



Republic of the Philippines
Tanggapan ng Sangguniang Panlungsod
City of Naga



ORDINANCE NO. 98-033

AN ORDINANCE PROVIDING FOR A COMPREHENSIVE AND CONTINUING DEVELOPMENT PROGRAM FOR THE URBAN POOR SECTOR AND APPROPRIATING FUNDS FOR THE PURPOSE:

Be it ordained by the 5th Sangguniang Panlungsod of the City of Naga, that:

ARTICLE I - TITLE AND SCOPE

SECTION 1. - TITLE - This enactment shall be known as The Kaantabay sa Kauswagan Ordinance of 1997.

SECTION 2. - SCOPE - This enactment shall apply to all public and private programs, projects and activities designed to address, or bound to adversely affect, directly or indirectly, the right to, or need for, access to land, employment, housing, livelihood, and basic services of the urban poor of the city as herein determined.

ARTICLE II - DEFINITION OF TERMS

SECTION 3. - DEFINITIONS - As used in this ordinance:

- a. URBAN POOR shall refer to a head of a family who is a Filipino citizen, a resident of the city for at least three (3) years prior to the availment of the benefits of the Program and, unless otherwise required by the exigencies of his or her profession or occupation, a registered voter of the city as of the immediately preceding local election, whose combined gross family income does not exceed Fifteen Thousand Pesos (P 15,000.00) and who do not own any parcel of land of whatever classification anywhere in the country;
- b. HEAD OF A FAMILY shall refer to a natural person who supports and maintains in his or her household one or more dependents;
- c. DEPENDENT shall refer to the spouse, legitimate or not, an ancestor, a legitimate, illegitimate or adopted child, or a relative within the fourth civil degree of consanguinity or affinity, who is below twenty one (21) years of age or over twenty one (21) years of age but is not regularly employed or otherwise permanently incapable of self-support due to age, illness and/or physical or mental incapacity, living with a head of a family and depending upon him or her for support;
- d. FAMILY INCOME shall refer to the total regular wage, salary, income, compensation and/or benefits derived by the head of the family and his or her dependents from

- employment, business or enterprise, lease of property, or services rendered, within or outside the city;
- e. AFFORDABLE COST shall refer to the most reasonable price of land and shelter based on the needs and financial capability of urban poor beneficiaries and appropriate financing schemes;
 - f. BLIGHTED LANDS shall refer to the areas where the structures are dilapidated, obsolete and unsanitary, tending to depreciate the value of the land and to prevent normal development and use of the area;
 - g. URBAN POOR COMMUNITY shall refer to ten (10) or more urban poor heads of families occupying an area of more than 800 square meters, for residential purposes;
 - h. CONSULTATION shall refer to the constitutionally mandated process whereby the public on their own or through people's organizations, is provided an opportunity to be heard and to participate in the decision-making process on matters involving the protection and promotion of its legitimate collective interests, which shall include appropriate documentation and feedback mechanisms;
 - i. IDLE LANDS refer to non-agricultural lands which are uninhabited by the owner and have not been developed or devoted for any useful purpose, or appear unutilized or without improvements as herein defined for a period of three (3) years;
 - j. IMPROVEMENTS shall refer to all types of buildings and residential units in actual use, walls, fences, structures or constructions of all kinds of a fixed character or which are adhered to the soil but shall not include trees, plants and growing fruits, and other fixtures that are mere superimposed on the land, and the value of which shall not be less than fifty percent (50%) of the assessed value of the property;
 - k. JOINT VENTURE shall refer to the commitment or agreement by two or more persons, natural or juridical, 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.
 - l. LAND ASSEMBLY OR CONSOLIDATION shall refer to the acquisition of lots of varying ownership through purchase or expropriation for the purpose of planned and rational development and socialized housing programs without individual property boundary restrictions;
 - m. LAND BANKING shall refer to the acquisition of land at values based on existing use in advance of actual need to promote planned development and socialized housing programs;
 - n. SWAPPING shall refer to the process of land acquisition by exchanging land for another piece of land of equal value, or based on the agreement of the local government and the private landowner;
 - o. ON-SITE DEVELOPMENT shall refer to the process of upgrading and rehabilitation of blighted and slum urban areas with a view of minimizing displacement of dwellers in said areas, and with provisions of basic services;

- p. PROFESSIONAL SQUATTERS shall refer to individuals or groups who occupy lands without the express consent of the landowner and who have sufficient income for legitimate housing. The term shall also apply to persons who have previously been awarded homelots or housing units by the government but who sold, leased or transferred the same to settle illegally in the same place or in another urban area and non-bona fide occupants and intruders of lands reserved for socialized housing. The term shall not apply to individuals or groups who simply rent land and housing from the professional squatters or squatting syndicates;
- q. RESETTLEMENT AREAS shall refer to areas identified by the local government unit which shall be used for the relocation of the urban poor;
- r. SECURITY OF TENURE shall refer to the degree of protection afforded to qualified program beneficiaries against infringement or unjust, unreasonable and arbitrary eviction or disposition, by virtue of the right of ownership, lease agreement, usufruct and other contractual arrangements;
- s. SMALL PROPERTY OWNERS shall refer to those whose only real property in the city consists of residential lands not exceeding an aggregate area of eight hundred (800) square meters;
- t. SOCIALIZED HOUSING shall refer to the housing programs and projects covering house and lot or homelot only undertaken by the government or the private sector for the urban poor which shall include sites and services development, long-term financing, minimal terms on interest payments, and such other benefits in accordance with the provisions of this Ordinance;
- u. SQUATTING SYNDICATES shall refer to groups of persons engaged in the business of squatter housing for profit or gain;

ARTICLE III - DECLARATION OF PRINCIPLES AND POLICIES

SECTION 4. - Real rights, land use and urban development shall at all times serve and yield to the demands of a healthy environment and a balanced ecology.

By any government action, the ascendancy of the interest of the city, in general, and the welfare of the affected community, in particular, shall accord due respect and concern for the rights and needs of individuals.

SECTION 5. - The urban poor sector is an indispensable partner, and principal beneficiary of, urban development.

Where irreconcilable individual or sectoral interests are involved, the city government shall uphold, espouse and advance the welfare of the urban poor and those who are the more underprivileged or disadvantaged by virtue of their social or economic status.

SECTION 6. - Regional and provincial economic development is essential to the equitable and sustainable growth of the city.

SECTION 7. - It shall be the policy of the city government to undertake, in active cooperation or partnership with concerned government agencies, private entities and the urban poor sector, a comprehensive and continuing urban development program, hereinafter referred to as the **Program**, which shall:

- a. Uplift the social and economic conditions of the urban poor sector;
- b. Provide for the rational use and development of urban land in order to bring about the following:
 - b.1. Equitable utilization and disposition of residential lands, with particular attention to the needs and requirements of the urban poor sector and not merely on the basis of market forces;
 - b.2. Optimization of the use and productivity of land and urban resources;
 - b.3. Development of urban areas conducive to commercial and industrial activities which can generate more economic opportunities for the people; without the unjust displacement of occupant urban poor families;
 - b.4. Reduction in urban dysfunction, particularly those that adversely affect public health and safety and the environment; and
 - b.5. Access to land, housing, employment and basic services by the urban poor sector;
- c. Adopt workable policies to regulate and direct urban development, growth and expansion towards a dispersed urban net and a more balanced urban-rural interdependence, and a healthy environment;
- d. Recognize the need to preserve and protect prime agricultural lands and areas suitable for development into ecology or tree parks; and
- e. Encourage wider and more effective people' participation in the urban planning and development process.

ARTICLE IV - THE URBAN DEVELOPMENT AND HOUSING BOARD

SECTION 8. - CREATION AND COMPOSITION. - There is hereby created an Urban Development and Housing Board composed of the following members:

From the government sector:

- a. The Chairperson or any member of the Sanggunian Committee on Land Use or Ecology and Committee on Urban Poor;
- b. The Chairperson or any member of the Sanggunian Committee on Social Development;
- c. The Chairperson or any member of the Sanggunian Committee on Laws & Ordinances;
- d. The Head of Office, Urban Poor Affairs Office or its equivalent;
- e. The Head of Office, City Engineer's Office;
- f. The Head of Office, City Assessor's Office;
- g. The Head of Office, City Treasurer's Office;

- h. The Head of Office, City Social Development Office;
- i. The Head of Office or his representative, City Planning and Development Office;
- j. The President of the Association of Barangay Councils (ABC) or any of its member duly designated;

From the private sector:

- a. Five (5) representative of the largest accredited urban poor federation or organizations in Naga City; duly elected in accordance with their constitutions and/or by-laws;
- b. Five (5) representatives of non-government organizations and people's organizations engaged in community organizing and other activities for the development of urban poor communities in Naga City.

The members of the Board shall be appointed by the City Mayor for a term of not more than three (3) years, provided that only representatives from the urban poor organizations, non-government organizations and people's organizations with no previous conviction or pending cases of crimes involving moral turpitude, and recommended by the Naga City People's Council may be appointed. The Board shall choose a chairperson from among themselves and promulgate its own internal rules or procedure. The members, except the representatives of the urban poor federation or organizations, shall not receive salaries or other forms of compensation.

The City Mayor shall, upon recommendation of the urban poor federation or organization or non-government organization concerned, terminate the appointment of any member on any just or valid cause.

SECTION 9. POWERS AND RESPONSIBILITIES. - The Board shall exercise the following powers, functions, and responsibilities:

- a. To represent the city government and to coordinate with the Housing and Land Use Regulatory Board and the Housing and Urban Development Coordinating Council in formulating a National Urban Development and Housing Framework, as mandated by Republic Act No. 7279;
- b. To undertake a review and rationalization of existing city land use plans, housing programs, and all other projects and activities of the city government and the private sector which may substantially affect land use patterns, transportation and public utilities, infrastructure, environment and population movements;
- c. To recommend to the city government a continuing inventory and identification of lands for socialized housing and as resettlement areas for the immediate and future needs of the urban poor, underprivileged and homeless in the urban areas, taking into consideration the degree of availability of basic services and facilities, their accessibility and proximity to job sites and other economic opportunities, and the actual number of beneficiaries;
- d. To draft, approve and recommend to the City Government the terms, conditions and other stipulations of contracts with landowners, beneficiaries, developers and other parties relative to the implementation of the Program;

- e. To recommend to the city government the expropriation of idle lands in urban and urbanizable areas and the alternative schemes for the disposition of the same and other inventories or identified lands to beneficiaries;
- f. To design a system for the registration of qualified program beneficiaries;
- g. To design a system that will provide opportunities for adequate consultation with the private sector involved in socialized housing and other urban development projects, as well as for program beneficiaries to be heard and to participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interests which shall include appropriate documentation and feedback mechanisms;
- h. To adopt measures to identify and effectively curtail the nefarious and illegal activities of professional squatters and squatting syndicates;
- i. To adopt guidelines for the lawful and humane relocation and resettlement of persons living in danger areas such as esteros, railroad tracks, garbage dumps, river banks, waterways, and in other public places such as sidewalks, roads, parks and playgrounds; Provided, that relocation and resettlement sites shall be afforded basic services and facilities and access to schools, day care centers, and employment and livelihood opportunities sufficient to meet the basic needs of the affected families;
- j. To promote the production and use of indigenous, alternative, and low-cost construction materials and technologies for socialized housing, and to devise a set of mechanism including incentives to the private sector so that a viable transport system shall evolve and develop in urban areas;
- k. To plan and regulate urban activities for the conservation and protection of vital unique and sensitive ecosystem, scenic landscapes, cultural sites and other similar resource areas;
- l. To immediately develop and implement housing and development programs for all lands and areas already identified by the city government as suitable for socialized housing;
- m. To act the city's arm in the implementation and monitoring of all other pertinent provision of Republic Act No. 7279 and this ordinance;
- n. To coordinate and cooperate with any and all national and city government agencies, offices, and bodies in the exercise of all the foregoing powers, functions and responsibilities;

ARTICLE V - THE PROGRAM

SECTION 10. - ON-SITE DEVELOPMENT. - When found more practicable and advantageous to the urban poor beneficiaries, the City Government, through the Urban Development and Housing Board, shall give priority to on-site development of existing urban poor communities and areas identified as blighted and/or suited for socialized housing, to include such activities as community organizing, land acquisition and disposition and/or provision for basic infrastructure and services.

SECTION 11. - SITE QUALIFICATION. - To qualify for on-site development when not identified as blighted or suitable for socialized housing, the area:

- a. Must be occupied by ten (10) or more heads of families, regardless of the measurement of the actual and total areas occupied;
- b. Must preferably be a titled property, not subject to ownership dispute and free from liens and encumbrances;
- c. Must be classified as residential land;
- d. Must preferably have an access to roads; and
- e. Must have an organized community, willing to participate and abide by the terms and conditions of the Program.

Occupants of the area who are not qualified beneficiaries as herein defined shall not be entitled to avail of the benefits of the Program.

SECTION 12. - OFF-SITE DEVELOPMENT. - Only when on-site development of an area identified as blighted and/or suitable for socialized housing or an existing urban poor community is found not practicable and advantageous to the beneficiaries, or when by law eviction of the occupants of said areas are made imminent, may relocation and resettlement of said occupants be resorted to under the Program. Off-Site Development may likewise be undertaken by way of anticipating the future need for relocation and resettlement of qualified Program beneficiaries.

In all instances, Off-Site Development shall include such activities as identification, acquisition and disposition of new housing sites and homelots, physical development, screening and selection of qualified beneficiaries, and the provision of basic services.

SECTION 13. - SITE QUALIFICATION. - Areas for relocation and resettlement shall be:

- a. Accessible and proximate to job sites and other economic activities;
- b. Classified as residential land;
- c. Safe and habitable, and not identified as danger zones or risk prone areas; and
- d. Acceptable to target beneficiaries, residents of adjoining communities, and the barangay council.

SECTION 14. - BENEFICIARY QUALIFICATIONS. - Applicants for homelots in Off-Site Development areas shall possess all of the following qualifications, to wit:

- a. Must be an urban poor, as herein defined;
- b. Must be a **bona fide** member of an accredited urban poor organization;
- c. Must be a registered potential socialized housing beneficiary under applicable laws and ordinances;
- d. Must have the capacity to pay the amortizations and/or development costs, when appropriate;

- e. Must not have been previously awarded a homelot under this Program or any other government project;
- f. Must not have previously availed of a housing loan from the Social Security System (SSS) and/or the Government Service Insurance System (GSIS).

SECTION 15. - PRIORITIZATION OF BENEFICIARIES.- Applications for homelots in Off-Site Development areas shall be processed and granted in the following order of priority:

- a. Applicants covered by court orders for eviction and demolition;
- b. Applicants affected by infrastructure projects of the city;
- c. Applicants occupying danger zones or risk prone areas such as esteros, railroad tracks, garbage dumps, river banks, waterways, and other public places such as sidewalks, roads, parks and playgrounds;
- d. Applicants covered by pending cases for eviction;
- e. Applicants with due compromise agreements with landowners;
- f. Applicants who wish to vacate their present places of abode;

Unless otherwise determined by the Urban Development and Housing Board, an application fee of Five Pesos (P 5.00) shall be charged to defray the cost of forms, which amount shall accrue to the Trust Fund for Socialized Housing and Resettlement.

SECTION 16. - CAPABILITY BUILDING. - The City Government shall encourage and extend financial assistance to non-government organizations (NGOSs) to initiate, support and participate in capability building programs for urban poor communities, which shall include activities relative to the social preparation of Program beneficiaries such as but not limited to community organizing, leadership trainings and values orientation seminars;

SECTION 17. - AUXILIARY SERVICES. - The city government shall at all times extend such auxiliary services as land surveys, research and legal assistance, relocation and resettlement expense assistance, and land disputes mediation or conciliation roles.

ARTICLE VI - MODES OF LAND ACQUISITION

SECTION 17. - MODES. - The modes of acquiring lands for purposes of this ordinance shall include, among others, community mortgage, land swapping, land assembly or consolidation, land banking, donation, joint venture agreement, negotiated purchase, and expropriation.

The Urban Development and Housing Board shall recommend to the Sangguniang Panlungsod the appropriate mode of land acquisition and the terms and conditions thereof based on the particular circumstances of each case upon prior consultation with the potential qualified beneficiaries.

SECTION 18. - EXPROPRIATION. - All idle or abandoned lands shall be expropriated and shall be disposed of or utilized by the city government for such purposes that conform with its land use plans.

Expropriation of residential lands occupied by urban poor communities may also be undertaken for purposes of subdividing and reselling the same at cost to the occupants and other qualified beneficiaries on the following conditions:

- a. That the area is occupied by at least ten (10) heads of families who are qualified and registered beneficiaries;
- b. That the property is more than Eight Hundred (800) square meters, in area; and
- c. That the occupants form themselves into an urban poor organization, and are able to raise the amount equivalent to fifteen (15) percent of the assessed value of the property for purposes of taxation and deposit the same with the city government as equity in the acquisition of the property; Provided, that whenever appropriate and necessary the Trust Fund for Socialized Housing may be tapped for this purpose.

SECTION 20. - EXEMPTION. - Properties of small property owners shall be exempt from expropriation, unless the same or portions thereof are necessary for the infrastructure projects of the city government.

SECTION 21. - DISPOSITION OF LANDS. - The city government, upon recommendation of the Urban Development and Housing Board, shall formulate and make available alternative schemes for the disposition of lands to the beneficiaries of the Program, which shall not be limited to those involving the transfer of ownership in fee simple, lease with option to purchase, usufruct, and such other variations as may be deemed just and expedient in carrying out the principles and policies enunciated in this ordinance.

The largest urban poor federation or organizations and non-government organizations and people's organizations represented in the Urban Development and Housing Board shall have the sole collective authority and responsibility of determining the beneficiaries of the Program.

Consistent with this provision, a scheme for public rental housing may be adopted and implemented.

ARTICLE VII - PROHIBITIONS

SECTIONS 22. - CONVEYANCES AND ENCUMBRANCES. - No homelot acquired through On-Site or Off-Site Development projects or expropriation proceedings, including the rights thereto or the improvements thereon, shall be sold, donated, assigned, conveyed, leased, encumbered or mortgaged by the beneficiary within a period of ten (10) years from full payment thereof, except to the city government or to other qualified beneficiaries as approved by the City Government through the Urban Development and Housing Board and under such terms and conditions as the latter may determine in accordance with the guidelines and policies set for the purpose.

Any such sale, donation, transfer, conveyance, assignment, lease, mortgage or encumbrance in violation of this provision shall be null and void. The beneficiary shall *ipso facto* lose his or her right to the land, forfeit in favor of the City Government the amortizations paid thereon, and he or she and the buyer or transferee of the property or any right thereto shall forever be barred from availing any and all benefits under this ordinance or the amendments thereto. The buyer or transferee of the land or any right thereto shall suffer the penalties of imprisonment of not less than six (6) months but not more than one (1) year or a fine of not less

than P3,000.00 but not more than P5,000.00, or both such imprisonment and fine, at the discretion of the court.

The City Government or the urban poor organization concerned may initiate any investigation and/or action on the unlawful or unauthorized transfer or encumbrance of land acquired through the Program.

In the event that the property is surrendered or the beneficiary dies before full ownership of the land is vested in him or her, his or her nearest of kin who is a qualified beneficiary shall be subrogated to his or her rights upon assumption of the outstanding obligations. In case of failure of said nearest of kin to assume such obligations, ownership over the land shall revert to the city government for disposition in favor of any qualified beneficiary who shall reimburse the surrenderee, or his or her kin the paid amortizations and assume the outstanding obligations.

The acquisition of land under the Program may, at the option of the beneficiaries, be required or be covered by adequate mortgage redemption insurance to protect the heirs of the beneficiaries in case of death before full payment of the land is made.

SECTION 23. - ANNOTATION OF PROHIBITION. - All deeds of sale or conveyance of lands acquired by the beneficiaries under this ordinance shall contain the prohibition of the immediately preceding provision, which prohibition shall likewise be annotated in the title to the property upon due issuance thereof to the beneficiaries.

SECTION 24. - NEW ILLEGAL STRUCTURES. - It shall be unlawful for any person to construct any structure on railroad tracks, garbage dumps, riverbanks, waterways and in other public places such as sidewalks, roads, parks and playgrounds.

After the effectivity of this ordinance, all barangays shall prevent the construction of any kind of illegal dwelling units or structures within their respective territorial jurisdictions. The Punong Barangay concerned who allows, abets or otherwise tolerates the construction of such structures shall be prosecuted under the provisions of R.A. 7279.

The existence of said illegal structures shall be prima facie evidence that the Punong Barangay concerned has abetted, allowed and/or tolerated their construction.

SECTION 25. - PROFESSIONAL SQUATTERS. - The Urban Development and Housing Board and the Urban Poor Affairs Office shall recommend, and the Sangguniang Panlungsod shall adopt measures to identify and effectively curtail the nefarious and illegal activities of professional squatters and squatting syndicates as herein defined.

Any person or group identified as such shall be evicted and their dwelling structures demolished in accordance with existing laws, and shall be forever disqualified to avail of the benefits under this ordinance. Such person or group, and any public official who tolerates or abets their illegal acts, shall be prosecuted under the provisions of R.A. 7279.

ARTICLE IX - BASIC SERVICES

SECTION 26. - BASIC SERVICES. - Socialized housing or resettlement areas shall be provided by the city government or the National Housing Authority in cooperation with the private developers and concerned agencies with the following basic services and facilities:

- a. accessible and adequate potable water;
- b. power and electricity and an efficient power distribution system;

- c. schools, sewerage facilities and an efficient and adequate solid waste disposal system; and
- d. access to primary roads and transportation facilities.

The provision of other basic services and facilities such as health, education, communications, security, recreation, relief and welfare shall be planned and shall be given priority for implementation by the city government and concerned agencies in cooperation with the private sector and the beneficiaries themselves.

The city government, in coordination with the concerned national agencies, shall ensure that these basic services are provided at the most cost-efficient rates, and shall set a mechanism to coordinate operationally the thrusts, objectives and activities of other government agencies concerned with providing basic services to housing projects.

SECTION 27. - LIVELIHOOD COMPONENT. - To the extent feasible, socialized housing and resettlement projects shall be located near areas where employment opportunities are accessible. The City Government in dealing with the development of livelihood programs and grant of livelihood loans shall give priority to the beneficiaries of the Program.

Twenty (20) percent of the annual budget for the implementation of the Program as provided in Section 37 hereof shall be reserved and devoted to the livelihood component thereof.

SECTION 28. - PARTICIPATION OF BENEFICIARIES. - The city government, in cooperation with concerned government agencies, shall afford the Program beneficiaries or their duly designated representatives an opportunity to be heard and to participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interests which shall include appropriate documentation and feedback mechanisms. They shall also be encouraged to organize themselves and undertake self-help cooperative housing and other livelihood activities. They shall assist the City in preventing the incursion of professional squatters and members of squatting syndicates into their communities.

In instances when the affected beneficiaries have failed to organize themselves or form an alliance within a reasonable period prior to the implementation of the program or projects affecting them, consultations between the implementing agency and the affected beneficiaries shall be conducted with the assistance of Presidential Commission on Urban Poor (PCUP) and the concerned NGO.

SECTION 29. - CONSULTATION WITH PRIVATE SECTOR. - Opportunities for adequate consultation shall be accorded to the private sector involved in socialized housing pursuant to this ordinance.

ARTICLE X - RELATED STRATEGIES

SECTION 30. - PROMOTION OF INDIGENOUS HOUSING MATERIALS AND TECHNOLOGIES. - The city government, in cooperation with the National Housing Authority (NHA), Technology and Livelihood Resource Center (TLRC), and other concerned agencies, shall promote the production and use of indigenous, alternative and low-cost construction materials and technologies for socialized housing.

SECTION 31. - TRANSPORT SYSTEM. - The city government, in coordination with the Department of Transportation and Communications (DOTC), Department of Budget and Management (DBM), Department of Trade and Industry (DTI), Department of Finance (DOF),

Department of Public Works and Highways (DPWH), Home Insurance and Guaranty Corporation (HIGC) and other concerned government agencies, shall devise a set of mechanisms including incentives to the private sector so that a viable transport system shall evolve and develop in the urban areas. It shall also formulate standards designed to attain these objectives, to wit:

- a. smooth flow of traffic;
- b. safety and convenience of travel;
- c. minimum use of land space;
- d. minimum damage to the physical environment; and
- e. adequate and efficient transport service to the people and goods at the minimum cost.

SECTION 32. - ECOLOGICAL BALANCE. - The city government shall coordinate with the DENR in taking measures that will plan and regulate urban activities for the conservation and protection of vital, unique and sensitive ecosystems, scenic landscapes, cultural sites and other similar resource areas.

To make the implementation of this function more effective, the active participation of the citizenry in environmental rehabilitation and in decision-making process shall be promoted and encouraged. The city government shall recommend to the DENR the immediate closure of factories, mines, transport companies which are found to be causing massive pollution.

SECTION 33. - URBAN-RURAL INTERDEPENDENCE. - To minimize rural to urban migration and pursue urban decentralization, the city government shall coordinate with the Metro Naga Development Council, NEDA and other government agencies in the formulation of development programs that will stimulate economic growth and promote socio-economic development in its adjoining municipalities.

ARTICLE XI - SOCIALIZED HOUSING

SECTION 34. - SOCIALIZED HOUSING PROJECTS. - Subject to availability of funds and financial partners from the private sector, the city government shall endeavor to implement socialized housing projects and/or housing assistance programs to qualified beneficiaries, in addition to land acquisition and distribution.

Subdivision projects required to develop an area for socialized housing equivalent to at least twenty (20) percent of the total subdivision area or total subdivision cost under R.A. 7279 shall establish such socialized housing project within the city or, when not viable, within the municipalities comprising the Metro Naga Development Council.

SECTION 35. - INCENTIVES FOR PRIVATE PARTICIPATION. - Property owners who voluntarily provide free resettlement sites to illegal occupants of their lands shall be entitled to a real property tax credit equivalent to the assessed value of the resettlement site for purposes of taxation.

Property owners who voluntarily sell their lands to the city government or the urban poor communities of such lands under the Program shall be entitled to:

- a. a five (5) percent reduction in the real property tax due on their commercial lands for a period of ten (10) years;
- b. a ten (10) percent reduction in the real property tax due on their residential lands for a period of ten (10) years; and
- c. a twenty (20) percent reduction in the real property tax due on their agricultural lands for a period of ten (10) years;

Provided, that all subsequent voluntary sales by the same landowner under this provision shall entitle him or her only to an additional reduction in real property taxes due equivalent to fifty (50) percent of the rates provided herein.

ARTICLE XII - APPROPRIATION AND FUNDING

SECTION 36. - There is hereby appropriated for the implementation of this ordinance the amount equivalent to ten (10) percent of the annual budget of the city government net of the provisions for the salaries and other benefits of employees.

This appropriation shall be from year to year without need of further express legislation, unless and until expressly discontinued by ordinance.

The Sangguniang Panlungsod may however further appropriate, and the City Mayor may likewise further use his or her Economic Development Fund, for additional funds necessary for the implementation of this ordinance.

Any unexpended portion of the annual appropriation shall accrue to the Trust Fund for Social Housing and Resettlement.

SECTION 37. - OTHER SOURCES OF FUNDS. - Funds for the Program and the implementation of this ordinance shall likewise come from the following sources:

- a. The existing Trust Fund for Socialized Housing and Resettlement;
- b. Proceeds of sale of city-owned properties acquired for On-Site and Off-Site Developments;
- c. Loans, grants, bequests and donations, whether local or foreign;
- d. Flotation of bonds, subject to guidelines to be set by the Monetary Board;
- e. Proceeds from the social housing tax and idle land tax; and,
- f. Twenty (20) percent of the proceeds of sale of City Government properties.

ARTICLE XIII -SEPARABILITY AND REPEALING CLAUSES

SECTION 38. - SEPARABILITY CLAUSE. - Should any provision hereof be declared unconstitutional or *ultra vires*, the others not so declared shall remain in full force and effect.

SECTION 39. - REPEALING CLAUSE. - All other provisions of existing ordinances, resolutions and executive issuances inconsistent with this ordinance are hereby repealed, amended, or modified accordingly.

SECTION 40. - This ordinance shall take effect upon its approval.

ENACTED: March 11, 1998.

WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

LOURDES V. ASENCE, M.D.
City Vice Mayor & Presiding Officer

GIL A. DE LA TORRE
Legislative Staff Officer I
& Secretary Designate

APPROVED:

JESSE M. ROBREDO
City Mayor