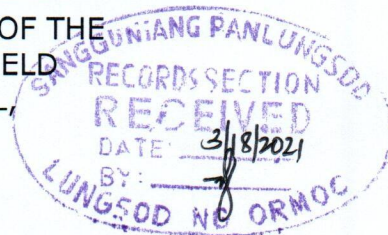


REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



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 MARCH 16, 2021



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,
Lalaine A. Marcos,
Esteban V. Laurente,

City Vice Mayor & Presiding Officer
SP Member, Majority Floor Leader

SP Member
SP Member
SP Member
SP Member
SP Member
SP Member
SP Member
SP Member
SP Member

Joan Marbie C. Simbajon,
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

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

RESOLUTION NO. 2021-065

A RESOLUTION URGING PRIVATE LESSORS NOT TO IMPOSE INCREASE ON RENTALS; TO ADOPT A PAYMENT SCHEME ON THE UNPAID PRINCIPAL RENTALS; TO WAIVE INTERESTS OR SURCHARGES; AND TO USE ANY OTHER RECOURSE TO MITIGATE THE IMPACT OF THE COVID-19 PANDEMIC.

WHEREAS, the Micro, Small and Medium Enterprise Development (MSMED) Council passed Resolution No. 1, Series of 2020, dated November 27, 2020, entitled: "REQUESTING THE 15TH SANGGUNIANG PANLUNGSOD NG ORMOC TO PASS RESOLUTION URGING THE LESSORS TO ADOPT SPIRIT OF GOODWILL AND GENEROSITY REGARDING THEIR LEASING RULES AND REGULATIONS AND CONSIDER THE STRUGGLES BROUGHT BY COVID - 19 PANDEMIC OF THE LESSEES ESPECIALLY THE MICRO AND SMALL ENTERPRISES";

WHEREAS, on September 16, 2020, the President issued Proclamation No. 1021 (s.2020) extending the period of the State of Calamity throughout the Philippines until September 21, 2021;

WHEREAS, despite the issuance of Executive Order No. 146, Series of 2021, otherwise known as the "Revised Guidelines on COVID - 19 Response in LGU Ormoc from March 5 to 31, 2021", which is in compliance with the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF) RESOLUTION NO. 101 Series of 2021, dated February 26, 2021, to implement uniform protocols across all government units and easing quarantine and documentary requirements, establishments in Ormoc City remains under strict health guidelines, including Fifty percent (50%) maximum operation and seating capacity and other basic health measures to lessen risk exposure on COVID - 19;

WHEREAS, the Ormoc City Chamber of Commerce and Industry-ORCHAM, Inc. conducted a survey sometime in June 2020 and found that the local business sector has been severely affected due to the restrictions imposed resulting to lower sales and profitability. As a matter of fact, in a meeting of the MSMED Council on August 12, 2020, ORCHAM submitted that several Micro and Small Entrepreneurs (MSMEs) who are renting spaces find it difficult to comply with the conditions imposed by the lessors which resulted to business closures;

WHEREAS, the Department of Trade and Industry (DTI) issued Memorandum Circular No. 20-12, dated April 4, 2020, to provide Filipinos and Businesses, particularly MSMEs, relief during the COVID - 19 public health emergency such as concessions on commercial rents for MSMEs and non-enforcement of evictions for failure to pay rent;

WHEREAS, in the same vein, the IATF issued Resolution No. 38, Series of 2020 dated May 22, 2020 which states that "For residential and commercial rents falling due within the declaration of ECQ, MECQ and GCQ, on residential lessees and Micro-Small and Medium Enterprises (MSMEs) and sectors not permitted to operate during said period, a grace period of thirty (30) days from the last due date or until such time that the community quarantine is lifted shall be observed, which is longer, without incurring interests, penalties, fees, or other charges;

WHEREAS, in order to clarify certain provisions and align the foregoing DTI issuance to the above-cited IATF resolution, DTI issued Memorandum Circular No 20-31 the Amendment to the Supplemental Guidelines on the Concessions on Residential Rents and Commercial Rents which amendment further states that "the due date of rent subject to the thirty (30)-day grace period falls within the declared community quarantine, whether ECQ, MECQ and GCQ" and the said circular also mandates that "for commercial rents falling due upon MSMEs and sectors not permitted to operate during the ECQ, MECQ, and GCQ, the minimum thirty (30)-day grace period shall be from the last due date or from the lifting of the ECQ, MECQ, and GCQ, whichever is longer, without incurring interests, penalties, fees and other charges;

WHEREAS, in addition, as per same circular, "the cumulative amount of residential and commercial rents stated above that fall within ECQ, MECQ, and GCQ shall be equally amortized in six (6) months following the end of the 30-day minimum grace period, without interest, penalties, fees, and other chargers, which amount shall be added to the current monthly rent due";

WHEREAS, Section 3.6 of the same Memorandum Circular states that "notwithstanding the foregoing, and cognizant that the restrictions imposed during the community quarantine resulted to disruptions in business and the corresponding revenue streams, the DTI enjoins lessors of commercial spaces rented out to affected MSMEs to adopt any of the following in the spirit of goodwill, generosity and fair play:

- a. Totally or partially waive the commercial rents that are falling due during the ECQ, MECQ, and GCQ;
- b. Grant reprieve or discounted amount of commercial rents due in the months following the ECQ, MECQ, and GCQ;
- c. Open for renegotiation the Lease Term Agreements with the lessees; and
- d. Use other recourse to mitigate the impact of the ECQ, MECQ, and GCQ to the MSMEs"

WHEREAS, Section 20 of Article II of the 1987 Constitution of the Philippines expressly provides that the state recognizes the indispensable role of the private sector. The Private Sector is a critical driver of economic growth. It generates employment and provides goods and services. The start-up industry, for one, is instigating a string of positive effects on the economy at large – encouraging investment, bringing innovation, creating jobs, and building more vibrant entrepreneurial ecosystem”;

WHEREAS, this Sanggunian, after thorough examination of the request of the MSMED Council, recognizes the probable socio-economic outcome of the current predicament of the MSE’s, thereby causing frustration and inconvenience to business owners and hampering their capacity to pay business operation costs such as rental fees. Further, this Sanggunian finds that the same is not contrary to law, public policy, customs and morals; is reasonable and in order and henceforth, deserving of this august Body’s prompt and favorable consideration;

WHEREFORE, on joint motion of SP Member Jasper M. Lucero, Chairman, Committee on Economic Enterprise and SP Member Nolito M. Quilang, Chairman, Committee on Trade, Commerce and Industry, severally seconded by SP Member Tomas R. Serafica, Roiland H. Villasencio, Peter M. Rodriguez, Esteban V. Laurente and Lalaine A. Marcos; be it

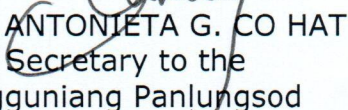
RESOLVED, AS IT HEREBY RESOLVED, to pass A RESOLUTION URGING PRIVATE LESSORS NOT TO IMPOSE INCREASE ON RENTALS; TO ADOPT A PAYMENT SCHEME ON THE UNPAID PRINCIPAL RENTALS; TO WAIVE INTERESTS OR SURCHARGES; AND TO USE ANY OTHER RECOURSE TO MITIGATE THE IMPACT OF THE COVID-19 PANDEMIC;

ADOPTED, March 16, 2021.


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 M. Romero; members of the MSMED Council; Department of Trade Commerce and Industry – Ormoc City Satellite Office; Chinese Chamber of Commerce and Industry; Ormoc Chamber of Commerce; BPLO; Robinsons Place Ormoc City; SM City Ormoc; the City Local Government Operations Officer-DILG; and all other offices concerned.

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the above resolution.


MARIA ANTONIETA G. CO HAT
Secretary to the
Sangguniang Panlungsod

ATTESTED:


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