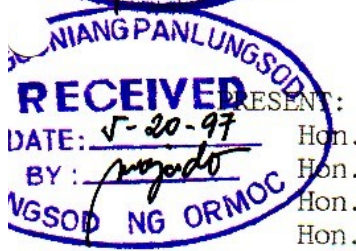
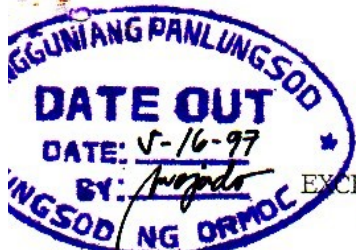
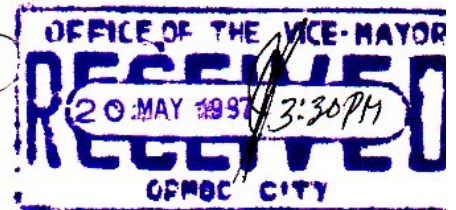


REPUBLIKA NG PILIPINAS  
SANGGUNIANG PANLUNGSOD  
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SEVENTH  
SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE HONORABLE  
PLACIDO ENECIO HALL, SANGGUNIANG PANLUNGSOD  
BUILDING ON MAY 15, 1997

PRESENT:

Hon. Benjamin F. Tugonon,	Vice-Mayor & Presiding Officer
Hon. Celso P. Adolfo,	Majority Floor Leader, Kagawad
Hon. Claudio P. Larrazabal,	Asst. Majority Floor Leader, Kagawad
Hon. Benjamin B. Lladoc,	Kagawad
Hon. Sotero M. Pepito,	Kagawad
Hon. Alfredo F. Capahi,	Kagawad
Hon. Jose C. Alfaro, Jr.,	Kagawad
Hon. Gregorio A. Yrastorza, Jr.,	Kagawad
Hon. Mariano Y. Corro,	Minority Floor Leader, Kagawad
Hon. Fernando P. Parrilla,	Chapter Pres., Liga ng mga Barangay ng Ormoc, Ex-Officio, Kagawad
Hon. Chiqui B. Labagala,	SK Federation President, Ex-Officio, Kagawad
Hon. Deborah Robin B. Conejos,	(Appointed in lieu of Hon. Jose B. Conejos who resigned), Kagawad

ABSENT:

Hon. Manuel T. Fiel,	(Forced Leave),	Kagawad
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RESOLUTION NO. 97-81

A RESOLUTION AUTHORIZING AND EMPOWERING THE HONORABLE CITY MAYOR EUFROCINO M. CODILLA, SR., TO PERFORM, FOR AND IN BEHALF OF THE CITY GOVERNMENT OF ORMOC, THE HEREIN BELOW ENUMERATED ACTS (SEE BODY OF THE RESOLUTION) RELATIVE TO THE ONE HUNDRED MILLION PESOS (P100,000,000.00) LOAN WITH THE LAND BANK OF THE PHILIPPINES.

WHEREAS, to accommodate the increasing buying public and help decongest the overcrowded existing market and minimize if not eliminate the presence of sidewalk vendors and to avoid traffic congestion, the City Government considers the construction of three (3) public market buildings as priority;

WHEREAS, this project is beneficial to the City of Ormoc since vendors will already be classified accordingly which would bring about ease to the Ormocanons and the buying public as to their preferences in buying and this would also contribute to the cleanliness and beautification of the City;

WHEREAS, the City Budget for 1997 is already allocated to various infrastructure projects for which part of it is used for this project but in order to complete the construction of the three (3) market buildings, the city has to obtain a loan of not less than ONE HUNDRED MILLION PESOS (P100,000,000.00);

NOW, THEREFORE, on motion of Kagawad Alfredo F. Capahi, Chairman, Committee on Finance, jointly seconded by mga Kagawad Benjamin B. Lladoc and Deborah Robin B. Conejos; be it



- 1) RESOLVED, that the Office of the City Mayor, thru its incumbent, HON. EUFROCINO M. CODILLA, SR., or his successors, be, as he is hereby, authorized and empowered, for and in behalf of the City of Ormoc (hereinafter referred to as CITY):
  - a) to authorize, Hon. Eufrocino M. Codilla, Sr., City Mayor, to apply, negotiate, contract and conclude a loan or any credit accommodation or facility with the Land Bank of the Philippines (LBP), (hereinafter referred to as the LBP) in the principal amount of ONE HUNDRED MILLION ONLY (P100,000,000.00), Philippine Currency, including renewal and/or extensions thereof under such terms and conditions as may be agreed upon by LBP and the City Mayor;
  - b) to mortgage or otherwise encumber certain real estate properties described hereunder, to secure the payment of the loan of the CITY:

Two (2) parcels of land more particularly described as Lot No. 569-Part and Lot No. 564-Part located in the Poblacion, Ormoc City, bounded on the North by Lopez Jaena St., on the South by Lots 563 & 569, on the East by Rizal St. and on the West by Real St., containing an aggregate land area of 5,589 square meters, more or less).
  - c) as additional security of the LOAN, to assign its Internal Revenue Allotment (IRA) in favor of the LBP equivalent to the amount due payable to the LBP as Lender.
  - d) to sign, execute, endorse and deliver any and all promissory notes, deed of assignments, loan agreements, real estate mortgage and other documents which may be necessary or required relative to whatsoever credit accommodations may be granted by the LBP to the CITY;
  - e) to authorize the Department of Budget and Management (DBM) to deposit and remit directly the CITY's IRA to the LBP for the CITY's account.
- 2) RESOLVED, that the aforementioned real estate properties authorized to be mortgaged are patrimonial properties of the CITY and not used or devoted to any public purpose, and qualified and subject to no impediment to being collateralized or encumbered;
- 3) RESOLVED, to commit, as it is hereby committed, and the CITY to be prohibited, as it is hereby prohibited, without prior consent from the LBP, from devoting or otherwise employing, the above-mentioned mortgaged or encumbered properties, to any public use, such as but not limited to roads, plazas, fountains, roadsteads, etc., until such time that the LOAN herein obtained, including interest and other charges thereon remains outstanding. In any event the LBP has given its concurrence, the CITY shall, as it is hereby authorized, to offer substitute collaterals that may be required and deemed acceptable to the latter;




- 4) RESOLVED, that for and during the duration of the loan agreement, that may be entered into pursuant to this Resolution, the City will not contract other loans/credits with other creditors/banks so as not to impair the borrower's paying capacity during the duration of the loan. As acknowledgment of its LOAN with the LBP, the foregoing loan transaction obtained from the LBP shall be entered by the City Treasurer in the books as proof of the CITY'S contractual obligations with the LBP;
- 5) RESOLVED, that the CITY hereby transfers its IRA from the Development Bank of the Philippines (DBP) to the LBP and designates LBP as its authorized depository bank which designation (shall not be revoked) or changed for as long as any portion of the LOAN herein authorized, including interests and other charges thereon, remain outstanding. The City Secretary, is hereby directed, as he is hereby directed to provide a copy of this Resolution to the Department of Budget and Management (DBM) and or other appropriate government agency, of the transfer of the IRA from the DBP to LBP and the irrevocable designation of LBP as the authorized IRA depository bank of the CITY, which copy, upon receipt/acknowledgment of DBM, shall be immediately forwarded to LBP;
- 6) RESOLVED, that the CITY hereby authorizes and empowers LBP, without need of notice to the CITY, and irrespective of the date of maturity of the LOAN, to deduct, set-off and apply any deposits, funds securities or assets of the CITY with LBP or any of its branches as payment to the LOAN or any other outstanding obligations of the CITY which may be declared due and demandable by LBP pursuant to a loan/line agreement that may be executed by and between the CITY and LBP in connection with this Resolution;
- 7) RESOLVED, that in order to ensure the repayment of its' LOAN, the CITY shall appropriate and/or include in its annual budget the amount needed to service its LOAN until the loan and any interest thereon is finally paid and settled;
- 8) RESOLVED, that all previous representations, warranties, and all terms and conditions of the loan are hereby confirmed, approved and ratified;

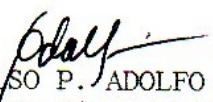
RESOLVED, FINALLY, to furnish copies of this resolution, one each, to the Land Bank of the Philippines, 319 Senator Gil G. Puyat Avenue, Makati City; the Secretary, Department of Budget and Management (DBM), thru its Regional Director, Region 8, Tacloban City; Honorable Eufrocino M. Codilla, Sr., City Mayor, Ormoc City; the Branch Manager, Land Bank of the Philippines, Ormoc Branch, Ormoc City; the City Administrator, the City Legal Officer, the City Treasurer, the City Accountant, other Offices in Ormoc City;

CARRIED UNANIMOUSLY.

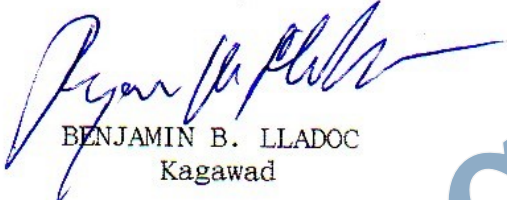


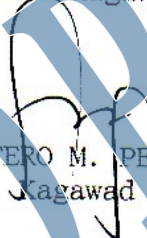
WE HEREBY CERTIFY to the correctness of the foregoing resolution.


  
OSCAR P. LASAM  
Secretary to the  
Sangguniang Panlungsod

  
CELSO P. ADOLFO  
Majority Floor Leader  
Kagawad

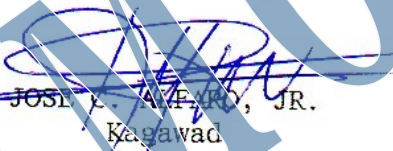
  
CLAUDIO B. LARRAZABAL  
Asst. Majority Floor Leader  
Kagawad

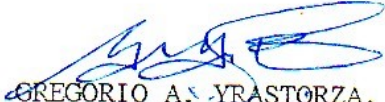
  
BENJAMIN B. LLADOC  
Kagawad


  
SOTERO M. PEPITO  
Kagawad

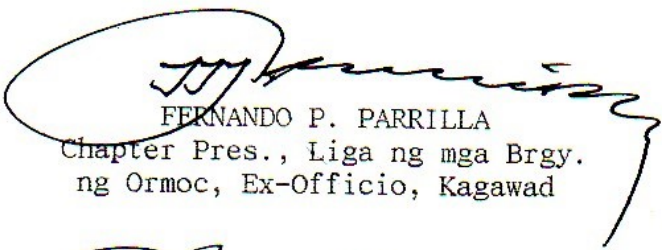
  
ALFREDO F. CAPAHI  
Kagawad

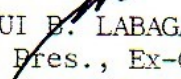
MANUEL T. FIEL  
Kagawad  
(Forced Leave)

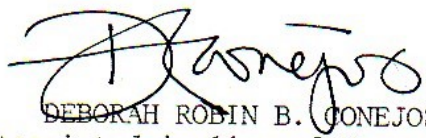
  
JOSE C. AFARO, JR.  
Kagawad

  
GREGORIO A. YRASTORZA, JR.  
Kagawad

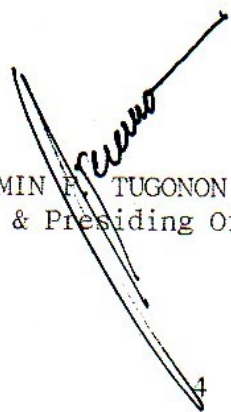
  
MARIANO Y. CORRO  
Minority Floor Leader  
Kagawad

  
FERNANDO P. PARRILLA  
Chapter Pres., Liga ng mga Brgy.  
ng Ormoc, Ex-Officio, Kagawad

  
CHIQUI B. LABAGALA  
SK Fed. Pres., Ex-Officio  
Kagawad

  
DEBORAH ROBIN B. CONEJOS  
(Appointed in lieu of Hon. Jose  
B. Conejos who resigned), Kagawad

ATTESTED:

  
BENJAMIN F. TUGONON  
Vice Mayor & Presiding Officer