[VALENZUELA CITY ORDINANCE NO. 216 Series of 2015, August 03, 2015]

SANGGUNIANG PANLUNGSOD

** Excerpts from the minutes of the 88TH Regular Session of the 6th City Council of Valenzuela held on August 03, 2015 at 2:49 P.M. at the City Council's Session Hall, 3rd Floor, Legislative Building, Valenzuela City Hall, Karuhatan, Valenzuela City, Metro Manila.

AN ORDINANCE AUTHORIZING THE CITY MAYOR OF VALENZUELA CITY TO SELL TO THE REGISTERED OWNERS OF LOTS OR FORMER BUILDING/IMPROVEMENTS OWNER/S WHERE IMPROVEMENTS ACQUIRED BY THE CITY GOVERNMENT THROUGH PUBLIC AUCTION OF DELINQUENT REAL PROPERTIES ARE SITUATED.

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WHEREAS, under Republic Act (RA) 7160 otherwise known as the Local Government Code (LGU) of 1991 and consistent with the basic policy of local autonomy, the City government is empowered to create and broaden their own sources of revenue to defray the expenses in the provision of government services;

WHEREAS, the City Government constantly aims to enhance the effectiveness and efficiency of collection and administration of real property tax specifically to unpaid really tax obligations. In accordance with this goal, the City government has adopted the policy of conducting public auction of delinquent real properties as provided under the LGC of 1991;

WHEREAS, in the course of conduct of public auction sales, the City Government by virtue of Section 263- "Purchase of Property by the Local Government Unit for Want of Bidder" of LGC of 1991, has acquired ownership of real properties and improvements as the redemption period of properties sold at the public auction having already lapsed without the delinquent owners exercising their right of redemption.

WHEREAS, most of these improvements are still attached, existing or situated on a

parcel of land with updated real property tax payments, and still owned by the delinquent owner, creating a situation of split ownership since said improvements are now owned by the City Government but the lots on which these improvements are situated, are still owned by the private persons or entities the previous owners of the auctioned improvements;

WHEREAS, selling such improvements at a public auction would further complicate ownership issues as such scheme may still result to split ownership. It is therefore practical and necessary that these properties be re-sold to the respective registered owners of the lots on which these improvements are situated or their successors-in-interest;

WHEREAS, in addition thereto, the City Government has no viable or feasible use for most of these improvements relative to the purposes and services rendered by the City Government to its constituents;

NOW, THEREFOR, be it **ORDAINED** as it is hereby **ORDAINED** by the Sangguniang Panlungsod of Valenzuela, in a session duly assembled, that:

SECTION 1. AUTHORITY. The City Mayor is hereby granted the authority to sell building or building improvements previously acquired by the City Government in the public auction of delinquent real properties to the respective former registered owner or their successors-in-interest of said building improvements or in case of failure or unwillingness of the latter to the registered or their successor-in-interest of lots on which these building or building improvements are situated provided that they are updated in the payment of real property taxes on said lots.

SECTION 2. SCOPE. The Improvements covered by this Ordinance shall be:

- a.) Those improvements other than lots acquired by the City Government in the public auction of delinquent real properties pursuant to Section 263 of the Local Government Code of 1991, up to year 2012; and
- b.) Those building and/or building improvements that remain unutilized or which the City Government had no viable or feasible use for at least 5 years since the auction date of its acquisition by the City Government.

SECTION 3. CONSIDERATION OR PRICE. As consideration of price of sale, the City Mayor shall require from the former registered owners or their successor-in-interest of the building or building improvements or from the registered owners or their successor-in-interest of lots on which the subject building or building improvements are situated as the case may be, the payment of an amount equivalent to the purchase price by which the City Government had previously acquired the building or building improvements at the public auction sale plus the corresponding real property tax and interest of 2% per month on the purchase price of one (1) year corresponding to the statutory redemption period.

However, the City Mayor may negotiate the consideration or price of sale with the said aforementioned registered owners or successors-in-interest if circumstances warrant either an increase or reduction of the aforesaid consideration or price of sale