

### **BIDS AND AWARDS COMMITTEE FOR GOODS (BAC-G)**

#### **RESOLUTION NO. BAC-G 2022-03**

# PROCUREMENT OF TEMPORARY HOUSING FACILITIES FOR THE PHILIPPINE NAVY SENIOR OFFICERS THROUGH LEASE OF REAL PROPERTY

WHEREAS, the Budget and Revenue Allocation Department (BRAD) intends to renew the lease agreements for the temporary housing of the Philippine Navy (PN) Senior Officers with an Approved Budget for the Contract (ABC) of Seventeen Million Pesos (Php17,000,000) per year, inclusive of government taxes and fees;

WHEREAS, on 15 January 2019, the Bases Conversion and Development Authority (BCDA) and Department of National Defense (DND)/Armed Forces of the Philippines (AFP)/ Philippine Navy (PN) executed a Memorandum of Agreement (MOA) for the temporary housing facilities of PN Senior Officers affected by the construction of the new Senate Building in Navy Village;

WHEREAS, the salient features of the above-stated MOA are as follows:

- a. BCDA shall provide temporary housing facilities for PN Senior Officers affected by the construction of the new Senate Building in Navy Village and pay the monthly rentals inclusive of the association dues and CUSA for the common areas;
- b. DND/AFP/PN shall assume the following:
  - i. Cause all Senior Officers occupying the temporary housing to pay the utilities (e.g. electricity, water, telephone, cable etc.); and
  - Cause the PN Senior Officers occupying the temporary housing to assume the responsibility for the repairs and/or payment of damages due to the fault or negligence of the PN Senior Officers to the unit owners;

**WHEREAS**, in 2019, BCDA entered into lease agreements with the individual unit owners of twenty (26) condo/townhouse units and eight (8) parking units for the active PN Senior Officers at Acacia Estates, Taguig City, which will all expire on 15 February 2022;

WHEREAS, there is a need to enter into new lease agreements and renewal of lease agreements for twenty six (26) condo/townhouse units and eight (8) parking units because BCDA is encountering delays in the construction of the PN Senior Officers permanent housing units funded through the General Appropriations Act (GAA);

WHEREAS, BRAD has presented this project to the Bids and Awards Committee for Goods (BAC-G) on 10 January 2022 to inquire about the procurement procedure and clarify documentary requirements for this project. The BAC-G advised BRAD to secure necessary approval of the HoPE, its budget, and Terms of Reference as well as BAC-G Resolution for this project;







**WHEREAS,** in the 10 January 2022 pre-procurement conference of the BAC-G, BRAD presented the following cost-benefit analysis and justification behind its recommendation to provide the temporary housing for the PN Senior Officers at Acacia Estates, Taguig City:

a. The minimum technical requirements for the temporary housing facilities are as follows:

Rank	Location	Area	No. of Bed-	No. of Parking
			rooms (BR)	Slots
For Flag Officers	within 10 kms. from	at least 120	at least 4 BR/	at least 2
and Generals	the Navy Village	sqm/unit	unit	slots/ unit
For Senior	within 10 kms. from	at least 90	at least 3 BR/	at least 2
Officers	the Navy Village	sqm/unit	unit	slots/ unit

- b. The temporary housing facilities should be within one cluster or one area so that the security of the PN Senior Officers will not be at risk. The townhouses at Acacia Estates, condominium units at Trion Towers, and the Apartments at AFPOVAI can satisfy the minimum requirements of at least 120 sqm for the temporary housing of PN Senior Officers. However, the unit owners in AFPOVAI refused the proposal upon learning that active military personnel will be occupying the units;
- c. The average lease rate of condominium units at Trion Towers is more expensive compared with the existing units being leased by BCDA at Acacia Estates:

Occupant	Number of Units	Acacia Estates (in Php/month)*	Trion Towers (in Php/month)*
Flag Officer and Generals	20	1 201 000	2 210 000
Senior Officers	26	1,301,000	2,210,000

<sup>\*</sup>Exclusive of applicable taxes and fees and CUSA of the common areas

d. The Acacia Estates is the only property that is within one cluster where the security of the PN Senior Officers will not be compromised. Moreover, transferring to other properties will entail additional costs to BCDA taking into account the hauling expenses, higher rental rates, and other expenses relative to the transfer;

**WHEREAS**, the BCDA Board approved this project on 12 January 2022 through a Secretary's Certificate dated 13 January 2022 (*Annex A*) indicating the approval of the following:

a. Procurement of PN temporary housing facilities at Acacia Estates, Taguig City through negotiated procurement pursuant to Annex H Section V (9) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 with an Approved Budget for the Contract





- (ABC) of Php17,000,000 per year inclusive of applicable taxes and fees and association dues;
- b. Approval of the Terms of Reference (TOR) for the procurement of new three (3) housing units and one (1) parking unit for the temporary housing facilities of the Philippine Navy Senior Officers;
- c. Inclusion in the 2022 BCDA Annual Procurement Plan of the Temporary Housing of PN Senior Officers amounting to Php17 million;
- d. Execution of lease agreements for the temporary housing of PN Senior Officers between BCDA and individual unit owners of twenty six (26) townhouses/condo units and eight (8) parking units at Acacia Estates, Taguig City; and
- e. Authority of the Acting President and CEO/Officer-In-Charge, OPCEO and/or Executive Vice President and COO to sign the lease agreements and other documents necessary for the execution thereof.

WHEREAS, in its 13 January 2022 memo to BAC-G (*Annex B*), the end-user requested the BAC-G to issue a BAC-G resolution for the lease of PN temporary housing facilities at Acacia Estates, Taguig City with an Approved Budget for the Contract (ABC) of (Php17,000,000) per year, inclusive of government taxes and fees. The temporary housing facilities for the twenty six (26) PN Senior Officers shall be implemented through twenty three (23) renewals of lease contracts and three (3) new lease contracts;

**WHEREAS**, BAC-G issued BAC-G Resolution No. BG-2022-001 delegating to PPMD and appropriate end-user units the conduct of the procurement process for items falling under Goods and within their corresponding respective thresholds, through Shopping, Small Value Procurement, Lease of Real Property and Venue, and Emergency Cases, as defined in Rule XVI and Annex "H" of the RIRR of R.A. No. 9184;

**NOW, THEREFORE**, foregoing premises considered, we, the members of the Bids and Awards Committee for Goods, hereby **RESOLVE**, as it is hereby **RESOLVED**:

- 1. To delegate to the end-user unit, BRAD, in coordination with PPMD, the Procurement of Philippine Navy Temporary Housing Facilities at Acacia Estates, Taguig City for twenty six (26) housing units and eight (8) parking units for PN Senior Officers through Lease of Real Property (Annex "H" of the RIRR of R.A. No. 9184) with an Approved Budget for the Contract (ABC) of Seventeen Million Pesos (Php17,000,000) per year, inclusive of government taxes and fees, pursuant to Section 53.10 of RIRR of RA 9184 and BAC-G Resolution No. BG-2022-001;
- 2. To direct the end-user unit to secure the Certificate of Funds Availability (CFA), furnish the BAC-G with copies of the duly conformed Notices of Award and Notices





to Proceed for the twenty six (26) housing units and eight (8) parking units, and the corresponding duly executed agreements/contracts.

RESOLVED, at the BCDA Corporate Office, on 17 January 2022.

# **BIDS AND AWARDS COMMITTEE (BAC) FOR GOODS**

SHUA M. BINGCA Chairperson

JOCELYN L. CANIONES
Vice Chairperson

SAMUEL JOHN VIDALLON
Member

CHRISTIAN T. DULDULAO Member

Member

Approved By:

ARISTOTLE B. BATUHAN MA Officer-in-Charge

Office of the President and CEO

TÜVRh

# "ANNEX A"



# SECRETARY'S CERTIFICATE

Republic of the Philippines)
Taguig City ) SS.

I, CHRISTIAN T. DULDULAO, of legal age, being the Assistant Corporate Secretary of the Bases Conversion and Development Authority (BCDA), with office address at the 2/F Bonifacio Technology Center, 31st Street corner 2nd Avenue, Bonifacio Global City, Taguig City, do hereby certify that on the occasion of the 602nd Regular BCDA Board Meeting held on 12 January 2022, with a quorum being present, the Board of Directors, upon motion duly seconded, unanimously approved the following resolution:

#### Resolution No. 2022-01-004

Resolve, as it is hereby resolved, that the procurement of Philippine Navy (PN) temporary facilities in Acacia Estates, Taguig City through negotiated procurement pursuant to Annex H Section V (D) (9) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act 9184 with an Approved Budget for the Contract (ABC) of Seventeen Million Pesos (Php17,000,000.00) per year inclusive of all applicable taxes and fees and association dues be, as it is hereby APPROVED.

Resolve further, as it is hereby further resolved, that the Terms of Reference (TOR) for the procurement of three (3) new housing units and one (1) parking unit for the temporary housing facilities of the Philippine Navy Senior Officers be, as it is hereby APPROVED.

Resolve further, as it is hereby further resolved, that the inclusion of the above-mentioned ABC for the Temporary Housing of PN Senior Officers in the 2022 BCDA Annual Procurement Plan be, as it is hereby APPROVED.

Resolve further, as it is hereby further resolved, that the execution of lease agreements for the temporary housing of PN Senior Officers between BCDA and individual unit owners of twenty-six (26) townhouse/condo units and eight (8) parking units in Acacia Estates, Taguig City be, as it is hereby APPROVED.

Resolve finally, as it is hereby finally resolved, that the authority of the Acting President/Officer-in-Charge of the Office of the President and CEO and/or the Executive Vice President and COO to sign the Lease Agreement and other documents necessary for the execution thereof be, as it is hereby APPROVED.

This certification is being issued subject to the final approval of the Minutes of the 12 January 2022 BCDA Board Meeting.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 13th day of January 2022.

CHRISTIAN T. DULDULAO
Assistant Corporate Secretary

SUI	BSCRIBED	AND	SWORN	to	before	me	this	a
		, Phili	opines, by At	ty. Ch	IRISTIAN	T. DULI	DULAO	who exhibited to me his Passpor
No. P827427	5B, issued a							November 2031.
Doc. No.								

Page No. \_\_\_\_\_ Book No.

Series of 2022.

Purpose: As attachment to the memo to BAC-G SC2022-004

YB2022-0008





# "ANNEX B"



# **INTERNAL MEMO**

FOR : SVP JOSHUA M. BINGCANO

Chairn and BAC for Goods and Services

THRU : EVP AILEEN AN. R. ZOSA 01-13-2

FROM : VP HEDDA Y. RULONA

Budget and Revenue Allocation Department

DATE : 13 January 2022

SUBJECT: Renewal of Lease Agreement for the Temporary Housing of PN Senior

Officers at Acacia Estates, Taguig City

### **Requested Action:**

Issuance of BAC-G resolution for the procurement of PN temporary housing facilities at Acacia Estates, Taguig City through negotiated procurement pursuant to Annex H Section V (9) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 with an Approved Budget for the Contract (ABC) of Php17 million per year inclusive of applicable taxes and fees and association dues.

## **Background**

As discussed during our meetings held on 22 December 2021 and 10 January 2022, we are submitting the following documents required for the issuance of BAC-G Resolution for the procurement of PN temporary housing facilities at Acacia Estates, Taguig City:

- 1. Secretary's Certificate dated 13 January 2022 (Annex A) indicating the approval of the BCDA Board of the following during its meeting on 12 January 2022:
  - a. Procurement of PN temporary housing facilities at Acacia Estates, Taguig City through negotiated procurement pursuant to Annex H Section V (9) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 with an Approved Budget for the Contract (ABC) of Php17 million per year inclusive of applicable taxes and fees and association dues;
  - Approval of the Terms of Reference (TOR) for the procurement of new three (3) housing units and one (1) parking unit for the temporary housing facilities of the Philippine Navy Senior Officers;
  - c. Inclusion in the 2022 BCDA Annual Procurement Plan of the Temporary Housing of PN Senior Officers amounting to Php17 million;
  - Execution of lease agreements for the temporary housing of PN Senior Officers between BCDA and individual unit owners of 26 townhouse/condo units and 8 parking units at Acacia Estates, Taguig City; and

- e. Authority of the Acting President and CEO/Officer-In-Charge, OPCEO and/or Executive Vice President and COO to sign the lease agreements and other documents necessary for the execution thereof.
- 2. Cost-Benefit Analysis/Justifications (Annex B)
  - a. The minimum technical requirements for the temporary housing facilities are as follows:

Rank	Location	Area	No. of	No. of Parking
			Rooms	
For Flag	within 10	at least 120	at least 4	at least 2 slots
Officers and	kilometers from	square meters	bedrooms	per unit
Generals	the Navy Village	per unit	per unit	
For Senior	within 10	at least 90	at least 3	at least 2 slots
Officers	kilometers from	square meters	bedrooms	per unit
	the Navy Village	per unit	per unit	

- b. The temporary housing facilities should be within one cluster or one area so that the security of the PN Senior Officers will not be at risk. The townhouses at Acacia Estates, condominium units at Trion Towers, and the Apartments at AFPOVAI can satisfy the minimum requirements of at least 120 sqm for the temporary housing of PN Senior Officers. However, the unit owners in AFPOVAI disapproved of our proposal to lease when they learned that active military personnel will be occupying the units.
- c. The average lease rate of condominium units at Trion Towers is more expensive compared with the existing units being leased by BCDA at Acacia Estates:

	Occupant		Number of Units	Acacia Estates	Trion Towers
				(per month)*	(per month)*
Flag	Officer	and			
Gener	als		26	1,301,000	2,210,000
Senior	Officers				

<sup>\*</sup>Exclusive of applicable taxes and fees and CUSA of the common areas

d. The Acacia Estates is the only property that is within one cluster where the security of the PN Senior Officers will not be at risk, as one of the requirements we have to consider. Moreover, transferring to other properties will entail additional costs to BCDA taking into consideration the hauling expenses, higher rental rates, and other expenses relative to the transfer.

### **Recommendation:**

Based on the foregoing, may we recommend the issuance of BAC-G resolution for the procurement of PN temporary housing facilities at Acacia Estates, Taguig City through negotiated procurement pursuant to Annex H Section V (9) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act No. 9184 with an Approved Budget for the Contract (ABC) of Php17 million per year inclusive of applicable taxes and fees and association dues.



Attached are the following documents for your reference:

- Annex A Secretary's Certificate dated 13 January 2022
   Annex B Cost-Benefit Analysis

We hope for your favorable action to our request.

Thank you.

### MARKET STUDY/COST BENEFIT ANALYSIS

Temporary Housing for the PN Senior Officers

The goal of this market study/cost benefit analysis is to select the most reasonable property to be leased as Temporary Housing Facilities of the Philippine Navy Senior Officers.

The minimum specifications for the temporary housing facilities are as follows:

For Flag Officers and Generals:

Location within 10 kilometers from the Navy Village

Area :
Number of rooms :
Number of car parking : at least 120 square meters per unit

at least 4 bedrooms per unit

at least 2 slots per unit

For Senior Officers

Location :
Area :
Number of rooms :
Number of car parking : within 10 kilometers from the Navy Village

at least 90 square meters per unit

at least 3 bedrooms per unit

at least 2 slots per unit

BCDA also considered the minimum requirements of the PN Housing Board aside from the sizes of the housing facilities consisting of the following:

- 1. The location of the temporary housing facilities should be within 10 kms away from the Philippine Marine Headquarters and Bonifacio Naval Station in Fort Bonifacio
- 2. The temporary housing facilities should be within one cluster or one area so that the security of the Senior Officers will not be at risk

The following were considered in the market study/cost benefit analysis:

Name of Property	No of Rooms	Area	Location	Distance from Navy Village	Average Monthly Rate
AFPOVAI	Apartment Type	80 to 120 sqm	Taguig City	3 kms	90,000
Acacia Estates – Townhouses	3 bedrooms	75 to 120 sqm	Taguig City	8.8 kms	80,000
Acacia Estates – Condo Units	3 bedrooms	66 to 134 sqm	Taguig City	8.8 kms	45,000
Avida Towers- Condo Units	2 bedrooms	60 to 83 sqm	BGC	6.6 kms	35,000
Serendra - Condo Units	2 to 3 bedrooms	75 to 117 sqm	BGC	5 kms	90,000
Trion Towers	2 to 3 bedrooms	55 to 128 sqm	BGC	4.1 kms	85,000

Based on the above data, the townhouses at Acacia Estates, condominium units at Trion Towers, and the Apartments at AFPOVAI can satisfy the minimum requirements of at least 120 sqm for the temporary housing of Senior Officers. However, the unit owners in AFPOVAI disapproved of our proposal to lease when they learned that active military personnel will be occupying the units. On the other hand, the PN Housing Board rejected the units in Avida Towers since it's below the standard set by the PN in the selection and awarding of the temporary housing.

At present, BCDA is leasing a total of twenty-six (26) housing units at Acacia Estates consisting of the following:

Occupant	Number of Units	*Total	*Total
		Monthly Rate	(12 months)
Flag Officer and Generals	6	430,000	Php5,160,000
Senior Officers	20	871,000	10,452,000
Total	26	1,301,000	Php15,612,000
Average per month			Php1,301,000

<sup>\*</sup>Exclusive of applicable taxes and fees and CUSA of the common areas

Compared to the average lease rate of condominium units at Trion Towers, renewing the lease agreements with unit owners at Acacia Estates still showed to be more cost-efficient and beneficial to BCDA:

Occupant	Number of Units	Acacia Estates (per month)*	Trion Towers (per month)*
Flag Officer and Generals Senior Officers	26	1,301,000	2,210,000

<sup>\*</sup>Exclusive of applicable taxes and fees and CUSA of the common areas

Acacia Estates is the only property that is within one cluster where the security of the Senior Officers will not be at risk, as one of the requirements we have to consider. Moreover, transferring to other properties will entail additional costs to BCDA taking into consideration the transfer cost, higher rental rates, and other expenses relative to the transfer (ex. mobilization). The PN also recommended the renewal of the existing lease agreements in the Acacia Estates.

Hence, we recommend renewing the lease agreements in favor of Acacia Estates, Taguig City for three (3) years commencing from 16 February 2022 until 15 February 2025 for the temporary housing of PN Senior Officers.

The renewal shall be guided by the Renewal of Contract of Lease of Real Property, as provided in Annex H Section V (9d) under Section 53.10 (Lease of Real Property and Venue) of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184.