

HOUSE OF REPRESENTATIVES

Introduced by Representative Rufus B. Rodriguez

House Bill No. 432

EXPLANATORY NOTE



According to Article X, Section 11 of the 1987 Philippine Constitution, "The Congress may, by law, create special metropolitan political subdivisions, subject to a plebiscite as set forth in Section 10 hereof. The component cities and municipalities shall retain their basic autonomy and shall be entitled to their own local executive and legislative assemblies. The jurisdiction of the metropolitan authority that will thereby be created shall be limited to basic services requiring coordination".

At present, Cagayan de Oro (CDO) is fast becoming one of the most modernized and vibrant cities in the Philippines. It is one of the major and fastest growing cities in the Philippines. In the 2012 Cities/Municipalities Competitiveness Report, the first ever released by the National Competitiveness Council (NCC), CDO bested 122 cities in terms of competitiveness making it the most competitive city in the Philippines. It is now experiencing a booming trade market and is one of the main tourism centers in Mindanao. It is also an education hub with some of the best schools and universities in the country.

Currently, it has a population of around 700,000 with many of its residents, being non-homegrown Kagay-anons. It is strategically located being the gateway to Mindanao which makes it very accessible to all the major cities in the Philippines. It is just an hour and 20 minutes by plane from Manila; 30 minutes away from Cebu by plane; Davao is just five hours away; Iligan to the West and Bukidnon to the Southeast are just an hour or so away.

In the said 2012 Cities/Municipalities Competitiveness Report, cities were ranked based on 3 indicators: economic dynamism, government efficiency, and infrastructure. With this report, investors will be guided in where to put up their businesses while at the same time encouraging LGU's to pursue best practices so they can attract more investments. CDO ranked in the top three cities in terms of government efficiency indicating that the city has transparency and accountability and is impressive in terms of public finance, performance recognition, business responsiveness and basic government services. CDO also ranked very high in terms of infrastructure indicating that it has very good road networks, basic utilities and registered vehicles.

With this boom in all aspects of CDO, it is inevitable that the improvements and investments will spill over to neighboring cities and municipalities like Villanueva, Tagoloan, Opol, Alubijid, Laguindingan and El Salvador. As such, there is a need to make these areas more livable, ecologically-friendly and dynamic.

There is, therefore, a need to create an Authority which will provide what the Metro Manila Development Authority does for Metro Manila which is to assist in crafting and implementing an integrated development plan characterized by unity of purpose, innovation, resiliency, sustainability, adaptability, and creativity in meeting the challenges of transport decongestion, climate change, waste management, and disaster prevention in order to achieve a decent quality of life.

This bill proposes the creation of a Metro Cagayan de Misamis Development Authority. This proposed Authority will provide services to the covered cities and municipalities including Development Planning; Transport and Traffic Management; Solid Waste Disposal and Management; Flood Control and Sewerage Management; Urban Renewal, Zoning and Land Use Planning and Shelter Services; Health and Sanitation, Urban Protection and Pollution Control; and Public Safety.

In view the foregoing, the immediate passage of this bill is earnestly requested.



RUFUS B. RODRIGUEZ

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House Bill No. _____

AN ACT

**CREATING THE METRO CAGAYAN DE MISAMIS DEVELOPMENT AUTHORITY,
DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDING THEREFOR AND
FOR OTHER PURPOSES**

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

Sec 1. Declaration of Policy. – It is hereby declared to be the policy of the State to treat Metro Cagayan de Misamis as a special development and administrative region and certain basic services affecting or involving it as metro-wide services more efficiently and effectively planned, supervised and coordinated by a development authority as created herein, without prejudice to the autonomy of the affected local government units.

Pursuant to this policy, Metro Cagayan de Misamis embracing the Cities of Cagayan de Oro and El Salvador, Misamis Oriental and the Municipalities of Villanueva, Tagoloan, Opol, Alubijid and Laguindingan all in Misamis Oriental are hereby constituted into a special development and administered area.

Sec 2. Creation of the Metro Cagayan de Misamis Development Authority. – The affairs of Metro Cagayan de Misamis shall be administered by the Metro Cagayan de Misamis Development Authority, hereinafter referred to as the MCMDA.

The MCMDA shall perform planning, monitoring and coordinative functions, and in the process exercise regulatory and supervisory authority over the delivery of metro-wide services within Metro Cagayan de Misamis without diminution of the autonomy of the local government units concerning purely local matters.

Sec 3. Scope of MCMDA Services. – Metro-wide services under the jurisdiction of the MCMDA are those services which have metro-wide impact and transcend legal political boundaries or entail huge expenditures such that it would not be viable for said services to be provided by the individual local government units (LGUs) comprising Metro Cagayan de Misamis. These services shall include:

1. Development planning which includes the preparation of medium and long-term development plans: the development evaluation and packaging of projects; investment programming and coordination and monitoring of plan, program and project implementation.
2. Transport and traffic management which includes the formulation, coordination and monitoring of policies, standards, programs and projects to rationalize the existing transport operations, infrastructure requirements, the use of thoroughfares, and promotions of safe and convenient movement of persons and goods: provision for the mass transport system and the institution of a system to regulate road users; administration and implementation of all traffic enforcement operations, traffic engineering services and traffic education programs, including the institution of a single ticketing system in Metro Cagayan de Misamis.
3. Solid waste disposal and management which include formulation, and implementation of policies, standards, programs and projects for proper and sanitary

waste disposal. It shall likewise include the establishment and operation of sanitary landfill and related facilities and the implementation of other alternative programs intended to reduce, reuse and recycle solid waste.

4. Flood control and sewerage management which includes the formulation and implementation of policies, standards, programs and projects for an integrated flood control, drainage and sewerage system.
5. Urban renewal, zoning and land use planning, and shelter services which includes the formulation, adoption and implementation of policies, standards, rules and regulations, programs and projects to rationalize and optimize urban land use and provide direction to urban growth and expansion, the rehabilitation and development of slum and blighted areas, the development of shelter and housing facilities and the provision of necessary social services thereof.
6. Health and sanitation, urban protection and pollution control which includes the formulation and implementation of policies, rules and regulations, standards, programs and projects for the promotion and safeguarding of the health and sanitation of the region and for the enhancement of ecological balance and the prevention, control and abatement of environmental pollution.
7. Public safety which includes the formulation and implementation of programs and policies and procedures to, achieve public safety, especially preparedness for preventive or rescue operations during times of calamities and disasters such as conflagrations, earthquake, flood and tidal waves; and coordination and mobilization of resources and the implementation for rehabilitation and relief operations in coordination with national agencies concerned.

Sec 4. Metro Cagayan de Misamis Council. – The governing board and policy making body of the MCMDA shall be the Metro Cagayan de Misamis Council, composed of the majors of the two (2) cities and five (5) municipalities enumerated in Section 1 hereof.

The heads of the Department of Transportation and Communications (DOTC), Department of Public Works and Highways (DPWH), Department of Tourism (DOT), Department of Health (DOH), Department of Budget and Management (DBM), National Economic and Development Authority (NEDA), Housing Urban and Development Coordinating Committee (HUDCC) and the Philippine National Police (PNP) or their duly authorized representatives, shall attend meetings of the Council as non-voting members.

The Council shall be headed by a Chairman, who shall be appointed by the President and who shall continue to hold office at the discretion of the appointing authority. He shall be vested with the rank, rights, privileges, disqualifications, and prohibitions of a Cabinet member.

The Chairman shall be assisted by a General Manager, an Assistant General Manager for Finance and Administration, an Assistant General Manager for Planning and an Assistant General Manager for Operations, all of whom shall be appointed by the President with the consent and concurrence of the majority of the Council, subject to civil service laws and regulations. They shall enjoy security of tenure and may only be removed for cause in accordance with law.

The Assistant General Manager for Planning must have not less than five (5) years of extensive experience in development and planning or must hold a master's degree in urban planning or similar discipline.

The Chairman and the members of the Council shall be entitled to allowances and per diems in accordance with existing policies, rules and regulations on the matter.

Sec. 5. Powers and Functions of the Metro Cagayan de Misamis Development Authority. – The MCMDA shall:

- a. Formulate, coordinate and regulate the implementation of medium and long term plans and programs for the delivery of metro-wide services, land use and physical development within Metro Cagayan de Misamis, consistent with national development objectives and priorities.

- b. Prepare, coordinate and regulate the implementation of medium term investment programs for metro-wide services which shall indicate sources and uses of funds for priority programs and projects, which shall include the packaging of projects and presentation to funding institutions;
- c. Undertake and manage on its own metro-wide programs and projects for the delivery of specific services under its jurisdiction subject to the approval of the Council. For this purpose, MCMDA can create appropriate project management offices;
- d. Coordinate and monitor the implementation of such plans, programs and projects in Metro Cagayan de Misamis; identify bottlenecks and adopt solutions to problems of implementation;
- e. Set the policies concerning traffic in Metro Cagayan de Misamis, and coordinate and regulate the implementation of all programs and projects concerning traffic management specifically pertaining to enforcement, engineering and education. Upon request, it shall be extended assistance and cooperation, including but not limited to, assignment of personnel, by all other government agencies and offices concerned;
- f. Install and administer a single ticketing system, fix, impose and collect fines and penalties for all kinds of violations of traffic rules and regulations, whether moving or non-moving in nature, and confiscate and suspend or revoke driver's licenses in the enforcement of such traffic laws and regulations, notwithstanding existing traffic laws. For this purpose, the MCMDA shall enforce all traffic laws and regulations in Metro Cagayan de Misamis, through its traffic operation center, and may deputized members of the PNP, traffic enforcers of local government units, duly licensed security guards or members of non-governmental organizations to whom may be delegated certain authority, subject to such conditions and requirements as the MCMDA may impose;
- g. formulate and implement policies, standards, programs and projects for proper and sanitary waste disposal, establish and operate sanitary landfills, waste to energy plants and related facilities and the implement other alternative programs intended to reduce, reuse and recycle solid waste;
- h. formulate and implement policies, standards, programs and projects for an integrated flood control, drainage and sewerage system;
- i. formulate, adopt and implement policies, standards, rules and regulations, programs and projects to rationalize and optimize urban land use and provide direction to urban growth and expansion, the rehabilitation and development of slum and blighted areas, the development of shelter and housing facilities and the provision of necessary social services thereof;
- j. formulate and implement policies, rules and regulations, standards, programs and projects for the promotion and safeguarding of the health and sanitation of the metropolitan area and for the enhancement of ecological balance and the prevention, control and abatement of environmental pollution;
- k. formulate and implement programs and policies and procedures to achieve public safety, especially preparedness for preventive or rescue operations during times of calamities and disasters such as conflagrations, earthquake,-flood and tidal waves; and coordination and mobilization of resources and the implementation for rehabilitation and relief operations in coordination with national agencies concerned; and
- l. Perform other related functions required to achieve the objectives of the MCMDA, including the undertaking of delivery of basic services to the local government units when deemed necessary, subject to prior coordination with and consent of the local government unit concerned.

Sec 6. Functions of the Metro Cagayan de Misamis Council. – The Council shall be the policy making body of the MCMDA.

It shall approve metro-wide plans, programs and projects and issue rules and regulations and resolutions deemed necessary by the MCMDA to carry out the purposes of this Act.

It may increase the rate of allowances and per diems of the members of the Council to take effect during the term of the succeeding Council; it shall fix the compensation of the officers and personnel of the MCMDA, and approve the annual budget thereof for submission to the Department of Budget and Management.

It shall promulgate rules and regulations and set policies and standards for metro-wide application governing the delivery of basic services, prescribe and collect service and regulatory fees, and impose and collect fines and penalties.

Sec 7. *Functions of the Chairman.* – The Chairman shall:

- a. Appoint, subject to civil service laws, rules and regulations, all subordinate officers and employees, who shall enjoy security of tenure and may be removed only for cause in accordance with law. The Chairman is hereby authorized to engage the services of experts/consultants either on full time or part-time basis, as may be required in the performance of his functions and duties as may be determined by him;
- b. Execute the policies and measures approved by the Metro Cagayan de Misamis Council and be responsible for the efficient and effective day-to-day management of the operations of the MCMDA;
- c. Prepare the annual budget for the operations of the MCMDA for submission to the Council;
- d. Submit for consideration of the Council such other policies and measures as may be deemed necessary to carry out the purposes and provisions of this Act;
- e. Subject to the guidelines and policies set by the Council, prepare the staffing pattern and fix the number of subordinate officials and employees of the MCMDA and exercise the power to discipline subordinate officials and employees under the provision of law;
- f. Prepare an annual report on the accomplishments of the MCMDA at the close of each calendar year for submission to the Council and to the President of the Philippines; and
- g. Perform such other duties as may be assigned to him by the President or by the Council.

Sec 8. *Functions of the General Manager.* – The General Manager shall:

- a. Assist the Chairman in the administration of the MCMDA and supervision of subordinate personnel;
- b. Assist the Chairman in the supervision of the operation of various operating centers and units of MCMDA;
- c. Assist the Chairman in the review of plans and programs for the MCMDA and for Metro Cagayan de Misamis, in the preparation of the annual report of the activities and accomplishments of the MCMDA; and
- d. Perform such other duties and functions as maybe lawfully delegated or assigned by the Chairman from time to time.

Sec 9. *Institutional Linkages of the MCMDA.* – The MCMDA shall, in carrying out its functions, consult, coordinate and work closely with the LGUs, the NEDA and other national government agencies mentioned in Section 4 hereof and accredited people's organizations (POs); non-governmental organizations (NGOs), and the private sector operating in Metro Cagayan de Misamis.

The MCMDA Chairman or his authorized representative from among the Council members, shall be ex-officio member of the boards of government corporations and corporations and committees of the department and offices of government whose activities are relevant to the objectives and responsibilities of the MCMDA which shall include but not

limited to the DOTC, DPWH, HUDCC and Department of Interior and Local Government (DILG).

The MCMDA shall have a master plan that shall serve as the framework for the local development plans of the component LGUs.

The MCMDA shall submit its development plans and investment programs to the NEDA for integration into the Medium-Term Philippine Development Plan (MTPDD) and public investment program.

The implementation of the MCMDA's plans, programs and projects shall be undertaken by the LGUs, the concerned national government agencies, the POs, NGOs and the private sector and MCMDA itself where appropriate. For this purpose, the MCMDA may enter into contracts, memoranda of agreement and other cooperative arrangements with these bodies for the delivery of the required services within Metro Cagayan de Misamis.

The MCMDA shall, in coordination with the NEDA and the Department of Finance, interface with the foreign assistance agencies for purposes of obtaining financing support, grants and donations in support of its programs and projects.

Sec 10. Sources of Funds and the Operating Budget of MCMDA – To carry out the purposes of this Act, the amount of Five Hundred Million Pesos (P500,000,000) is hereby authorized to be appropriated for the initial operation of the MCMDA. Thereafter, the annual expenditures including capital outlays of the MCMDA shall be provided in the General Appropriations Act.

The MCMDA is likewise empowered to levy fines and impose fees and charges for various services rendered.

Five percent (5%) of the total annual gross revenue of the preceding year, net of the internal revenue allotment, of each local government unit mentioned in Section 2 hereof, shall accrue and become payable monthly to the MCMDA by each city or municipality. In case of failure to remit the said fixed contribution, the DBM shall cause the disbursement of the same to MCMDA chargeable against the IRA allotment of the city or municipality concerned, the provisions of Section 286 of RA 7160 to the contrary notwithstanding.

Sec 11. Repealing Clause. – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are hereby repealed or modified accordingly.

Sec 12. Separability Clause. – If any part or provision of this Act is held unconstitutional or invalid, other parts of provisions thereof which are not affected shall continue to remain in full force and effect.

Sec 13. Effectivity. – This Act shall take effect fifteen (15) days following completion of its publication in at least two (2) newspapers of general circulation.

Approved,