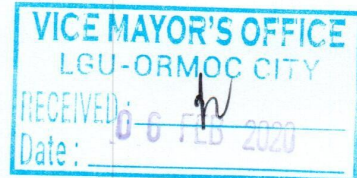


REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL
ON FEBRUARY 04, 2020

PRESENT:

Leo Carmelo L. Locsin, Jr.
Benjamin S. Pongos, Jr.,
Roiland H. Villasencio,
Tomas R. Serafica,
Nolito M. Quilang,
Eusebio Gerardo S. Penserga,
Jasper M. Lucero,
Peter M. Rodriguez,
Vincent L. Rama,
Gregorio G. Yrastorza III,
Esteban V. Laurente,

City Vice Mayor & Presiding Officer
SP Member, Majority Floor Leader
SP Member, 1st Asst. Majority Floor Leader
SP Member, Presiding Officer "Pro-Tempore"
SP Member, 2nd Asst. Majority Floor Leader
SP Member
SP Member
SP Member
SP Member
SP Member
Ex-Officio SP Member, Chapter President,
Liga ng mga Barangay ng Ormoc
Ex-Officio SP Member, Chapter President,
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

ON OFFICIAL BUSINESS:
Lalaine A. Marcos,

(O.B. - Tacloban City), SP Member

RESOLUTION NO. 2020-040

**A RESOLUTION GRANTING AUTHORITY TO THE CITY
MAYOR RICHARD I. GOMEZ OR THE ACTING CITY
MAYOR, FOR AND ON BEHALF OF LOCAL
GOVERNMENT UNIT OF ORMOC CITY (LGU-ORMOC)
AS LESSOR, TO SIGN AND EXECUTE THE CONTRACT
OF LEASE AND ITS RENEWAL WITH ORMOC LOCAL
PRODUCERS ASSOCIATION, INC. AS LESSEE OVER
THE PASALUBONG CENTER.**

WHEREAS, the City Mayor Richard I. Gomez through an Indorsement dated January 14, 2020 forwarded to this august Body a request for an issuance of a Resolution granting the City Mayor or his representative, the authority to sign and execute the Contract of Lease for the Pasalubong Center, by and between the City Government of Ormoc as lessor and the Ormoc Local Producers Association Inc., as lessee, a copy of the Contract of Lease is hereto attached as Annex "A" and made an integral part hereof;

WHEREAS, in a Letter dated January 13, 2020, the City Legal Officer thru Atty. Maria Adelfa S. Cabrera in conformity with Atty. Josephine A. Mejia-Romero, forwarded to the Office of the City Mayor the drafted Contract of Lease and refers the same for its approval. Recommending, further, that it be endorsed to the Sangguniang Panlungsod for the necessary authority to sign the lease contract, a copy of the Letter is hereto attached as Annex "B" and made an integral part hereof;

WHEREAS, under E.O. 301 on Decentralizing Actions on Government Negotiated Contracts, Lease Contracts and Records Disposal, it states that the head of agency intending to lease out government-owned buildings or spaces for private use, shall have authority to determine the reasonableness of the terms of the lease and the rental rates thereof, and to enter into such lease contracts without need of prior approval by higher authorities, subject to guidelines issued pursuant thereto;

Res. No. 2020-040

WHEREAS, as cited in the Contract of Lease, the Lessor as the owner of the stalls of the Ormoc City Pasalubong Center agrees to lease-out the property to the Lessee and the latter agrees to use the property for purposes of promoting local products and tourism of Ormoc City;

WHEREAS, the term of lease is for one (1) month renewable at the option of the parties but shall not be more than six (6) months;

WHEREAS, the monthly rental of the leased premises is Ten Thousand Philippine Pesos (Php10,000.00) for which the lessor shall issue official receipts;

WHEREAS, this Sanggunian, after thorough examination of the aforementioned request by the City Mayor, in addition to finding the rent on the Contract of Lease as just, fair and reasonable, more over finds that the same is: not contrary to law, existing contract, public policy, customs and morals; is reasonable and in order; the same is entered into for the best interests of the City; and, finally, that the granting of the authority for the leasing out of the aforementioned property, among other lawful purposes, facilitates the ongoing developmental progress of the City and henceforth, deserving of this august Body's prompt and favorable consideration;

WHEREFORE, on motion of SP Member Benjamin S. Pongos Jr., Chairman, Committee on Laws and Ordinances, severally seconded by SP Members Tomas R. Serafica, Nolito M. Quilang, Esteban V. Laurente, Peter M. Rodriguez, Vincent L. Rama, Gregorio G. Yrastorza III and Joan Marbie C. Simbajon; be it

RESOLVED, AS IT IS HEREBY RESOLVED, to pass a RESOLUTION GRANTING AUTHORITY TO THE CITY MAYOR RICHARD I. GOMEZ OR THE ACTING CITY MAYOR, FOR AND ON BEHALF OF LOCAL GOVERNMENT UNIT OF ORMOC CITY (LGU-ORMOC) AS LESSOR, TO SIGN AND EXECUTE THE CONTRACT OF LEASE WITH ORMOC LOCAL PRODUCERS ASSOCIATION, INC. AS LESSEE OVER THE PASALUBONG CENTER;

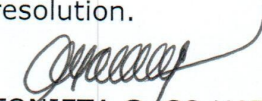
ADOPTED, February 04, 2020.

RESOLVED, FURTHER, that a copy of the final and notarized Contract of Lease be furnished to this Sanggunian for its information and files;


RESOLVED, FINALLY, to furnish copies of this resolution each to the City Mayor of Ormoc Richard I. Gomez: the City Administrator, Mr. Vincent L. Emnas; the City Legal Officer, Atty. Josephine Mejia-Romero; the City Treasurer; the OIC-Tourism Officer, Mr. Nelson L. Alindogan; the City Assessor, Engr. Arthur C. Arcuino; the Ormoc Local Producers Association, Inc.; the City Local Government Operations Officer-DILG and other concerned offices for their information and guidance.

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


MARIA ANTONIETA G. CO HAT
Secretary to the
Sangguniang Panlungsod

ATTESTED:


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

CONTRACT OF LEASE

KNOW ALL BY MEN THESE PRESENTS:

This Agreement is hereby executed by and between:

The **CITY GOVERNMENT OF ORMOC** a local government unit duly organized and existing under, and by virtue of the laws of the Republic of the Philippines with office address at Anubing St., Brgy. Cogon, Ormoc City represented by its Mayor, **HON. RICHARD GOMEZ**, herein referred to as "**LGU ORMOC/LESSOR**";

and

The **Ormoc Local Producers Association Inc.**, a duly Sangguniang Panlungsod-accredited organization of different micro, small and medium scale producers with office address at Ebony St., Ormoc, City represented by its President, **Ms. May Monsalud**, herein referred to as "**OLPA/LESSEE**";

WITNESS THAT:

WHEREAS, the **LESSOR** is the owner of the Ormoc City Pasalubong Center, created pursuant to the City's Tourism Plan under its BuB Program, located in Ebony St., Ormoc City, Leyte;

WHEREAS, the **LESSOR** agrees to lease-out the property to the **LESSEE** and the **LESSEE** is willing to lease the same;

WHEREAS, the **LESSEE** agrees to use the property for purposes of promoting local products and tourism of Ormoc City;

NOW THEREFORE, the **LESSOR** leases unto the **LESSEE**, and the **LESSEE** hereby accepts from the **LESSOR** the **LEASED PREMISES**, subject to the following:

TERMS AND CONDITIONS

1. The term of lease is for one (1) month, from _____ until _____, renewable at the option of the parties, but shall not be more than six (6) months. Written notice of intention to renew the lease shall be served to the other party not later five (5) days prior to the expiry date of the period herein agreed upon, without which, or upon expiration of the sixth month, as applicable, this lease contract shall automatically terminate;
2. The **LEASED PREMISES** shall be used solely for purposes of promoting locally produced and/or sourced goods, tourist sites, and complimentary goods/services, if, at any time, the premises is used for any other purpose, the **LESSOR** shall have the right to rescind this agreement without prejudice to its other rights under the law. The **LESSEE** shall

have the right to sub-let a portion of the LEASED PREMISES, *provided* that ONLY bona fide member/s of the LESSEE shall be allowed as SUB-LESSEE, and ONLY FOR PURPOSES of SELLING/PROMOTING locally-sourced product/sites and subject to all conditions set forth in this lease contract, *provided further* that LESSEE warrants the full compliance of all its sub-lessee/s with all the provisions of this contract and shall be SOLELY liable to the LESSOR for all actions or omissions of its sub-lessees;

3. The monthly rental of the LEASED PREMISES is TEN THOUSAND PESOS ONLY (P 10,000.00), for which the LESSOR shall issue official receipts. All rental payments made shall be payable to the LESSOR. The LESSEE shall pay rental directly to the Office of the City Treasurer in advance, upon signing of the contract of lease, and upon acceptance of intent of renewal thereof, without need of any demand, and rentals not paid when due shall earn an interest of 3% per month, or a fraction thereof, as applies, until fully paid; *provided* that the LESSEE shall have the right to withhold payment of rentals in the event the LESSOR fails to make the necessary repairs of damaged facilities or damage to any portion of the building which is its obligation to repair under the agreement within a reasonable time, and to undertake such repairs applying the rentals due to cover the cost thereof;
4. The LESSEE shall pay to the LESSOR, upon signing of this contract and prior to occupying LEASED PREMISES, an amount equivalent to fifty (50) percent of the rent for ONE (1) MONTH as security deposit, which shall answer partially for damage to the premises, with the exception of natural wear and tear, and any other obligation not settled by the LESSEE upon vacating the LEASED PREMISES. The amount, after due deduction therefrom, shall be refunded to the LESSEE not later than thirty (30) days from the complete return of the LEASED PREMISES;
5. The LESSEE undertakes to take diligent care of subject property, and shall maintain cleanliness and sanitation of the same at all times, any and all damage caused upon/incurred by LEASED PREMISES shall exclusively be for the account of the LESSEE;
6. The LESSEE shall be responsible for the payment of utilities pertaining to the period covered by this agreement;
7. The LESSOR shall turn the LEASED PREMISES over to the LESSEE in good and suitable condition for the purpose of this AGREEMENT. The LESSOR is not liable for any damage/loss of the property of LESSEE in its LEASED PREMISES;
8. No improvement/repair shall be made by LESSEE without the written approval of the LESSOR;
9. The LESSOR, or its authorized agent, shall, after giving due notice to the LESSEE, have the right to enter the premises in the presence of the LESSEE or its representative, at a reasonable hour, to examine the same or make repairs therein or for the operation and maintenance of the building or to exhibit the leased premises to prospective LESSEE, or for any other lawful purpose;
10. If the whole or any part of the leased premises shall be destroyed or damaged by fire, flood, lightning, typhoon, earthquake, storm, riot or any other unforeseen disabling cause of acts of God, as to render the leased premises during the LEASED PREMISES substantially unfit for use and occupation of the LESSEE, then this lease contract may be terminated

- without compensation by the LESSOR or by the LESSEE by notice in writing to the other;
11. In the event that the leased property is abandoned by the LESSEE before the expiration of the lease without justifiable cause, the LESSOR reserves the right to enter and re-let the same and to collect the rental corresponding to the unexpired portion of the lease; *provided* that absence of more than ten (10) days without prior notice shall be construed as abandonment; *provided further* that implements left shall be in the custody of the LESSOR, who shall give due notice to the LESSEE, giving the latter the opportunity to claim the same within 15 days of notice, otherwise the same shall be disposed of by the LESSOR to answer for amounts chargeable to its account, without prejudice to the collection of any balance remaining and delivery of any credit remaining to the LESSEE; *provided further* that notice sent to the leased premises shall constitute as valid notice;
 12. At the expiration of the term of this lease contract, or cancellation thereof, the LESSEE will promptly deliver to the LESSOR the LEASED PREMISES with all corresponding keys and in as good and tenantable condition as the same is now, devoid of all occupants, movable furniture, articles and effects of any kind, without need of demand; and the LESSEE shall be liable for damages which the LESSOR may suffer for failure to surrender the same;
 13. The LESSOR may immediately recover possession of the LEASED PREMISES and terminate the lease contract should the LESSEE violate any of the provisions of this Agreement or fail to comply with its obligations as a LESSEE as *provided* in the New Civil Code of the Philippines, the applicable provisions of which are incorporated herein and deemed part of the provisions of this Agreement;
 14. Any dispute arising from this AGREEMENT shall be settled through Mandatory Arbitration, the arbiter/s to be agreed upon by the PARTIES, in accordance with R.A. 876, otherwise known as The Arbitration Law, and other pertinent laws/rules;

In witness hereof, the parties have hereunto affixed their signatures this _____ day of _____ 2020, at Ormoc City, Philippines.

LGU ORMOC
by:

RICHARD I. GOMEZ
City Mayor
LGU Ormoc

Ormoc Local Producers Association Inc.
(OLPA)
by:

MAY MONSALUD
President
OLPA

Signed in the Presence of:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Ormoc City) S.S.

BEFORE ME, a Notary Public in and for Ormoc City, Philippines, personally appeared:

Name	Valid I.D.	Date/Place of Issue
RICHARD I. GOMEZ		
MAY MONSALUD		

known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me the same is their free and voluntary act and deed, as well as, the free and voluntary act and deed of the entities represented.

I further certify that the foregoing instrument relates to a Memorandum of Agreement executed by and between the **Local Government of Ormoc and Ormoc Local Producer's Association, Inc. (OLPA)** and that it consists of four (4) pages, including the page wherein the Acknowledgment is written.

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

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2020.

MD

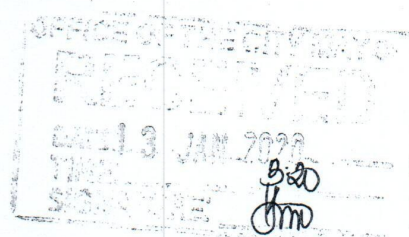
Annex "B"

OFFICE OF THE CITY LEGAL OFFICER

Ormoc City, Leyte

January 13, 2020

MAYOR RICHARD I. GOMEZ
Ormoc City



THRU: MA. VICTORIA LYRA P. DELA CERNA RRT, MBA-HA, MPA
City Govt. Asst. Dept Head I
City Mayor's Office
LGU – Ormoc City

Re: Contract of Lease, Pasalubong Center

References:

1. January 6, 2020 MANCOM
2. Executive Order 301;
3. COA Circular No 88-282A.

Dear Mayor Gomez:

Relative to one of the matters discussed in the MANCOM held on January 6, 2020, on the use of Pasalubong Center, attached is a draft Contract of Lease for said space, following provisions of EO 301, on Decentralizing Actions on Government Negotiated Contracts, Lease Contracts and Records Disposal, and guidelines thereto, also attached for your reference.

Under above-stated EO, the head of agency intending to lease out government-owned buildings or spaces for private use, shall have authority to determine the reasonableness of the terms of the lease and the rental rates thereof, and to enter into such lease contracts without need of prior approval by higher authorities, subject to guidelines issued pursuant thereto.

Given the foregoing, this Office has drafted the contract of lease for Pasalubong Center and refers the same to your Office for your approval. It is recommended that thereafter, the same be endorsed to the Sangguniang Panlungsod for the necessary authority to sign the lease contract.

This comment is rendered without prejudice to contrary opinion from competent authorities or ruling of the proper court.

For consideration of CMO and implementing office/s.

Respectfully,


MARIA ADELFA S. CABRERA
Attorney III

With Conformity:


JOSEPHINE A. MEJIA-ROMERO
City Legal Officer

New Ormoc City Hall, Aunubing St., Cogon, Ormoc City
(053)255-7395 loc. 1017 ++ clo.ormoc@gmail.com