



REPUBLIKA NG PILIPINAS
TANGGAPAN NG PANGULO

Pangasiwaan Sa Pagpapaunlad Ng Kalakhang Maynila

(Metropolitan Manila Development Authority)

"Tapat na Serbisyo sa Bagong Milenyo"

METRO MANILA COUNCIL

MMDA Resolution No. 06-09
Series of 2006

RESOLUTION AUTHORIZING THE METROPOLITAN MANILA DEVELOPMENT AUTHORITY TO PARTICIPATE IN THE MONETIZATION OF IRA COLLECTIBLES FOR LOCAL EMPOWERMENT PROGRAM ("MIRACLE PROGRAM") JOINTLY MANAGED BY THE LAND BANK OF THE PHILIPPINES AND THE DEVELOPMENT BANK OF THE PHILIPPINES WITH RESPECT TO ITS SHARE IN THE PhP17.5 BILLION UNRELEASED INTERNAL REVENUE ALLOTMENT FOR THE YEARS 2000 AND 2001 IN THE AMOUNT OF FIFTY-FIVE MILLION FORTY SIX THOUSAND EIGHT HUNDRED TWENTY PESOS (PhP55,046,820.00)

WHEREAS, the allotment shares of the Provinces of Rizal and Bulacan corresponding to the area, population and ten percent equity of the local government units that are integrated within Metropolitan Manila area are allocated to the then Metropolitan Manila Commission, now Metropolitan Manila Development Authority (MMDA), pursuant to Section 15 of PD 921 and Section 10(b) of RA 7924;

WHEREAS, pursuant to the General Appropriations Acts for the Years 2000 and 2001, the aggregate amount of PhP20 Billion worth of Internal Revenue Allotments ("IRA") of the Local Government Units (LGUs) were set apart and placed under an Unprogrammed Fund;

WHEREAS, out of the PhP20 Billion set aside under the Unprogrammed Fund, PhP2.5 Billion has been disbursed to the affected LGUs, leaving the balance of PhP17.5 Billion (the "IRA Balance") unreleased;

WHEREAS, pursuant to Executive Order No. 494 ("EO 494") the shares of the LGUs in the IRA Balance shall be released on installment basis for a period of seven years commencing in 2007 up to 2013 or they avail in advance their share in the IRA Balance through an IRA monetization program which will give them the option to collect in advance from a trustee bank their shares from the IRA Balance at a discounted value, net of interest and other charges;

WHEREAS, the President of the Philippines, by virtue of EO 494, directed (a) the DBM to determine the share of each LGU in the IRA Balance on the basis of the formula prescribed in the Local Government Code and issue the corresponding Notice of Payment Schedule (NPS) to the affected LGUs indicating therein their share in the IRA Balance and the schedule of payments of such shares, and (b) the Department of Finance (DOF) to, among others, provide the Letter of Confirmation of the National Government that the IRA Balance constitutes an obligation of the Republic of the Philippines (the "Republic");

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WHEREAS, pursuant to the NPS issued by the DBM, the amount of PhP55,046,820.00 was allocated to MMDA corresponding to its share in the said IRA Balance;

WHEREAS, the Land Bank of the Philippines and the Development Bank of the Philippines have jointly established the Monetization of IRA Collectibles for Local Empowerment Program ("MIRACLE Program") to implement the benefits intended under EO 494 and the IRA Memorandum of Understanding;

WHEREAS, the MMDA desires to participate in the aforesaid MIRACLE Program to be managed and underwritten by the Land Bank of the Philippines by ceding, transferring, and conveying to the relevant Trustee on a without recourse basis, the NPS issued in its favor;

WHEREAS, pursuant to the MIRACLE program, the MMDA will establish, participate, and create with the Land Bank of the Philippines (the "Trustee") a Special Purpose Trust in the aggregate principal amount of PhP55,046,820.00 corresponding to the total amount of NPS;

WHEREAS, in furtherance of the MIRACLE Program, the Land Bank of the Philippines, has agreed to act as Trustee and open, for the benefit of the MMDA, a Special Purpose Trust for the purpose of receiving as assignee and transferee, without recourse, the NPS of the MMDA;

NOW, THEREFORE, be it resolved as it is hereby resolved, pursuant to Section 6 of RA 7924, that the Council hereby authorizes the Metropolitan Manila Development Authority to participate in the monetization of IRA collectibles for local empowerment program ("Miracle Program") jointly managed by the Land Bank of the Philippines and the Development Bank of the Philippines with respect to its share in the P17.5 Billion unreleased Internal Revenue Allotment for the years 2000 and 2001 in the amount of Fifty-Five Million Forty Six Thousand Eight Hundred Twenty Pesos (PhP55,046,820.00)

RESOLVED FURTHER, that the Council hereby authorizes the MMDA to participate in the MIRACLE Program and all transactions necessary and relevant to fully implement all the acts contemplated under EO 494, the IRA Memorandum of Understanding, and the MIRACLE Program;

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RESOLVED FURTHERMORE, that the Metro Manila Council hereby authorizes, the **HON. BAYANI F. FERNANDO**, to do any act, enter into any agreement, and sign and deliver on its behalf, any document, certification, or agreement pursuant to and in furtherance of the implementation of the **MIRACLE** Program.

RESOLVED FINALLY, that **HON. BAYANI F. FERNANDO** and **AGM EDENISON F. FAINSAN**, AGM for Finance and Administration, shall be the authorized signatories for this purpose.

This Resolution shall take effect upon approval.

DONE this 22nd day of **June 2006**, in Makati City, Metro Manila, Philippines.



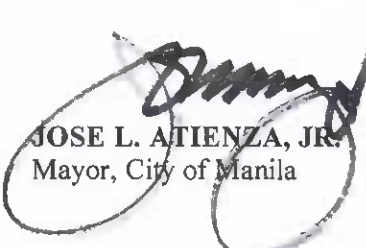
BAYANI F. FERNANDO
Chairman



IMELDA T. AGUILAR
Mayor, City of Las Piñas



MA. LOURDES C. FERNANDO
Mayor, City of Marikina



JOSE L. ATIENZA, JR.
Mayor, City of Manila



JAIME R. FRESNEDI
Mayor, City of Muntinlupa




FELICIANO R. BELMONTE, JR.
Mayor, Quezon City



SHERWIN T. GATCHALIAN
Mayor, City of Valenzuela

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FLORENCIO M. BERNABE
Mayor, City of Parañaque



NEPTALI M. GONZALES II
Mayor, City of Mandaluyong

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Mayor, City of Makati


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Mayor, City of Malabon


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Mayor, Pateros

TOBIAS M. TIANGCO
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Mayor, City of Caloocan


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Mayor, San Juan


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Mayor, City of Pasay

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VICENTE P. EUSEBIO
Mayor, City of Pasig



HERBERT M. BAUTISTA
Chairman
Metro Manila Vice Mayors' League



EDWARD M. TAN
President
Metro Manila Councilors' League