REPUBLIC OF THE PHILIPPINES BATANGAS CITY

OFFICE OF THE SANGGUNIANG PANLUNGSOD

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION HELD BY THE MEMBERS OF THE SANGGUNIANG PANLUNGSOD OF BATANGAS CITY ON APRIL 4, 2017 AT THE SANGGUNIAN SESSION HALL

PRESENT:

Hon. Emilio Francisco A. Berberabe Jr.,	Presiding Officer
Hon. Aileen Grace A. Montalbo,	Councilor
Hon. Glenn M. Aldover,	22
Hon. Sergie Rex M. Atienza,	ŁĹ
Hon. Hamilton G. Blanco,	11
Hon. Alyssa Renee A. Cruz,	££.
Hon. Oliver Z. Macatangay,	čč
Hon. Armando C. Lazarte,	66
Hon. Julian B. Villena,	ee
Hon. Gerardo A. dela Roca,	44
Hon. Nestor E. Dimacuha,	11
Hon. Nelson J. Chavez,	56
Hon. Angelito "Dondon" A. Dimacuha,	(ABC-Rep.)
Hon, Karlos Emmanjuel A. Buted,	Councilor

"On motion of Councilor Atienza seconded by Councilor Angelito Dondon Dimacuha, the following Resolution was Adopted:

RESOLUTION NO. 78 \$.2017

A RESOLUTION RECOMMENDING THE OPERATORS, KC WONDERLAND (WORLD OF FUN), QUANTUM AMUSEMENT CORPORATION, STORYLAND-FUN PARK AND WAKULAND BAYMALL BRANCH, TO IMMEDIATELY CEASE FROM OPERATING AND THAT THE CITY LEGAL OFFICER ISSUE A CEASE AND DESIST ORDER UPON NON-COMPLIANCE THEREWITH

WHEREAS, referred to the Committee on Games and Amusement raised last March 14, 2017 during the privilege hour of the Sangguniang Panlungsod regular session regarding the operation of amusement facilities/establishments with videogames and other similar machines intended for amusement;

WHEREAS, a series of committee hearing was held on March 17, 2017 and April 3, 2017 to discuss all other relevant information and documents in relation to the issuance of franchise and other concerns on the operation of the respondents;

WHEREAS, the Committee found during the discussion and the data presented that the operators namely, KC Wonderland (World of Fun), Quantum Amusement Corporation, Storyland-Fun Park and Wakuland Baymall Branch violated Ordinance No. 2 s. 2005 otherwise known as "ORDINANCE PROHIBITING ELEMENTARY AND HIGH SCHOOL STUDENTS FROM ENTERING AND PLAYING IN COMPUTER GAME SHOPS AND/OR VIDEO MACHINE GAME SHOPS DURING SCHOOL HOURS";

Continuation of Resolution No. 78 S. 2017

A RESOLUTION RECOMMENDING THE OPERATORS, KC WONDERLAND (WORLD OF FUN), QUANTUM AMUSEMENT CORPORATION, STORYLAND-FUN PARK AND WAKULAND BAYMALL BRANCH, TO IMMEDIATELY CEASE FROM OPERATING AND THAT THE CITY LEGAL OFFICER ISSUE A CEASE AND DESIST ORDER UPON NON-COMPLIANCE THEREWITH

WHEREAS, Title II, Chapter IV, Section 30 of the City Tax Code of 2002 states that "the operation of videogame machine center shall be allowed only through a local franchise approved by the Sangguniang Panlungsod, subject to the terms and conditions it may impose";

WHEREAS, although KC Wonderland (World of Fun) located in SM Batangas applied for and was granted with a franchise through Resolution No. 16 s. 2005 entitled "GRANTING FRANCHISE TO KC WONDERLAND CORPORATION (WORLD OF FUN) TO OPERATE A VIDEOGAMES MACHINE CENTER AT THE SM CITY, BATANGAS", among the terms and conditions on the resolution was item no. 4 which states that "The franchise herein granted is non-exclusive and shall be valid for one (1) year unless sooner revoked or terminated for cause; the franchise may be renewed at the option of the Sangguniang Panlungsod. Therefore the committee finds that KC Wonderland (World of Fun) have operated illegally from 2006, upon the expiration of their franchise up to present, without a franchise;

WHEREAS, although Quantum Amusement Corporation located in SM Batangas applied for and was granted with a franchise through Resolution No. 253s. 2004 entitled "GRANTING FRANCHISE TO QUANTUM AMUSEMENT CORPORATION TO OPERATE A VIDEOGAMES MACHINE CENTER AT THE SM CITY, BATANGAS", among the terms and conditions on the resolution was item no. 4 which states that "The franchise herein granted is non-exclusive and shall be valid for one (1) year unless sooner revoked or terminated for cause; the franchise may be renewed at the option of the Sangguniang Panlungsod. Therefore the committee finds that Quantum Amusement Corporation have operated illegally from 2005, upon the expiration of their franchise up to present, without a franchise;

WHEREAS, aside from the City Tax Code of 2002, the Revenue Code of 2009 and the amended Revenue Code of 2009 expresses that the operation of Videogame Machine Centers shall be allowed only through a local franchise. As such, similar to the two (2) establishments, the committee deems that Storyland-Fun Park and Wakuland Baymall Branch having a nature of business and rendering services that falls under the Videogame Machine Shop or Center as defined and covered by the Revenue Code, have likewise operated illegally without any franchise from the beginning of their operation;

NOW THEREFORE, be it resolved as it hereby resolves by the Sangguniang Panlungsod of Batangas in session assembled to recommend the operators, KC Wonderland (World of Fun), Quantum Amusement Corporation, Storyland-Fun Park and Wakuland Baymall Branch, to immediately cease from operating and that the City Legal Officer issue a cease and desist order upon non-compliance therewith;

RESOLVED FURTHER, that this resolution be sent to the operators namely, KC Wonderland (World of Fun), Quantum Amusement Corporation, Storyland-Fun Park and Wakuland Baymall Branch;

RESOLVED FINALLY, that copies of this Resolution be sent to the Local Chief Executive, Business Processing and Licensing Office, City Planning and Development Office, and the City Legal Officer for reference, information and guidance.

APPROVED UNANIMOUSLY, April 4, 2017."

Continuation of Resolution No. 78 S. 2017

A RESOLUTION RECOMMENDING THE OPERATORS, KC WONDERLAND (WORLD OF FUN), QUANTUM AMUSEMENT CORPORATION, STORYLAND-FUN PARK AND WAKULAND BAYMALL BRANCH, TO IMMEDIATELY CEASE FROM OPERATING AND THAT THE CITY LEGAL OFFICER ISSUE A CEASE AND DESIST ORDER UPON NON-COMPLIANCE THEREWITH

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COUN.JULIAN B. VILLENA
COUN. HAMILTON G. HLANCO
COUN.GERARDO A. DELA ROCA
COUN. ALYSSA RENEE A. CRUZ
COUN. NESTOR E. DIMACUHA
COUN. OLIVER Z. MACATANGAY

COUN. NELSON J. CHAVEZ

COUN. ANGELITO DONDON A. DIMACUHA

I hereby certify that the foregoing Resolution No. 78 S. 2017 was approved by the Sangguniang Panlungsod of Batangas City during its Regular Session held on April 4, 2017.

LUNING A. AQUINO
Board Secretary III
Sangguniang Panlungsod

NOTED:

ATTY. OLIVÁ D. TELEGATOS

Secretary

Sangguniang Panlungsod

ATTESTED:

emilio fr*a*ficisco A. berberabe, jr.

Prasiding Officer

ODT/LAA/ystingchuy...



Republic of the Philippines BATANGAS CITY

Office of the Sangguniang Panlungsod

Tel. No. 723-2175

COMMITTEE REPORT

SUBMITTED BY

COMMITTEE ON GAMES AND AMUSEMENT

SUBJECT

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VIDEOGAME MACHINE CENTER OPERATIONS

BACKGROUND

Referred to the Committee on Games and Amusement raised last March 14, 2017 during the privilege hour of the Sangguniang Panlungsod regular session regarding the operation of amusement facilities/establishments with video games and other similar machines intended for amusement.

Relative thereto, a committee hearing was immediately held last March 17, 2017 with the presence of the members of the joint committee and invited guests. Present were the Committee on Games and Amusement, Coun. Sergie Rex M. Atienza, Coun. Gerardo A. Dela Roca and Coun. Glenn M. Aldover. Likewise, headed by Hon. Vice Mayor Jun Berberabe, other members of the Sangguinang Panlungsod present were Coun. Alyssa Renee A. Cruz, Coun. Julian B. Villena and Coun. Nestor E. Dimacuha. Also present were Ms. Ditas A. Rivera from Business Processing and Licensing Office (BPLO), Ms. Delia M. Licarte from City Planning and Development Office (CPDO) and representatives from the operators of videogame machine centers were Ms. Bellegine Lopez, Ms. Karen A. Montalbo and Mr. Enrico Ong all from Quantum Amusement Corporation in SM Batangas and Ms. Sher Anne Espiritu the representative from World of Fun in Sm.

During the committee hearing, the pictures of individuals and/or groups ranging from elementary up to college students from different academic institution playing videogames were shown to the operators present. It was also explained to the operators that the said incident is an explicit violation to Ordinance No. 2 s. 2005 particularly to Section 2 that states:

"SECTION 2. – PROHIBITION. Elementary and High School students are prohibited from entering and playing in computer game shops and/or video machine game shops during school hours.

School Hours

7:00 A.M. - 10:00 A.M.

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1:00 P.M. - 4:00 P.M.

School days

Monday to Friday

It shall be unlawful for the owner or operator of computer game and/or video machine game shops to allow elementary and high school students to enter and play in their computer and/or video machine game shops during school hours. "

Although the operators expressed various reasons explaining why such students were playing videogames on their premise between $1-4\,\mathrm{P.M.}$ of school days, nothing can be construed to be valid and legal exemption to the aforesaid ordinance.



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More so, during the hearing, the committee were made aware that there is another operator inside the premise of <u>KC Woderland</u> located in SM City Batangas that is the Storyland-Fun Park that likewise render videogames. Also, aside from the absence of any representative from Wakuland located in Bay City Mall, the hearing continued wherein the issue of franchise was raised.

After the research of the committee, a second committee hearing was conducted last April 3, 2017 to continue the discussion with the presence of the same committee members and Vice Mayor Jun Berberabe, Coun. Julian B. Villena, Coun. Nelson Chavez, Coun. Oliver Macatangay, Coun. Hamilton G. Blanco, and Coun. Nestor E. Dimacuha. Also present were Ms. Ditas A. Rivera from Business Processing and Licensing Office (BPLO), Ms. Roselyn G. Berberabe from City Planning and Development Office (CPDO) and representatives from the operators of videogame machine centers Mr. Leopoldo Atienza Jr., Ms. Myzel Alib and Ms. Lyn D. Gabriel all representatives of Storyland-Fun Park, Mr. Garnet Alano from Wakuland at Bay City Mall, Ms. Bellegine Lopez, Ms. Karen A. Montalbo and Mr. Enrico Ong all from Quantum Amusement Corporation in SM Batangas and Ms. Sher Anne Espiritu and Nema Sison the representatives from World of Fun in Sm Batangas.

During the committee hearing, since there were new representatives from other operators, the incident in relation to Ordinance No. 2 s. 2005 was reiterated and discussed, however, nothing can be construed to be valid and legal exemption or excuse to the aforesaid ordinance. The documents obtained by the committee from the records division of the Sangguniang Panlungsod such as two (2) resolutions granting franchise to two (2) of the operators along with other relevant information in relation to the issuance of franchise and other concerns on the operation was discussed with the aid of insights from the members of the committee, the Sangguniang Panlungsod, CPDO and BPLO.

FINDINGS

- The Committee found during the discussion and the data presented that the operators namely, KC Wonderland (World of Fun), Quantum Amusement Corporation, Storyland-Fun Park and Wakuland Baymall Branch violated Ordinance No. 2 s. 2005 otherwise known as "ORDINANCE PROHIBITING ELEMENTARY AND HIGH SCHOOL STUDENTS FROM ENTERING AND PLAYING IN COMPUTER GAME SHOPS AND/OR VIDEO MACHINE GAME SHOPS DURING SCHOOL HOURS"
- 2. Title II, Chapter IV, Section 30 of the City Tax Code of 2002 states that "the operation of videogame machine center shall be allowed only through a local franchise approved by the Sangguniang Panlungsod, *subject to the terms and conditions it may impose*".
- 3. Although KC Wonderland (World of Fun) located in SM Batangas applied for and was granted with a franchise through Resolution No. 16 s. 2005 entitled "GRANTING FRANCHISE TO KC WONDERLAND CORPORATION (WORLD OF FUN) TO OPERATE A VIDEOGAMES MACHINE CENTER AT THE SM CITY, BATANGAS", among the terms and conditions on the resolution was item no. 4 which states "The the franchise herein granted is non-exclusive and shall be



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valid for one (1) year unless sooner revoked or terminated for cause; the franchise may be renewed at the option of the Sangguniang Panlungsod.

Therefore the committee finds that KC Wonderland (World of Fun) have operated illegally from 2006, upon the expiration of their franchise up to present, without a franchise.

- 4. Although Quantum Amusement Corporation located in SM Batangas applied for and was granted with a franchise through Resolution No. 25 s. 2004 entitled "GRANTING FRANCHISE TO QUANTUM AMUSEMENT CORPORATION TO OPERATE A VIDEOGAMES MACHINE CENTER AT THE SM CITY, BATANGAS", among the terms and conditions on the resolution was item no. 4 which states "The the franchise herein granted is non-exclusive and shall be valid for one (1) year unless sooner revoked or terminated for cause; the franchise may be renewed at the option of the Sangguniang Panlungsod. Therefore the committee finds that Quantum Amusement Corporation have operated illegally from 2005, upon the expiration of their franchise up to present, without a franchise.
- 5. Aside from the City Tax Code of 2002, the Revenue Code of 2009 and the amended Revenue Code of 2009 expresses that the operation of Videogame Machine Centers shall be allowed only through a local franchise. As such, similar to the two (2) establishments, the committee deems that Storyland-Fun Park City and Wakuland Baymall Branch having a nature of business and rendering services that falls under the Video Game Machine Shop or Center as defined and covered by the Revenue Code, have likewise operated illegally without any franchise from the beginning of their operation.

RECOMMENDATIONS

After sufficient discussion and study about the matter, the committee hereby recommends:

- 1. That the operators, KC Wonderland (World of Fun), Quantum Amusement Corporation, Storyland-Fun Park and Wakuland Baymall Branch, to immediately cease from operating until such time that they apply and be granted with a franchise from the Sangguniang Panlungsod.
- 2. That the City Legal Officer issue a cease and decease order upon non compliance to the latter recommendation of the Sangguniang Panlungsod wherein such order shall be until such time that operators apply and be granted with a franchise from the Sangguniang Panlungsod.
- 3. That the City Legal Officer takes the necessary action towards the violation of the operators of Ordinance No. 2 s. 2005.
- 4. That a strong and constant coordination between the Business Processing and Licensing Office, City Planning and Development Office and Sangguniang Panlungsod be made in order to monitor those entities that requires prior franchise/permit and/or any other authorization from the Sangguniang Panlungsod.



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- 5. The adoption of this Committee Report; and
- 6. Approval of the Resolution attached herewith.

Respectfully submitted, April 4, 2017.

COMMITTEE ON GAMES AND AMUSEMENT

COUN. SERGIE REX M. ATIENZ

COUN. GERARDO A. DELA ROCA

Member A. DELA ROC

COUN. GLENN M. ALDOVER

Member