

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session

HOUSE RESOLUTION NO. 72



Introduced by **Representative Manuel Luis T. Lopez**

A RESOLUTION

URGING THE HOUSE COMMITTEE ON HOUSING AND URBAN DEVELOPMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, CONCERNING THE FAILURE OF THE SMOKEY MOUNTAIN DEVELOPMENT AND RECLAMATION PROJECT

WHEREAS, Presidential Decree No. 39 placed parcels of land located in Tondo, Manila, including Smokey Mountain, under the administration and disposition of the National Housing Authority ("NHA") to develop, subdivide and dispose to qualified beneficiaries, as well as for mix land use (commercial/industrial) to provide employment opportunities to on-site families and additional areas for port-related activities;

WHEREAS, the NHA entered into a Joint Venture Agreement on March 19, 1993 with R-II Builders, Inc. for the implementation of the Smokey Mountain Development and Reclamation Project ("SMDRP");

WHEREAS, NHA and R-II Builders, Inc., alongside Home Guaranty Corp. ("HGC") as guarantor entered into an Asset Pool Formation Trust Agreement ("Agreement") with various government financial institutions to cover the costs of the SMDRP, which were issued Smokey Mountain Project Participation Certificates guaranteed by HGC and backed by an asset pool including Smokey Mountain;

WHEREAS, despite this Agreement, the SMDRP failed;

WHEREAS, on separate dates beginning May 2, 2015, HGC caused the publication of invitations to bid on properties intended for the SMDRP supposedly for the payment of obligations pursuant to the Agreement;


WHEREAS, on July 27, 2015 the Regional Trial Court of Manila issued a Temporary Restraining Order against HGC to refrain from bidding out the properties within and around the Smokey Mountain dumpsite;

WHEREAS, despite efforts, HGC has rejected any compromise with R-II Builders, Inc., resulting in multiple suits;

WHEREAS, Republic Act No. 7279, or the Urban Development and Housing Act of 1992, provides for the rights of informal settlers, including the opportunity to be heard and participate in the decision-making process over matters involving the protection and promotion of their legitimate collective interest, as well as adequate relocation;

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2 **NOW, THEREFORE, BE IT RESOLVED**, by the House of Representatives of the
3 Philippines, to direct the Committee on Housing and Urban Development to conduct an
4 inquiry, in aid of legislation, calling on the NHA, R-II Builders, Inc. and HGC as well as
5 stakeholders and residents involved to determine how the SMDRP failed, what should be
6 done in order to lead to a just and proper resolution between HGC R-II Builders, Inc., and
7 whether the rights of the affected persons have been respected.
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9 Adopted,


HON. MANUEL LUIS T. LOPEZ
Representative
1st District, City of Manila