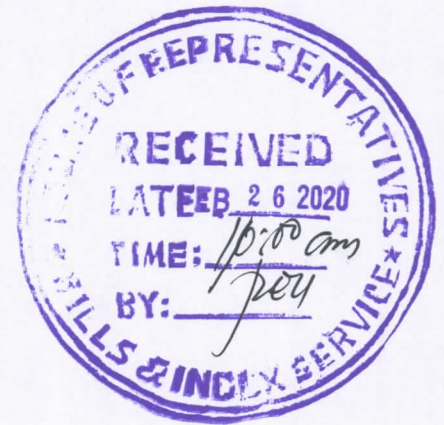




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



Eighteenth (18th) Congress
First Regular Session

House Resolution No. 734

Introduced by the HON. AURELIO D. GONZALES, JR.
and HON. JOHNNY T. PIMENTEL

RESOLUTION

TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, INTO THE CIRCUMSTANCES SURROUNDING THE CASE OF PASKUHAN VILLAGE IN PAMPANGA, HOW THE HANDLING COURT REGIONAL TRIAL COURT BRANCH NUMBER 42 OF SAN FERNANDO, PAMPANGA RESOLVED THE SAID CASE, AND WHY THE SAME COURT APPROVED THE COMPROMISE AGREEMENT INVOLVING THE ILLEGAL CONVEYANCE OF PASKUHAN VILLAGE CONSIDERED AS A CULTURAL VILLAGE, RESULTING IN THE MANIFEST AND GROSS DISADVANTAGE OF THE GOVERNMENT AND TO THE DETRIMENT OF THE FILIPINO PEOPLE DUE TO THE LOSS OF PASKUHAN VILLAGE

WHEREAS, the Paskuhan Village, officially called as Philippine Christmas Village or *Hilaga*, was established by virtue of a Memorandum of Understanding between the Lazatin Family of San Fernando, Pampanga and the then-Philippine Tourism Authority (PTA), in a parcel of land sold for a low consideration due to the mutual desire of the former and the PTA to build a world-class cultural, historical, and commercial center in Central Luzon;

WHEREAS, Paskuhan Village previously hosted local handicrafts, memorabilia, and the famous Pampanga Christmas lanterns, among others, to support the cultural workers, craftsmen and small businessmen in Central Luzon;

WHEREAS, to preserve and maximize utilization of Paskuhan Village, the COA recommended that the facilities therein be rehabilitated, market the Paskuhan Village to prospective investors, or devolve operation of Paskuhan Village to the local government;

WHEREAS, the Tourism Infrastructure Enterprise Zone Authority (TIEZA), the successor government corporation of the PTA, sold through public auction the Paskuhan Village in 2014, where four (4) related companies participated, specifically: SM

Development Corporation, Premier Central, Inc., SM Prime Holdings Corp., and SEJ North Premier Holding Corp., with the PCI being declared as the winner and buyer of Paskuhan Village;

WHEREAS, House Resolution Number 654 was filed during the Seventeenth (17th) Congress entitled *"Resolution To Conduct An Inquiry, In Aid Of Legislation, Into The Circumstances Surrounding The Sale Of Paskuhan Village In Pampanga By The Tourism Infrastructure And Enterprise Zone Authority (TIEZA) To SM Development Corporation (SMDC) Reportedly Under the Former's Asset Privatization Program, With The End In View Of Ascertaining The Real Ownership If The Subject Property Amidst Certain Assertions To The Contrary, As Well As To Determine Whether Correct Procurement Procedures Were Followed And Whether The Condition Imposed By Its Former Owner Jesus Lazatin Has Legal Effect And To Determine If The Same Was Complied With Or Not,"* and was referred to the House Committee on Good Government and Public Accountability;

WHEREAS, the House Committee on Good Government and Public Accountability, after conducting four (4) public hearings, issued Committee Report Number 425 finding, among others, that the sale of Paskuhan Village to PCI was a violation of Section 54 of the Tourism Act of 2009, which prohibits the sale of government properties that may be considered as cultural treasures and heritage sites;

WHEREAS, it was also recommended, among others, that a court action be filed by the Office of the Solicitor General (OSG) for the nullification of the sale of Paskuhan Village between the TIEZA and PCI as the Paskuhan Village is considered as a cultural treasure, and that its sale is void as it is outside the commerce of man;

WHEREAS, the action for the nullification of the sale of Paskuhan Village was filed before the Regional Trial Court (RTC) of San Fernando, Pampanga, which was raffled to its Branch Number 42;

WHEREAS, while the case was pending before the RTC Branch No. 42, there were talks for a compromise between the City of San Fernando and PCI by the year 2019, and on November 11, 2019, the RTC Branch No. 42 scheduled a status hearing on January 20, 2020, for the said court to be apprised of the status of the compromise talks between the City of San Fernando and PCI;

WHEREAS, the Representative of the Third (3rd) District of Pampanga Province filed an Urgent Motion for Leave to Intervene to be heard on January 20, 2020, while the OSG, the City of San Fernando, TIEZA and PCI also filed a Joint Motion to Approve Compromise, to be heard also on the same date;

WHEREAS, on the scheduled hearing date of January 20, 2020, the RTC Branch No. 42 did not hear any of the said motions, and instead, furnished all parties a copy of a Judgment (Compromise Agreement) dated January 15, 2020;

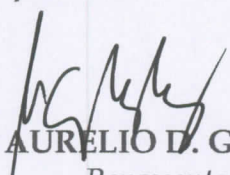
WHEREAS, a compromise agreement between the parties to the case was approved by the RTC Branch No. 42, despite the illegality of the sale of Paskuhan Village and without any hearing conducted by the said court;

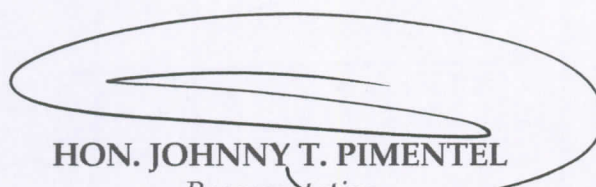
WHEREAS, the gross and/or inexcusable negligence, manifest partiality, eminent bad faith, thereby giving unwarranted benefits to Premier Central, Inc., and the highly irregular actions of the RTC Branch 42 resulted in the manifest and gross disadvantage

of our government, to the detriment of the Filipino people, despite the legal prohibition of disallowing the sale Paskuhan Village, which is considered as a cultural treasure;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, AS IT IS HEREBY RESOLVED, to direct the House Committee on Justice to investigate, in aid of legislation, as to the circumstances surrounding the Paskuhan Village case before the Regional Trial Court Branch Number 42 of San Fernando, Pampanga; how the said court resolved the said case; and why the same court's gross abuse of discretion and highly irregular actions and ruling on the Paskuhan Village resulted in the manifest and gross disadvantage of our government, to the detriment of the Filipino people.

Adopted.


HON. AURELIO D. GONZALES, JR.
Representative
Third (3rd) District, Pampanga


HON. JOHNNY T. PIMENTEL
Representative
Second (2nd) District, Surigao del Sur