

Republic of the Philippines
Tanggapan ng Sangguniang Panlungsod
City of Naga

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A PROPOSED AMENDMENTS TO THE COMPREHENSIVE AND CONTINUING DEVELOPMENT PROGRAM FOR THE URBAN POOR SECTOR OF NAGA CITY AND APPROPRIATING FUNDS FOR THE PURPOSE

Author: Naga City People's Council (NCPC)

Sponsored by: Hon. Jessie R. Albeus



Be it ordained by the 15th Sangguniang Panlungsod of the City of Naga, that:

ARTICLE I - TITLE AND SCOPE

SECTION 1. - TITLE - This enactment shall be known as **COMPREHENSIVE AND CONTINUING DEVELOPMENT PROGRAM FOR THE URBAN POOR SECTOR OF NAGA CITY AND APPROPRIATING FUNDS FOR THE PURPOSE**.

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** 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.
- 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 home lots 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;
- v. **"KAANTABAY SA KAUSWAGAN" PROGRAM** is the Socialized Housing and Resettlement Program for the Urban Poor mandated under Naga City Ordinance No. 98-033;
- w. **URBAN POOR BENEFICIARY FAMILY** are the families possessing the qualifications prescribed under Naga City Ordinance No. 98-033 to qualify as beneficiaries of the "Kauswagan" Program;
- x. **SOCIALIZED RE-PAYMENT SCHEME** is a scheme whereby the terms and conditions under which the beneficiaries of the "Kaantabay sa Kauswagan" Program shall avail of and repay the City Government of Naga for the lot/house & lot awarded to them vary according to their respective income level or capability to pay.
- y. **POOREST OF THE POOR** is a classification of a certain type of beneficiaries of the "Kaantabay sa Kauswagan" Program whose gross family income is not more than three thousand pesos (P 3,000.00) per month.
- z. **NAGA CITY URBAN DEVELOPMENT AND HOUSING BOARD (NCUDHB)** is the tri-sectoral mechanism created under Naga City Ordinance No. 98-033 tasked to oversee the implementation of of the provisions thereof.

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:

1. The City Mayor
2. The Chairperson of the SP Committee on Housing and Settlements Development
3. The Chairperson of the SP Committee on Land Use and Ecology
4. The Chairperson of the SP Committee on Laws, Ordinances and Reorganization
5. The Chairperson of the SP Committee on Women and Family
6. The Head of Office, Housing and Settlements Development Office
7. The Head of Office, City Engineer's Office;
8. The Head of Office, City Assessor's Office;
9. The Head of Office, City Treasurer's Office;
10. The Head of Office, City Social Welfare and Development Office;
11. The Head of Office, City Planning and Development Office;
12. City Legal Officer
13. The President of the Liga ng mga Barangays of Naga City or any of its member duly designated by the Liga.

From the private sector:

- a. Six (6) representatives of the largest accredited urban poor federation or organizations in Naga City, duly elected for the purpose in accordance with their constitutions and/or by-laws; provided that no person with previous conviction or pending cases of crimes involving moral turpitude may be elected;
- b. Five (6) 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 as selected for the purpose by the Naga City People's Council (NCPC) in accordance with its constitution and/or by-laws; provided that at least one of them is a woman; provided, further that no person with previous conviction or pending cases of crimes involving moral turpitude shall be selected.

- c. One (1) Representative each from duly accredited Association of Architects and Association of Civil Engineers selected for the purpose in accordance with its constitution and/or by-laws; provided that no person with previous conviction or pending cases of crimes involving moral turpitude shall be selected.

The City Mayor shall function as the Chairperson of the Board. The Chairperson of the SP Committee on Housing and Settlements Development shall function as the Co-Chairperson of the Board who shall act as Chairperson in the absence of the Chairperson or when so designated by the latter.

The members of the Board shall serve a term co-terminus with the term of the City Mayor and the Members of the Sangguniang Panlungsod. The members, except those from the government sector, shall receive an honorarium to defray their expenses in attending the functions of the Board in such amount as the Board may determine and included on the Annual Budget of the Board.

The Board shall promulgate its internal rules and the discipline of its members including expulsion from membership in the Board.

The Private Sector concerned shall submit to the City Mayor, copy furnished the Sangguniang Panlungsod, their respective chosen representatives to the Board within Thirty (30) days after the City Mayor's assumption of a new term of office if they so desire to be represented in the Board. Within fifteen (15) days from receipt thereof, the City Mayor shall convene the First Meeting of the new Board.

To declare a quorum in any meeting of the Board, it is sufficient that at least two each from the government sector, the urban poor sector, and the non- government sector be present."

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. - . OBLIGATIONS AND UNDERTAKING OF THE BENEFICIARIES. To foster deeper appreciation of the Kaantabay 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 17. - 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 18. - 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.

SECTION 19. - 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 20. - 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 21. - 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 22. - 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 23. - 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 24. - 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 Poor 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 25. - 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.

ARTICLE VI - MODES OF LAND ACQUISITION

SECTION 26. - 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 27. - 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 28. - 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 29. - 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.

SECTION 30. 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.

ARTICLE VII - PROHIBITIONS, PENALTIES AND SUBROGATION RIGHTS

SECTIONS 31. - 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 31-A. - CONSEQUENCES. - The homelot/house & lot award made by the City Government of Naga in favor of the beneficiary found guilty to have violated the provisions of the foregoing section shall automatically be deemed cancelled and abrogated and all payments or any amortization paid on the homelot/house & lot shall be deemed forfeited in favor of the City Government of Naga.

SECTION 31-B. - PENALTIES. - The parties to the illegal transaction contemplated under Section 22 above shall suffer the following penalties:

a. Penalty upon the Transferor:

a.1. Perpetual forfeiture of any right to avail of the housing program of the City Government of Naga;

a.2. Imprisonment for a period ranging from ten (10) months to one (1) year and payment of fine in the amount of not less than three thousand pesos (P3,000.00).

b. Penalty upon the Transferee:

b.1. Ejectment from the subject premises;

b.2. Imprisonment for a period ranging from six (6) months to one (1) year and payment of fine in the amount of not less than two thousand pesos (P2,000.00) but not more than four thousand pesos (P4,000.00);

provided, however, that for transfers made before the effectivity of this Ordinance upon persons who are otherwise qualified beneficiaries of the Kaantabay sa Kauswagan Program, the Urban Development and Housing Board may adjudicate the property in favor of the transferee under the following conditions:

- i. the transferee is willing to pay for the property at a revalued rate in accordance with the prevailing fair market value at the time of adjudication, plus fifty percent (50%) premium;
- ii. the transferee is willing to pay the fine imposed under Section 22-C, subsection b.2 hereof; and
- iii. the transferee is willing to comply with all the other obligations imposed upon the beneficiaries of the Kaantabay sa Kauswagan Program;

.Provided, further, that the aforementioned option shall be availed of by the transferee within one (1) year from the effectivity of this Ordinance.

SECTION 31-C. - MONITORING MECHANISM. - The Urban Poor Affairs Office (UPAO) or urban poor organizations duly accredited with the Sangguniang Panlungsod of the City of Naga may initiate investigation and/or action on the unlawful or unauthorized transfer or encumbrance of lot/house & lot acquired under the urban poor housing and resettlement program of the City of Naga

in accordance with the guidelines and policies formulated by the UDHB.

For effective and regular monitoring on the ground, the homeowners' associations or organizations of the beneficiaries of the program are hereby mandated to make periodic report to the UDHB for the enforcement of this provision.

SECTION 31-D. - RIGHT OF SUBROGATION. - In the event that the lot/house & lot subject of this Ordinance was surrendered to the City Government, or if the beneficiary dies before the property is fully paid by him or her, and the obligation is not covered by sufficient mortgage redemption insurance, his or her nearest of kin who is qualified beneficiary shall be subrogated to his or her rights upon assumption of the outstanding obligations. In case of failure of the said nearest of kin to assume such obligations, ownership over the property shall revert to the City Government of Naga for disposition in favor of a qualified beneficiary who shall reimburse the surrenderee or his or her next of kin the paid amortization and assume the outstanding obligation.

The mortgage redemption insurance (MRI) coverage which is for the protection of the heirs of the beneficiary in case of death before full payment thereof, is an option available to the beneficiary.

SECTION 32. - 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 32. - 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 33. - 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 VIII - BASIC SERVICES

SECTION 34. - 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 35. - 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.

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 36. - 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 36-A. URBAN POOR FEDERATION AND ITS OFFICE – In furtherance of Section 28, the city hereby officially recognizes through this legislative act the beneficiaries' overt acts and desires to actively do their share in community building by organizing themselves into the Naga City Urban Poor Federation, Inc. As such and for purposes mutually beneficial to its members and the city, the latter shall provide the former an Office which shall be under the direct supervision of the Housing and Settlement Development Office."

SECTION 37. - CONSULTATION WITH PRIVATE SECTOR. - Opportunities for adequate consultation shall be accorded to the private sector involved in socialized housing pursuant to this ordinance.

ARTICLE IX - RELATED STRATEGIES

SECTION 38. - 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 39. - 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.

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 40. - 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.

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 41. - 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 X - SOCIALIZED HOUSING

SECTION 42. - 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 43. - 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 XI - TERMS OF LOAN

SECTION 44. - To improve the terms on loans granted to the beneficiaries of the Kaantabay sa Kauswagan Program of Naga City, making them comparable to or the same as the terms imposed by National Housing Agencies in order to make this housing facility more accessible and affordable to the intended beneficiaries thereof.

SECTION 45. - The interest rate on loans granted to the beneficiaries of the Kaantabay sa Kauswagan Program of Naga City is hereby set at **nine percent (9%) per annum** which rate shall apply to all existing as well as new loans contracted under the aforementioned program.

SECTION 46. - 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 47. - The Urban Development and Housing Board is mandated to oversee the re-computation of the resulting amortization on the unpaid balances of the beneficiaries to the program.

ARTICLE XII - BAYADNIHAN PROGRAM

SECTION 48. - SCOPE. - The Bayadnihan Program shall cover urban poor beneficiaries of the Naga Kaantabay sa Kauswagan Program who are amortizing their homelots to the Naga City Government, whether current or past due in their amortization payments.

SECTION 49. - NATURE OF THE BAYADNIHAN PROGRAM. - The Bayadnihan Program is a homelot acquisition scheme which can be availed of by urban poor beneficiaries to settle their lot amortizations, whether current or past due, inclusive of fines and penalties, thru participation in the implementation of the city's infrastructure projects, their maintenance, or by rendering frontline services.

SECTION 50. - OBJECTIVES. The Bayadnihan Program has the following objectives:

- a. To provide an opportunity to urban poor beneficiaries to work for and apply their earnings for the settlement of their homelot amortization payments and thus ensure transfer of ownership of the homelots to their rightful beneficiaries;
- b. To develop a sense of responsibility among urban poor beneficiaries and for them to appreciate gainful work;
- c. To promote employment and improve the economic usefulness of family members of homelot beneficiaries;
- d. To prevent beneficiaries from mortgaging, selling or otherwise disposing their homelots due to their inability to pay their amortization thus defeating the purpose of the Naga Kaantabay sa Kauswagan Program.;

SECTION 51. - ELIGIBLE WORK OR SERVICES. Urban poor beneficiaries or their family members may avail of the Bayadnihan Program through the following:

- a. Construction of city government infrastructure projects;
- b. Maintenance of existing city government infrastructure facilities such as buildings, drainage system, water supply systems, electrical installations, city streets and sports facilities;
- c. Cleaning and beautification of public facilities such as city streets, parks, plazas, playgrounds, and street islands;
- d. Garbage collection and disposal;
- e. Other frontline services as may be determined by the City Mayor.

SECTION 52. - MANNER OF CREDITING EARNED WAGES. -

- a. Bayadnihan infrastructure and maintenance projects may be implemented either by administration or by contract.

If by administration, the earned wages of the participating urban poor beneficiary shall be credited directly by the city government against the account of the beneficiary.

If by contract, the earned wages of the participating urban poor beneficiary shall be withheld by the city from the contractor and credited against the account of the beneficiary.

- b. Bayadnihan frontline services shall be implemented by the Environment and Natural Resources Office and the earned wages of the participating urban poor beneficiaries shall be credited directly by the city government against the account of the beneficiary.

SECTION 53. - PROCESSING OF APPLICATIONS. -

- a. The Urban Poor Affairs Office shall process applications from those who wish to avail of this program. UPAO shall categorize the applicants into two: Category A are those skilled in specific crafts or trades; all others shall fall under Category B.

Applicants shall then sign the Bayadnihan contract which shall stipulate among others:

1. That the applicant is participating in the program in his own free will;
2. That the applicant is willing to work for projects of the city government implemented by administration or for frontline services, or to work for a private contractor undertaking projects of the city government;
3. That the applicant is voluntarily remitting to the city government any payments due him from his participation in the Bayadnihan Program to settle his homelot obligations under the Naga Kaantabay sa Kauswagan Program;

The contract shall further indicate:

1. The category of the applicant's skill, whether unskilled or skilled, and if the latter, the type of skill;
2. The daily rate the applicant shall receive from the city government or the private contractor which shall be commensurate to his or her being an unskilled or skilled worker.

The list of applicants under Category A and B shall then be endorsed to the City Engineer's Office and the ENRO.

- b. The City Engineer's Office shall pick from both categories those required for specific projects of the city government. If the project is implemented by administration, the City Engineer shall inform the urban poor beneficiary, through UPAO, of his or her selection and the details of their work assignment, and supervise his or her work accordingly.

If the project is implemented by contract, the City Engineer shall, in consultation with the contractor, determine the number of laborers required by the project, select from both categories the names of the urban poor beneficiaries who will work in the project whose number shall not be less than half of the required number of laborers and, through UPAO, inform the beneficiaries of their selection and the details of their work assignment, and formally endorse the names to the contractor who shall subsequently supervise their work accordingly.

- c. The Environment and Natural Resources Office shall select from both categories the names of the urban poor beneficiaries and, through UPAO, inform the beneficiaries of their selection and the details of their work assignment and subsequently supervise their work accordingly.
- d. The City Engineer and the Environment and Natural Resources Officer shall settle between themselves which office should get to hire a particular urban poor beneficiary in case they happen to select the same person.
- e. A labor payroll exclusively for Bayadnihan participants shall be prepared by the supervising office and submitted to UPAO upon completion of the work assignment. UPAO shall then issue a corresponding Certificate of Amortization Payment to each of the participating urban poor beneficiary. In case work rendered results in the full settlement of homelot obligations, the absolute deed of sale shall be released by UPAO to the beneficiary within three days from receipt of the labor payroll along with a Certificate of Full Payment. The Certificate of Amortization Payment and the Certificate of Full Payment issued by UPAO shall serve as proof of payment and shall have the same force and effect as an official receipt issued by the City Treasurer's Office.

- f. UPAO shall then forward copies of the labor payroll to the City Treasurer's and Accountant's Office for proper recording to ensure that the amortizations of the participating urban poor beneficiaries are properly credited to their respective associations. The Bayadnihan Coordinating Committee created under this ordinance shall formulate detailed procedures and prescribe the forms necessary to ensure the proper flow and recording of Bayadnihan transactions.

SECTION 54. - ENROLMENT OF FAMILY MEMBERS. - An urban poor beneficiary may enroll any member or members of his or her family to the program under any of the following circumstance:

- a. The urban poor beneficiary is incapacitated or is otherwise unable to work;
- b. The urban poor beneficiary has substantial arrearages;
- c. The number of urban poor beneficiaries who applied for the Bayadnihan program are less than what the project or frontline service requires as may be determined by the City Engineer or the City Environment and Natural Resources Officer.

The family member(s) must reside in the same homelot, are at least 18 years old, fit to work, and are willing to have their services credited against the amortizations of the principal urban poor beneficiary.

SECTION 55. - HIRING OF SKILLED WORKERS. - In the event the project requires skills not possessed by any of the participating urban poor beneficiaries nor by their family members, the City Engineer may deploy CEO personnel or recommend the hiring of skilled workers on a project basis to ensure compliance with project standards.

SECTION 56. - VALUATION OF WORK OR SERVICES RENDERED. - Work or services rendered by urban poor beneficiaries and their family members shall be valued at:

- a. the prevailing minimum wage in the region if the nature of work fits under the category for unskilled workers; or
- b. the prevailing rates in the city for skilled workers if the nature of work fits the category for skilled worker.

For this purpose, the City Engineer's Office, in coordination with the Metro PESO, shall prepare a schedule of wage rates for skilled workers which shall be used as reference in crediting the accounts of the urban poor beneficiaries. The schedule of wage rates shall be kept up to date as to reflect market rates at the time the projects were implemented.

SECTION 57. - APPLICATION OF EXCESS EARNED WAGES. - As a rule, an urban poor beneficiary who has fully paid his past due and current amortization shall be dropped from the program to give way to other urban poor beneficiaries. However, if there are no other applicants but there is still a need for work services, then he or she may continue to render service and the earned wages will be credited against future amortizations.

SECTION 58. - SELECTION OF URBAN POOR BENEFICIARIES. - In the event there are more Bayadnihan applicants than are needed by the city government, they shall be prioritized on the basis of the following criteria in their order:

- a. Possession of skills needed by the project or service, priority to those with the skills;
- b. Size of arrearages, priority to those with the largest arrearages;
- c. Residence in the place of the project or service, priority to those nearest the project site

SECTION 59. - IMPLEMENTING OFFICES. - The Urban Poor Affairs Office, the City Engineer's

Office, the City Environment and Natural Resources Office, the City Accountant's Office, the City Treasurer's Office and the Naga City Urban Poor Federation shall be responsible for the implementation of this ordinance.

SECTION 60. - BAYADNIHAN COORDINATING COMMITTEE. - (a) For purposes of expediting the coordination of efforts among the implementing offices, a Bayadnihan Coordinating Committee is herein created composed of the Urban Poor Affairs Officer, the City Engineer, the City Accountant, the Environment and Natural Resources Officer, the City Treasurer and the president of the Naga City Urban Poor Federation.

- a. The Committee shall meet regularly but anyone of the six members may call for a meeting at any time his or her office needs the assistance of, or requires information from, the other offices in the implementation of this ordinance.
- b. The Urban Poor Affairs Officer shall chair the meetings of this committee and his or her office, as Bayadnihan Secretariat, shall maintain a record of the proceedings of all their meetings copies of which shall be periodically furnished the members of the Naga City Urban Development and Housing Board.
- c. Subject to the approval of the city mayor and in order to standardize implementation of this program, the Committee may, from time to time, issue guidelines to, among others, detail the operating procedures, clarify complementation and accountabilities of the offices and personnel involved, fix the timetable for the performance of their functions, and standardize the forms, documents and processes involved.

SECTION 61. - ROLE OF NAGA CITY URBAN DEVELOPMENT AND HOUSING BOARD. - The Naga City Urban Development and Housing Board shall exercise oversight functions over the Bayadnihan Coordinating Committee. As such, it shall review on a quarterly basis the implementation of the Bayadnihan Program by the implementing offices and, whenever warranted, recommend to the city mayor additional measures to enhance the program.

SECTION 62. - MONITORING OF INFRASTRUCTURE PROJECTS. - The Project Monitoring Committee shall, in addition to its usual functions, check for the actual presence and performance of work by the urban poor beneficiaries or their family members in infrastructure projects falling under the Bayadnihan Program.

SECTION 63. - MONITORING OF SERVICES RENDERED. - The UPAO shall monitor the actual presence and performance of frontline services by urban poor beneficiaries or their family members availing of the Bayadnihan Program.

ARTICLE XIII - LINGKOD TABANG SA ISTARAN

SECTION 64. – PURPOSE. This Ordinance is enacted to achieve the following purposes:

- a) ensure that no family shall be denied access to the "Kaantabay sa Kauswagan" Program for the sole reason of lack of capacity to pay;
- b) ensure that the poorest among the qualified beneficiaries of the "Kaantabay sa Kauswagan" Program effectively benefits therefrom;
- c) ensure that the varying levels of the urban poor beneficiary families' capability to pay is considered as a factor in the determination of the rate of their respective re-payment.

SECTION 65. - Access by the Poorest of the Poor. Families classified as "Poorest of the Poor" under this Ordinance shall be given the option to pay back the lot/house & lot awarded to them, which shall not be more than thirty-two (32) square meters per beneficiary family, through rendering at least six (6) hours of community service per week in their respective barangay; provided, that this duty to render community service shall cease and end in the event that it becomes impossible, as determined by the NCUDHB, for any member

of the beneficiary family to continue rendering the community service herein required, or when the beneficiary family has rendered the total number of hours which, when given the corresponding monetary equivalent value, will equal to that which the family should pay under the regular repayment system of the Program; provided, further, that this provisions shall not prevent the beneficiary family from paying the entire amount of the lot/house & lot awarded to them anytime they become capable to do so. In case of impossibility to continue rendering community service, the duty to render the same shall be declared by the NCUDHB as fully completed.

For the purpose of implementing the duty to render community service as provided under this Section, the Punong Barangay of the respective barangays where the beneficiary family may be located or resettled shall submit to the NCUDHB the activities/work that shall be performed by the beneficiary in rendering the required community service, record the number of hours of community service rendered, and regularly submit to the NCUDHB, a report on the status of compliance thereto.

Beneficiary families who, as determined by the NUDHB, are totally incapable of rendering the required community service, shall be awarded with lot/house & lot under the terms and conditions of a usufruct.

SECTION 66. - BENEFICIARY QUALIFICATIONS. To ensure the benefits declared under this Ordinance shall be enjoyed only by those who are truly deserving of government assistance, the following criteria shall govern selection of the beneficiaries thereof:

- i. Qualified under the provisions of the Kaantabay sa Kauswagan Ordinance and its implementing Rules and Regulations;
- ii. The gross family income is not more than three thousand pesos (P3, 000.00) per month, as evidenced by an Income Tax Return or an Affidavit of Income, and supported by indigency issued by the a certificate of Barangay Council of his/her residence and by the City Social Work and Development Office; and
- iii. No member of the family household has been the subject of complaint related to peace and order issues more than once within the last two years prior to beneficiary selection, certified to by Barangay Council of his/her residence:
- iv. The beneficiary family undertakes to render the community service required under the provisions of this Ordinance.

For the purpose of this section, the Naga City Urban Development and Housing Board (NCUDHB) shall determine the qualifications of the beneficiary family and shall determine priorities in accordance with its policies and procedures; provided, however, that in the granting of the benefits provided under this Ordinance, the NCUDHB shall ensure the continuing viability, financial and otherwise, of the Kaantabay sa Kauswagan. Program.

SECTION 67. - SOCIALIZED RE-PAYMENT SCHEME. Recognition of the fact that even among the beneficiary families of the "Kaantabay sa Kauswagan" Program who may be financially capable their respective capability levels still vary, the following scheme of beneficiary re-payment is hereby adopted:

| BENEFICIARY CATEGORY | GROSS HOUSEHOLD MONTHLY INCOME | EQUITY REQUIRED | PERIOD OF PAYMENT |
|-------------------------|-----------------------------------|-----------------|----------------------|
| A | P 3,001 - P 4,500 | None | Up to 30 yrs |
| B | P 4,501 - P 7,500 | 5% | Up to 30 yrs |
| C | P 7,501 - P 8,500 | 8% | Up to 25 yrs |

| | | | |
|---|---------------------|-----|--------------|
| D | P 8,501 - P 10,000 | 10% | Up to 25 yrs |
| E | P 10,001 - P 12,500 | 15% | Up to 20 yrs |
| F | P 12,501 - P 15,000 | 20% | Up to 20 yrs |

SECTION 68. DUTY OF THE NAGA CITY URBAN DEVELOPMENT AND HOUSING BOARD. In order that the benefits granted under this Ordinance may be applied to qualified beneficiaries hereof, the Naga City Urban Development and Housing Board shall, based upon the documents submitted by an applicant to the and to the Kaantabay sa Kauswagan Program, and upon its own actual verification, decide whether or not to grant the same. In the case of existing beneficiaries or those who have already received their lot award, the NCUDHB, upon written recommendation of any of its members, or of the concerned Barangay council, shall review the qualifications of the beneficiary and decide thereon. The decision of the NCUDHB shall be final and shall be made known to the concerned parties in writing.

To effectively oversee the implementation of this Ordinance, the NCUDHB is hereby authorized to promulgate such rules and regulations as it may deem necessary.

SECTION 69. - SUPPLEMENTARY APPLICATION OF RELATED ORDINANCES. All provisions of Ordinance No.98-033 or the Kaantabay sa Kauswagan Ordinance and all other Ordinances governing the urban poor housing program of the City Government of Naga which are not inconsistent with the provisions of this Ordinance shall likewise apply in the implementation hereof.

ARTICLE XIV- CONDONATION THE PENALTIES AND SURCHARGES ON UNPAID AMORTIZATION DUE FROM THE BENEFICIARIES OF THE KAANTABAY SA KAUSWAGAN PROGRAM

SECTION 70. - PURPOSE. This Ordinance is being enacted to achieve the following purposes:

- 1.1 To effectively respond to need of the beneficiaries of the Kaantabay sa Kauswagan Program of the City Government of Naga to be provided with an opportunity with which they could once gather their strength and recover from the devastations brought about by the two strong typhoons that hit the Bicol Region in the last quarter of the year 2006:
- 1.2 To facilitate the immediate recovery of the cost advanced by the City Government of Naga in the provision of housing and resettlement to the beneficiaries of its Kaantabay sa Kauswagan Program in order that the recovered fund may be utilized to provide the same opportunity to those who have long been waiting to also benefit from this Program;

SECTION 71. - CONDONATION OF PENALTIES AND SURCHARGES. To achieve the purposes enunciated in the preceding Section. The following are hereby declared;

- 2.1 All penalties and surcharges on unpaid amortizations due from the beneficiaries of the Kaantabay sa Kauswagan Program of the City Government of Naga for the months beginning September, 2006 up to March, 2007 are hereby condoned without any condition;
- 2.2 Penalties and Surcharges on unpaid amortizations due from the beneficiaries of the Kaantabay sa Kauswagan Program of the City Government of Naga for the months other than the months specified under sub-section 2.1 above shall be condoned, provided that the beneficiary has satisfactory proven that he/she has suffered or has been suffering extreme financial difficulty which has made it impossible to settle his/her monthly amortizations due on time.

For the purpose of this sub-section, the Naga City Urban Development and Housing Board shall determine propriety of granting the same base on proof sufficient to establish the financial difficulty suffered or being suffered by the beneficiary.

2.3 Penalties and Surcharges on unpaid amortizations due from the beneficiaries of the Kaantabay sa Kauswagan Program of the City Government of Naga shall also be condoned if the beneficiary shall settle in full all amortization arrearages on or before June 30, 2007.

SECTION 72. - IMPLEMENTATION. To apply the benefits granted under subsections 2.1 and 2.3 above, the Urban Poor Affairs Office (UPAO) shall undertake the necessary steps to facilitate the availment thereof. To avail of the benefit granted under sub-section 2.2 above, interested beneficiaries shall fill up an application form at the Urban Poor Affairs Office together with the necessary proof to establish extreme financial difficulties.

SECTION 73. 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 74. 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. |

| | |
|--|---|
| Victims 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 75. ADDITIONAL PERIOD OF AVAILMENT FOR CONDONATION OF PENALTIES AND SURCHARGES - The period of two (2) years for the availment of the across-the-board condonation of penalties and surcharges provided under Section 9 of Ordinance No. 2018-007 is hereby added in order to give the beneficiaries sufficient opportunity to avail thereof.

SECTION 76. - MASSIVE INFORMATION CAMPAIGN. The Housing and Settlements Development Office Development Office (HSDO), in partnership with the Naga City People's Council (NCPC), together with the Naga City Urban Poor Federation, Inc. (NCUDFI) are hereby mandated to conduct a massive information campaign on this Ordinance to ensure that the beneficiaries are informed thereof. For this purpose, the activities necessary to carry out the objectives of this Ordinance shall be among the activities for which the funding assistance granted by the City Government to the NCPC and the NCUPFI shall be utilized.

SECTION 77. - REPORTING. To monitor compliance with and the achievement of the purposes of this Ordinance, the Housing and Settlements Development Office (HSDO) shall render a quarterly report

ARTICLE XV - APPROPRIATION AND FUNDING

SECTION 78. - 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.

The sum of not less than Seven Hundred Thousand Pesos (PhP700,000.00) per annum is further appropriated for purposes of the Urban Poor Federation's affairs and operation, actual disbursement whereof shall be subject to the usual auditing rules and regulations.

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 79. - 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,
 - e. Twenty (20) percent of the proceeds of sale of City Government properties.
- ARTICLE XIII - SEPARABILITY AND REPEALING CLAUSES**

SECTION 80. - 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 81. - REPEALING CLAUSE. - All other provisions of existing ordinances, resolutions and executive issuances inconsistent with this ordinance are hereby repealed, amended, or modified accordingly.

SECTION 82. - This ordinance shall take effect upon its approval.

ENACTED: