



Republic of the Philippines
Tangapan ng Sangguniang Panlungsod
2/F City Hall Bldg., J. Miranda Ave., Con. Peq., Naga City
☎ 472-79-19 • 473-20-51



ORDINANCE NO. 2018- 007
XXXXXXXXXXXXXXXXXXXX

AN ORDINANCE STRENGTHENING THE KAANTABAY SA KAUSWAGAN PROGRAM OF THE CITY GOVERNMENT OF NAGA BY AMENDING SECTION 3 (a) OF ARTICLE II, FIRST PARAGRAPH OF ARTICLE VII, SECTIONS 27 AND 28 OF ARTICLE IX, AND SECTIONS 31 AND 32 OF ARTICLE X, OF ORDINANCE NO. 98-033 OTHERWISE KNOWN AS THE KAANTABAY SA KAUSWAGAN ORDINANCE OF 1997, AND PROVIDING ADDITIONAL MEASURES TO ACHIEVE THE PURPOSES AND OBJECTIVES OF THE KAANTABAY SA KAUSWAGAN PROGRAM:-

AUTHOR: Hon. City Councilor Mila Raquid Arroyo 

Be it enacted by the Sangguniang Panlungsod of the City of Naga, in session assembled, that:

SECTION 1. PURPOSE. This ordinance is enacted to achieve the following purposes:

1. Provide a mechanism by which the Kaantabay sa Kauswagan Program of the City Government of Naga shall become more responsive to current realities;
2. Provide a strategy designed to put a stop to the continued proliferation of families/individuals illegally occupying lots awarded under the Kaantabay sa Kauswagan Program;
3. Provide strategies and mechanisms that facilitate equal focus between land acquisition/housing settlements and the environmental and livelihood components of the Kaantabay sa Kauswagan Program;
4. Effectively contribute to the achievement of the objectives of the Balanced Housing provision under Section 18 of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992 (UDHA).

SECTION 2. To achieve the first purpose so declared under this Ordinance, Section 3(a), Article II, of Ordinance No. 98-033 is hereby revised, now to read as follows:

"ARTICLE II

"DEFINITION OF TERMS

"Section 3. Xxx.

"(a) Urban Poor - refers to a head of a family who is a Filipino Citizen, a resident of the City of Naga for at least fifteen (15) years prior to his availment of the benefits of the Program, a registered voter in the City of Naga as of the three (3) elections immediately preceding his application under the Program unless otherwise required by the exigencies of his or her profession

or occupation, whose combined gross family income does not exceed the poverty threshold for the Bicol Region as declared by the National Economic Development Authority, and who does not own any parcel of land of whatever classification anywhere within the Bicol Region.

"For purposes of qualification as beneficiary of the Kaantabay sa Kauswagan Program, the foregoing provision shall apply only to applications filed on or after the effectivity of this Ordinance.

SECTION 3. To ensure that the Kaantabay sa Kauswagan Program truly serves the need of the intended beneficiaries thereof, the first paragraph of Article VII, Ordinance No. 98-033 is hereby amended, now to read:

"ARTICLE VII – PROHIBITIONS

"SECTION 22. – CONVEYANCES AND ENCUMBRANCES. - No homelot or house and lot, or any portion thereof, acquired through On-Site or Off-Site Development projects or expropriation proceedings, including the rights thereto or the improvement thereon, shall be sold, donated, assigned, conveyed, leased, mortgaged or otherwise encumbered by the beneficiary within a period of fifteen (15) years from the issuance of the certificate of title thereto, 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; provided, however, that the NCUDHB may allow such title to be utilized as security for loans obtained from registered banking institutions for purposes of house improvement".

"The provision of this Section shall be annotated in the Certificate of Title issued in the name of the beneficiaries of the Kaantabay sa Kauswagan Program.

SECTION 4. To strengthen the role of the urban poor organizations in ensuring the achievement of the purposes of the Kaantabay sa Kauswagan Program, Sections 27 and 28, Article IX of Ordinance No. 98-033 is hereby revised, now to read as follows:

"ARTICLE IX
"BASIC SERVICES

"XXX;

"Section 27. LIVELIHOOD COMPONENT. Xxx;

"Xxx;

"For the purpose of this Section, the Head of the Metro Peso is hereby mandated to submit within ninety (90) days from the effectivity of this Ordinance a proposal, formulated in consultation with the Housing and Settlements Development Office and the accredited federation of the urban

poor sector in Naga City, a Loan Program for Livelihood or Economic Enterprise with Terms of Reference, Mechanics of Availment, and Pro-forma proposals that will be accessed by the accredited cooperatives organized in the respective housing settlements that may be interested to avail thereof.

"Section 28. PARTICIPATION OF BENEFICIARIES – the City Government, in cooperation with concerned government agencies, shall afford the program beneficiaries through their duly designated representatives the opportunities to be heard and to participate in the decision-making processes of the City Government over matters involving the protection and promotion of their legitimate collective interests.

"Urban Poor Organizations/Associations duly accredited by the City Government shall be entitled to priority and assistance in the availment of self-help cooperative housing and livelihood program of the City Government.

"For the purpose of this Ordinance, beneficiaries of the Program are required as condition for availment of the benefits of the Program to assist, cooperate with, and participate in the community activities in their respective settlement areas as may be initiated by the organization/association duly accredited by the Sangguniang Barangay or Panlungsod, or directly undertaken by the Barangay or the City Governments.

"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, shall be conducted with the assistance of the Naga City People's Council or other accredited Non-Government Organizations engaged in community organizing for socialized housing.

SECTION 5. To ensure the provision of transportation facilities to settlements located in areas far from the city/town proper, and to further achieve the objectives of the Kaantabay sa Kauswagan Ordinance on Ecological Balance, Sections 31 and 32 of Article X thereof are hereby amended by adding a last paragraph to these Sections as follow:

**"ARTICLE X
"RELATED STRATEGIES**

"SECTION 31. TRANSPORT SYSTEM. Xxx.

" Xxx;
" Xxx;
" Xxx;
" Xxx;
" Xxx;

"For the purpose of this Section, the Head of the Metro Peso is hereby mandated to submit within ninety (90) days from the effectivity of this Ordinance a proposal, formulated in consultation with the Housing and Settlements Development Office and the accredited federation of the

urban poor sector in Naga City, a Public Transportation Loan Program with Terms of Reference, Mechanics of Availment, and Pro-forma proposals that will be accessed by the cooperatives in the respective housing settlements who may be interested to avail thereof.

"SECTION 32. – ECOLOGICAL BALANCE. Xxx;

"Xxx;

"For the purpose of this Section, the Naga City Urban Development and Housing Board (NCUDHB) shall ensure that the sites and services development plan that will be drawn up and approved for housing settlements under the Kaantabay sa Kauswagan Program, in addition to the requirements of B.P. 220 in cases of Off-site Development, comply with the following requirements:

- i. sufficient area, as determined by the NCUDHB, is allocated for children's playground, trees and greeneries ;
- ii. an area equivalent to one square meter per beneficiary lot shall be allocated without cost to the beneficiary for planting of tree;
- iii. as far as practicable, and as the UDHB may determine necessary, spaces for community facilities such as satellite market, Material Recovery Facility (MRF), livelihood center, community center, and day care center shall be allocated.

"To ensure compliance with this provision, the HSDO shall not accept beneficiaries in any settlement site under the Kaantabay sa Kauswagan Program without the NCUDHB's certification on compliance with the foregoing requirements."

SECTION 6. OBLIGATIONS AND UNDERTAKING OF THE BENEFICIARIES. To foster deeper appreciation of the Kaantabay sa Kauswagan Program by the beneficiaries themselves in order to achieve the purposes thereof, the following obligations shall be performed by the beneficiaries of the Program:

1. The beneficiary shall not transfer, sell, lend, mortgage, assign, or otherwise encumber the lot awarded to him without the approval of the NCUDHB;
2. The beneficiary shall religiously pay and settle his financial obligations under the Program, if any;
3. The beneficiary shall be an active and cooperative member of the community where he/she belongs and shall promote goodwill among and between the rest of the members thereof;
4. The beneficiary shall transfer to and occupy the lot awarded to him/her within six (6) months from date of award;
5. The beneficiary shall construct his house/dwelling on the lot awarded to him/her in accordance with the standards imposed by law or ordinance and as the HSDO may require;
6. The beneficiary shall report to the President of the homeowner's association who shall in turn report to the HSDO, any building

- construction without permit from the City Engineer's Office or from the HSDO immediately upon knowledge thereof;
7. The beneficiary shall ensure cleanliness of his surroundings and that of the community and shall be responsible for the growth and fruition of at least one (1) fruit bearing tree in his community in accordance with the parks and playground development program approved by the NCUDHB;
 8. The beneficiary shall likewise perform other obligations as the NCUDHB may, by resolution, promulgate to achieve the objectives of the Kaantabay sa Kauswagan Program.

For the purpose of this Section, an applicant to the Kaantabay sa Kauswagan Program shall not be awarded as beneficiary thereof unless he/she have attended an orientation conducted by the HSDO in partnership with the accredited federation of the urban poor sector, and the NCUDHB is satisfied that the applicant fully understands his/her obligations under the Program. Upon such award, the beneficiary shall execute an undertaking containing the obligations as above-enumerated and his performance thereof is a condition for continued status as beneficiary. Failure to comply with any of the obligations as above-enumerated shall result in the automatic revocation of the award, subject to appeal with the NCUDHB. The performance of the above-enumerated obligations shall apply to existing beneficiaries of the Program and shall be a requirement for their continuing qualification.

SECTION 7. CANCELLATION OF AWARD AND GROUNDS FOR CONDONATION. Lots or house and lots awarded under the Kaantabay sa Kauswagan Program shall be declared as automatically cancelled by the NCUDHB upon failure of the beneficiary to comply with any of the obligations specified under Section 6 of this Ordinance.

In recognition of the fact that the beneficiaries of the program are financially challenged, when such failure pertains to the obligation concerning the up-to-date settlement of the financial obligations under the Program, the NCUDHB shall determine whether any of the following grounds for condonation exists:

- a. Death of the beneficiary or any member of his immediate family.
- b. The beneficiary or any member of his immediate family has been hospitalized necessitating medical expenditure in an amount equivalent to at least 30% of the beneficiary's monthly income;
- c. The beneficiary or any member of his immediate family has suffered or is suffering from a lingering disease or illness necessitating a continuing medical expenditure amounting to at least twenty percent (20%) of the beneficiary's monthly income. Lingering illness shall mean illness lasting more than ninety (90) days with or without hospitalization;
- d. The beneficiary and his family/household has suffered as victims of natural or manmade calamities such as fire, typhoon, earthquake, or flood;
- e. Other situations analogous to the above as may be determined by the NCUDHB.

For the purpose of the foregoing provisions, the immediate family of the beneficiary refers to his/her relative by consanguinity or affinity who are dependent on him for support;

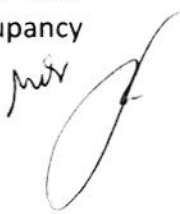
SECTION 8. APPLICATION FOR CONDONATION OF PENALTIES AND SURCHARGES. When any of the grounds enumerated under the immediately preceding section exists, the beneficiary may apply for condonation of the penalties and surcharges on the unpaid obligation and the NCUDHB may grant the same under the following schedule:

GROUND FOR CONDONATION	CONDONED PERIOD
Death of the beneficiary or any member of his immediate family.	Six (6) months from time of death. If the deceased is the beneficiary himself/herself, the NCUDHB shall evaluate the capability of the family members left behind to continue with the obligation and decide accordingly
Hospitalization of the beneficiary or any member of his immediate family	One (1) year for every thirty (30) days of hospitalization.
Lingering illness of the beneficiary or any member of his immediate family	The condoned period shall be equivalent to the duration of the illness, provided that payments are from time to time made and the full obligation is settled at the end of the loan period.
Victim of natural or manmade calamity	One (1) year from the occurrence of the calamity; provided that the NCUDHB may decide to grant a shorter or longer period depending on the damage suffered by the beneficiary as certified to by the CSWDO.

The NCUDHB shall, by Resolution, identify the documentary proof required to be submitted by the applicants necessary to establish the existence of the above-enumerated grounds.

SECTION 9. ONE-TIME ACROSS-THE-BOARD CONDONATION OF PENALTIES AND SURCHARGES. For the purpose of giving all the beneficiaries of the Kaantabay sa Kauswagan Program the opportunity to update their payments for the amortizations due on the lots or house and lots awarded to them under the Program, a one-time across-the-board condonation of all penalties and surcharges on amortizations in arrears up to the date of effectivity of this Ordinance is hereby granted; provided, however, that the beneficiary shall update payment for all such amortizations in arrears including the interest charges thereon within one (1) year from the effectivity hereof.

SECTION 10. LEGALIZATION. To respond to the plea of those who failed but were qualified to avail of the benefit granted under Ordinance No. 2004-102 which extended the period of availment of the benefit granted under Ordinance No. 2003-049, occupants of lots awarded under the Kaantabay sa Kauswagan Program who are not the official awardees thereof may be granted legitimacy of their occupancy thereof subject to compliance with the following requirements:



1. An application for legalization is filed with the NCUHB within two (2) years from the effectivity of this Ordinance;
2. The applicant and his family has been occupying the lot for residential purposes even before the effectivity of this Ordinance;
3. The applicant is a head of the family. In case of couples or married applicants, the application shall be filed in the name of the spouses, provided, however, that no award shall be made to couples who are not married to each other unless they have their minor children living with them;
4. The applicant and his/her spouse are registered voters in the City of Naga in the national or local elections immediately preceding the filing of the application;
5. The applicant does not own any residential land within Naga City and the Province of Camarines Sur;
6. The applicant undertakes to pay for the property at a revalued rate in accordance with the prevailing fair market value at the time of application, plus fifty percent (50%) premium. In the event that the applicant is not capable to pay this obligation in full as determined by the NCUDHB, an installment scheme may be adopted as the NCUDHB may deem appropriate;
7. The applicant pays the fine of Five Thousand Pesos (P5,000.00) as imposed under Section 22-C, subsection b.2 of Ordinance No. 2003-049;
8. The applicant undertakes to perform the obligations of the beneficiaries of the Kaantabay sa Kauswagan Program as provided under Section 6 of this Ordinance;

SECTION 11. USUFRUCT/RENTAL ARRANGEMENT. As a measure of preventing the selling of lots or house & lots awarded under the Program, all awards made under the Program from the time of the effectivity of this Ordinance shall be on a usufruct or rental arrangement.

The beneficiary of lot-only awards shall pay the City Government an amount equivalent to the real property taxes due on similar private properties by way of rental. This amount shall accrue to the Kaantabay sa Kauswagan Trust Fund.

For house and lot awards, the beneficiary shall pay rental in amount sufficient to cover expenses for the repairs and maintenance of the unit as determined by the City Government per recommendation of the NCUDHB. The repairs and maintenance undertaking shall be a partnership between the City Government and the Homeowner's Association.

For lot-only awards, in the event that the beneficiary of the usufruct decides to vacate the premises, the value of the improvement introduced on the lot shall be appraised by the City Appraisal Committee and the same shall be amortized by the new beneficiary in favor of the former beneficiary under such terms as approved by the NCUDHB.

Upon the death of the named Beneficiary of the usufruct, the Naga City Urban Development and Housing Board, guided by the provisions on beneficiary qualifications and the provisions of Section 6 of this Ordinance, shall determine who among the heirs, next of kin, or household member may succeed in the usufruct. In the absence of any such successor, the use of the property shall revert back to the City Government for disposition under a new usufruct/rental arrangement with another beneficiary family.

SECTION 12. PRIORITY FOR HOUSE&LOT DEVELOPMENT. As far as practicable, the City Government of Naga shall give priority in making house and lots available to the beneficiaries of the Program. Beneficiaries who, at the time of the effectivity of this Ordinance, are already awardees of homelot may apply for housing construction under the provisions of this Section. The NCUDHB shall promulgate the implementing rules and regulation necessary to implement the provisions hereof.

SECTION 13. MIGRATION TO HOMEOWNERSHIP. Anytime after one (1) year from award, a beneficiary family who, after due consideration of their own financial situation, believe that they are ready to take on the responsibilities of homeownership, may manifest their intention to own the property awarded to them by submitting the following to the Housing and Settlements Development Office (HSDO):

1. Application for Homeownership;
2. Certificate of compliance with beneficiary obligations issued by Resolution of the Homeowners Association and by the HSDO
3. Proof of readiness to deposit 12 monthly installments on the cost of lot or house and lot;

The NCUDHB, after determining that the applicant is ready to assume the obligations of a homeowner, shall facilitate the application for housing loan by the beneficiary to the Social Housing Finance Corporation (SHFC) or pertinent national government housing agencies.

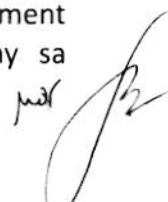
To carry out the spirit and intent of this Section, the City Government shall work in partnership with NGOs that are duly accredited community mobilizers or mortgage originators by the SHFC or pertinent national housing agencies.

SECTION 14. DISPOSITION/TRANSFER OF LOTS OR HOUSE AND LOTS PREVIOUSLY AWARDED UNDER SALE ARRANGEMENT WITH THE CITY GOVERNMENT. For lots or house&lots previously awarded under Sale arrangement between the Beneficiary and the City Government, the beneficiaries thereof may be allowed to transfer or otherwise dispose the same after fifteen (15) years from the time the title thereto has been issued in the name of the beneficiary, provided that the following conditions are met:

- i. The beneficiary and immediate members of the family have other sufficient place to reside;
- ii. The beneficiary and his/her compulsory heirs all agree to such disposition;
- iii. The Transferee is a resident of Naga City for at least ten (10) years prior to the sale and does not own or has not bought any property within Naga City or Camarines Sur.

All disposition or transfer made under this Section shall be valid only when approved by the Sangguniang Panlungsod based on the recommendation of the Naga City Urban Development and Housing Board.

SECTION 15. AUTOMATIC ADJUSTMENT OF INTEREST RATE. An interest of four percent (4%) per annum shall be imposed on all loans extended by the City Government of Naga for housing and settlements purposes under the Kaantabay sa



Kauswagan Program; provided, however, that when the funds used for the purpose was sourced by the City Government through loans or other interest-bearing financing arrangements with a third party, the interest rate applicable shall be the rate charged therein. Loans already granted to the beneficiaries of the Program prior to the effectivity of this Ordinance shall be accordingly adjusted to conform hereto.

SECTION 16. BALANCED HOUSING REQUIREMENT. To further achieve the objectives of Section 18, Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992 or UDHA, and to assist residential subdivision developers comply with their obligation as provided therein, the City Government of Naga may enter into partnerships or joint ventures with these residential subdivision developers. At the minimum, the obligation of the developer in such partnership or joint venture with the City Government of Naga shall consist in providing the City Government of Naga with a bridge fund needed to generate the corresponding number of units required for the compliance by the developer in an amount as may be determined by the Sangguniang Panlungsod as recommended by the NCUDHB. Under this scheme, the City Government shall enroll the project under any of the socialized housing or community mortgage program of the national government. Once the mortgage loan by the beneficiaries is taken out by the national government, all funds in excess of the cost of lot purchase and land development shall be paid back to the developer. Other terms and conditions of the partnership or joint venture shall be as may be recommended by the NCUDHB and agreed upon with the developer.

To carry out its obligations under the partnership or joint venture agreement entered into by the City Government of Naga under this Section, it may enter into partnership with non-government organizations engaged in socialized housing or community mortgage program of the national government.

SECTION 17. PARTNERSHIP WITH LANDOWNERS FOR RESETTLEMENT OF INFORMAL SETTLERS. In the event of failure of all legal and reasonable avenues for assisting qualified beneficiaries of the Kaantabay sa Kauswagan Ordinance to formally settle on the land occupied by them, the City Government shall facilitate the provision of an off-site resettlement area; provided, however, that when such resettlement area is not available at the time needed, the landowner shall assist the City Government through providing a bridge fund to generate the corresponding number of residential settlement units required. The City Government shall enroll the project under any of the socialized housing or community mortgage program of the national government, and the landowner shall be paid from the take out of the mortgage loan thereunder, unless the landowner opts not to be reimbursed thereof. The specific terms and conditions of the partnership envisioned under this Section shall be as may be recommended by the NCUDHB and agreed upon with the landowner.

SECTION 18. STRONGER COORDINATION BETWEEN THE HOUSING AND SETTLEMENT DEVELOPMENT OFFICE (HSDO) AND THE DULY ACCREDITED FEDERATION OF THE URBAN POOR. In consonance with the policy of transparency, people empowerment and participation, the Housing and Settlements Development Office shall coordinate the implementation of all partnership efforts between the City Government and the Urban Pocr Sector. For this purpose, funds disbursed by

the City Government of Naga in furtherance of the partnership between the City Government and the organizations/federation of the urban poor sector shall be the joint reporting responsibility of the HSDO and the organization/federation. To attain the objectives of this provision, the HSDO and the duly accredited Federation of the Urban Poor Sector shall meet once-a-month, or oftener as the need therefor requires, for purposes of program coordination and implementation and report the result of such meetings in the monthly meetings of the NCUDHB.

SECTION 19. INTEGRATION OF ALL HOUSING AND SETTLEMENTS PROGRAM FOR THE URBAN POOR. For purposes of efficiency and consistency in the policies and implementation of the programs undertaken by the City Government of Naga concerning housing and settlements assistance for the urban poor, all programs, projects, and initiatives undertaken by the City Government of Naga on housing and settlements for the urban poor shall be governed by the policies promulgated in implementation of the Kaantabay sa Kauswagan Ordinance and its amendments and all such programs, projects, and initiatives are placed under the NCUDHB for policy and program coordination.

To further achieve the purposes of this Section, all funds for housing and settlements program for the urban poor shall be placed under the Kaantabay sa Kauswagan Program and no charges or disbursement against the fund mandated under Section 36, Article XII of Ordinance No. 98-033 shall be made unless the same is in accordance with the plan submitted by the NCUDHB and approved by the Sangguniang Panlungsod under the City's Annual Budget.

For the purpose of this Section, the City Budget Officer is mandated to provide the NCUDHB with the projected amount corresponding to the Kaantabay sa Kauswagan Program Fund prior to the City's Annual Budget Call.

SECTION 20. SEPARABILITY. Should any portion of this Ordinance be declared unconstitutional or illegal by any court of competent jurisdiction, the portions not so declared shall remain in full force and effect.

SECTION 21. REPEALING CLAUSE. All ordinances, executive orders, administrative issuances or parts thereof which are inconsistent with this Ordinance are hereby repealed or modified accordingly.

SECTION 22. EFFECTIVITY. This Ordinance shall take effect fifteen days from date of its publication or posting.


ENACTED: February 6, 2018.


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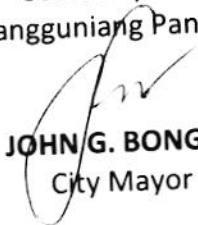
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WE HEREBY CERTIFY to the correctness of the foregoing ordinance.


NELSON S. LEGACION
City Vice Mayor
& Presiding Officer


GIL A. DE LA TORRE
Secretary to the
Sangguniang Panlungsod

APPROVED:


JOHN G. BONGAT
City Mayor