



BIDS AND AWARDS COMMITTEE

RECOMMENDING RENEWAL OF THE LEASE CONTRACT

(Resolution No. 2023-149)

WHEREAS, Purchase Request No. 202310294 for the **LEASE OF OFFICE SPACES FOR THE SECURITIES AND EXCHANGE COMMISSION ZAMBOANGA EXTENSION OFFICE (SEC-ZAMEO)** with approved budget for the contract in the amount of **FIVE HUNDRED FIFTY THOUSAND PESOS (Php 550,000.00)**;

WHEREAS, provided under Section V.D. 9 (d) of Annex H of the 2016 Implementing Rules and Regulations (IRR) of Republic Act No. 9184 (RA 9184) Renewal of Contract of Lease of Real Property provides:

"i. Prior to the expiration of the lease contract, the end-user of the procuring entity must conduct a cost-benefit analysis of the lease. For instance, it must compare the rental rates charged by its lessor against other lessors in the area. It must also analyze whether entering into a new contract will be more expensive taking into consideration the cost of transfer and accessibility to the public. In assessing the existing lease, Pes are encouraged to consult relevant government agencies regarding any new policy or directive in the lease of real property.

ii. If the results of the CBA, conducted by the end-user, continue to favor the existing lessor, then the Head of Procuring Entity (HoPE) may simply contract in accordance with Section 53.10 of the IRR of RA 9184 and this guideline. For efficiency and economy, during the effectivity of the contract or upon its renewal, the Procuring Entity may consider the expansion or reduction of the space provided by the existing lessor, provided that the leased premises can accommodate the space requirements of the PE in case of expansion, based on the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules."

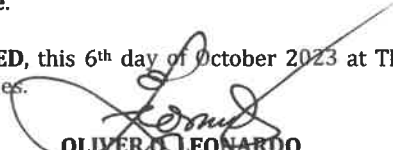
WHEREAS, in its cost-benefit analysis, the SEC-ZAMEO office concluded that:

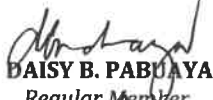
1. The current provider of office space or the JV Building's renewal amount is ₱547,301.21 at ₱193.83 per square meter with an escalation 10% from the current contract cost ₱497,546.56. The renewal amount is still the most advantageous to the Securities and Exchange Commission (SEC) because it is still the lowest as compared to other service providers as stated in the market survey conducted, wherein the average cost of monthly rental for office spaces in Zamboanga City is at ₱1,000.00 per square meter, inclusive of city services and taxes;
2. JV Building, owned by Ms. Julie W. Vicente, a private owned real property, has the lowest lease rate within the vicinity. The current space is strategic, has high public accessibility, above-average security, and still sufficient space for personnel and files, and is the location of SEC-ZAMEO since 1993.
3. SEC services will not be disrupted since JV Building is the current lessor; and
4. SEC will not incur moving/ transfer cost.

WHEREAS, the conditions set under the RA 9184 for the renewal of Lease of Space for SEC Zamboanga Extension office were therefore met;

NOW THEREFORE, foregoing considered, the Bids and Awards Committee **RESOLVES** to recommend to the Head of the Procuring Entity/Authorized Representative the **Renewal of Lease of Space for SEC Zamboanga Extension Office**, for the total contract price of **FIVE HUNDRED FORTY-SEVEN THOUSAND THREE HUNDRED ONE AND 21/100 PESOS (Php 547,301.21) VAT inclusive**.

RESOLVED, this 6th day of October 2023 at The SEC Headquarters, Makati Avenue, Salcedo Village, Bel-Air, 1209 Makati City, Philippines.


OLIVER O. LEONARDO
Vice-Chairman


DAISY B. PABUYA
Regular Member


MARLON LESTER M. CANTOR
Provisional Member


LESTER PAUL N. OBON
Provisional Member


ARMANDO A. PAN, JR.
Chairman

Approved / Disapproved:


FILBERT CATALINO F. FLORES III
Head of the Procuring Entity /
Authorized Representative

Date: _____
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