



Republic of the Philippines  
**House of Representatives**  
Quezon City, Metro Manila  
15<sup>th</sup> Congress  
1<sup>st</sup> Regular Session

COMMITTEE REPORT NO. 899

Submitted by the Committee on Housing and Urban Development on 02 MAY 2011  
Re: House Bill No: 4565  
Recommending its approval in substitution of House Bill Nos. 154, 1161, & 3278  
Sponsors: Representatives Valencia, Olivares, Biazon and Ejercito

Mr. Speaker:

The Committee on Housing and Urban Development to which were referred House Bill No. 154 introduced by Reps. Edwin L. Olivares, Ma. Amelita Calimbas-Villarosa and Bernadette R. Herrera-Dy, entitled:

“AN ACT CREATING A LOCAL HOUSING BOARD IN EVERY CITY AND MUNICIPALITY, PROVIDING FOR ITS POWERS AND DEFINING IT DUTIES AND FUNCTIONS, AND FOR OTHER PURPOSES”;

House Bill Nos. 1161 introduced by Reps. Rodolfo G. Biazon, Mel Senen Sarmiento, Rosenda Ann M. Ocampo, Winston T. Castelo and Marcelino Teodoro, entitled:

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

and House Bill No. 3278 introduced by Rep. Joseph Victor G. Ejercito and Winston T. Castelo, entitled:

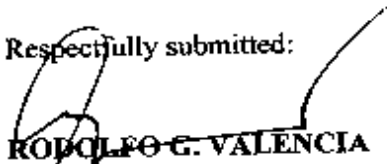
“AN ACT CREATING A LOCAL HOUSING BOARD IN ALL CITIES AND FIRST TO THIRD CLASS MUNICIPALITIES, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES”;

has considered the same and recommends that the attached House Bill No. 4565, entitled:

“AN ACT CREATING A LOCAL HOUSING BOARD IN EVERY CITY AND FIRST TO THIRD CLASS MUNICIPALITY, PROVIDING FOR ITS POWERS AND DEFINING ITS DUTIES AND FUNCTIONS, AND FOR OTHER PURPOSES”

be approved in substitution of House Bill Nos. 154, 1161, and 3278 with Reps. Olivares, Calimbas-Villarosa, Biazon, Sarmiento (M.S.), Ejercito, Castelo, Herrera-Dy, Ocampo, Teodoro (M), Magsaysay (M), Valencia, Leonen-Pizarro, Bagatsing, Acharon, Kho, Lico, Sy-Alvarado, De Jesus and Padilla as authors thereof.

Respectfully submitted:

  
**RODOLFO G. VALENCIA**

Chairman

Committee on Housing and Urban Development

THE HONORABLE SPEAKER  
HOUSE OF REPRESENTATIVES  
QUEZON CITY

Republic of the Philippines  
House of Representatives  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 4565

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Introduced by Reps. Edwin L. Olivarez, Ma. Amelita Calimbas-Villarosa, Rodolfo G. Biazon, Mel Senen Sarmiento, Joseph Victor G. Ejercito, Winston T. Castelo, Bernadette R. Herrera-Dy, Rosenda Ann M. Ocampo, Marcelino Teodoro, Maria Milagros H. Magsaysay, Rodolfo G. Valencia, Catalina G. Leonen-Pizarro, Amado S. Bagatsing, Pedro B. Acharon, Jr., David L. Kho, Isidro Lico, Ma. Victoria Sy-Alvarado, Emerenciana De Jesus and Carlos M. Padilla

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AN ACT

CREATING A LOCAL HOUSING BOARD IN EVERY CITY AND FIRST TO THIRD CLASS MUNICIPALITY, PROVIDING FOR ITS POWERS AND DEFINING ITS DUTIES AND FUNCTIONS, AND FOR OTHER PURPOSES

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

1           **SECTION 1. Short Title.** - This Act shall be known as the "Local Housing Board Act of  
2 2011".

3           **SECTION 2. Declaration of Policy.** - It is hereby declared the policy of the State to:

4           (a) promote a just and dynamic social order that will ensure the prosperity and  
5 independence of the nation and free the people from poverty through policies that provide  
6 adequate social services, promote full employment, a rising standard of living and an  
7 improved quality of life for all;

1 (b) adopt a continuing socialized housing program that will make available at  
2 affordable cost decent housing and basic services to underprivileged and homeless urban or  
3 rural poor dwellers;

4 (c) protect urban or rural poor dwellers from evictions or demolitions undertaken in  
5 violation of the law or in an unjust or inhumane manner;

6 (d) advance and promote genuine and meaningful local autonomy of territorial and  
7 political subdivisions of the State to enable them to attain their fullest development as self-  
8 sufficient communities and make them more effective partners in the attainment of  
9 national goals, and towards this end, the State shall provide for a more responsive and  
10 accountable local government structure instituted through a system of decentralization  
11 whereby local government units (LGUs) shall be given more powers, authority,  
12 responsibilities and resources in the establishment and implementation of their own  
13 housing program;

14 (e) promote and institutionalize the participation of the private sector,  
15 nongovernment organizations (NGOs) and people's organizations (POs) in the urban and  
16 rural development process; and

17 (f) require all national agencies and offices to conduct periodic consultations with  
18 appropriate LGUs, nongovernmental organizations and POs and other concerned sectors  
19 and stakeholders of the community before any project or program is implemented in their  
20 respective jurisdictions.

21 **SECTION 3. *Definition of Terms.*** - For purposes of this Act the following terms or  
22 words and phrases shall mean or be understood as follows:

23 (a) *Balanced Housing Requirement* refers to the mandate pursuant to Section 18 of  
24 Republic Act (R.A.) No. 7279 or the Urban Development and Housing Act, whereby

1 developers of proposed subdivision projects shall be required to develop an area for  
2 socialized housing equivalent to at least twenty percent (20%) of the total subdivision area  
3 or total subdivision project cost, at the option of the developer, within the same city or  
4 municipality, whenever feasible, and in accordance with the standard set by the Housing  
5 and Land Use Regulatory Board (HLURB) and other existing laws;

6 (b) *Board* refers to the Local Housing Board created under this Act;

7 (c) *Comprehensive Land Use Plan* refers to the primary and dominant bases for land  
8 use, applying a rational approach for allocating available land resources as equitably as  
9 possible among competing user-groups and for different functions, consistent with the  
10 development and zoning plan of the area and the provisions of R.A. No. 7279;

11 (d) *Economic Housing* refers to a type of housing project provided to moderately  
12 low-income families with lower interest rates and longer amortization periods;

13 (e) *Local Government Pabahay Program* refers to the program aimed at  
14 synchronizing and coordinating efforts of all government housing agencies involved in  
15 assisting LGUs in their respective socialized housing projects, in the context of Executive  
16 Order No. 143, series of 1993, entitled: "Directing the Housing and Urban Development  
17 Coordinating Council to Oversee the Implementation of a Local Government Pabahay  
18 Program, and Defining the Responsibilities of Certain Agencies Which Will be Involved  
19 Therein";

20 (f) *Local Shelter Plan* refers to a general framework that effectively provides a step-  
21 by-step procedure by which cities and municipalities could formulate solutions to their  
22 housing problems, and shall include policy measures to enable cities and municipalities to  
23 plan and implement their specific mandates of R.A. No. 7279, and to facilitate a linkage with  
24 comprehensive land use plans as defined under this Act;

1           (g) *Local Shelter Plan Guidelines* refer to a model for the preparation of local shelter  
2 plans, as embodied in the National Urban Development and Housing Framework (NUDHF),  
3 or that which was developed under the PHI/89/F02 Project, implemented by the Housing  
4 and Urban Development Coordinating Council (HUDCC) and executed by the United Nations  
5 Centre for Human Settlements (UNCHS);

6           (h) *National Urban Development and Housing Framework (NUDHF)* refers to the  
7 comprehensive plan for urban and urbanizable areas issued by the HUDCC and the HLURB in  
8 November 1994 aimed at achieving the objectives of R.A. No. 7279;

9           (i) *NGO or Nongovernmental Organization* refers to a duly registered non-stock, non-  
10 profit organization focusing on the upliftment of the basic or disadvantaged sectors of  
11 society by providing advocacy, training, community organizing, research, access to  
12 resources, and other similar activities as defined under the Social Reform and Poverty  
13 Alleviation Act;

14           (j) *PO or People's Organization* refers to a self-help group belonging to the basic  
15 sectors and/or disadvantaged groups composed of members having a common bond of  
16 interest who voluntarily join together to achieve a lawful common social or economic end as  
17 defined under the Social Reform and Poverty Alleviation Act;

18           (k) *Rural Areas* refer to those areas that are not urban areas as defined under this  
19 Act;

20           (l) *Socialized Housing* refers to housing programs and projects covering houses and  
21 lots or homelots only undertaken by the government or the private sector for the  
22 underprivileged and homeless citizens which shall include sites and services development,  
23 long-term financing, liberalized terms on interest payments, and such other benefits in  
24 accordance with the provisions of R.A. No. 7279;

1 (m) *UDHA* refers to the Urban Development and Housing Act of 1992 or Republic Act  
2 No. 7279;

3 (n) *Underprivileged and Homeless Rural or Urban Poor Dwellers* refer to individuals  
4 or families residing in rural or urban areas whose income or combined household income  
5 falls within the poverty threshold as defined by the National Economic Development  
6 Authority (NEDA) and who do not own housing facilities, and shall include those who live in  
7 makeshift dwelling units and do not enjoy security of land tenure; and

8 (o) *Urban Areas* refer to all cities regardless of their population density and to  
9 municipalities with a population density of at least five hundred (500) persons per square  
10 kilometer.

11 **SECTION 4. Coverage.** - This Act shall cover all cities and first to third class  
12 municipalities in both urban and rural areas: *Provided*, That fourth and fifth class  
13 municipalities may create their own Local Housing Board if they so desire.

14 **SECTION 5. Mandate.** - The Local Housing Board in every city and municipality  
15 covered under this Act shall formulate, develop, and recommend to the Sanggunian policies  
16 and programs of the LGU on the provision of decent housing and resettlement areas and on  
17 the observance of the right of the underprivileged and homeless to a just and humane  
18 eviction and demolition; and perform the devolved functions of the HLURB under the Local  
19 Government Code of 1991 and under Executive Order No. 71, series of 1993 insofar as  
20 socialized housing is concerned.

21 **SECTION 6. Creation and Composition.** - There shall be created a Local Housing  
22 Board in every city or municipality covered under this Act which shall be composed of the  
23 following:

24 (a) The City/Municipal Mayor, as chairperson;

- 1 (b) The City/Municipal Vice Mayor, as vice chairperson;
- 2 (c) The Chairperson of the Sangguniang Panlungsod/Bayan Committee on Housing  
3 and Urban Development or its equivalent, as member;
- 4 (d) The City/Municipal Planning and Development Coordinator, as member;
- 5 (e) The City/Municipal Engineer, as member;
- 6 (f) A representative of the National Housing Authority, as member;
- 7 (g) A representative of the POs in the city or municipality, as member;
- 8 (h) A representative of the NGOs operating in the city or municipality, as member;
- 9 (i) A representative of the private sector engaged in subdivision and housing  
10 development in the city or municipality, as member.

11 In the case of a city, the Presidential Commission for the Urban Poor (PCUP) shall be  
12 represented in the Board, as member.

13 A PO, NGO or private sector representative already represented in any local special  
14 body may be concurrently represented in the Board; *Provided*, That a PO, NGO or private  
15 sector representative to the Board shall each be selected through the same process as that  
16 of filling up the position of representatives of local special bodies.

17 **SECTION 7. Powers and Functions.** - A city or municipal Local Housing Board shall  
18 have the following powers and functions:

- 19 (a) Recommend to the Sanggunian, when the financial resources of the LGU allow,  
20 the adoption of a socialized housing program targeting the lowest income earners of the  
21 local population through on-site housing development or relocation with sites and services  
22 development, core-housing construction, and with integrated livelihood development  
23 component;

1 (b) Recommend policies on the prioritization, coordination, monitoring and  
2 evaluation of all housing programs and projects within its jurisdiction, including policies on  
3 the curtailment of the nefarious activities of professional squatters and squatting  
4 syndicates;

5 (c) Prepare, based on local shelter plan guidelines under the NUDHF and with the  
6 assistance of the HUDCC and other concerned government agencies, long-term, medium-  
7 term and short-term local shelter plans which shall form part of the city/municipal  
8 development plans: *Provided*, That public hearings shall be conducted for the purpose;

9 (d) Recommend the designation of sites for socialized housing, subject to the  
10 requirements prescribed by Section 8 of R.A. No. 7279 and the guidelines issued for the  
11 purpose, and ensure the conduct by the LGU of the inventory of all available lands within its  
12 locality and the updating of the same every three (3) years pursuant to Section 7 of R.A. No.  
13 7279 and its implementing guidelines;

14 (e) Recommend, for approval of the Sanggunian, formulated schemes for the  
15 acquisition and disposition of lands within the locality for socialized housing purposes,  
16 subject to Sections 9 to 14 of R. A. No. 7279 and their implementing guidelines: *Provided*,  
17 That such schemes shall ensure that the valuation of a particular land for socialized housing  
18 purposes shall be within the affordability levels of prospective beneficiaries;

19 (f) Recommend for approval of the local chief executive (LCE) partnership  
20 arrangements with the national government or the private sector and NGOs on, but not  
21 limited to the following programs:

22 (i) Housing Production Assistance, Resettlement Assistance, Local Housing,  
23 Cost Recoverable Joint Ventures and other relevant programs of the National  
24 Housing Authority (NHA);



1 (ii) Local government housing assistance programs of the Home Development  
2 Mutual Fund (HDMF), the National Home Mortgage Finance Corporation (NHMFC),  
3 the Home Guaranty Corporation (HGC), and for this purpose, the local housing board  
4 shall coordinate with the Advisory Committee created to oversee the  
5 implementation of the Local Government Pabahay Program;

6 (iii) Localized Community Mortgage Program of the Social Housing Finance  
7 Corporation;

8 (iv) Other socialized housing projects undertaken by other national  
9 government agencies and government-owned and controlled corporations within  
10 the locality; and

11 (v) Socialized housing projects of the private sector or NGOs.

12 (g) Recommend to the Sanggunian matters of local taxation which may affect the  
13 local government housing program, which includes, but shall not be limited to, the  
14 formulation of a socialized housing tax, idle lands tax, and an additional levy on the real  
15 property tax to constitute a Special Socialized Housing Fund (SSHF);

16 (h) Approve preliminary and final subdivision schemes and development plans of all  
17 socialized housing projects as well as individual or group building occupancy permits  
18 covered by Batas Pambansa Big. 220, entitled: "An Act Authorizing the Ministry of Human  
19 Settlements to Establish and Promulgate Different Levels of Standards and Technical  
20 Requirements for Economic and Socialized Housing Projects in Urban and Rural Areas from  
21 Those Provided under Presidential Decrees Numbered Nine Hundred Fifty- Seven, Twelve  
22 Hundred Sixteen, Ten Hundred Ninety-Six and Eleven Hundred Eighty-Five," and its  
23 implementing standards, rules and regulations;

1 (i) Evaluate and resolve any opposition to the issuance of development permits for  
2 any of the projects stated in the immediately preceding subsection, in accordance with the  
3 law and the Rules of Procedure promulgated by the HLURB pursuant thereto;

4 (j) Designate at least one (1) representative to the local development council;  
5 *Provided, That the representative is not already a member of the council;*

6 (k) Submit to the President and the Congress of the Philippines through the LCE an  
7 annual report as provided in Section 41 or R. A. No. 7279; and

8 (l) Perform such other related functions established by law or ordinance, as  
9 necessary to implement the mandate of LGUs under R. A. No. 7279.

10 **SECTION 8. *Housing and Urban Development Officer, Qualifications.*** - The housing  
11 and urban development policies, plans and programs formulated by the Local Housing  
12 Board shall be implemented by an appointive local official to be known as the Housing and  
13 Urban Development Officer.

14 No person shall be appointed Housing and Urban Development Officer unless he is a  
15 citizen of the Philippines, a resident of the LGU concerned, of good moral character, a  
16 holder of a college degree either in public administration, urban planning, development  
17 studies, economics, civil engineering, or other related course with special training in housing  
18 and urban development programs and management from a recognized college or university,  
19 and a first grade civil service eligible or its equivalent. He must have an experience either in  
20 housing development projects, organization of housing associations, management and  
21 operation of housing and shelter programs or other related activities for at least five (5)  
22 years in the case of the City Housing and Urban Development Officer, and three (3) years in  
23 the case of Municipal Housing and Urban Development Officer.

1           The appointment of the Housing and Urban Development Officer shall be mandatory  
2 for all the LGUs covered under this Act. *Provided, however,* That cities and municipalities  
3 with existing Urban Poor Affairs Office or its equivalent shall convert the same to the Office  
4 of the Housing and Urban Development Officer.

5           **SECTION 9. Duties and Functions of the Housing and Urban Development Officer. -**

6 The Housing and Urban Development Officer shall:

7           (a) Implement the local shelter plans prepared by the Local Housing Board;

8           (b) Ensure the enforcement of laws, policies and programs on housing and shelter as  
9 provided for under laws and such directives, rules and regulations adopted by the Board;

10          (c) Assist the city/municipal development council in the formulation of its  
11 comprehensive land use plans;

12          (d) Ensure compliance with the Balanced Housing Requirement as provided in  
13 Section 18 of R. A. No. 7279 and its implementing rules and regulations;

14          (e) Conduct an inventory of all lands within the locality, and update the same every  
15 three years, in accordance with Section 7 of R. A. No. 7279 and guidelines issued for the  
16 purpose;

17          (f) Identify the sites for socialized housing to be recommended by the Board for  
18 designation as such, subject to the requirements prescribed by Section 8 of R. A. No. 7279  
19 and the guidelines issued for the purpose;

20          (g) In coordination with other concerned offices within the LGU, monitor the nature  
21 and progress of land development of projects approved by the Board, as well as housing  
22 construction in the case of house and lot packages, to ensure their faithfulness to the  
23 approved plans and specifications thereof, and impose appropriate measures to enforce  
24 compliance therewith;

1 (h) Ensure the registration of underprivileged and homeless urban or rural dwellers  
2 as socialized housing beneficiaries under Section 16 and 17 of R. A. No. 7279: *Provided, That*  
3 the Housing and Urban Development Officer shall assume the functions of the city or  
4 municipal registration committee as constituted under the implementing rules and  
5 regulations of the same sections;

6 (i) Coordinate with government agencies and instrumentalities performing functions  
7 which may affect housing and urban development;

8 (j) Promote the development and sustainability of housing associations and  
9 cooperatives within the locality by performing the following:

10 (i) Assist in the organization of housing and shelter associations and  
11 cooperatives;

12 (ii) In coordination with the other concerned LGU offices, assist in the  
13 provision of technical and other forms of assistance to existing housing associations  
14 and cooperatives to enhance their viability as an economic enterprise and social  
15 organization;

16 (iii) Assist the housing associations or cooperatives in establishing linkages  
17 with government agencies and NGOs involved in the promotion and integration of  
18 the concept of shelter development and generation, taking into account the  
19 livelihood of the people and other community activities;

20 (vi) Assist in the rehabilitation of or the viability-enhancement of housing  
21 associations or cooperatives, particularly in the aftermath of man-made and natural  
22 calamities and disasters, to aid in their survival; and

23 (k) Perform such other duties and functions as may be prescribed by law or  
24 ordinance.

1           **SECTION 10. *Generation and Mobilization of Resources.*** - The Local Housing Board is  
2 hereby constituted as the primary entity tasked to advise the Sanggunian on matters of  
3 sourcing of funds for socialized housing. For this purpose, the Local Housing Board may  
4 recommend the following schemes for funding socialized housing projects:

5           (a) Build-operate-transfer and other related schemes;

6           (b) Bond flotation and other credit financing arrangements;

7           (c) Availment of foreign or local grants: *Provided*, That the Local Housing Board is  
8 hereby authorized to receive foreign and local grants which shall be remitted to the local  
9 treasury, and shall be credited to the socialized housing account of the LGU concerned;

10          (d) Loan packages from government financing/lending institutions;

11          (e) Joint venture projects with private sector groups or developers and with NGOs  
12 and POs; and

13          (f) Pooling of resources between and among LGUs, the private sector, NGOs and Pos.

14           **SECTION 11. *Demolition and Eviction Clearinghouse.*** - The Local Housing Board is  
15 hereby tasked to oversee the implementation of Section 28 of R. A. No. 7279 and its  
16 implementing rules and regulations: *Provided*, That just and humane eviction and  
17 demolition procedures are likewise made applicable to rural areas.

18           In this regard, the Local Housing Board shall:

19           (a) Oversee and coordinate government activities relative to consultation, relocation  
20 and resettlement of underprivileged and homeless urban or rural poor dwellers in cases  
21 where evictions and demolitions affecting them are necessary and allowed by existing laws;

22           (b) Recommend policy measures and/or undertake appropriate action to ensure full  
23 compliance with the constitutional mandate and statutory requirements prior to evictions

1 and/or demolitions affecting underprivileged and homeless urban or rural poor dwellers;  
2 and

3 (c) Issue directives, rules and regulations, consistent with laws, as it may deem  
4 necessary to effectively carry out the purposes of the constitutional mandate to ensure just  
5 and humane evictions and demolitions.

6 **SECTION 12. *Compliance Report.*** - Before undertaking any eviction and/or  
7 demolition that will affect underprivileged and homeless urban or rural poor dwellers, the  
8 city or municipality concerned, national government agencies or other proponents of  
9 eviction and demolition activities, including employees of the judiciary, shall submit a  
10 Compliance Report to the Local Housing Board, with a statement under oath that:

11 (a) Adequate consultation as defined and outlined under pertinent laws, rules and  
12 regulations have already been undertaken with the affected residents;

13 (b) Adequate relocation as defined and outlined under pertinent laws, rules and  
14 regulations, is available, ready and sufficiently supported by relocation and resettlement  
15 funding; and

16 (c) The requirements and procedures prescribed under the implementing rules and  
17 regulations of Section 28 of R. A. No. 7279, specifically on the Pre-Relocation, Relocation  
18 and Post-Relocation Phases of eviction/demolition activities have been or shall be observed.

19 The Compliance Report shall include a certified list of families to be evicted and/or  
20 relocated. The Housing Board shall have the power to review the Compliance Report and  
21 approve or disapprove the same.

22 **SECTION 13. *Meetings and Quorum.*** - The Local Housing Board shall meet at least  
23 once a month or as often as may be deemed necessary. The presence of the chairperson or  
24 the vice chairperson and a majority of the members of the Board shall constitute a quorum.

1 Special meetings may be called by the chairperson or by a majority of the members,  
2 with written notice, together with the agenda of the meeting, served upon each member at  
3 least one day before the intended meeting.

4 The chairperson or, in his absence, the vice-chairperson shall preside over the board  
5 meetings.

6 **SECTION 14. Compensation and Remuneration.** - Members of the Local Housing  
7 Board who are not government officials or employees shall be entitled to the necessary  
8 travelling expenses and allowances chargeable against the funds of the Local Housing Board  
9 concerned, subject to existing accounting and auditing rules and regulations.

10 This does not preclude cities and municipalities from mobilizing other possible  
11 funding sources for the compensation and remuneration of members of the Local Housing  
12 Board who are not government officials or employees.

13 **SEC. 15. Special Socialized Housing Fund.** Cities and municipalities shall establish a  
14 special account to be called the "Special Socialized Housing Fund" to be administered by the  
15 Board which shall serve as source of funds for the housing programs of the city/municipality  
16 for the underprivileged and homeless. Sources of said trust fund shall come from, but not  
17 limited to, the following:

18 a) An appropriation from the Internal Revenue Allotment the amount of which shall  
19 be determined by the LGU;

20 b) Proceeds generated from the collection of the additional one-half percent (0.5%)  
21 tax on real properties;

22 c) All funds/monies generated from various sources intended for housing and other  
23 related development programs; and

1 d) All payments, remittances, accrued interests, penalties, and such other fees  
2 generated from housing related activities.

3 **SEC. 16. Roles of Stakeholders.** In order to facilitate the work of the Board, the roles  
4 of the stakeholders shall be as provided for under this section:

5 a. The Local Government Unit shall:

6 1) Identify and prioritize areas for housing development;

7 2) Plan on the total housing need of its constituents;

8 3) Provide basic information relative to the areas that may be proposed for issuance  
9 of Presidential Proclamation;

10 4) Assist in the conduct of verification survey;

11 5) Monitor and oversee the implementation of the activities in accordance with their  
12 respective work programs; and

13 6) Prepare the detailed work program for approved housing projects.

14 b. Housing and Urban Development Coordinating Council shall:

15 1) Recommend to the Board, options for the development of sites or disposition  
16 schemes to the intended beneficiaries;

17 2) Process and recommend to the President, idle or underutilized government lands  
18 identified by the Board as sites which are suitable for housing purposes;

19 3) Solicit assistance from other national government agencies whose functions and  
20 services are necessary in the provision of housing and delivery of basic services;

21 4) Through the National Housing Authority (NHA), prepare the Master Development  
22 Plans of the areas identified for housing;

23 5) Identify and recommend housing projects/programs which can be implemented  
24 and funded through alternative schemes; and



1           6) Draw-up guidelines as well as Terms of Reference to cover the implementation of  
2 identified priority housing projects.

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

4           1) Monitor all evictions and demolitions, whether extra-judicial or court-ordered,  
5 involving homeless and underprivileged citizens;

6           2) Investigate *motu proprio* or upon complaint by any party, any violation of the  
7 provisions of Section 28 of R. A. No. 7279 and its implementing rules and regulations;

8           3) File *motu proprio* or by way of assistance to any aggrieved party the appropriate  
9 criminal civil or administrative case against any person or persons found to have violated  
10 the provisions of Section 28 of R. A. No. 7279 or its implementing rules and regulations; and

11          4) Such other functions as maybe provided for under Executive Order No. 1521,  
12 series of 2002.

13          d. The PO and NGO representatives shall:

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

16          2) Provide feedback mechanism to the Board and ensure urban poor participation in  
17 the decision-making process;

18          3) Assist the Board in processing applications and documents;

19          4) Provide support to the Board in the community relations, social preparation,  
20 information dissemination and motivation activities at the identified housing sites;

21          5) Actively participate in the drawing up of the development plan for the area; and

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

1           **SECTION 17. Penalties.** - Failure to submit the Compliance Report as required by  
2 Section 12 of this Act, or any act of misrepresentation or fraud in connection with any  
3 information contained in a submitted Compliance Report, or the unjustified failure of or  
4 refusal by the LCE to constitute the Local Housing Board as created and defined by this Act,  
5 shall subject the national and local government officials and employees responsible for such  
6 omission, misrepresentation, fraud or unjustified failure or refusal to:

7           (a) disciplinary action under Book 1, Title Two, Chapter 4 of the Local Government  
8 Code; and/or

9           (b) prosecution under the penalty clause of R. A. No. 7279.

10           For this purpose, the LCE of a city or municipality shall constitute such Local Housing  
11 Board within ninety (90) days from the promulgation of the implementing rules and  
12 regulations of this Act. Failure to constitute the Board within this prescribed period shall be  
13 *prima facie* evidence of unjustified failure or refusal to do so.

14           **SECTION 18. Transitory Provisions.** - Cities and municipalities with existing local  
15 housing and urban development board or similar entity are hereby given ninety (90) days  
16 from the promulgation of the implementing rules and regulations of this Act within which to  
17 amend their respective ordinances to conform with the provisions of this Act: *Provided, That*  
18 nothing herein stated shall preclude cities and municipalities from assigning additional  
19 functions to the Board and/or appropriating additional funds to achieve the objectives of  
20 this Act: *Provided, further,* That the national government agencies may assist in the  
21 capability-building of the LGUs on matters of plan preparation, financing, and housing  
22 regulation, especially in the performance of the tasks relative to paragraphs (h) and (i) of  
23 Section 7 hereof on the approval of schemes and development plans of subdivision,  
24 residential, commercial, industrial and other purposes.

1           **SECTION 19. *Implementing Rules and Regulations.*** - Within sixty (60) days after the  
2 approval of this Act, the HUDCC and the Department of the Interior and Local Government  
3 (DILG), in consultation with the concerned government agencies, the private sector, the  
4 League of Cities and the League of Municipalities, POs and NGOs, shall formulate the  
5 appropriate rules and regulations necessary to effectively implement the provisions of this  
6 Act. Such rules and regulations shall include, among others, guidelines on the following:

- 7           (a) Resource generation and mobilization for socialized housing purposes;  
8           (b) Schemes for local government housing assistance; and  
9           (c) Accreditation and selection of representatives of the private sector, NGOs and  
10 POs to the Local Housing Board.

11           **SECTION 20. *Repealing Clause.*** - All pertinent provisions of the Local Government  
12 Code and Executive Order No. 71, series of 1993, and all other laws, decrees, executive  
13 orders, proclamations, rules and regulations, and other issuances, or part or parts thereof,  
14 which are inconsistent with the provisions of this Act are hereby repealed, amended or  
15 modified accordingly.

16           **SECTION 21. *Separability Clause.*** - If for any reason, any provision of this Act is  
17 declared invalid or unconstitutional, the remaining provisions not affected thereby shall  
18 continue to be in force and effect.

19           **SECTION 22. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its  
20 publication in the Official Gazette or at least two (2) newspapers of general circulation.

21           Approved.

Republic of the Philippines  
House of Representatives  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 154

**Introduced by Honorable Edwin L. Olivarez**

**EXPLANATORY NOTE**

The creation of the Local Housing Board (LHB) provides the administrative machinery that will complement the efforts of shelter agencies to effect the full implementation of R.A. 7279 or the UDHA and provide solution to the problem of housing among many of our countrymen. Given the different circumstances under which the shelter problem is faced by local government units (LGUs), a body at the local level that knows a locality's peculiarities would be in the best position to determine its shelter priorities.

With its creation the provision of adequate quality but affordable social housing will be accelerated nationwide. This proposed measure gives more autonomy – more power, authority, and responsibilities – to the Local Government Units (LGUs) especially concerning the provision of housing in their respective localities.

Further, the devolved powers, e.g. the approval of subdivision plans for residential, industrial, and other developmental purposes, will not only professionalize and stabilize the process of approval but will also ensure greater and more effective multi-sectoral participation, in the end hasten the development.

Under this measure, the LHB is mandated to be created in every city and 1<sup>st</sup> to 3<sup>rd</sup> class municipalities for the purpose of formulating, implementing and monitoring policies on the provision of housing and on the observance of a just and humane procedure in cases of eviction and or demolition at the local level. However, its creation is optional at the level of 4<sup>th</sup> and 5<sup>th</sup> class municipalities.

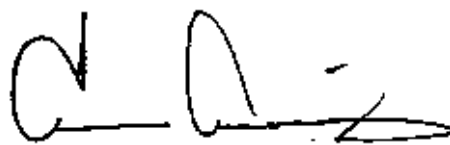
The LHB will be tasked to formulate, develop, implement and monitor policies on the provisions for housing and resettlement areas and on the observance of the rights of the underprivileged and homeless to a just and humane eviction and demolition. This measure also proposes the creation of the position of Local Housing and Urban Development Officer, an appointive local position, which will implement the policies, plans and programs formulated by the LHB.

Further, the measure devolves the function of clearinghouse for eviction and/or demolition from the Presidential Commission for the Urban Poor (PCUP) to the LHB to

oversee the implementation of a just and humane eviction and/or demolition pursuant to Section 28 of the R.A. 7279 of the UDHA.

Finally, the LGUs are mandated to appropriate at least one percent (1%) of the Internal Revenue Allotment for the LHB.

Thus, approval of this bill is earnestly sought.



**EDWIN L. OLIVAREZ**  
1<sup>st</sup> District Paranaque City

Republic of the Philippines  
**House of Representatives**  
Quezon City

**FIFTEENTH CONGRESS**  
First Regular Session

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A handwritten signature in black ink, appearing to read 'Edwin L. Olivarez', with a long horizontal flourish extending to the right.

**EDWIN L. OLIVAREZ**

1<sup>st</sup> District Paranaque City

Republic of the Philippines  
**House of Representatives**  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 154

-----  
**Introduced by Honorable Edwin L. Olivarez**  
-----

**AN ACT CREATING A LOCAL HOUSING BOARD IN EVERY CITY AND MUNICIPALITY, PROVIDING FOR ITS POWERS AND DEFINING ITS DUTIES AND FUNCTIONS, AND FOR OTHER PURPOSES**

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

**SECTION 1. *Short Title.*** - This Act shall be known as the "Local Housing Board Act".

**SECTION 2. *Declaration of Policy.*** - (a) It is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life for all.

(b) It is the policy of the State to adopt a continuing socialized housing program that will make available at affordable cost decent housing and basic services to underprivileged and homeless urban or rural poor dwellers.



(c) It is the policy of the State to protect urban or rural poor dwellers from evictions or demolitions undertaken in violation of the law or, in an unjust or inhumane manner.

(d) It is hereby declared that the territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-sufficient communities and make them more effective partners in the attainment of national goals. Towards this end, the State shall provide for a more responsive and accountable local government structure instituted through a system of decentralization whereby local government units (LGUs) shall be given more powers, authority, responsibilities and resources. The process of decentralization shall proceed from the National Government to the LGUs.

(e) It is the policy of the State to promote and institutionalize the participation of the private sector, nongovernment organizations (NGOs) and people's organizations (Pos) in the urban and rural development process.

(f) It is the policy of the State to require all national agencies and offices to conduct periodic consultations with appropriate LGUs, nongovernmental organizations and Pos and other concerned sectors and stakeholders of the community before any project or program is implemented in their respective jurisdictions.

**SECTION 3. *Definition of Terms.*** - For purposes of this Act, the following terms or words and phrases shall mean or be understood as follows:

- (a) *Balanced Housing Requirement* refers to the mandate pursuant to Section 18 of the Urban Development and Housing Act (UDHA), whereby developers of proposed subdivision projects shall be required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total subdivision area or total subdivision project cost, at the option of the developer, within the same city or municipality, whenever feasible, and in accordance with the standard set by the Housing and Land Use Regulatory Board (HLURB) and other existing laws;
- (b) *Comprehensive Land Use Plan* refers to the primary and dominant bases for land use, applying a rational approach for allocating available land resources as equitably as possible among competing user-groups and for different functions, consistent with the development and zoning plan of the area and the provisions of the UDHA;
- (c) *Economic Housing* refers to a type of housing project provided to low-income families with lower interest rates and longer amortization periods;
- (d) *Local Government Pabahay Program* refers to the program aimed at synchronizing and coordinating efforts of all government housing agencies involved in assisting LGUs in their respective socialized housing projects, in the context of Executive Order No. 143, series of 1993;
- (e) *Local Shelter Plan* refers to a general framework that effectively provides a step-by-step procedure by which cities and municipalities could formulate solutions to their housing problems. It shall include measures to enable cities and municipalities to plan and implement their specific mandates based on the UDHA, and to facilitate a linkage with comprehensive land use plans as defined under this Act;

- (f) *Local Shelter Plan Guidelines* refers to a model for the preparation of local shelter plans, as embodied in the National Urban Development and Housing Framework (NUDHF), or that which was developed under the PHI/89/F02 Project, implemented by the Housing and Urban Development Coordinating Council (HUDCC) and executed by the United Nations Centre for Human Settlements (UNCHS);
- (g) *National Urban Development and Housing Framework (NUDHF)* refers to the authoritative document issued by the HLURB aimed at achieving the objectives of the UDHA;
- (h) *NGO or Nongovernmental Organization* is a nonprofit, voluntary organization that is committed to the task of socio-economic development and established primarily for service which may involve assisting citizens of peoples organization (Po's) in various ways by educating, training or giving financial assistance to them;
- (i) *PO or People's Organization* is an independent community and/or class-based association established to protect and advance the interest of specific causes or sectors, e.g., urban poor, labor, farmers, fishermen, women;
- (j) *Rural Areas* refer to those areas that are not urban areas as defined under this act;
- (k) *Socialized Housing* refers to housing programs and projects covering houses, lots or house and lots, undertaken by national or local governments or the private sector for underprivileged and homeless citizens, which shall include sites and services development, financing, liberalized terms on interest payments, and such other benefits in accordance with existing laws, rules and regulations;

- (l) *UDHA* refers to the Urban Development and Housing Act of 1992 or Republic Act No. 7279;
- (m) *Underprivileged and homeless Rural or Urban Poor Dwellers* refers to individuals or families residing in rural or urban areas whose income or combined household income falls within the poverty threshold as defined by the National Economic Development Authority (NEDA) and who do not own housing facilities, and shall include those who live in makeshift dwelling units and do not enjoy security of land tenure; and
- (n) *Urban Areas* refer to all cities regardless of their population density and to municipalities with a population density of at least five hundred (500) persons per square kilometer.

**SECTION 4. Coverage.** - This Act shall cover all cities and first to third class municipalities in both urban and rural areas: *Provided,* That fourth and fifth class municipalities may create their own Local Housing Board if they so desire.

**SECTION 5. Mandate.** - Every city and municipality covered under this Act, through its Local Housing Board, shall formulate, develop, implement and monitor policies on the provision for housing and resettlement areas and on the observance of the right of the underprivileged and homeless to a just and humane eviction and demolition.

**SECTION 6. Composition.** - The Local Housing Board in a city or municipality shall be composed of the following:

- (a) The City/Municipal Mayor, as chairman;

- (b) The City/Municipal Vice Mayor, as vice chairman;
- (c) The Chairperson of the Sangguniang Panlungsod/Bayan Committee on Housing and Urban Development or its equivalent, as member;
- (d) The City/Municipal Planning and Development Coordinator, as member;
- (e) A representative of the Pos in the city or municipality, as member;
- (f) A representative of the NGOs operating in the city or municipality, as member;
- (g) A representative of the private sector engaged in subdivision and housing development in the city or municipality, as member.

A PO, NGO or private sector already represented in any local special body may be Concurrently represented in any local housing board.

**SECTION 7. *Powers and Functions.*** - A city or municipal local housing board shall have the following powers and functions:

- (a) Prepare, based on local shelter plan guidelines and with the assistance of the HUDCC and other concerned government agencies, local shelter plans which shall form part of the city/municipal development plans: *Provided,* that public hearings shall be conducted for the purpose;
- (b) Designate at least one representative to their respective local development councils;
- (c) Assist the city/municipal development councils in the formulation of their respective comprehensive land use plans;
- (d) Approve preliminary and final subdivision schemes and development plans of subdivisions, residential, commercial, industrial and other purposes, in accordance with the provisions of Presidential Decree No. 957, as amended,

otherwise known as the Subdivision and Condominium Buyers' Protective Decree, and its implementing standards, rules and regulations concerning subdivisions and condominiums;

- (e) Approve preliminary and final subdivision schemes and development plans of all economic and socialized housing projects as well as individual or group building occupancy permits covered by Batas Pambansa Blg. 220 and its implementing standards, rules and regulations;
- (f) Evaluate and resolve any opposition to the issuance of development permits for any of the projects stated in the two preceding subsections, in accordance with the said laws and the Rules of Procedure promulgated by the HLURB incident thereto;
- (g) Designate the sites for socialized housing, subject to the requirements prescribed by Section 8 of Republic Act No. 7279 and guidelines issued for the purpose;
- (h) Advise the Sanggunian concern, on matters of local taxation which may affect the local government housing program, which includes, but shall not be limited to, the formulation of a socialized housing tax, idle lands tax, and an additional levy on the real property tax to constitute a Special Socialized Housing Fund (SSHD);
- (i) Recommend, for approval to their respective local chief executives (LCEs), formulated schemes for the acquisition and disposition of lands within their localities for socialized housing purposes, subject to Section 9 to 14 of Republic Act No. 7279 and its implementing guidelines: *Provided*, That such schemes

shall ensure that the valuation of a particular land for socialized housing purposes shall be within the affordability levels of prospective beneficiaries;

- (j) Recommend for approval of their respective LCEs partnership arrangements with the national government on, but shall not be limited to, the following programs:
  - (i) Housing Production Assistance, Resettlement Assistance, Local Housing, Cost Recoverable Joint Ventures and other relevant programs of the National Housing Authority (NHA);
  - (ii) Local government housing assistance programs of the Home Development Mutual Fund (HDMF), the National Home Mortgage Finance Corporation (NHMFC), the Home Guaranty Corporation (HGC), and for this purpose, local housing boards shall coordinate with the Advisory Committee created to oversee the implementation of the local Government Pabahay Program; and
  - (iii) Other socialized housing projects undertaken by other national government agencies and government-owned and controlled corporations within their respective localities;
- (k) Coordinate with government agencies and instrumentalities performing functions which may affect housing and urban development;
- (l) Submit to the President and the Congress of the Philippines, an annual report as provided in Section 41 of Republic Act No. 7279; and
- (m) Perform such other related functions established by law or ordinance, as necessary to implement the mandate of LGUs under the UDHA.



**SECTION 8. *Local Housing and Urban Development Officer.*** - The housing and urban development policies, plans and programs formulated by the Local Housing Board shall be implemented by an appointive local official to be known as the **Local Housing and Urban Development Officer**.

No person shall be appointed Local Housing and Urban Development Officer unless he is a citizen of the Philippines, a resident of the LGU concerned, of good moral character, a holder of a college degree in public administration, urban planning, development studies, economics, civil engineering, or other related course with special training in housing and urban development programs and management from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have an experience in housing development projects, organization of housing development projects, organization of housing associations, management and operation of housing and shelter programs and other related activities for at least five years in the case of the Provincial or City Housing and Urban Development Officer, and three years in the case of Municipal Housing and Urban Development Officer.

The appointment of the Local Housing and Urban Development Officer shall be mandatory for all the LGUs covered under this Act.

**SECTION 9. *Duties and Functions of the Local Housing and Urban Development Officer.*** - The Local Housing and Urban Development Officer shall:

- (a) Implement the local shelter plans prepared by the Local Housing Board;
- (b) Monitor the nature and progress of land development of projects approved by the Board, as well as housing construction in the case of house and lot packages, to ensure their faithfulness to the approved plans



their viability as an economic enterprise and social organization;

(iii) Assist the housing associations, cooperatives or organizations in establishing linkages with government agencies and NGOs involved in the promotion and integration of the concept of shelter development and generation, taking into account the livelihood of the people and other community activities;

(iv) Ensure the enforcement of laws, policies and programs on housing and shelter, organization of housing cooperatives and associations, rehabilitation of or the viability-enhancement, particularly during and in the aftermath of man-made and natural calamities and disasters, to aid in their survival and, if necessary, employ subsequent rehabilitation of these entities or beneficiaries; and

(v) Perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION 10. *Generation and Mobilization of Resources.*** - The Local Housing Board is hereby constituted as the primary entity tasked to advise the Local Chief Executive (LCE) on matters of sourcing of funds for socialized housing. For this purpose, the Local Housing Board may recommend the following schemes for funding socialized housing projects:

- (a) Build-operate-transfer and other related schemes;
- (b) Bond flotation and other credit financing arrangements;
- (c) Availment of foreign or local grants: *Provided*, That the Local Housing Board is hereby authorized to receive foreign and local grants which shall be remitted to the local treasury, and shall be credited to the socialized housing account of the LGU concerned;
- (d) Loan packages from government financing/lending institutions;
- (e) Joint venture projects with private sector groups or developers; and
- (f) Pooling of resources between and among LGUs, the private sector, NGOs and Pos.

**SECTION 11. *Demolition Clearinghouse.*** - The Local Housing Board is hereby tasked to oversee the implementation of Section 28 of the UDHA and its implementing rules and regulations: *Provided*, That just and humane eviction and demolition procedures under Section 28 of the UDHA and its implementing rules and regulations are likewise made applicable to rural areas.

In this regard, the Local Housing Board shall:

- (a) Oversee and coordinate government activities relative to consultation, relocation and resettlement of underprivileged and homeless urban or rural poor dwellers in cases where evictions and demolitions affecting them are necessary and allowed by existing laws;
- (b) Recommend policy measures and/or undertake appropriate action to ensure full compliance with the constitutional mandate and statutory

requirements prior to evictions and/or demolitions affecting underprivileged and homeless urban or rural poor dwellers; and

- (c) Issue directives, rules and regulations, consistent with laws, as it may deem necessary to effectively carry out the purposes of the constitutional mandate to ensure just and humane evictions and demolitions.

**SECTION 12. *Compliance Report.*** - Before undertaking evictions and/or Demolitions that will affect underprivileged and homeless urban or rural poor dwellers, the city or municipality concerned, national government agencies or other proponents of eviction and demolition activities, including employees of the judiciary, shall submit a Compliance Report to the Local Housing Board, with a statement under oath that:

- (a) Adequate consultation as defined and outlined under pertinent laws, rules and regulations have already been undertaken with the affected residents;
- (b) Adequate relocation as defined and outlined under pertinent laws, rules and regulations, is available, ready and sufficiently supported by relocation and resettlement funding; and
- (c) The requirements and procedures prescribed under the implementing rules and regulations of Section 28 of the UDHA, specifically on the Pre-Relocation, Relocation and Post-Relocation Phases of eviction/demolition activities have been or shall be observed.

The Compliance Report shall include a certified list of families to be evicted and/or relocated. The Local Housing Board shall have the power to review the Compliance Report and approve or disapprove the same.

**SECTION 13. *Meetings and Quorum.*** - The Local Housing Board shall meet at least once a month or as often as may be deemed necessary. The presence of the chairman or the vice chairman and a majority of the members of the Board shall constitute a quorum.

Special meetings may be called by the chairman or by a majority of the members, with written notice, together with the agenda of the meeting, served upon each member at least one day before the intended meeting.

The chairman or, in his absence, the vice chairman shall preside over the board meetings.

**SECTION 14. *Compensation and Remuneration.*** - Members of the Local Housing Board who are not government officials or employees shall be entitled to the necessary traveling expenses and allowances chargeable against the funds of the local housing board concerned, subject to existing accounting and auditing rules and regulations.

This does not preclude cities and municipalities from mobilizing other possible funding sources for the compensation and remuneration of members of the local housing board who are not government officials or employees.

**SECTION 15. *Budget.*** - The cities and municipalities shall appropriate at least one percent (1%) of their Internal Revenue Allotment for the year for the operations and activities of the Board.

**SECTION 16. *Penalties.*** - Failure to submit the Compliance Report as required by Section 12 of this Act, or any act of misrepresentation or fraud in connection with any

information contained in a submitted Compliance Report, or unjustified failure or refusal of the Local Chief Executive (LCE) to constitute the Local Housing Board as created and defined by this Act, shall subject the national and local government officials and employees responsible for such omission, misrepresentation, fraud or unjustified failure or refusal to:

- (a) disciplinary action under Book 1, Title Two, Chapter 4 of the Local Government Code; and/or
- (b) prosecution under the penalty clause of the UDHA.

For this purpose, LCEs of cities and municipalities shall constitute such Local Housing Boards within ninety (90) days from the effectivity of this Act. Failure to constitute the Local Housing Board within this prescribed period shall be *prima facie* evidence of unjustified failure or refusal to do so.

**SECTION 17. *Transitory Provisions.*** - Cities and municipalities with existing local housing and urban development boards or similar entities are hereby given ninety (90) days from the effectivity of this Act within which to amend their respective ordinances to conform with the provisions of this Act: *Provided,* That nothing herein stated shall preclude cities and municipalities from designating additional functions and/or appropriating additional funds to achieve the objectives of this Act.

**SECTION 18. *Implementing Rules and Regulations.*** - Within sixty (60) days after the approval of this Act, the HUDCC and the Department of the Interior and Local Government (DILG), in consultation with the concerned government agencies, the private sector, POs and NGOs, shall formulate the appropriate rules and regulations necessary to

effectively implement the provisions of this Act. Such rules and regulations shall include, among others, guidelines on the following:

- (a) Resource generation and mobilization for socialized housing purposes;
- (b) Schemes for local government housing assistance; and
- (c) Accreditation and selection of representatives of the private sector, NGOs and POs to the Local Housing Board.

**SECTION 19. *Repealing Clause.*** - (a) Sections 447 (a) (2) (x) and 458 (a) (2) (x) of the Local Government Code are hereby repealed;

(b) Section 107 (b) of the Local Government Code is hereby amended;

(c) Title Five, Book III of the Local Government Code is hereby amended by the inclusion of a new Article on the Local Housing and Urban Development Officer to be designated as Article Twenty-One and a new section under it to be designated as Section 491 to provide for the qualifications, and powers and duties thereof as enunciated in this Act;

(d) Executive Order No. 71, series of 1993 is hereby amended insofar as the assumption by the Local Housing Board of the functions devolved from the HLURB to LGUs; and

(e) All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or part or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 20. *Separability Clause.*** - If for any reason, any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in force and effect.

**SECTION 21. *Effectivity Clause.*** - This Act shall take effect upon its publication in at least two newspapers of general circulation.

Approved.

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. 1161

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Introduced by **Hon. Rodolfo G. Biazon**

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**EXPLANATORY NOTE**

Section 2 of the UDHA provides that the State shall "*undertake, in cooperation with the private sector, a comprehensive and continuing Urban Development and Housing Program.*" To ensure the achievement of the objectives of this Program, Section 6 called for the formulation of a comprehensive plan for urban and urbanizable areas. Under this comprehensive plan the following responsibilities were given to the Local Government Units (LGUs): (1) inventory of lands for socialized housing (Section 7); (2) identification of sites for socialized housing (Section 8); (3) registration of socialized housing beneficiaries (Section 17) and; (4) monitoring of compliance by developers of the twenty percent (20%) balanced housing provision under Section 18.

However, 14 years have passed since the passage of the UDHA and we still do not have a national registry of socialized housing beneficiaries. Many of our LGUs have also failed to do the three other functions that have been given them under the UDHA.

Clearly, there is a need for a specialized body in our LGUs that shall ensure the faithful and proactive execution of housing programs at the local level. A void at the local level in the form of a mechanism to hasten the delivery of shelter services to our people, especially those who need it most, needs to be filled up.

Also, according to the "World Urbanization Prospects: The 2001 Revision" by the UN Population Division, half of our country's population are living in urban centers. With an urban population growth rate of 5.14 percent per year, the Philippines has one of the highest rates in the world.

A World Bank Study in 2000 projected that the country may have as many as 600 urban centers by 2020. The implication of this is that this high urbanization rate, if not managed properly, will exert tremendous pressure on the already scarce resources in these places. This could only lead to a decline in the delivery of quality basic services – housing being one of them. One only has to look under bridges and the ever growing informal settlements in danger areas to realize that we are now experiencing this malady.



It is envisioned that this proposed measure will provide an administrative machinery at the local level to effect the full implementation of the UDHA as well as cope with the fast pace of urbanization of the country.

Another reason for the passage of this bill is that there is also a need to institutionalize multi-sectoral representation in local housing initiatives. This is premised on the fact that the success of these programs will, to a large extent, depend on the direct participation and cooperation of the stakeholders in the planning and implementation process. By this we mean that the people who are going to be affected or benefited by such projects should be given a voice in the planning and implementation of such projects.

Many experts have opined that many of the government's housing projects have failed due to the fact that proper consultation among the stakeholders, the beneficiaries included, were never conducted in the first place. The government conceptualized and provided relocation sites without consulting the people who were going to be transferred.

In the process, many were displaced of their livelihood; schooling of children was interrupted; local government units where these informal settlers were going to be relocated refused them; and many untoward incidents occurred while these people were being relocated. If we make a survey of those who are presently residing in government housing projects, it will not be surprising to find out that they are not the original beneficiaries of these projects.

This situation pervades notwithstanding the fact that under Section 14 of the UDHA, it is illegal for these beneficiaries to sell, alienate, convey, encumber or lease these properties. All because of ill-conceived projects that were undertaken without proper consultation.

By giving all the stakeholders a voice and participation in the planning and implementation of housing initiatives at the local level, these problems would hopefully be abated.

Lastly, passage of this bill is earnestly sought as it recognizes local autonomy and the reality that each locality has its own peculiarities and priorities. Thus, it should be in a better position to address its problems using its available resources at the local level and with some help from the national government.

  
RODOLFO G. BIAZON  
Representative  
Lone District, Muntinlupa City

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. 1161

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Introduced by **Hon. Rodolfo G. Biazon**

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

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

**Section 1. Short Title.** - This Act shall be known as the "*Local Housing Boards Act.*"

**Sec. 2. Declaration of Policy.** - It is hereby declared the policy of the State to:

- a) Promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life for all;
- b) Adopt a continuing housing program that will make available at affordable cost, decent housing and basic services to all especially the underprivileged and homeless;
- c) Protect urban and rural poor dwellers from evictions or demolitions undertaken in violation of the law;
- d) Require all national agencies and offices to conduct periodic consultations with appropriate local government units (LGUs), non-governmental and people's organizations and other concerned sectors of the community before any project or program is implemented in their respective jurisdictions;

- e) Promote and institutionalize the participation of the private sector, non-government organizations (NGOs) and people's organization (POs) in the urban and rural development process; and
- f) Promote genuine and meaningful local autonomy to political subdivisions of the State to enable them to attain their fullest development as self-sufficient communities and make them more effective partners in the attainment of national goals.

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

**Sec. 3. Definition of Terms.** – For purposes of this Act, the following terms or words and phrases shall mean or be understood as follows:

- a) *Balanced Housing Requirement* refers to the responsibility given to developers of subdivision projects pursuant to Section 18 of the Urban Development and Housing Act (UDHA) of 1992;
- b) *Comprehensive Land Use Plan* refers to the primary and dominant bases for land use, applying a rational approach for allocating available land resources as equitably as possible among competing user-groups and for different functions, consistent with the development and zoning plan of the area and the provisions of the UDHA;
- c) *Economic Housing* refers to a type of housing project provided to moderately low-income families with lower interest rates and longer amortization periods;
- d) *Local Shelter Plan* refers to a general framework that effectively provides a step-by-step procedure by which cities and municipalities could formulate solutions to their housing problems. It shall include measures to enable cities and municipalities to plan and implement their specific mandates based on the UDHA, and to facilitate a linkage with comprehensive land use plans as defined under this Act;
- e) *Non-Government Organization* refers to a non-stock, non-profit domestic corporation or organization as defined under Section 34 (H) (2) (c) of the Tax Code organized and operated exclusively for scientific, research, educational, character building, youth and sports development, health, social welfare, cultural or charitable purposes, or a combination thereof, no part of the net income of which inures to the benefit of any private individual;
- f) *NUDHF* refers to the comprehensive plan for urban and urbanizable areas aimed at achieving the objectives set forth under the UDHA of 1992;
- g) *People's Organization* refers to a *bona fide* association of citizens with demonstrated capacity to promote the public interest and with identifiable leadership, membership, and structure.

- h) *Rural Areas* refer to those areas that are not urban areas as defined under this Act;
- i) *Socialized Housing* refers to housing programs and projects covering houses and lots or homelots only undertaken by the Government or the private sector for the underprivileged and homeless citizens which shall include sites and services development, long-term financing, liberalized terms on interest payments, and such other benefits in accordance with the provisions of the UDHA;
- j) *UDHA* refers to the Urban Development and Housing Act of 1992 or Republic Act No. 7279 (R.A. No. 7279);
- k) *Underprivileged and Homeless Rural or Urban Poor Dwellers* refer to individuals or families residing in rural or urban areas whose income or combined household income falls within the poverty threshold as defined by the National Economic Development Authority and who do not own housing facilities, and shall include those who live in makeshift dwelling units and do not enjoy security of land tenure;
- l) *Urban Areas* refer to all cities regardless of their population density and to municipalities with a population density of at least five hundred (500) persons per square kilometer;
- m) *Local Housing Boards* refer to all housing boards in cities and first to third class municipalities created under this Act; and
- o) *Local Housing Office* refers to the implementing body of the local housing board.

**Sec. 4. *Local Housing Boards; Creation; Composition.*** – There shall be created a Local Housing Board, hereinafter referred to as the Board, in all cities and first to third class municipalities as classified by the Secretary of Finance: *Provided*, That fourth and fifth class municipalities may create their own Local Housing Board if they so desire. The Board shall be composed of the following:

- a) The City/Municipal Mayor as Chairperson;
- b) The Vice Mayor as Vice Chairperson;
- c) The Chairperson of the Sangguniang Bayan Committee on Housing and Urban Development or its equivalent as Member;
- d) The City/Municipal Planning and Development Coordinator as Member;
- e) The City/Municipal Engineer as Member;
- f) A representative of the housing agencies to be designated by the HUDCC as Member;
- g) A representative from a private organization engaged in subdivision and housing development operating in the city or municipality as Member;

- h) A representative from POs operating in the city or municipality as Member: *Provided*, That a PO already represented in any local special body may be concurrently represented in any local housing board; and
- i) A representative from NGOs operating in the city or municipality as Member: *Provided*, That an NGO already represented in any local special body may be concurrently represented in any local housing board.

Representatives to the Board from organizations mentioned in the last three paragraphs of this section shall be selected through the same process as that of filling up the representatives of the local special bodies.

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

- a) Formulate, develop, and recommend to the Sanggunian, policies, directives, rules and regulations, consistent with laws, as it may deem necessary, on the provision of decent and affordable housing and resettlement areas and on the observance of the right of the underprivileged and homeless to just and humane evictions and demolitions;
- b) With the assistance of the HUDCC and other concerned government agencies, prepare a Local Shelter Plan which shall form part of the city/municipal development plan: *Provided*, That such plan shall be consistent with the city/municipal land use plan: *Provided further*, That public hearings shall be conducted for the purpose;
- c) Approve preliminary and final subdivision schemes and development plans of subdivisions and condominiums in accordance with the provisions of Presidential Decree No. 957, as amended, otherwise known as the Subdivision and Condominium Buyers' Protective Decree, and its implementing standards, rules and regulations concerning subdivisions and condominiums;
- d) Approve preliminary and final subdivision schemes and development plans of all economic and socialized housing projects as well as individual or group building occupancy permits covered by Batas Pambansa Blg. 220 and its implementing standards, rules and regulations;
- e) Evaluate and resolve the opposition to the issuance of development permits for any of the projects stated in the two (2) preceding sub-sections, in accordance with the said laws and the Rules of Procedure promulgated by the Housing and Land Use Regulatory Board (HLURB) incident thereto;
- f) Designate at least one (1) representative to their respective local development councils: *Provided*, That said representative is not already a member of the council;
- g) Recommend to the Sanggunian, the sites for socialized housing, subject to the requirements prescribed by Section 8 of R.A. 7279 and guidelines issued for the purpose;

- h) Advise the Sanggunian on matters of local taxation which may affect the local government housing program, which includes, but shall not be limited to, the formulation of a socialized housing tax, idle land tax, and an additional levy on the real property tax to constitute a Special Socialized Housing Fund;
- i) Recommend, for approval of their respective Local Chief Executives (LCEs), formulated schemes for the acquisition and disposition of lands within their localities for socialized housing purposes, subject to Section 9 to 14 of R.A. 7279 and its implementing guidelines: *Provided*, That such schemes shall ensure that the valuation of a particular land for socialized housing purposes shall be within the affordability levels of prospective beneficiaries;
- j) Recommend for approval of their respective LCEs, partnership arrangements with the national government on the provision of decent and affordable shelter;
- k) Through the local chief executive, submit to the President and the Congress of the Philippines, an annual report as provided by Section 41 of R.A. 7279; and
- l) Perform such other related functions established by law or ordinance, as necessary to implement the mandate of local government units under the UDHA.

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

- a) Assist the Board in the preparation of the local shelter plan;
- b) Assist the city/municipal development councils in the formulation of their respective comprehensive land use plans;
- c) Oversee and coordinate government activities relative to consultation, relocation, and resettlement of underprivileged and homeless urban or rural poor dwellers in cases where evictions and demolitions affecting them are necessary and allowed by existing laws;
- d) Ensure that the balanced housing requirements as provided in Section 18 of R.A. 7279 and its implementing rules and regulations are implemented and enforced;
- e) In coordination with other offices within the LGU, monitor the nature and progress of land development of projects that the Board has approved, as well as housing construction in the case of house and lot packages, to ensure their faithfulness to the approved plans and specifications thereof, and impose appropriate measures to enforce compliance therewith;
- f) Conduct an inventory of all lands within their respective localities, and update the same every three (3) years, in accordance with Section 7 of R.A. 7279 and guidelines issued for the purpose;



- g) Identify the sites for socialized housing, subject to the requirements prescribed by Section 8 of R.A. 7279 and guidelines issued for the purpose;
- h) Ensure the registration of underprivileged and homeless urban or rural dwellers as socialized housing beneficiaries under Sections 16 and 17 of R.A. 7279: *Provided*, That the Local Housing Office shall assume the functions of city or municipal registration committees as constituted under the implementing rules and regulations of the same sections;
- i) Ensure the prevention of proliferation of professional squatters and squatting syndicates within its jurisdiction;
- h. Ensure the enforcement of laws, policies and programs on housing and shelter as provided for under laws and such directives, rules and regulations adopted by the Board;
- k) Assist in the organization of housing and shelter cooperatives, associations or organizations in establishing linkages with government agencies and NGOs involved in the promotion and integration of the concept of shelter development and generation, taking into account the livelihood of the people and other community activities;
- j) Provide technical and other forms of assistance to existing housing associations or cooperatives to enhance their viability as economic enterprises and social organizations;
- k) Coordinate with government agencies and instrumentalities performing functions which may affect housing and urban development; and
- l) Perform such other duties and functions as may be prescribed by law or ordinance.

**Sec. 7. *Local Housing Officer.*** – The local housing office shall be headed by a Local Housing Officer who shall be a career official. No person shall be appointed Local Housing Officer unless, he is a citizen of the Philippines, a resident of the LGU concerned, of good moral character, a holder of a college degree either in public administration, urban planning, civil engineering, economics, development studies or such other related courses. He must have at least five (5) years experience in the case of cities, and three (3) years experience in the case of municipalities, either in housing development projects, organization of housing associations or cooperatives, management and operation of housing and shelter programs or such other related activities.

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

- a) Build-operate-transfer and other related schemes;
- b) Bond flotation and other credit financing arrangements;

- c) Availment of foreign or local grants: *Provided*, That local housing boards are hereby authorized to receive foreign and local grants which shall be remitted to the local treasury, and shall be credited to the socialized housing account of the local government unit concerned;
- d) Loan packages from government financing/lending institutions;
- e) Joint venture projects with private sector groups or developers and with NGOs and POs; and
- f) Pooling of resources between and among LGUs, the private sector, NGOs and POs.

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

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

**Sec. 10. Compensation and Remuneration.** – Members of the Board who are not government officials or employees shall be entitled to the necessary traveling expenses and allowances chargeable against the funds of the local housing board concerned, subject to existing accounting and auditing rules and regulations.

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

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

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

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



a. The Local Government Unit shall:

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

a. Housing and Urban Development Coordinating Council shall:

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

c. The Presidential Commission for the Urban Poor shall:

- 1) Monitor all evictions and demolitions, whether extra-judicial or court-ordered, involving homeless and underprivileged citizens;
- 2) Require the concerned departments and agencies, including concerned LGUs, proposing to undertake demolition and eviction activities to secure first from either the PCUP Central Office, in the case of national projects, or from the PCUP Regional Office concerned, in the case of regional or local projects, the checklists, guidelines and compliance certificates on demolition and eviction prior to the actual implementation thereof and thereafter, submit to the PCUP the completed checklist, attested to under oath by the proponent

that the provisions of Section 28 of RA 7279 or its implementing rules and regulations have been complied with;

- 3) Based on the completed checklist and subject to further verification, issue demolition and eviction compliance certificates to proposed demolitions and evictions involving homeless and underprivileged citizens;
- 4) Investigate *motu proprio* or upon complaint by any party, any violation of the provisions of Section 28 of RA 7279 and its implementing rules and regulations;
- 5) File *motu proprio* or by way of assistance to any aggrieved party, the appropriate criminal, civil or administrative case against any person or persons found to have violated the provisions of Section 28 of RA 7279 or its implementing rules and regulations; and
- 6) Such other functions as provided for under Executive Order No. 152, series of 2002.

d. The PO and NGO representatives shall:

- 1) Assist in the holding of dialogues and consultations with affected families leading to their full acceptance and support to the program;
- 2) Provide feedback mechanism to the Local Housing Board and ensure urban poor participation in the decision-making process;
- 3) Assist the Local Housing Board in processing applications and documents;
- 4) Provide support to the local housing board in the community relations, social preparations and information disseminations and motivation activities at the identified housing sites;
- 5) Actively participate in the drawing up of the development plan for the area; and
- 6) Identify pro-poor programs to uplift the socio-economic conditions of the affected urban poor residents.

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

- a) disciplinary action under Book I, Title Two, Chapter 4 of the Local Government Code; and/or
- b) prosecution under the penalty clause of the UDHA.

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

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

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

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

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

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

**Sec. 18. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Batasang Pambansa, Quezon City

**FIFTEENTH CONGRESS**  
*First Regular Session*

**HOUSE BILL NO. 3278**

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**INTRODUCED BY REP. JOSEPH VICTOR G. EJERCITO**

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**EXPLANATORY NOTE**

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

To ensure the achievement of the objectives of this Program, Section 6 called for the formulation of a comprehensive plan for urban and urbanizable areas. Under this comprehensive plan the following responsibilities were given to the Local Government Units (LGUs): (1) inventory of lands for socialized housing (Section 7); (2) identification of sites for socialized housing (Section 8); (3) registration of socialized housing beneficiaries (Section 17) and; (4) monitoring of compliance by developers of the twenty percent (20%) balanced housing provision under Section 18.

Clearly, there is a need for a specialized body in our LGUs that shall ensure the faithful and proactive execution of housing programs at the local level. A void at the local level in the form of a mechanism to hasten the delivery of shelter services to our people, especially those who need it most, needs to be filled up.

It is envisioned that this proposed measure will provide an administrative machinery at the local level to effect the implementation of the UDHA as well as cope with the fast pace of urbanization of the country. Another reason for the passage of this bill is that there is also a need to institutionalize multi-sectoral representation in local housing initiatives. This is premised on the fact that the success of these programs will, to a large extent, depend on the direct participation and cooperation of the stakeholders in the planning and implementation process. By this we mean that the people who are going to be affected or benefited by such projects should be given a voice in the planning and implementation of such projects.

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



**JOSEPH VICTOR G. EJERCITO**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Batasang Pambansa, Quezon City

**FIFTEENTH CONGRESS**  
*First Regular Session*

**HOUSE BILL NO. 3278**

---

**INTRODUCED BY REP. JOSEPH VICTOR G. EJERCITO**

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

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

**SECTION 1. Short Title.** - This Act shall be known as the "**Local Housing Boards Act.**"

**SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State to:

- a) Promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living and an improved quality of life for all;
- b) Adopt a continuing housing program that will make available at affordable cost, decent housing and basic services to all especially the underprivileged and homeless;
- c) Protect urban and rural poor dwellers from evictions or demolitions undertaken in violation of the law;
- d) Require all national agencies and offices to conduct periodic consultations with appropriate local government units (LGUs), non-governmental and people's organizations and other concerned sectors of the community before any project or program is implemented in their respective jurisdictions;
- e) Promote and institutionalize the participation of the private sector, non-government organizations (NGOs) and people's organization (POs) in the urban and rural development process; and



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

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

**SEC. 3. Definition of Terms.** - For purposes of this Act, the following terms or words and phrases shall mean or be understood as follows:

a) *Balanced Housing Requirement* refers to the responsibility given to developers of subdivision projects pursuant to Section 18 of the Urban Development and Housing Act (UDHA) of 1992;

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c) *Economic Housing* refers to a type of housing project provided to moderately low income families with lower interest rates and longer amortization periods;

d) *Local Shelter Plan* refers to a general framework that effectively provides a step-by-step procedure by which cities and municipalities could formulate solutions to their housing problems. It shall include measures to enable cities and municipalities to plan and implement their specific mandates based on the UDHA, and to facilitate a linkage with comprehensive land use plans as defined under this Act;

e) *Non-Government Organization* refers to a non-stock, non-profit domestic corporation or organization as defined under Section 34 (H) (2) (c) of the Tax Code organized and operated exclusively for scientific, research, educational, character building, youth and sports development, health, social welfare, cultural or charitable purposes, or a combination thereof, no part of the net income of which inures to the benefit of any private individual;

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

g) *People s Organization* refers to a *bonafide* association of citizens with demonstrated capacity to promote the public interest and with identifiable leadership, membership, and structure.

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

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

j) *UDHA* refers to the Urban Development and Housing Act of 1992 or Republic Act No. 7279 (R.A. No. 7279);

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

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

m) *Local Housing Boards* refer to all housing boards in cities and first to third class municipalities created under this Act; and

o) *Local Housing Office* refers to the implementing body of the local housing board.

**SEC. 4. Local Housing Boards; Creation; Composition.** -

There shall be created a Local Housing Board, hereinafter referred to as the Board, in all cities and first to third class municipalities as classified by the Secretary of Finance: *Provided*, That fourth and fifth class municipalities may create their own Local Housing Board if they so desire. The Board shall be composed of the following:

- a) The City/Municipal Mayor as Chairperson;
- b) The Vice Mayor as Vice Chairperson;
- c) The Chairperson of the Sangguniang Bayan Committee on Housing and Urban Development or its equivalent as Member;
- d) The City/Municipal Planning and Development Coordinator as Member;
- e) The City/Municipal Engineer as Member;
- f) A representative of the housing agencies to be designated by the HUDCC as Member;
- g) A representative from a private organization engaged in subdivision and housing development operating in the city or municipality as Member;

h) A representative from €'Os operating in the city or municipality as Member: *Provided*, That a PO already represented in any local special body may be concurrently represented in any local housing board; and  
i) A representative from NGOs operating in the city or municipality as Member *Provided*, That an NGO already represented in any local special body may be concurrently represented in any local housing board. Representatives to the Board from organizations mentioned in the last three paragraphs of this section shall be selected through the same process as that of filling up the representatives of the local special bodies.

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

a) Formulate, develop, and recommend to the Sanggunian, policies, directives, rules and regulations, consistent with laws, as it may deem necessary, on the provision of decent and affordable housing and resettlement areas and on the observance of the right of the underprivileged and homeless to just and humane evictions and demolitions;

b) With the assistance of the HUDCC and other concerned government agencies, prepare a Local Shelter Plan which shall form part of the city/municipal development plan: *Provided*, That such plan shall be consistent with the city/municipal land use plan: *Provided further*, That public hearings shall be conducted for the purpose;

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

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

e) Evaluate and resolve the opposition to the issuance of development permits for any of the projects stated in the two (2) preceding sub-sections, in accordance with the said laws and the Rules of Procedure promulgated by the Housing and Land Use Regulatory Board (HLURB) incident thereto;

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

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



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

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

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

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

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

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

a) Assist the Board in the preparation of the local shelter plan;  
b) Assist the city/municipal development councils in the formulation of their respective comprehensive land use plans;

c) Oversee and coordinate government activities relative to consultation, relocation, and resettlement of underprivileged and homeless urban or rural poor dwellers in cases where evictions and demolitions affecting them are necessary and allowed by existing laws;

d) Ensure that the balanced housing requirements as provided in Section 18 of R.A. 7279 and its implementing rules and regulations are implemented and enforced;

e) In coordination with other offices within the LGU, monitor the nature and progress of land development of projects that the Board has approved, as well as housing construction in the case of house and lot packages, to ensure their faithfulness to the approved plans and specifications thereof, and impose appropriate measures to enforce compliance therewith;

f) Conduct an inventory of all lands within their respective localities, and update the same every three (3) years, in accordance with Section 7 of R.A. 7279 and guidelines issued for the purpose;

g) Identify the sites for socialized housing, subject to the requirements prescribed by Section 8 of R.A. 7279 and guidelines issued for the purpose;

h) Ensure the registration of underprivileged and homeless urban or rural dwellers as socialized housing beneficiaries under Sections 16 and 17 of R.A. 7279: *Provided* That the Local Housing Office shall assume the functions of city or municipal registration committees as constituted under the implementing rules and regulations of the same sections;

i) Ensure the prevention of proliferation of professional squatters and squatting syndicates within its jurisdiction;

h) Ensure the enforcement of laws, policies and programs on housing and shelter as provided for under laws and such directives, rules and regulations adopted by the Board;

k) Assist in the organization of housing and shelter cooperatives, associations or organizations in establishing linkages with government agencies and NGOs involved in the promotion and integration of the concept of shelter development and generation, taking into account the livelihood of the people and other community activities;

j) Provide technical and other forms of assistance to existing housing associations or cooperatives to enhance their viability as economic enterprises and social organizations;

k) Coordinate with government agencies and instrumentalities performing functions which may affect housing and urban development; and

l) Perform such other duties and functions as may be prescribed by law or ordinance.

**SEC. 7. Local Housing Officer.** - The local housing office shall be headed by a Local Housing Officer who shall be a career official. No person shall be appointed Local Housing Officer unless, he is a citizen of the Philippines, a resident of the LGU concerned, of good moral character, a holder of a college degree either in public administration, urban planning, civil engineering, economics, development studies or such other related courses. He must have at least five (5) years experience in the case of cities, and three (3) years experience in the case of municipalities, either in housing development projects, organization of housing associations or cooperatives, management and operation of housing and shelter programs or such other related activities.

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

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

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

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

**SEC. 10. Compensation and Remuneration.** - Members of the Board who are not government officials or employees shall be entitled to the necessary traveling expenses and allowances chargeable against the funds of the local housing board concerned, subject to existing accounting and auditing rules and regulations.

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

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

a) Proceeds generated from the collection of the additional one-half percent (0.5%) tax on real properties;

b) All funds/monies generated from various sources intended for housing and other related development programs; and

c) All payments, remittances, accrued interests, penalties, and such other fees generated from housing related activities.

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

a. The Local Government Unit shall:

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

b. Housing and Urban Development Coordinating Council shall:

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

c. The Presidential Commission for the Urban Poor shall:

- 1) Monitor all evictions and demolitions, whether extra-judicial or court-ordered, involving homeless and underprivileged citizens;
- 2) Require the concerned departments and agencies, including concerned LGUs, proposing to undertake demolition and eviction activities to secure first from either the PCUP Central Office, in the case of national projects, or from the PCUP Regional Office concerned, in the case of regional or local projects, the checklists, guidelines and compliance certificates on demolition and eviction prior to the actual implementation thereof and thereafter, submit to the PCUP the completed checklist, attested to under oath by the proponent that the



provisions of Section 28 of RA 7279 or its implementing rules and regulations have been complied with;

3) Based on the completed checklist and subject to further verification, issue demolition and eviction compliance certificates to proposed demolitions and evictions involving homeless and underprivileged citizens;

4) Investigate *motu proprio* or upon complaint by any party, any violation of the provisions of Section 28 of RA 7279 and its implementing rules and regulations;

5) File *motu proprio* or by way of assistance to any aggrieved party, the appropriate criminal, civil or administrative case against any person or persons found to have violated the provisions of Section 28 of RA 7279 or its implementing rules and regulations; and

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

d. The PO and NGO representatives shall:

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

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

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

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

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

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

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

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

b) prosecution under the penalty clause of the UDHA.

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

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

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

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

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

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

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

*Approved,*

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

15<sup>th</sup> Congress

1<sup>st</sup> Regular Session

Committee on Housing and Urban Development

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE DIRECTOR-CTSS, D

**RECEIVED**

BY: *[Signature]*  
DATE: *March 24, 2011*  
NAME: *[Signature]*

FOR : THE HONORABLE SPEAKER  
THRU : THE DEPUTY SECRETARY GENERAL  
FOR COMMITTEE AFFAIRS  
RE : SPOT REPORT ON THE MEETING OF THE COMMITTEE  
ON HOUSING AND URBAN DEVELOPMENT HELD ON MARCH 23, 2011 AT  
RVM CONFERENCE ROOM NOS. 1 & 2  
DATE : 23 MARCH 2011

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A. Approval of Committee Reports:

1. Committee report on the substitute bill to HB Nos. 154, 1161 & 3278 (Creation of A Local Housing Board);
2. Committee report on HB No. 4101 in consolidation with HB No. 2145 (Anti-Professional Squatters and Squatting Racketeer/s or Syndicates Drive Reforms Act of 2011); and
3. Committee report on the substitute bill to HB Nos. 1041, 1818, 2907, and 3040 (Prescribing the Mechanisms to Facilitate the Disposition of Government-Owned Lands for Socialized Housing)

B. Deliberation on Measures:

1. HR No. 535 (Urging the Full Implementation of the Local Housing Program); HB No. 3512 (Amending the Comprehensive and Integrated Shelter Financing Act to Implement Free Housing Projects in Selected Urban and Urbanizable Areas); and Privilege speech of Rep. Rodolfo Valencia re: Guidelines of the Local Housing Program
  - a. Major issues/positions and views aired
    - the National Housing Authority and the Housing and Urban Development Coordination Council expressed their full support to the foregoing measures, suggesting that there is a need to review the non-cost recoverable provision of HB No. 3512 and for the Department of Budget and Management to release the remaining allocation for the Local Housing Program (LHP) which amounts to more than P2 Billion
    - the National Housing Authority suggested to amend the Comprehensive and Integrated Shelter Financing Act to accommodate party-list representatives in the allocation of LHP

b. Agreements reached/Decisions made

- the committee requested the National Housing Authority to look into the possibility of utilizing the accrued interest of the LHP trust fund to augment the allocation for congressional districts in need of funds for relocation and resettlement
- the committee deferred further deliberation subject to the submission of a position paper on the matter by and the appearance of a representative each of the Department of Budget and Management and the Department of Finance in a subsequent meeting that will be called for the purpose

2. HB Nos. 3188 and 3189 (Requiring Developers of Condominium Projects to Develop an Area for Socialized Housing); HB No. 3451 (Amending Section 18 of RA 7279); and HB No. 4371 (Amending Sections 18 and 21 of RA 7279 or the UDHA to Include the Construction of Education Facilities)

a. Major issues/positions and views aired

- all the agencies invited to the meeting, as well as the Subdivision and Housing Developers Association, posed no objection to the passage of the proposed measures with the exception of the Chamber of Real Estate and Builders Association which suggested instead the imposition of a new tax for socialized housing or the equitable distribution among developers of high-end real estate properties such as hotels, golf courses, and resorts the burden of shouldering the 20% requirement for developers to develop an area for socialized housing
- Rep. David Kho suggested that HB Nos. 3188 and 3189 be made applicable only to high-end condominium developers and not to low-end condominium developers

b. Agreement reached/Decision made

- the Committee approved the drafting of a substitute bill on the proposed measures

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Prepared by:

  
**NELSON F. RENDON**  
Committee Secretary

cc: The Deputy Speaker  
The Chairperson, Committee on Rules  
The Secretary General

Noted by:

  
**ATTY. BENJAMIN M. TAGAYUNA, JR.**  
Service Director

The Executive Director, CAD  
The Deputy Executive Director, CAD  
The Service Director, CASS



**FACT SHEET**

**4565**

**House Bill No. \_\_\_\_\_**

**(As Approved on March 23, 2011)**

**CREATING A LOCAL HOUSING BOARD IN EVERY CITY AND 1<sup>ST</sup> TO 3<sup>RD</sup> CLASS MUNICIPALITY**

***Introduced by: REPS. OLIVARES, CALIMBAS-VILLAROSA, BIAZON, SARMIENTO, EJERCITO, CASTELO, HERRERA-DY, OCAMPO, TEODORO, MAGSAYSAY(M.M.), VALENCIA, LEONEN-PIZARRO, BAGATSING, ACHARON, KHO, LICO, SY-ALVARADO, DE JESUS AND PADILLA***

***Committee Referral: COMMITTEE ON HOUSING AND URBAN DEVELOPMENT***

***Committee Chairperson: REP. RODOLFO G. VALENCIA***

**OBJECTIVES:**

- To provide the administrative machinery that will complement the efforts of shelter agencies to effect the full implementation of R.A. 7279 or the Urban Development and Housing Act as part of the solution to the problem of homelessness among many of our countrymen
- To accelerate the provision of adequate quality but affordable social housing nationwide with a body at the local level that knows a locality's peculiarities and which is in the best position to determine its shelter priorities given the different circumstances under which the shelter problem is faced by local government units (LGUs)
- To give more autonomy - more power, authority, and responsibilities – to the LGUs, especially concerning the provision of housing in their respective localities
- To ensure greater and more effective multi-sectoral participation with the devolved powers, e.g. the approval of subdivision plans of all socialized housing projects, which will also professionalize and stabilize the process of approval

**KEY PROVISIONS:**

- Mandates the creation of a Local Housing Board(LHB) in every city and 1<sup>st</sup> to 3<sup>rd</sup> class municipalities, provided that 4<sup>th</sup> and 5<sup>th</sup> class municipalities may create their own LHB if they so desire for the purpose of formulating, implementing and monitoring policies on the provision of housing and on the observance of a just and humane procedure in cases of eviction and/or demolition at the local level
- Creates the position of a Housing and Urban Development Officer who will implement the policies, plans and programs formulated by the LHB.

- Devolves the function of clearinghouse for eviction and/or demolition from the Presidential Commission for the Urban Poor (PCUP) to the LHB to oversee the implementation of a just and humane eviction and/or demolition pursuant to Section 28 of R.A. 7279 or the UDHA.
- Mandates the establishment of a Special Housing Trust Fund which shall come from but not limited to:
  - an appropriation from the Internal Revenue Allotment the amount of which shall be determined by the LGU
  - the proceeds of the collection of the additional one-half percent (0.5%) tax on real estate
  - funds generated from various sources intended for housing and other related development programs
  - payments, remittances, accrued interest, and other fees generated from housing related activities

**RELATED LAWS:**

- Republic Act No. 7279 – Urban Development and Housing Act
- Republic Act No. 7160 – Local Government Code
- Executive Order No. 71, Series of 1993 – Devolving the Powers of the HLURB to Approve Subdivision Plan to Cities and Municipalities Pursuant to RA No.7160