Chapter 2

DEVELOPMENT OPPORTUNITIES AND CONSTRAINTS

Discussed herein are the development constraints and opportunities of Angeles City derived from the trend analysis, socio-economic profile, map sieve and land use analyses, and use of other analytical tools, as well as the inputs from the participants of the various Technical Working Group (TWG) meetings and public consultations that were held relative to the updating of the development plans of Angeles City.

Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis was also done. In the context of this plan, development constraints refer to weaknesses and threats while development opportunities pertain to strengths and opportunities. Moreover, strengths and weaknesses belong to the internal environment while threats and opportunities refer to the external environment.

2.1 Development Opportunities

Described in this section are the more important development strengths and opportunities of Angeles City which when properly utilized or capitalized on will further enhance the city's level of development.

2.1.1 Strategic Location

As discussed earlier, the Metropolitan Clark Area shall function as the most important urban center in Central Luzon with its hinterlands possibly extending beyond the region's borders to include the Northern Luzon regions. Because of this huge market potential, urban and economic activities will tend to converge at Metro Clark.

Metro Clark's dominance as a regional financial center, commercial and trading center, and residential center are now becoming very evident. Strategically located in the urban core of Metro Clark, Angeles City is now host to several giant malls, namely: Robinson's Mall, Shoe Mart (SM), Marquee (Ayala) Mall, and the locally grown Nepo Mall.

The local revenue, money supply, and job generation provided by these developments are to the advantage of the city.

2.1.2 Proximity to Clark Freeport Zone

Through an Act from the Philippine Congress, R.A. 7227 was amended giving Clark Special Economic Zone, including the Diosdado Macapagal International Aviation Complex, a freeport status. Just recently, Texas Instruments, one of the world's biggest electronic manufacturer established its plant in Clark Freeport Zone (CFZ) with more than a billion dollar investment. This, and the general ripple effect of CFZ to Angeles City in terms of jobs, demand for services, housing, commerce and trading, among others, will be a big boost to the economy of the city.

2.1.3 Availability of Advanced Infrastructure Facilities

Angeles City is the most accessible urban center in Central Luzon. From Metro Manila, it can be accessed through the MacArthur highway and the North Luzon Expressway. Upon the completion of NorthRail in few years time, an alternative rail transport system will become available. From Subic or from the North, Angeles City can also be reached through the Subic-Clark-Tarlac Expressway (SCTEx). Upon the completion of the Tarlac-Pangasinan-La Union Expressway (TPLEx), access northward will be further enhanced.

Because of SCTEx, Angeles City could easily access the Subic port. Diosdado Macapagal International Airport (DMIA) easily serves the international airport requirement of the city. Other infrastructure support facilities such as power, telecommunications are also adequately provided adding to the city's competitive advantages. These will undoubtedly sustain the urbanization momentum the city is currently experiencing.

2.1.4 Advanced Economic Base and Huge Population Stock

Angeles City is one of the most economically advanced urban centers in the country and perhaps has the most number of affluent families and individuals in Central Luzon. In the small area poverty estimate study of the National Statistics Coordination Board (NSCB) published in March 2009, Angeles City registered a poverty incidence rate of about 6.44 percent. Meaning, only 64 for every 1000 population are poor. In contrast, Gabaldon, Nueva Ecija has the highest poverty incidence rate in the region at 34.15 percent.

As earlier discussed, Angeles City is the most populated city/municipality in Central Luzon after San Jose Del Monte City as it breached the 300 thousand level per the 2007 census.

Strong purchasing power, huge population, and high population density equate to big, compact and affluent market that is good for business, employment, and local revenue generation.

2.1.5 Transparent and Development Oriented Local Governance

Only few Local Government Units (LGUs) in Central Luzon have an International Organization for Standardization (ISO) Certification. Angeles City is not only one of them, it is also the fist LGU in the region to obtain such.

The ISO 9001:2000 certification demonstrates the city's resolve to total quality management, transparent, and development-oriented local governance. Business registration has steadily climbed since the implementation of the TQM program. The latest and the most significant are the location of Robinson's, SM, and Marquee (Ayala) Malls in the city over the last five (5) years.

2.1.6 Talented and Dedicated Pool of Local Civil Servants

Consistent with the policy of professionalizing the bureaucracy, Angeles City was able to retain the most dedicated and competent staffs. Personnel selection is based on merit and fitness consistent with the rules and policies of the Civil Service Commission (CSC). While the government pay structure

is still not comparable with the private sector, city staffs and officials have dedicated themselves to civil service.

2.1.7 Skilled Human Resource Base

Angeles City is a leading center for education and higher learning in and out of the region. Its tertiary schools are among the top performing universities in the country. Its primary, secondary, trade and technical schools are adequately provided by the government and the private sector. Relatively high income and the availability of these learning facilities produce a huge stock of skilled manpower.

2.2 Development Constraints

2.2.1 Traffic Congestion

Traffic congestion is on the other side of the fence progress. As a regional urban center and a regional transportation hub, Angeles City's hinterland includes the Metro Clark Area, the entire Central Luzon, including the Northern Luzon regions. Thus, most if not all its major thoroughfares such as the MacArthur highway, Angeles-Porac Road, Magalang-Angeles Road, and the CBD roads have been experiencing severe traffic congestion.

This condition impacts on productivity and increases the cost of doing business in the city. While independent studies have shown that Angeles City is among the most competitive cities in the country, these competitive advantages can be easily masked by a severe drop in the level of service provided by these roads.

In order to address this concern on access, the city, including the national government implemented various interventions which include but not limited to road widening and upgrading, installation of traffic lights, traffic management, traffic law enforcement and strict implementation of land use management measures and zoning.

2.2.2 Localized Flooding

Angeles City has a natural drainage provided by the Abacan river and the various creeks that are evenly distributed around the city. Since its general soil type is sandy, it has a very good internal drainage or the capability to absorb surface water compared to clay. But since the city's built-up areas are already fully paved, surface run-off goes directly to the drainage canals, and into the creeks and rivers.

Unfortunately, the capacity of the existing drainage and flood-water canals is no longer enough to accommodate the peak flow. Thus, localized flooding during rainy season or after a heavy downpour becomes ordinary. The increasing occurrence of high intensity, short duration rainfall brought by climate change and global warming phenomenon exacerbates this problem. This concern should be acted upon in the climate change adaptation agenda of the city.

2.2.3 Riverbank Erosion

The Abacan river as well as the different creeks in the city are susceptible to erosion and riverbank failure due to the absence of slope protection and river training works. Settlement and built-up areas along and

near these areas are in the constant threat of erosion. In view of such, the comprehensive development of Abacan river and its tributaries into a linear park with mix use (e.g. park, highway, commercial) components must be prioritized.

2.2.4 Solid Waste Management

Angeles City's daily production of waste is estimated to range from 100-150 metric tons that is equal to 33,500-54,750 MT per year. The city has already closed its open dump site facility several years back and it has since used the Kalangitan sanitary landfill.

However, the tipping fee in this landfill is said to be on the high side. As such, the city may have to establish its own sanitary landfill within its territory to address this concern. It can also jointly develop a solid waste management facility with neighboring areas. In the interim, it can expand its existing materials recovery facility (MRF) to reduce the volume of waste at the same time create livelihood. It can dump the remaining non-recoverable wastes in the Kalangitan Landfill.

2.2.5 Influx of Informal Settlers

Because of the recent developments in Central Luzon and in the Metropolitan Clark Area, Angeles City easily became one of the favorite destinations of the informal settlers. Informal settlers are predominantly found in the PNR right of way but have also occupied some portions of the bank of Abacan river. Consistent with the provisions of the Urban Development and Housing Act (UDHA) otherwise known as the "Lina Law",

the city must prioritize the implementation of mass housing to address this concern.

2.2.6 Declining Environment Quality

As thoroughly discussed in the environmental chapter of the Angeles City Socio-economic profile report, Angeles City must implement measures that will arrest its declining environmental quality. Pollution of all types is the culprit including urban congestion. While engineering measures should address this concern, proper land use management and zoning will complement all other efforts directed to making Angeles City a liveable community.

2.2.7 Land Supply Shortage

Land supply in the city whether it is agricultural or not, is increasingly becoming low due to the combined effects of the population growth and sustained economic development. Land banking and land market speculation have not only pushed land prices up, they have also triggered food productivity to go down. Vacant or idle land inside and outside the built-up areas are not uncommon. To discourage this, the city must strictly implement the provision of the local government code on idle land taxation.

2.2.8 Climate Change and Global Warming

Global warming and climate change are already a reality. This early, the Philippines is starting to implement climate change adaptation measures. Flashfloods due to the high intensity, short duration rainfall are now linked to

changing climate patterns. A reduction in total annual precipitation reaching the land is also starting to be observed. This will impact on the groundwater recharge rate.

To adapt to this kind of climate change impact, Angeles City should start developing its water resource other than the groundwater. According to the initial findings of the ongoing NWRB-JICA Project in the Pampanga river basin, Angeles City will reach the critical level of water supply by 2025. By that time, demand will overtake the supply.

To address this concern, the Abacan reservoir multi-purpose project and the Sapangbato watershed development project may be simultaneously developed the earliest time possible.