



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

Twentieth Congress
First Regular Session

HOUSE BILL NO. **9321**



**Introduced by Ako Bicol Partylist Representatives Alfredo A. Garbin Jr. and Jan Franz
Norbert Joselito A. Chan**

EXPLANATORY NOTE

The City of Legazpi, capital of the Province of Albay and acknowledged premier urban center of the Bicol Region, stands today at the threshold of a defining moment in its long history. With the inauguration and full operation of the Bicol International Airport in Daraga, the former Legazpi City Airport, once the indispensable gateway of commerce and travel for the entire Bicolandia, has ceased commercial operations. What remains is an extraordinary public asset: approximately Four Hundred Twelve Thousand Seven Hundred Eleven and 9293/10,000 (412,711.9293) square meters, or some forty-one (41) hectares, of prime, contiguous, and centrally-situated government land lying at the heart of the city's urban core.

A parcel of this magnitude, integrity, and location is virtually impossible to assemble through ordinary private acquisition. It is bounded by national roads, traversed by existing utility corridors, and surrounded by established commercial, residential, and institutional districts. By every measure of urban economics and development planning, it is a once-in-a-generation

opportunity. The kind of asset whose intelligent redevelopment can reshape the economic geography of an entire region for the better part of a century to come.

Yet today, this priceless tract lies fallow. Every day that it remains in its present state of dormancy represents a staggering and irretrievable opportunity cost to the public coffers, to the citizenry of Legazpi City and Albay, and to the millions of Bicolanos whose hopes for sustained, inclusive, and post-disaster-resilient economic growth have for too long awaited a definitive anchor. In a country where productive urban space is at a premium, and where every hectare of underutilized public land is a hectare denied to the cause of national progress, the continued idleness of the former Legazpi City Airport is simply no longer tenable.

The subject property is presently held in approximately equal measure by two national government instrumentalities: half of it is under the administration of the Civil Aviation Authority of the Philippines (CAAP), and the other half under the Department of National Defense (DND), the latter portion being designated as a strategic and forward operating base of the Tactical Operations Group 5 of the Philippine Air Force. While this dual jurisdiction has, in the past, been cited as a possible impediment to redevelopment, recent legislative action has all but removed it as an obstacle. Under the General Appropriations Act of 2025, Congress saw fit to allocate the sum of Two Hundred Seventy Million Pesos (PHP270,000,000.00) for the acquisition of lots at the Bicol International Airport in Daraga, Albay, which is an appropriation expressly intended to facilitate the relocation and full transfer of the affected military operations to the new aviation complex. The wisdom and prescience of that appropriation cannot be overstated: it signals, in the most concrete terms a State can speak, the settled intention of the Government to consolidate its aviation and tactical operations at Daraga, and to free the former Legazpi City Airport for the higher and more productive use this bill now proposes. Far from being a speculative or premature measure, then, the present bill is the natural and necessary legislative sequel to a policy direction Congress itself has already endorsed and funded thereby rendering its enactment not merely desirable, but eminently practical, fiscally responsible, and overdue.

This bill, to be known as the *“Legazpi City Business Hub Act of 2026,”* seeks to translate this opportunity into action. It proposes the conversion of the former Legazpi City Airport into the Legazpi City Business Hub, a fully integrated business, commercial, and innovation district

master-planned to include commercial and retail districts, premium office and mixed-use developments, hospitality and convention facilities, modern transport terminals, innovation and information technology centers, green and open public spaces, and disaster-resilient infrastructure appropriate to the geophysical realities of the Bicol Region.

To ensure that the conversion is undertaken with the rigor, transparency, and institutional permanence the project deserves, this bill creates the Legazpi City Business Hub Development Authority, a body corporate attached to the Office of the President. The Authority shall be governed by a Board composed of the heads of the principal national agencies concerned, the local chief executive of Legazpi City, and three private-sector members of proven expertise. It is empowered to prepare a comprehensive Master Development Plan, enter into public-private partnerships, joint ventures, and lease arrangements under existing laws, and collect revenues that shall accrue to a special fund dedicated exclusively to the development and maintenance of the Business Hub.

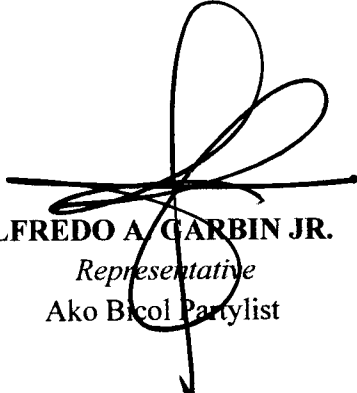
The economic case for this measure is compelling. The conversion will attract substantial domestic and foreign direct investment, generate thousands of sustainable jobs across construction, services, retail, hospitality, business process management, and the creative industries, and unlock new streams of national and local revenue through real property taxes, business taxes, value-added taxes, and corporate income taxes. The multiplier effect the stimulation of allied industries, the densification of high-value economic activity, the consequent reduction of poverty incidence and underemployment will redound to the benefit not only of Legazpi City, but of the entire Bicol Region, which has long sought a definitive engine for sustained and inclusive growth.

Equally important, the bill safeguards the interests of the host local government units. Section 13 guarantees the City of Legazpi and the Province of Albay a just and equitable share in the gross revenues of the Business Hub, *in addition to* the real property taxes, business taxes, and other local impositions they are otherwise entitled to collect under existing laws. Section 11 embeds the consultation requirements of the Local Government Code into every material stage of planning and implementation. Section 12 requires full compliance with the Philippine Environmental Impact Statement System and all applicable environmental, building, and disaster risk reduction standards.

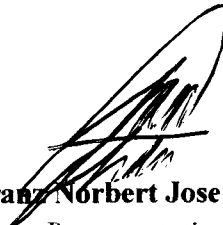
This measure is consistent with, and indeed indispensable to, the realization of the Comprehensive Land Use Plan of the City of Legazpi, the Regional Development Plan of the Bicol Region, the Philippine Development Plan, and the *AmBisyon Natin 2040* long-term vision, all of which call for the establishment of dynamic regional growth centers outside Metro Manila to decongest the National Capital Region and distribute the gains of national progress more equitably across the archipelago.

The 1987 Constitution declares it a policy of the State to promote a more equitable distribution of opportunities, income, and wealth, and to make full and efficient use of human and natural resources. There can be no fuller, no more efficient, no more equitable use of the former Legazpi City Airport than to convert it into an enduring monument of regional prosperity, a place that will, for generations to come, provide livelihoods for our people, opportunities for our youth, and a worthy capital for the Bicol Region.

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



ALFREDO A. GARBIN JR.
Representative
Ako Bicol Partylist



Jan Franz Norbert Joselito A. Chan
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AN ACT
CONVERTING THE FORMER LEGAZPI CITY AIRPORT INTO THE LEGAZPI
CITY BUSINESS HUB, PROVIDING FOR ITS DEVELOPMENT, MANAGEMENT,
AND ADMINISTRATION, APPROPRIATING FUNDS THEREFOR, AND FOR
OTHER PURPOSES

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

CHAPTER I
TITLE, DECLARATION OF POLICY AND DEFINITION OF TERMS

SECTION 1. This Act shall be known and may be cited as the "*Legazpi City Business Hub Act of 2026.*"

SECTION 2. It is hereby declared the policy of the State to promote a more equitable distribution of opportunities, income, and wealth; to make full and efficient use of human and natural resources; to ensure the optimal utilization of public assets; to accelerate inclusive economic growth in the countryside; and to establish dynamic regional growth centers outside Metro Manila in order to decongest the National Capital Region and distribute the gains of national progress more equitably among all regions of the Republic.

Toward this end, the State shall convert the former Legazpi City Airport, a vast and centrally-situated tract of government land that has ceased commercial aviation operations, into a fully integrated business, commercial, and innovation district designed to catalyze investment, generate employment, and serve as the principal economic anchor of the City of Legazpi, the Province of Albay, and the Bicol Region.

SECTION 3. As used in this Act, the following terms shall mean:

- (a) “*Authority*” refers to the Legazpi City Business Hub Development Authority created under Section 5 of this Act;
- (b) “*Business Hub*” or “*Hub*” refers to the Legazpi City Business Hub established under this Act, comprising the entire area of the former Legazpi City Airport as described in Section 4 hereof;
- (c) “*CAAP*” refers to the Civil Aviation Authority of the Philippines;
- (d) “*DOTr*” refers to the Department of Transportation;
- (e) “*DND*” refers to the Department of National Defense;
- (f) “*Master Development Plan*” refers to the comprehensive land use, infrastructure, and investment plan for the Business Hub to be prepared and adopted pursuant to Section 7 of this Act; and
- (g) “*PPP*” refers to public-private partnership arrangements undertaken pursuant to Republic Act No. 6957, as amended by Republic Act No. 7718, and other applicable laws

SECTION 4. The former Legazpi City Airport, located in the City of Legazpi, Province of Albay, consisting of an aggregate area of approximately Four Hundred Twelve Thousand Seven Hundred Eleven and 9293/10,000 (412,711.9293) square meters, more or less, as delineated in the official boundary survey on file with the Land Management Bureau and the Civil Aviation Authority of the Philippines, is hereby converted from its former use as a civil aviation facility into the Legazpi City Business Hub, a fully integrated business, commercial, and innovation district to be developed, managed, and administered in accordance with this Act.

Upon the effectivity of this Act, all aviation-related operations, restrictions, easements, and encumbrances incident to the former use of the property as a civil airport are deemed lifted, save for such navigational easements as may be necessary for the continued safe operation of the Bicol International Airport, which shall be coordinated with the CAAP.

SECTION 5. There is hereby created the Legazpi City Business Hub Development Authority, hereinafter referred to as the Authority, which shall be a body corporate attached to the Office of the President for purposes of policy and program coordination. The Authority

shall be vested with the power and duty to plan, develop, manage, regulate, and administer the Business Hub in accordance with this Act.

SECTION 6. The Authority shall be governed by a Board of Directors composed of the following:

- (a) The Secretary of the Department of Transportation, as Chairperson;
- (b) The City Mayor of Legazpi City, as Vice-Chairperson;
- (c) The Governor of the Province of Albay, as Member;
- (d) The Director-General of the Civil Aviation Authority of the Philippines, as Member;
- (e) The Secretary of the Department of Trade and Industry, as Member;
- (f) The Director-General of the National Economic and Development Authority, as Member;
- (g) The Secretary of the Department of National Defense, as Member;
- (h) The Representative of the legislative district in which the Business Hub is situated, as Member; and
- (i) Three (3) representatives from the private sector, who shall be appointed by the President of the Philippines, with proven expertise in real estate development, urban planning, finance, or related fields, as Members.

The members from the private sector shall serve for a term of three (3) years and may be reappointed for one (1) additional term. The Authority shall be supported by a permanent technical Secretariat to be organized by the Board within six (6) months from the effectivity of this Act.

SECTION 7. The Authority shall have the following powers and functions:

- (a) To prepare, adopt, and implement a comprehensive Master Development Plan for the Business Hub, in consultation with the City Government of Legazpi, the Provincial Government of Albay, the National Economic and Development Authority, and other concerned agencies and stakeholders, within twelve (12) months from the constitution of the Board;
- (b) To enter into contracts, joint venture agreements, lease agreements, public-private partnerships, and other lawful arrangements for the development, management, and operation of the Business Hub, subject to existing laws on government procurement and public-private partnerships;

- (c) To exercise corporate powers, including the authority to sue and be sued, to adopt and use a corporate seal, to acquire, hold, and dispose of real and personal property, and to enter into obligations in furtherance of its mandate;
- (d) To collect rentals, fees, charges, and other revenues from the operations of the Business Hub, which shall accrue to a special fund to be used exclusively for the development, maintenance, and administration of the Business Hub;
- (e) To formulate and enforce reasonable rules and regulations governing the use, occupation, and development of the Business Hub, consistent with the Comprehensive Land Use Plan and Zoning Ordinance of the City of Legazpi;
- (f) To coordinate with national government agencies and local government units in the provision of infrastructure, utilities, and public services required by the Business Hub; and
- (g) To exercise such other powers and functions as may be necessary or incidental to the attainment of the objectives of this Act.

SECTION 8. The Master Development Plan shall provide for the establishment of, among others, the following components within the Business Hub:

- (a) Commercial and retail districts;
- (b) Premium office and mixed-use developments;
- (c) Hospitality, convention, and tourism facilities;
- (d) Integrated land transport terminals and ancillary mobility infrastructure;
- (e) Innovation, information technology, and business process management centers;
- (f) Green and open public spaces, civic plazas, and cultural venues;
- (g) Disaster-resilient and climate-adaptive infrastructure appropriate to the geophysical conditions of the Bicol Region; and
- (h) Such other revenue-generating amenities as the Authority may determine.

SECTION 9. The Authority may undertake the development of the Business Hub through any of the following modalities, or a combination thereof:

- (a) Direct development by the Authority using funds appropriated by Congress and revenues generated from its operations;
- (b) Public-private partnerships pursuant to Republic Act No. 6957, as amended by Republic Act No. 7718, and its Implementing Rules and Regulations;

(c) Joint venture agreements with private entities in accordance with the prevailing guidelines of the National Economic and Development Authority;

(d) Long-term lease agreements with qualified private locators; and

(e) Such other lawful arrangements as may secure for the government a fair, equitable, and transparent share in the proceeds of the redevelopment, subject to existing laws on the disposition of government property.

SECTION 10. Qualified enterprises located within the Business Hub shall be entitled to such fiscal and non-fiscal incentives as may be available under Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE Act), and other applicable laws, subject to registration with and qualification by the Fiscal Incentives Review Board or the appropriate Investment Promotion Agency.

SECTION 11. Consistent with Sections 26 and 27 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, the Authority shall consult with the City Government of Legazpi and the Provincial Government of Albay at every material stage of the planning, development, and implementation of the Business Hub, and shall ensure the alignment of its activities with the Comprehensive Land Use Plan, Zoning Ordinance, and Investment Code of the City of Legazpi.

SECTION 12. Prior to the commencement of any major development activity within the Business Hub, the Authority shall secure all necessary permits and clearances under Presidential Decree No. 1586, otherwise known as the Philippine Environmental Impact Statement System, and shall undertake a comprehensive environmental and social impact assessment. The development of the Business Hub shall comply with all applicable environmental laws, building codes, disaster risk reduction standards, and climate adaptation policies.

SECTION 13. Notwithstanding any other provision of law to the contrary, the City Government of Legazpi and the Provincial Government of Albay shall be entitled to a just and equitable share in the gross revenues generated by the Business Hub, in addition to such real property taxes, business taxes, and other local impositions as they are otherwise entitled to collect under existing laws. The specific formula for revenue sharing shall be determined by the Authority in consultation with the Department of Finance, the Department of the Interior and Local Government, and the affected local government units.

SECTION 14. The amount necessary to carry out the initial implementation of this Act, including the organization of the Authority, the conduct of feasibility studies, environmental impact assessments, and the preparation of the Master Development Plan, shall be charged against the current year's appropriations of the Department of Transportation and the Civil Aviation Authority of the Philippines. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SECTION 15. Within ninety (90) days from the effectivity of this Act, the Department of Transportation, in coordination with the Civil Aviation Authority of the Philippines, the Department of National Defense, the National Economic and Development Authority, the City Government of Legazpi, and the Provincial Government of Albay, shall promulgate the rules and regulations necessary for the effective implementation of this Act.

SECTION 16. If any provision or part of this Act is declared unconstitutional or invalid, the other provisions or parts hereof not affected thereby shall remain in full force and effect.

SECTION 17. All laws, decrees, executive orders, rules and regulations, and other issuances or parts thereof that are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 18. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,