-00- 041067/T-56813	641.77
6. Adelfa Properties, Inc.	Lot 2, Psd-00- 041067/T-56814	459.32
7. Adelfa Properties, Inc.	Lot 1/Psd-00- 041067/T-56843	566.67
8. Rodriguez, Lourdes/Illuminada (title registered in the name of Adelfa Properties, Inc.)	Psu-183668/ T-354500	2,875.00
9. Adelfa Properties, Inc.	Lot 2, Psu- 190444/T-80379	1,960.88
10. Enrique Factor, et al. (title registered in the	Lot 3, Psu-	514.10

<sup>65</sup> TSN, 6 October 2009, 11:01 a.m., pp. 1-3.

<sup>66</sup> TSN, 6 October 2009, 10:51 a.m., pp. 1-2.

name of Adelfa Properties, Inc.)	190444/T-80379	
11. Rodriguez, Jesus, et al. (proceeds paid to Adelfa Properties, Inc.)	Lot 3, Psu-129899/OCT 363	3,644.00
12. Plaza, Rodolfo, et al. (transferred to Adelfa Properties, Inc.)	Lot 13-B-1, Psd-007604-026709/T-102993	3,107.14
13. Adelfa Properties, Inc.	Lot 1, Psu-99597/T-117952	2,277.80
14. Masaito Development Corporation (proceeds to Adelfa Properties, Inc. by virtue of a Memorandum of Agreement)	Lot 5-A-1, Psd-007604-021230-D/T-122337	1,606.00
15. Golden Haven Memorial Park, Inc.	Psu-04-001636 untitled	1,024.39
16. Golden Haven Memorial Park, Inc.	Lot 2, Psu-16668	5,917.84
17. Adelfa Properties, Inc.	Untitled	1,510.21
18. De Leon, Rogaciano, et al.	Lot 1, Psu-110106/T-25303	2,717.77

27. The former Senior Vice-President and General Manager of Adelfa Properties, Inc., Engr. Anastacio C. Adriano, Jr., also confirmed in his testimony before the Committee that indeed the Las Piñas-Parañaque Link Road traversed properties of Adelfa Properties, Inc.<sup>67</sup>

28. Engr. Adriano also confirmed that Adelfa Properties, Inc. has a masterplanned community for a 25,779 square meter property of Rosario Medina Vda. de Rodriguez, Rosario R. de Leon, and Jesus Rodriguez situated at Brgy. San Dionisio, Parañaque City pursuant to a Land Development Agreement dated 1 August 2000 (Exhibit "OOOOO"), and which property would also be traversed by the Las Piñas-Parañaque Link Road.<sup>68</sup>

29. The Multinational Avenue to Sucat Road portion of the DPWH C-5 Road Extension Project also traversed properties of Adelfa Properties, Inc., or in which the latter has interests, and Azalea Real Estate Corporation (now, Brittany Corporation) per document captioned, "Properties Affected By the Construction of C-5 Extension From Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (As of August 24, 2009)" (Exhibit "DDDDDD-10").

30. As summarized by complainant in her Memorandum dated 27 October 2009 (at p. 23), these lots are:

PROPERTY OWNER	LOT NO.	AFFECTED AREA (in sq. m.)
1. Doña Josefa Vda. De Santos, Inc. (with Land Development Agreement with Azalea Real Estate Corporation)	Lot 2	7,768.00
2. Azalea Real Estate Corp. (now, Brittany Corporation)	Lot 6-C	3,705.00
3. Adelfa Properties, Inc.	Lot 4166	570.00
4. Leonardo De Leon, et al.	Lot 4308	3,657.00

31. DPWH-NCR Regional Director Edilberto D. Tayao, during his testimony before the Committee, affirmed that the DPWH C-5 Road Extension Project traversed the aforesaid lots

<sup>67</sup> TSN, 8 September 2009, 11:56 a.m., p. 1.

<sup>68</sup> TSN, 29 September 2009, 11:31 a.m., pp. 6-8.

of Azalea Real Estate Corporation (now, Brittany Corporation) and Doña Josefa Vda. De Santos, Inc.

32. Doña Josefa Vda. De Santos, Inc. has a Land Development Agreement with Azalea Real Estate Corporation, which undertook to “secure a suitable right-of-way for the subdivision” considering that the 70,183 square meter property of Doña Josefa Vda. De Santos, Inc. did not have a road-right-of-way or access to a public road.

33. Director Tayao also confirmed that with the C-5 Road Extension, the landlocked property of Doña Josefa Vda. De Santos, Inc. would already have access to a public road and Azalea Real Estate Corporation would no longer have to provide such access. Azalea Real Estate Corporation would also be paid ₱ 31.72 million by the government for a road-right-of-way.<sup>69</sup>

34. Under the Land Development Agreement dated 24 November 1988 (Exhibit “NNNNN-1”) between Doña Josefa Vda. De Santos, Inc. and Azalea Real Estate Corporation, represented in the agreement by its President, herein respondent Senator Villar, Azalea Real Estate Corporation will develop the 70,183 square meter property (Lot 2, Plan Psu – 46687) of Doña Josefa Vda. De Santos, Inc. situated in Calancalangan, Parañaque and covered by Transfer Certificate of Title No. 72871 into a “subdivision of residential lots.”

35. The Multinational Avenue to Sucat Road portion of the DPWH C-5 Road Extension Project traverses this “subdivision of residential lots,” which Brittany Corporation and Adelfa Properties, Inc. plan to sell for at least ₱ 15,000.00 per square meter according to Engr. Anastacio C. Adriano, Jr. during his testimony before the Committee.<sup>70</sup>

***Senator Villar Appropriated Funds for the Las Piñas-Parañaque Link Road***

36. The following documentary evidence submitted by the Director General of the Legislative Budget Research and Monitoring Office (LBRMO) of the Senate, Atty. Yolanda D. Doblón, showed that respondent Senator Villar appropriated funds for the Las Piñas-Parañaque Link Road Project through his initiatives under the Priority Development Assistance Fund (PDAF) in the national budget:

EXHIBIT	DESCRIPTION
“KKKKKK-4”	“DPWH-OSEC – Construction of C5 Road Extension from SLEX to Sucat Road including ROA – ₱ 200,000,000.00”
“KKKKKK-16”	“Construction of slope protection for the Zapote River Improvement Project and its tributaries – Las Piñas City – ₱ 15,000,000.00”
“KKKKKK-28”	“Road Construction at LP-Pque Link Rd (PCCP) – Las Piñas City & Parañaque – ₱ 10,000,000.00”
“KKKKKK-73”	“Construction of Las Piñas-Parañaque Link Road including ROW (i.e., right-of-way) acquisition – Parañaque City – ₱ 16,000,000.00”
“KKKKKK-77”	“Channel cut-off and gabions at Kaybuboy Creek at Brgy. San Dionisio – Parañaque City – ₱ 25,000,000.00”
“KKKKKK-122”	“Slope Protection for Las Piñas-Parañaque Link Road at creek

<sup>69</sup> *Id.*, 11:21 a.m., pp. 1-4.

<sup>70</sup> *Id.*, 11:31 a.m., pp. 6-8.

	bounding Las Piñas City and Parañaque City and including removal of illegal structures – Las Piñas-Parañaque – ₱ 15,000,000.00”
“KKKKKK-122”	“Desilting and bank protection of Balihatar Creek – Manuyo, Las Piñas City – ₱ 10,000,000.00”
“KKKKKK-125”	“Construction of road and/or bridge from Quirino, Ave., Las Piñas City to A. Santos Ave., San Dionisio, Parañaque City – Las Piñas City – Parañaque City – ₱ 14,750,000.00”
“KKKKKK-134”	“Slope Protection for Las Piñas-Parañaque Link Road at creek bounding LP City and Pque City and including removal of illegal structures – Las Piñas City-Parañaque City – ₱ 15,500,000.00”
“KKKKKK-134”	“Desilting and bank protection of Balihatar Creek – Manuyo, Las Piñas City – ₱ 10,000,000.00”

37. Atty. Yolanda D. Doblón also submitted, through her letter dated 7 September 2009 (Exhibit “KKKKKK-145”) to the Senate President and Chairman of the Committee of the Whole, the following “summary, based on available records of [the LBRMO], of the requests/lists of the Office of Senator Manny Villar for the Las Piñas-Parañaque Link Road which were submitted to the Department of Budget and Management” (Exhibit “KKKKKK-146”):

YEAR	PROJECT TITLE	AMOUNT
2006	Road Construction at LP-Parañaque Link Road (PCCP) (Date Received by DBM: 8/24/2006)	₱10,000,000.00
2004	Construction of Las Piñas-Parañaque Link Road (Date Received by DBM: 3/3/2004)	₱30,000,000.00
2004	Construction of Las Piñas-Parañaque Link Road including ROW acquisition (Date Received by DBM: 4/12/2005)	₱16,000,000.00
2003	Road construction, concreting of Las Piñas-Parañaque Link Road-Quirino Ave. to A. Santos Ave. (Date Received by DBM: 12/23/2003)	₱15,000,000.00
2002	Slope Protection for Las Piñas-Parañaque Link Road at creek bounding Las Piñas City and Parañaque City and including removal of illegal structures (Date Received by DBM: 9/16/2002)	₱15,500,000.00
2002	Slope Protection for Las Piñas-Parañaque Link Road at creek bounding LP City and Pque including removal of illegal structures (Date Received by DBM: 4/7/2003)	₱15,500,000.00

38. Complainant Senator Madrigal claims that these requests of respondent Senator Villar that were submitted to the Department of Budget and Management for the funding of the Las Piñas-Parañaque Link Road as listed in Exhibit “KKKKKK-146” correspond to the following Special Allotment Release Orders (SARO) or Sub-Allotment Advice (SAAs) that DPWH-NCR Regional Director Edilberto D. Tayao submitted to the Committee, to wit:

EXHIBIT	SARO/SAA
“ZZZZZ-7”	SARO No. A-02-03390 for the release of the amount of ₱30,000,000.00 under the item “Various Infrastructures Including Local Projects” corresponds to the ₱30,000,000.00 request of Senator Villar in 2002 as listed in Exhibit “KKKKKK-146”
“ZZZZZ-12”	SARO No. A-04-00104 for the release of the amount of ₱15,000,000.00 under the item “Road Construction/Concreting of

	Las Piñas Parañaque Link Road – Quirino Ave. to A. Santos Ave., Las Piñas City & Parañaque City” corresponds to the ₱15 million request of Senator Villar in 2003 as listed in Exhibit “KKKKKK-146”
“ZZZZZ-14”	SAA No. 3581 for the release of the amount of ₱30,000,000.00 under the item “Other National Public Works/Local Infrastructure Projects xxx <u>Roads, Highways and Bridges</u> Cons. of Las Piñas-Parañaque Link Road, Las Piñas City and Parañaque City” corresponds to the ₱30 million request of Senator Villar in 2004 as listed in Exhibit “KKKKKK-146”
“ZZZZZ-17”	SARO No. A-05-02118 for the release of the amount of ₱16,000,000.00 under the item “Urgent Infrastructure Including Local Projects xxx Roads, Highways and Bridges xxx Construction of Las Piñas-Parañaque Link Road including ROW acquisition Parañaque City” corresponds to the ₱16 million request of Senator Villar in 2004 as listed in Exhibit “KKKKKK-146”
“ZZZZZ-20”	SAA No. 4872 for the release of the amount of ₱10,000,000.00 under the item “Various Infrastructure Including Local Projects – Nationwide xxx Roads, Highways and Bridges Road Construction of Las Piñas-Parañaque Link Road (PCCP), Las Piñas City and Parañaque City” corresponds to the ₱10 million request of Senator Villar in 2006 as listed in Exhibit “KKKKKK-146”

39. Special Investigator of the DPWH-NCR, Carlos T. Bacolod, Jr., testified before the Committee that it was a common knowledge at the DPWH that the Las Piñas-Parañaque Link Road Project was being funded by respondent Senator Villar.<sup>71</sup>

***Senator Villar Appropriated Funds for the DPWH C-5 Road Extension Project***

40. Atty. Yolanda D. Doblón testified that sometime in November 2007, she was called to the office of respondent Senator Villar in connection with the 2008 national budget, and there Engr. Anastacio C. Adriano, Jr., in the presence of Senator Villar, enumerated the proposed amendments of Senator Villar to the 2008 national budget, among which found its way at page 646 of Republic Act No. 9498, or the General Appropriations Act for Fiscal Year 2008, which is, the appropriation of ₱200,000,000.00 for “Construction of C5 Road Extension from SLEX to Sucat Road including ROW” under “Urgent Infrastructure Including Local Projects.”<sup>72</sup>

41. Engr. Anastacio C. Adriano, Jr. confirmed the meeting with Atty. Doblón, and explained that he was there in his capacity as a consultant and a political officer of respondent Senator Villar.<sup>73</sup>

42. The Certification dated 25 August 2009 of the Senate Human Resources Management Services (Exhibit “HHHHH”) and the Certification dated 25 August 2009 of the Senate Legislative Accounting Service (Exhibit “III”) however certified that Engr. Anastacio C. Adriano, Jr. is not an employee of the Senate.

<sup>71</sup> TSN, 1 October 2009, 11:21 a.m., pp. 3-4.

<sup>72</sup> TSN, 25 August 2009, 10:48 a.m., pp. 3-8.

<sup>73</sup> TSN, 8 September 2009, 10:56 a.m., pp. 1-3.



43. Engr. Adriano admitted in his testimony before the Committee that it was he who “enumerated the recommendations of Senator Villar to the 2008 Budget,” which included Engr. Anastacio’s own recommendation of a ₱ 400,000,000.00 (not only ₱200,000,000.00) appropriation for the C-5 Road Extension Project.<sup>74</sup>

44. Engr. Adriano said that he proposed the amount of ₱ 400,000,000.00, which is “a high amount,” because “we are not really hoping that it will be released the entire amount.”<sup>75</sup>

45. Engr. Adriano also admitted in his testimony before the Committee that when he proposed the ₱400,000,000.00 appropriation for the C-5 Road Extension Project, there was “[n]o specific program of work” and what he only had was “an idea of the total cost of the project needed to complete it” and there was “[n]o specific study” on which his recommendation of ₱400,000,000.00 was based.<sup>76</sup>

46. The General Appropriations Act for Fiscal Year 2008, at page 563, also contains, as part of the budget for the DPWH, an appropriation of ₱ 200,000,000.00 for “Construction of Pres. Garcia Avenue Ext. from SLEX to Sucat Road including ROW.” (Exhibit “R”) Circumferential Route No. 5 or C-5 in Metro Manila was renamed as the President Garcia Avenue under Republic Act No. 8224.

47. DPWH-NCR Regional Director Edilberto D. Tayao testified before the Committee that the “DPWH doesn’t know about the 200 million” at page 646 of the General Appropriations Act for Fiscal Year 2008, which is for the “Construction of C5 Road Extension from SLEX to Sucat Road including ROW,” and admitted that the appropriation for that project was redundant.<sup>77</sup>

48. Complainant’s Exhibit “NNN,” which is the transcript of the proceedings during the joint hearing of the Senate Committees on Finance and Public Works on 29 September 2008, shows that Secretary Rolando Andaya, Jr. of the Department of Budget and Management confirmed that the President had impounded the release of the ₱200,000,000.00 appropriation for the “Construction of C5 Road Extension from SLEX to Sucat Road including ROW” appearing at page 646 of the General Appropriations Act for Fiscal Year 2008 for being a redundant appropriation or a double entry.

49. Engr. Anastacio C. Adriano, Jr. admitted during his testimony before the Committee that in November 2007, at the time he enumerated to Atty. Yolanda D. Doblón, in the presence of Senator Villar, the proposed amendments of Senator Villar to the 2008 national budget, he was director, general manager, senior vice-president, and chief operating officer of Adelfa Properties, Inc.<sup>78</sup>

50. Engr. Anastacio C. Adriano, Jr. also admitted that at the time he enumerated the proposed amendments of Senator Villar to the 2008 national budget, including the ₱400,000,000.00 appropriation for the C-5 Road Extension Project (which according to Engr. Adriano was his own recommendation to Senator Villar), the corporations of respondent Senator Villar have receivables of around ₱ 200,000,000.00 from the government for lots taken for road-right-of-way, and that it was in the interest of these corporations to get paid –

<sup>74</sup> TSN, 29 September 2009, 10:21 a.m., pp. 4-5, 6-7 to 10:31 a.m., p. 1.

<sup>75</sup> *Id.*, 10:31 a.m., pp. 5-9.

<sup>76</sup> *Id.*, 10:41 a.m., pp. 7-9.

<sup>77</sup> TSN, 1 October 2009, 1:11 p.m., p. 6 to 1:21 p.m., p. 3.

<sup>78</sup> TSN, 8 September 2009, 11:36 a.m., pp. 1-2.

“MR. FRANCISCO. Now, you also confirmed that in November, 2007, when you enumerated these insertions to the national budget including the ₱ 400 million for the construction of C-5 Road Extension, Golden Haven and Adelfa Properties, Inc. had collectibles from the government, right?

MR. ADRIANO. Yes, Your Honor.

MR. FRANCISCO. And you also confirmed that you knew at that time when you enumerated these insertions to the 2008 national budget, that it is possible that a portion of this ₱ 400 million would be used for the payment of the road right-of-way claims of Adelfa Properties, Inc. and Golden Haven Memorial Park, right?

MR. ADRIANO. It's possible, Your Honor.”<sup>79</sup>

“MR. FRANCISCO. At as of August 24, 2009, itong tatlong lupaing ito na nagkakahalaga ng 83 million ay hindi pa nababayaran ng gobyerno sa Golden Haven Memorial Park, Inc. at sa Adelfa Properties, Inc. na kung saan kayo ang namumuno, hindi po ba?

MR. ADRIANO. Opo, Your Honor.

xxx xxx

MR. FRANCISCO. So, in November 2007, noong November 2007 noong umupo kayo dito sa Senado, sa opisina ni Senator Manny Villar at kaharap ninyo si Atty. Yolanda Doblón at nagdikta kayo o nag-enumerate ng mga pagbabago sa 2008 National Budget kasama na ang ₱200 million na insertion para sa C-5 Road Extension Project including road right-of-way, itong Golden Haven Memorial Park, Inc. at Adelfa Properties, Inc. ay mayroong collectible from the government na nagkakahalaga ng ₱ 83 million, tama po ba?

MR. ADRIANO. Sa record pong pinakita ninyo, opo.”<sup>80</sup>

“MR. FRANCISCO. Okay.

Now, this Lot No. 9, in the name of Azalea Real Estate Corporation or Brittany Corporation at ₱ 15,300 per square meter, which you said is acceptable to Brittany Corporation will amount to ₱93,421,800, right?

MR. ADRIANO. Yes, Your Honor.

MR. FRANCISCO. And that is an acceptable compensation for this 3,705 square meters, right?

MR. ADRIANO. Yes, Your Honor.

MR. FRANCISCO. Okay.

<sup>79</sup> TSN, 9 September 2009, 10:51 a.m., pp. 5-8 to 11:01 a.m., p. 1.  
<sup>80</sup> TSN, 8 September 2009, 12:46 p.m., p. 6.

Now, this 31,072, 000 for the Doña Josefa Vda. de Santos, Inc., 7,768 square meters, is this an acceptable valuation?

MR. ADRIANO. The 4,000, I think, yes, Your Honor.

MR. FRANCISCO. Four thousand. So, that's ₱ 31,072,000.

Now, Adelfa Properties, Inc., Lot 4166, ₱ 4,000 per square meter at 2 million, this will amount to ₱ 2,280,000, is this an acceptable valuation?

MR. ADRIANO. Yes, Your Honor.

MR. FRANCISCO. Okay.

So, all in all, these three companies will now have receivables from the government of 93 million plus 31 million, that's 120 million plus about 2 million. So, these three companies on these three transactions alone will have receivables from the government of ₱ 125 million or about that amount, right?

MR. ADRIANO. Based on the zonal values you mentioned, I think that will be more or less the amount, yes.

MR. FRANCISCO. And this ₱ 125 million compensation will be requiring funding from the national government, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. And the only way to fund this ₱ 125 million is through appropriations in the national budget, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. As of November 2007, you were aware that on these three transactions, there were receivables from the government, right?

MR. ADRIANO. Yes.

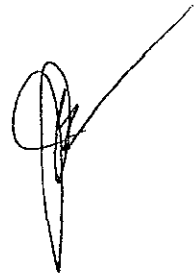
MR. FRANCISCO. Now, in addition to these receivables from the government, you're also aware that in the Las Piñas-Parañaque Link Road portion, Golden Haven Memorial Park, Inc. also has a receivable for one lot of ₱ 78 million, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. And this ₱ 78 million is compensation for road right-of-way?...

MR. ADRIANO. Yes.

MR. FRANCISCO. In fact, Mr. Witness, for the Las Piñas-Parañaque Link Road, Golden Haven Memorial Park Inc. has receivables of ₱ 3,534,145.50,



then another ₱ 78,707,272 and Adelfa Properties, Inc. also has receivables of 2,416,336 or a total of ₱ 84,657,753.50, is that right?

MR. ADRIANO. Yes, sir, with regards to Golden Haven. As far as I know, we have no record of the Adelfa Properties.

MR. FRANCISCO. The Adelfa Properties.

MR. ADRIANO. Oo. Pero the Golden Haven, yes, Your Honor.

MR. FRANCISCO. So, all in all, for Golden Haven Memorial Park Inc., for the Las Piñas-Parañaque Link Road portion, this company has receivables of more than ₱ 81 million, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. And this is in the Las Piñas-Parañaque Link Road, Sucat Road to Quirino Avenue, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. Now, from Sucat Road to Multinational Avenue, as you have testified earlier, Brittany Corporation and Adelfa Properties have receivables of ₱ 125 million, right?

MR. ADRIANO. Yes.

MR. FRANCISCO. And that's about ₱ 200 million, right?

MR. ADRIANO. Yes, Your Honor.

MR. FRANCISCO. But you requested ₱ 400 million insertion to the 2008 National Budget.

MR. ADRIANO. Yeah, we proposed a 400 million amendment, yes."<sup>81</sup>

51. Documentary evidence confirms Engr. Anastacio C. Adriano, Jr.'s testimony that the corporations of Senator Villar have claims for road-right-of-way compensation when he enumerated in November 2007 the amendments of Senator Villar to the 2008 national budget.

a. The document captioned "Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) B. Unpaid Lots (As of August 24, 2009)" (Exhibit "DDDDDD-6") shows that Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. have claims for road-right-of-way compensation.

b. The documents captioned "Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque

<sup>81</sup> TSN, 29 September 2009, 11:41 a.m., pp. 7-9 to 11:51 a.m., pp. 1-2.

City Unpaid Road Right of Way (As of August 24, 2009)” (Exhibit “DDDDDD-10”) and “Properties Affected by the Construction of C-5 Extension from Sucat Road to Multinational Avenue, Parañaque City Unpaid Road Right of Way (As of August 24, 2009)” (Exhibit “DDDDDD-11”) show that Azalea Real Estate Corporation, Adelfa Properties, and Doña Josefa Vda. De Santos, Inc. (with whom Azalea Real Estate Corporation has a Land Development Agreement over the affected lot) also have claims for road-right-of-way compensation.

52. The corporations of Senator Villar also received payments for road-right-of-way compensation. The document captioned “Lots Affected by the Construction of C-5 Extension from Sucat Road to Pres. Quirino Avenue (Las Piñas-Parañaque Link Road) A. Paid Lots (As of August 24, 2009)” (Exhibit “DDDDDD-4”) shows that of the twenty-two (22) lots that were paid for road-right-of-way compensation, fourteen (14) were owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc.

53. Out of the 14 lots owned by Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc., four (4) lots were paid using the zonal value of ₱ 13,300.00 per square meter, while one (1) lot was paid using the zonal value of ₱ 30,000.00 per square meter. Based on Exhibit “DDDDDD-4,” the two corporations received road-right-of-way compensation in the total amount of ₱ 172,400,637.40.

54. Other property owners affected by the Las Piñas-Parañaque Link Road were, however, paid using the zonal values of P1,600.00 per square meter to ₱ 4,000.00 per square meter only. (Exhibits “SSSSS-1” to “SSSSS-277”)

55. DPWH-NCR Special Investigator II Carlos T. Bacolod, Jr. admitted that the zonal valuation of ₱13,300.00 per square meter which was used to value the four (4) lots of Golden Haven Memorial Park, Inc. and Adelfa Properties, Inc. per Exhibit “DDDDDD-4” was based on a BIR certification dated 30 May 2002 issued by Revenue District Officer Marcelino QUINTO using the zonal valuation of Real Street, Perpetual Village when in fact the said four lots were located near Zapote, Las Piñas City and very distant from Real Street.<sup>82</sup>

56. Former Parañaque City Revenue District Officer Carmelita R. Bacod testified before the Committee that the ₱ 30,000.00 zonal valuation used for Masaito property (see lot no. 22 in Exhibit “DDDDDD-4”) pertained to a commercial area at A. Bonifacio St. in Barangay San Dionisio which is a few kilometers away from the actual location of the Masaito property along Sucat Road or Dr. A. Santos Avenue,<sup>83</sup> which has a zonal valuation of ₱ 3,000.00 per square meter for areas classified as general purpose, ₱4,500.00 per square meter for areas classified as residential, and ₱ 20,000.00 for areas classified as commercial per Revised Zonal Valuation of 1998 (at page 9).

## VII. Issues

The issues are interrelated as they concern the alleged involvement of respondent Senator Manuel B. Villar, Jr. in two government projects, i.e., the Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project (CX-5 Project), that supposedly benefited his

<sup>82</sup> TSN, 1 October 2009, 12:31 p.m., pp. 4, 6; 12:41 p.m., p. 5.

<sup>83</sup> TSN, 22 September 2009, 12:23 p.m., p. 5.

corporations, namely, Adelfa Properties, Inc., Golden Haven Memorial Park, Inc., and Azalea Real Estate Corporation (now, Brittany Corporation).

At the hearing of the Committee on 22 September 2009, the Chairman stated that since the instant case pertains to the conduct of a Senator while he is a member of this chamber, he suggested that the issue would be confined to the ethical conduct of the respondent.<sup>84</sup>

Guided by Section 2<sup>85</sup> and Section 15<sup>86</sup> of the Rules, the Committee, through its Chairman, confines itself to the following issues over which this Committee has jurisdiction:

**Issue No. 1**

**WHETHER RESPONDENT SENATOR MANUEL B. VILLAR, JR. HAS VIOLATED A LAW OR ANY RULE OF THE SENATE RELATING TO THE DISCHARGE OF HIS DUTIES AS A MEMBER OF THE SENATE.**

**Issue No. 2**

**WHETHER RESPONDENT SENATOR MANUEL B. VILLAR, JR. HAS ENGAGED IN IMPROPER AND UNETHICAL CONDUCT WHICH MAY REFLECT UPON THE SENATE AT ANY TIME AFTER HE HAS TAKEN HIS OATH.**

***VIII. Discussion of the Issues***

***Violation of Relevant Provisions of the Constitution and Applicable Laws***

Complainant Senator Madrigal claims that respondent Senator Villar violated Sections 14 and 12 of Article VI of the Constitution, and Republic Act No. 6713.

Section 14, Article VI of the 1987 Philippine Constitution provides:

SECTION 14. No Senator or Member of the House of Representatives may personally appear as counsel before any court of justice or before the Electoral Tribunals, or quasi-judicial and other administrative bodies. **Neither shall he, directly or indirectly, be interested financially in any contract with, or in any franchise or special privilege granted by the Government, or any subdivision, agency, or instrumentality thereof, including any government-owned or controlled corporation, or its subsidiary, during his term of office. He shall not intervene in any matter before any office of the Government for his**

<sup>84</sup> Journal of the Committee of the Whole Hearing of 22 September 2009, p. 3.

<sup>85</sup> Sec. 2. JURISDICTION – Pursuant to Rule 10, Section 13(2) of the Senate Rules, all matters relating to the conduct, rights, privileges, safety, dignity, integrity and reputation of the Senate and its Members shall be under the exclusive jurisdiction of the Senate Committee on Ethics and Privileges.

<sup>86</sup> Sec. 15. SWORN COMPLAINTS – Any person or persons may file a sworn statement or verified complaint with the Committee, alleging that any Senator has violated a law or any rule of the Senate relating to the discharge of his duties as a member of the Senate; or has engaged in improper conduct which may reflect upon the Senate, at any time after he or she has taken his or her oath.

pecuniary benefit or where he may be called upon to act on account of his office.<sup>87</sup>

The above-cited section of the Constitution defines what constitutes conflict of interests among Senators or Members of the House of Representatives.

Under Section 14, legislators are prohibited from being “directly or indirectly, be interested financially in any contract with, or in any franchise or special privilege granted by the Government, or any subdivision, agency, or instrumentality thereof, including any government-owned or controlled corporation, or its subsidiary, during his term of office.”

Section 14 also provides that a legislator “shall not intervene in any matter before any office of the Government for his pecuniary benefit or where he may be called upon to act on account of his office.”

Section 12 of Article VI of the Constitution provides:

SECTION 12. All Members of the Senate and the House of Representatives shall, upon assumption of office, make a full disclosure of their financial and business interests. **They shall notify the House concerned of a potential conflict of interest that may arise from the filing of a proposed legislation of which they are authors.**<sup>88</sup>

On the other hand, Section 3(i) of Republic Act No. 6713, or the Code of Conduct and Ethical Standards for Public Officials and Employees, states:

"Conflict of interest" arises when a public official or employee is a member of a board, an officer, or a substantial stockholder of a private corporation or owner or has a substantial interest in a business, and the interest of such corporation or business, or his rights or duties therein, may be opposed to or affected by the faithful performance of official duty.

### *Unethical and Improper Conduct as a Senator*

The Constitution provides in Section 16, Article VI, paragraph 3, that “[E]ach House may determine the Rules of its proceedings, punish its members for disorderly behavior, and, with the concurrence of two-thirds of all its Members, suspend or expel a Member. A penalty of suspension, when imposed, shall not exceed sixty days.” Such provision gives each House the power to determine what constitutes unethical and improper conduct. Even the Supreme Court acknowledges this Constitutionally-mandated prerogative.<sup>89</sup>

Upon election and assumption of office, members of the Senate take their oath “to faithfully discharge the duties and responsibilities of their position and vow to support and

<sup>87</sup> Emphasis supplied.

<sup>88</sup> Emphasis supplied.

<sup>89</sup> *Osmena v. Pendatun*, 109 Phil 863 (1960).

defend the Constitution, obey the laws, legal orders and decrees promulgated by the duly constituted authorities of the Republic.”<sup>90</sup>

At the very core of every ethics case lies the burden of the complainant to show that such acts allegedly committed by the respondent indeed constitute what is considered to be disorderly behavior, or, improper and unethical conduct. Evidently, when a member of the Senate fails to uphold the Constitution and the laws of the land, he violates his or her oath of office, and therefore, he engages in unethical and improper conduct.

### *IX. Findings of the Committee*

Based on the documentary and testimonial evidence submitted before the Committee, there is substantial credible evidence showing that:

1. Senator Villar is a substantial stockholder of Adelfa Properties, Inc., which in turn is the owner of Golden Haven Memorial Park, Inc. and Azalea Real Estate Corporation (now, Brittany Corporation).
2. Senator Villar was the proponent of the Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project designed to ease the flow of traffic at the same time to “promote and enhance industrial and commercial opportunities in the vicinity”<sup>91</sup> and “make the area boom with investment and corporations.”<sup>92</sup>
3. The Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project were made to pass through the properties of the aforesaid corporations of Senator Villar following a curved, instead of a straight alignment.
4. The alignment of the C-5 Road Extension segment of the Manila-Cavite Toll Expressway Project (MCTEP) of the Toll Regulatory Board had to be changed just to accommodate the alignments of the Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project.
5. The aforesaid corporations of Senator Villar received roads-right-of-way compensation and, up to this date, they still have unpaid claims.
6. The properties of Senator Villar’s corporations that were acquired for roads-right-of-way for the Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension

<sup>90</sup> The Oath of Office of a Senator reads: “I \_\_\_\_\_, having been elected to the position of Senator, do hereby solemnly swear that I will well and faithfully discharge to the best of my ability the duties of my present position and of all others I may hereafter hold under the Republic of the Philippines; that I will support and defend the Constitution of the Philippines; that I will obey the laws, legal orders and decrees promulgated by the duly constituted authorities and maintain true faith and allegiance to the Republic of the Philippines; and that I impose this obligation upon myself voluntarily, without mental reservation or purpose of evasion. So help me God.”

<sup>91</sup> See Exhibit “B” (Document captioned “Project Profile” of the “Project: Construction of Road and/or Bridges from Quirino Avenue, Pulang Lupa, Las Piñas City to A. Santos Avenue, San Dionisio Parañaque City (Las Piñas-Parañaque Link Road)”) ”

<sup>92</sup> *Id.*



Project were given zonal valuation for different areas (not the zonal valuation of the area where they were located) thus tremendously increasing the compensation due them from the government.

7. Senator Villar had regularly funded the two projects chargeable against "Various Infrastructure Including Local Projects – Nationwide" or against the Priority Development Assistance Fund authorized by General Appropriations Acts from 2001 up to 2008.

8. Senator Villar allowed a director, general manager, senior vice-president, and chief operating officer of his corporation, Adelfa Properties, Inc., in the person of Engr. Anastacio C. Adriano, Jr., to propose an amendment to the 2008 national budget, which is the appropriation of the amount of ₱ 400,000,000.00 for the C-5 Road Extension Project, when there was no specific program of work for such project and despite the fact that there was already an appropriation for the same amount for the same project, and that the only apparent reason for such amendment was to make available an appropriation for the payment of outstanding roads-right-of-way compensation claims of about ₱200,000,000.00 by the corporations of Senator Villar. The Committee takes official notice that while the amount proposed was ₱400,000,000.00, the actual amount appropriated in the 2008 national budget was only ₱200,000,000.00.

9. Based on Exhibit "A," which is a document captioned, "Alignment of Circumferential Road-5 (NLEX, SLEX – COASTAL ROAD)," and Exhibit "B," which is a document captioned, "Project Profile" for the "Project: Construction of Road and/or Bridges from Quirino Avenue, Pulang Lupa, Las Piñas City to A. Santos Avenue, San Dionisio, Parañaque City (Las Piñas – Parañaque Link Road)," the total cost of the re-aligned C-5 Extension Road Project is ₱ 6,962,970,000.00. If we subtract from this amount the cost of the original alignment which was ₱ 2,678,000,000.00 (Exhibit "TTTT," which is a document captioned, "Manila Cavite Toll Expressway Issues Affecting the Future Phasing of the Project"), the total additional cost for the project is ₱4,284,970,000.00.

10. The amount of ₱ 1,800,000,000.00, spent by the government for road-right-of-way for the C-5 Road Extension segment of MCTEP, was wasted due to the re-alignment of the project. (Exhibit "TTTT")

11. To the aforesaid amounts of ₱ 4,284,970,000.00 and ₱ 1,800,000,000.00, or a total of ₱ 6,084,970,000, the Committee may add ₱ 141,100,427.00, representing the overprice on the properties of Senator Villar acquired as roads-right-of-way for the projects -

Owner <sup>93</sup>	Lot / TCT No. <sup>94</sup>	Affected Area	Purchase Price per square	Purchase Price	Correct Zonal Value <sup>95</sup>	Correct Purchase Price <sup>96</sup>	Total Overprice <sup>97</sup>
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<sup>93</sup> See Exhibit "C" (List of Affected Lots as of October 2008), Exhibits "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao)

<sup>94</sup> See Exhibit "C" (List of Affected Lots as of October 2008), Exhibits "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao)

<sup>95</sup> Revised Zonal Valuation of 1998 (RDO No. 53)

<sup>96</sup> Affected Area x Correct Zonal Value

<sup>97</sup> Purchase Price – Correct Purchase Price

Adelfa Properties, Inc.	PSU-240671/T-7990	1,613 <sup>98</sup>	13,300 <sup>99</sup>	21,452,900 <sup>100</sup>	3,500 <sup>101</sup>	5,645,500	15,807,400
Golden Haven Memorial Park, Inc.	Lot1-A(LRC) Psd-334765 T-105324	885 <sup>102</sup>	13,300 <sup>103</sup>	11,776,884 <sup>104</sup>	1,600 <sup>105</sup>	1,416,768	10,360,116
Golden Haven Memorial Park, Inc.	PSU-200768/T-6720	1,674 <sup>106</sup>	13,300 <sup>107</sup>	24,488,132 <sup>108</sup>	1,600 <sup>109</sup>	2,678,128	21,810,004
Golden Haven Memorial Park, Inc.	Lot 2 PSU-93369/T-26482	1,630 <sup>110</sup>	13,300 <sup>111</sup>	21,675,675 <sup>112</sup>	1,600 <sup>113</sup>	2,607,600	19,068,075
Golden Haven Memorial Park, Inc.	PSU-93369	5,918	13,300	78,707,272	3,500 <sup>114</sup>	20,712,440	57,994,832

98 See Exhibit "C" (List of Affected Lots as of October 2008), Exhibits "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao) and Exhibits "SSSSS-1" to "SSSSS-12" (Relative Deed of Sale and Vouchers)

99 *Id.*

100 *Id.*

101 See Exhibit "WWWW-29" (Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53) and Exhibit "CCCCC-10" (Table of Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53). The property can be classified as commercial since it is along Tramo Street near Real Street and there are commercial establishments nearby.

102 See Exhibit "C" (List of Affected Lots as of October 2008), Exhibits "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao) and Exhibit "SSSSS-13" to "SSSSS-22" (Relative Deed of Sale and Vouchers)

103 *Id.*

104 *Id.*

105 See Exhibit "WWWW-29" (Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53) and Exhibit "CCCCC-10" (Table of Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53). The property may be classified as general purpose since it is a raw land.

106 See Exhibit "C" (List of Affected Lots as of October 2008), Exhibits "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao) and Exhibits "SSSSS-23" to "SSSSS-33" (Relative Deed of Sale and Vouchers).

107 *Id.*

108 *Id.*

109 See Exhibit "WWWW-29" (Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53) and CCCCC-10 (Table of Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53). The property may be classified as general purpose since it is a raw land.

110 See Exhibit "C" (List of Affected Lots as of October 2008), Exhibit "DDDDDD-4" to "DDDDDD-6" (List of Affected Lots as of August 2009 submitted by Engr. Tayao) and Exhibit "SSSSS-34" to "SSSSS-45" (Relative Deed of Sale and Vouchers).

111 *Id.*

112 *Id.*

113 See Exhibit "WWWW-29" (Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53) and Exhibit "CCCCC-10" (Table of Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53). The property may be classified as general purpose since it is a raw land.

114 See Exhibit "WWWW-29" (Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53) and CCCCC-10 (Table of Zonal Valuation for Manuyo Uno, Las Piñas as per RDO No. 53); Can be classified as commercial since it is along Tramo near Real Street and there are commercial establishments nearby

Masaito Dev't Corporation (MOA w/ Adelfa Properties)	T-68880	1,606 <sup>115</sup>	30,000 <sup>116</sup>	48,180,000 <sup>117</sup>	20,000 <sup>118</sup>	32,120,000	16,060,000
Total Overprice							P141,100,427

**For the benefit of his corporations, Senator Villar made the Filipino People suffer the total amount of ₱ 6,226,070,427.00.**

Section 9 of Republic Act No. 6713 mandates that “a public official or employee shall avoid conflicts of interest at all times<sup>119</sup>.”

Senator Villar failed to avoid this conflict of interests situation by not divesting himself of his shareholdings or interests in Adelfa Properties, Inc., Golden Haven Memorial Park, Inc., and Azalea Real Estate Corporation (now, Brittany Corporation) when it was apparent to him that said corporations had contracts with the government, through the Department of Public Works and Highways (DPWH), for road-right-of-way acquisition.

As admitted by Engr. Anastacio C. Adriano, Jr., it was in the interest of the corporations of Senator Villar to be paid for such road-right-of-way. This interest “may be opposed to or affected by the faithful performance of official duty” on the part of Senator Villar who has the power to appropriate public funds by proposing amendments to the national budget.

As it happened, Senator Villar used that power to satisfy the interest of his corporations. He did not therefore only violate the conflict of interest rule, thus violating Section 9, in relation to Section 3, of Republic Act No. 6713, but Senator Villar also became directly or indirectly interested financially in such contracts between his corporations and the DPWH, hence violating Section 14, Article VI of the Constitution.

In proposing the DPWH C-5 Road Extension Project that passed through properties of his corporations, which in turn benefitted from the use of such road, from the compensation for right-road-of-way, and from the resultant economic development in and increased market value of the vicinity, respondent Senator Villar also violated Section 14, Article VI of the Constitution for intervening in such matters before the DPWH for his pecuniary benefit.

Although the DPWH C-5 Road Extension Project was proposed when Senator Villar was still a member of the House of Representatives, and therefore not a member of the Senate, **the fact that he continued to fund the said project when he was already a Senator, or a Chairman of the Committee on Finance, or a Senate President, and yet did not disclose his**

<sup>115</sup> See Exhibit “C” (List of Affected Lots as of October 2008), Exhibits “DDDDDD-4” to “DDDDDD-6” (List of Affected Lots as of August 2009 submitted by Engr. Tayao) and Exhibit “SSSSS-257” to “SSSSS-277” (Relative Deed of Sale and Vouchers)

<sup>116</sup> *Id.*

<sup>117</sup> *Id.*

<sup>118</sup> See Exhibit “RRRRR- 20” (pertinent page of DOF Department Order No. 16-98 prescribing the Revised Zonal Values of Real Properties (6<sup>th</sup> Revision) located in the Municipality of Parañaque). The property may be classified as commercial since it is right beside SM Sucat.

<sup>119</sup> Emphasis supplied.

**pecuniary interest as so required by the Constitution, constitutes improper conduct and a violation of Section 14, Article VI of the Constitution.**

As to the valuation of the properties of Senator Villar's corporations that were acquired for roads-right-of-way for the Las Piñas-Parañaque Link Road Project and the DPWH C-5 Road Extension Project, although there is no evidence to prove the direct participation of Senator Villar in the overpricing of such properties, it is fair and safe to assume that Senator Villar knew about the said overpricing as his corporations stood to gain from such transactions with the government and considering the closeness of Senator Villar to Engr. Adriano who was directly involved in these transactions.

Senator Villar also violated Section 12, Article VI of the Constitution by failing to notify the Senate of a "potential conflict of interest"<sup>120</sup> when he proposed an amendment to the 2008 national budget by appropriating ₱400,000,000.00 (of which only ₱200,000,000.00 was approved by the Finance Committee and subsequently adopted as Senate amendments) for a project that would benefit his corporation and which amount may be used to pay the claims of his corporations for unpaid road-right-of-way compensation.

Evidently, these acts of respondent Senator Villar were committed while he was a member of the Senate in the 13<sup>th</sup> Congress and a member of the Senate in the present 14<sup>th</sup> Congress, and while he held the positions of Chairperson of the Committee on Finance from FY 2002 to FY 2006 (except for brief periods) and while he was the Senate President from July 2006 to 17 November 2008, and such acts relate to the discharge of his duties as a Senator.

**IN SUM, THE COMMITTEE HEREBY FINDS THAT RESPONDENT SENATOR MANUEL B. VILLAR, JR.:**

**1. VIOLATED SECTION 12 OF ARTICLE VI OF THE 1987 CONSTITUTION, AND SECTION 3(I), IN RELATION TO SECTION 9, OF REPUBLIC ACT NO. 6713, ENTITLED, THE CODE OF CONDUCT OF ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES; AND,**

**2. ENGAGED HIMSELF IN IMPROPER AND UNETHICAL CONDUCT THAT ADVERSELY REFLECTS UPON THE SENATE.**

*P.S. Res. No. 1472*<sup>121</sup>

The Committee takes official notice of the fact that on 16 November 2009, P.S. Resolution No. 1472 was filed by twelve (12) senators initially, namely: Aquilino Q. Pimentel, Jr., Alan Peter "Companero" Cayetano, "Companera" Pia Cayetano, Manuel "Lito" Lapid, Gregorio Honasan II, Joker Arroyo; Miriam Defensor Santiago, Ramon Revilla Jr., Jinggoy Ejercito-Estrada, Loren Legarda, Francis Pangilinan, and respondent Manuel Villar, Jr. Thereafter, Sen. Jinggoy Estrada expressed his desire to withdraw his signature from the said resolution. The resolution not only expresses the sense of the Senate to dismiss the complaint against respondent Senator Villar but, more importantly, clears the respondent "of the charges contained in P.S. Resolution 706 dated October 8, 2008 and alleged in the complaint-affidavit filed by Senator Madrigal."

<sup>121</sup> Entitled, "Resolution Expressing the Sense of the Senate to Dismiss, As It Hereby Dismisses the Complaint Against Senator Manuel B. Villar and Clear, As It Hereby Clears Him of Alleged Acts of Disorderly Behavior."

On 17 November 2009, the Senate President ruled that such resolution was out of order and premature, considering that when PSR 1472 was filed, this report was not yet completed. It was thereafter referred to the Committee on Rules and will be considered only upon the rendering and filing of this report by the committee. Furthermore, it was agreed upon that PSR 1472 and this report shall be considered together by the Plenary.

The Committee of the Whole notes that, notwithstanding the signatures of the remaining eleven (11) senators to PSR 1472, it is cognizant of the reality that although it finds that the respondent should be meted out the penalties of either suspension or expulsion from the Senate, the number of votes required for such sanctions may have been rendered unattainable.

#### *X. Recommendation*

WHEREFORE, IN VIEW OF THE FOREGOING, THE COMMITTEE OF THE WHOLE HEREBY RECOMMENDS THAT SENATOR MANUEL B. VILLAR, JR. BE CENSURED FOR VIOLATING SECTION 14 OF ARTICLE VI OF THE CONSTITUTION AND SECTION 3(I), IN RELATION TO SECTION 9, OF REPUBLIC ACT NO. 6713, OTHERWISE KNOWN AS THE CODE OF CONDUCT OF ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, AND FOR ENGAGING IN IMPROPER AND UNETHICAL CONDUCT AS A SENATOR OF THE REPUBLIC AND HAS, BY COMMITTING SUCH VIOLATIONS, DAMAGED THE INTEGRITY OF THE SENATE AS AN INSTITUTION.

FURTHERMORE, IN THE INTEREST OF FAIRNESS, PUBLIC ACCOUNTABILITY AND IN FURTHERANCE OF THE PRINCIPLE THAT A PUBLIC OFFICE IS A PUBLIC TRUST, THE COMMITTEE OF THE WHOLE HEREBY RECOMMENDS THAT THE SENATE DEMAND THE RETURN AND RESTITUTION BY SENATOR MANUEL B. VILLAR, JR. TO THE PUBLIC COFFERS SUCH AMOUNT OF MONEY OR PECUNIARY ADVANTAGE HE HAS OR HIS COMPANIES HAVE ILLEGALLY GAINED OR OBTAINED AS A RESULT OF UNLAWFUL ACTS AND IMPROPER AND UNETHICAL CONDUCT.

RESPECTFULLY SUBMITTED.

  
SENATE PRESIDENT JUAN PONCE ENRILE  
Chairman

Members

  
SEN. EDGARDO J. ANGARA

  
SEN. BENIGNO S. C. AQUINO III

SEN. JOKER P. ARROYO

  
SEN. RODOLFO G. BIAZON

SEN. ALAN PETER S. CAYETANO

SEN. PIA S. CAYETANO

SEN. MIRIAM DEFENSOR SANTIAGO

SEN. FRANCIS G. ESCUDERO

SEN. JINGGOY EJERCITO ESTRADA

SEN. RICHARD J. GORDON

SEN. GREGORIO B. HONASAN II

SEN. PANKILO M. LACSON

SEN. MANUEL M. LAPID

SEN. LOREN B. LEGARDA

SEN. M.A. MADRIGAL

SEN. FRANCIS N. PANGILINAN

SEN. AQUILINO Q. PIMENTEL JR.

SEN. RAMON B. REVILLA JR.

SEN. MAR ROXAS

SEN. ANTONIO F. TRILLANES III

SEN. MANUEL B. VILLAR

SEN. JUAN MIGUEL F. ZUBIRI

*regardless of whether we agree with the findings the proponents of the report should be given the opportunity to present the report plenary*