

[**PRESIDENTIAL DECREE NO: 1670, January 28, 1980**]

AN ACT PROVIDING FOR THE EXPROPRIATION OF THE PROPERTY ALONG THE ESTERO DE SUNOG-APOG FORMERLY CONSISTING OF LOTS NOS. 55-A, 55-B AND 55-C, BLOCK 2918 OF THE SUBDIVISION PLAN PSD-11746, COVERED BY TCT NOS. 49286, 49287 AND 49288, RESPECTIVELY, OF THE REGISTER OF DEEDS OF MANILA AND FOR THE SALE AT COST OF THE LOTS THEREIN TO THE BONAFIDE OCCUPANTS AND OTHER SQUATTER FAMILIES AND TO UPGRADE THE SAME, AND AUTHORIZING THE APPROPRIATION OF FUNDS FOR THE PURPOSE.

WHEREAS, the Constitution of the Philippines mandated that the "State shall establish, maintain and ensure-adequate social services in the field of x x x housing x x x to guarantee the enjoyment of the people of a decent standard of living" and directs that "The State shall promote social justice to ensure the dignity, welfare and security of all the people" and x x x "shall regulate the acquisition, ownership, use and enjoyment and disposition of private property and equitably diffuse property ownership and profit";

WHEREAS, Letters of Instructions Nos. 555 and 557 declared as a national policy that slum improvement, otherwise known as upgrading of sites and services, is an acceptable approach to meeting the housing needs of the country and the primary strategy for dealing with slums, squatter areas and other blighted communities in urban centers;

WHEREAS, in compliance with the aforecited Letters of Instructions, the Governor of Metro Manila under Executive Order No. 6-77 has adopted a Zonal Improvement Program (ZIP) which addresses the problems of 251 identified slums and other blighted communities in Metro Manila;

WHEREAS, the Sunog-Apog area in Metro Manila is a blighted community included in the 251 sites for upgrading under the ZIP;

WHEREAS, pursuant to Presidential Decree No. 1517 proclaiming urban land reform in the country, the entire Metropolitan area has been declared under Proclamation No. 1893 as an Urban Land Reform Zone; and,

WHEREAS, pursuant to Presidential Decree No. 1517, in cases where the tenants and occupants of urban properties declared as urban land reform areas are unable to purchase the same from the owners, the Government shall acquire the lands and improvements thereon by expropriation or other land acquisition techniques.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of powers vested in me by the Constitution do hereby decree as part of the law of the land that:

SECTION 1. The real property along the Estero de Sunog-Apog in Tondo, Manila formerly consisting of Lots Nos. 55-A, 55-B and 55-C, Block 2918 of the subdivision plan Psd-11746, covered by TCT Nos. 49286, 49287 and 49288, respectively, of the Registry of Deeds of Manila, and formerly owned by the Manotok, Realty, Inc., with an area of 72,428.6 square meters, more or less, is hereby declared expropriated.

The National Housing Authority hereinafter referred to as the "Authority" is designated administrator of the National Government with authority to immediately take possession, control and disposition, with the power of demolition of the expropriated properties and their improvements and shall evolve and implement a comprehensive development plan for the condemned properties.

SECTION 2. The comprehensive development plan shall consider the upgrading of existing dwelling units, the relocation of qualified squatter families to a resettlement areas nearby; and the re-blocking, rearrangement and re-alignment of existing dwelling and other structures to allow for the introduction of basic facilities and services, all in accordance with the provision of the Metro Manila ZIP Program. The Authority shall maximize the land use of the area and shall provide for a controlled, orderly and structured growth of dwellings in an environment *provided* with adequate sanitary and other physical facilities.

SECTION 3. The development of the area shall be an inter-agency effort and shall be funded, designed, undertaken and funds invested in the project recovered according to the provisions of Letters of Instructions Nos. 555 and 557 as amended.

SECTION 4. Land Tenure shall be consistent with that defined by Letter of Instructions No. 555 as amended. The purchase price of the raw land shall be affixed at a per square meter cost established to recover the expropriation price stated in Sections 6 and 7 of this Decree.

SECTION 5. All expropriated areas not otherwise put to use for low-income housing as *provided* above, may be developed, improved with dwelling units and rented or sold to low and middle income groups, or may be put to commercial use, at the option of the Authority in consultation with the local government in order to generate subsidies to help defray the development cost of this project or other similar projects.

SECTION 6. Notwithstanding any provision of law or decree to the contrary and for the purpose of expropriating this property pegged at the market value determined by the City Assessor pursuant to Presidential Decree No. 76, as amended, particularly by Presidential Decree No. 15333 which is in force and in effect at the time of the issuance of this decree. In assessing the market value, the City Assessor shall consider existing conditions in the area notably, that no improvement has been undertaken on the land and that the land is squatted upon by resident families which should considerably depress the expropriation cost. Subject to the foregoing, the just compensation for the above property should not exceed a maximum of EIGHT MILLION PESOS (P8,000,000.00), which shall be payable to the owners within a period of five (5) years in five equal installments.

SECTION 7. The sum of ONE MILLION SIX HUNDRED THOUSAND PESOS (P1,600,000.00) and equal amount every fiscal year thereafter or a total amount of EIGHT MILLION PESOS (P8,000,000.00) are hereby appropriated from the general fund in the National Treasury or from such other sources as may be available to the National Housing Authority for the payment of just compensation of the expropriated property as may be established as *provided* under Section 6 above.

SECTION 8. There is also appropriated the amount of FIVE MILLION PESOS (P5,000,000.00) to finance such components of the development plan that the Authority shall implement during the first year of a 2-year development program as prescribed under the aforesaid Letters of Instructions and a FIVE MILLION PESOS