

SENATE

'17 NOV 21 P3:35

COMMITTEE REPORT NO. 170 RECEIVED

Submitted by the Committee on Accounts on NOV 21 2017,

**Re: Proposed Senate Resolution No. 293 introduced by Senator Win Gatchalian entitled "RESOLUTION CREATING AN AD HOC COMMITTEE TASKED TO CONDUCT A FEASIBILITY STUDY ON THE CONSTRUCTION OF A NEW SENATE BUILDING AND RELOCATION OF THE SENATE THERETO**

Recommending its approval.

Sponsor: **Senator Panfilo M. Lacson**

**MR. PRESIDENT:**

The Committee on Accounts has conducted public hearings with reference to:

Proposed Senate Resolution No. 293 introduced by Senator Win Gatchalian, entitled:

**"RESOLUTION CREATING AN AD HOC COMMITTEE TASKED TO CONDUCT A FEASIBILITY STUDY ON THE CONSTRUCTION OF A NEW SENATE BUILDING AND RELOCATION OF THE SENATE THERETO**

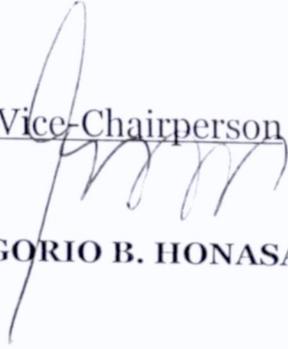
The Committee has the honor to submit its Report, after conducting one committee meeting and three (3) public hearings, to the Senate.

Recommending the adoption of the recommendations contained herein.

Respectfully Submitted:

  
**PANFILO M. LACSON**  
Chairperson

Vice-Chairperson

  
**GREGORIO B. HONASAN II**

Members

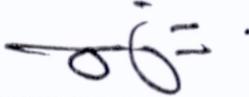
**LOREN B. LEGARDA**

**GRACE POE**

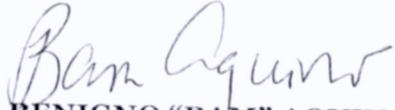
  
**MARIA LOURDES NANCY S. BINAY**

  
**JOEL VILLANUEVA**

**CYNTHIA A. VILLAR**

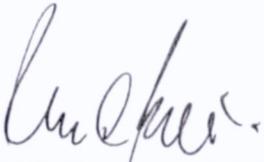
  
**JOSEPH VICTOR G. EJERCITO**

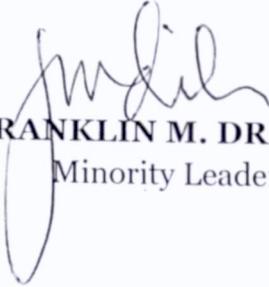
**ANTONIO "SONNY" F. TRILLANES IV**

  
**PAOLO BENIGNO "BAM" AQUINO IV**

  
**RISA HONTIVEROS**

Ex-Officio Members

  
**VICENTE C. SOTTO III**  
Majority Leader

  
**FRANKLIN M. DRILON**  
Minority Leader

  
**RALPH G. RECTO**  
Senate President Pro-Tempore

**AQUILINO "KOKO" PIMENTEL III**

President  
Senate of the Philippines

## RELOCATION OF THE SENATE OF THE PHILIPPINES

### I. RATIONALE

A building is more than just a physical structure.

The US Capitol Building in Washington D.C. is an architectural art piece completed in 1800 that was inspired by the Louvre and the Paris Pantheon. It is the main meeting place of the Congress of the United States of America. The Palace of Westminster is an iconic landmark of London. More popularly known as the Houses of Parliament, it is now one of the most popular tourist attractions in the city, not only because of its architectural beauty but also of its rich history.

The Hungarian Parliament Building in Budapest, which was completed in 1904, is one of Europe's oldest legislative buildings. This structure was a result of the architectural design competition they conducted in order to build a monument that will symbolize the independence of Hungary from Austria. The Reichstag Building in Berlin is one of the most famous tourist attractions in Germany. It is a legislative building known for its glass dome which gives one a spectacular view of the city.<sup>1</sup>

These magnificent structures are just some of the top parliament buildings of the world. They are known globally not only for their architectural brilliance, but also for their just representation of the dignity of the parliaments that they house -- something that this Committee firmly believes is also fitting for the Senate of the Philippines.

The Upper House of the Philippine Legislature is still on its journey of finding a home. Since its establishment more than 100 years ago, history tells us how the Philippine Senate has moved for quite a number of times from one place to another.<sup>2</sup> While it has found comfort in the halls of the Government Service Insurance System (GSIS) Building in Pasay City, such temporary settlement still cannot be considered a home that truly enshrines the dignity of the Philippine Senate.

Since 1996, the Senate has been renting the use of its building from the GSIS and the use of parking lot from the Social Security System (SSS) located in a reclaimed land in Pasay City. For FY 2017 alone, the total Senate Proper and Secretariat Office Building and Parking Lot rental amounted to P142.73 million.

Since May 01, 1996 to December 31, 2017, records show that the total amount of office rental paid to GSIS and SSS has reached P2.24 billion pesos. For over twenty (20) years, the cost of such rentals has become more than enough to fund the construction of a permanent Senate building.

Over the years, legislators from previous Congresses endeavored to seek the relocation and construction of a new building on a permanent site to house the Senate offices. Senate Secretary Lutgardo Barbo himself, in one of the public hearings, attested that the plan to build a permanent Senate building first ensued 16 years ago in year 2000 during

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<sup>1</sup> <https://www.cobaltrecruitment.com/news-blog/item/5-of-the-best-parliament-buildings->

<sup>2</sup> <http://www.officialgazette.gov.ph/featured/homes-senate/>

the Senate Presidency of Senator Aquilino “Nene” Pimentel Jr, the father of our present Senate President.<sup>3</sup>

In 2008, the plan of the Senate to move out of the GSIS building was proposed through a resolution filed by the late Senator Miriam Defensor Santiago. Since then, there had been talks about constructing a new Senate building inside the 499-hectare campus of the University of the Philippines (UP) at Diliman or inside the Batasang Pambansa Complex in Quezon City. There had also been a proposal to transfer the Senate to Film Center of the Philippines or at the Manila Post Office building in order to lessen the cost of constructing a new physical structure.<sup>4</sup>

As one of our colleagues in this august chamber has manifested, “*government renting spaces at a cost is like throwing money down the drain*”. This Committee concurs with the idea that “*renting is a short term solution with no long term gains in terms of helping us to efficiently allocate scarce resources.*”<sup>5</sup>

Strategic allocation of government spending can increase the productive capacity of the economy, reduce poverty, and improve the overall welfare of society. While the legislative branch, in the exercise of its power over the purse, has approved the funding for the rise of physical infrastructures and public buildings, it is quite ironic that the Senate itself has no permanent building of its own.

As one of the primary branches of government, it is but paramount for the Senate to have a permanent home to fully and efficiently exercise its constitutionally-vital functions. Consistent with the government's thrust to attain effective, efficient, and economical spending, this Committee hereby proposes the relocation of the Senate building to a permanent site.

## **II. HISTORY OF THE SEAT OF THE PHILIPPINE SENATE**

The rich history of the Philippine Senate can also be reflected from the different structures that have served as its site through the years. From its first session in 1916 until the present, a total of seven (7) historic edifices have served as the Senate's seat in the past 100 years of its existence.

The Goldenberg Mansion in San Miguel, Manila served as the first home of the Philippine Legislature. After being occupied by Admiral Patricio Montojo of the Spanish Navy from 1897 to 1898; the Spanish Royal Navy Club in 1898; and, by General Arthur MacArthur in 1899, it was in this historic mansion where the Philippine Senate held its very First Session on October 16, 1916.

After its opening session, the Philippine Senate sought to find a new home and moved into the Aduana Building (Intendencia Building) in Intramuros, Manila. The Philippine Senate resided in this historic building from 1916 to 1926.

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<sup>3</sup> Transcript of 25 January 2017 Public Hearing. Committee on Accounts.

<sup>4</sup> Feature Article. Music, J.F. (2014). Senate puts on hold plan to look for permanent home.

<sup>5</sup> Press Release. 09 August 2013. Senate of the Philippines.

The terms “lower house” and “upper house” were coined in the Legislative Building or the Old Congress Building in Padre Burgos Manila. Originally intended to house the Philippine Library, the Philippine Senate occupied the session hall in the second floor of this building from the years 1926 to 1935. This served as the third seat of the Senate and it was inaugurated during the second session of the Seventh Philippine Legislature.

The liberation of the City of Manila in 1945 caused the destruction of the Legislative Building and the transfer of the Philippine Senate to a schoolhouse in Lepanto St., Manila. This historic schoolhouse served as a temporary shelter to the legislature from 1945 to 1948, and it was in this site where President Sergio Osmeña delivered his first and last State of the Nation Address.

Photographic records reveal that the Philippine Senate has likewise taken temporary refuge in the Manila City Hall, sometime during 1947 and 1948. While the Legislative Building was still being reconstructed, the Philippine Senate held their sessions inside the City Council session hall.

The Senate transferred back to the Legislative Building in Padre Burgos Avenue in Manila when its reconstruction was completed in 1949. This building was turned over to various government offices when Congress was dissolved during Martial Law. But when the Philippine Senate was restored after the EDSA People Power Revolution, it returned to the Legislative Building and has stayed there until it has transferred again to a different seat in 1997.

The Philippine Senate currently resides at the GSIS Building in Pasay City. It has been occupying its current seat since May 1997. Housing the Philippine Senate since the 10th Congress, the solemn walls of this edifice have witnessed the intelligent debates and interpellations that sifted the passage of some of the most significant laws of our recent history. However, despite the fact that this structure has housed the Philippine Senate for the longest time, the Senate still remains a temporary tenant to this place, paying an annual rent of P110,000,000.00. Thus, calls to seek a permanent home to this august body still remains.<sup>6</sup>

### **III. RELOCATION SITES**

The long-standing talks about the transfer of the Philippine Senate to a more permanent site was revived during the first meeting of the Committee on Accounts. Soon after, Senator Win Gatchalian filed PS Resolution 293 which formally called for the creation of an ad hoc committee tasked to conduct a feasibility study on the construction of a new Senate building and relocation of the Senate.

After discovering the amount of money that is being spent by the Upper House yearly for the rent of the GSIS building and the SSS parking lot, this Committee conducted three (3) Committee Hearings to bring forth the formal discussion of the matter.

The first Committee Hearing was conducted on January 25, 2017. The Bases Conversion and Development Authority (BCDA) was invited to make a presentation on

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<sup>6</sup> <http://www.officialgazette.gov.ph/featured/homes-senate/>

the possible sites to which the Senate may transfer. The presentation was made by BCDA President/CEO Mr. Vivencio Dizon.

Having heard of the intention of the Senate to relocate, the City Government of Antipolo, through Mayor Casimiro A. Ynares III, expressed its willingness to make an offer for an alternative site. Thus, it was invited to present during the second Committee Hearing which was conducted on May 30, 2017.

The final Committee Hearing was conducted on September 18, 2017. The presentations made by the City Government of Antipolo and the BCDA may be summarized as follows:

***Antipolo City Government Center  
Antipolo City, Province of Rizal***

The local government of Antipolo City has offered to donate to the Senate of the Philippines twenty-five (25) hectares of land located along Marikina Infanta Road, Barangay San Jose/Inarawan as a possible site of a new Senate complex. The identified area is a portion of a sixty-four (64) hectare property of the City Government proposed to be the Antipolo City Government Center.<sup>7</sup>

Antipolo City, a lone city in the province of Rizal, with two congressional districts has a vast area of 38,504.44 hectares, with population of 817,602, migration rate of 16.4%, a natural increase of 83.6%, and an annual growth rate of 2.62%. Hailed as the Most Competitive City under Component City category by the National Competitive Council, the city of Antipolo has a total income of P2.6 billion and an income per capita of P2,616. Its literacy rate is of 99.32% and a voting population of 442,137.

The 25-hectare proposed site that the City Government offers to the Senate is a portion of an agglomeration of different land uses comprising the City's proposed Government Center. The Government Center is a mixed use development known as a Planned Unit Development (PUD). The site is comprehensively planned and developed as a single entity allowing flexibility in planning, design, and land use. At present, there are existing facilities on the site that includes Antipolo City Hospital Annex III, the Antipolo Institute of Technology (AITECH), Antipolo Science High School. Other National Government Agencies (NGAs) are also set to relocate into the proposed Government Center in 2018, including: COA Province and Region IV-A, DPWH (Rizal), DENR (Rizal) and DepEd Region IV-A in Cainta, Rizal.<sup>8</sup>

The site is accessible through different entry points (Marcos Highway or Marikina Infanta Road; Ortigas Avenue and Sumulong Highway) where the main road leading to the site has been expanded to eight lanes to allow easy access and smooth traffic flow. Basic utilities such as water, power, and telecom services are already available and ready for expansion if the Senate chooses to relocate to the site.<sup>9</sup>

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<sup>7</sup> Memorandum Re: Senate Transfer to a Permanent Site - Offer of Antipolo City Govt. 28 June 2017.

<sup>8</sup> Transcript of 18 September 2017 Public Hearing. Committee on Accounts.

<sup>9</sup> Booklet Presentation of Antipolo City Government on a Senate Complex.

### *Cost*

The City of Antipolo offers the twenty-five (25) hectares land for free, which means that there will be no land acquisition cost. Hence, in selecting Antipolo City only the cost of land development and the building construction cost, estimated at P2.292 billion, are to be considered.

### *Timeline*

The City of Antipolo eyes a four-year timeline before the Senate can fully occupy the proposed Senate Building: six months for design development phase, one year for land development phase, and two and a half years for the construction phase.

### *Investment Opportunity*

With the Senate considered as an economic magnet, choosing Antipolo City as the location of the new Senate home means the opportunity to contribute to its regional development. Its immediate impact will be in the area of land valuation. Should the Senate be relocated in Antipolo City, increase in the value of land in the residential areas within five-kilometer radius is expected.

Further, situating the Senate in Antipolo City will lure investors to operate in the City. Such is the kind of development that will boost hotel, condominium, and probably gaming facilities in the growth corridor, which in turn will create new employment opportunities and may induce an increase in tourist arrivals.

### ***Fort Bonifacio through the Bases Conversion and Development Authority (BCDA)***

The Bases Conversion and Development Authority (BCDA) is a government instrumentality vested with corporate powers, created under Republic Act No. 7227, that is tasked to primarily carry out the declared policy of the government to accelerate the sound and balanced conversion into alternative productive civilian uses of the Clark and Subic military reservations and their extension, and to enhance the benefits to be derived from said properties in order to promote the economic and social development of Central Luzon in particular, and the country, in general.

Pursuant to Section 5(c) of RA 7227, BCDA has the power to enter into, make, perform and carry out contracts of every class, kind and description which are necessary and/or incidental to the realization of its purposes with any person, firm, or corporation, private or public.

BCDA is the owner of a parcel of land consisting of Twenty Thousand square meters (20,000 sq.m.) located at the Navy Village, Fort Bonifacio, Taguig City, with Seventeen Thousand square meters (17,000 sq.m.) buildable area.

Despite the presence of occupants residing in the Navy Village, the BCDA clarified that it is in the process of discussion with the Philippine Navy and Philippine Army for the relocation and replication of the military facilities located in therein.

#### *Cost*

The agreement being proposed by the BCDA is in the nature of an Option Contract. The consideration for the Option to Purchase is Php100,000.00, and the period within which to exercise such option would be one (1) year from the execution of the Memorandum of Understanding (MOU). The property is valued at P90,000.00 per square meter (sq.m.). Thus, the total cost of acquiring the 20,000 sq.m property being offered by the BCDA is Php1,800,000,000.00

#### *Developmental Plans to Ease Traffic in the Area*

There is a plan to extend all the way to Pasong Tamo Extension the current six-lane road which McKinley is calling Grand Boulevard. If this plan will push through, there will be an additional exit from Fort Bonifacio towards Pasong Tamo that would serve as an alternative route to the always congested Lawton Drive. There is also a plan to acquire a right-of-way on the portion of the property in BGC owned by the Department of Education (DepEd) in order for the six-lane road exit to be extended to the South Luzon Expressway (SLEX). In addition, BCDA and DPWH have already started the widening of the Lawton Drive, adding two (2) more lanes, thereby making it six-lanes.

Moreover, the BCDA is in the stage of finalizing the Memorandum of Agreement (MOA) and the inventory of facilities to be relocated and replicated with the Philippine Navy. For the Philippine Army, the BCDA is set to bid out the detailed design of the facilities to be replicated.

#### *Timeline*

Per the September 18, 2017 Committee Hearing, the BCDA targets the execution of an MOU with the Senate anywhere between October to November 2017. The construction of the Senate Building can start on the Third Quarter of 2018 and be finished by the Third Quarter of 2020.

The plans for the extension of the Grand Boulevard and the widening of the Lawton Drive are targeted to be completed by the year 2019.

### **IV. SENATE SURVEY RESULTS**

On September 19, 2017, a survey was conducted among the Senate officials and employees (Secretariat and Proper). The said survey aimed to gather data on the views of Senate employees on the possibility of Senate transfer.

Out of the 1,714 Senate employees, 1,032 employees or 60.21% responded to the survey.

From the said survey, the daily transportation expense of the respondents was categorized in six (6) ranges. The results revealed that, out of 1,032 respondents, 352

(34.11%) spend from P101.00 to P200.00; 203 employees (19.67%) spend P201.00 to P300.00; 146 employees (14.15%) spend P0 to P100.00; 77 employees (7.46%) spend P401.00 to P500.00 while 74 employees (7.17%) spend P501.00 and more on a daily basis. Out of the total respondents, 93 employees did not indicate their daily transportation expense.

The data from this survey also indicated the top present place of residence of Senate employees. Out of the total number of respondents, it was observed that 154 employees (14.92%) live in Quezon City, followed by Cavite with 130 employees (13%). The next top places of residents are: Manila with 106 employees (10.27%); Makati with 73 employees (7.07%); Pasay with 69 employees (6.69%); and Parañaque with 65 employees (6.30%).

Lastly, the survey results provided that 691 respondents (66.96%) preferred that Senate be relocated to Taguig City, while 191 respondents (18.51%) favored Antipolo City. Further, respondents (11.72%) answered they are amenable to either Antipolo City or Taguig City. Lastly, 29 (2.81%) did not indicate their preferred location for the Senate transfer.

## **V. RECOMMENDATION**

It is recognized that there are a lot of factors to consider in deciding to find a home, the question of whether to rent or build your own needs weighing of both the pros and cons of each choice. After careful consideration, this Committee hereby proposes to finally turn the long-standing dream of finding a permanent home for the Philippine Senate into reality.

In addition, this Committee recommends that an Ad Hoc body be created which will be tasked to pursue the relocation and oversee the eventual construction of a new house for the Senate. The Ad Hoc body shall be assisted by a technical team.

However, as to the permanent site, this Committee humbly leaves to the entire body the decision on whether the Senate should be relocated to Antipolo City, Rizal Province or to the Navy Village, Fort Bonifacio, Taguig City.

Whatever decision of the body, it is the prayer of this Committee that such decision would be forthwith and anchored on the goal of finally giving the Philippine Senate the dignified home that the honorable institution deserves.



'17 FEB 15 P2:52

SEVENTEETH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

RECEIVED BY: \_\_\_\_\_

SENATE

P.S. Res. No. 293

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Introduced by Sen. Win Gatchalian

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RESOLUTION

CREATING AN AD HOC COMMITTEE TASKED TO CONDUCT A FEASIBILITY STUDY ON THE CONSTRUCTION OF A NEW SENATE BUILDING AND THE RELOCATION OF THE SENATE THERETO

**WHEREAS**, the Philippine Senate has been renting from the Government Service Insurance System (GSIS) in Pasay City, the use of its building as Senators' Office, Session Hall and Committee Hearing Rooms since May 1997;

**WHEREAS**, the annual expense for this rental amounts to Php169.5 Million, not to mention the cost of maintenance and repairs for refurbishment of the decrepit structures, and the supplementary rent for satellite offices to accommodate the additional number of the senators' staff;

**WHEREAS**, the Lower House of Congress has been comfortably nestled in their own building with sprawling space and verdant view unlike the claustrophobic halls and gloomy atmosphere of the leased premises now occupied by the Senate;

**WHEREAS**, several proposals over the years have prompted Senators to seek the relocation and construction of a new building on a permanent site to house the Senate offices because of cost-efficiency and the amenity of finding a more conducive, suitable site to accommodate the requirements of the legislators and the Senate employees as a whole;

**WHEREAS**, the transfer must also take into consideration, accessibility of public transport for the commuting Senate employees and staff, location that averts becoming a part of an already worsening traffic congestion, as well as availability of fund source for the proposed site and building construction: Now, therefore, be it

**RESOLVED BY THE SENATE**, To create an ad hoc committee tasked to conduct a feasibility study on the construction of a new Senate building and the relocation of the Senate thereto.

Adopted,



**WIN GATCHALIAN**