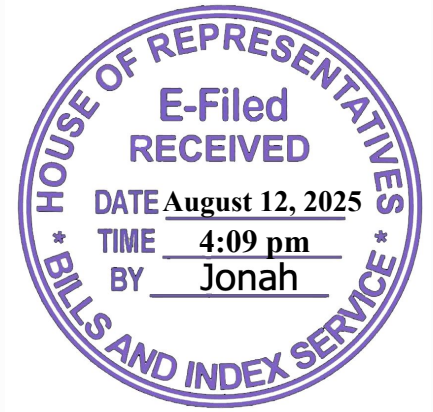




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 3589



Introduced by Representatives LORDAN G. SUAN and BAMBI B. EMANO

AN ACT
CREATING THE METROPOLITAN CAGAYAN DE ORO
DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND
FUNCTIONS, AND PROVIDING FUNDS THEREFOR

EXPLANATORY NOTE

This bill seeks to create the Metropolitan Cagayan de Oro Development Authority, defining its powers and functions and providing funds therefor.

The Metropolitan Cagayan de Oro is a significant economic and cultural hub in the Philippines, experiencing rapid growth and urbanization. However, this growth also presents challenges such as inadequate infrastructure, environmental degradation, and uncoordinated development. There is a pressing need for a unified and coordinated effort to address these challenges and ensure the long-term well-being of the residents in the region.

As envisioned, the Metropolitan Cagayan de Oro Development Authority (MCDA) will provide oversight for services that significantly impact the entire metropolitan area. These services encompass development planning, transport management, solid waste disposal and management, flood control and sewerage management, urban renewal, zoning, land use planning and shelter services, health and sanitation, urban protection, pollution control, and public safety.

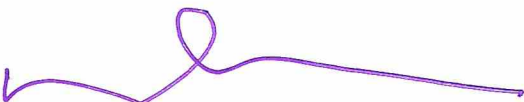
The MCDA will be tasked with formulating plans in line with the Northern Mindanao Regional Development Plan and the Philippine Development Plan, setting traffic, waste management, and public safety policies, preparing

metropolitan-wide programs, monitoring the implementation of these programs, and managing regulatory fees, among others.

The policy-making body of the MCDA will be the Metropolitan Cagayan de Oro Development Council, composed of the Chairperson of the Regional Development Council of Region X, the governors of the provinces of Misamis Oriental and Bukidnon, the city mayors of Cagayan de Oro and El Salvador, and the municipal mayors of the covered areas. This Council will have the power to approve development plans, investment programs and projects, formulate ordinances, resolutions, rules, and regulations, and recommend investment programs and infrastructure projects.

This bill aims to promote sustainable and inclusive development in Northern Mindanao through a unified approach that respects the autonomy of the local government units (LGUs) while providing a framework for coordinated development responsive to the region's rapid urbanization and interdependencies. It recognizes the distinctive development challenges and opportunities of the Metropolitan Cagayan de Oro region. It proposes a sustainable, inclusive, and integrated governance structure. It will empower the MCDA to lead and coordinate efforts towards sustainable and balanced development in the Metropolitan Cagayan de Oro area, ensuring a better quality of life for its residents, promoting economic growth, and preserving the region's natural and cultural heritage.

In view of the foregoing, the immediate approval of this bill is earnestly sought.


HON. BAMBI B. EMAMO

2nd District, Misamis Oriental


LORDAN G. SUAN

1st District, Cagayan de Oro City



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

1 **SECTION 1. Short Title.** – This Act shall be known as the “Metropolitan
2 Cagayan de Oro Development Authority Act.”

3
4 **SEC. 2. Declaration of Policy.** – It is the policy of the State to promote
5 sustainable and inclusive development in Northern Mindanao through unified and
6 coordinated effort among local government units (LGUs) and stakeholders in
7 achieving economic growth, environmental sustainability and improved quality
8 of life for the residents. Towards this end, the State shall support the
9 establishment of special development and administrative region that expands the
10 physical areas for planning and service areas for urban service delivery.

11
12 **SEC. 3. Creation of the Metropolitan Cagayan de Oro Development**
13 **Authority.** – There is hereby created a special body to be known as the
14 Metropolitan Cagayan de Oro Development Authority, hereinafter referred to as
15 “MCDA,” which shall be organized within thirty (30) days after the approval of
16 this Act, to coordinate and promote socioeconomic growth and sustainable

1 development of Metropolitan Cagayan de Oro.

2
3 The MCDA shall execute the powers and functions herein vested which
4 shall, however, in no way diminish the autonomy of the LGUs of Metropolitan
5 Cagayan de Oro concerning purely local matters, within the framework and
6 subject to the mandate and limitations of the Constitution and the pertinent
7 provisions of Republic Act No. 7160, otherwise known as the "Local Government
8 Code of 1991."

9
10 **SEC. 4. Jurisdiction of the MCDA.** – The MCDA shall exercise
11 jurisdiction over the cities of Cagayan de Oro and El Salvador, and the
12 municipalities of Alubijid, Balingasag, Claveria, Gitagum, Initao, Jasaan,
13 Laguindingan, Libertad, Opol, Tagoloan and Villanueva in Misamis Oriental, and
14 the municipalities of Manolo Fortich, Baungon, Libona, Malitbog, Sumilao and
15 Talakag in Bukidnon, and such other cities and municipalities as may be created
16 by law within these LGUs.

17
18 **SEC. 5. Scope of MCDA Services.** — The MCDA shall deliver metro-
19 wide and across-boundaries services to the different LGUs in the entire
20 metropolitan area whose activities impact each other significantly and entail huge
21 expenditures that would not be viable if provided by the individual LGUs. These
22 services include:

- 23
24 a) Development planning, which includes preparing medium-term and
25 long-term development plans; developing, evaluating and packaging
26 of projects; investments programming; and coordinating and
27 monitoring plans, programs and project implementations;
28 b) Transport management, which includes formulating, coordinating,
29 and monitoring policies, standards, programs and projects to
30 rationalize the existing transport operations, infrastructure
31 requirements, and promotion of safe and convenient movement of
32 persons and goods; providing a mass transport system and instituting
33 a system to regulate road users; administering and implementing all
34 traffic enforcement operations, traffic engineering services and
35 traffic education programs, including instituting a single ticketing
36 system within the MCDA jurisdiction;
37 c) Solid waste disposal and management, which include formulating
38 and implementing policies, standards, programs and projects for
39 proper and sanitary waste disposal; establishing and operating a
40 sanitary land fill and related facilities, such as waste-to-energy
41 technologies; and implementing other alternative programs intended
42 to reduce, reuse and recycle solid waste;
43 d) Flood control and sewerage management, which include

- 1 formulating and implementing policies, standards, programs and
2 projects for an integrated flood control, drainage and sewerage
3 system;
- 4 e) Urban renewal, zoning, land use planning and shelter services,
5 which include formulating, adopting, and implementing policies,
6 standards, rules and regulations, programs and projects to rationalize
7 and optimize urban land use and provide direction to urban growth
8 and expansion, rehabilitating and developing slums and blighted
9 areas, developing shelter and housing facilities and providing
10 necessary social services thereof;
- 11 f) Health and sanitation, urban protection and pollution control, which
12 include formulating and implementing policies, rules and
13 regulations, standards, programs and projects for promoting and
14 safeguarding health and sanitation to enhance ecological balance and
15 prevent, control and abate environmental pollution; and
- 16 g) Public safety, which includes formulating and implementing
17 programs, policies and procedures to achieve public safety,
18 especially preparedness for preventive or rescue operations during
19 times of calamity and disasters such as conflagration, earthquakes,
20 flood, and coordinating and mobilizing resources and implementing
21 contingency plans for the rehabilitation and relief operations in
22 coordination with national agencies concerned.

23
24 **SEC. 6. Functions of the MCDA. The MCDA shall exercise the**
25 **following functions:**

- 26
27 a) Formulate plans aligned to the Northern Mindanao Regional
28 Development Plan (NMRDP) 2023-2028, Philippine Development
29 Plan 2023-2028, and succeeding national and regional development
30 plans;
- 31 b) Set policies concerning traffic, waste management, and public safety
32 and security for Metropolitan Cagayan de Oro and coordinate,
33 regulate, and enforce the implementation of these programs and
34 projects with concerned national government agencies and LGUs;
- 35 c) Prepare and implement or manage metropolitan-wide programs and
36 projects for the delivery of specific services under its jurisdiction,
37 subject to the approval of the Metropolitan Cagayan de Oro
38 Development Council created under Section 7 of this Act;
- 39 d) Review and recommend to the Metropolitan Cagayan de Oro
40 Development Council policies regarding development permits for
41 residential, commercial, or industrial purposes and other major land
42 development that have metropolitan-wide impact on transportation
43 and traffic, proposed to be implemented by or in the LGUs within

- 1 the Metropolitan Cagayan de Oro;
- 2 e) e) Monitor the implementation of metropolitan-wide programs and
- 3 projects and identify implementation issues and appropriate
- 4 solutions to address them;
- 5 f) Install and administer a single ticketing system, fix, impose and
- 6 collect fines and penalties for all kinds of violations of traffic rules
- 7 and regulations, whether moving or non-moving in nature, and
- 8 confiscate and suspend or revoke driver's licenses in the
- 9 enforcement of such traffic laws and regulations within the MCDA
- 10 jurisdiction.
- 11 g) Prescribe and collect service and regulatory fees, and impose and
- 12 collect fines and penalties within the MCDA jurisdiction;
- 13 h) Fix the compensation of the officers and personnel of the MCDA
- 14 under the existing salary standardization law; and
- 15 i) Perform other functions, consistent with this Act, subject to approval
- 16 by the Metropolitan Cagayan de Oro Development Council.
- 17 j)

18 **SEC. 7. Metropolitan Cagayan de Oro Development Council.** — The

19 governing board and the policy-making body of the MCDA is the Metropolitan

20 Cagayan de Oro Development Council, herein referred to as the "Council,"

21 composed of the Chairperson of the Regional Development Council (RDC) of

22 Region X, governors of the provinces of Misamis Oriental and Bukidnon, city

23 mayors of Cagayan de Oro and El Salvador, and the municipal mayors of

24 Alubijid, Balingasag, Claveria, Gitagum, Initao, Jasaan, Laguindingan, Libertad,

25 Opol, Tagoloan, Villanueva in Misamis Oriental, Manolo Fortich, Baungon,

26 Libona, Malitbog, Sumilao and Talakag in Bukidnon, who shall all serve in an ex

27 officio capacity. The chairperson of the Council shall be appointed by the

28 President of the Philippines from a selection of nominees submitted by the

29 Council and serve for a term of three (3) years.

30 The heads of the following Cagayan de Oro regional offices of national

31 government agencies shall attend all meetings of the Council as non-voting

32 members: National Economic and Development Authority (NEDA); Department

33 of Human Settlements and Urban Development (DHSUD); Department of Public

34 Works and Highways (DPWH); Department of the Interior and Local

35 Government (DILG); Department of Environment and Natural Resources

36 (DENR); Department of Health (DOH); Department of Information and

37 Communications Technology (DICT); Department of Energy (DOE); Department

38 of Tourism (DOT); Department of Transportation (DOTr); Land Transportation

39 Office (LTO) and Philippine National Police (PNP).

40 The chairperson and members of the Council, except ex officio members,

41 are entitled to allowance and per diems in accordance with existing laws, rules

42 and regulations.

1 **SEC. 8. Functions of the Council.** –The Council shall, as the policy-
2 making body of the MCDA, exercise the following functions:

- 3 a) Approve development plans, investment programs and projects after
4 consultation and coordination with the LGUs, RDC of Region X,
5 and other stakeholders operating in the Metropolitan Cagayan de
6 Oro area;
- 7 b) Formulate and issue ordinances, resolutions, rules and regulations
8 deemed necessary by the MCDA to carry out the purposes of this
9 Act;
- 10 c) Increase the rate of allowances and per diems of the members of the
11 Council to be effective during the term of the succeeding Council,
12 subject to pertinent laws, policies, rules and regulations;
- 13 d) Recommend investment programming for its plans and programs, as
14 well as supervise the implementation of plans and programs which
15 include the formulation and coordination of its related activities;
- 16 e) Coordinate and work closely with the DOTr and its attached
17 agencies on the grant of franchises to safe, reliable and environment-
18 friendly public utility vehicles within the MCDA jurisdiction;
- 19 f) Approve the annual budget of the MCDA for submission to the
20 Department of Budget and Management (DBM) and endorse the
21 annual and supplemental budgets of the MCDA; and
- 22 g) Perform such other acts and assume such other functions as may be
23 consistent and necessary to carry out the provisions of this Act.

24
25 **SEC. 9. Effectivity of Ordinances and Resolutions.** — An ordinance or
26 resolution passed by the Council, in the exercise of its rule-making power as
27 provided in Section 8 of this Act, shall be posted in a bulletin board at the entrance
28 of the MCDA building and in at least two (2) other conspicuous places in the
29 office of the MCDA within ten (10) days from its approval and shall take effect
30 fifteen (15) days after such posting.

31 Ordinance with penal sanctions shall be published in a newspaper of
32 general circulation within Metropolitan Cagayan de Oro and shall take effect
33 fifteen (15) days thereafter.

34
35 **SEC. 10. Functions of the Chairperson.** — The chairperson of the
36 Council shall exercise the following functions:

- 37 a) Appoint, subject to civil service laws, rules and regulations, all
38 subordinate officers and employees, who shall enjoy security of
39 tenure and may be removed only for cause in accordance with law;
- 40 b) Engage the services of experts or consultants either on full time or
41 part-time basis, as may be required in the performance of the
42 chairperson's functions and duties;
- 43 c) Execute the policies and measures approved by the Council and be

- 1 responsible for the efficient and effective day-to-day management of
2 the operations of the MCDA;
- 3 d) Prepare the annual budget for the operations of the MCDA for the
4 submission to the Council;
- 5 e) Submit for consideration of the Council such other duties and
6 measures as the chairperson may deem necessary to carry out the
7 purposes and provisions of this Act;
- 8 f) Prepare the staffing pattern and fix the number of subordinate
9 officials and employees of the MCDA in accordance with the civil
10 service laws, rules and regulations, and subject to the evaluation and
11 approval of the DBM;
- 12 g) Exercise the power to discipline subordinate officials and employees
13 under the provisions of existing laws and subject to the guidelines
14 and policies set by the Council;
- 15 h) Prepare an annual report on the accomplishments of the MCDA at
16 the close of each calendar year for submission to the Council and to
17 the President of the Philippines; and
- 18 i) Perform such other duties as may be assigned by the President of the
19 Philippines or by the Council.
20

21 **SEC. 11. Other MCDA Officials.** – The chairperson of the Council, as
22 head of the implementing arm of the MCDA, shall be assisted by a General
23 Manager, Assistant General Manager for Finance and Administration, Assistant
24 General Manager for Planning and Assistant General Manager for Operations, all
25 of whom shall be appointed by the President of the Philippines upon the
26 recommendation of majority of the Council, subject to civil service laws, rules
27 and regulations. These officials shall enjoy security of tenure and may be
28 removed only for cause in accordance with law.
29

30 The Assistant General Manager for Planning must have at least five (5)
31 years extensive experience in development and planning or must hold a Master's
32 degree in urban planning or similar disciplines.
33

34 **SEC. 12. Functions of the General Manager.** — The general manager
35 shall exercise the following functions:

- 36 a) Assist the chairperson in the administration of the MCDA and
37 supervision of subordinate personnel;
- 38 b) Assist the chairperson in the supervision of the operation of the
39 various centers and units of the MCDA;
- 40 c) Assist the chairperson in the review of plans and programs for the
41 MCDA and for the cities and municipalities in the preparation of the
42 annual report of activities and accomplishments of the MCDA; and
- 43 d) Perform such other duties and functions as may be lawfully

1 delegated or assigned by the chairperson from time to time.
2

3 **SEC. 13. Institutional Linkages of the MCDA.** - The MCDA shall, in
4 carrying out its functions, consult, coordinate and work closely with the LGUs,
5 RDC of Region X, and other national government agencies, people's
6 organizations, non-government organizations, and the private sector operating in
7 Metropolitan Cagayan de Oro. The MCDA shall adopt a master plan that shall
8 serve as the framework for the local development plans of the component LGUs
9 and aligned with the NMRDP.

10 The MCDA shall submit the Council's approved development plans and
11 investment programs to the RDC of Region X for integration in the plans,
12 programs and projects that shall be undertaken by the LGUs, concerned national
13 government agencies, people's organizations, non-government organizations,
14 private sector and the MCDA itself where appropriate. For this purpose, the
15 MCDA may enter into contracts or memoranda of agreement with these bodies
16 for the delivery of the required services within Metropolitan Cagayan de Oro.

17 The MCDA shall, in coordination with the NEDA and Department of
18 Finance, interface with foreign assistance agencies for purposes of obtaining
19 financing support, grants and donations in support of its programs and projects.
20

21 **SEC. 14. Metropolitan Cagayan de Oro Police District .** – There is
22 hereby established a police body to be known as the Metropolitan Cagayan de
23 Oro Police District (MCPD). The MCPD shall be under the administrative control
24 and operational supervision of the National Police Commission and headed by a
25 Police Brigadier General. The MCPD shall assume and perform the following
26 functions:

- 27 a) Assume operational control over the local police offices in areas
28 within the jurisdiction of the MCDA;
- 29 b) Ensure that peace, order and safety within the MCDA are maintained
30 at all times;
- 31 c) Integrate law enforcement and police operations capabilities within
32 the MCDA and further promote efficiency in enforcing laws and
33 ordinances therein; and
- 34 d) Coordinate with the MCDA, Regional Police Office, LGUs and
35 other relevant agencies and recommend plans and programs to be
36 implemented within the MCDA.

37
38 **SEC. 15. Sources of Funds.** – The amount necessary for the operation of
39 the MCDA shall be included in the annual General Appropriations Act.

40 The operations of the MCDA shall likewise be supported through financial
41 contributions and technical assistance from member LGUs, national government
42 agencies and government-owned or controlled corporations (GOCCs) and the
43 private sector, and other local and international organizations in the form of

1 grants, donations, contributions, payments, penalties, fees and charges.

2 In case of grants, in cash or in kind, from foreign governments or their
3 agencies and instrumentalities, or multilateral institutions or organizations,
4 acceptance thereof shall be subject to prior clearance and approval of the Council
5 and the President of the Philippines or the authorized representative, based on the
6 recommendation of the Secretary of Finance.

7 In case of donations, in cash or in kind, from foreign governments,
8 acceptance thereof shall require prior clearance and approval by the Council and
9 the President of the Philippines, or the authorized representative based on the
10 recommendation of the Secretary of Foreign Affairs.

11 The Council shall undertake continuing negotiations among the member
12 LGUs and GOCCs to commit annual financial contributions for the operations of
13 the MCDA.

14
15 **SEC. 16. Implementing Rules and Regulations.** – Within ninety (90)
16 days from the effectivity of this Act, the Chairperson shall, in consultation with
17 the Council, promulgate the necessary rules and regulations for the effective
18 implementation of this Act.

19
20 **SEC. 17. Separability Clause.** — If any provision of this Act is declared
21 unconstitutional or invalid, the remaining parts or provisions not affected shall
22 remain in full force and effect.

23
24 **SEC. 18. Repealing Clause.** – All laws, executive orders, issuances, rules
25 and regulations, or parts hereof inconsistent with the provisions of this Act are
26 repealed or modified accordingly.

27
28 **SEC. 19. Effectivity.** – This Act shall take effect fifteen (15) days
29 after its publication in the Official Gazette, a newspaper of general circulation, or
30 a website provided for by law.

31
32 Approved,