



## ACHIEVING SUSTAINABLE URBAN DEVELOPMENT (ASUD)

# CAGAYAN DE ORO CITY

### PLANNED CITY EXTENSION

Sustainable urbanization: planning for urban growth, resilience, and economic development

### Urbanization Scenario

Cagayan de Oro City is a highly urbanized city in Northern Mindanao. Much of its urban development has been along the east-west corridor of the Iligan-Cagayan de Oro-Butuan National Highway.

Over time, *barangays* (districts) straddling this highway have evolved into vibrant commercial and residential areas. Rapid demographic and economic growth in the last 15 years was accompanied by changes in the city's land use, where forests and agricultural areas made way for residential and commercial projects.

The landscape of the city was transformed into a highly urbanized area sprawling from the central business district. Residential subdivisions were built on hills overlooking the city, and commercial districts thrived along the national highway and main streets. The emerging settlement pattern in Cagayan de Oro City is urban sprawl from *poblacion barangays* to the next ring of *barangays* that are no longer in the city center but are still connected to it.

If expansion is left unchecked and unplanned, the city is likely to experience a lopsided distribution of settlements favoring only a few districts and driven by the real estate market with gated communities that will hamper urban connectivity and efficient agglomerations.

This kind of urban development is clearly unsustainable, necessitating a guided and planned city extension (PCE) development.

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### Challenges In City Planning & Management

- Lack of a comprehensive plan for city extension
- Development is currently driven by the private sector and poorly regulated
- Limited road network and capacity, resulting in traffic congestion in the built-up areas
- Lack of mass transport to and from the extension site
- Limited technical expertise of local planners on city extension planning
- Land development cost of the extension site is high due to the site's uneven, rolling terrain
- Absence of a masterplan for a drainage system
- Limited local policies for better urban design, especially on regulating street sizes and open space
- Tendency of land banking programmes to be reactive, short-sighted, and parochial
- Unmaximized potential of the old airport site (105 hectares) for economic and other productive uses
- Outdatedness of the Comprehensive Land Use Plan (last update was in 2000) and the zoning ordinance.

### Cagayan de Oro City Profile

**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

**DENSITY CONTINUOUS URBAN ZONE:** 2,799 persons per square kilometer

**STREET DENSITY:** 10.84 kilometers per square kilometer

**INTERSECTION DENSITY:** 92.34 per square kilometer

**NUMBER OF BARANGAYS (DISTRICTS):** 80

**ECONOMY:** Manufacturing, commercial, services, tourism

**INTERNAL REVENUE ALLOCATION SHARE:** PHP 796.8 million (USD 18.3 million)

**LOCAL SOURCED REVENUES:** PHP 1.04 billion (USD 23 million)

**TOTAL REVENUE (2012):** Php 1.84 billion (USD 41.82 million)

**INTERNAL REVENUE ALLOCATION DEPENDENCY RATE:** 48%

**ECOSYSTEM TYPE:** Ridge to reef with river system (Cagayan River)

**CITY/REGIONAL ROLE:** Trading center, government center, convention area, education area, tourism

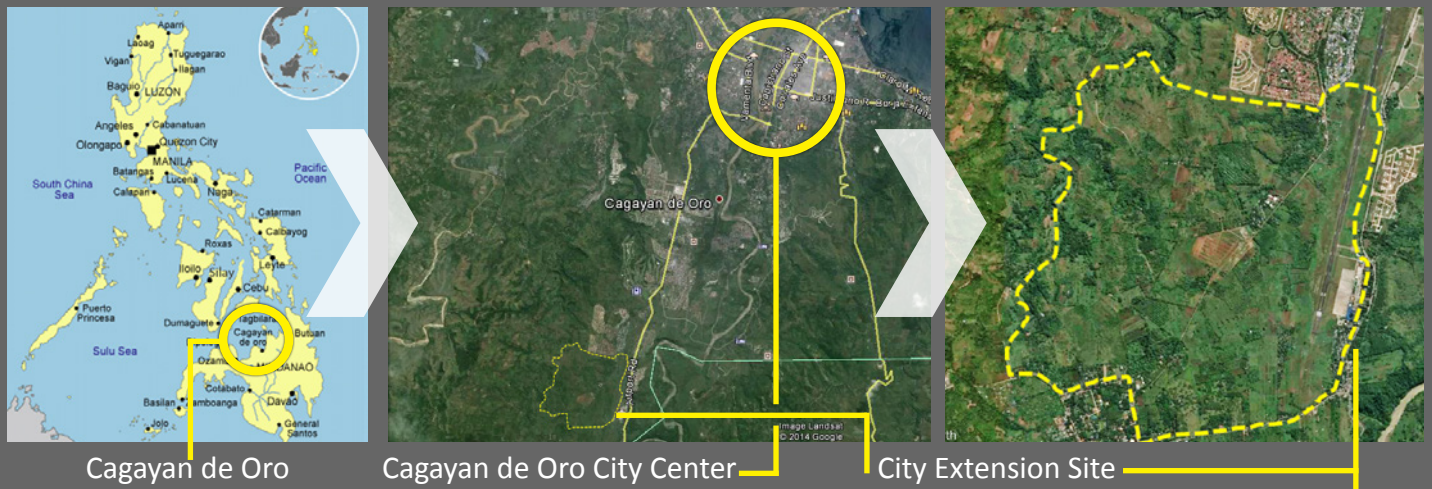
**SPECIAL CITATION:** Ranked in 2013 as second most competitive city in the Philippines by the National Competitiveness Council Philippines

# Strategic Response: Planned City Extensions

UN-Habitat's **Achieving Sustainable Urban Development (ASUD)** programme seeks to address urban development issues affecting today's cities. It integrates three pillars—governance and legislation, finance and economy, and planning and design—in developing PCEs. PCEs represent an alternative to unplanned urban expansion characterized by sprawling, segregated, and poorly connected developments. The PCE for Cagayan de Oro City pursues and promotes the following:

- adequate space for streets and mobility
- expansion of mixed housing
- disincentivization of exclusionary (gated) developments
- sustainable density
- engagement of city stakeholders in planning
- a shared vision for the development of the extension site by all stakeholders
- synergy and connectivity of the site with the existing city
- policy advocacy for the protection of public space and land management
- improved social integration
- land use reclassification, especially for the old airport area
- strong integration of eco-tourism development programmes
- climate change adaptation and disaster risk reduction.

## City Extension Profile



- **SITE:** District of Lumbia, located at the midpoint of the north-south axis of Cagayan de Oro City, about 10 kilometers from the city center. One of its advantages over other *barangays* is its elevation of 180 meters above sea level, making it safer than the rest from flooding or storm surge.
- **LOCATION:** Lumbia, where the Cagayan de Oro airport was formerly

located, not only links the uptown to the built-up downtown Cagayan de Oro, it is considered the gateway to other provinces such as Bukidnon, providing an inter-provincial transport hub for the trade and commerce of agricultural goods.

- **TERRAIN:** Flat in the old airport premises, then gently sloping and rolling to the west. Calaan Creek lies at the center of the site, connecting

north to Barangay Pagatpat, while Tagpangi Creek provides a natural boundary on the west. Natural drainage follows a northwest direction.

- **LAND AREA:** 547 hectares (5.47 square kilometers)
- **CURRENT LAND USE:** Residential and agricultural
- **CURRENT ZONING:** Residential

## Benefits of Planned City Extensions

- **Improves local revenue** generation and local economic development
- **Improves efficiency** of services and **avoids unregulated** sprawling development
- **Introduces a good entry point** for long-term climate change planning and disaster preparedness, **especially in developing human settlements**
- **Better regulates land development** and **optimizes land value** by



- converting the site from a military use to a mixed-use development
- **Increases city wealth** and identity and **provides sustained growth** for local economic development
- **The plan can serve as a negotiating tool** for national government **and an investment promotions tool** for the alternative use of the old airport
- **Addresses congestion** in the city center



THE CITY EXTENSION AREA CAN ABSORB

**25%** 

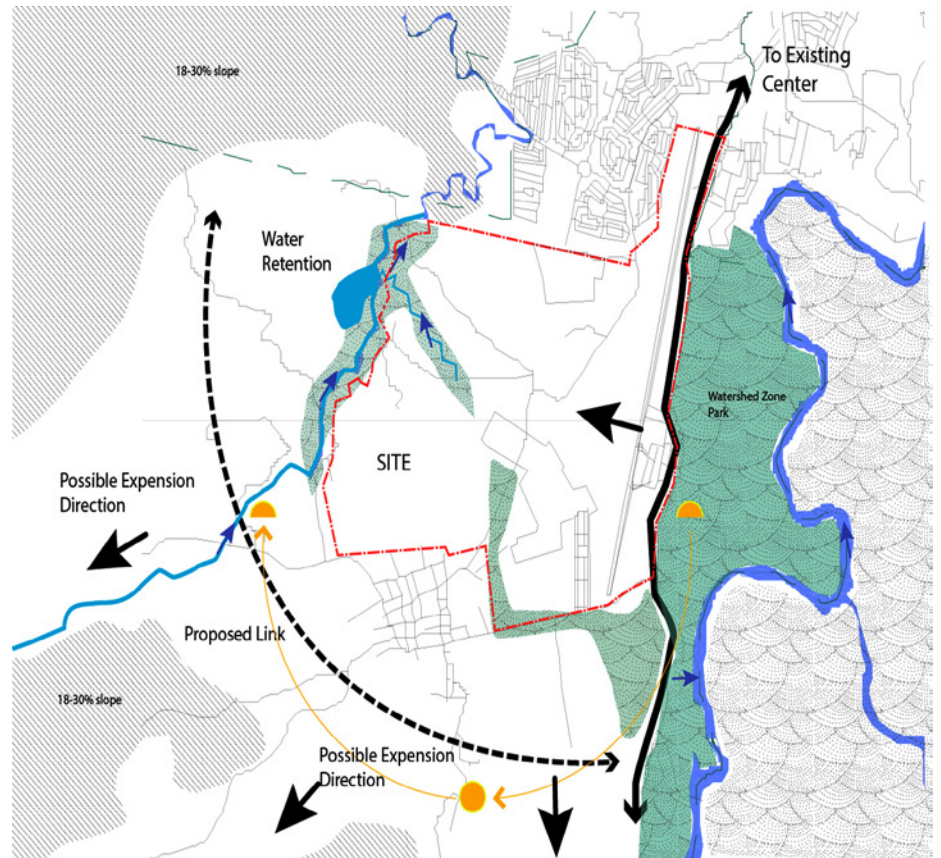
OF THE GROWTH OVER THE NEXT 30 YEARS WITH ADEQUATE DENSITY OF A FLOOR AREA RATIO OF 1.5

- **Addresses housing needs** of those affected by Typhoon Sendong, a tropical cyclone that totally destroyed 5,800 houses in the city in December 2011
- **Enhances safety and security**

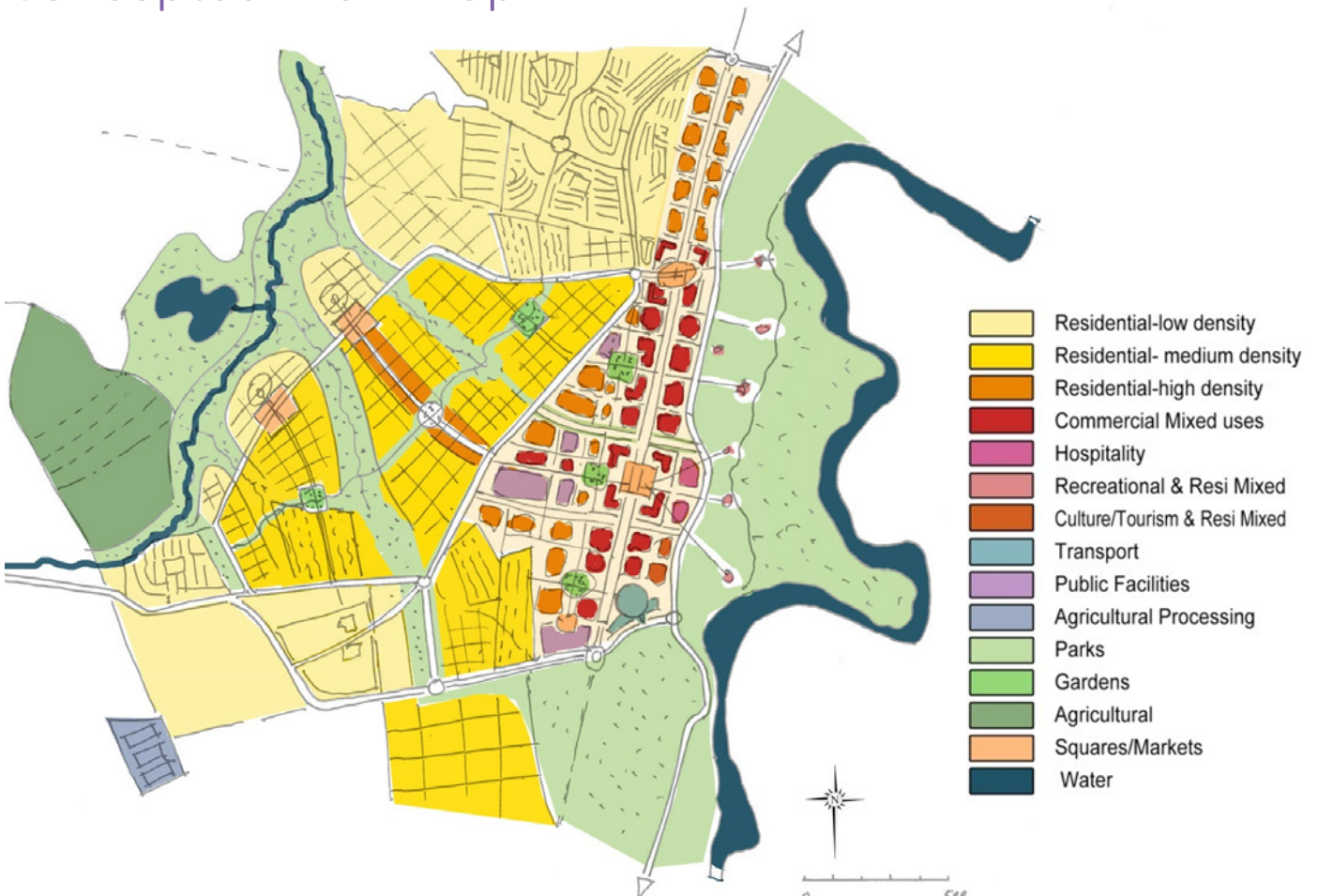
## Activities & Milestones

- Facilitated the establishment of the local project management structure
- Completed city data profiling and mapping
- Completed the city's climate change and vulnerability and adaptation assessment report
- Facilitated partnerships with government line agencies
- Assessed the policy and legal environment
- Assessed municipal finances and financial capacity
- Facilitated knowledge sharing with other pilot cities
- Conducted technical coaching and mentoring, including planning workshops on city extensions
- Managed boundary mapping and land owner inventory listing within the city extension site (ongoing)
- Prepared the conceptual plan with the city technical working group.

## Situational Analysis



## Conceptual Plan Map





## What We Have Accomplished

- **Introduced ASUD concepts and approaches** which the city embraced to guide their development plans henceforth
- **Enhanced the capacities of technical working groups** for urban planning, urban economy, and municipal finance and legal support through sustained technical mentoring and coaching
- **Completed climate change vulnerability and adaptation assessment**
- **Formulated the city extension conceptual plan** with the city team, which was then presented to the city mayor and local partners
- **Assessed the financial capacity** of the city
- **Scaled up advocacies for mixed land uses**, especially among land owners, who then considered the PCE in their individual private development plans
- **Extended the urban planning horizon** to 30 years from the current 5- to 10-year paradigm among city planners

## Next Steps: Moving the PCE Forward

- Enhance profile information of the site: inventory of landowners, boundary and facilities mapping 
- Stakeholder consultations and consensus building
- Enhancement of the city extension conceptual plan 
- Partnership with universities and professional associations for spatial planning and data gathering
- Completion of the legal and local legislative framework assessment
- to provide specific recommendations on how to enforce and regulate the development of the site 
- Financial modeling to identify investment options and programmes

### CAGAYAN DE ORO CITY PLANNING AND DEVELOPMENT OFFICE

3rd Floor, South Wing Administrative Building, City Hall Compound, Capistrano Street, Cagayan de Oro City Philippines  
Tel: (63-39) 857 - 31 - 48  
<http://www.cagayandeorogov.ph>

### UN-HABITAT PHILIPPINES

31st Floor, Yuchengco Tower, RCBC Plaza 6819 Ayala Avenue, Makati City 1229 Philippines  
Tel: (63-2) 901 - 04 - 32  
<http://unhabitat.org.ph>

### UN-HABITAT GLOBAL WEBSITE

<http://unhabitat.org>

### UN-HABITAT REGIONAL OFFICE FOR ASIA AND THE PACIFIC

ACROS Fukuoka Building, 8th Floor 1-1-1 Tenjin, Chuo-ku, Fukuoka 810-0001 Japan  
Tel: (81-92) 724 - 7121 / 23  
Fax: (81-92) 724 - 7124  
[habitat.fukuoka@unhabitat.org](mailto:habitat.fukuoka@unhabitat.org)  
<http://www.fukuoka.unhabitat.org>