[PRESIDENTIAL DECREE NO. 1314, March 20, 1978]

REPEALING PRESIDENTIAL DECREE NO. 814, REDEFINING THE POLICIES ON LAND TENURE IN THE TONDO FORESHORE DAGAT-DAGATAN URBAN DEVELOPMENT PROJECT

WHEREAS, the government has adopted under Letters of Instructions Nos. 555 and 557 dated 11 June 1977 Slum Improvement and Resettlenent as a national policy and the strategy for dealing with slums and other blighted communities in urban areas;

WHEREAS, the Tondo Foreshore Dagat-Dagatan Development Project is the first project of the government under its Slum Improvement and Resettlement (SIR) Program and is being utilized as the workshop for evolving concepts in the implementation of this Program.

WHEREAS, Tondo Foreshore is a problem of longstanding where people have endured and suffered the deprivation and the degradation of having to live in a slum;

WHEREAS, Republic Act No. 1595 dated 16 June 1956 prescribes P5.00 per square meter as the price at which land shall be sold to bonafide occupants but does not specify the development concept nor provide for the introduction of critically needed community facilities and services to eliminate the condition of slum in the area;

WHEREAS, the government through the National Housing Authority has prepared a comprehensive and integrated development plan for the Project which shall provide the quality of life consistent with the dignity and aspirations of the people of the project area;

WHEREAS, in line with the compassionate approach of the New Society, the government recognizes that the people is the focal point and the only beneficiary of development and therefore desires to resolve the land tenure issue in the project area in favor of the resident families;

WHEREAS, the primary aspiration of the people of Tondo Foreshore is to own eventually the land that they occupy;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree.

SECTION 1. The land tenure system prescribed in this Decree is applicable to the residential areas in the Tondo Foreshore and such portions of Dagat-Dagatan which are to be residential sites of families to be displaced from the Tondo Foreshore as a result of the implementation of the comprehensive and integrated development plan for the Tondo Foreshore and Dagat-Dagatan Urban Development Project. The system so prescribed shall not, however, apply to parcels or sites within the aforementioned areas which have been developed for apartments or medium-rise density buildings.

SECTION 2. The land tenure system shall be freehold with restrictions as follows:

- 2.1) Titled land and land with claims or "vested rights" such as those covered by final Deeds of Sales, Agreement to Sell and other legal claims which are recognized by the National Housing Authority herein referred to as the "Authority".
- 2.2) Untitled land or land not subject to "vested rights" which upon issuance of Certificates of Occupancy to a qualified project beneficiary is purchased outright by such beneficiary at a price to cover the cost of the land and the cost of providing facilities and services (hereinafter referred to as "development cost") either in cash or amortization for 25 years.

SECTION 3. For the purpose of this Decree, a Citizens' Committee consisting of five (5) members shall be formed in each barangay within the Project Area to perform the following functions:

- 3.1) Process request for transfer of residential land rights and sub-letting of dwelling units and structure within the Project Area based on policies, rules and regulations of the Authority.
- 3.2) Submit to the Authority recommendations on such transfers and sub-letting for review and approval.

The Barangay Chairman in each barangay shall automatically be a member of a Citizens Committee. The four (4) other members shall be elected for a term of one (1) year by the ambers of the barangay in a central meeting The Authority, in coordination with other government entities, specifically the Department of Local Government and Community Development, shall prescribe and implement the necessary rules and regutions for the conduct of the barangay election the members of the Citizens' Committee shall elect from among themselves a Chairman who shall convene the Committee to discuss business on hand.

SECTION 4. The sale and/or disposition of land in the Project Area shall be subject to the following conditions:

- 4.1) Except by hereditary succession, land under freehold right shall not be transferred, alinated, conveyed, or otherwise disposed of in any node to any person who does not need the criteria (based on income, multiple ownership, conformance of law, etc.) to be set by the Authority and implemented by Citizens' Committee to be created under Section 3 of this Decree whose recommendation on land transfer shall be subject to review and approval by the Authority.
- 4.2) The use, occupancy and development of land shell be subject to the general regulations and control of the Authority according to its approved development plan.

SECTION 5. Project beneficiaries holding titles to land or who are with claims or "vested rights" which are recognized by the Authority shall be charged a fee corresponding to the development cost based on current estimates which is allocable per square meters of residential area and which when amortized over 25 years at 12% per annum amounts to P0.95 per square meter per month; or the total development cost as computed by the Authority upon completion of the project, amortized monthly for a maxinun period of 25 years at 12% per annum, whichever is lower.