

**REPUBLIC OF THE PHILIPPINES
BATANGAS CITY**

OFFICE OF THE SANGGUNIANG PANLUNGSOD

**EXCERPT FROM THE MINUTES OF THE REGULAR SESSION HELD BY THE
MEMBERS OF THE SANGGUNIANG PANLUNGSOD OF BATANGAS CITY
ON AUGUST 22, 2017 AT THE SANGGUNIAN SESSION HALL**

PRESENT:

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| Hon. Aileen Grace A. Montalbo, | Acting Presiding Officer |
| Hon. Glenn M. Aldover, | Councilor |
| Hon. Sergie Rex M. Atienza, | “ |
| Hon. Hamilton G. Blanco, | “ |
| Hon. Oliver Z. Macatangay, | “ |
| Hon. Armando C. Lazarte, | “ |
| Hon. Karlos Emmanjuel A. Buted, | “ |
| Hon. Julian B. Villena, | “ |
| Hon. Nestor E. Dimacuha, | “ |
| Hon. Nelson J. Chavez, | “ |
| Hon. Angelito “Dondon” A. Dimacuha, | ABC-Rep. |
| | |
| Hon. Emilio Francisco A. Berberabe Jr., O.B. | Presiding Officer |
| Hon. Alyssa Renee A. Cruz, | Kagawad |
| Hon. Gerardo A. Dela Roca, | “ |

“On motion of Councilor Atienza seconded by Councilor Blanco, the following Resolution was Adopted:

RESOLUTION NO. 235 S.2017

**A RESOLUTION FAVORABLY ENDORSING THE APPLICATION OF THE
BATANGAS STATE UNIVERSITY TO ESTABLISH AND/OR OPERATE THE
BATSTATEU TECHNOLOGY PARK IN ITS 2.7254 HECTARE PROPERTY
ADJACENT TO BATANGAS STATE UNIVERSITY MAIN CAMPUS II IN
ALANGILAN, BATANGAS CITY AS PEZA REGISTERED, SUBJECT TO
ALL LEGAL AND EXISTING RULES AND REGULATIONS**

WHEREAS, in pursuit of its strategic vision, the Batangas State University expressed its intention to establish the “BatStateU Technology Park” in its 2.7254 hectare property adjacent to Main Campus II in Alangilan, Batangas City and requests for a favorable endorsement to the Philippine Economic Zone Authority (PEZA);

WHEREAS, Republic Act. No. 7196 or the Special Economic Zone Act of 1995, as amended by Republic Act No. 8748, together with its Implementing Rules and Regulations, prescribes that prior to the endorsement of the subject area as Special Economic Zone, PEZA Board necessitates an endorsement of the Sangguniang Bayan / Panlungsod for the development of the proposed economic zone;

WHEREAS, the establishment of the technology park will not only address the University’s need for technology equipped learning spaces and research facilities but it will also provide a venue for industry-academe collaboration in research and development that could lead to many significant technological innovations;

WHEREAS, the “BatStateU Technology Park” project is expected to promote the flow of investments, both foreign or local, which is expected to generate employment opportunities thereby negating the effect it may have the city’s revenue collection brought about by the fiscal incentives under Section 23 and exemptions from national and local taxes under Section 24 of RA 7916 as amended by RA 8748, which are granted by law to locators thereof;

Continuation of Resolution No. 235 S. 2017

**A RESOLUTION FAVORABLY ENDORSING THE APPLICATION OF THE
BATANGAS STATE UNIVERSITY TO ESTABLISH AND/OR OPERATE THE
BATSTATEU TECHNOLOGY PARK IN ITS 2.7254 HECTARE PROPERTY
ADJACENT TO BATANGAS STATE UNIVERSITY MAIN CAMPUS II IN
ALANGILAN, BATANGAS CITY AS PEZA REGISTERED, SUBJECT TO
ALL LEGAL AND EXISTING RULES AND REGULATIONS**

WHEREAS, Batangas State University shall comply with the City Ordinance No. 8 Series of 1994 entitled “An Ordinance Providing Priority in Employment of Work to Qualified Barangay Residents on Business Establishment and Infrastructure Projects Within the Territorial Jurisdiction of the Barangays Within Batangas City and Providing Penalties for Violation Thereof” and the commitment of PEZA in ensuring that future locators of Batangas State University shall prioritize the employment of qualified residents of Barangay Kumintang Ilaya and other barangays of Batangas City.

WHEREAS, a Memorandum Of Agreement (MOA) between the Philippine Economic Zone Authority (PEZA), Batangas State University and Batangas City Government that will provide for each Roles, Obligations and Responsibilities including the measures that will protect and promote the general welfare and interest of the City of Batangas and its inhabitants shall be formulated;

NOW THEREFORE, be it resolved, as it is hereby resolved by the Sangguniang Panlungsod of Batangas, by virtue of the powers vested in it by law, in session assembled, to favorably endorse the application of Batangas State University with the Philippine Economic Zone Authority (PEZA) to establish and/or operate the “BatStateU Technology Park” in its 2.7254 hectare property adjacent to the Main Campus II in Alangilan Batangas City as Special Economic Zone subject to all laws and existing legal rules and regulations and the following terms and conditions:

1. That whatever privileges granted by law shall only be extended to PEZA registered locators exclusively engaged in Information Technology (IT) Enterprises and related activities;
2. Batangas State University may enter into joint venture agreements with businesses and industries that will enter to the economic zone.
3. Grantee Institution BatStateU and Locators shall provide the City Government of Batangas, every three (3) months a list of their manpower requirements, including the criteria for employment selection of prospective employees;
4. Grantee Institution BatStateU and Locators shall hire qualified residents of Batangas City for their manpower requirements in compliance to City Ordinance No. 8 Series of 1994 entitled “An Ordinance Providing Priority in Employment of Work to Qualified Barangay Residents on Business Establishment and Infrastructure Projects Within the Territorial Jurisdiction of the Barangays Within Batangas City and Providing Penalties for Violation Thereof”;
5. Non-IT Enterprises shall pay the Mayor’s Permit fee on business or realty fees, and other fees and charges prescribed by the Batangas City Revenue Code and comply to all stipulations as to be provided in the Memorandum of Agreement (MOA) between the Philippine Economic Zone Authority (PEZA), Batangas State University and Batangas City Government; and

Continuation of Resolution No. 235 S. 2017

A RESOLUTION FAVORABLY ENDORSING THE APPLICATION OF THE BATANGAS STATE UNIVERSITY TO ESTABLISH AND/OR OPERATE THE BATSTATEU TECHNOLOGY PARK IN ITS 2.7254 HECTARE PROPERTY ADJACENT TO BATANGAS STATE UNIVERSITY MAIN CAMPUS II IN ALANGILAN, BATANGAS CITY AS PEZA REGISTERED, SUBJECT TO ALL LEGAL AND EXISTING RULES AND REGULATIONS


6. This endorsement may be withdrawn any time on the ground of non-compliance with any of the aforementioned terms and conditions.

RESOLVED FURTHER, that copies of this resolution be forwarded to the Office of the Local Chief Executive, City Administrators' Office, City Planning and Development Office, City Treasurer, Batangas State University (BSU), Philippine Economic Zone Authority (PEZA) and all offices concerned for their information and reference.


UNANIMOUSLY APPROVED by the Sangguniang Panlungsod this 22nd day of August 2017."

 SPONSORED BY : COMMITTEE ON LAWS, RULES AND REGULATIONS

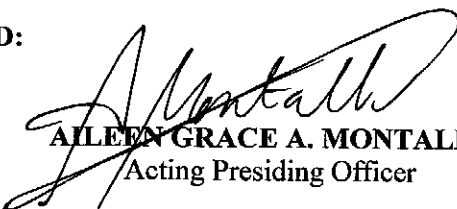
I hereby certify that the foregoing Resolution No. 235 S. 2017 was approved by the Sangguniang Panlungsod of Batangas City during its Regular Session held on August 22, 2017.


LUNINGNING A. AQUINO
 Board Secretary III
 Sangguniang Panlungsod

NOTED:


ATTY. OLIVA D. TELEGATOS
 Secretary
 Sangguniang Panlungsod

ATTESTED:


AILEEN GRACE A. MONTALBO
 Acting Presiding Officer

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Republic of the Philippines
BATANGAS CITY

Office of the Sangguniang Panlungsod

Tel. No. 723-2175

COMMITTEE REPORT

SUBMITTED BY : COMMITTEE ON LAWS, RULES AND REGULATIONS

SUBJECT : Letter from Dr. Tirso A. Ronquillo, University President of Batangas State University requesting endorsement from the City Council of their application for PEZA Registration converting 2.7254 hectare property adjacent to their Main Campus II in Alangilan, Batangas City into "BatStateU Technology Park".

COMMENTS/ RECOMMENDATION:

Referred to the Committee on Laws, Rules and Regulations is the above request for study, comment and recommendation.

A hearing was conducted on July 7, 2017 attended by the Acting Chairman and members of the committee and other members of the Sangguniang Panlungsod. Also present were City Budget Officer Mrs. Elizabeth Q. Delos Reyes, City Planning and Development Officer Engr. Januario B. Godoy, Ms. Nila Petronila R. Olivario of City Treasurer's Office, City legal Officer Atty. Teodulfo A. Deguito, City Administrator Atty. Narciso Macarandang, University President Dr. Tirso A. Ronquillo, Mr. Enrico M. Dalangin, Mr. Antonio A. Gamboa, Ms. Vanessah V. Castillo and Ms. Luzviminda C. Rosales of Batangas State University, representative from City Assessor Arturo F. Fajilan and representative from City Engineer's Office Engr. Reynaldo L. Marasigan.

During the hearing along with pertinent legal opinions, the following points were raised:

- a. The Board of Regents of BSU has specific powers and duties in addition to to its general powers of administration and the general powers of a corporation set forth in the Corporation Code that includes Section 7, paragraph (r) of R.A. 9504 which provides that when it comes to the profitable development and management of the economic assets of the University the Batangas State University may enter into a joint venture agreements with businesses and industries that will enter to the economic zone.
- b. Presently, Batangas State University will develop the 2.7 hectare property alone without any help or joint venture from outside industries or businesses.
- c. Since BSU will be the developer, a MOA may be feasible to insure priority of employment, payment of regulatory fees or mayor's permit, and taxability of certain businesses to be established, such as commercial and retail businesses, including, supplies, materials and general services.
- d. The area in Batangas State University requested to be endorsed to PEZA conforms or is compatible to the prescribed particular use as per the City Planning and Development Officer.
- e. Small to medium locators are the target locators on the Technology Park
- f. For developers, they are not entitled to income tax holidays
- g. Graduates and employees of Batangas State University will have an opportunity to work at the Technology Park.



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- h. Implementation of the City Ordinance No. 8 Series of 1994 entitled "An Ordinance Providing Priority in Employment of Work to Qualified Barangay Residents on Business Establishment and Infrastructure Projects within the Territorial Jurisdiction of the Barangays within Batangas City and Providing Penalties for Violation Thereof".
- i. IT Locators are not entitled to real property tax and income tax for 4 years
- j. Machineries and equipment are exempted to real property tax for 3 years
- k. For the declaration, it is not possible that the building alone out of 2.7254 hectare property can be declared as PEZA Registered.

In view thereof, the Committee recommends:

1. The adoption of this Committee Report
2. The approval of the required Resolution hereto attached.

Respectfully submitted August 22, 2017.

THE COMMITTEE ON LAWS, RULES AND REGULATIONS


COUN. SERGIE REX M. ATIENZA
Acting Chairman

COUN. GERARDO A. DELA ROCA
Member


COUN. JULIAN B. VILLENA
Member


COUN. ARMANDO C. LAZARTE
Member