

**\*\*Title:\*\*** Francisco U. Dacanay vs. Mayor Macario Asistio, Jr., et al.

**\*\*Facts:\*\***

The case originates from the enactment of MMC Ordinance No. 79-02 by the Metropolitan Manila Commission on January 5, 1979, which designated certain streets, roads, and open spaces within Metro Manila as sites for flea markets. Pursuant to this, several streets in Caloocan City, including “Heroes del ’96” where petitioner Francisco U. Dacanay resides, were allocated as flea market spots with city officials issuing licenses to various vendors.

Following the demolition of market stalls on several streets including Heroes del ’96 by acting Caloocan City Mayor Antonio Martinez in 1987, stallholders filed a Civil Case No. C-12921 in the Regional Trial Court of Caloocan City, Branch 122, seeking to stop the demolition. The court initially granted a preliminary injunction but eventually dismissed the petition and recognized the public dominion status of the streets, enforcing their character as outside of commerce.

Upon the assumption of Mayor Macario Asistio, Jr., no further action to clear the streets was taken despite Dacanay’s appeals, leading to a petition for mandamus filed with the Supreme Court on June 19, 1990, to compel the city officials to remove the stalls and restore the streets for public use.

**\*\*Issues:\*\***

1. Whether public streets can legally be leased or licensed for use as market stalls under a city ordinance or resolution.
2. The duty of city officials in enforcing laws that designate streets and roads for public use and ensuring their clearance from obstructions like market stalls.

**\*\*Court’s Decision:\*\***

The Supreme Court ruled in favor of Dacanay, affirming the public character of the streets and deeming them outside the commerce of man – meaning they cannot be leased, sold, or otherwise subjected to contracts as per Articles 420 and 424 of the Civil Code. The Court declared the leases/licenses issued by the city government to stallholders as null and void, obligating the city officials to clear the streets and restore them for public use, thereby safeguarding the public’s interest over that of a few vendors.

**\*\*Doctrine:\*\***

Public streets are for public use and thus lie outside the commerce of man. Contracts or leases that aim to allocate city streets for private use (e.g., market stalls) are null and void.

**\*\*Class Notes:\*\***

- **\*\*Public Domain:\*\*** Streets and roads are considered part of the public domain, thus, they are intended for public use and cannot be the subject of lease or sale.
- **\*\*Lease of Public Property:\*\*** Any form of lease or contract granting private individuals the use of public streets for personal gain (e.g., market stalls) is legally indefensible.
- **\*\*Mandamus:\*\*** A special civil action mandamus may be filed to compel public officials to perform an act which the law specifically enjoins as a duty.
- **\*\*Articles 420 and 424 of the Civil Code:\*\*** These articles were key in the Court's decision, highlighting that properties dedicated to public use are outside the scope of commerce.

**\*\*Historical Background:\*\***

This case reflects the complex interplay between urban development, public policy, and legal norms in the Philippines during the late 20th century. Amid rapid urbanization and the informal economy's growth, the question of utilizing public spaces for private ventures became pressing. This decision underscored the Supreme Court's role in mediating such conflicts, reinforcing the principle that public use domains must be preserved for the general welfare, even in the face of competing economic interests.