

25th SHDA NATIONAL DEVELOPERS CONVENTION

RESOLUTIONS

23 September 2016

Iloilo Convention Center, Iloilo City

WHEREAS, the **Subdivision and Housing Developers Association (SHDA)** in coordination with the **Housing and Urban Development and Coordinating Council (HUDCC)**, key shelter agencies (KSA's), and other government agencies joined together in holding the Association's 25th SHDA National Developers Convention with the theme "**The Many Faces of Housing: Enhancing Lives**";

WHEREAS, this year's national convention has five distinct topics namely: **The Philippine Housing Industry in Perspective; Track 1: Housing as Provider of Roof to Every Filipino; Track 2: People Behind Housing; Track 3: Housing, Attending to Social Responsibilities; and Track 4: Housing Industry in 2016 and Beyond;**

WHEREAS, each track was developed based on the following views:

The Philippine Housing Industry in Perspective

Prospects for the Philippine housing industry continue to be bright as key growth drivers of the economy - remittances from overseas Filipino workers (OFWs), and a growing Business Process Outsourcing (BPO) industry - are major factors that fuel the demand for housing.

The growth in the Philippine population is expected to further heighten this demand as the industry's market is highly dependent on the number of households which need to be provided housing.

Statistics show that the number of Filipinos is projected to increase by more than a million annually, from about 95 million in 2011 to 126 million by 2030. These translate into 19 million households in 2011 to about 25 million by 2030, reflecting an additional six million households within a period of 19 years.

Based on these numbers, the demand for living spaces is expected to increase continuously. As such, practitioners in the housing industry must be prepared to supply the housing units that will meet this demand.

The impact of the industry's growth on the Philippine economy will definitely be felt as the value chain of the housing industry cuts across various sectors.

Track 1: Housing as Provider of Roof to Every Filipino

Shelter is a basic need of every Filipino family.

To ensure that this need is addressed regardless of the family's economic status, housing developers cater to different market segments, thus the Philippine housing industry's classification into socialized housing, low-cost housing, and economic housing.

The need is more felt among the lower income levels, which has spurred housing developers to innovate in the area of housing production in order to provide affordable housing units that meet the industry's quality standards.

From the perspective of the housing industry, the strategies, which it has adopted to address the housing needs of the marginalized sector of society, manifest the industry's involvement in ensuring inclusive growth.

Track 2: People Behind Housing

The importance of the human component of the housing industry cannot be overemphasized.

The development of a housing project - from conceptualization to completion - entails the services of people with different skill sets, which are necessary for the performance of technical and non-technical functions. The requirement for competent people is such that no less than the Department of Labor and Employment (DOLE) was prompted to design its own roadmap to keep pace with the requirements of the housing industry's roadmap.

As job creation is an inherent factor in housing development, the improvement in the quality of life of the people behind the housing industry is unquestionable.

Track 3: Housing, Attending to Social Responsibilities

The housing industry takes pride in its having a social component, concerned as it is in building communities and improving lives. Aware of the industry's impact on human lives, housing developers have remained mindful of the changing environment.

Along this line, the industry has espoused green building initiatives to minimize the effects of global warming, at the same time that it addresses the need to preserve nature.

Moreover, housing developers undertake corporate social responsibilities through non-housing related activities, such as the provision of educational facilities and livelihood opportunities for their homeowners, in addition to the up building of the communities within their housing projects.

Track 4: Housing Industry in 2016 and Beyond

The recent change in the country's political leaders inevitably brings up the question "Where does the Philippine housing industry go from here?"

The State, in partnership with the private sector, is mandated to undertake a comprehensive and continuing Urban Development and Housing Program under Republic Act (RA) 7279. This law embodies the policy directions of the government agencies, which practitioners in the housing industry deal with, shall be very material in crafting their short and long-term plans. This legislation, therefore, provides a healthy business environment for housing developers enabling them to sustain their current momentum of housing deliveries in 2016 and beyond.

More importantly, a clear-cut legislative agenda with regard to housing development shall be a positive step towards ensuring and enabling environment that will allow housing developers to sustain their efforts to further grow the housing industry by pushing through with their housing development plans in 2016 and beyond.

WHEREAS, during the plenary presentation, panel discussions, interaction and sharing among the guest speakers and resource persons from the legislature, various key shelter agencies (KSA's), government agencies and instrumentalities and the private sector stakeholders, the following Resolutions were adopted.

RESOLVED, That for:

The Philippine Housing Industry in Perspective

- For the developers to recognize the challenging global environment and its potential impacts on the growth of Philippine economy, which consequently will benefit the housing industry.

- For SHDA to continue its efforts in communicating to the various stakeholders the roadmap updates particularly, the economic value creation, the supply and demand gap, and challenges of the housing industry in order to obtain the full support of the national government in including housing in the priority agenda.
- With the confirmed gap in the housing stock, developers are encouraged to focus their production effort in affordable housing, especially in low-cost, economic and socialized housing, while at the same time foster economic growth and maintain sustainability and stability of real estate.
- For Bangko Sentral ng Pilipinas to continue its initiative on monitoring and updating the Residential Real Estate Price Index (RREPI) and to include data from Home Mutual Development Fund (HDMF) for holistic assessment and analysis.
- To minimize, if not eliminate, the housing deficit, the developers are encouraged to produce more than its average annual production of 240,000 houses to 350,000 units a year. Government should provide the much needed buyer amortization subsidy and make available ample raw land by not pursuing the conversion moratorium.
- For the developers to actively participate in the consultation for policy reforms on:
 - (i) Removal of VAT ceiling on low-cost housing;
 - (ii) Removal of mass housing projects located in Metro Manila in the BOI Investments Priorities Plan; and
 - (iii) Proposed two-year moratorium on land conversions for residential real estate developments by DAR.

Track 1: Housing as Provider of Roof to Every Filipino

- For developers, in coordination and cooperation with AITECH, to adopt and utilize new technologies adhering to standards, that will produce more resilient shelters and communities, especially areas predominantly affected by disaster. However, in lieu of the many technological innovations present in the market, the

developers would use these in accordance to its guidelines of use so as not to destroy the technology or the name of the developer using such.

- For developers to formulate affordable and alternative methods, through the use of innovative technologies, to improve and expand business models that will unlock more financing sources, to facilitate and expedite production of the needed affordable and adequate housing.
- To provide decent and affordable housing using innovative means that are customer-oriented business models, which transcend the main function of housing from simply providing shelter, towards granting protection and investment to the prospective property owners. Further, for the developers to create a standard for Financial Literacy of the market in order help them move from to better standard of living, from mass housing to mid-housing buyers.

Track 2: People Behind Housing

- For SHDA to enter into a Memorandum of Agreement with TESDA to train and develop more skilled workers needed in the production of decent housing to meet the targets laid down in the SHDA roadmap, especially in areas where the housing backlog is prevalent.
- For SHDA to form partnerships with:
 - (i) the business process outsourcing (BPO) industry in order to fully understand the factors affecting the housing requirements of the BPO workforce and use this as basis in developing shelter plan; and,
 - (ii) the IBPAP on the identification of growth areas and the housing demand of the BPO workforce
- For SHDA to partner with:
 - (i) the HDMF to revive/introduce a program that will allow increased housing contributions of members for the purpose of providing a sinking fund for down payment of future buyers.

- (ii) the HLURB in the completion of the IRR to implement the law on socialized housing compliance of condominiums.
 - (iii) the Office of the Cabinet Secretary to thoroughly study the potential effects of the proposed policy direction on the moratorium on land conversion for residential real estate development in favour of food security.
- To partner with the government in building sustainable communities through various modes of poverty reduction programs

Track 3: Housing, Attending to Social Responsibilities

- For the developers to adopt and incorporate the Green Building Initiatives in the designs of affordable mass housing in order to:
 - (i) balance progress with environmental protection;
 - (ii) address environmental challenges; and,
 - (iii) improve resource efficiency of buildings to minimize impact on health and environment.
- To promote community development and empowerment in the implementation of housing programs through various means such as subsequent profiling of beneficiaries, organizing homeowners' association, livelihood programs, urban gardening and disaster risk reduction seminars, among others.

Track 4: Housing Industry in 2016 and Beyond

- For SHDA, in leading the partnership with various Government agencies in developing national programs which would enhance and ensure the achievement of the Housing Industry Roadmap objectives, to wit:
 - (i) with **DA / DAR** to discuss and thoroughly study the implications and impact of the proposed policy to stop land conversion;
 - (ii) with **HUDCC** to:

- a. Identify publicly-owned lands and unlock the use for socialized and economic housing through PPP projects;
 - b. Work with USAID for the inclusion of Housing Permits to the new computer monitoring system being funded by the said organization;
 - c. Come up with an Executive Order that will establish the reasonable timelines for permits and licenses for housing.
- (iii) with the **LRA** to reduce titling fees for socialized and economic housing;
 - (iv) with the **HLURB** / LGUs in continuous consultation to update and to effectively implement the Comprehensive Land Use Plan (CLUP) for all cities and municipalities, in order efficiently create programs that will spur production of Socialized low-rise buildings for in-city development for ISFs (Informal Settler Families)
 - (v) with **PSA / NEDA** to improve industry-wide data generation on Housing starts;
 - (vi) with **DILG** to ensure that local ordinances do not conflict with national laws / policies
 - (vii) with **DPWH** to have regular update on the implementation of a National Infrastructure Plan in relation to readiness and accessibility of housing sites; and identification of needed infrastructures to make untapped areas accessible and viable for housing and township developments.
 - (viii) with **HDMF** to provide assistance to developers and homebuyers in accessing affordable and simplified financing schemes;
 - (ix) with **BOI** to come up with programs that will enhance cost-efficiency in housing production through linkage with suppliers/manufacturing sectors under the Industry Development Plan; and to support the retention of ITH or other forms of housing incentives that will boost production of affordable housing, while the direct incentive to buyers is yet to be established.
- For the developers, to actively participate in various consultation in order to facilitate the passage of legislations that will address the recurring housing concerns such as:
 - The creation of the Department of Human Settlements and Urban Development as the lead agency in all housing and urban development

matters such as planning and policy-making, regulatory mechanism, program implementation, and performance monitoring; and

- The implementation of the On-site, In-City or Near-City Resettlement Act in order to address the ISF situation.

FURTHER, RESOLVED, that the Subdivision and Housing Developers Association, Inc., in coordination and mutual cooperation with the various stakeholders in the Housing Industry, adopt the above-stated resolutions, commitments, undertakings, agreements, and covenants that are gathered and consolidated during the roundtable discussions.

RESOLVED, FINALLY, that the recommendations be aligned and integrated with the existing programs and policies to achieve the said goals of the stakeholders, ensuring a Continuous Inclusive Growth.

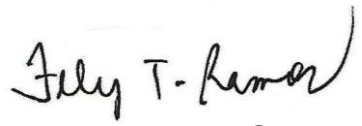
APPROVED, this 23rd day of **September 2016, Iloilo Convention Center, Iloilo City.**

By:

SUBDIVISION AND HOUSING DEVELOPERS ASSOCIATION, INC.


ARMENIA C. BALLESTEROS
Chairman


RODELIO B. RACADIO
President


FELY T. RAMOS
First Vice-President and
Convention Committee
Chairperson