



Explanatory Note

WHEREAS, one of the major causes of delays in the implementation of development projects, has been the processing of acquisition of private properties or rights-of-ways (ROW) thereon which are needed for said projects, and the settlement of claims for payment thereof;

WHEREAS, such property or ROW acquisitions are being hampered by several problems such as refusal of landowners/tenants to allow government personnel to enter the property during parcellary surveys, refusal of owners to sell because of cultural/personal value attached to the property, difficulties encountered by landowners in complying with existing rigid governmental requirements for payment of claims and delays in issuance of court orders in expropriation cases;

WHEREAS, the delays in the implementation of development projects due to the aforementioned problems on property/ROW acquisitions have been causing a big drain on the government's financial resources in view of increased project costs such as price escalation.

ORDINANCE NO. 2020-149

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Hon. Pablito T. Puclay and Hon. Ronald Jake O. Rodriguez

ORDINANCE PROVIDING THE PROCEDURES AND GUIDELINES FOR THE EXPEDITIOUS ACQUISITION BY THE MUNICIPAL GOVERNMENT OF SANTOL OF UNKNOWN AND PRIVATE REAL PROPERTIES AND OTHER DEVELOPMENT PROJECTS AND PROVIDING FUNDS THEREOF.

BE IT ORDAINED by the Sangguniang Bayan of Santol, La Union in session duly assembled that:

**CHAPTER I
SCOPE AND TITLE**

SECTION 1. Title. This ordinance shall be known as the "**ORDINANCE PROVIDING THE PROCEDURES AND GUIDELINES FOR THE EXPEDITIOUS ACQUISITION BY THE MUNICIPAL GOVERNMENT OF SANTOL OF UNKNOWN AND PRIVATE REAL PROPERTIES AND OTHER DEVELOPMENT PROJECTS AND PROVIDING FUNDS THEREOF.**"

SECTION 2. Scope. The provisions of this Ordinance shall govern all acquisitions of private real property or rights-of-way (ROW) thereon needed for infrastructure projects of the government which are undertaken by Municipal Government of Santol.

**CHAPTER II
ACTIVITIES PREPARATORY TO ACQUISITION OF PROPERTY**

SECTION 3. Feasibility Studies. Feasibility studies shall be undertaken for all major projects and such studies shall, in addition to the usual technical, economic and operational aspects, include the social, political, cultural and environmental impact of the project.

SECTION 4. Information Campaign. The Municipal Planning and Development Office and Municipal Assessor's Office shall first make consultations with the barangays having jurisdiction over the area where the project will be undertaken to elicit their support and assistance for the smooth implementation of the project. The Municipal Planning and Development Coordinator and Municipal Assessor shall conduct an extensive public information campaign among the local inhabitants that will be affected by the project to acquaint them with the objectives and benefits to be derived from the project and thus avoid any resistance to or objection against the acquisition of the property for the project.

SECTION 5. Detailed Engineering/Surveys. The Municipal Engineering Office shall, well in advance of the scheduled construction of the project, undertakes detailed engineering, including parcellary surveys to indicate the location and size of the sites and to determine ownership of the land to be acquired, including the status of such landownership.

SECTION 6. Project Cost/Funding. The estimated project cost of a project shall have the following distinct components:

- a. Pre-investment Cost which shall include the cost of undertaking the feasibility study and public information campaign;
- b. Investment Cost which include the cost of detailed engineering, cost of the property to be acquired and cost of construction and construction supervision;

CHAPTER III PROCEDURE FOR ACQUISITION OF PROPERTY

SECTION 7. Acquisition through Negotiated Sale. As an initial step, the LGU shall negotiate with the owner of the land that is needed for the project for the purchase of said land, including improvements thereon. In the determination of the purchase price to be paid, the Municipal Assessor shall extend full assistance in the valuation of lands and improvements thereon taking into consideration the current and fair market value declared by the owner or administrator of the land, or such current market value as determined by the Municipal Assessor, whichever is lower, prior to the negotiation.

SECTION 8. Expropriation. If the parties fail to agree in negotiation of the sale of the land as provided in the preceding section, the Municipal Government shall have authority to immediately institute expropriation proceedings through the Municipal Mayor as authorized by the Sangguniang Bayan. The just compensation to be paid for the property acquired through expropriation shall be in accordance with the provisions of P.D. No. 1533.

CHAPTER IV PROCEDURE FOR PAYMENT AND REGISTRATION OF PROPERTY/RIGHT-OF-WAY ACQUISITIONS

SECTION 9. Assessment of Tax Due. The Bureau of Internal Revenue and the Municipal Treasurer shall assess the following taxes, where applicable, on the property being acquired:

- a. Capital Gains Tax due on the grains derived from the sale of the real property to the LGU;
- b. Estate Tax due on the portion of the estate of a deceased owner to be acquired by the government; and

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- c. Unpaid Real Estate Taxes on the property up to the time the government took possession thereof.

Such assessment shall be made within one (1) week from the submission of complete requirements.

SECTION 10. Withholding Tax/Tax Clearance. Upon receipt of the assessment of the aforementioned taxes, the government implementing agency/instrumentality concerned shall issue a certification that upon payment to the landowner; it shall deduct the corresponding capital gains tax and any unpaid estate tax and real estate tax.

On the basis of such certification, the BIR and the Municipal Treasurer shall issue the tax clearances for the registration of the property in favor of the LGU.

All taxes deducted shall be immediately remitted by the LGU to the BIR or the Municipal Treasurer, as the case may be.

SECTION 11. Payments for Improvements on the Property Acquired. Payment for the improvements or property acquired which are not included in the respective tax declaration of the owner, shall be based on the physical inventory report prepared and certified by the representative of the LGU, Commission on Audit and claimant. In addition thereto, claims for payment of improvements must be supported by an affidavit of the claimant and affidavit of two (2) adjoining landowners or barangay officials attesting to or substantiating the ownership of said improvements.

SECTION 12. Indemnity Bond for Untitled Lands. In case where the property acquired is untitle, the LGU shall require the landowner to post an indemnity or property bond, the amount of which shall be fixed by the Municipal Treasurer concerned on the basis of the market value as determined by the Municipal Assessor and as appearing on the current tax declaration of the property. This requirement shall be dispensed with where the claim for payment does not exceed Php50,000.00.

SECTION 13. Period for Payment. The payment of property acquired shall be effected by the LGU within ninety (90) days upon approval by appropriate higher authority of the negotiated sale and submission by the landowner of all required documents. In the case of property acquired through expropriation, payment shall be effected within ninety (90) days from the finality of the decision rendered by the court. Provided, that if at the time of finality of the decision the funds originally allotted to cover the cost of the property are no longer available due to expiration of the pertinent release instruments, payment shall be made upon the release of funds by the Municipal Treasurer which is hereby directed to effect the immediate release thereof, chargeable against available and applicable appropriations thereof.

SECTION 14. Approval of Survey Plans. The Municipal Assessor shall facilitate the registration of all survey plans of parcels of land affected by the government projects within the jurisdiction of Santol, La Union.

SECTION 15. Registration of Deed of Conveyance. The Municipal Assessor shall facilitate the registration of Deed of Conveyance in the Register of Deeds for the issuance of corresponding title in favor of the LGU. The ROW agreement executed by the landowner in favor of the LGU for the right-of-way (ROW) easement acquired by the latter over his property.

CHAPTER V ASSISTANCE TO DISPLACED TENANTS/OCCUPANTS

SECTION 16. Financial Assistance to Displaced Tenants/Occupants. The LGU shall extend financial assistance to the displaced tenants of agricultural lands, indigenous peoples

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and settlers. The amount to be given to tenants/farmers of agricultural lands which is to be determined by the LGU, in consultation with appropriate agencies, shall be equivalent to the value of the gross harvest for one year on the principal and secondary crops of the area acquired, based on average annual gross harvest for the last three (3) preceding crop years. Payment of the abovementioned financial assistance shall be made at the time of relocation of the tenants/farmers.

SECTION 17. Repealing Clause. All existing ordinances and resolutions inconsistent with the provisions of this Ordinance are hereby repealed.

SECTION 18. Separability Clause. If, for any reason or reasons any part or provision of this ordinance shall be held to be unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 19. Effectivity Clause. This ordinance shall take effect upon approval.


APPROVED.

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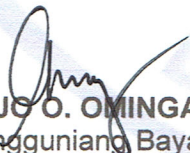
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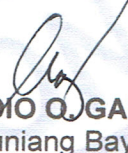
ABSENT	:	None
AFFIRMATIVE	:	SBM Jojo O. Ominga, SBM Claudio O. Galos, Jr., SBM Editha R. Millares, SBM William O. Agtarap, SBM Olympio O. Millares, SBM Loreto A. Wailan, SBM Roxanne M. Dangle, SBM Tirso A. Ledda, ABCP Mario R. Directo, SKFP Ronald Jake O. Rodriguez, IPMR Pablito T. Puclay
NEGATIVE	:	None
DATE OF PASSAGE	:	September 22, 2020
COMMENTS	:	Enacted during the Third Reading

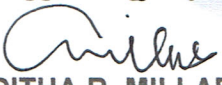
I HEREBY CERTIFY to the correctness of the above-quoted ordinance, which was enacted during the Third Reading.

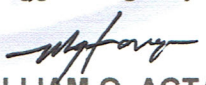

ERLINDA N. ARELLANO
Secretary to the Sangguniang Bayan

ATTESTED BY:



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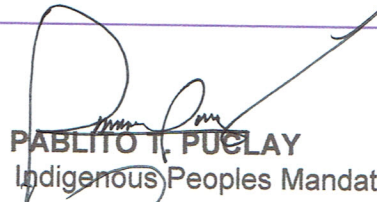

LORETO A. WAILAN
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ROXANNE M. DANGLE
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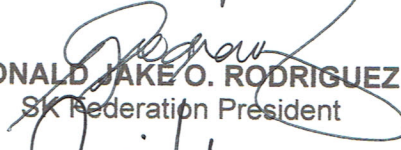

TIRSO A. LEDDA
Sangguniang Bayan Member



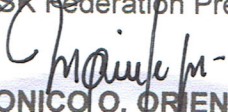
MARIO R. DIRECTO
ABC President



PABLITO T. PUCLAY
Indigenous Peoples Mandatory Rep.



RONALD JAKE O. RODRIGUEZ
SK Federation President



MONICO O. ORIENTE, JR
Municipal Vice Mayor/Presiding Officer

Approved this 29th day of September, 2020.



ENGR. MAGNO A. WAILAN
Municipal Mayor

