



HOUSE OF REPRESENTATIVES

H. No. 3899

BY REPRESENTATIVE BELMONTE (J.), SACDALAN, CALALAY, BANAL,
CASTELO, VARGAS, ABU, CORTUNA, DE VENECIA, GERONA-ROBREDO,
GUANLAO, MASONGSONG, PANCHE, TINIO, RODRIGUEZ (M.), PADILLA,
GUTIERREZ, FARIÑAS, GORRICETA, ROBES, PAEZ, ADIONG AND
HERNANDEZ, PER COMMITTEE REPORT NO. 49

AN ACT CREATING THE QUEZON CITY DEVELOPMENT
AUTHORITY (QCDA), DEFINING ITS POWERS AND
FUNCTIONS, AND PROVIDING FOR ITS ORGANIZATIONAL
STRUCTURE AND CAPITALIZATION

*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 “Charter of
2 the Quezon City Development Authority”.

3 SEC. 2. *Declaration of Policy.* – The 1987 Constitution provides that
4 the State shall ensure the autonomy of local government units. It also provides
5 that the local government units shall have the power to create its own sources
6 of revenues subject to such guidelines and limitations as Congress may
7 provide, consistent with the basic policy of local autonomy. As such, the State
8 upholds the autonomy and the decentralization to the local government of
9 urban renewal projects and programs for the delivery of basic services such as
10 low-cost or socialized housing, health services, education, and livelihood
11 within its jurisdiction.

1 The State shall undertake, in cooperation with the private sector, a
2 continuing program of urban land reform and development through investment
3 schemes, infrastructure projects such as low-cost housing programs,
4 telecommunication projects, transportation programs, information technology
5 and manufacturing projects in order to provide affordable and decent housing
6 as well as basic services.

7 SEC. 3. *Definition of Terms.* – As used in this Act:

8 (a) *Areas for priority development* refer to those areas declared as such
9 under existing statutes, ordinances, and pertinent executive issuances;

10 (b) *Blighted urban communities* refer to the areas where the structures
11 are dilapidated, obsolete and unsanitary, tending to depreciate the value of the
12 land and prevent normal development and use of the area;

13 (c) *Consultation* refers to the constitutionally mandated process
14 whereby the public, on their own or through people’s organizations, is
15 provided an opportunity to be heard and to participate in the decision-making
16 process on matters involving the protection and promotion of their legitimate
17 collective interest, which shall include appropriate documentation and
18 feedback mechanisms;

19 (d) *Idle lands* refer to nonagricultural lands in urban and urbanized
20 areas on which no improvements, as herein defined, have been made by the
21 owner, as certified by the city assessor;

22 (e) *Improvements* refer to all types of buildings and residential units,
23 walls, fences, structures and constructions of all kinds of a fixed character or
24 which are adhered to the soil, but shall not include, trees, plants and growing
25 fruits except for urban community vegetable and fruit gardens maintained by
26 the landowner, an existing homeowner, a neighborhood association, the
27 barangay, or the landowner’s authorized representative;

1 (f) *Marginal and low-income families* refer to individuals or families
2 residing in urban and urbanized areas whose income or combined household
3 income falls within the poverty threshold as defined by the National Economic
4 and Development Authority and who do not own any housing facility or home
5 lot. These shall include those who live in makeshift dwelling units and do not
6 enjoy security of tenure;

7 (g) *Monitoring* refers to the collection, analysis, reporting and use of
8 information about the progress of resettlement, and focuses on physical and
9 financial targets and the delivery of entitlements to people;

10 (h) *On-site development* refers to the process of upgrading and
11 rehabilitation of blighted urban areas with a view of minimizing displacement
12 of dwellers in said areas, and with provisions for basic services;

13 (i) *Professional squatters* refer to individuals or groups who occupy
14 lands without the expressed consent of the landowner and who have sufficient
15 income for legitimate housing. The term also applies to persons who were
16 previously awarded home lots or housing units by the government but who
17 sold, leased or transferred the same to settle illegally in the same place or in
18 another urban area and non-*bona fide* occupants and intruders of land reserved
19 for socialized housing. The term shall not apply to individuals or groups who
20 simply rent land and housing from professional squatters or squatting
21 syndicates;

22 (j) *Resettlement areas* refer to areas identified by the local government
23 unit which shall be used for the relocation of the underprivileged and homeless
24 families; and

25 (k) *Socialized housing* refers to the housing programs and projects
26 covering real properties with or without existing houses undertaken by the
27 government or the private sector for underprivileged and homeless citizens
28 which shall include sites and services development, long-term financing,

1 liberalized terms on interest payments, and such other benefits in accordance
2 with the provisions of Republic Act No. 7279, otherwise known as the “Urban
3 Development and Housing Act of 1992”.

4 SEC. 4. *Creation.* – There is hereby created a government-owned or
5 -controlled corporation to be known as the Quezon City Development
6 Authority (QCDA). It shall have its principal office in Quezon City.

7 The QCDA shall exist for a period of fifty (50) years from the
8 effectivity of this Act.

9 The QCDA shall be covered by the provisions of Republic Act
10 No. 10149, otherwise known as the “GOCC Governance Act of 2011”, and be
11 subject to the regulatory jurisdiction of the Governance Commission for
12 GOCCs (GCG).

13 SEC. 5. *Socialized Housing Development.* – The QCDA shall maintain
14 as its primary focus the development of socialized housing and urban renewal
15 which may be accomplished in any of the following ways:

16 (a) Development of new settlement areas in the following order of
17 priority: on-site, near site, in-city, and near city;

18 (b) Slum upgrading or renewal of areas for priority development and
19 environmental improvement and resettlement program; and

20 (c) Relocation of urban residents, including squatters and informal
21 settlers who are involuntarily displaced due to the housing and urban renewal
22 program.

23 For this purpose, the QCDA shall be required to develop an area for
24 socialized housing equivalent to at least sixty percent (60%) of its total
25 landholding.

26 SEC. 6. *Objectives.* – The QCDA shall have the following objectives:

27 (a) To provide adequate and affordable housing to marginal and
28 low-income families in Quezon City;

1 (b) To encourage the participation of the private sector in housing
2 ventures and urban renewal;

3 (c) To promote greening and development of vacant, blighted and
4 underutilized lands in Quezon City owned by the local government; and

5 (d) To provide to the constituency of Quezon City projects that will
6 improve their quality of life, such as affordable means and schemes of
7 transportation, energy, telecommunication, information technology and
8 manufacturing.

9 *SEC. 7. Capitalization and Funding.* – The QCDA shall have an
10 authorized capital stock of One billion pesos (Php1,000,000,000.00) divided
11 into one billion (1,000,000,000) shares having a par value of One peso (P1.00)
12 each, which shall be fully subscribed by the Quezon City government, the
13 initial payment for which shall be made as follows:

14 (a) Two hundred fifty million pesos (Php250,000,000.00) in cash upon
15 the effectivity of this Act; and

16 (b) The equivalent sum of Two hundred million pesos
17 (Php200,000,000.00) in terms of properties to be conveyed by the Quezon
18 City government to the QCDA within two (2) years after the effectivity of this
19 Act.

20 *SEC. 8. Powers and Functions of the QCDA.* – The QCDA shall have
21 the following powers and functions in accordance with the established urban
22 development and housing plan prepared by the Quezon City government:

23 (a) Develop and implement a comprehensive and integrated urban
24 renewal program for Quezon City;

25 (b) Upgrade, renew or redevelop slums and other blighted urban
26 communities; develop resettlement sites, whether in-city or outside Quezon
27 City, with due consideration to ecological balance; and in general, enhance
28 and promote urban development in Quezon City;

1 (c) Purchase, develop, build, alter, construct, erect, enlarge, occupy,
2 manage, or otherwise deal in lands and buildings of every kind and character
3 whatsoever, whether belonging to or to be acquired by the QCDA;

4 (d) Invest its funds, as it may deem proper, in bonds and securities
5 issued and guaranteed by the Quezon City government or the national
6 government;

7 (e) Promote housing development by providing technical assistance to
8 any related development project;

9 (f) Receive donations, grants and bequests and use the same for the
10 resettlement of displaced families and the development of socialized housing;

11 (g) Enter into joint ventures, accept investments, enter into
12 partnerships and perform such other acts necessary to effect the policies and
13 achieve the objectives herein declared;

14 (h) Formulate and implement the recommendations of the Quezon City
15 Local Housing Board;

16 (i) Plan, implement and monitor urban renewal programs, in
17 coordination with the Environmental Management Bureau of the Department
18 of Environment and Natural Resources, to protect and conserve unique, vital
19 and sensitive ecosystems, watershed areas, scenic landscapes, cultural sites
20 and provide resources in terms of capital expenditures, lands, expertise,
21 financing and other facilities for the sustained growth of Quezon City;

22 (j) Own lands, buildings, estates and other forms of real property
23 transferred to it or which it may acquire in the future;

24 (k) Develop, improve, administer, subdivide or lease any and all kinds
25 of lands, buildings, estates and other forms of real property turned over to the
26 QCDA by the national government and the Quezon City government;

27 (l) Invest in various proprietary ventures to earn income to pursue its
28 primary objective of urban renewal; and

1 (m) Exercise all necessary corporate powers under Batas Pambansa
2 Blg. 68 or the Corporation Code of the Philippines.

3 SEC. 9. *Board of Directors.* – The QCDA shall be governed by a
4 board of directors, hereinafter referred to as the “Board”, which shall be
5 composed of nine (9) members, who shall be the following:

6 (a) The Quezon City Administrator as Chairperson;

7 (b) The head of the Quezon City Department of Housing;

8 (c) The head of the Quezon City Planning Department;

9 (d) One (1) representative from the Quezon City Local Housing Board
10 who shall not be an elected public official, to be nominated by the Local
11 Housing Board members themselves;

12 (e) Four (4) representatives from the private sector, all *bona fide*
13 residents of Quezon City; and

14 (f) One (1) representative from the City Development Council who
15 shall not be an elected public official and who shall be nominated by the
16 officers of the City Development Council.

17 Every member of the Board must be qualified by the Fit and Proper
18 Rule as determined by the GCG in accordance with the provisions of Republic
19 Act No. 10149.

20 The members of the Board shall be appointed by the President of the
21 Philippines from a shortlist submitted by the GCG in accordance with the
22 provisions of Republic Act No. 10149; *Provided*, That in all Board positions,
23 the GCG shall give primacy to the nominees recommended by the City Mayor
24 and the City Council of Quezon City.

25 The Board shall elect a presiding officer in the absence of the
26 Chairperson.

1 The General Manager shall be elected by members of the Board from
2 among their ranks. The General Manager must possess either: (1) a career
3 Service Executive Eligibility (CSEE) or Career Executive Service Officer
4 (CESO) eligibility; (2) a post-graduate degree related to law, management or
5 public administration; or (3) a minimum of ten (10) years of management
6 experience; and must be a recognized authority in housing or in a related
7 field.

8 The General Manager shall be the Chief Executive Officer of the
9 QCDA and shall be entitled to receive a salary in accordance with the
10 guidelines promulgated by the GCG, and shall serve for a fixed term of one
11 (1) year, unless sooner removed by the Board for cause.

12 The members of the Board may receive *per diems*, allowances, and
13 incentives in accordance with the guidelines promulgated by the GCG.

14 The Board shall meet regularly at least once a month, but special
15 meetings may be called either by the Chairperson or by five (5) members of
16 the Board, when necessary. Five (5) members of the Board shall constitute a
17 quorum and any approval of business shall require the concurrence of at least
18 five (5) members.

19 The Board may hire from time to time up to a maximum of two (2)
20 consultants from the private sector who are known professionals in the urban
21 renewal and housing industry with proven track record. They shall be entitled
22 to receive honoraria to be determined by the Board.

23 SEC. 10. *Powers and Duties of the Board.* – The Board shall have the
24 following powers and duties:

25 (a) Formulate, prescribe and promulgate the implementing rules and
26 regulations required by this Act;

1 (b) Act upon the annual budget and such supplemental budgets of the
2 QCDA submitted by the General Manager: *Provided*, That the Board may
3 reduce but may not increase any item proposed by the General Manager;

4 (c) Approve the organizational structure of the QCDA as well as its
5 staffing pattern, the salaries of the personnel and their powers and duties as
6 submitted by the General Manager: *Provided*, That the QCDA shall be
7 covered by Republic Act No. 6758, as amended by Joint Resolution Nos. 1,
8 series of 1994, and 4, series of 2009, the Compensation and Position
9 Classification System for GOCCs under Republic Act No. 10149, as approved
10 by the President of the Philippines: *Provided, further*, That prior approval
11 from the GCG shall be obtained therefor;

12 (d) Formulate and enforce general and specific policies for housing
13 development, resettlement and urban renewal, and other policies that the
14 QCDA may require for the effective discharge of its duties which are not
15 contrary to existing laws;

16 (e) Order, authorize, direct and coordinate with offices and task forces
17 of the Quezon City government in areas important to the implementation of its
18 projects;

19 (f) Enter into contracts or agreements as may be necessary for the
20 attainment of the objectives of this Act with parties other than members of the
21 Board, Quezon City officials and employees and their relatives up to the
22 fourth civil degree of consanguinity or affinity, or any judicial entity where
23 such persons mentioned have pending cases or interest;

24 (g) Acquire by purchase privately owned lands for purposes of urban
25 renewal, housing development, resettlement and related services and facilities:
26 *Provided*, That the acquisition is with the consent of the Quezon City Council
27 through a resolution;

1 (h) Design, formulate, negotiate, and implement financial or investment
2 schemes;

3 (i) Enable private sector assistance and participation in the
4 achievement of the goals of the QCDA and in carrying out its operations;

5 (j) Render annual reports and special reports, as may be requested, in
6 relation to Section 18 of this Act; and

7 (k) Enter into and execute memoranda of agreements, joint ventures,
8 long-term leases and management contracts with private sector entities, to
9 include real estate developers or construction companies with dependable
10 repute and proven track record in developing and managing real estate
11 ventures.

12 SEC. 11. *Duties and Responsibilities of the General Manager.* – The
13 General Manager, as the Chief Executive Officer of the QCDA, shall have the
14 following duties and responsibilities:

15 (a) Execute, administer and implement the policies and measures
16 approved by the Board;

17 (b) Directly supervise the operation and internal affairs of the QCDA.
18 The General Manager may delegate certain administrative responsibilities to
19 other officers subject to the rules and regulations promulgated by the Board;

20 (c) Prepare the agenda for the meetings of the Board and submit for the
21 consideration of the Board the policies and measures necessary to carry out the
22 purposes of this Act;

23 (d) Recommend the number and salaries of, appoint the subordinate
24 officers and personnel of the QCDA, and remove or otherwise discipline for
25 cause any officer or employee: *Provided*, That the QCDA shall be covered by
26 Republic Act No. 6758, as amended by Joint Resolution Nos. 1, series of 1994,
27 and 4, series of 2009, the Compensation and Position Classification System for
28 GOCCs under Republic Act No. 10149, as approved by the President of the

1 Philippines: *Provided, further,* That prior approval from the GCG shall be
2 obtained therefor;

3 (e) Represent the QCDA in all dealings with other offices, agencies,
4 and instrumentalities of the government and with all persons and entities,
5 public or private, domestic or foreign; and

6 (f) Exercise such other powers and perform such other duties as may be
7 vested by the Board.

8 SEC. 12. *Organizational Structure of the QCDA.* – The General
9 Manager shall prepare the organizational structure of the QCDA that would
10 best carry out its powers and functions, and attain the objectives of this Act and
11 shall present the same to the Board for its approval.

12 Subject to the approval of the Board, the General Manager shall
13 likewise determine the rates of allowances, honoraria and other additional
14 compensation which the QCDA is hereby authorized to grant its officers,
15 technical staff, consultants and personnel detailed to it.

16 In all cases, the QCDA shall be covered by Republic Act No. 6758, as
17 amended by Joint Resolution Nos. 1, series of 1994, and 4, series of 2009, the
18 Compensation and Position Classification System for GOCCs under Republic
19 Act No. 10149, as approved by the President of the Philippines: *Provided,*
20 That prior approval from the GCG shall be obtained therefor.

21 SEC. 13. *Inventory of Lands.* – Within three (3) months from the
22 effectivity of this Act, an inventory of all kinds of lands and improvements
23 thereon within the territorial jurisdiction of Quezon City shall be conducted by
24 three (3) reputable independent appraisers as chosen by the Board. The
25 inventory shall include the following:

- 26 (a) Lands owned by the national government in Quezon City;
27 (b) Lands owned by the Quezon City government;
28 (c) Unregistered or abandoned and idle lands; and

1 (d) Other lands which may be of use to the Quezon City government in
2 pursuit of the objectives of this Act.

3 In conducting the inventory, the independent appraisers shall indicate
4 the type of land use, the degree of land utilization and other data or
5 information necessary to carry out the purposes of this Act. They shall submit
6 their report on the appraisal and inventory of lands to the Board, the Quezon
7 City Mayor and the Quezon City Council.

8 SEC. 14. *Identification of Sites for Socialized Housing.* – After the
9 inventory, the QCDA, in coordination with the Quezon City Council, shall
10 identify lands for socialized housing and resettlement areas suited for the
11 immediate and future needs of marginal and low-income families in Quezon
12 City, taking into consideration the degree of availability of basic services and
13 facilities, their accessibility and proximity to job sites and other economic
14 opportunities, and the actual number of registered beneficiaries.

15 Lands for socialized housing shall be acquired in the following order:

16 (a) Those owned by the Quezon City government;

17 (b) Alienable lands of the public domain;

18 (c) Unregistered or abandoned and idle lands;

19 (d) Those within the declared areas for priority development Zonal
20 Improvement Program sites and the Slum Improvement and Resettlement
21 Program sites which have not yet been acquired;

22 (e) Donated privately owned lands; and

23 (f) Private lands offered for sale by the owners.

24 Where on-site development is found by the Board to be more
25 practicable and advantageous to the beneficiaries, the priorities mentioned in
26 this section shall not apply. The QCDA shall give budgetary priority to on-
27 site development of government lands.

1 SEC. 15. *Completed Projects: Management and Disposition.* – The
2 QCDA shall determine, establish and maintain the most feasible and effective
3 program for the management or disposition of specific urban renewal, housing
4 or resettlement projects undertaken by it. Unless otherwise decided by the
5 Board, completed housing or resettlement projects of the Quezon City
6 government shall be managed and administered by the QCDA: *Provided*, That
7 the communities and residents have been fully consulted on such
8 arrangements.

9 SEC. 16. *Eligibility Criteria for Socialized Housing Program*
10 *Beneficiaries.* – To qualify for the socialized housing program, a beneficiary:

- 11 (a) Must be a Filipino citizen;
12 (b) Must belong to the marginal and low-income families in Quezon
13 City;
14 (c) Must not own any real property in the urban area; and
15 (d) Must not be a professional squatter or a member of squatting
16 syndicates.

17 Beneficiaries may also include employees of government entities with
18 offices situated in Quezon City whose salaries are not higher than Salary
19 Grade 18 or its equivalent as certified by their offices' respective personnel
20 department: *Provided*, That they are not yet beneficiaries of any housing
21 program or own housing facilities.

22 In coordination with the Quezon City Council, the QCDA shall design
23 a system for the identification and registration of qualified program
24 beneficiaries in accordance with the objectives of this Act.

25 SEC. 17. *Issuance of Bonds and Power to Borrow.* – The QCDA may
26 be authorized to issue bonds and other securities and enter into any form of
27 indebtedness to finance the implementation of its urban renewal and

1 housing program: *Provided*, That only so much of such bonds and securities
2 as the annual project implementation would require shall be issued and sold:
3 *Provided, further*, That no bonds and securities shall be issued unless eighty
4 percent (80%) of those already issued have been sold: *Provided, finally*, That
5 the total amount of the bonds or securities and long-term debts issued shall in
6 no case exceed twenty (20) times the paid-up capital and surplus of the
7 QCDA.

8 The QCDA, in consultation with the Secretary of Finance and the
9 Monetary Board, shall prescribe the form, the rate of interest and
10 denomination, maturities, negotiabilities, call or redemption features and all
11 other terms and conditions for the bonds and securities to be issued.

12 The bonds and securities issued under this Act, including the income
13 thereof, shall be exempted from all kinds of local taxes and from attachment,
14 execution and seizure which facts shall be stated on the face thereof.

15 SEC. 18. *Reports.* – The QCDA shall submit an annual report to the
16 Office of the President of the Republic of the Philippines, both Houses of
17 Congress, the Representatives of Quezon City, the Quezon City Mayor and to
18 the Quezon City Council indicating, among others, the urban renewal and
19 housing program being implemented, the stages of implementation and the
20 financial position of the QCDA. It shall likewise submit such periodic and
21 other reports as may be required by the GCG, the Quezon City Mayor and the
22 Quezon City Council.

23 The Quezon City Council shall undertake the internal and external
24 monitoring of the housing and urban development of the QCDA to ensure
25 complete and objective information about the progress of resettlement and
26 shall also:

1 (a) Assess whether resettlement objectives have been met and
2 specifically whether livelihoods and living standards have been restored or
3 enhanced;

4 (b) Assess resettlement efficiency, effectiveness, impact and
5 sustainability; and

6 (c) Ascertain whether the resettlement entitlements were appropriate in
7 meeting the resettlement objectives and whether the resettlement objectives
8 were suited to the conditions.

9 SEC. 19. *Dissolution.* – In the event the QCDA is dissolved for any
10 reason, all of its properties and other assets remaining at the time of such
11 dissolution shall revert to the Quezon City government.

12 SEC. 20. *Applicability of the Corporation Code.* – The provisions of
13 the Corporation Code, insofar as these are not inconsistent with the
14 provisions and policies provided in this Act, shall be applicable and
15 supplementary.

16 SEC. 21. *Transitory Provision.* – The Quezon City Housing and
17 Urban Renewal Authority (QC-HURA), created by Quezon City Ordinance
18 No. SP-1236 (series of 2003) shall be dissolved upon the effectivity of this
19 Act. All assets, liabilities, and projects of the QC-HURA shall automatically
20 be transferred to the QCDA, which will have the discretion to absorb the
21 existing manpower complement of the QC-HURA.

22 SEC. 22. *Separability Clause.* – Should any section or provision of
23 this Act be declared by the courts to be unconstitutional, the validity of this
24 Act or any part hereof other than the part so declared to be unconstitutional
25 or invalid shall not be affected. Any portion hereof not affected by such
26 declaration shall remain in full force and effect.

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SEC. 23. *Repealing Clause.* – All laws, ordinances, executive orders, administrative orders, rules, regulations, decrees and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby revoked, repealed or modified accordingly.

SEC. 24. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation in the Philippines.

Approved,

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