



Republic of the Philippines
 PROVINCE OF CAGAYAN
 City of Tuguegarao



SEVENTH CITY COUNCIL

EXCERPTS FROM THE MINUTES OF THE 66th REGULAR SESSION
 OF THE SEVENTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN
 HELD ON DECEMBER 19, 2017, 9:00 A.M., TUESDAY,
 AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

| | |
|-----------------------------------|------------------------------------|
| Hon. Bienvenido C. De Guzman II | City Vice Mayor, Presiding Officer |
| Hon. Danilo L. Baccay | Sangguniang Panlungsod Member |
| Hon. Jude T. Bayona | -do- |
| Hon. Kendrick S. Calubaquib | -do- |
| Hon. Maila Rosario T. Que | -do- |
| Hon. Arnel T. Arugay | -do- |
| Hon. Gilbert S. Labang | -do- |
| Hon. Winnoco R. Abraham | -do- |
| Hon. Imogen Claire M. Callangan | -do- |
| Hon. Mary Marjorie P. Martin-Chan | -do- |
| Hon. Raymund P. Guzman | -do- |
| Hon. Grace B. Arago | -do- |
| Hon. Anthony C. Tuddao | -do- |
| Hon. Jose G. Velasco | -do- |

CITY RESOLUTION NO. 354-2017

**RESOLUTION APPROVING THE CONTRACT OF LEASE BETWEEN THE
 TUGUEGARAO CITY GOVERNMENT AND XRC RESOURCES, INC.**

WHEREAS, in line with its mandate to raise revenues to support its programs, projects and activities, the Tuguegarao City Government is allowed to enter into a contract of lease with private and public entities for the use of its facilities;

WHEREAS, the Tuguegarao City Government is the owner and operator of a building known as the Tuguegarao Central Public Market;

WHEREAS, the said building has a basement parking area which is free of charge to all kinds of vehicles;

WHEREAS, for better management and maintenance, there is a need to lease the basement parking to a private individual or entity;

WHEREAS, XRC Resources, Inc., a domestic corporation duly organized by virtue of the Laws of the Philippines, signifies its intent to rent the basement parking at the Tuguegarao City Central Public Market;

WHEREAS, in order to formalize the contract, there is a need for the Tuguegarao City Government represented by the City Mayor, Hon. Atty. Jefferson P Soriano, and the XRC Corporation, Inc. represented by Mr. Alexander M. Cruz to sign the contract of lease;

WHEREAS, the City Mayor, Hon. Atty. Jefferson P. Soriano, requested the Seventh City Council for the ratification of the said contract of lease in compliance with City Resolution No. 275-2016 which states that the Memorandum of Agreement be subject for approval by the Sangguniang Panlungsod;

WHEREAS, the Seventh City Council during its 66th Regular Session deemed it proper, necessary and beneficial to grant the said request with the following amendments to the contract of lease to be incorporated to the final copy:

1. **LEASE PERIOD.** The term of the lease shall be for fifteen (15) years to commence on _____ up to _____, renewable for a period of another fifteen (15) years subject to the mutual agreement of the parties.
2. **ANNUAL RENT (PRO RATA MONTHLY RENT).** The schedule of the rentals to be paid by the LESSEE to the LESSOR shall be as follows:
 - a. The agreed ANNUAL RENT shall be Philippine Pesos: **Six Hundred Thousand Pesos (P600,000.00)**, inclusive of all taxes. Payable within the first five (5) days of each month the amount of Philippine Pesos: **Fifty Thousand Pesos (P50,000.00)**, inclusive of all taxes.
 - b. There shall be a 10% increase of the rent after five (5) years and 10% every two (2) years thereafter.

5. **RENEWAL and/or TERMINATION OF LEASE.**

The same requirement applies when the LESSOR agrees to terminate the lease due to justifiable grounds as violators of the LESSEE.

The LESSEE shall not totally close the parking space during the renovation period for customers to meantime utilize the same.

6. **USE OF THE LEASED PREMISES.** The Leased Premises shall be used by the LESSEE as Pay Parking and other uses shall not be allowed without the approval of the Sangguniang Panlungsod.
7. **INTRODUCTION OF IMPROVEMENTS.** To better manage the leased premises, the Lessee shall provide the following improvements therein:
 - o. To ensure that the pay parking area shall operate from 7am to 10pm to cater to the needs and convenience of the patrons of the Tuguegarao City Commercial Center. The pay parking to be charged by the LESSEE shall not exceed P25.00 for the first three (3) hours and P10.00 every succeeding hour. Any change shall only be made upon the approval of the Sangguniang Panlungsod.
8. **SUBLEASING AND ASSIGNMENT OF RIGHTS.** The LESSEE is expressly allowed by the LESSOR to sublease or assign its leasehold rights in this contract or allow the Leased Premises to be occupied in whole or in part by a third person or entity including the LESSEE's subsidiaries or sister companies or sub-lessees which right to sublease or assign shall be co-terminus with this Contract or its renewals, if any.

NOW, THEREFORE RESOLVE, as it is hereby **RESOLVED**, to approve the Contract of Lease between the Tuguegarao City Government and the XRC Resources, Inc.

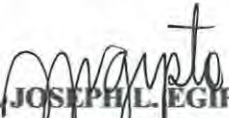
RESOLVED FURTHER, to furnish copies of this resolution to the Office of the City Mayor and XRC Resources, Inc. for information and proper action.

On motion of Hon. Jude T. Bayona, duly seconded by Hon. Kendrick S. Calubaquib, with ten (10) members voting in favor, with one (1) abstention (Hon. Mary Marjorie P. Martin-Chan) and with one (1) objection (Hon. Maila Rosario T. Que), **CITY RESOLUTION NO. 354-2017** was **APPROVED** under suspended rules.




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I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPTO, Ph.D.
Secretary to the Sanggunian
Date: 12/2017

ATTESTED:


HON. BIENVENIDO C. DE GUZMAN II
City Vice Mayor
Presiding Officer
Date: _____

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