

Comments on House Bills Numbered 1986, 2703, 4146 and 4354, on the EXPROPRIATION OF LANDS FOR SOCIALIZED HOUSING, introduced by Representatives Joseph Stephen “Caraps” S. Paduano, Yedda Marie K. Romualdez, Jude A. Acidre, Harris Christopher M. Ongchuan, and Jonathan Clement M. Abalos II, respectively

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1. The proposed bills aim to amend certain provisions of Republic Act 7279 or the Urban Development and Housing Act of 1992, specifically to strengthen the expropriation of land for purposes of socialized housing. Decent housing is a basic human need and given that more than 40 percent of households in the Philippines are housing constrained or shelter poor (Ballesteros, Ramos, Ancheta 2022),² we are supportive of policies that are intended to use land efficiently especially for the development of affordable or socialized housing in the country.
2. Below are our specific comments/suggestions on the amended Sections as mentioned in the proposed House Bills:

On Section 9

- We agree to the revisions made to remove the order of prioritization in the identification of land to be acquired for socialized housing.
- However, the identification of land whether by the LGU or the national government agency should be guided by the Comprehensive Land Use Plans (CLUPs) of cities/municipalities. This implies requiring all LGUs to have an updated CLUPs. Socialized housing should be part of city/ municipality-wide planning and should not be treated as stand-alone projects.
- Therefore, the power to identify and prioritize should be given only to government and not to any “proper agency acquiring land” nor to any private agency or organization.

On Section 10

- We agree to the revision to consider expropriation among the modes of land acquisition for social housing and not just a mode of last recourse in acquiring land.

¹ Dr. Marife M. Ballesteros, Vice President, Philippine Institute for Development Studies (PIDS)

² Ballesteros, Ramos, Ancheta (2022) Measuring Housing Affordability in the Philippines. PIDS Discussion Paper 2022-22 . Philippine Institute for Development Studies.

- A contentious provision is the exclusion made on “small property owners”. This exemption can cause issues on planning and efficiency in the use of land and has cost implications specifically in cases when the location of property is critical for infrastructure development. The location specificity of land should be considered and clarified in the proposed revisions.
- On government-owned or foreclosed property for socialized housing, “providing the actual occupants (with no legal rights) on the property first refusal” for purchase should be deleted from this section. Instead, the government should use these lands to establish a community land trust, to ensure that affordable land is available even in cities for socialized housing. The occupants can be beneficiaries of the housing projects that will be provided but the land should be retained under the ownership of the government through a community land trust scheme.
- Under a community land trust, the land is considered separately from the housing. There are no formal or individual titles given on the land but beneficiaries may own and sell their houses within the guidelines of the community land trust. Properties under the community land trust are taken out of the real estate market and maintained as an inventory of property for social housing. This is kept within trust management so that the gains from the land and subsidies from property development are not privatized by the current beneficiaries. As incomes improve, the current beneficiaries can already afford to purchase housing in the open market and the community land trust can continue to support other families that are housing constrained. This scheme will reduce the fiscal burden to government in the provision of social housing in the long run. Considering the limited and fixed nature of land, the creation of a community land trust is an efficient and effective scheme for the provision of decent housing for the poor and low-income.