

[PRESIDENTIAL DECREE NO. 814, October 17, 1975]

PRESCRIBING THE LAND TENURE SYSTEM FOR THE TONDO FORESHORE AND DAGAT-DAGATAN URBAN DEVELOPMENT PROJECT.

WHEREAS, the government recognizes the need to rationalize the use of land particularly in urban areas to insure its optimum utilization for the welfare of the greatest number of people;

WHEREAS, it is the declared policy of government to promote the well being of the people by undertaking a program of development which shall establish communities where people can live with dignity in healthful environmental conditions;

WHEREAS, the Tondo Foreshore is the largest squatter and slum colony in the Greater Manila Area where people live in substandard conditions incompatible with the goals of the New Society;

WHEREAS, the government is determined to improve the quality of life of the people in the Tondo Foreshore by preparing and implementing a realistic, comprehensive, and integrated plan for its development;

WHEREAS, the government is aware that the land issue is central in the Tondo Foreshore Project whose resolution shall provide a meaningful and lasting solution to the situation in the project area;

WHEREAS, Republic Act 1597, as amended, and other related laws specifically governing land use in the Tondo Foreshore Area have been found unrealistic and inadequate to bring about a harmonious, meaningful and lasting solution to the squatter and slums problem long obtaining in the Tondo Foreshore area;

WHEREAS, the Tondo Foreshore Development Authority, and its legal successor, the National Housing Authority, have prepared a master plan for the Tondo Foreshore which provides for the upgrading of sites and services in the Tondo Foreshore and the development of Dagat-dagatan into a resettlement area with residential, commercial, and industrial components, the whole project now known as the Tondo Foreshore and Dagat-dagatan Urban Development Project;

WHEREAS, there is a need to prescribe a new and realistic land tenure system for the Tondo Foreshore area and Dagat-dagatan resettlement site in order to effect the proper implementation of the physical and socio-economic development program therein;

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

SECTION 1. *The Tondo Foreshore and Dagat-dagatan Urban Development Project*

The Tondo Foreshore and Dagat-dagatan Urban Development Project, hereinafter referred to as the "Project" for which the land tenure system prescribed by this Decree is applicable, shall comprise the Tondo Foreshore, Vitas, Dagat-dagatan and its adjacent areas which have been designated as "Planned Areas for New

Development (PLAND)" with specific technical boundaries under Letter of Instruction 299 dated 29 July 1975 and over which the Tondo Foreshore Development Authority and its successor, the National Housing Authority hereinafter referred to as the "Authority", have general jurisdiction and control.

SEC. 2. *Land Tenure System*

The Land Tenure System prescribed for the Project shall consist of two modes of residential land ownership and disposition, to wit:

a. Freehold with restrictions

Freehold with restrictions will be applied only to titled lots and claims with "vested rights" such as those with final Deeds of Sale, Agreements to sell, and other legal claims which may be honored by the Authority, provided, however, that owners of these legal rights may opt for leasehold with option to purchase arrangement.

b. Leasehold with or without the option to purchase

Leasehold with option to purchase shall be applied to those lands which are untitled, vacant, unclaimed and without vested rights.

SEC. 3. *Citizens' Committee*

For the purposes 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:

- a. 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.
- b. 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 the Citizens' Committee. The four (4) other members shall be elected for a term of one (1) year by the members of the barangay in a general 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 regulations 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.

SEC. 4. *Freehold with Restrictions*

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

- a. Except by hereditary succession, land under freehold right shall not be transferred, alienated, conveyed, or otherwise disposed of by any mode to any person who does not meet the criteria (based on income, multiple ownership, conformance to law, etc.) to be set by the Authority and implemented by Citizens' Committee to be created under Section 9 of this decree whose