AN ORDINANCE EXTENDING FINANCIAL ASSISTANCE IN THE FORM OF LOAN TO CONSTITUENT BARANGAYS OF THE CITY OF MANDALUYONG, APPROPRIATING FUNDS THEREFORE

WHEREAS, Republic Act No. 7160 or the Local Government Code of 1991 decreed the important operative principle that Local Government Units may group themselves, consolidate or coordinate their efforts, services, and resources for purposes commonly beneficial to them;

WHEREAS, the same law, particularly under Section 458 (2) (xii) thereof, empowers the Sangguniang Panlungsod to grant loans or provide grants to other Local Government Units, such as the twenty seven (27) constituent barangays of Mandaluyong;

WHEREAS, Section 300 of said Local Government Code further expounded the above authority and provides that a City has the power to extend loans to other Local Government Units, otherwise designated as inter-governmental loans, upon approval of majority of the Sanggunian concerned, in amounts not exceeding to their surplus funds, and under such terms and conditions as may be agreed upon by the contracting parties;

WHEREAS, time and again, this City Government has recognized the indispensable necessity of the Barangay in the overall development and progress of Mandaluyong, being the basic prime movers in the government;

WHEREAS, in support to the commendable efforts of the twenty seven (27) constituent Barangays in the improvement of the facilities and delivery of basic services for the people of Mandaluyong, the City Government has consistently extended various forms of aid and assistance, such as loans;

WHEREAS, to further aid and assist these twenty seven (27) constituent Barangays in their respective projects and programs for the ensuing months of the year 2014, there exists the necessity to extend to them the necessary financial support in the form of loan;

WHEREAS, the financial assistance given by the City in the form of a loan shall only be used for public purpose. Public purpose has a broad concept that covers not only building roads and delivery of basic services, but also includes those purposes designed to promote social justice and public interest.

NOW, THEREFORE, be it enacted by the Sangguniang Panlungsod of the City of Mandaluyong, in session assembled:

SECTION 1. APPROPRIATION. The total amount of Eight Million One Hundred Thousand Pesos (P8,100,000.00) is hereby appropriated to fund the amount of loan which will be provided to those Barangays who wish to avail of the loan authorized under this Ordinance.

SECTION 2. AUTHORITY OF THE RESPECTIVE LOCAL CHIEF EXECUTIVES. Pursuant to the provisions of the Local Government Code of 1991, the Punong Barangay and the City Mayor shall be the authorized signatories in any contract, deed, agreement, or other document necessary to facilitate and formalize the loan granted under this Ordinance.
For this purpose, the City Mayor is hereby authorized to represent this City in all related transactions and sign for and in behalf of the City Government in any contract, deed, agreements, or other documents necessary to facilitate the loan granted under this Ordinance.

SECTION 3. MAXIMUM AMOUNT OF THE LOAN. All loan which shall be extended by the City Government to the Barangay under this Ordinance shall not exceed the maximum amount of Three Hundred Thousand Pesos (P300,000.00), and shall be subject to the availability of funds of the City Government and the other requirements imposed under this Ordinance, its implementing rules and regulations, and such other applicable laws.

SECTION 4. TERM OF THE LOAN. All loans granted under the provisions of this Ordinance shall be fully paid within the period of six (6) months, without any extension, thru the manner and amount of payment provided in Section 5 hereof.

SECTION 5. MANNER OF PAYMENT. All loans granted under the provisions of this Ordinance shall be paid by the concerned Barangay thru automatic deductions from the share of the Barangay in Real Property Taxes assessed, collected, and fully paid to the City Government. Payments of the loan shall be paid in six (6) equal monthly installments;

SECTION 6. IMPLEMENTING RULES AND REGULATIONS. Upon effectivity of this Ordinance, the City Mayor shall ensure the enactment of the Implementing Rules and Regulations which shall govern the procedure for the grant, approval, and release of the loan to the concerned Barangay.

Nevertheless, such Implementing Rules and Regulations shall not brush aside the following minimum requirements:

1. Letter of Intent to avail the loan/cash advance granted under this Ordinance, signed by the Punong Barangay concerned;

2. Original or certified true copy of the barangay ordinance or resolution authorizing the Punong Barangay to represent the Barangay in such transactions and sign for and in behalf of the Barangay in any contract, deed, agreements, or other documents necessary to facilitate the loan granted under this Ordinance; and

3. Project and budget proposal of the intended project of the Barangay concerned.

SECTION 7. SCOPE AND COVERAGE. This Ordinance shall not be interpreted to restrict the City Government from extending such further loans or grants in favor of the twenty seven (27) constituent Barangays as may be allowed by an Ordinance, or other applicable Laws, Rules and Regulations.

SECTION 8. EFFECTIVITY. This Ordinance shall take effect upon approval.
ENACTED on this 27th day of January, 2014 in the City of Mandaluyong.

I HEREBY CERTIFY THAT THE FOREGOING ORDINANCE WAS ENACTED AND APPROVED BY THE SANGGUNIANG PANLUNGSOD OF MANDALUYONG IN REGULAR SESSION HELD ON THE DATE AND PLACE FIRST ABOVE GIVEN.

JIMMY D. LACEBAL
Sanggunian Secretary

APPROVED:

EDWARD G. BARTOLOME
Vice Mayor &
Presiding Officer

BENJAMIN DC. ABALOS, JR.
City Mayor

Date: FEB 06, 2014