

TANGGAPAN NG SANGGUNIANG BAYAN
8th REGULAR SESSION
March 12, 2014

RESOLUTION NO. 076-14

Authored and Sponsored by: **HON. FERNANDO C. UGDORACION**

Co-Sponsored by: Hon. Lolita P. Legaspi
Hon. Alan B. Angub
Hon. Ronald R. Cruda
Hon. Alvin Rey C. Almendras
Hon. Jaime G. Lao, Jr.
Hon. Carolino A. Ruiz

ENACTING AN ORDINANCE APPROVING AND RATIFYING THE LOAN AGREEMENT AND ITS RELATED DOCUMENTS ENTERED INTO BY THE MUNICIPALITY OF STA. CRUZ, DAVAO DEL SUR REPRESENTED BY THE MUNICIPAL MAYOR, ATTY. JOEL RAY L. LOPEZ UNDER THE RETAIL LENDING OF THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP), DIGOS BRANCH, INVOLVING THE CONSTRUCTION OF PUBLIC MARKET IN THE AMOUNT OF NINETY MILLION PESOS (Php90,000,000.00)

WHEREAS, one of the priority projects of this local government is to establish and/or construct a new public market considering that the existing public market has been established for almost fifty (50) years and it can no longer cater the present demand of the growing population of this locality;

WHEREAS, the realization of this new public market will provide the constituents of this municipality and transient clientele a market facility where a variety of quality goods are sold at fair prices in a clean and accessible stalls and in safe and well-kept market premises and would spur economic growth and further boost business activities in the area which will generate income for the municipal government;

WHEREAS, the Municipal Mayor, in representation of the Municipality of Sta. Cruz, Davao del Sur, has been authorized to negotiate and contract a loan with the Development Bank of the Philippines (DBP), under Resolution No. 228-12 dated November 14, 2012, in order to address the immediate need;

WHEREAS, on February 28, 2014, the Municipality of Sta. Cruz, Davao del Sur, represented by the Municipal Mayor and the Development Bank of the Philippines, represented by the Head of DBP Digos Branch, have executed a Term Loan Agreement and its related security instruments, copies of which are hereto attached as Annexes A, B and C thereof;

WHEREAS, after thorough review of the Term Loan Agreement and its General Conditions (Annex A), the Assignment of Revenues (Annex B), and the Deed of Assignment of with Hold-Out (Annex C), this August Sangguniang Bayan of Sta. Cruz, Davao del Sur, have noted that there are terms and conditions in the contracts which are deviations from the authorities allowed under Resolution No. 228-12 dated November 14, 2012. These deviations were, however, satisfactorily explained by the representatives of the Office of the Municipal Mayor as necessary for the completion of the project;

WHEREAS, the aforementioned deviations on the terms and conditions on the Term Loan Agreement entered into and executed by the LGU-Sta. Cruz and the Development Bank of the Philippines (DBP) refers to the manner of payment for interest which shall be payable quarterly in arrears; principal which shall be payable in 52 equal quarterly principal installments to commence on the 9th quarter from initial drawdown and the collateral/guarantee/security on the deed of Continuing Assignment of IRA and with Holdout provision equivalent to one (1) quarterly amortization in favor of DBP while the loan is outstanding;

WHEREAS, Municipal Ordinance No. 03 and Resolution No. 071, both of current series, are hereby expressly repealed in favor to this recent legislative enactment in compliance and in

conformity of the requirements set by the Development Bank of the Philippines (DBP) and the Bangko Sentral ng Pilipinas (BSP);

WHEREAS, this enactment is in line to the good intention of LGU to fast track the implementation of the proposed projects and to comply with the necessary requirements of the Development Bank of the Philippines and the Bangko Sentral Ng Pilipinas;

WHEREFORE, on motion of Hon. Fernando C. Ugdoracion, duly seconded by Hon. Legaspi, it was

RESOLVED, as it is hereby resolved by the Sangguniang Bayan of Sta. Cruz, Davao del Sur, assembled in session, to enact the following ordinance:

MUNICIPAL ORDINANCE NO. 04
Series of 2014

AN ORDINANCE APPROVING AND RATIFYING THE LOAN AGREEMENT AND ITS RELATED DOCUMENTS ENTERED INTO BY THE MUNICIPALITY OF STA. CRUZ, DAVAO DEL SUR REPRESENTED BY THE MUNICIPAL MAYOR, ATTY. JOEL RAY L. LOPEZ UNDER THE RETAIL LENDING OF THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP), DIGOS BRANCH, INVOLVING THE CONSTRUCTION OF PUBLIC MARKET PROJECT IN THE AMOUNT OF NINETY MILLION PESOS (Php90,000,000.00)

Be it ordained by the Sangguniang Bayan of Sta. Cruz, Davao del Sur, in session assembled that:

- SECTION 1** - The Term Loan Agreement and its General Conditions, the Assignment of Revenues, and the Deed of Assignment of with Hold-Out, which have been contracted by the Hon. Joel Ray L. Lopez, Municipal Mayor of Sta. Cruz, Davao del Sur, with the Development Bank of the Philippines on February 28, 2014, providing for a loan in the total amount of **NINETY MILLION PESOS (Php90,000,000.00)**, including all the other terms and conditions therein, are hereby **APPROVED** and **RATIFIED**.
- SECTION 2** - The Municipality hereby appropriates the entire proceeds of the loan exclusively to finance the above-cited projects and other financial obligations relative thereto.
- SECTION 3** - Any ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.
- SECTION 4** - This ordinance shall take effect upon its posting and compliance with all procedures required under R.A. 7160 of an ordinance for its validity, including the affixation of signatures of the Sangguniang Bayan Members, in concurrence thereto, composing at least a majority thereof, out of the ten (10) members, on all the pages of this ordinance.

APPROVED.

CERTIFIED CORRECT:

ELSA L. VILLAFLOR
Administrative Officer III
(Temporary Secretary)

ATTESTED:

ALVIN REY C. ALMENDRAS
SB Member

(Temporary Presiding Officer)

APPROVED: _____

ATTY. JOEL RAY L. LOPEZ
Municipal Mayor

CONFORME:

ALAN B. ANGUB
SB Member

LOLITA P. LEGASPI
SB Member

FERNANDO C. UGDORACION
SB Member

RONALD R. CRUDA
SB Member

JAIME G. LAO, JR.
SB Member

CAROLINO A. RUIZ
IP Mandatory Representative