

Republic of the Philippines  
Province of Cebu  
CITY OF NAGA



Excerpt from the minutes of the Regular Session of the Sangguniang Panlungsod (SP) of the City of Naga, Cebu held on July 11, 2018 at the SP Session Hall, Legislative Building, City of Naga, Cebu.

Present:

HON. ALEXANDER R. LARA  
HON. VIRGILIO M. CHIONG  
HON. AURELIO B. ALINSONORIN  
HON. DELFIN R. SEÑOR  
HON. AFSHIN MARK K. SEÑOR  
HON. CARMELINO N. CRUZ, JR.  
HON. PABLO A. ABANGAN  
HON. RODRIGO A. NAVARRO  
HON. LUZMINDA R. LAPITAN  
HON. PORFERIO V. RESABA, JR.  
HON. JHUN MARK T. SISMAR

- Presiding Officer Pro Tempore  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
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- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Kabataan Federation President



(NOTE: HON. VICE MAYOR/PRESIDING OFFICER OTHELLO M. CHIONG IS ACTING CITY MAYOR)

**ORDINANCE NO. 2018-012**

**Hon. Aurelio B. Alinsonorin - Sponsor**

*SP Committee Chairman on Franchises, Utilities and Facilities*

**AN ORDINANCE SETTING THE LEASE RATES FOR RENTABLE SPACES ON THE GROUND FLOOR OF THE MULTI-PURPOSE AND COMMERCIAL BUILDING IN FRONT OF THE HALL OF JUSTICE, CITY OF NAGA, CEBU AT FIVE HUNDRED PESOS PER SQUARE METER (P500.00/SQ.M)**

**EXPLANATORY NOTE**

Section 5 Article X of the 1987 Philippine Constitution empowers the local government units (LGUs) to create its own sources of revenues, and to levy taxes, fees, and charges, which shall accrue exclusively to the local governments.

The City Government of Naga, Cebu has a newly constructed multi-purpose and commercial building located in front of the Hall of Justice in Barangay East Poblacion City of Naga, Cebu. The ground floor of this new building shall be used as rentable commercial spaces.

The setting of the lease rates is incidental to the operations and maintenance of these commercial spaces and serves as additional sources of income to the City Government.

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

**SECTION 1. TITLE.** This Ordinance shall be known as “AN ORDINANCE SETTING THE LEASE RATES FOR RENTABLE SPACES ON THE GROUND FLOOR OF THE MULTI-PURPOSE AND COMMERCIAL BUILDING IN FRONT OF THE HALL OF JUSTICE, CITY OF NAGA, CEBU AT FIVE HUNDRED PESOS PER SQUARE METER (P500.00/sq.m.).”

**SECTION 2. SCOPE AND COVERAGE.** This Ordinance shall apply to all commercial spaces occupying the ground floor of this new multi-purpose and commercial building.

**SECTION 3. RENTAL RATES.** The rate of rental of these commercial spaces shall be set at FIVE HUNDRED PESOS (P500.00) per sq.m. of the rentable area per month.

**SECTION 4. CONTRACT OF LEASE.** This Ordinance hereby authorizes the City Mayor to sign, for and in behalf of the City Government of Naga, Cebu, a Contract of Lease between the LGU-City of Naga and the space holder, which shall terminate at the end of every year and renewable every start of the year. The Contract of Lease shall bear the terms and conditions set forth by the parties according to existing laws and ordinances.

**SECTION 5. TIME AND MANNER OF PAYMENT, AND PENALTIES.** The rental fees imposed in this Ordinance shall be paid to the City Treasurer or her authorized representative, due and demandable at the end of every month. If the end of the month falls on a non-working day, Saturday or Sunday, the last working day preceding to the said non-working day, Saturday or Sunday, shall be considered as "end of the month or due date."

The space holder shall be considered delinquent if he/she fails to pay the rental fee within one (1) month from its due date and shall be construed as forfeiting all his/her right to the occupancy of the space in the building rented to him or her by the City. However, payments rendered after the due date shall bear 10% surcharge penalty, which shall be added to the rental fee due.

Provided further that the space shall be padlocked if the occupant fails to pay the rental fees for two (2) consecutive months. Such space shall be declared vacant, through a formal posting of public notice of vacancy, thirty (30) days from the date of closure.

**SECTION 6. SECURITY DEPOSIT AND ESCALATION RATE.** Prior to occupancy, the space holder shall be required to pay to the City Treasurer's Office two (2) months security deposit plus one (1) month advance rental. An escalation rate of five percent (5%) shall be imposed on the third (3<sup>rd</sup>) year and every year thereafter.

**SECTION 7. SEPARABILITY CLAUSE.** If any provision of this Ordinance is declared invalid or unconstitutional by any court of competent jurisdiction, the other provisions unaffected shall remain valid and subsisting.

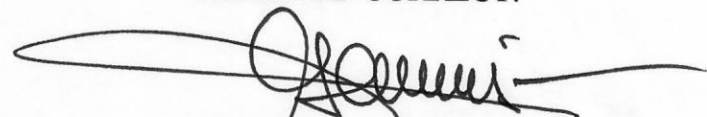
**SECTION 8. REPEALING CLAUSE.** All ordinances, resolutions, orders, issuances, rules, regulations, or parts thereof, which are inconsistent with any of the provisions of this Ordinance are hereby repealed accordingly.

**SECTION 9. COPIES FURNISHED CLAUSE.** Let copies of this Ordinance be furnished to all offices concerned for their information, reference, guidance, and documentation.

**SECTION 10. EFFECTIVITY.** This Ordinance shall take effect immediately upon its approval in accordance with law.


**UNANIMOUSLY APPROVED** this 11<sup>th</sup> day of July 2018, on motion of Hon. Aurelio B. Alinsonorin, seconded by Hon. Porferio V. Resaba, Jr.

CERTIFIED CORRECT:



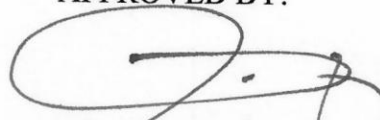
**GARRY A. CABOTAJE**  
Secretary to the Sanggunian

ATTESTED BY:



**ALEXANDER R. LARA**  
Presiding Officer Pro Tempore

APPROVED BY:



**OTHELLO M. CHIONG**  
Acting City Mayor