

MALACAÑANG

Manila

PROCLAMATION NO. 765

SUPPLEMENTING PROCLAMATION NO. 542 ON THE OLD BILIBID COMPOUND
URBAN RENEWAL AND INFRASTRUCTURE DEVELOPMENT PROJECT

WHEREAS, in response to current and urgent public needs, Proclamation No. 542 dated February 28, 1995 authorized the renewal and development of the badly blighted but very prime patrimonial property of the National Government known as the Old Bilibid Compound, with an area of 6.2 hectares, at the corner of Quezon Boulevard and Claro M. Recto Avenue in downtown Manila, into a modern and efficient residential and commercial complex, anchored by an intermodal transport terminal for the converging busy thoroughfares and elevated rail transits, the LRT1 and the prospective LRT2 and LRT4, in the area;

WHEREAS, Proclamation No. 542 likewise designated the Public Estates Authority (PEA) as the principal agency responsible for the administration, management and development of this pioneering landmark project, pursuant to its charter, demonstrated capability, and its feasibility and planning studies undertaken on the Project, called the Old Bilibid Compound Urban Renewal and Infrastructure Development Project (the "Project");

WHEREAS, Act No. 3984 approved on 3 December 1932 authorizes the President of the Philippines (formerly Governor-General) to sell the lands, buildings, and improvements comprising the Old Bilibid Prison Compound and Section 76 of Presidential Decree No. 1445 also allows the transfer of properties no longer serviceable or needed by the government agency to which it belongs to another agency without cost;

WHEREAS, the PEA studies indicate the need for a much bigger site for the Project than the Old Bilibid Compound property, to include the adjoining properties at least within the block bounded by Quezon Boulevard, Claro M. Recto Avenue, Oroquieta and V.E. Fugoso Streets, all in dire need likewise of renewal, to support a financially viable and truly meaningful deslumping and development of a Metro Manila core transport terminal and habitation for business workers and residents in the area, including students in the neighborhood schools;

WHEREAS, the other properties inside the city block needed for the initial Project site consist of two smaller patrimonial properties of the National Government, the sites of Central Market, 0.8 hectare, and the Dr. Jose Fabella Memorial Hospital 1.1 hectares, while the rest are owned or held by private parties, which should be consolidated for the Project site;

WHEREAS, as planned by PEA, the huge funding requirements of the Project will be sourced from private sector investments through securitization of the Project and issuance of project-backed securities, a capital formation method whose legality and market acceptability have been tested in other big projects of the Government;

WHEREAS, the Project implementation involves problems and requirements which need the functional prerogatives and support of various Government agencies, which in the public interest are hereby enjoined to be done, clarified and strengthened.



NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me by law, and for the purpose of promoting and aiding the public interest by the expeditious and effective implementation of the Old Bilibid Compound Urban Renewal and Infrastructure Development Project in downtown Manila, and by way of supplementing the authorities and directives contained in Proclamation No. 542 dated 28 February 1995, do hereby authorize and direct:

Public Estates Authority:

- a) To generate the developmental funds needed for the Project from private sector investments through Project securitization and issuance of Project-backed certificates, in accordance with the Project Business and Financial Plans, legal requirements of full public disclosure and protection of investors and market-oriented terms.
- b) To represent and act for the Republic of the Philippines or the Government and to execute and sign the corresponding contracts and agreements for any and all conveyances, dispositions and dealings of the patrimonial properties involved in the Project or any portions, interest, improvements, increments and products of such properties.
- c) In connection with the securitization of the Project, to act as the trustor in the execution of the asset pool trust agreement and conveyance of the patrimonial properties involved to the asset pool trust, through the trustee bank, for purposes of the securitization objectives of development and revenue generation.
- d) To work out and coordinate with the DENR and subordinate offices concerned for the relocation survey and issuance of the appropriate muniments of title in the name of the Republic of the Philippines for the Old Bilibid Compound property and other patrimonial properties involved in the Project as may be found necessary.
- e) To devise, together with the Home Insurance and Guaranty Corporation and other parties concerned, a suitable guaranty mechanism and other enhancers for the Project-backed securities which will be issued and thus promote private sector financing and involvement in the vital, transit-anchored urban renewal and development Project.
- f) To provide for the expeditious relocation and construction of new and adequate facilities for the Manila City Jail from the Old Bilibid Compound to Camp R. Papa in Bicutan, Taguig, Metro Manila, in consultation and agreement with the Department of Interior and Local Governments and its subordinate agencies/offices concerned, particularly with respect to the specific site, design and specifications of buildings, detention and other facilities, as well as transfer schedules and procedures, all at the expense of PEA chargeable as Project costs.
- g) To include the physical upgrading and use of the sites of the Central Market and the Dr. Jose Fabella Memorial Hospital in the Project masterplan and implementation, and coordinate and reasonably agree with the City of Manila and the Department of Health regarding the respective designs, construction schedules, operations and other concerns pertaining to the new market and hospital.
- h) To consolidate and acquire all such privately owned or held real estate properties as may be deemed needed to achieve the project objectives in the public interest, by negotiated purchase according to reasonable and market-dictated values or otherwise.

- j) To include in the Project the upgrading and construction of dormitory facilities to service students of the neighborhood schools on such sites as may be deemed appropriate and accordingly consolidated into the Project area.
- j) To account and turnover, after the final completion of the Project, to the Department of Environment and Natural Resources for its proper disposition, particularly for the benefit of other urban renewal efforts, all the residual funds and other assets after having deducted all Project costs and commitments from the Project inflows, real estate properties and products, which inflows will in the interim take on the private nature of funds invested in the Project and the business orientation of the resulting trusted asset pool funds, which thus should be accounted and treated as private funds.

2. Department of Environment and Natural Resources:

- a) To promote and support the Project to be undertaken in accordance with Masterplan, Business and Financial Plans prepared and submitted by PEA, thus in effect, clarifying and confirming the grant of adequate powers to PEA to deal with the Old Bilibid Compound and other patrimonial properties involved in the Project according to the said Plans, such as to source developmental funds through securitization, to convey the Government properties in trust to the asset pool and to dispose of or otherwise deal with such properties, their improvements and products, in accordance with the approved Business Plan.
- b) To cause the location survey and issuance of special patents or other appropriate documents in the name of the Republic of the Philippines for the Old Bilibid Compound and other patrimonial properties involved in the Project.

3. Home Insurance and Guaranty Corporation

To design, together with the PEA and other parties concerned, and extend the appropriate guaranty mechanisms for the Project-backed securities which will be issued for the Project and its component units or by-projects, which are transport system and shelter related, pursuant to the HIGC charter powers and functional precedents, as well as its expanded powers granted by Republic Act No. 7279, known as the Urban and Housing Development Act of 1992.

4. Other Agencies

The Department of Interior and Local Governments, Department of Transportation and Communications, Department of Public Works and Highways, Department of Justice, Department of Health, City of Manila, Philippine National Police, Housing and Urban Development Coordinating Council and all other Government agencies and instrumentalities whose assistance are needed and requested by the Public Estates Authority are hereby enjoined and directed to extend their utmost support and cooperation.

DONE in the City of Manila this 16th day of March, in the year of our Lord Nineteen-Hundred and Ninety-Six.

By the President:

RUBEN D. TORI



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