

**REPUBLIKA NG PILIPINAS**  
**TANGGAPAN NG SANGGUNIANG PANLUNGSOD**  
**LUNGSOD NG BAKOLOD**  
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**CITY ORDINANCE NO. 1034**  
**May 10, 2023**

**AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE CITY OF BACOLOD WITH THE DEVELOPMENT BANK OF THE PHILIPPINES IN THE AMOUNT OF FOUR BILLION FOUR HUNDRED FORTY-ONE MILLION PESOS (PHP4,441,000,000.00) OR WINNING BID PRICE, WHICHEVER IS LOWER, TO FINANCE VARIOUS PRIORITY PROJECTS OF THE CITY.**

**NOW THEREFORE, BE IT ORDAINED**, as it is hereby ordained by the Sangguniang Panlungsod of the City of Bacolod in session assembled, that:

**Section 1.** The City Mayor, whose name and signature appears, in representation of the City, hereinafter referred to as the "City", is hereby authorized to enter into Term Loan Facility with the Development Bank of the Philippines in accordance with Section 297 of Republic Act No. 7160 or the Local Government Code, in the amount of **FOUR BILLION FOUR HUNDRED FORTY ONE MILLION PESOS (P4,441,000,000.00) OR WINNING BID PRICE. WHICHEVER IS LOWER** to finance the following priority projects: 1) ACQUISITION OF LOT TO BE UTILIZED FOR VARIOUS DEVELOPMENT PROJECTS OF THE LGU (UP TO 1.5B); 2) CONSTRUCTION OF LEGISLATIVE BUILDING (UP TO P515M); 3) CONSTRUCTION/IMPROVEMENT OF MINI HOSPITALS FOR 5 BARANGAYS (UP TO P135M); 4) REHABILITATION/IMPROVEMENT OF BACOLOD CITY HALL (UP TO P223M); 5) IMPROVEMENT/REHABILITATION OF PUBLIC MARKETS (UP TO P525M); 6) CONSTRUCTION/IMPROVEMENTS OF VARIOUS ROADS (UP TO P270M); 7) CONSTRUCTION/IMPROVEMENTS OF VARIOUS DRAINAGES (UP TO P300M); 8) ASPHALT OVERLAY OF VARIOUS ROADS (UP TO P50M); 9) CONSTRUCTION OF BACOLOD CITY WAREHOUSE (UP TO P67.900M); 10) CONSTRUCTION OF CITY ENGINEERING MOTORPOOL AREA (UP TO P30.800M); 11) IMPROVEMENT OF TREE PARK AT BRGY. ALANGILAN (UP TO P47M); 12) CONSTRUCTION OF PEDESTRIAN MALL (UP TO P20M); 13) CONSTRUCTION/IMPROVEMENT OF CITY HEALTH COMPLEX (UP TO P220M); 14) RECOVERY AND RECYCLING COMPLEX AND ECO PARK (UP TO P103M); 15) FURNITURE AND EQUIPMENT (UP TO P279.300M); 16) CONSTRUCTION/INSTALLATION OF SOLAR POWER GENERATING SYSTEM OF VARIOUS BRGYS. AND BCGC (UP TO P100M); 17) CONSTRUCTION OF TRAFFIC SIGNALIZATION (UP TO P25M), under the terms and conditions herein set forth and such other terms and conditions as may be agreed upon with any person, corporation or entity for the purpose of funding priority project/s, and subject to the requirements under Section 123 of Republic Act No. 7653 as implemented by the Bangko Sentral Ng Pilipinas Circular No. 402. In this connection, the City Mayor shall have full power and authority to represent the City in negotiating the terms and conditions for the said borrowing and in signing, executing and delivering such agreements, contracts, deeds, papers, and documents as may be necessary and proper for the full and total implementation of the authority herein granted;



NAME

NAME SPECIMEN SIGNATURE

**MAYOR ALFREDO ABELARDO 'Albee' B. BENITEZ** \_\_\_\_\_

**SECTION 2.** The priority projects mentioned in Section 1 hereof are hereby certified to be a local infrastructure and/or other socio-economic development projects in accordance with the approved Local Development Plan and Public Investment Program for the period 2022 or for the current year \_\_\_ of the City of Bacolod and is supported by a final feasibility study prepared by the LGU.

**SECTION 3.** Consistent with the covering Term Loan Agreement, contract, deeds and assignment, and such other agreements as may be entered into by the City in connection with the borrowing, the features, terms and conditions shall be as follows and hereby approved:

3.1. Project Names:

- 1) ACQUISITION OF LOT TO BE UTILIZED FOR VARIOUS DEVELOPMENT PROJECTS OF THE LGU;
- 2) CONSTRUCTION OF LEGISLATIVE BUILDING;
- 3) CONSTRUCTION/IMPROVEMENT OF MINI HOSPITALS FOR 5 BARANGAYS;
- 4) REHABILITATION/ IMPROVEMENT OF BACOLOD CITY HALL;
- 5) IMPROVEMENT/REHABILITATION OF PUBLIC MARKETS;
- 6) CONSTRUCTION/IMPROVEMENTS OF VARIOUS ROADS;
- 7) CONSTRUCTION/IMPROVEMENTS OF VARIOUS DRAINAGES;
- 8) ASPHALT OVERLAY OF VARIOUS ROADS;
- 9) CONSTRUCTION OF BACOLOD CITY WAREHOUSE;
- 10) CONSTRUCTION OF CITY ENGINEERING MOTORPOOL AREA;
- 11) IMPROVEMENT OF TREE PARK AT BRGY. ALANGILAN;
- 12) CONSTRUCTION OF PEDESTRIAN MALL;
- 13) CONSTRUCTION/IMPROVEMENT OF CITY HEALTH COMPLEX;
- 14) RECOVERY AND RECYCLING COMPLEX AND ECO PARK;
- 15) FURNITURE AND EQUIPMENT;



16) CONSTRUCTION/INSTALLATION OF SOLAR POWER GENERATING SYSTEM OF VARIOUS BRGYS. AND BCGC;

17) CONSTRUCTION OF TRAFFIC SIGNALIZATION

BORROWER	CITY OF BACOLOD NEGROS OCCIDENTAL
AMOUNT	FOUR BILLION FOUR HUNDRED FORTY-ONE MILLION PESOS (P4,441,000,000.000) OR WINNING BID PRICE, WHICHEVER IS LOWER
TERM	Project Nos. 1-14: - Up to 15 years with 3 years grace period in the principal  Project Nos. 15-17 - Up to 10 years with 2 years grace period in the principal
MANNER OF PAYMENT	Quarterly amortization on principal and interest payments
AVAILABILITY	Project Nos. 1-14: - Within three (3) years from the date of Notice of Approval.  Project Nos. 15-17 - Within two (2) years from the date of Notice of Approval.
INTEREST RATE	Fixed for two years at 3.55% p.a. Thereafter, interest shall be reviewed annually. GRT for the account of the borrower.
COLLATERAL/GUARANTEE	Existing: Assignment of applicable portion of the LGU's Internal Revenue Allotment (IRA), local revenues and income with hold-out deposit provision equal to highest 3-monthly amortizations, in favor of DBP for the duration of the loan.  To be Obtained:  1. Assignment of Deposit with Hold-out and Control Agreement equivalent to three (3) monthly amortization/s in favor of DBP until the loan is fully paid. This shall be registered pursuant to RA 11057 (PPSA) once the system is fully operational.

	<p>2. Contractor's All Risk (CAR) insurance coverage shall be obtained on all insurable items prior to release of the loan based on estimated cost of the entire project when completed. After the completion of the project, appropriate insurance coverage shall be placed by the LGU through Government Service Insurance System (GSIS) and the policy shall be endorsed in favor of the Bank.</p>
<p>Fees</p>	<p>Standard fees shall apply except for the following:</p> <ol style="list-style-type: none"> <li>1. Front-end Fee – waived</li> <li>2. Commitment Fee-waived</li> <li>3. Extension Fee – waived</li> <li>4. Service Charge – waived</li> <li>5. Default Charge – 24% p.a.</li> <li>6. Prepayment Penalty – 3% of the amount prepaid</li> </ol>

**SECTION 4.** The City hereby appropriate the entire proceeds of the borrowing exclusively to finance the above-enumerated priority projects.

**SECTION 5.** The City hereby undertakes the Ratification of the approved terms and conditions of DBP lending entered into by the City Mayor stated in the loan agreements and the security document covering the loans. Such ratification includes any and all subsequent requests by the LGU for modification/revision and/or amendment to be made on the project as well as on its approved terms and conditions in the loan agreements and security documents, and which makes the loan a statutory obligation of the LGU.

**SECTION 6.** The City undertakes:

- 6.1. To appropriate in the City's annual budget in accordance with the Local Government Code until the loan is paid an amount sufficient to pay its loan from DBP including interest thereon and other charges.
- 6.2. To execute the Loan Agreement, Promissory Notes, and other documents relating thereto, and specifically stating that the obligations of the LGU thereunder, as well as the terms and conditions thereof, shall be valid and binding on the LGU and shall not be subject to recall by the Sangguniang Panlungsod for the whole term of the loan, regardless of any change in its composition;
- 6.3. To execute the continuing assignment of the applicable portion of the LGU's NTA and local revenues with hold-out & control agreement in favor of DBP until the loan is fully paid; This shall be registered pursuant to RA 11057 (PPSA) once the system is fully operational;

- 6.4. To authorize DBP to automatically debit on due date from the LGU's CA/SA deposit account with DBP to an amount equivalent to the maturing loan amortization until the loan is fully paid;
- 6.5. That the LGU will not incur long term additional obligation/indebtedness with other financial institutions without DBP's prior consent.

**SECTION 7.** The Sangguniang Panlungsod hereby grants the City Mayor authority to execute a letter waiving our rights to confidentiality of information by authorizing DBP, our trustee bank and all banks or financial institutions with which we have transactions to disclose to the Bangko Sentral ng Pilipinas (BSP) all information pertaining to the deposits, investments, loans or other transactions including the history or status of our dealings with said banks or financial institutions and for the BSP to make all inquiries as may be necessary regarding the same.

Furthermore, the BSP is likewise authorized to disclose and share any such information furnished or obtained from said banks or financial institutions to the Department of Finance in relation to the performance by said Department of its functions.

**SECTION 8. Separability Clause.** - If for any reason or reasons, any part or provision of this Ordinance is declared unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall remain to be in full force and effect.

**SECTION 9. Repealing Clause.** - All ordinances, rules and regulations or part thereof that are inconsistent with the provisions of this ordinance are hereby amended or repealed accordingly.

**SECTION 10. Effectivity.** - This Ordinance shall take effect immediately after its approval and proper publication.

**CARRIED BY THE VOTE OF:**

Affirmative:

Councilors : Jude Thaddeus A. Sayson, Israel P. Salanga, Cindy T. Rojas, Em L. Ang, Al Victor A. Espino, Vladimir S. Gonzalez, Jason Isidro S. Villarosa, Simplicia Z. Distrito, Psyche Marie E. Sy, Lady Gles Gonzales-Pallen, Ayesha Joy Y. Villaflor.

Negative : None.

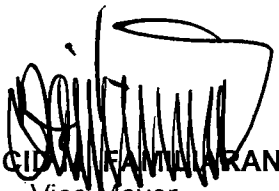
Official Leave : Councilor Celia Matea R. Flor.

Absent : None.

Author : Councilor Jude Thaddeus A. Sayson

Passed : May 10, 2023 (45<sup>th</sup> Regular Session of the 11<sup>th</sup> Council).

Comments : Passed.  
Councilors Renecito S. Novero and Claudio Jesus Raymundo A. Puentevella were not around when this ordinance was passed.

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EL CID FAMILARAN  
Vice Mayor  
Presiding Officer

ATTESTED:

  
ATTY. VICENTE C. PETIERRE III  
Secretary to the Sanggunian

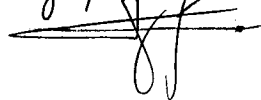
APPROVED: MAY 26, 2023.

  
ALFREDO ABELARDO B. BENITEZ  
City Mayor


VCP/OEM/jbz

SP LEGISLATIVE  
SERVICES SECTION

DATE: May 26, 2023 TIME: 3:20 PM



A CERTIFIED PHOTOCOPY  
OF THE ORIGINAL

 5/26/2023