

Title:

****The City of Cebu vs. Spouses Apolonio and Blasa Dedamo: A Case on the Determination of Just Compensation in Eminent Domain Proceedings****

Facts:

The City of Cebu, needing parcels of land owned by the spouses Apolonio and Blasa Dedamo for the construction of a public road, initiated an eminent domain case (Civil Case No. CEB-14632) on 17 September 1993. The City aimed to expropriate 1,624 square meters of land, asserting the public nature of the purpose and offering an assessment based on tax declarations.

Challenging the City's intentions and valuation, the Dedamos argued the expropriation favored a private entity and significantly undervalued their property, noting similar nearby plots were purchased at much higher rates by the City.

Proceeding to trial, a motion for a writ of possession by the City was granted. An agreement was later reached whereby the Dedamos acknowledged the public utility of the expropriation, contingent upon just compensation determined by court-appointed commissioners.

Commissioners submitted a valuation substantially higher than the City's proposal, which the trial court approved, leading the City to unsuccessfully seek reconsideration and ultimately appeal. The Court of Appeals upheld the trial court's decision, prompting the City to escalate the challenge to the Supreme Court, centered on determining the rightful date for assessing just compensation.

Issues:

1. The appropriate benchmark for determining just compensation in eminent domain proceedings.
2. The validity and enforcement of agreements between parties on procedures for determining just compensation.
3. The applicability of equitable estoppel against the petitioner.
4. The precedence of statutory provisions in R.A. 7160 over procedural rules regarding the determination of just compensation.

Court's Decision:

The Supreme Court denied the petition, affirming the appellate court's decision. It clarified that R.A. No. 7160 dictates just compensation be determined at the time of actual taking,

not filing. The Court also reinforced the binding nature of voluntary agreements on compensation procedures, underlining the principles of estoppel and contractual obligations. Additionally, it underscored the primacy of substantive law over procedural rules concerning the valuation timeline.

Doctrine:

- **Just Compensation Timing**: Just compensation for property expropriated under eminent domain is to be determined as of the time of the property's actual taking, in accordance with Section 19 of R.A. No. 7160.
- **Contractual Obligations**: Parties' agreements on the determination of just compensation are legally binding and must be complied with in good faith.

Class Notes:

- **Eminent Domain (Public Use Requirement and Just Compensation)**: It's a fundamental state power allowing the government to compulsorily acquire private lands for public use, provided just compensation is paid.
- **Relevant Statute**: R.A. No. 7160, Section 19 specifies just compensation should reflect fair market value at the time of actual taking, not at the commencement of the expropriation suit.
- **Contract Law Principles**: Agreements between parties, especially those recognized and incorporated into judicial proceedings, are enforceable unto them.
- **Estoppel**: A party may be precluded from denying facts it has previously acknowledged or actions it has instigated, especially if those actions led the opposing party to act in reliance on them.

Historical Background:

This case exemplifies the legal tensions inherent in expropriation proceedings, showcasing the constitutional balance between public necessity and private property rights. Through addressing both statutory interpretation and contractual commitments, it emphasizes the judicious determination of just compensation, a cornerstone principle aimed at ensuring equity in government-initiated property acquisition.