

# [ Commonwealth Act No. 648, June 16, 1941 ]

## **AN ACT CREATING THE NATIONAL HOUSING COMMISSION**

*Be it enacted by the National Assembly of the Philippines:*

SECTION 1. There is hereby created a public corporation to be known as the National Housing Commission, which shall be a body corporate and politic in deed and in law and as such is endowed with the attribute of perpetual succession and possessed of the powers which pertain to public corporations, to be exercised in conformity with the provisions hereof. It shall have its central office in the City of Manila.

SEC. 2. The purposes for which the National Housing Commission is created are:

(a) The acquisition, development, improvement, construction, leasing and selling of lands and buildings or any interest therein in the cities and populous towns of the Philippines, with the object of providing decent housing for those who may be found unable otherwise to provide themselves therewith;

(b) The promotion of the physical, social, and economic betterment of the inhabitants of the cities and populous towns of the Philippines, by eliminating there from slums and dwelling places which are unhygienic or unsanitary and by providing homes at low cost to replace those which may be so eliminated; and

(c) The provision of community and institutional housing for destitute individuals and families and for paupers.

SEC. 3. The Commission shall have the power to adopt a common seal and alter the same at pleasure, to contract and be contracted with, to sue and be sued, and to prosecute and defend to final judgment and execution, in the exercise of its power herein granted.

SEC. 4. The National Housing Commission shall have the power to take, acquire, purchase, receive and hold personal and real property by lease, purchase, expropriation, or otherwise, and to sell, mortgage, let, demise, convey, exchange, lend, and otherwise dispose of real and personal property for cash, by installment contract, or otherwise, to solicit, receive and disburse loans and grants of money and property from the Government or from private individuals, to apply any profit or capital recoveries which might accrue from its operations for the purposes for which the Commission is created, to select after investigation the individuals and families which are to occupy or acquire lots and houses at the disposal of the Commission, to enter into or execute contracts as may be considered convenient and advantageous to the Commission, and for the purpose of carrying on its business and of attaining or furthering any of its objects, to perform any and all acts which a co-partnership or natural person is authorized to perform under the laws existing or which may be hereafter enacted, and to adopt or promulgate such rules and regulations as may be necessary to carry out the purposes of this Act.

SEC. 5. The National Housing Commission shall exercise its corporate powers,

perform its duties, and carry out its purposes through a Governing Council and its executive officers hereinafter specified and such additional officers, employees, and agents as may be authorized from time to time by the Governing Council, with the approval of the President. The Governing Council of the National Housing Commission shall consist of a chairman and four members to be appointed by the President of the Philippines, with the consent of the Commission on Appointments. The members of the Governing Council shall hold office for five years. When the members of the Governing Council first appointed hereunder shall have assumed office, the President shall designate in writing within thirty days of notification of their assumption of office the members who are to serve one, two, three, four, and five years, respectively and their terms shall expire in accordance with such designation. Thereafter the person appointed to succeed a member of the Governing Council whose term of office shall have expired by reason of such designation shall continue to serve for the full five-year term, and except in the case of vacancies caused otherwise than by the expiry of the term, only one member shall be appointed to the Governing Council each year. In the event of a vacancy, the successor appointed to fill the same shall serve only the unexpired portion of the term of the member he succeeds.

Unless holding other office in the Government or a position with fixed compensation in any government corporation or instrumentality, the chairman of the Governing Council shall receive, for each meeting of the council which he attends, a per diem of thirty pesos, and each member shall receive a per diem of twenty pesos.

SEC. 6. The chairman shall preside over the meetings of the Governing Council and perform such other duties as may be assigned to him by said Council. A vice-chairman may be designated by the President to act in case of the absence or disability of the chairman.

SEC. 7. The Governing Council shall, with the approval of the President of the Philippines, appoint and fix the salary of a manager who shall be the chief executive officer of the National Housing Commission, and under the direction of the Governing Council shall be responsible for carrying out the orders, resolutions, ordinances, rules and regulations of the Council. The Council may suspend and, with the approval of the President, remove the Manager.

The Governing Council shall likewise appoint and fix the salaries of one or more assistant managers, a secretary and treasurer, and define their powers and duties, or may assign to one person the duties of secretary and treasurer.

The Governing Council may adopt and publish such by-laws as it may deem convenient to regulate its procedure.

SEC. 8. The Governing Council shall fix the compensation of all other officers, employees, and agents of the National Housing Commission. The manager shall appoint them in accordance with the Civil Service Law and the Salary Law: Provided, however, That agents performing occasional services and handling commercial activities for the Commission and not regularly employed, shall not be subject to the limitations nor entitled to the benefits applicable to the Civil Service.

SEC. 9. If the volume of work of the Commission shall require the assignment of one or more full-time representatives of the Auditor-General to serve with the National

Housing Commission, the compensation of such representatives shall be paid by the Commission.

SEC. 10. The Solicitor-General shall be attorney for the National Housing Commission, and may designate or authorize any other law officer of the Government, including provincial fiscals and public defenders, to represent the Commission in matters requiring the services of an attorney \*at-law.

SEC. 11. Whenever the National Housing Commission shall certify to the President of the Philippines that it is to the public interest to expropriate private lands in any city or populous town or adjacent thereto for the purpose of subdividing the same into small lots and leasing and selling the lots to individuals, the President may authorize the National Housing Commission to exercise the right of eminent domain. The National Housing Commission may enter into possession of the land sought to be expropriated immediately, upon deposit with the court of an equal amount to the assessed value of such land, as declared by the owner and approved by the city or provincial assessor, in accordance with the provisions of Commonwealth Act Numbered Five hundred thirty.

SEC. 12. In computing the cost of the lots to be leased or sold to individuals under the authority of the next preceding section, the following expenditures may be taken into account:

- (a) Aggregate cost of acquisition of the land from the private owner, including expenses of the expropriation proceedings and appraisals.
- (b) Cost of subdivision survey.
- (c) Cost of development expenses for filling, construction of streets, curbs, and sidewalks, drainage, clearing, and other public works which enhance the value of the land.
- (d) Cost of improvements acquired incidental to the acquisition of the land.

If the land acquired be of varying character or value, the aggregate cost of acquisition shall be distributed equitably by the Governing Council among the various sections or lots. The cost of areas set aside for streets, parks, community centers- and other public uses primarily for the benefit of the individual lots shall likewise be equitably allotted to the cost of lots.

SEC. 13. Pending the sale to individuals of land acquired by expropriation under authority hereof, the Commission may dispose of unsold lots by lease.

SEC. 14. The National Housing Commission is empowered to take title to, develop, administer, and dispose of by sale or lease by portion or portions of the public domain designated for residential use, pursuant to the provisions of sections seventy-two, inclusive, of the Public Land Act, and other applicable provisions of said Act.

SEC. 15. When the Commission shall have available and reasonable number of dwelling places under its control, it shall have the power from time to time, after