Title: Technology Developers, Inc. vs. Court of Appeals, Atienza, Cruz, and Municipality of Sta. Maria, Bulacan

Facts:

- 1. Technology Developers, Inc. (TDI), a domestic corporation engaged in manufacturing charcoal briquettes, received a letter on February 16, 1989 from acting Mayor Pablo N. Cruz, directing a full cessation of operations at their plant in Sta. Maria, Bulacan due to pollution concerns. The letter requested various permits to be presented on February 20, 1989.
- 2. At the meeting, TDI's representative committed to comply with the request for permits. They began efforts to secure the "Region III-Department of Environmental and Natural Resources Anti-Pollution Permit."
- 3. TDI discovered they lacked a mayor's permit and attempted to resolve this with the mayor's office, but were unsuccessful in securing the permit.
- 4. On April 6, 1989, without prior notice, the acting mayor instructed the police to padlock TDI's plant, halting operations effectively.
- 5. TDI filed a case for certiorari, prohibition, and mandamus with a preliminary injunction against the mayor, asserting that the closure constituted an abuse of discretion.
- 6. On April 19, 1989, the trial court granted a preliminary mandatory injunction allowing TDI to resume operations upon posting a bond of ₱50,000.
- 7. The acting mayor filed a motion for reconsideration, leading to a hearing on May 30, 1989. Evidence against TDI included reports of hazardous emissions and a petition from residents complaining about the smoke.
- 8. On June 14, 1989, the trial court reversed its earlier decision, setting aside the injunction and recognizing the acting mayor's closure order.
- 9. TDI's motion for reconsideration was denied on August 9, 1989.
- 10. TDI filed a petition for certiorari and prohibition in the Court of Appeals to nullify the trial court's orders, which the appellate court denied on January 26, 1990, and also denied the subsequent motion for reconsideration.

11. TDI then appealed to the Supreme Court, which ultimately denied the petition.

Issues:

- 1. Whether the appellate court committed grave abuse of discretion in upholding the trial court's order to dissolve the preliminary mandatory injunction and dismiss TDI's petition.
- 2. Whether the acting mayor had the authority to issue a closure order due to pollution concerns without a final determination from the appropriate environmental authority.

Court's Decision:

- 1. **Authority of Local Executive:** The Supreme Court upheld the appellate court's decision. It held that the issuance of a writ of preliminary injunction is within the trial court's discretion, and the dissolution of the writ was not done in abuse of discretion. The acting mayor had the responsibility and authority, under police power, to issue the closure order to protect residents' health from pollution until adequate pollution control measures were installed by TDI.
- 2. **Lack of Permits:** TDI's failure to secure vital permits, including a valid mayor's and building permit, justified the acting mayor's closure order. Moreover, the temporary permit from the National Pollution Control Commission had expired, and no pollution control measures were installed by TDI as required.

Doctrine:

- The case reiterated the doctrine that matters of public health and safety fall under the local executive's police power, which can justify business closure absent the necessary permits or adequate pollution control measures.

Class Notes:

- **Key Legal Principles:** Police power of local executives, function of injunctions, requirements of business permits, environmental protection laws.
- **Statutory Reference:** Environmental Management Bureau's regulatory role, local government police powers.

Historical Background:

The case occurred during a period when industrialization was rapidly expanding in the Philippines, frequently clashing with environmental protection efforts. It underscored the tensions between economic development and environmental health, a major theme as urban areas expanded and industries grew in new locations without established regulatory compliance.