

PLANNED CITY EXTENSION

The Philippine Experience

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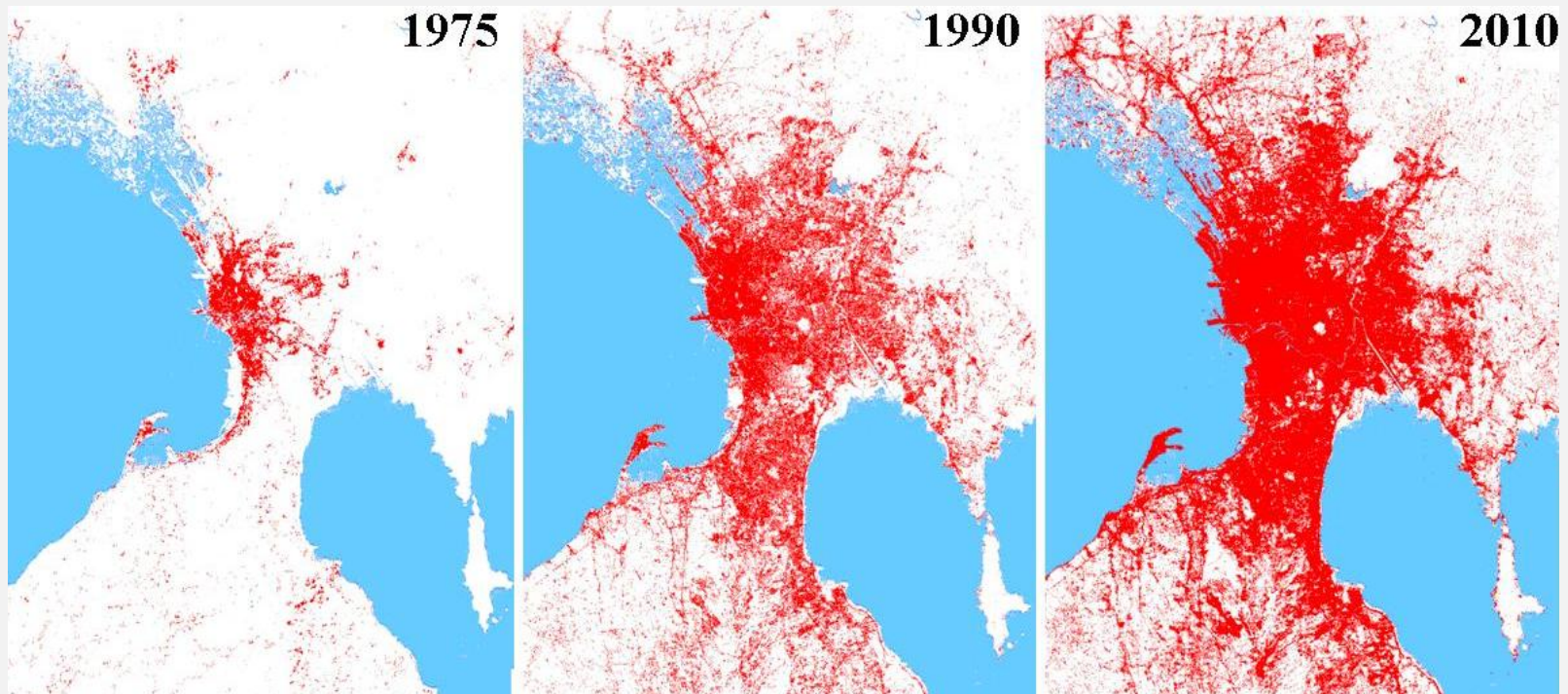


WHAT IS PLANNED CITY EXTENSION?

- ✓ It is an urban planning tool that proposes a spatial structure for the growth of a city that can support its socioeconomic and environmental sustainability by ensuring an orderly expansion and densification of existing and future neighborhoods.
- ✓ It is also sometimes called “Urban Growth Area” which are areas delineated in a comprehensive plan within which urban development is encouraged, and outside of which development is discouraged.
- ✓ Both aim to ensure urban containment by promoting planned, compact and orderly development patterns.

WHY IS THE PCE NEEDED IN THE PHILIPPINES?

- Urban growth and expansion in the country is largely unplanned and thus inefficient and often unsustainable. It is mainly dictated by individual private landowners and developers in terms of the type, location, and timing of development.



Multi-sensoral urban growth analysis – by the example of Manila, Philippines. Source: DLR-DFD

WHY IS THE PCE NEEDED IN THE PHILIPPINES?

- ✓ Very often, such growth occur alongside existing major roads, resulting in inefficient linear extension of the city.
- ✓ The Comprehensive Land Use Plan (CLUP) of LGUs only prescribe land uses, but not the timing of development. It also does not specify the proper location for connecting roads and drainage systems and other utilities.
- ✓ Private developers tend to not provide socialized housing within the city's built-up area where livelihood and jobs are concentrated.



WHY IS THE PCE NEEDED IN THE PHILIPPINES?

- Premature conversion and development of productive agricultural lands into urban land uses even when these uses are not yet needed, thus contributing to urban sprawl, food insecurity, and undue increase in land prices.
- Inefficient street connectivity which results in longer travel distances and time, thus contributing to traffic congestion.



WHY IS THE PCE NEEDED IN THE PHILIPPINES?

- Inadequate and/or inappropriate location of sites for public facilities such as schools, health centers, and public parks.
- Insufficient attention to the drainage and flood control requirements due to piecemeal and uncoordinated approach that is characteristic of individual private property development.



HOW DOES PCE RELATE WITH EXISTING LAWS



- ✓ Urban Development and Housing Act (RA 7279)
- ✓ Local Government Code (RA 7160)
- ✓ Rationalized Planning System (requiring all LGUs to prepare CLUPs and CDPs)
- ✓ PD 957 and BP 220
- ✓ Water Code, Sanitation Code, Building Code, other environmental laws

OBJECTIVES OF A PLANNED CITY EXTENSION

- ✓ To promote high density growth, alleviate urban sprawl, and maximize land efficiency;
- ✓ Promote sustainable, diversified, socially equitable and thriving communities in economically viable ways; encourage walkable neighborhoods and reduce car dependency;
- ✓ Optimize use of land and provide an interconnected network of streets which facilitate safe, efficient, and pleasant walking, cycling and driving;



OBJECTIVES OF A PLANNED CITY EXTENSION



- ✓ Foster local employment, local production, and local consumption; and
- ✓ Provide a variety of lot sizes and housing types to cater for the diverse needs of the community at densities which can ultimately support the provision of local services

PRINCIPLES OF SUSTAINABLE URBAN DEV'T

Adequate space for streets and an efficient street network

- at least 30% of area allocated for streets for better mobility and connectivity between and among neighborhoods

High density

- at least 150 persons per hectare for more efficient provision of infrastructure and services, and make communities more walkable and thus less car-dependent



PRINCIPLES OF SUSTAINABLE URBAN DEV'T

Mixed land use

- different but compatible land uses are mixed together to create a vibrant and thriving community

Social mix

- provision of a variety of lot sizes and housing types in a neighborhood in order to cater to the diverse needs of people and foster inclusiveness

Limited land use specialization

- avoiding large communities with exclusive land use to foster local production and employment

KEY FACTS OF THE THREE CITIES

CAGAYAN DE ORO

LAND AREA: 578.5 square kilometers

POPULATION: 602,088 (2010)

ANNUAL POPULATION GROWTH RATE: 2.54%

NUMBER OF HOUSEHOLDS: 127,672

DENSITY (CITYWIDE): 1,040 persons per square kilometer



ILOILO

LAND AREA: 78.34 square kilometers

POPULATION: 424,619 (2010)

ANNUAL POPULATION GROWTH RATE: 1.86%

NUMBER OF HOUSEHOLDS: 90,681

DENSITY (CITYWIDE): 5,420 persons per square kilometer



SILAY

LAND AREA: 214.8 square kilometers

POPULATION: 128,741

ANNUAL POPULATION GROWTH RATE: 1.70%

NUMBER OF HOUSEHOLDS: 23,725

DENSITY (CITYWIDE): 600 persons per square kilometer

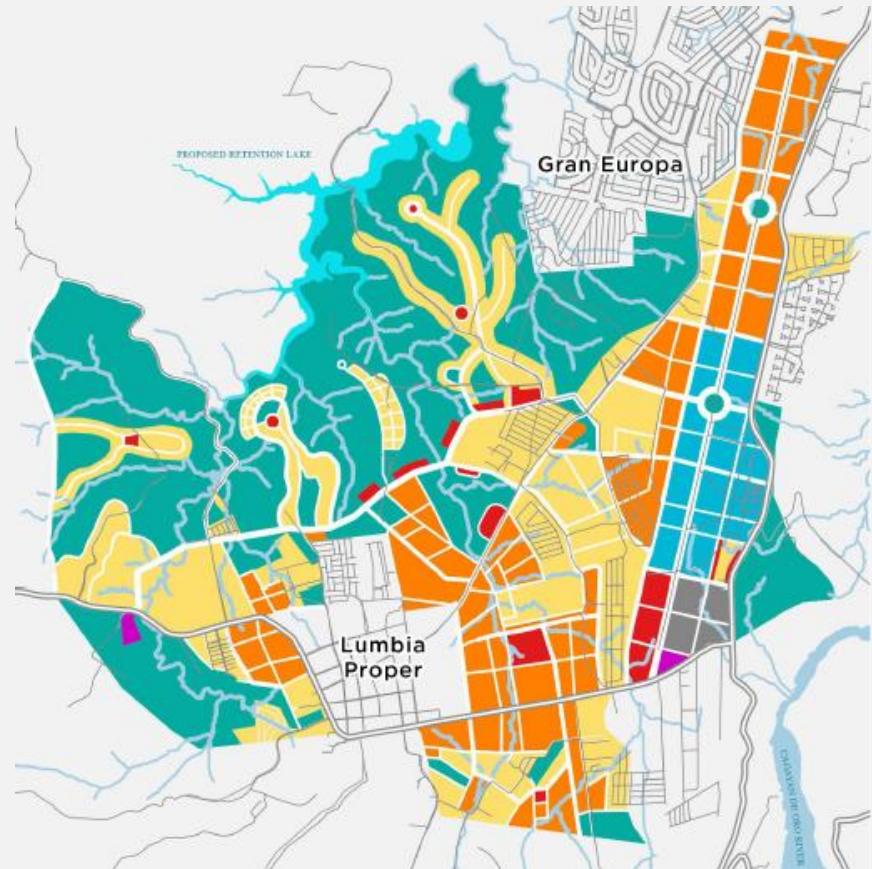


CAGAYAN DE ORO CITY PCE SITE

SATELLITE IMAGERY



CITY EXTENSION PLAN

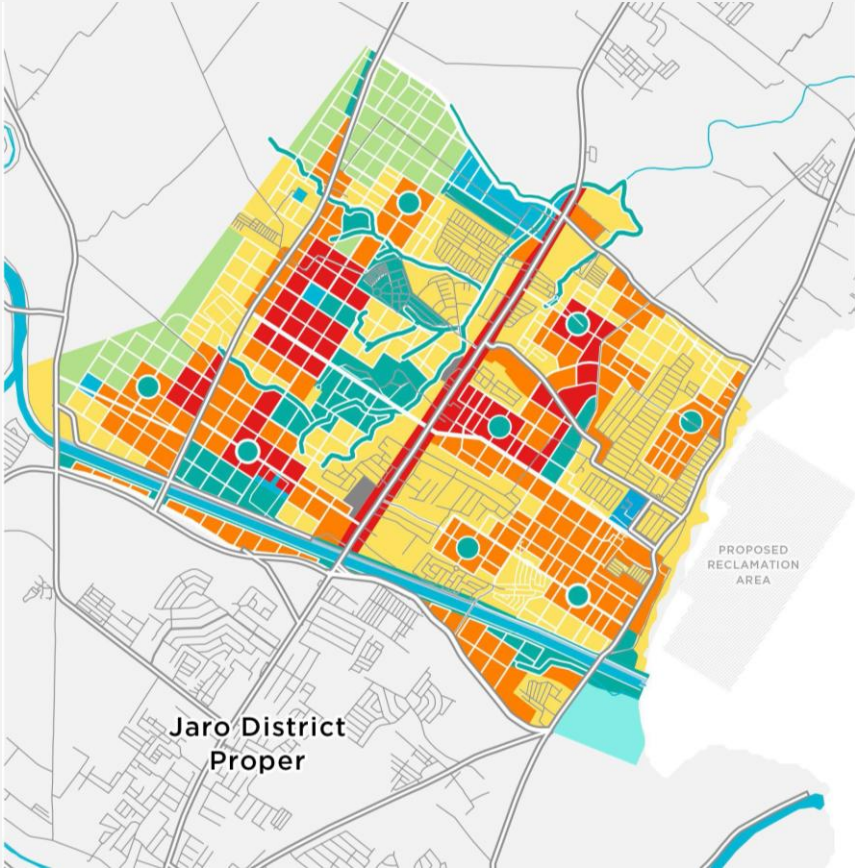


ILOILO CITY PCE SITE

SATELLITE IMAGERY



CITY EXTENSION PLAN

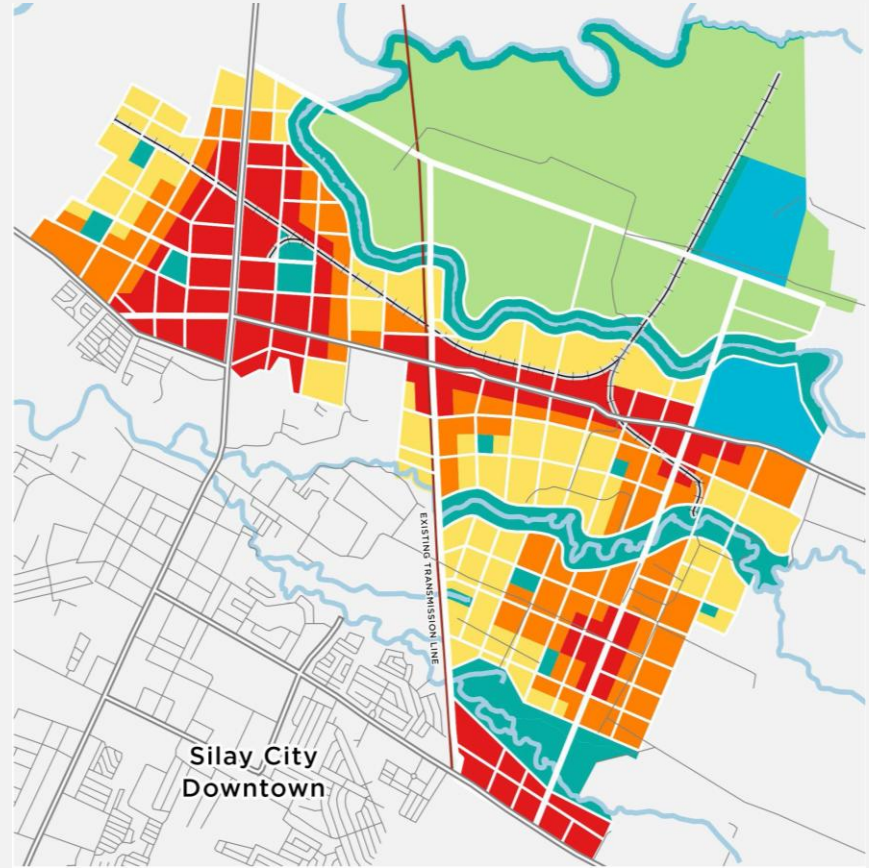


SILAY CITY PCE SITE

SATELLITE IMAGERY



CITY EXTENSION PLAN



GENERAL CONDITIONS IN PCE SITES

- ✓ Lands are predominantly privately owned, divided into small land holdings, and often with large number of owners
- ✓ Existing developments are scattered and mostly not interconnected; buildings are often concentrated along existing roads
- ✓ In many cases, these sites may either still be agricultural in use, or are idle or under-utilized; some areas may be covered by CARP
- ✓ These sites often are not covered by a street network plan and drainage and flood-control plan; some areas may be prone to disasters (flooding, earthquake, storm surge, etc)

PROPOSED FINANCING MECHANISMS

Internal Sources:

- 20% Development Fund
- Land based Financing
 - RPT /transfer taxes
 - Impact fees
 - Special Assessments
- *Land Sale or lease*
- *Leveraging public lands*

External Sources:

- Borrowings
- Grants
- PPP
- Co-financing with National Government

Projects with Public-Private-Partnership potential

Project	Proposed PPP Scheme	Remarks
Basic services: <ul style="list-style-type: none"> • Solid waste management • Water supply • Sanitation and sewerage systems • Hospitals 	Concession agreements / Build, Operate and Transfer (BOT)	Usually, the government guarantees a minimum income to the concessionaire in the event that demand drops. For sanitation, the city can issue an ordinance requiring all buildings to be desludged regularly, and following a programmed schedule. Solid waste management can follow the same process- regular pick up of garbage at a designated time and place. User fees will be charged.
<ul style="list-style-type: none"> • Civic center • Tourism • Airstrip as civic urban space and backspine 	Municipal bonds	The public facilities should have rentable areas to make them revenue generating, a basic eligibility condition for bond issuance
<ul style="list-style-type: none"> • Commercial establishments • Transport hub 	Build, Operate and Transfer (BOT)	Private sector constructs and is allowed to receive returns from the investment for a specified period

LEGAL AND INSTITUTIONAL ROADMAP

For the City's first phase implementation of the PCE, the following steps are recommended:

1

Enact an ordinance creating the PCE, declaring the identified city extension area as the PCE district with its boundaries, coupled with a body that will administer the PCE, promulgate rules and regulations to manage its development in accordance with its urban plan and design.

2

Revise or amend the Comprehensive Land Use Plan by reclassifying all agricultural landholdings within the PCE to residential, commercial, industrial or other non-agricultural uses.

3

Encourage / assist landowners within the PCE to file Land-Use Conversion applications in the Department of Agrarian Reform.

4

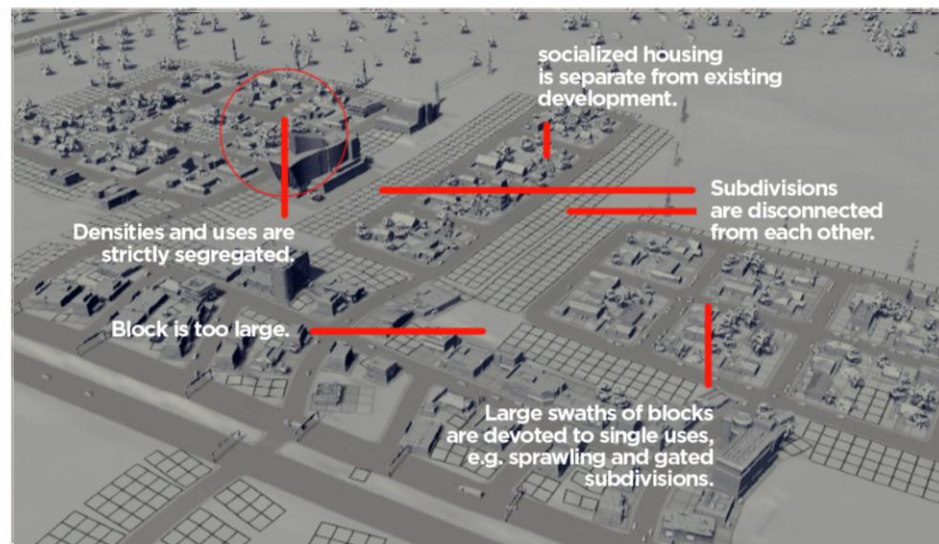
Encourage existing real estate developers in the city extension to follow the ASUD principles and give them tax incentives.

5

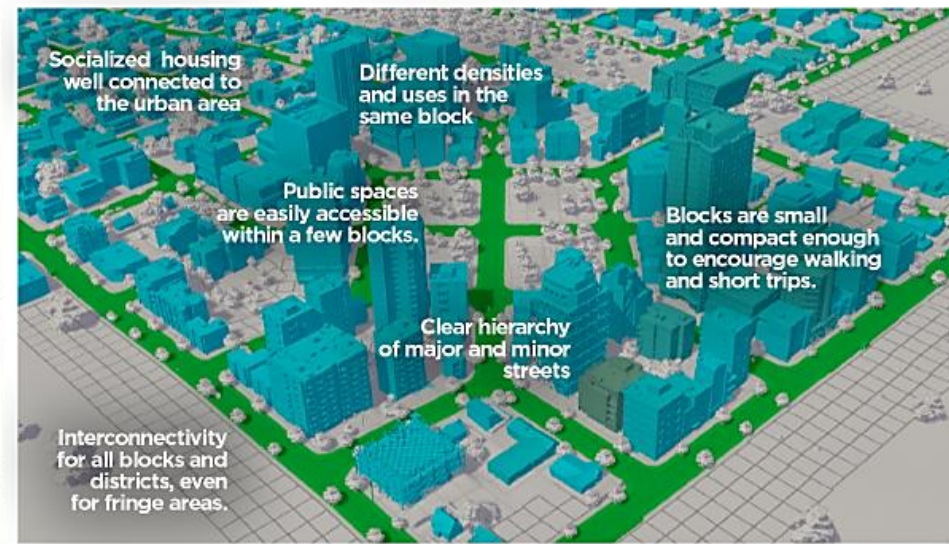
Transfer of ownership of 105 ha. old airport site from the national government to local government through legislation (suggested by Congressman).

THE IMPACT ON THE URBAN LANDSCAPE

Common result on the urban landscape because of current legal guidelines



Possible result of the ASUD principles on the urban landscape



Current practices and standards in the Philippines in relation to the ASUD Principles

CONVENTIONAL PLANNING VS. ASUD

Conventional Planning in the Philippines	Approach used for ASUD
Planning driven by the private sector	Planning reclaimed by the Local Government
Consulations as per requirement	Broader stakeholder consultations
Social housing typically away from main development, sprawling	Social mix
Cul-de-sac / gated communities	Enhanced connectivity and integration
Financial viability from developers perspective	Local economic development strategy
	Innovative financing tools, benefitting the city
Minimum requirements for site (geo and climatic hazards)	Integrated in broader resilience approach
Re-active and short-term	Pro-active, strategic and long-term
Specialized zoning, segregated land use	Mixed-use
Think about buildings first then people later	Think people first before buildings

CHALLENGES ENCOUNTERED

1

Because of the general view of private property as a commodity of trade, most landowners are averse to donating even a portion of it.

2

The general tendency of landowners to view their property as their private domain, and it's development as having nothing to do with its adjoining properties.

3

The multiple ownership of the PCE sites, each with their own interests and concerns. The more the landowners, the more who need to be convinced of the PCE's benefits.

4

The lack of knowledge of LGU staff of the principles and practice of real estate development, which limits their ability to formulate viable financing and implementation strategies.

CHALLENGES ENCOUNTERED

5

The limited financial resources of LGUs to implement the necessary trunk infrastructure that are necessary to establish the overall structure of the PCE area.

6

The tendency of many LGUs to not use the power of eminent domain in securing the necessary areas for public facilities and open space.

7

Some of the ASUD principles, for example, the mixing of different income groups in the same neighbourhood, and the avoidance of gated communities, are difficult to adopt to the current cultural milieu of the Philippines.

CONCLUSIONS

one

The PCE is a new and pioneering concept in the Philippines and thus cannot be expected to be readily accepted in its totality. It still needs to be “sold” especially to the landowners

two

It's success depends on its utilization of existing laws and regulations in order to avoid its being stymied by civil action, and demonstrating in very clear terms what concrete benefits the landowners concerned will derive from it.

CONCLUSIONS

three



It's implementation needs to be piloted to determine what works and what does not, including the LGU's role in managing the entire development process. It is likely to be successful where the LGU is entrepreneurial in its management style.

four



As an urban planning tool, the PCE needs to be integrated with the CLUP planning system, which LGUs are already familiar with. This will improve the quality of the LGUs' CLUPs and make it more effective in achieving sustainable urban development.

THANK YOU FOR YOUR ATTENTION

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