ORDINANCE NO. 03-093

AN ORDINANCE REQUIRING DEVELOPERS OF PROPOSED SUBDIVISION PROJECTS TO IMPLEMENT AND SET ASIDE THE TWENTY PERCENT (20%) BALANCED HOUSING DEVELOPMENT WITHIN THE CITY OF MUNTINLUPA AND IN ANY MANNER PROVIDED FOR UNDER ARTICLE V, SECTION 18, (A) (B) (C) (D) OF REPUBLIC ACT 7279, OTHERWISE KNOWN AS THE URBAN DEVELOPMENT AND HOUSING ACT OF 1992.

Sponsored by:

Hon. Mamerto T. Sevilla, Jr.
Hon. Rufino B. Joaquin
Hon. Francis Ian T. Bagatsing
Hon. Artemio A. Simundac
Hon. Melchor R. Teves
Hon. Aldrin L. San Pedro
Hon. Bal Nieves
Hon. Dr. Nicanor L. Echavez
Hon. Allan Rey A. Camilon
Hon. Atty. Raul R. Corro
Hon. Atty. Icasiano M. Dela Rea
Hon. Elmer S. Espeleta
Hon. Lucio B. Constantino
Hon. Mario E. Balay, Jr.
Hon. Santiago V. Carlos, Jr.
Hon. Christian Glenn D. Lorica

WHEREAS, Article V, Section 18 (a) (b) (c) (d) of Republic Act 7279, otherwise known as the Urban Development and Housing Act of 1992 provides that 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 cost, at the option of the developer, within the same city or municipality, whenever feasible, and in accordance with the standards set by the Housing and Land Use Regulatory Board and other existing laws. The balanced housing development as herein required may also be complied with by the developers concerned in any of the following manner:

a) Development of new settlement;
b) Slum upgrading or renewal of areas for priority development either through zonal improvement programs or slum improvement and resettlement programs;
c) Joint venture projects with either the local government units or any of the housing agencies; or
d) Participation in the Community Mortgage Program.

WHEREAS, the abovementioned statutory scheme of balanced housing development remains untapped and unprotected, worse, it is being utilized by unscrupulous developers to get the tax incentive under the said law.
WHEREAS, Section 39 of Republic Act 7279, otherwise known as the Urban Development and Housing Act of 1992 states that the local government units shall be charged with the implementation of this Act in their respective localities, in coordination with the Housing and Urban Coordinating Council, the national housing agencies, the Presidential Commission for the Urban Poor, the private sector and other non-government organizations;

WHEREAS, there is an urgent need to require developers to apply the 20% balanced housing development within the City and in any of the manner provided for under Section 18 of RA 7279 for the best interest of the underprivileged and homeless constituents of the City,

NOW, THEREFORE, BE IT ORDAINED by the Sangguniang Panlungsod of Muntinlupa in its session assembled the following:

ARTICLE I
TITLE, GENERAL STATEMENT OF POLICY AND DEFINITION OF TERMS

Section 1. TITLE. This Ordinance shall be known as the “20% Balanced Housing Ordinance of the City of Muntinlupa”.

Section 2. STATEMENT OF POLICY. It shall be the policy of the City Government of Muntinlupa to adopt a continuing housing and resettlement program which will make available at reasonable and affordable cost decent housing to its urban poor and homeless constituents.

Section 3. DEFINITION OF TERMS. As used in this ordinance, the following are defined:

a. 20% BALANCE HOUSING- refers to the housing program whereby developers of proposed subdivisions, town houses and the like, including condominium development for purposes other than for socialized housing, is required to develop an area for socialized housing equivalent to at least twenty percent (20%) of the total subdivision area or total subdivision cost, at the option of the developer;

b. 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 R.A. 7279;
c. DEVELOPERS- refers to individuals, partnerships, corporations or agents thereof who develop or improve a subdivision, townhouse, condominium, and similar development projects;

d. JOINT VENTURE- refers to the commitment or agreement by two (2) or more persons to carry out a specific or single business enterprise for their mutual benefit, for which purpose they combine their funds, land resources, facilities and services;

e. SLUM IMPROVEMENT AND RESETTLEMENT PROGRAM- refers to the program of the National Housing Authority of upgrading and improving blighted area outside of Metro Manila pursuant to existing statutes and pertinent executive issuances;

f. NEW SETTLEMENT- refers to any new, large scale development consisting of one or several subdivision projects planned to provide housing, work places and facilities without a more or less self-contained environment;

g. PROJECT COST- refers to cost of the project based on the following:

a. Current market value of the raw land plus estimated housing project cost;

b. Home Guaranty Corporation (HGC) preliminary appraisal for projects requiring HGC guarantee.

ARTICLE II
SCOPE, EXEMPTIONS AND OPTIONS AVAILABLE TO DEVELOPERS

Section 4. SCOPE. This Ordinance shall apply to all residential subdivision projects and/or expansion of existing residential subdivision projects not otherwise exempted under this Ordinance, the application of which is still pending before the Zoning Office and/or Office of the Building Official reckoned from the date of the effectivity of this Ordinance.

Section 5. EXEMPTIONS. As enumerated in Section 5 of RA 7279, the following shall be exempted from coverage of this Ordinance:

a. Projects intended for the underprivileged and homeless and where the selling price of a house and lot package does not exceed ₱225,000.00 or does not exceed the selling price of the lowest rate under the Unified Home Lending Program;
Page 4
Ordinance No. 03-093

b. Residential subdivision and townhouse projects of co-heir, or members of one
and the same family and not for commercial or business purposes, unless such
heirs had previously constructed a similar project;

c. Development projects intended for the purpose other than for residential or
housing, e.g. industrial or commercial zone or estates;

Section 6. OPTIONS. Owners and/or developers of development projects
covered by this Ordinance shall have the following options in compliance thereto:

a. The SHOPCOM shall prepare a list of properties in Muntinlupa City that are
feasible for socialized housing. If, however, there is no property that is
feasible, as certified by SHOPCOM, the developer may opt for the next
option;

b. For developers of proposed subdivision projects, if the 20% compliance is not
feasible within Muntinlupa City, they are given an option to comply the same
in Cavite, Laguna, Rizal and Bulacan;

c. Aside from what is provided for in the preceding paragraph, the socialized
housing project equivalent to twenty percent (20%) of total subdivision
project cost may also be complied with in the following manner:

1. Development of a new settlement as may be authorized or certified by
the Socialized Housing Program Committee (SHOPCOM),

2. Development, upgrading and improvement of Muntinlupa City slum
and/or blighted area as may be certified by the SHOPCOM;

3. The developer may also enter into a joint venture project or agreement
with the City Government to develop a socialized housing project,
provided that its participation must conform to Section 18 of RA 7279;

4. The developer may also opt to participate in the community mortgage
program of the City.

In compliance with the abovementioned options, preference should be given to
homeless and underprivileged residents of Muntinlupa City.

ARTICLE III
APPLICATION FOR APPROVAL AND ISSUANCE OF DEVELOPMENT
PERMIT AND BUILDING PERMIT
Section 7. APPLICATION. Upon receipt of an application for the approval of a subdivision project or application for a building permit in the case of townhouse or condominium projects, the Zoning Office or Office of the Building Office, as the case may be, must immediately ascertain whether the herein-mentioned project is covered or not by this Ordinance and shall stamp in the application the words “COVERED” or “NOT COVERED”. In cases where the development project is covered by this Ordinance, it shall cause the application and the requirement as provided in Section 8 hereof to be forwarded to the SHOPCOM which must act on it within twenty (20) days from receipt thereof, and forward its findings and recommendation to the Zoning Office and/or Office of the Building Official, as the case may be.

Section 8. COVERED, REQUIREMENT. In addition to the existing requirements required by the City Zoning Office, developers or owners of the development projects shall comply with the following requirements:

a. Letter of option, stating the option taken by the developer or owner of the project in accordance with Section 6 hereof;

b. Affidavit of Undertaking, containing the undertaking under oath of the developer or project that he shall comply with the option he earlier made; that he will not start the development project without complying with the requirements herein-mentioned; that he will not dispose or sell the twenty percent (20%) socialized housing equivalent without the clearance of SHOPCOM, and that he will abide by the provisions of this Ordinance.

c. Two (2) separate plans, one for the regular development projects and another for the socialized housing projects;

No developer or owner of development projects shall start with the projects, unless the abovementioned requirements are complied with. Any violation thereof shall mean an automatic disapproval of the application.

Section 9. ISSUANCE OF DEVELOPMENT AND BUILDING PERMIT. No development or building permit shall be issued unless all the above-mentioned requirements are complied with, and only upon favorable recommendation of the SHOPCOM. Upon issuance of such permit, the developer shall commence with the Socialized Housing project opted within a reasonable period of time, in accordance with sound engineering practice.

ARTICLE IV
SHOPCOM FUNCTION AND SOCIALIZED HOUSING BENEFICIARIES

Section 10. The SHOPCOM shall have the following functions:
Ordinance No. 03-093

a. Scrutinize, examine, and study applications for subdivision or building permit;

b. Conduct an actual on-site inspection of the socialized housing site designated by the developer as reflected in his application in compliance with Section 6 and 8 hereof;

c. Validate whether the site to be developed by the developer is in consonance with the site selection criteria as provided in RA 7279;

d. Submit recommendation within a reasonable period of time to the Zoning Office and or City Building Official, as the case may be. In relation to project applications pending before it;

e. Recommend the disapproval of the application or cancellation of the development or building permit as the case may be, for violation of any provision of this Ordinance or any other laws or issuance related to socialized housing program;

f. Adopt and recommend other measures for the effective implementation of this Ordinance.

Section 11. BENEFICIARIES. The SHOPCOM shall maintain a record of socialized housing beneficiaries in every barangay and upon receipt of the application for subdivision permit or building permit, as the case may be, prepare a list of beneficiaries that can be accommodated in the socialized housing component of the project.

Preference shall be given to the socialized housing beneficiaries of the barangay where the development project is located.

ARTICLE V
FINANCING SCHEMES, LETTER OF ISSUANCE AND TAX BENEFITS

Section 12. FINANCING SCHEME. Upon receipt of the application for subdivision or building permit and after it shall have prepared a list of socialized housing beneficiaries who are willing to acquire the twenty percent (20%) socialized housing component, the SHOPCOM shall study the kind of financing scheme that is affordable to the beneficiaries and ensure payment on the part of the developer.

In looking for a financing scheme that is affordable to the beneficiaries, the SHOPCOM shall coordinate with the different financing agencies, the developers whenever necessary and the prospective beneficiaries of the programs for socialized housing, and such schemes shall be submitted before the issuance of development permit.
Section 13. TAX BENEFITS. Notwithstanding the tax and regulation incentives and benefits granted to the developers or socialized housing component equivalent to twenty percent (20) of the project area or cost, they shall also be exempted from any local tax imposition and regulation fee.

ARTICLE VI
PENALTY, REPEALING, SEPARABILITY AND EFFECTIVITY CAUSE

Section 14. PENALTY. Violation of any of the provision of this ordinance shall, upon final conviction by court of competent jurisdiction, be punished by imprisonment not exceeding one (1) year or fine of not exceeding FIVE THOUSAND PESOS (P5,000.00) or both at the discretion of the court. The penalties herein imposed shall be without prejudice to the disapproval of the application for subdivision or building permit or cancellation of one already issued.

Section 15. REPEALING CLAUSE. All Ordinances, Resolutions, Executive Orders or issuance by the Mayor inconsistent with the provisions of this ordinance are hereby repealed or modified accordingly.

Section 16. SEPARABILITY CLAUSE. This ordinance shall take effect ten (10) days after its publication in a newspaper of general circulation in the City.

ENACTED, by the Sangguniang Panlungsod of Muntinlupa this 10th day of April, 2003, on its 70th Regular Session.

CONCURRED:

ALDRIN L. SAN PEDRO
Councilor

BAL NIEFES
Councilor

DR. NICANOR L. ECHAVEZ
Councilor

ATTY. PATRICIO L. BONCAYAO, JR.
Councilor

ALLAN REY A. CAMILON
Councilor

FRANCIS IAN T. BAGATSING
Councilor

LUCIO B. CONSTANTINO
Councilor

MARIO L. DULAY, JR.
Councilor

MAMERTO T. SEVILLA, JR.
Councilor

RUFINO B. JOAQUIN
Councilor
Page 8
Ordinance No. 03-092

ATTY. RAUL R. CORRO
Councilor

SANTIAGO V. CARLOS, JR.
Councilor

MELCHOR R. TEVES
Councilor

ATTY. ICASIANO M. DELA REA
Councilor

CHRISTIAN GLENN D. LORICA
Sectoral Representative
President
Federation of Sangguniang Kabataan

ARTEMIO A. SIMUNDAC
Sectoral Representative
President
Association of Barangay Captains

(On Leave)

RENE CARL S. CAYETANO
Councilor

ABSENT:

ELMER S. ESPELETA
Councilor

I HEREBY CERTIFY, as to the correctness of the foregoing Ordinance.

ATTY. ISIDORO L. SORIANO, JR.
Secretary
SANGGUNIANG PANLUNGSOD

ATTESTED:

ATTY. JO JASON V. ALCARAZ
City Vice Mayor/Presiding Officer

APPROVED:

ATTY. JAIME R. FRESNEDI
City Mayor

Date: ____________________

LITO B. SALAMAT, JR./Nory