

## [ Act No. 1654, May 18, 1907 ]

### **AN ACT TO PROVIDE FOR THE LEASING OF RECLAIMED LAND FOR COMMERCIAL PURPOSES, FOR THE LEASING OF THE FORESHORE AND LANDS UNDER WATER, AND TO REGULATE THE CONSTRUCTION OF BRIDGES OVER NAVIGABLE WATERWAYS.**

*By authority of the United States, be it enacted by the Philippine Commission, that:*

SECTION 1. The control and disposition of the foreshore as defined in existing law, and the title to all Government or public islands made or reclaimed by the Government by dredging or filling for otherwise throughout the Philippine Islands, shall be retained by the Government without prejudice to vested rights and without prejudice to rights conceded to the city of Manila in the Luneta Extension.

SEC. 2. (a) The Secretary of the Interior shall cause all Government or public islands made or reclaimed by the Government by dredging or filling or otherwise to be divided into lots or blocks, with the necessary streets and alleyways located thereon, and shall cause plats and plans of such surveys to be prepared and filed in the Bureau of Lands.

(b) Upon the completion of such plats and plans the Governor-General shall give notice to the public that such parts of the lands so made or reclaimed as are not needed for public purposes will be leased for commercial an application or applications for a lease or leases, the Governor-General shall designate and specify certain portions of the land for such use, and shall give notice by public advertisement that such applications have been made and that the Government will lease lots or blocks, to be specified in said advertisement, for commercial and business purposes, such leases to run for a period of ninety-nine years at a rental of three per centum per annum of the appraised value of the parcel of land leased, the appraisal to be made by the Director of Lands subject to approval by the Secretary of the Interior and conditioned that a new appraisal of said land so leased shall be made in the same manner ten years from the date of the lease and every ten years thereafter, and that the rental after such appraisal shall be based upon the new appraised value at the same rate per centum per annum.

(c) If after any reappraisal a tenant shall consider the new Appeals by tenants valuation to be excessive, he shall have the right, within three months, to appeal to the Court of First Instance of the district in which the land is situated, and the said court is hereby given jurisdiction to determine the appraisal and fix a just valuation for the land for the period of ten years. Either party shall have the right to appeal from the Court of First Instance to the Supreme Court of the Philippine Islands: *Provided, however,* That the tenant shall pay rent on the basis of the reappraisal pending final determination of the matter by said Court of First Instance. Should the Court of First Instance determine to fix a valuation for the land lower than that fixed in the reappraisal the tenant shall be entitled to a refund of the excess rent paid by him on the basis of such reappraisal.

(d) The lease of the said lands shall be executed by the Director of Lands and approved by the Secretary of the Interior, and shall specifically provide, among other things, that improvements thereon of a kind to be approved by the Consulting Architect, as provided in subsection (f) of this section, shall be commenced within twelve months of the date of the execution of the lease and shall be completed within a time to be fixed in said lease, and that in case of failure to make such

improvements within the time prescribed by the lease or to comply with any or all of the terms and conditions of said lease the same shall thereupon be forfeited, and that all improvements made on the leased property shall vest in and become the property of the Government of the Philippine Islands: *Provided, however,* That the Governor-General may, in his discretion, and upon such terms as he may prescribe, waive the forfeiture herein provided for, or extend the time within which said improvements shall be commenced and completed.

Every such lease shall also contain a provision for the payment of the tax or taxes levied on said land or improvements and providing that upon the failure of the lessee to pay any such tax or taxes or any part thereof the lease shall forthwith cease and determine.

(e) The leases above provided for shall be disposed of to the highest and best bidder therefor, subject to such regulations and safeguards as the Governor-General may by executive order prescribe.

(f) Plans for buildings or improvements shall be approved by the Consulting Architect, and no buildings or improvements shall be permitted until such approval has been obtained in writing. Such improvements shall also be subject to the ordinances of the proper municipality. In case of difference the dispute between the consulting Architect and the lessee, final decision shall be made by the Governor-General.

SEC. 3. (a) The original cost of the construction of streets, alleyways, and curbing on such reclaimed lands shall be borne by the Insular Government. The cost of putting in sewers and water mains and keeping in repair the streets, alleyways, and curbing constructed at the expense of the Insular Government shall be borne by the municipality in which such lands are situated, and it shall be the duty of such municipality to maintain and keep in repair streets, alleyways, and curbing constructed by the Insular Government as herein provided.

(b) Franchises for the use of said streets and alleyways on said lands for private or public purposes may be granted by the Insular Government or, subject to the approval of the Governor-General, by the municipality in which said lands are situated. Franchises granted under this section for the construction and operation of street railways, electric light and power, and telephone lines shall be subject to the provisions of the law then in force governing all such franchises.

SEC. 4. All lands leased under the provisions of the foregoing sections of this Act, and all improvements thereon, shall be subject to local taxation against the lessees, their heirs, executors, administrators, successors, or assigns, to the same extent as if such lessees, their heirs, executors, administrators, successors, or assigns, were the owners of both land and improvements.

SEC. 5. Upon receipt of an application or applications for the lease of any portion of the foreshore or lands under water in the Philippine Islands for the purpose of erecting and maintaining wharves, docks, piers, marine railways, or other appropriate structures, and upon the recommendation of the Secretary of Commerce and Police, the Governor-General may designate and specify such portions of the foreshore or lands under water for such use, and shall give notice by public advertisement that such applications have been made and that the Government will lease such portion of the foreshore, to be specified in said advertisement, for wharves, docks, piers, marine railways, or other appropriate