



Republic of the Philippines
CITY COUNCIL
City of Manila

REGULAR SESSION NO. 182

11TH CITY COUNCIL

Begun and held in the City Council on Thursday,
the twenty-fifth day of November, Two Thousand Twenty-One

ORDINANCE NO. 8794

AN ORDINANCE AUTHORIZING THE CITY MAYOR HONORABLE FRANCISCO "ISKO MORENO" DOMAGOSO TO NEGOTIATE THE PROPOSED BORROWING OF THE CITY OF MANILA, IN THE AMOUNT OF TWO BILLION EIGHT HUNDRED MILLION PESOS (PHP. 2,800,000,000.00), TO FUND THE ACQUISITION OF HOSPITAL EQUIPMENT, FURNITURE AND FIXTURES FOR THE OSPITAL NG MAYNILA MEDICAL CENTER AND ACQUISITION/EXPROPRIATION OF LOTS UNDER THE LAND-FOR-THE-LANDLESS PROGRAM OF THE CITY INCLUDED IN THE LOCAL GOVERNMENT UNIT'S APPROVED LOCAL DEVELOPMENT PLAN (LDP) OR ANNUAL INVESTMENT PROGRAM (AIP)

PRINCIPAL AUTHORS:

HON. MACARIO M. LACSON

and

HON. JOEL R. CHUA
Majority Floor Leader



Be it ordained by the City Council of Manila, in session assembled, *THAT*:

SECTION 1. The City Mayor, in representation of the City Government of Manila, hereinafter referred to as the "City", is hereby authorized to enter into a loan under **TERM LOAN Nos. 2 and 3** with the **LAND BANK OF THE PHILIPPINES (LBP)** in accordance with Section 297 of Republic Act No. 7160 or the Local Government Code, in the aggregate amount of **Two Billion Eight Hundred Million Pesos (PhP. 2,800,000,000.00)** 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.

SEC. 2. The said priority project/s herein specified 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 of the City of Manila for the Current Year of 2021 of the City of Manila.

SEC. 3. Consistent with the covering Term Loan Agreement/Contracts, deeds and assignments, mortgage contracts, 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 are hereby approved:

3.1 TERM LOAN Nos. 2 and 3

Borrower	City Government of Manila
Amount	<p>a. Term Loan 2 – Up to PhP. 1.60 Billion or Contract Amount or purchase Order Price, whichever is lower.</p> <p>b. Term Loan 3 – Up to PhP. 1.200 Billion or Deed of Sale/Contract Price or based on Court Decision, whichever is lower</p> <p>Or a total of PhP. 2,800,000,000.00.</p>
Purposes	<p>a. TERM LOAN 2: To finance the acquisition of various hospital equipment, furniture and fixtures for the Ospital ng Maynila Medical Center, included in the LGU's approved Local Development Plant (LDP) or Annual Investment Program (AIP).</p> <p>b. TERM LOAN 3: To finance the cost of acquisition/expropriation of land including related charges as stated in the Court Decision under the Land-for-the-Landless Program of the City, or Annual Investment Program (AIP).</p> <p>Any change and/or addition in the projects including a) type of equipment, furniture and fixtures, specifications, and number of units and b) lot to be purchased, may be allowed provided it will not exceed the total approved amount and that said change and/or addition in the projects is included in the City's approved LDP or AIP.</p>

Term	<p>a. TERM LOAN 2:</p> <ul style="list-style-type: none"> ▪ Up to ten (10) years, with up to one (1) year grace period on principal, on a per lot/release basis. <p>b. TERM LOAN 3:</p> <ul style="list-style-type: none"> ▪ Up to fifteen (15) years with up to two (2) years grace period on principal, on a per lot/release basis.
Manner of Payment	
<ul style="list-style-type: none"> • Interest 	<p>a. TERM LOAN 2 and 3:</p> <ul style="list-style-type: none"> ▪ Payable quarterly in arrears to start at the end of the first (1st) quarter from date of initial release on a per lot/release.
<ul style="list-style-type: none"> • Principal 	<p>a. TERM LOAN 2:</p> <ul style="list-style-type: none"> ▪ Payable in thirty-six (36) equal quarterly payments to start at the end of the fifth (5th) quarter from date of initial release on a per lot/release basis. <p>b. TERM LOAN 3:</p> <ul style="list-style-type: none"> ▪ Payable in fifty-two (52) equal quarterly payments to start at the end of the ninth (9th) quarter from date of initial release on a per lot/release basis.
Interest rate	<p>Fixed or floating based on the following:</p> <p>Variable – at LANDBANK prevailing rate at the time of availment subject to quarterly repricing, with a floor rate of 3.50% per annum.</p> <p>Fixed for five (5) years – at LANDBANK prevailing rate at the time of availment, subject to repricing at the end of the 5th year, with a floor rate of 3.50% per annum.</p> <p>The Borrower has one-time option to convert its preferred interest rate i.e. from variable to fixed or vice versa on any repricing date during the term of the loan.</p>
Collateral	Assignment of 20% of Internal Revenue Allotment (IRA) and other recurring revenues of the City.
Commitment and Handling Fees	Waived

SEC. 4. The City of Manila hereby appropriates the entire proceeds of the borrowing exclusively to finance the acquisition of hospital equipment, furniture and fixtures for the Ospital ng Maynila Medical Center, and acquisition/expropriation of lots under the Land-for-the-Landless Program of the City and other financial services relative thereto.

SEC. 5. Terms and conditions shall be subject to ratification by the City Council through resolution/ordinance.

SEC. 6. Any ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

SEC. 7. This Ordinance shall take effect upon its publication and compliance with all procedures required under Republic Act No. 7160 of an ordinance for its validity, including the affixation of signatures of the Sangguniang Panlungsod members, in concurrence thereto, composing at least a majority thereof, on all the pages of this Ordinance.

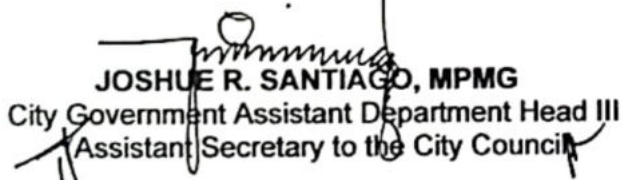
This Ordinance was finally enacted by the City Council of Manila through the motion of the Majority Floor Leader, Honorable Joel R. Chua and seconded by all members present in this august Chamber in session duly assembled on December 13, 2021.

PRESIDED BY:



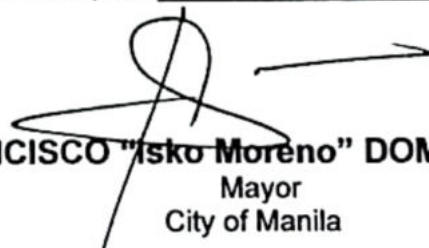
LOUISITO N. CHUA
Acting Presiding Officer
City Council, Manila

ATTESTED:



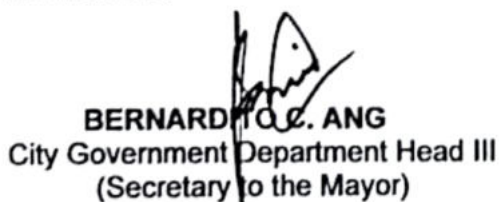
JOSHUE R. SANTIAGO, MPMG
City Government Assistant Department Head III
Assistant Secretary to the City Council

APPROVED BY HIS HONOR, THE MAYOR, ON DEC 13 2021.



FRANCISCO "Isko Moreno" DOMAGOSO
Mayor
City of Manila

ATTESTED:



BERNARDITO C. ANG
City Government Department Head III
(Secretary to the Mayor)

RNF:jhb/rmd/kjm/agv/eee/jrp