

REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL,
ORMOC CITY HALL BUILDING
ON JULY 1, 2021

PRESENT:

Leo Carmelo L. Locsin, Jr.	City Vice Mayor & Presiding Officer
Benjamin S. Pongos, Jr.,	SP Member, Majority Floor Leader
Roiland H. Villasencio,	SP Member, 1 st Asst. Majority Floor Leader
Tomas R. Serafica,	SP Member, Presiding Officer "Pro-Tempore"
Nolito M. Quilang,	SP Member, 2 nd Asst. Majority Floor Leader
Eusebio Gerardo S. Penserga,	SP Member
Jasper M. Lucero,	SP Member
Peter M. Rodriguez,	SP Member
Vincent L. Rama,	SP Member
Lalaine A. Marcos,	SP Member
Esteban V. Laurente,	Ex-Officio SP Member, Chapter President, Liga ng mga Barangay ng Ormoc
Joan Marbie C. Simbajon,	Ex-Officio SP Member, Chapter President, Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

ON LEAVE:

Gregorio G. Yrastorza III,	SP Member
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PREFATORY STATEMENT

WHEREAS, the Sangguniang Panlungsod received an extremely urgent endorsement letter from the City Mayor's Office (CMO) dated June 17, 2021 requesting for a supplemental appropriation in the amount of ELEVEN MILLION NINE HUNDRED ONE THOUSAND FOUR HUNDRED TWENTY-FOUR PHILIPPINE PESOS AND EIGHT CENTAVOS (PHP11,901,424.08) for the payment of the Compromise Agreement with Tai-Pan Development Inc.;

WHEREAS, to recall, this Sanggunian passed Resolution No. 2021-135 last May 25, 2021 granting authority to the City Mayor to enter into and sign the Compromise Agreement between the City Government of Ormoc and Tai-pan Development Inc.;

WHEREAS, the Compromise agreement, herein attached as Annex "A", provides inter alia that the City Government of Ormoc agreed to pay Tai-Pan Devt. Inc. the amount of Twenty-Two Million Five Hundred Seventy-Nine Thousand Three Hundred Eighty-Five Pesos and Ninety-Nine Centavos (Php 22,579,385.99) as soon as practicable, but not later than ninety days from the approval and/or judgement based on compromise of subject case;

WHEREAS, the aforementioned agreement has been approved by the Honorable Court in such that a court order was issued dated June 21, 2021 mandating its payment, a copy of the order is herein attached as Annex "B" and made integral part hereof;

WHEREAS, the City Accountant and the City Budget Officer issued a Certificate of Availability of Funds dated April 30, 2021 certifying therein that the total amount of Twenty-Two Million Six Hundred Thousand Philippine Pesos (Php22,600,000.00) is available as appropriation for LGU-Ormoc City's Compromise Agreement with Tai-Pan Development Inc. and is sourced from Trust Liabilities:

Insurance Proceeds – Gaisano Building (GSIS) (Yolanda) and the CY 2020 Unappropriated Surplus, to wit:

Trust Liabilities: Insurance Proceeds –	
Gaisano Building (GSIS) (Yolanda)	Php 10,698,575.92
CPY 2020 Unappropriated Surplus	11,901,424.08

TOTAL	Php 22,600,000.00
	=====

WHEREAS, the supplemental request was referred to the Offices of the City Budget Officer, City Accountant, and the City Treasurer for appropriate recommendations as to the funding source thereof and in this respect LBP Form No. 8 and LBP Form No. 9 were consecutively issued by the concerned offices certifying therein that the amount of Eleven Million Nine Hundred One Thousand Four Hundred Twenty-Four Philippine Pesos and Eight Centavos (Php11,901,424.08) is deemed available for the aforementioned purpose to be taken from the city's CY 2020 Unappropriated Surplus, herein attached as Annex "C" and "D" respectively;

WHEREAS, this Sanggunian finds the supplemental request justified and deemed reasonable and meritorious, not contrary to law, morals or public policy and is for the best interest of the City and its constituents therefore most deserving of this august Body's prompt and favorable consideration;

WHEREFORE, FOREGOING PREMISES CONSIDERED, on motion of SP Member Peter M. Rodriguez, Chairman, Committee on Finance & Appropriation, severally seconded by SP Members Tomas R. Serafica, Esteban V. Laurente, Joan Marbie C. Simbajon, Vincent L. Rama, Jasper M. Lucero and Lalaine A. Marcos: be it

RESOLVED, AS IT IS HEREBY RESOLVED, to enact:

APPROPRIATION ORDINANCE NO. 017
(Series of 2021)

AN ORDINANCE APPROPRIATING THE AMOUNT OF ELEVEN MILLION NINE HUNDRED ONE THOUSAND FOUR HUNDRED TWENTY-FOUR PHILIPPINE PESOS AND EIGHT CENTAVOS (PHP11,901,424.08) TO BE TAKEN FROM THE UNAPPROPRIATED SURPLUS CY 2020 TO SUPPLEMENT THE ACCOUNT OF CITY MAYOR'S OFFICE - OTHER MAINTENANCE AND OPERATING EXPENSES FOR THE PAYMENT OF THE COMPROMISE AGREEMENT WITH TAI-PAN DEVELOPMENT INC..

SECTION 1. CY 2021 GENERAL FUND SUPPLEMENTAL BUDGET. The total sum of Eleven Million Nine Hundred One Thousand Four Hundred Twenty-Four Philippine Pesos and Eight Centavos (Php11,901,424.08) to be taken from the CY 2020 Unappropriated Surplus is hereby appropriated to the CMO- Other Maintenance and Operating Expenses for the payment of the Compromise Agreement with Tai-Pan Development Inc., this city.

SECTION 2. EFFECTIVITY. This Appropriation Ordinance shall take effect immediately upon its approval.

RESOLVED, FURTHER, that sufficient copies of this Appropriation Ordinance, together with all supporting documents thereof, be submitted to the Regional Director, Department of Budget & Management, Tacloban City, for review purposes;

ENACTED, July 1, 2021.

RESOLVED, FURTHERMORE, to furnish copies of this Appropriation Ordinance, one each to the City Mayor Richard I. Gomez; the City Administrator, Mr. Vincent L. Emnas; the City Legal Officer, Atty. Josephine M. Romero; the City Budget Officer; the City Accountant; the City Treasurer; the City Auditor; the City Local Government Operations Officer- DILG; and other offices concerned;

CARRIED UNANIMOUSLY.

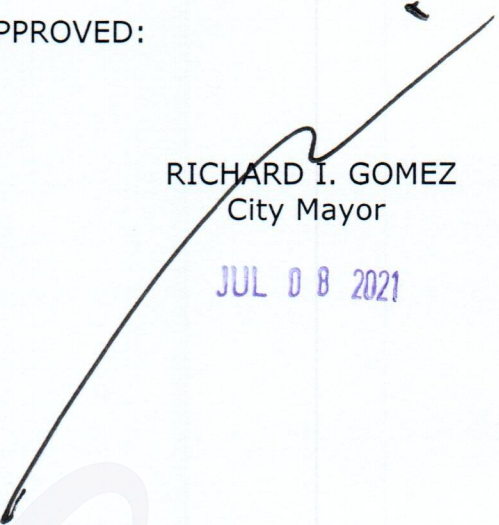
I HEREBY CERTIFY that the foregoing Appropriation Ordinance No. 017 series of 2021 which approved the General Fund Supplemental Budget of Ormoc City for CY 2021 was duly enacted by the Fifteenth Sangguniang Panlungsod ng Ormoc in its regular session.


NONILYN D. GALANO
OIC-SP Secretary
Supervising Administrative Officer
(Board Secretary IV)

ATTESTED:


LEO CARMELO L. LOCSIN, JR.
City Vice Mayor & Presiding Officer

APPROVED:


RICHARD I. GOMEZ
City Mayor

JUL 08 2021

Republic of the Philippines
REGIONAL TRIAL COURT
8th Judicial Region
Branch 47
Ormoc City

CITY GOVERNMENT OF
ORMOC represented by City
Mayor RICHARD I. GOMEZ
Plaintiff,

CASE No. R-ORM-19-00031-CV

-- versus --

TAI-PAN DEVELOPMENT
INC. represented by MR.
EDMUND S. GAISANO,
Defendant,

For: RESCISSION OF THE
MEMORANDUM OF
AGREEMENT AND
DAMAGES WITH PRAYER
FOR ISSUANCE OF
TEMPORARY RESTRAINING
ORDER AND PRELIMINARY
MANDATORY INJUNCTION

X-----/

COMPROMISE AGREEMENT

This AGREEMENT, is made and entered into by and between:

CITY GOVERNMENT OF ORMOC, a political subdivision of the Republic of the Philippines, existing by virtue of Philippine Laws, represented¹ by RICHARD I. GOMEZ, incumbent City Mayor of Ormoc City, of legal age, Filipino, married, with office address at New Ormoc City Hall, Aunubing St., Brgy. Cogon, Ormoc City, Leyte, herein referred as the PLAINTIFF; and

TAI-PAN DEVELOPMENT INC., a domestic corporation duly established and existing by virtue of existing Philippine Laws, represented² by MR. EDMUND S. GAISANO, President, of legal age, Filipino, married, with office/business address at Gaisano Capital Building, General Maxilom Avenue, North Reclamation Area, Cebu City, hereinafter referred to as the DEFENDANT;

WITNESSETH:

That the parties hereby acknowledge the fact that they consider themselves as partners in the improvement and development of the City of Ormoc;

¹ Fifteenth Sangguniang Panlungsod Resolution No. 2021-135. "A Resolution Granting Authority to the City Mayor to enter into and sign, in behalf of the City Government of Ormoc the Compromise Agreement (Annex A) with Tai-Pan Development Inc., in relation to Case captioned City Government of Ormoc vs. Tai-Pan Development Inc., Case no. R-ORM-19-00031-CV," hereto attached as Annex "A."

² Secretary's Certificate executed by Valeria G. Sebastian on May 4, 2021, docketed as Document no. 425; Page no. 10; Book no. 21; series of 2021 of the notarial register of Atty. Teachie Felina O. Norombaba, hereto attached as "Annex B."

That the parties have agreed that it is to the best interest of the parties concerned that the present controversy be settled and the parties have agreed to settle this case under the following terms and condition, to wit:

- a. The Parties acknowledge that the term of the Memorandum of Agreement (MOA) dated December 8, 1995 for the lease of a parcel of land and shopping mall situated in along Real Street, Lopez Jaena Street and Rizal Street in Ormoc City was suspended upon the happening of the fire which broke out on July 23, 2017;
- b. The Parties jointly agree to, and hereby, TERMINATE, the Memorandum of Agreement (MOA) dated December 8, 1995 for the lease of a parcel of land and shopping mall situated in along Real Street, Lopez Jaena Street and Rizal Street in Ormoc City, effectively EXTINGUISHING the rights and obligations of Parties thereunder;
- c. Parties acknowledge that upon execution of subject MOA dated December 8, 1995, Defendant reimbursed Plaintiff for the cost of the construction of the building in the amount of seventy three million four hundred seventy eight thousand six hundred seventy nine pesos and 59/100 (P73,478,679.59);
- d. Parties acknowledge that Defendant advanced and undertook repairs on the shopping mall after Typhoon Yolanda;
- e. Plaintiff shall pay to Defendant the amount of twenty two million five hundred seventy nine thousand three hundred eighty five pesos and 99/100 (P22,579,385.99) as soon as practicable, but not later than ninety days from the approval hereof and/or judgment based on compromise of subject case;
- f. Defendant shall deliver possession and control of subject premises over to Plaintiff free from any liens and encumbrances upon receipt of payment from Plaintiff;

- g. This Agreement shall likewise be submitted for the consideration, approval and judgment of the Honorable Court;
- h. The parties shall faithfully abide by the terms and conditions stipulated herein;
- i. The signatories to this Agreement hereby represent and warrant that they are duly authorized to execute this Agreement;
- j. The parties, their agents, or successors-in-interest hereby waive, renounce and forever quitclaim all their respective claims and counterclaims subject of the instant action as well as those that may arise therefrom, in connection therewith, or in relation thereto;
- k. The foregoing covenants are not contrary to law, morals, or public policy and the parties bind themselves to comply strictly with their respective undertakings.

Should any stipulation herein be declared null and void, other stipulations not contrary to law or public policy shall remain in full force and effect. The stipulation so declared as void shall be negotiated by the parties and settled on the basis of the intention of the parties as set forth in this agreement.

The terms and condition stated herein shall not be altered or modified without the consent of both parties.

IN WITNESS HEREOF, the parties have hereunto affixed their signatures this MAY 30 2020.

City Government of Ormoc

by:

RICHARD I. GOMEZ
Plaintiff

Assisted by:

Atty. Josephine Mejia-Romero
for the Plaintiff

Tai-Pan Development Inc.

by:

EDMUND S. GAISANO JR.
Defendant

Atty. Baldomero C. Estenzo
for the Defendant

Republic of the Philippines)
CITY OF CEBU)

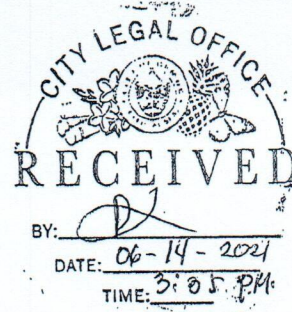
In the City of Cebu, Edmund S. Gaisano, Jr. and Atty. Baldomero C. Estenzo personally appeared on _____ presenting their respective Government Identification Cards, known to me to be the same person who executed the foregoing instrument, and acknowledge the same to be of his/her own free voluntary act and deed. This agreement consists of four (4) pages, including this acknowledgment, of which having signed by the concerned and his/her witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL on the date and place first above written.

Doc. No. 47;
Page No. 35;
Book No. xxii;
Series of 2021.

[illegible]

Republic of the Philippines
REGIONAL TRIAL COURT
8th Judicial Region
Branch 47, Ormoc City



CITY GOVERNMENT OF
ORMOC, represented by City
Mayor RICHARD I. GOMEZ
Plaintiff,

CASE NO. R-ORM-19-00031-CV

-versus-

TAI-PAN DEVELOPMENT, INC.
represented by MR. EDMUND S.
GAISANO

FOR: RESCISSION OF THE
MEMORANDUM OF
AGREEMENT AND DAMAGES
WITH PRAYER FOR
ISSUANCE OF TEMPORARY
RESTRAINING ORDER AND
PRELIMINARY MANDATORY
INJUNCTION

Defendant.

X-----X

ORDER

In today's scheduled hearing, plaintiff's representative Mayor Richard I. Gomez together with counsel Atty. Maria Adelfa S. Cabrera appeared through videoconference from the New Ormoc City Hall, Cogon, Ormoc City, Leyte while defendant's representative Edmund S. Gaisano, Jr. appeared through videoconference from Cebu City with counsels Atty. Teachie Felina O. Norombaba, Atty. Camille E. Bono and Atty. Abraham Rey M. Acosta who likewise appeared through videoconference from their respective locations in Cebu City and Compostela, Cebu.

Parties' motions for remote appearances were granted.

Parties then jointly moved for the approval of the Compromise Agreement submitted to Court on May 31, 2021, the contents of which are reproduced below:

COMPROMISE AGREEMENT

This AGREEMENT, is made and entered into by and between:

CITY GOVERNMENT OF ORMOC, a political subdivision of the Republic of the Philippines, existing by virtue of Philippine Laws, represented¹ by RICHARD I. GOMEZ, incumbent City Mayor of Ormoc City, of legal age, Filipino, married, with office address at New Ormoc City Hall, Aunubing St., Brgy. Cogon, Ormoc City, Leyte, herein referred as the PLAINTIFF; and

¹ "Fifteenth Sangguniang Panlungsod Resolution No. 2021-135. "A Resolution Granting Authority to the City Mayor to enter into and sign, in behalf of the City Government of Ormoc the Compromise Agreement (Annex A) with Tai-Pan Development Inc., in relation to Case captioned City Government of Ormoc vs. Tai-Pan Development Inc., Case no. R-ORM-19-00031-CV," hereto attached as Annex "A."

TAI-PAN DEVELOPMENT INC., a domestic corporation duly established and existing by virtue of existing Philippine Laws, represented² by MR. EDMUND S. GAISANO, President, of legal age, Filipino, married, with office/business address at Gaisano Capital Building, General Maxilom Avenue, North Reclamation Area, Cebu City, hereinafter referred to as the DEFENDANT;

WITNESSETH:

That the parties hereby acknowledge the fact that they consider themselves as partners in the improvement and development of the City of Ormoc;

That the parties have agreed that it is to the best interest of the parties concerned that the present controversy be settled and the parties have agreed to settle this case under the following terms and condition, to wit:

- a. The Parties acknowledge that the term of the Memorandum of Agreement (MOA) dated December 8, 1995 for the lease of a parcel of land and shopping mall situated in along Real Street, Lopez Jaena Street and Rizal Street in Ormoc City was suspended upon the happening of the fire which broke out on July 23, 2017;
- b. The Parties jointly agree to, and hereby, TERMINATE, the Memorandum of Agreement (MOA) dated December 8, 1995 for the lease of a parcel of land and shopping mall situated in along Real Street, Lopez Jaena Street and Rizal Street in Ormoc City, effectively EXTINGUISHING the rights and obligations of Parties thereunder;
- c. Parties acknowledge that upon execution of subject MOA dated December 8, 1995, Defendant reimbursed Plaintiff for the cost of the construction of the building in the amount of seventy three million four hundred seventy eight thousand six hundred seventy nine pesos and 59/100 (P73,478,679.59);
- d. Parties acknowledge that Defendant advanced and undertook repairs on the shopping mall after Typhoon Yolanda;
- e. Plaintiff shall pay to Defendant the amount of twenty two million five hundred seventy nine thousand three hundred eighty five pesos and 99/100 (P22,579,385.99) as soon as practicable, but not later than ninety days from the approval hereof and/or judgment based on compromise of subject case;
- f. Defendant shall deliver possession and control of subject premises over to Plaintiff free from any liens and encumbrances upon receipt of payment from Plaintiff;

² "Secretary's Certificate executed by Valeria G. Sebastian on May 4, 2021, docketed as Document no. 425; Page no. 10; Book no. 21; series of 2021 of the notarial register of Atty. Teachie Felina O. Norombaba, hereto attached as "Annex B."

- g. This Agreement shall likewise be submitted for the consideration, approval and judgment of the Honorable Court;
- h. The parties shall faithfully abide by the terms and conditions stipulated herein;
- i. The signatories to this Agreement hereby represent and warrant that they are duly authorized to execute this Agreement;
- j. The parties, their agents, or successors-in-interest hereby waive, renounce and forever quitclaim all their respective claims and counterclaims subject of the instant action as well as those that may arise therefrom, in connection therewith, or in relation thereto;
- k. The foregoing covenants are not contrary to law, morals, or public policy and the parties bind themselves to comply strictly with their respective undertakings.

Should any stipulation herein be declared null and void, other stipulations not contrary to law or public policy shall remain in full force and effect. The stipulation so declared as void shall be negotiated by the parties and settled on the basis of the intention of the parties as set forth in this agreement.

The terms and condition stated herein shall not be altered or modified without the consent of both parties.

IN WITNESS HEREOF, the parties have hereunto affixed their signatures this May 31, 2021.

City Government of Ormoc

Tai-Pan Development Inc.

Signed by:
RICHARD I. GOMEZ
Plaintiff

Signed by:
EDMUND S. GAISANO JR.
Defendant

Assisted by:

SGD. Atty. Josephine Mejia-Romero
for the Plaintiff

SGD. Atty. Baldomero C. Estenzo
for the Defendant

Parties' authorized representatives confirmed in today's videoconference hearing that they voluntarily executed the Compromise Agreement with full comprehension of its terms and conditions as well as consequences.

After an examination of the covenants agreed upon by the parties, this Court finds that the same are not contrary to law, morals, good customs, public order and public policy. This Court therefore, APPROVES the Compromise Agreement and on the basis thereof renders judgment in this case.

ORDER

City Government of Ormoc vs Tai-pan Development, Inc.
Page 4 of 4

WHEREFORE, Judgment is hereby rendered adopting the Compromise Agreement as the judgment in this case.

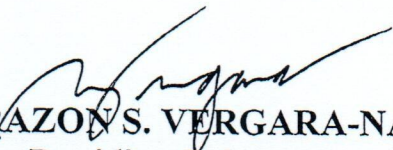
Both parties are enjoined to strictly abide by and observe faithfully the terms and conditions as stipulated and agreed upon in their Compromise Agreement.

The unused Sheriff's Trust Fund (STF) amounting to One Thousand Pesos (₱1,000.00) is hereby ordered RELEASED to the plaintiff after compliance of the guidelines set by the RTC-OCC, Ormoc City and other applicable rules.

Plaintiff's representative Mayor Gomez, his counsel Atty. Cabrera as well as defendant's representative Mr. Gaisano and counsels Atty. Norombaba, Atty. Bono and Atty. Acosta were notified of this Order through videoconference. Plaintiff, through City Legal Officer Atty. Josephine Mejia-Romero, shall be furnished copy of this Order through personal service while defendant, through counsel Atty. Bono, shall be served copy through registered mail.

SO ORDERED.

10th of June 2021, Liloan, Cebu (pursuant to OCA Circular No. 67-2021).


MARIA CORAZON S. VERGARA-NARAJA
Presiding Judge

Copy furnished:

Plaintiff:

Counsel for the plaintiff:

Defendant:

Counsel for the defendant:

OFFICE OF THE CITY MAYOR
RECEIVED
DATE: 10 MAY 2021
TIME:
SIGNATURE: *[Signature]*

General Fund
Fund/Special Account

Particulars (1)	Account Classification (2)	Amounts (3)
1.0 New Revenue Sources		
Tax Revenue		
Loan Proceeds (Borrowings)		
2.0 Actual Collection in Excess of the Estimated Income		
3.0 Savings		P11,901,424.08
4.0 Realignment		
5.0 Trust Liabilities: Insurance Proceeds-Gaisano Building(GSIS)(Yolanda)	2-04-01-010(008-0002)	10,698,575.92
Total Estimated Income		P22,600,000.00

DELIA C. VILBAR
City Treasurer

ROSARIO G. SERAFICA
City Accountant

STATEMENT OF SUPPLEMENTAL APPROPRIATION CY 2021

ORMOC CITY

Implementing Office (1)	Particulars/Purpose (2)	AIP Code (3)	Object of Expenditure (4)	Account Code (5)	Amount (6)
C M O	for payment of Compromise Agreement with Tai-Pan Development Inc.	1000-2-01-001	Other Maint. & Operating Exp.	5-02-99-990	P22,500,000.00
Total Supplemental Appropriation					P22,600,000.00

Prepared :

SABRINA P. DUERO
City Budget Officer

Approved:

RICHARD I. GOMEZ, DPA
City Mayor