



Republic of the Philippines
Province of Iloilo
Municipality of Tigbauan
-000-
OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE HONORABLE SANGGUNIANG BAYAN, TIGBAUAN, ILOILO HELD AT THE SESSION HALL, TIGBAUAN MUNICIPAL BUILDING, TIGBAUAN, ILOILO ON SEPTEMBER 1, 2010 AT 2:15 IN THE AFTERNOON.

PRESENT:

HON. ROEL T. JARINA,	Vice Mayor & Pres. Officer
HON. SUZETTE TENEFRENCIA-ALQUISADA,	Councilor
HON. DENNIS T. VALENCIA,	Councilor
HON. ALFONSO C. BABIERA,	Councilor
HON. AGATON O. TUMABOTABO,	Councilor
HON. JOSE DONEL T. TRASPORTO,	Councilor
HON. ELMER T. TORRATO,	Councilor
HON. LORETA LUNGAY- ARIAS,	Councilor
HON. MARLON R. TERUNEZ,	Councilor
HON. ORVILLO T. TANGENTE,	Pres., Liga ng mga Brgy.

ABSENT:

HON. LEA E. TORREFLORES,	SKMF President
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MUNICIPAL ORDINANCE 2010-007

AN ORDINANCE IMPOSING LEASEHOLD RIGHTS DEPOSIT AND MONTHLY RENTAL FEES ON PHASE 1 AND 2 OF THE NEWLY-CONSTRUCTED TIGBAUAN PUBLIC MARKET

SPONSORED BY	HON. DENNIS T. VALENCIA, Chairman, Committee on Market Et Slaughterhouse
SECONDED BY	Hon. Suzette T. Tenefrancia, Hon. Alfonso C. Babiera, Hon. Agaton O. Tumabotabo, Hon. Jose Donel T. Trasporto, Hon. Elmer T. Torrato, Hon. Marlon R. Terunez, and Hon. Orvillo T. Tangente

BE IT ORDAINED by the Sangguniang Bayan of Tigbauan, Iloilo, an ordinance to wit:

SECTION 1. INTRODUCTION. Pursuant to Section 17 of the Local Government Code which authorizes the municipality to exercise its powers and discharge its functions and responsibilities as are necessary to efficiently and effectively provide for basic services

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and facilities to the public, Municipality of Tigbauan have facilitated the construction/renovation of the Tigbauan Public Market, to provide the public with a well-organized, clean and sanitary place of commerce. Moreover, by virtue of Section 129 thereof, which grants the local government the power to create sources of revenue and to levy taxes, fees, and charges, the Municipality, thru its Sangguniang Bayan, shall establish reasonable rates for the lease of market stalls, which fees shall be necessary for the proper maintenance and preservation of the public market.

Section 2. DEFINITION OF TERMS:

1. **Revenue** - it refers to all the funds or income derived by the Local Government, whether from tax or from whatever manner which includes fees, charges and stall rentals.
2. **Stall** - refers to any allotted space or booth in the public market where merchandise of any kind is offered for sale;
3. **Rental** - means the value of the consideration, given for the enjoyment or use of thing;
4. **Business** - means commercial activity customarily engaged in, as a means of livelihood and typically involving some independence of judgment and power of decisions;
5. **Existing Lessees** - it refers to owners of establishments or stalls who occupied the portion prior to the renovation of the public market;
6. **Leasehold Right** - special privilege granted by the Local Government Unit of Tigbauan to a private individual or group to lease or occupy the designated market stall;
7. **Leasehold Right Deposit** - the amount deposited representing amount of bid representing consideration paid for the privilege of occupying the designated market stall which is consumable in 25 years with a refund scheme in case the occupant opt to discontinue operation and return said stall to the municipality;
8. **Dummy** - having the appearance of being qualified to operate a business but lacking the legal capacity to function as such.

SECTION 3. PUBLIC BIDDING. For purposes of transparency and competitiveness, and to extend equal opportunities to eligible parties to participate therein, the Municipality will award leasehold rights through a public bidding, in accordance with process provided by the law;

SECTION 4. PRIORITY BIDDERS. Existing lessees, who occupied the stalls immediately prior to the renovation of the public market, shall be given priority during the bidding. Lessees of stalls located outside of the public market shall be allowed to bid first for Phase 1, provided, that if the Phase 1 stalls are fully occupied after the first bidding, the remaining interested bidders will be given priority during the bidding of Phase 2, provided further, that the existing lessees must submit their letter of intention to bid one week before the start of the bidding process;

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In all cases, Filipino residents of the Municipality shall be given highest priority during the public bidding. Resident aliens and/or Filipino Citizens who are not residents of the Municipality shall be allowed to participate, provided, that there are no longer Filipino residents interested to bid, provided further, that the bidder has submitted and complied with all the requirements stated herein.

Non-resident aliens and dummies are strictly disqualified from participating in the public bidding.

SECTION 5. BIDDING REQUIREMENTS. Interested bidders must secure the following documentary requirements, and submit it before the Committee one (1) week before the scheduled bidding:

- a. 2 Certification from the Barangay Captain that the bidder is a resident of their respective barangay;
- b. Photocopy of a NSO-authenticated Certificate of Live Birth;
- c. Photocopy of the latest Community Tax Certificate;
- d. Photocopy of COMELEC Voters Identification Card, or a Certification from the COMELEC that he/she is a registered voter of the Municipality;
- e. Certification from the Municipal Treasurer that he/she has no standing arrears or obligations to the Municipality and a copy of the latest business permit;
- f. NBI Clearance;
- g. Police Clearance;
- h. 2 pieces 2x2 picture;

Requirements for Resident Aliens:

- a. Photocopy of Passport
- b. Certification/Permit from the Bureau of Immigration that he/she is authorized to conduct business in the Philippines;
- b. Certificate of bank deposit of at least P 5,000,000.00 capitalization; Certificate of Good Moral Character/Endorsement from at least 2 respected residents of the municipality.
- c. NBI Clearance

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SECTION 6. MINIMUM BID PRICE. The Municipality shall set a minimum bid amount for the grant of leasehold rights of market stalls located at Phase 1 (Stalls facing Allera Street and Tejero Street) and Phase 2 (newly constructed stalls inside the public market), to wit:

PHASE 1: P 150,000.00

PHASE 2: P 100,000.00

SECTION 7. LEASEHOLD RIGHT DEPOSIT. The bid amount will be considered as the leasehold right deposit, which shall be reimbursed to the lessee upon the termination or relinquishment of the leasehold rights, provided that, the reimbursement shall be effected only after the municipality have conducted a public bidding for the vacant stall, and the bid price therein have been paid by the new lessee;

The existing lessees, after a down payment of 40% minimum of the leasehold right deposit, shall have the option to pay the balance by installment, for a maximum period of five (5) years subject to an interest of six (6) percent per annum add-on. The installment payment for the leasehold right deposit shall be made every 15th day of the month.

For new lessees, the full amount of the leasehold right deposit shall be paid in cash immediately after the public bidding.

The amount collected representing the Leasehold Right Deposit shall accrue to the General Fund of the Municipality.

SECTION 8. RENTAL The municipality shall execute a contract of lease which shall stipulate the specific terms and conditions of the leasehold. The municipality shall impose a rental fee which shall be payable every 30th day of the month, subject to a five percent (5%) increase every two (2) years, to wit:

PHASE 1: P 3,000.00/month

PHASE 2: P 2,000.00/month

SECTION 9. LEASEHOLD RIGHT. The leasehold right shall be for a period of twenty-five (25) years. The market stalls shall be exclusively used for business purposes and/or practice of profession. The new lessee shall commence his business therein within two (2) months from the award of the leasehold right and is strictly prohibited from sub-leasing the market stall to a third-party.

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The municipality has the sole authority to transfer the leasehold rights to a third party. If the lessee decides to discontinue the operation of his business, or to terminate his lease over the stall, he must surrender the same to the municipality. A public bidding for the vacant stalls shall be conducted for interested bidders.

In case of death of the lessee, the municipality may allow the transfer of leasehold rights to the immediate relative of the deceased only up to the 1st civil degree of consanguinity, provided, that transferee is duly qualified and has submitted a letter of intent, together with the documentary requirements under Section 5 hereof, before the Market Committee.

SECTION 10. TERMINATION OF LEASEHOLD. The Municipality has the right to eject the lessee from their designated stalls, based on the following grounds:

- a. Use of a dummy to secure a leasehold right;
- b. Failure to operate within two (2) months from the award of leasehold right;
- c. Non-payment of Leasehold Rights Deposit and Monthly Rental Fees after 60 days from due date and upon receipt of notice from the Municipal Treasurer;
- d. Sub-lease to a third party;
- e. Cessation of business operations for three (3) consecutive months, unless there is a valid reason for the termination;
- f. Operating an illegal or unlawful business;
- g. Violation of the terms and conditions of the contract of lease;
- h. Upon such other valid and reasonable grounds as may be established by the Sanggunian.

Section 11. INCENTIVE: Stall occupants acquiring stalls through the open public bidding who for one valid reason or another cease to operate his/her business shall surrender his/her stall to the LGU and upon presentation of documents, qualifies him/her to a REFUND of the portion of his Leasehold Right Deposit as herein provided. However, said refund shall be paid out of the proceeds of the rebidding of the same stall being surrendered. *Provided, further that stalls which is/are declared vacant due to violations and non-payment of fees and permits shall not be entitled to refund.*

Section 12. THE REFUND SCHEME. The refund shall be on the following scheme;

(NUMBER OF YEARS IN OPERATION) (PERCENTAGE OF REFUND)

1 - 5 years operation 100% of the winning bid

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- 6 - 10 years operation 80% of the winning bid
- 11- 15 years operation 60% of the winning bid
- 16- 20 years operation 40% of the winning bid
- after 20 years - no more refund

In the case of lessees who opted for payment of leasehold deposit in installment basis the refund shall be based on total actual amount paid excluding the interest.

However, in the event that the refund based on the above scheme exceeds the proceeds of the rebidding (Section II), only the rebidding proceeds/amount shall be refunded.

Business operators/stallholders who have availed of the refund incentive shall not be allowed to participate in any bidding for the occupancy of market stalls.

SECTION 13. REPEALING CLAUSE. All ordinances, executive orders, resolutions and or administrative regulations, or parts thereof, which may be inconsistent with the provisions of this act are hereby repealed or modified accordingly.

SECTION 14. SEPARABILITY CLAUSE. Any provision of this ordinance which shall be declared invalid shall not affect the other provisions not so declared, which shall remain in full force and effect.

SECTION 15. EFFECTIVITY. This ordinance shall take effect fifteen (15) days after its approval and posting in three (3) conspicuous places in the municipality.

ENACTED. September 1, 2010.

I HEREBY CERTIFY that the foregoing Municipal Ordinance No.2010-007 was approved by the Sangguniang Bayan.

MARLENE T. NAVA
S.B. Secretary

ATTESTED:

ROEL T. JARINA
Vice Mayor & Presiding Officer

APPROVED:

JAMES EXCELSIOR M. TORRES
Municipal Mayor

HON. ROEL T. JARINA, M.D.
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