Republic of the Philippines
QUEZON CITY COUNCIL
Quezon City
21st City Council

PO21CC-539

93rd Regular Session

ORDINANCE NO. SP-3109, S-2022

AN ORDINANCE INSTITUTIONALIZING THE STARTUP QC PROGRAM AND APPROPRIATING FUNDS THEREFOR.

Introduced by Councilors IRENE R. BELMONTE, FRANZ S. PUMAREN, ERIC Z. MEDINA and DONATO "Donny" C. MATIAS.

Co-Introduced by Councilors Bernard R. Herrera, Lena Marie P. Juico, Dorothy A. Delarmente, M.D., Nicole Ella V. Crisologo, Victor V. Ferrer, Jr., Winston "Winnie" T. Castelo, Eden Delilah "Candy" A. Medina, Ramon P. Medalla, Mikey F. Belmonte, Estrella C. Valmocina, Wencerom Benedict C. Lagumbay, Jorge L. Banal, Sr., Peachy V. De Leon, Imee A. Rillo, Marra C. Suntay, Resty B. Malañgen, Ivy L. Lagman, Hero M. Bautista, Jose A. Visaya, Shaira L. Liban, Ram V. Medalla, Allan Butch T. Francisco, Marivic Co Pilar, Rogelio "Roger" P. Juan, Diorella Maria G. Sotto-Antonio and Noe Dela Fuente.

WHEREAS, Section 10, Article XIV of the 1987 Philippine Constitution provides that "Science and Technology are essential for national development and progress and the State shall give priority to research and development, invention, innovation, and their utilization, and to science and technology education, training and services";

WHEREAS, Section 1, Article XII of the 1987 Philippine Constitution provides that "the goal of the national economy are a more equitable distribution of opportunities, income and wealth, a sustained in increased amount of goods and services produced by the nation for the benefit of the people and expanding productivity and the key to raising the quality of life

WHEREAS, Republic Act No. 11337, otherwise known as the "Innovative Start Up Act", declares the policy of the State to foster inclusive growth through an innovative economy by streamlining government and non-government initiatives, in both local and international spheres, to create new jobs and improve production, and advance innovation and trade in the country;

WHEREAS, Section 16 of the Local Government Code of 1991 provides that the local government shall ensure, encourage, and support, among other things, the development of appropriate and self-reliant scientific and technological capabilities, enhance economic prosperity and social justice, and promote full employment among residents;

WHEREAS, the City recognizes the important role of start-up businesses especially with its diverse and vibrant economy and its active and empowered constituents;

WHEREAS, the City envisions to have a QC Startup Business Ecosystem that will provide entrepreneurs a chance to start their business ventures through the provision of an assistance program and the development of a startup infrastructure;

WHEREAS, Section 455 (b)(1)(iii) of the Local Government Code of 1991 provides that the City Mayor can propose policies and projects for the consideration of the Sangguniang Panlungsod as often as may be deemed necessary for the general welfare of the inhabitants;

WHEREAS, Section 458 (2)(a) of the same Code provides for the City Council's passage of an ordinance appropriating funds to programs, projects, services and activities of the City in order to promote the general welfare of the City and its inhabitants;

WHEREAS, the Quezon City Government is launching the Startup QC Program which primarily aims to strengthen, promote and develop the QC Startup Business Ecosystem;

WHEREAS, there is a need to institutionalize this program for continuity and to align with the City Mayor's 14-Point Agenda which recognizes the importance of innovative startups, hence, this Ordinance.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED:

SECTION 1. TITLE. - This Ordinance shall be known as the "Startup QC Program."

SECTION 2. OBJECTIVES. - This Ordinance aims to assist in the set-up of startup businesses by providing business support and capital that helps ensures business continuity in the first few years of operation through support activities and incentives.

SECTION 3. DEFINITION OF TERMS. - For the purpose of this Ordinance, the following terms shall be defined:

a. Startup Business - any person or entity in the City which aims to develop an innovative product, process, or business model that is scalable and replicable. It may fall into one or a combination thereto. The business must be organized and established within Quezon City;

b. Innovative Process - a new or significantly improved production or delivery method through changes in techniques, equipment, and/or software;

c. Innovative product - a good or service that is new or significantly improved in terms of technical specifications, component materials, software, convenience, or other functional characteristics;

d. Innovative Business Model - a new organizational method in business practices, workplace organization, or external relations;

e. Beneficiaries - qualified entrepreneurs as identified through Section 5 of this Ordinance;

f. Business Capital - the funds of the start-up business to be used as (i) initial capitalization; (ii) business process development; (iii) product/service development; (iv) market testing and research; (v) capacity building, networking, and linkages;

g. Evaluation phase - this phase is the application or the submission, where the business proposals are assessed and evaluated based on certain criteria;

h. Business Development phase - this phase is where entrepreneurs get help in refining business ideas and build their company's business model from conceptualization or from ground up;

i. Product Development phase - this phase is where entrepreneurs develop a minimum viable product (MVP), or from companies that already have a MVP, accelerate the growth of their business with the help of education, resources and mentorship.

SECTION 4. PROGRAM DESCRIPTION. - The Startup QC Program shall consist of 2 Categories: Student and Non-Student. The program is composed of 3 phases. The Evaluation phase, Business Development phase and Product Development phase, activities of each phase shall be identified in an IRR, if needed.

SECTION 5. QUALIFICATIONS. -

a. For the Start Up QC Program for non-students, applicants must be:

(i) A Quezon City resident, or at least one (1) of the members be a Quezon City resident.

(ii) At least 21 years of age.

(iii) The owners / incorporators / stockholders / organizers / partners, directors and/or officers must not have been convicted of any labor, civil, administrative, or criminal case.

(iv) Must not have any relative that is part of the screening committee up to the 4th degree of consanguinity.

(v) Must have a minimum viable product.

(vi) Must have no duplication with ongoing programs/projects, as may be determined by the Quezon City Government.

b. For the Start Up QC Program for students, applicants must be:

(i) A Quezon City resident, or at least one (1) of the members be a Quezon City resident.

(ii) At least 18 years of age.

(iii) Must not have been convicted of any labor, civil, administrative, or criminal case.

(iv) Must not have any relative that is part of the screening committee up to the 4th degree of consanguinity.

(v) Enrolled in any School, College or University.

(vi) Must provide proof of concept/prototype or establish market presence for at least six (6) months to qualify.

c. The Startup QC Program Committee, as defined in Section 7 of this Ordinance, shall have the power to disqualify any entry, applicant, or team, or both the student and non-student programs, should the Committee find any disqualification, lack of qualification, or similar or analogous disqualifying characteristics in their entry, applicant or team.

SECTION 6. FINANCIAL ASSISTANCE GUIDELINES. - The amount to be allotted varies per beneficiary as it shall be calculated according to the business plan, category of the applicant, and approved list of supplies submitted, provided that the maximum grant of amount shall not exceed One Million Pesos (Php1,000,000.00) per beneficiary. The approval of supplies shall be at the discretion of the Startup QC Program Committee.

SECTION 7. COMPOSITION AND DUTIES OF STARTUP QC PROGRAM COMMITTEE. - The Startup QC Program Committee (Committee) shall be composed of representatives, but not limited to the following offices:

Office of the City Mayor (OCM)	Program Sponsor
Office of the City Administrator (OCA)	Committee Chairman
Local Economic Investment and Promotions Office (LEIPO)	Member
Small Business Cooperatives Development and Promotions Office (SBCDPO)	Member
Investment Affairs Office (IAO)	Member
Education Affairs Office (EAO)	Member
Quezon City Youth Development Office (QCYDO)	Member
Quezon City University (QCU)	Member
Quezon City Council	Member

At any time during the program, the Office of the City Administrator may add to or vary the composition of the committee.

The Committee shall review the eligibility of applicants, evaluate the applications, determine the amount to be awarded to selected applicants, approve the list of supplies submitted in relation to Section 6 of this Ordinance [U2] [U3] [U4]

SECTION 8. MONITORING. - LEIPO and SBCDPO are tasked to monitor the financial assistance given to the beneficiaries for the proper use in relation with the approved business plans and list of supplies. In connection to this, those agencies shall also have the following powers:

a. Conduct an internal audit on the implementation of the Quezon City Startup QC Program.

b. Conduct an on-the-spot visit to monitor the progress of the businesses.

c. Require the submission of additional requirements, such as receipts and invoices, before and after the issuance of the Startup Awards.

SECTION 9. APPROPRIATION. - In the initial year of implementation, the budget shall be charged against the general fund of the Office of the City Mayor, as appropriated by the City Council and shall thereafter be part of the regular programs and projects of LEIPO and SBCDPO.

SECTION 10. IMPLEMENTING RULES AND REGULATIONS. - Both LEIPO and SBCDPO, in consultation with the IAO, EAO, QCYDO, OCA, and QCU shall formulate the Implementing Rules and Regulations (IRR) necessary to implement the provisions of this Ordinance within thirty (30) days from the approval of this Ordinance, if needed.

SECTION 11. AUTHORITY. - The City Mayor or her designate is hereby given authority to sign documents, agreements and other necessary orders in the pursuance of this program.

SECTION 12. SEPARABILITY CLAUSE. - If, any portion or provision of this Ordinance is declared void or unconstitutional, the remaining portions thereof not affected thereby, shall remain in full force and effect.

SECTION 13. REPEALING CLAUSE. - All laws or regulations inconsistent herewith are hereby repealed, revoked or modified accordingly.

SECTION 14. EFFECTIVITY CLAUSE. - This Ordinance shall take effect immediately upon its approval.

ENACTED: March 14, 2022.

GIAN G. SOTTO
City Vice Mayor
Presiding Officer

ATTESTED:

Atty. JOHN THOMAS S. ALFEROS III
City Government Dept. Head III

APPROVED: APR 07 2022

MA. JOSEFINA G. BELMONTE
City Mayor

CERTIFICATION

This is to certify that this Ordinance was APPROVED by the City Council on Second Reading on March 14, 2022 and was PASSED on Third/Final Reading on March 21, 2022.

Atty. JOHN THOMAS S. ALFEROS III
City Government Dept. Head III