



HOUSE OF REPRESENTATIVES

H. No. 4349

BY REPRESENTATIVES GONZALES, BENITEZ, BAGATSING, PAEZ, CASTELO,
ASILO, TEVES, GATCHALIAN (S.), BELMONTE (J.), CORTUNA,
GUTIERREZ, SY-ALVARADO, DUAVIT, CHIPECO AND ABUEG, PER
COMMITTEE REPORT NO. 186

AN ACT DECLARING CERTAIN PORTIONS OF THE WELFAREVILLE
PROPERTY LOCATED IN THE CITY OF MANDALUYONG OPEN
FOR DISPOSITION TO *BONA FIDE* RESIDENTS WITHOUT
PUBLIC BIDDING, REPEALING FOR THE PURPOSE REPUBLIC
ACT NO. 5260

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

1 SECTION 1. *Declaration of Policy.* — It is hereby declared the policy
2 of the State to secure the land tenure of the urban poor. Pursuant to Sections 9
3 and 10 of Article XIII of the 1987 Constitution and the Urban Development
4 and Housing Act of 1992, certain portions of the Welfareville property owned
5 by the national government in the City of Mandaluyong shall be utilized for
6 socialized housing.

7 SEC. 2. *Direct Negotiated Sale Without Public Bidding of the*
8 *Welfareville Property.* — The Welfareville property, except the areas occupied
9 by the National Center for Mental Health (NCMH) and the Correctional
10 Institute for Women (CIW), is hereby declared disposable and alienable and

1 shall be sold through direct negotiated sale to *bona fide* residents therein
2 without public bidding: *Provided*, That the determination of *bona fide*
3 residents shall be based on the census verification survey conducted by the
4 Welfareville Commission of the Local Government of the City of
5 Mandaluyong in 2003 or on continuous residency or ownership of residential
6 structures in the property for at least five (5) years before the effectivity of this
7 Act as certified by the barangay chairperson concerned and the local
8 government of the City of Mandaluyong: *Provided, further*, That persons
9 and/or families classified as *bona fide* residents in the NCMH and CIW areas
10 because they have been included in the census verification survey of 2003 or
11 have continuously maintained residence or owned residential structures therein
12 for at least five (5) years prior to the effectivity of this Act as certified by the
13 barangay chairperson concerned and the local government of the City of
14 Mandaluyong, shall be allowed to purchase lots within the disposable and
15 alienable portion of the Welfareville property also through direct negotiated
16 sale without public bidding: *Provided, finally*, That a non-negotiable condition
17 of any sale to *bona fide* residents of the Welfareville property, shall be
18 annotated on their titles to the effect that, except for testate and intestate
19 succession, they cannot assign, sell, convey or otherwise dispose of the
20 property purchased or rights appurtenant thereto to any party within a period of
21 twenty (20) years from the date of purchase.

22 SEC. 3. *Trustee Committee.* – There is hereby created a Trustee
23 Committee to be composed of the Secretary of the Department of Social
24 Welfare and Development (DSWD) as the chairperson, the General Manager
25 of the National Housing Authority, the Chairperson of the Presidential
26 Commission for the Urban Poor, the Representative of the Lone District of the
27 City of Mandaluyong, the Mayor of the City of Mandaluyong, the Chairperson
28 of the Housing and Urban Development Coordinating Council, the Secretary of

1 the Department of Environment and Natural Resources and two (2)
2 representatives from the duly recognized people's organizations, as members
3 thereof. The representatives of the duly recognized people's organizations
4 shall be appointed by the Chairperson of the Trustee Committee upon the
5 recommendation of the organization they represent.

6 SEC. 4. *Powers and Functions of the Trustee Committee.* – The
7 Trustee Committee shall have the following powers and functions:

8 (a) To supervise the sale of the Welfareville properties, except the
9 areas occupied by the NCMH and CIW;

10 (b) To draft a schedule to arrange for the procedure of the sale;

11 (c) To determine the *bona fide* residents based on the census
12 verification survey conducted by the Welfareville Commission of the Local
13 Government of the City of Mandaluyong in 2003; and

14 (d) To administer the proceeds of the sale and its utilization.

15 SEC. 5. *Use of the Proceeds of Sale.* – The proceeds of said sale shall
16 be exclusively used and expended for the purchase of appropriate sites,
17 construction of buildings and facilities, acquisition of furniture and equipment
18 including vehicles, necessary for the establishment of national children's home
19 institutions, and community services for children in various parts of the
20 Philippines in such places as the DSWD may designate. Disbursement of the
21 funds shall be subject to appropriate government accounting and auditing
22 procedures.

23 SEC. 6. *Retention of Unexpended Balance.* – Any unexpended balance
24 thereof shall not revert to the general fund but shall remain part of the funds of
25 the DSWD for the purpose of improving the child welfare services of the
26 Philippines in accordance with the needs of the population.

27 SEC. 7. *Implementing Rules and Regulations.* – The Trustee
28 Committee shall formulate and promulgate the rules and regulations to

1 effectively implement the provisions of this Act sixty (60) days from its
2 effectivity.

3 SEC. 8. *Tax Exemption.* -- All lands that will be disposed and/or sold
4 pursuant to this Act shall be exempted from the payment of Capital Gains Tax
5 imposed under the National Internal Revenue Code of 1997, as amended.

6 SEC. 9. *Appropriations.* -- The amount necessary for the operations of
7 the Trustee Committee shall be included in the budget of the DSWD in the
8 annual General Appropriations Act.

9 SEC. 10. *Repealing Clause.* -- Republic Act No. 5260 is hereby
10 repealed. All other laws, decrees, orders, rules and regulations, issuances or
11 parts thereof which are inconsistent with any of the provisions of this Act are
12 hereby repealed, amended or modified accordingly.

13 SEC. 11. *Separability Clause.* -- If any provision of this Act is
14 declared invalid or unconstitutional, the remaining provisions not affected
15 thereby shall continue to be in full force and effect.

16 SEC. 12. *Effectivity.* -- This Act shall take effect fifteen (15) days after
17 its publication in the *Official Gazette* or in at least two (2) newspapers of
18 general circulation.

Approved,

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