

REPUBLIC OF THE PHILIPPINES PROVINCE OF LEYTE

SANGGUNIAANG PANLALAWIGAN

HOUSING, LAND USE and INFORMAL SETTLERS

COMMITTEE REPORT NO. 05

Series of 2024

Referred to this Committee are the following:

- 1. Ordinance No. 2023-175 of Carigara Leyte, entitled "AN ORDINANCE RECLASSIFYING THE THREE HUNDRED FORTY-THREE (343) SQUARE METERS PARCEL OF LAND IDENTIFIED AS LOT NO. 86, COVERED UNDER TRANSFER CERTIFICATE OF TITLE (TCT) NO. 115-2019000229, AND TAX DECLARATION NO. 08-11-0012-00660, IN THE NAME OF ARVYNN R. APILADO, LOCATED AT BRGY. BALILIT, CARIGARA, LEYTE, FROM AGRICULTURAL TO RESIDENTIAL USE;
- 2. Ordinance No. 2023-176 of Carigara Leyte, entitled "AN ORDINANCE RECLASSIFYING THE ONE HUNDRED EIGTHY (180) SQUARE METERS PORTION OF LAND IDENTIFIED AS LOT NO. 256, COVERED UNDER OCT NO. P-24199, WITH TAX DECLARATION NO. 08-11-0012-00467, IN THE NAME OF GERONIMO ROCHA, LOCATED AT BRGY. BALILIT, CARIGARA, LEYTE, WITH A TOTAL AREA OF 842 SQUARE METERS, FROM AGRICULTURAL TO RESIDENTIAL USE;
- 3. Ordinance No. 2023-185 of Carigara Leyte, entitled "AN ORDINANCE RECLASSIFYING THE TWO HUNDRED SEVENTY-FIVE (275) SQUARE METERS OF LAND IDENTIFIED AS LOT NO. 673 REM PORTION, COVERED UNDER TAX DECLARATION NO. 08-1104-00101, IN THE NAME OF EUSEBIO CANABE, LOCATED AT BRGY. BARUGUHAY CENTRAL, CARIGARA, LEYTE, WITH A TOTAL AREA OF 2,745 SQUARE METERS, FROM AGRICULTURAL TO RESIDENTIAL USE;
- 4. Ordinance No. 2023-186 of Carigara Leyte, entitled "AN ORDINANCE RECLASSIFYING LOT NO. 7088, UNDER TAX DECLARATION NO. 08-110029-00390, IN THE NAME OF LUCINA TRANI, LOCATED AT BRGY. LIBO, CARIGARA, LEYTE, WITH AN AREA OF 2015 SQUARE METERS, FROM AGRICULTURAL TO RESIDENTIAL USE;

As observed by the Committee, the above enumerated ordinances were neither recommended to be declared valid nor were declared invalid in whole or in part by the Provincial Legal Office. The latter instead submitted its observations and cited DILG Opinion No. 22, S. 2020, dated January 31, 2020 and Supreme Court Decision in the case of "Chamber of Real Estate and Builders Associations, Inc. (CRBA), vs. The Secretary of Agrarian Reform (G.R. No. 183409)," which state that reclassification alone will not suffice to use agricultural lands for other purposes. Conversion is needed to change the current use of the reclassified lands.

During the 61st Regular Session of the Sangguniang Panlalawigan of Leyte, the latter though Resolution No. 2023-467 referred this matter to the Department of Agrarian Reform to seek for its opinion, being the government body mandated in the regulation of conversions of agricultural lands into non-agricultural uses.

On January 24, 2024, the Sangguniang Panlalawigan received an answer from Atty. Robert Anthony P. Yu, CESE, Regional Director of the Department of Agrarian Reform, which cited among others, DAR Administrative Order (A.O.) No. 1, Series of 2019, as amended by DAR A.O. No. 03, Series of 2021 which states as follows:

"Section 7. Local Government Unit (LGU) Reclassification.

Reclassification is different from Conversion.

Reclassification is the act of specifying how agricultural land shall be utilized for non-agricultural uses as embodied in this land use plan of the LGU based on Section 20 of R.A. No. 7160, E.O. No. 72, series of 1993, and Office of the President (OP) Memorandum Circular (M.C. No. 54 Series o of 1993. Conversion is the act of changing the actual use of the agricultural land into uses as approved by the DAR in accordance with Section 65 of R.A. No. 6657, as amended by R.A No. 9700.

Agricultural lands that are reclassified to non-agricultural uses do not ipso facto allow the landowner thereof to use the same for such purpose¹.

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Further, in view of the revocation of Department of Agricultural (DA) A.O. No. 1, Series 2017, which provided for the issuance of the certificate of eligibility for reclassification by the DA, and revocation of DA A.O. No. 18, Series of 2020, which provided for the issuance of the certificate of eligibility for conversion by the DA, such certificates of eligibility will no longer be required by the DAR in the application for conversion.

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In view of the foregoing, it is very clear from both the opinion of the Provincial Legal Office and that of the Department of Agrarian Reform that reclassification is different from conversion. However, while such is the case, the Local Government Code is also clear that local government units through the Sangguniang Bayan or Panglungsog as the case may is authorized under Section 20 of the Local Government Code to reclassify lands within their territorial jurisdiction, to wit:

¹ CREBA vs. DAR (G.R. 183409. 18 June 2010)

SECTION 20. Reclassification of Lands.

- (a) (a) A city or municipality may, through an ordinance passed by the Sanggunian after conducting public hearings for the purpose, authorize the reclassification of agricultural lands and provide for the manner of their utilization or disposition in the following cases: (1) when the land ceases to be economically feasible and sound for agricultural purposes as determined by the Department of Agriculture or (2) where the land shall have substantially greater economic value for residential, commercial, or industrial purposes, as determined by the Sanggunian concerned: Provided, That such reclassification shall be limited to the following percentage of the total agricultural land area at the time of the passage of the ordinance: (emphasis ours)
- (1) For highly urbanized and independent component cities, fifteen percent (15%);
- (2) For component cities and first to third class municipalities, ten percent (10%); and
- (3) For fourth to sixth class municipalities, five percent (5%):

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Going back to the subject ordinances, all four are supported by the certifications required for them to be compliant with the provisions of Section 20 of the Local Government Code, except for the certification that on the time of the passage of the ordinances, the subject agricultural lands for reclassification are within the percentage limit as prescribed by Section 20.

Considering the foregoing, and provided that the Sangguninang Bayan concerned confirms through a certification that the subject agricultural lands for reclassification are within the percentage limit as prescribed by Section 20 of the Code, the four subject ordinances is recommended to be declared valid upon submission of the said required certification.

The committee however would like to reiterate the opinions of the Provincial Legal Office and the Department of Agrarian Reform that reclassification is different from conversion. On that note, while the committee recommends for the approval of the subject ordinances upon submission of the certification mentioned in the preceding paragraph, it would like to stress that reclassification alone will not suffice to use the subject agricultural lands for other purposes. It is then further recommended that all requirements under existing laws must be complied with by the landowners of the subject properties.

Submitted this 20th day of May, 2024, Palo, Leyte.

Atty. Ronnan Christian M. Reposar Chairperson <u>Hon. Raissa J. Villasin</u> Vice Chairperson

Atty. Carlo P. Loreto Member

<u>Hon. Ma. Corazon E. Remandaban</u> Member

<u>Flaviano C. Centino, Jr.</u> Member