

CHAPTER 12

Building Safe, Resilient, and Sustainable Communities

The creation of the Department of Human Settlements and Urban Development (DHSUD) in 2019 strengthened partnerships between key shelter agencies (KSAs)¹ and relevant stakeholders. The newly crafted National Housing and Urban Development Sector Plan (NHUDSP) 2021-2040 will serve as the sector's roadmap in providing safe and adequate housing and in managing and sustaining housing, human settlements, and urban development initiatives. Climate change adaptation (CCA), disaster risk reduction and management (DRRM), and public health goals will be integrated across different housing and urban development-related plans, processes, and activities in preparation for scenarios where disease outbreaks occur simultaneously with natural hazards.

ASSESSMENT

The COVID-19 pandemic adversely affected the housing sector in 2020. The community quarantines and travel ban resulted in project delays owing to limited mobility of the workforce and delivery delays in the materials needed for housing construction. It also hampered the relocation of program beneficiaries to intended permanent housing resettlements and impeded the processing of housing-related permits and clearances from agencies and local government units (LGUs). Unstable sources or loss of income and livelihood of potential housing loan borrowers negatively affected access to housing loans, with those availing socialized housing loans being hit the hardest.

High and very high-density barangays have a higher number of COVID-19 cases (133.15) and deaths (3.05) compared to low and medium density barangays (19.03 cases and 1.84 deaths).² With difficulties in observing social distancing in congested spaces, along with inadequate access to household water and sanitation, the urban poor are highly vulnerable to COVID-19 infection.³

Furthermore, natural disasters persistently affect the housing sector. In 2020 alone, 308,072 houses were partially damaged and 60,476 were destroyed.⁴ These added up to the enormous housing need, which the sector has to address notwithstanding its limited resources.

¹ The KSAs are composed of the following agencies: Home Mutual Development Fund or Pag-IBIG Fund, National Housing Authority (NHA), Social Housing Finance Corporation (SHFC), National Home Mortgage and Finance Corporation (NHMFC), and the Human Settlements Adjudication Commission (HSAC).

² Based on the findings of the Assessing Demographic Vulnerabilities of Communities to COVID-19 Infection Report conducted by the Commission on Population and Development (POPCOM)

³ Of the 13.867 million NCR population, 27.2 percent, or 3.8 million, live in housing units under 20 sq.m. With an average household size of 4.7 persons, the aforementioned population in NCR has a living space of only 4.25 sq.m. per person.

⁴ Eduardo D. Del Rosario. "CLUP: A pro-active tool to mitigate disaster risks", Department of Human Settlements and Urban Development, <https://dhsud.gov.ph/news/clup-a-pro-active-tool-to-mitigate-disaster-risks/>

Shelter agencies adopted COVID-related measures in the design of housing units. For housing projects intended for informal settlers, the National Housing Authority (NHA) included a disinfection/wash area strategically located before the main entrance door in the design of the housing unit. For the single-attached model, easy access to the toilet and bath from the service area was provided for immediate sanitation. For the Government Employees Housing Program (GEHP), integration of workspace and study area in the housing design was considered to address the needs of work-from-home arrangement and online education during the pandemic.⁵

HOUSING NEEDS ARE STILL UNMET

The provision of socialized housing units remains a challenge. For 2021, around 50 percent or 84,472 out of the target 168,239 government socialized housing units were delivered. The COVID-19 restrictions limited the mobility of human resources and the transfer of beneficiaries to project sites in other localities, not to mention the LGUs focusing their time and resources responding to the pandemic. This resulted in prolonged project implementation and processing of housing-related permits. Further, the low-income homebuyers, who mostly avail of socialized housing, were hit the hardest because of loss of income or livelihood. These households prioritized sustaining their daily needs instead of purchasing a new house.

The proportion of homeownership declined. The proportion of families with owned or owner-like possession of housing units has decreased from 64.1 in 2019 to 59.8 in 2020. The majority of the government housing programs are focused on homeownership. However, these programs are challenged by delays in construction and high cost of homeownership. The average monthly income of the bottom 30 percent ranges from PHP9,416.67 to PHP13,750.00, while their actual expenditure for their house rent/rental value is 8.1 percent or around PHP762.75 to PHP1,113.75.⁶

The target for the provision of low-cost housing was exceeded, although demand remains high. In 2021, the sector delivered 148.32 percent or 94,471 units out of the target 63,694 low-cost housing units. However, this target set by agencies (i.e., Home Development Mutual Fund [HDMF], PHILGUARANTEE) only constituted 7.78 percent of the total projected housing needs in 2021. Consequently, the demand for low-cost housing remained high. The HDMF and other financial institutions continued to lend during the COVID-19 pandemic. Homebuyers and lenders were protected from credit risks that have risen during the pandemic.

The proportion of families with access to secure tenure increased. The proportion of families with secure housing tenure marginally increased from 96.4 in 2019 to 96.9 in 2020. This indicates a slight decrease in the number of families who are either living in a rent-free lot without the consent of the owner, or a rent-free house and lot without the consent of the owner.

⁵ NHA Housing Technology and Technical Research Department

⁶ Based on the Family Income and Expenditure Survey (FIES) 2018.

PUBLIC HEALTH GOALS AND DISASTER RESILIENCY NEED TO BE INTEGRATED

The proportion of LGUs with approved and updated Comprehensive Land Use Plan (CLUP) increased. The proportion of LGUs with reviewed climate change and DRRM-enhanced CLUPs increased from 27 (baseline) in 2019 to 38 in the third quarter of 2021. However, the majority of the LGUs still need to update and incorporate public health goals in their CLUPs. There is also a heightened need to develop well-planned urban and rural communities to accommodate hazards arising from natural and human-induced disasters.

IN FOCUS: THE ALVAREZ FAMILY OF ISLA PUTING BATO, TONDO, MANILA



The Alvarez Family members are informal settlers residing in Isla Puting Bato, Tondo, Manila. They are a family of eight. The head of the family, Bonel Alvarez, Jr., 40, is a tricycle driver, while his partner, Rowena Alvarez, 37, is a homemaker and community leader. They have four children; one has a disability while another one is pregnant. The family all live together with the patriarch, Bonel Alvarez, Sr., and a repatriated overseas worker relative, Kenneth Alvarez. Their current house is too small for their growing family. It has limited access to basic utilities, and is frequently damaged by natural disasters. The family cannot afford formal housing as they lack a sustainable source of income. To make matters worse, the cost of either homeownership or rental housing is high in urban areas. While the government plans to relocate their community, there has been little community consultation and feedback.

Despite these hardships, the Alvarez family looks forward to the day when they have adequate housing.⁷ They aspire to live in a safe, resilient, and sustainable community that provides each of them with economic and social opportunities to help alleviate their poverty.

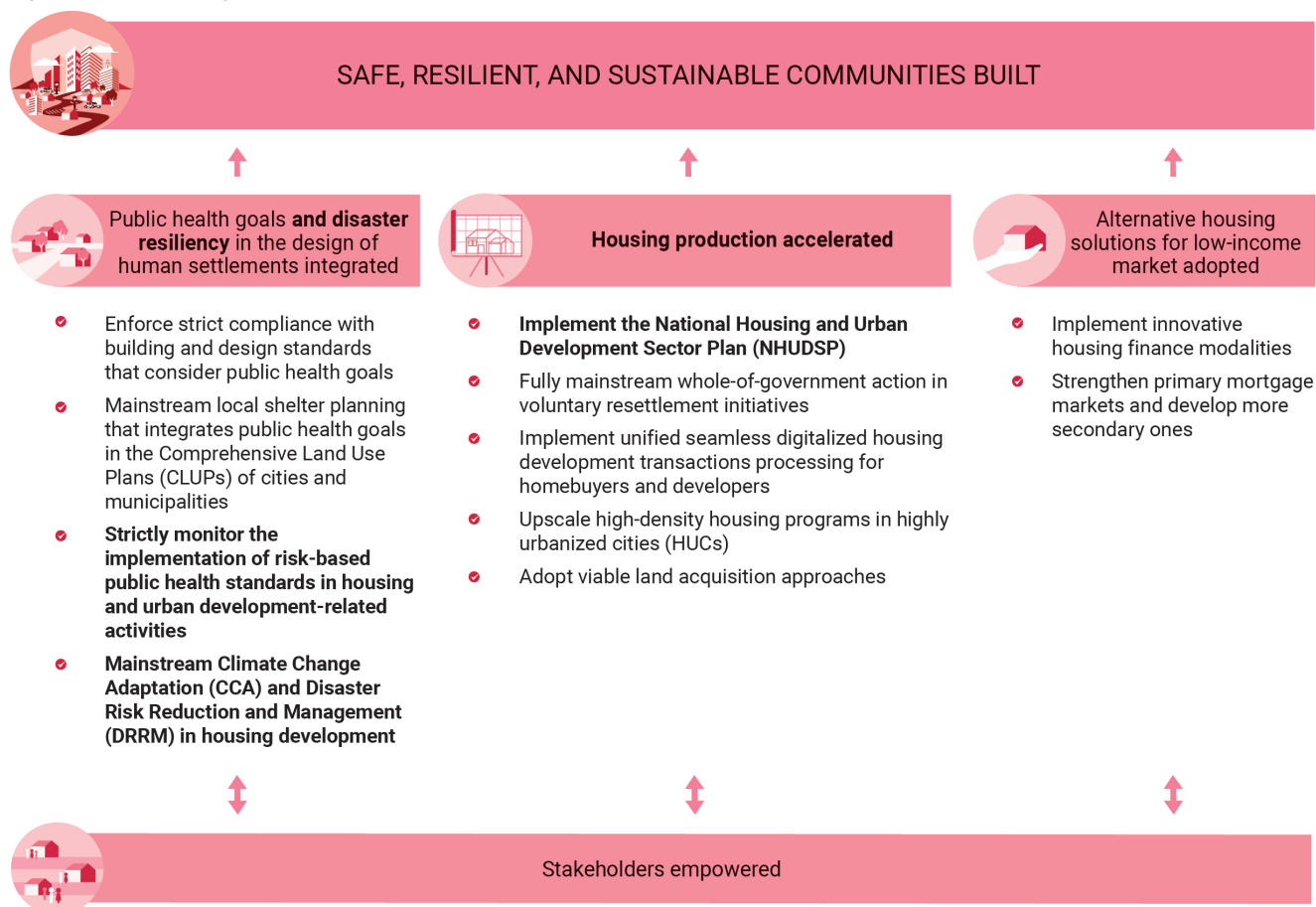
⁷ Adequate housing includes seven interrelated and essential features: legal security of tenure; availability of services, materials, facilities, and infrastructure; affordable; habitable; accessible; in a location that allows access to social services; and culturally adequate.

STRATEGIC FRAMEWORK

With lessons learned from the pandemic and other disasters, the housing sector will need to rise up to the challenge of meeting housing needs and building safe, resilient, and sustainable communities. This chapter focuses on the subsector outcomes of integrating public health goals and disaster resiliency in the design of human settlements, accelerating housing production, and adopting alternative housing solutions for the low-income market. In addition, empowering stakeholders (e.g., families and communities and LGUs, among others) will be strengthened towards achieving these three subsector outcomes.

Furthermore, the housing sector will build on the gains of the implementation of strategies in the Updated PDP 2017-2022. An opportunity for the sector is the implementation of the NHUDSP 2021-2040, which is aimed at building better, greener, and smarter human settlements, and urban systems in a more inclusive Philippines. It will consolidate existing and proposed strategies in the following areas: (a) shelter; (b) urban planning and design; (c) urban economy; (d) urban infrastructure; and (e) urban governance. The focus will be given to the most critical groups, such as the informal settler families (ISFs). Given the occurrence of hazards, mainstreaming CCA and DRRM in housing development will be pursued. Different measures will be prioritized and implemented to outweigh the negative impacts of the COVID-19 pandemic and natural disasters.

Figure 12.1 Strategic Framework to Build Safe, Resilient, and Sustainable Communities



Note: Text in bold are revised/new strategies to address the challenges identified in the sector.

STRATEGIES

TO INTEGRATE PUBLIC HEALTH GOALS AND DISASTER RESILIENCY IN THE DESIGN OF HUMAN SETTLEMENTS

Continue to enforce strict compliance with building and design standards that consider public health goals. DHSUD will be responsible for integrating resilient and COVID-proof housing in the building standards as well as for reviewing the design standards to incorporate public health goals. These will be prioritized in 2022. DHSUD will also lead the crafting of technical guidelines for the development and management of open, public, and green spaces, including safety and health protocols. The DHSUD will continue to enforce its powers to suspend license to sell, issue a cease-and-desist order, and impose administrative fines, sanctions, and penalties for developers that will not adhere to the building and design standards.

Mainstream local shelter planning that integrates public health goals in the CLUPs of cities and municipalities. Although DHSUD provides technical assistance to the LGUs in crafting the CLUPs and Local Shelter Plans (LSPs), public health goals have yet to be integrated in these plans. DHSUD will thus include increased public safety considerations in the CLUP and health risk assessments in spatial strategies and zoning. These plans also need to be anchored on a sound carrying capacity assessment of the LGU. There is a need for DHSUD to intensify its technical assistance in capacitating LGUs in crafting, updating, implementing, and monitoring CLUPs and LSPs. The DILG shall also provide incentives⁸ for compliance and impose administrative sanctions⁹ for non-compliance with the updating of CLUPs.

Strictly monitor the implementation of risk-based public health standards in housing and urban development-related activities. The production of safe, livable, and resilient housing forms part of the COVID-19 recovery and resiliency program. The DHSUD issued the following safety protocols to ensure the safe resumption of housing construction-related activities: (a) company/contractor-funded prior testing for COVID-19; (b) provision of hygienic on-site quarters or near-site quarters for workers; (c) provision of adequate assistance package for workers who contract COVID-19; (d) provision of health insurance coverage; and (e) mandatory wearing of face mask, temperature scanning, and periodic sanitation and disinfection of worksites and quarters. DHSUD regional offices monitor the compliance to these protocols and violators are issued a cease-and-desist order. In addition, the DHSUD is in the process of formulating the Resilient and Green Human Settlements framework that aims to protect vulnerable communities from climate change, pandemics, and natural disasters.

Mainstream CCA and DRRM in housing development. There is a need to strengthen the use of science-based disaster risk and vulnerability assessments in housing and urban development by capacitating the LGUs on Climate and Disaster Risk Assessment (CDRA), Urban Planning and Design Guide for Climate Resilience, and Land Use and Zoning Information System-Geographic Information System

⁸ The DILG issued Memorandum Circular (MC) No. 2022-026 which included approved CLUPs as one of the minimum requirements to qualify for the CY 2022 Seal of Good Local Governance.

⁹ DILG MC No. 2019-172, Compliance of LGUs on Preparation/Updating of CLUPs and CDPs

(LUZIS-GIS)-based monitoring system for CLUP. The implementation of the Post Disaster Shelter Recovery Framework will improve the country's capacity to ensure full and timely recovery of households and communities affected by natural disasters. The framework will also enable better coordination among the government and the private sector, optimize the use of resources, align various policies, and reduce the impact of future disasters. In addition, the LGUs can learn and adopt the best practices on DRRM of other local governments (i.e., Pasig City, City of Marikina, Albay Province) in using multi-hazard maps, developing a database of the population that may be possibly affected, and building additional evacuation sites that incorporates health standards in the community, among others.

TO ACCELERATE HOUSING PRODUCTION

Implement the NHUDSP. The 20-year roadmap aims to operationalize the National Urban Development and Housing Framework (NUDHF) 2017-2022. The NHUDSP reflects targets and deliverables for the short term (2021-2022), medium term (2022-2028), and long term (2028-2040). Banner programs identified under the short-term goals are already being implemented. These include programs that aim to create spaces, transform spaces into communities, make communities accessible and affordable, and empower communities. To enable a comprehensive assessment of the programs, the baseline values need to be specified as well.

Fully mainstream the whole-of-government action in voluntary resettlement initiatives. There will be a holistic approach in voluntary resettlement initiatives. At the national level, the following will be implemented: (a) operationalize the National Resettlement Policy Framework (NRPF); (b) allocate sufficient budget for the implementation of public housing by the LGUs in line with the devolution of provision of housing-related services (i.e., low-cost housing and other mass dwellings services, programs, and projects); (c) revisit and review the housing targets set by the DHSUD and KSAs; (d) ensure strict monitoring of compliance with the balanced housing requirement by the developers; (e) utilize Community-Based Monitoring System (CBMS) in identifying affected population and targeting those with immediate need for resettlement, transitory shelter, or housing materials assistance; and (f) institutionalize the crafting, implementation, and monitoring of resettlement action plans (RAPs).

At the local level, LGUs will need to expand the functions, institutionalize, and operationalize Local Housing Boards and address the housing requirements in the long term. To support and build the capacity of LGUs on this, planning and investment programming must be coordinated among concerned agencies and private utility concessionaires that provide basic social services. In addition, DHSUD shall strengthen its partnerships with the LGUs and private developers in providing families with housing and communities equipped with necessary infrastructure facilities including information technology, and accessible and sustainable livelihood opportunities. The NHA shall continue to strengthen its coordination for the implementation of the *Balik Probinsya, Bagong Pag-asa* (BP2) program, to include processing of applications, relocation of beneficiaries to receiving LGUs, and the provision of necessary transition support and incentives on transportation, livelihood, and education, among others.

At the community level, priority will be given to building the capacity of, and strong linkage between, program implementers and the community in developing RAPs and ensuring inclusive participation in the

critical stages of housing development (i.e., land acquisition, site selection and development, and housing design and construction). There is a need for the Presidential Commission for the Urban Poor and the receiving LGUs to implement a comprehensive advocacy and communication plan to increase the social acceptability of government resettlement programs among the targeted beneficiaries and the receiving community.

Unify digitalized systems for housing development transactions for homebuyers and developers to make the process seamless. One of the key strategies in the improvement of DHSUD's systems and processes is operationalizing the Housing One-stop Processing Centers (HOPCs). It consists of formulating guidelines for the operationalization of the digitalized HOPCs and streamlining land and housing-related processes in coordination with concerned agencies, such as the Department of Agriculture, Department of Agrarian Reform, Department of Environment and Natural Resources, and the Land Registration Authority, to address issues related to land conversion and reclassification (DHSUD 2021).

Upscale high-density housing (HDH) programs in highly urbanized cities (HUCs). To maximize housing production per unit of land in HUCs, the DHSUD, through the NHA and Social Housing Finance Corporation (SHFC) and partnerships with partner-developers across the country, will continue to implement HDH to provide resilient, safe, and affordable shelters to all Filipinos, especially the underprivileged. The HDH programs are included in the priority programs under the NHUDSP, targeted primarily for ISFs and other low-salaried segments of the population, especially those living in dangerous and high-risk areas in urban centers. The efficient densification will address the projected population increases and urban sprawl, sustain economic growth, and offer opportunities for on-site, near-site, and in-city resettlement in vertical housing facilities through a community-driven housing approach. Necessarily, these housing programs will need to be complemented with the programs needed to deliver social services like health care and education.

Adopt viable land acquisition approaches. As a policy, using escrow funds from balanced housing compliance to fund land acquisition is allowed for calamity-affected LGUs, within two years from the declaration of a state of calamity. There is also a need to unlock government idle lands to provide socialized housing and public rental housing. To pursue this, there is a need to develop a system capable of storing vital and updated data of all housing projects nationwide, housing needs of LGUs, available lots for housing and land zoning classification at the local level, and a list of existing beneficiaries of the government's housing programs. Furthermore, the enactment of the National Land Use Act shall be prioritized to address the competing uses of limited land resources, such as those for food security, settlements, and industry development, with due consideration for environmental and human protection.

TO ADOPT ALTERNATIVE HOUSING SOLUTIONS FOR THE LOW-INCOME MARKET

Implement innovative housing finance modalities. The DHSUD's BALAI Public Rental Housing, rental subsidy, and housing microfinance are some of the programs being instituted which aim to offer alternatives to homeownership for low-income households, particularly in HUCs where the cost of homeownership is high.

Strengthen primary mortgage markets and develop more secondary ones. KSAs imposed a moratorium on housing loans and fees to provide relief to their constituents who are having difficulty in meeting their basic needs during the pandemic. On the other hand, lending rates need to adapt to societal shocks and be responsive to economic growth while prioritizing borrowers' financial capacities. The National Home Mortgage Finance Corporation (NHMFC) will continue to implement the Housing Loan Receivable Purchase Program for socialized, economic, and low-cost housing originators. Through this program, home borrowers benefit from low and fixed interest rates without any membership requirement.

CROSS-CUTTING STRATEGIES

Empower stakeholders by institutionalizing community-led/driven development of human settlements. The DHSUD and its KSAs will institutionalize community-led/driven development of settlements through capacity-building programs for homeowners' associations and community organizations focusing on estate management, on-time payment of mortgages, creation of public utilities, access to training, and livelihood opportunities.

Moreover, the LGUs will continue to capacitate communities on CCA and DRRM, considering minimum public health standards (i.e., evacuation plan, information dissemination, emergency kits).

RESULTS MATRIX

Table 12.1 Results Matrix

INDICATOR	BASELINE (YEAR)	TARGETS			ACTUAL		
		2020	2021	2022	2019	2020	2021
Socialized housing units delivered as percentage of socialized housing targets (Annual)	54 (2016)	63	68	73	N/A	60.58	50.21
Low-cost housing units delivered as percentage of low-cost housing targets (Annual)	116.51 (2016)	100	100	100	N/A	114.35	148.32
Proportion of LGUs with approved/updated Comprehensive Land Use Plan (CLUP) increased	27 (2019)	28	30	31	31.88	34.39	38.00 ^a
Proportion of urban population living in informal settlements decreased (Sustainable Development Goal [SDG] 11.1.1)	3.2 (2015)	2.60	2.47	2.35	TBD	TBD	TBD
Proportion of families with owned or owner-like possession of housing units (SDG 1.4.1p9)	61.0 (2016)	72.12	74.90	77.68	64.10	59.8	TBD
Proportion of families with access to secure tenure (SDG 1.4.2p1)	97.0 (2016)	97.84	98.05	98.26	96.40	96.9	TBD

Note: 2020 targets were set prior to onset of the COVID-19 pandemic and retained in the midterm update.

^{a/} As of third quarter of 2021.