



Republic of the Philippines
CITY OF CAGAYAN DE ORO
OFFICE OF THE CITY COUNCIL
 (08822) 724854; (088) 857-4029; 857-4035; 857-2258



ORDINANCE NO. 10413-2006

**AN ORDINANCE PROVIDING FOR THE GUIDELINES COVERING THE JOINT VENTURE
 SOCIALIZED HOUSING PROJECT BETWEEN THE CITY GOVERNMENT OF CAGAYAN
 DE ORO AND SUBDIVISION DEVELOPERS IN THE CITY, AND FOR OTHER PURPOSES**

Whereas, the provisions of Article III, Section 6 and Article V, Section 18, (Balanced Housing Development) of Republic Act No. 7279, otherwise known as the Urban Housing and Development Act of 1992 (UDHA), residential subdivision and residential condominium projects and/or proposed expansion of existing residential subdivisions and residential condominiums are subjected to 20% Socialized Housing requirement;

Whereas, the socialized housing project equivalent to twenty percent (20%) of the total subdivision area or project cost may be also complied through a Joint-Venture Projects with the City Government, whereby the Developer may enter into a joint project or agreement with the City Government to develop a socialized housing project equivalent to 20% of the project area or 20% of the cost of the main subdivision project.

Whereas, under such scheme, the developer shall abide by the implementing guidelines on the joint-venture programs of the City Government which shall in turn certify the developer's compliance to the 20% requirement;

Now, therefore:

BE IT ORDAINED by the City Council (*Sangguniang Panlungsod*) of the City of Cagayan de Oro in session assembled that:

SECTION 1. - DEFINITION OF TERMS - For the purpose of these guidelines, the terms and words used herein shall, unless the context indicates otherwise, mean or be understood as follows:

- a) CITY GOVERNMENT – the Local Government Unit of Cagayan de Oro City.
- b) CPDO – City Planning and Development Office
- c) DEVELOPER – as defined under PD 957
- CAUDD d) EMD – Estate Management Division of the City Planning and Development Office, an office in-charge of City Socialized Housing Program.
- e) IRR OF SECTION 18 OF RA 7179 – Implementing Rules and Regulations to govern Section 18 of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992.
- f) PROJECT AREA – 1) for subdivision projects without housing component, the gross developed land area; 2) for subdivision projects with housing components, the gross developed land area and aggregate floor area of all housing units; 3) for condominium projects, the gross floor area of residential units.
- g) SHP – Socialized Housing Project/Program.
- h) SOCIALIZED HOUSING – In addition to the definition under UDHA (RA 7279), it shall refer to projects intended for the underprivileged and homeless wherein the housing package selling price is within the lowest interest rate under the Unified Home Lending Program (ULHP) or any equivalent housing program of the Government, the private sector or non-government organization.
- i) SUBDIVISION PROJECT – as defined in PD 957.
- j) MAIN SUBDIVISION PROJECT – shall refer to the proposed residential subdivision or residential condominium project that shall be the basis for computing the 20% requirement for socialized housing.

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- k) OFF-SITE SOCIALIZED HOUSING PROJECT – Shall mean any new, large-scale development, consisting of one or several subdivision projects planned to provide socialized housing with the provision of utilities and facilities.

SECTION 2. – COVERAGE – These guidelines shall apply to residential subdivision and residential condominium projects and/or proposed expansion of existing residential subdivisions and condominiums in Cagayan de Oro City that may opt to enter into a joint-venture project with City Government as a manner of compliance with the 20% requirement for socialized housing under Section 3, Paragraph (d)(4) of the IRR of Section 18 of RA 7279.

SECTION 3. – 20% SOCIALIZED HOUSING REQUIREMENT – The 20% Socialized Housing requirement shall be presented on the basis of land area -

- 1) For main subdivision projects which are limited to the sale of lots only, land equivalent to twenty percent (20%) of the total area of the main subdivision project.
- 2) For main subdivision projects which consist of the sale of house and lot packages, land equivalent to twenty percent (20%) of the total area of the main subdivision project plus land equivalent to twenty percent (20%) of the aggregate floor area of all housing units of the main subdivision project.

CONVERSION RATIO TO TRANSLATE HOUSING AREA TO RAW LAND AREA. Since the Socialized Housing Projects of the City provide lots only, the 20% equivalent of the aggregate floor area of all housing units shall be translated into raw land area. Based on the 2006 prevailing cost of developing subdivision project and construction of a housing unit, the cost of producing one square meter of floor area of housing unit is ₱8,000 while the cost of developing one square meter of raw land is ₱400. Therefore, the equivalent raw land area for one (1) square meter of floor area of housing unit is twenty (20) square meters (Ratio = 1:20).

- 3) For residential condominium project, land equivalent to 20 times the twenty percent (20%) of the aggregate floor area.

SECTION 4. – DEVELOPMENT PERMIT OF MAIN SUBDIVISION PROJECT - No Development Permit application covered under Section 2 of this Ordinance shall be accepted unless the City Government through the EMD certifies to the compliance of the 20% Socialized Housing requirement. The CPDO shall evaluate the compliance of the 20% Socialized Housing requirement under these guidelines.

SECTION 5. – JOINT-VENTURE AGREEMENT - The developers of residential subdivision and residential condominium projects and/or proposed expansion of existing residential subdivisions and residential condominiums that opt to enter into a joint venture project under these guidelines shall submit their letter of intent for the purpose.

Responsibilities of a Developer under these guidelines:

- Fund the development of the area of SHP equivalent to the 20% Socialized Housing requirement. The fund shall not be less than the development cost as mentioned in Section 6 and shall be conformed to by the EMD.

Responsibilities of the City Government:

- It shall be responsible of the land acquisition for the SHP.
- Through the EMD, it shall determine the area and prepare the plan indicating the development plan and location of the SHP that is covered under the agreement.
- It shall credit the subject area to the developer as part of its 20% Socialized Housing Compliance, and shall not assign nor credit the subject area to any other developers.

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- It shall use properly the fund received from the developer as mentioned in Section 7 of these guidelines for the development of Socialized Housing Project.

The City Council shall authorize the City Mayor to enter into a SHP Joint-Venture Agreement with the developer that has complied with the provisions of this Ordinance.

SECTION 6. – DEVELOPMENT COST – The development cost shall include the cost of land preparation of the new off-site SHP and the establishment of its utilities like power, water, roads, drainage and sewerage. The total development cost under the SHP Joint-Venture shall be computed by the number of square meters equivalent to the 20% Socialized Housing requirement multiplied by the development cost per square meter as agreed by the City Government. The prevailing development cost of the City's SHP is ₱55 per square meter.

SECTION 7. – GENERATED FUND – All funds collected under Section 4 of this Ordinance shall accrue to a Trust Fund for the City's SHP. The EMD shall be responsible for the utilization of such fund intended for the City's Socialized Housing Program.

SECTION 8. – SEPARABILITY CLAUSE – The provisions of this Ordinance are hereby declared separable, and in the event of any such provision/s is/are inconsistent to any laws, ordinances, rules, regulations and guidelines and declared null and void, the validity of all other provisions shall not be affected thereby.

SECTION 9. – Effectivity – This Ordinance shall take effect upon its approval.

UNANIMOUSLY APPROVED.

Present:

- | | |
|-----------------------------------|--|
| - Councilor Juan Y. Sia | - Councilor Annie Y. Daba |
| - Councilor Edgar S. Cabanlas | - Councilor Ian Mark Q. Nacaya |
| - Councilor Alfonso C. Goking | - Councilor Jose Benjamin A. Benaldo |
| - Councilor Reynaldo N. Advincula | - Councilor Maryanne C. Enteria |
| - Councilor Alvin R. Calingin | - Councilor Simeon V. Licayan |
| - Councilor Zaldy O. Ocon | - Councilor Jerico Goldmar P. Ebabacol |

On Official Business: - Councilor Alexander S. Dacer

Absent: - Councilor Caesar Ian E. Acenas (*indisposed*)

DONE in the City of Cagayan de Oro this 4TH day of December 2006.

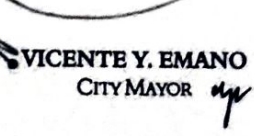
I hereby certify to the correctness of the aforesated Ordinance.

Attested as duly enacted:


MICHELLE T. SPIERS
 CITY VICE MAYOR
 PRESIDING OFFICER


ARTURO S. DE SAN MIGUEL
 CITY COUNCIL SECRETARY

Approved:


VICENTE Y. EMAMO
 CITY MAYOR

Attested:


MARYJANE L. BUTASLAC
 ASSISTANT CITY BUDGET OFFICER