



CITY ORDINANCE NO. 249

February 24, 2000

AN ORDINANCE CREATING A REVOLVING FUND FOR INTERIM FINANCING OF LAND TO BE ACQUIRED BY ASSOCIATIONS WITH PENDING APPLICATIONS UNDER THE COMMUNITY MORTGAGE PROGRAM OF THE NATIONAL HOME MORTGAGE FINANCE CORPORATION SUBJECT TO CONDITIONS SET HEREIN.

WHEREAS, there are squatters associations in the City who have secured a Offer to Sell from the owner of the property on which they are squatting on;

WHEREAS, there are some property owners who demand immediate payment in part or in whole within a certain period of time;

WHEREAS, these associations have submitted their application papers to the National Home Mortgage Finance Corporation;

WHEREAS, release of funds for take out of the loan application takes time;

NOW THEREFORE, in response to the need of squatter associations for interim financing and the program of the City to provide security of tenure and the opportunity to its squatter residents to acquire the land they are squatting on, be it ordained by the Sangguniang Panlungsod of Bacolod, that:

Section 1 - Title - This Ordinance shall be called: The Creation of a Revolving Fund for Interim Financing and land to be acquired by associations with pending applications under the Community Mortgage Program of the National Home Mortgage Finance Corporation subject to conditions set herein.

Section 2. Policy - It shall be the policy of the City to assist its squatter residents in acquiring, where feasible, the land they are squatting on.

Section 3 - Creation - There is hereby created a Revolving Fund for Interim Financing of land to be acquired by associations with pending applications under the Community Mortgage Program of the National Home Mortgage Finance Corporation subject to conditions set herein.

Section 4 - Fund Sourcing - The City of Bacolod shall establish an initial Revolving Fund in the amount of Thirty Million Pesos (P30,000,000.00) at the rate of Five Million Pesos (P5,000,000.00) per annum. In the Interim period or should such funds not be available, the City of Bacolod shall established a credit, standby line or special window with any Government Bank Financing Institution in order that the Revolving Fund shall total to an initial amount of Thirty Million Pesos (P30,000,000.00) for this purpose.

Section 5 - Guidelines for interim financing loan approval applications of squatter associations:

a. There is a demand as part of the Offer to Sell by the property owner for immediate payment in part or in whole upon signing of the Contract to Sell.

b. All other avenues for delay of payment or to expedite payment in cases of application already filed with the National Home Mortgage Finance Corporation have been exhausted as certified by the Bacolod Housing Authority.

c. A certification from Bacolod Housing Authority that all papers acquired for the applications of a loan from the National Home Mortgage Finance Corporation have been completed and ready for filing.

d. Interim financing to be availed of by the Associations under this Ordinance shall be limited to Twenty-Five Percent (25%) of the total price of the land to be acquired.

e. The association shall put up a counterpart fund equivalent to Five Percent (5%) of the total price of the land acquired.

f. Only on-site squatter families on per structure shall be qualified to be members of the Associations. In the event that, upon completion of the subdivision plan, there are more lots than what are required by on-site squatter families, award of such lots shall be subject to prequalifications by the Bacolod Housing Authority.

g. Within thirty days from approval of this Ordinance, the Bacolod Housing Authority shall formulate a set of Implementing Rules and Regulations for submission and approval of the Sangguniang Panlungsod.

h. A Deed of Assignment of the proceeds of the loan from the National Home Mortgage Finance Corporation pertaining to the amount interimly financed by the City of Bacolod shall be executed between the landowner and the City of Bacolod.

i. Conformity of the National Home Mortgage Finance Corporation to the Deed of Assignment as defined in Subsection 5-h shall be secured.

j. The association shall pay the City of Bacolod the amount equivalent to One Percent (1%) per month as financing charge for such portion of the loan sourced from the City's funds or the equivalent financing charges charged by the Financing Institution for such portion of the loan sourced from said Institution. All financing charges shall be due and payable at each monthly anniversary of the loan and directly paid to the City of Bacolod of the Financing Institution, as the case may be.

k. Should the associations fail to pay the monthly finance charges, including penalties, if any, for a period of three months, they shall voluntarily vacate the property and turn over jurisdiction of said property to the City of Bacolod through the Bacolod Housing Authority. No member of the Association shall thereafter be qualified to avail of or apply for any housing or relocation programs of the City of Bacolod.

l. The association shall sign a Waiver with the conformity of all its member with the City of Bacolod that they will voluntarily vacate the property in the event of default in payment as defined in Subsection 5-j of this Ordinance.

Section 6 - All applications shall be subject to the approval of the Sangguniang Panlungsod of Bacolod.

Section 7 - Effectivity - This Ordinance shall take effect upon its approval and publication in a newspaper of general circulation in accordance with law.

CARRIED BY THE VOTE OF:

Affirmative:

Councilors: Alex A. Paglumotan, Archie S. Baribar, Juanito S. Amihan, Jr., Lorendo K. Dilag, Ricardo L. Tan, Ramiro L. Garcia, Jr., Ana Marie V. Palermo, Jose Max S. Ortiz, Roberto M. Rojas, Elmer T. Sy, Pepito T. Malapitan, Christine Angelle M. Espinosa.

Negative : None.


Absent : None.

Author : Councilor Ramiro L. Garcia, Jr.


Passed : February 24, 2000 (80th Regular Session).

Comments: Passed.

Councilors Celia Matea R. Flor and Al Victor A. Espino were not yet around when this ordinance was passed.


LUZVIMINDA S. VALDEZ
Vice Mayor
Presiding Officer

ATTESTED:


ATTY. NILO T. ALEJANDRINO
Secretary to the Sanggunian

APPROVED: March, 2000.

OSCAR R. VERDEFLOP
City Mayor