

**RAFAEL S. SALAS, IN HIS CAPACITY AS EXECUTIVE SECRETARY;
CONRADO F. ESTRELLA, IN HIS CAPACITY AS GOVERNOR OF THE
LAND AUTHORITY; AND LORENZO GELLA, IN HIS CAPACITY AS
REGISTER O...**

G.R. No. L-29788. August 30, 1972

Ponente: ESGUERRA, J.

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ESGUERRA, J.:

This is a petition for review of the decision of the Court of First Instance of Manila, Branch XXIII, in Civil Case No. 67946, dated September 23, 1968, the dispositive portion of which is as follows:

"WHEREFORE, the Court renders judgment declaring Republic Act No. 4118 unconstitutional and invalid in that it deprived the City of Manila of its property without due process and payment of just compensation. Respondent Executive Secretary and Governor of the Land Authority are hereby restrained and enjoined from implementing the provisions of said law. Respondent Register of Deeds of the City of Manila is ordered to cancel Transfer Certificate of Title No. 80876 which he had issued in the name of the Land Tenure Administration and reinstate Transfer Certificate of Title No. 22547 in the name of the City of Manila which he cancelled, if that is feasible, or issue a new certificate of title for the same parcel of land in the name of the City of Manila." [1]

The facts necessary for a clear understanding of this case are as follows:

On February 24, 1919, the 4th Branch of the Court of First Instance of Manila, acting as a land registration court, rendered judgment in Case No. 18, G.L.R.O. Record No. 111, declaring the City of Manila the owner in fee simple of a parcel of land known as Lot No. 1, Block 557 of the Cadastral Survey of the City of Manila, containing an area of 9,689.8 square meters, more or less. Pursuant to said judgment the Register of Deeds of Manila on August 21, 1920, issued in favor of the City of Manila, Original Certificate of Title No. 4329 covering the aforementioned parcel of land. On various dates in 1924, the City of Manila sold portions of the aforementioned parcel of land in favor of Pura Villanueva. As a consequence of the transactions Original Certificate of Title No. 4329 was cancelled and transfer certificates of title were issued in favor of Pura Villanueva for the portions purchased by her. When the last sale to Pura Villanueva was effected on August 22, 1924, Transfer Certificate of Title No. 21974 in the name of the City of Manila was cancelled and in lieu thereof Transfer Certificate of Title (T.C.T) No. 22547 covering the residue thereof known as Lot 1-B-2-B of Block 557, with an area of 7,490.10 square meters, was issued in the name of the City of Manila.

On September 21, 1960, the Municipal Board of Manila, presided by then Vice-Mayor Antonio J. Villegas, adopted a resolution requesting His Excellency, the President of the Philippines to consider the feasibility of declaring the City property bounded by Florida, San Andres, and Nebraska Streets, under Transfer Certificate of Title Nos. 25545 and 22547, containing a total area of 7,450 square meters as a patrimonial property of the City of Manila for the purpose of reselling these lots to the actual Occupants thereof. [2]

The said resolution of the Municipal Board of the City of Manila was officially transmitted to the President of the Philippines by then Vice-Mayor Antonio J. Villegas on September 21, 1960, with the information that the same resolution was, on the same date, transmitted to the Senate and House of Representatives of the Congress of the Philippines.[3]

During the First Session of the Fifth Congress of the Philippines, House Bill No. 191 was filed in the House of Representatives by then Congressman Bartolome Cabangbang seeking to declare the property in question as patrimonial property of the City of Manila, and for other purposes. The explanatory note of the Bill gave the grounds for its enactment, to wit:

"In the particular case of the property subject of this bill, the City of Manila does not seem to have use thereof as a public communal property. As a matter of fact, a resolution was adopted by the Municipal Board of Manila at its regular session held on September 21, 1960, to request the feasibility of declaring the city property bounded by Florida, San Andres and Nebraska Streets as a patrimonial property of the City of Manila for the purpose of reselling these lots to the actual occupants thereof. Therefore, it will be to the best interest of society that the said property be used in one way or another. Since this property has been occupied for a long time by the present occupants thereof and since said occupants have expressed their willingness to buy the said property, it is but proper that the same be sold to them."[4]

Subsequently, a revised version of the Bill was introduced in the House of Representatives by Congressmen Manuel Cases, Antonio Raquiza and Nicanor Yñiguez as House Bill No. 1453, with the following explanatory note:

"The accompanying bill seeks to convert one (1) parcel of land in the district of Malate, Manila, which is reserved as communal property into a disposable or alienable property of the State and to provide its subdivision and sale to bona fide occupants or tenants.

"This parcel of land in question was originally an aggregate part of a piece of land with an area of 9,689.8 square meters, more or less. * * * On September 21, 1960, the Municipal Board of Manila in its regular session unanimously adopted a resolution requesting the President of the Philippines and Congress of the Philippines the feasibility of declaring this property into disposable or alienable property of the State. There is therefore a precedent that this parcel of land could be subdivided and sold to bona fide occupants. This parcel of land will not serve any useful public project because it is bounded on all sides of private properties which were formerly parts of this lot in question.

"Approval of this bill will implement the policy of the Administration of land for the landless and the Fifth Declaration of Principles of the Constitution, which states that the promotion of Social Justice to insure the well-being and economic security of all people should be the concern of the State. We are ready and willing to enact legislation promoting the social and economic well-being of the people whenever an opportunity for enacting such kind of legislation arises.

"In view of the foregoing consideration and to insure fairness and justice to the present bona fide occupants thereof, approval of this Bill is strongly urged."[5]

The Bill having been passed by the House of Representatives, the same was thereafter sent to the Senate where it was thoroughly discussed, as evidenced by the Congressional Records for May 20, 1964, pertinent portion of which is as follows:

"SENATOR FERNANDEZ: Mr. President, it will be recalled that when the late Mayor Lacson was still alive, we approved a similar bill. But afterwards, the late Mayor Lacson came here and protested against the approval, and the approval was reconsidered. May I know whether the defect in the bill which we approved, has already been eliminated in this present bill?

"SENATOR TOLENTINO: I understand Mr. President, that that has already been eliminated, and that is why the City of Manila has no more objection to this bill.

"SENATOR FERNANDEZ: Mr. President, in view of that manifestation and considering that Mayor Villegas and Congressman Albert of the Fourth District of Manila are in favor of the bill, I would not want to pretend to know more what is good for the City of Manila.

"SENATOR TOLENTINO: Mr. President, there being no objection, I move that we approve this bill on second reading.

"PRESIDENT PRO-TEMPORE: The bill is approved on second reading after several Senators said aye and nobody said nay."

The bill was passed by the Senate, approved by the President on June 20, 1964, and became Republic Act No. 4118. It reads as follows:

"Lot 1-B-2-B of Block 557 of the cadastral survey of the City of Manila, situated in the District of Malate, City of Manila, which is reserved as communal property, is hereby converted into disposable or alienable land of the State, to be placed under the disposal of the Land Tenure Administration. The Land Tenure Administration shall subdivide the property into small lots, none of which shall exceed one hundred and twenty square meters in area and sell the same on installment basis to the tenants or bona fide occupants thereof and to individuals, in the order mentioned: Provided, That no down payment shall be required of tenants or bona fide occupants who cannot afford to pay such down payment: Provided, further, That no person can purchase more than one lot: Provided, furthermore, That if the tenant or bona fide occupant of any given lot is not able to purchase the same, he shall be given a lease from month to month until such time that he is able to purchase the lot: Provided, still further, That in the event of lease, the rentals which may be charged shall not exceed eight per cent per annum of the assessed value of the property leased: And provided, finally, That in fixing the price of each lot, which shall not exceed twenty pesos per square meter, the cost of subdivision and survey shall not be included.

"SEC. 2. Upon Approval of this Act, no ejectment proceedings against any tenant or bona fide occupant of the above lots shall be instituted and any ejectment proceedings pending in court against any such tenant or bona fide occupant shall be dismissed upon motion of the defendant: Provided, That any demolition order directed against any tenant or bona fide occupant shall be lifted.

"SEC. 3. Upon approval of this Act, if the tenant or bona fide occupant is in arrears in the payment of any rentals, the amount legally due shall be liquidated and shall be payable in twenty-four equal monthly installments from the date of liquidation.

"SEC. 4. No property acquired by virtue of this Act shall be transferred, sold, mortgaged, or otherwise disposed of within a period of five years from the date full ownership thereof has been vested in the purchaser without the consent of the Land Tenure Administration.

"SEC. 5. In the event of the death of the purchaser prior to the complete payment of the price of the lot purchased by him, his widow and children shall succeed in all his rights and obligations with respect to his lot.

"SEC. 6. The Chairman of the Land Tenure Administration, shall implement and issue such rules and regulations as may be necessary to carry out the provisions of this Act.

"SEC. 7. The sum of one hundred fifty thousand pesos is appropriated out of any funds in the National Treasury not otherwise appropriated, to carry out the purposes of this Act.

"SEC. 8. All laws or parts of laws inconsistent with this Act are repealed or modified accordingly.

"SEC. 9. This Act shall take effect upon its approval.

"Approved, June 20, 1964."

To implement the provisions of Republic Act No. 4118, and pursuant to the request of the occupants of the property involved, then Deputy Governor Jose V. Yap of the Land Authority (which succeeded the Land Tenure Administration) addressed a letter, dated February 18, 1965, to Mayor Antonio Villegas, furnishing him with a copy of the proposed subdivision plan of said lot as prepared for the Republic of the Philippines for resale of the subdivision lots by the Land Authority to bona fide applicants.[6]

On March 2, 1965, the City Mayor of Manila, through his Executive and Technical Adviser, acknowledged receipt of the proposed subdivision plan of the property in question and informed the Land Authority that his office would interpose no objection to the implementation of said law, provided that its provisions be strictly complied with.[7]

With the above-mentioned written conformity of the City of Manila for the implementation of Republic Act No. 4118, the Land Authority, thru then Deputy Governor Jose V. Yap, requested the City Treasurer of Manila, thru the City Mayor, for the surrender and delivery to the former of the owner's duplicate of Transfer Certificate of Title No. 22547 in order to obtain title thereto in the name of the Land Authority. The request was duly granted with the knowledge and consent of the Office of the City Mayor.[8]

With the presentation of Transfer Certificate of Title No. 22547, which had been yielded as above stated by the City authorities to the Land Authority, Transfer Certificate of Title (T.C.T. No. 22547) was cancelled by the Register of Deeds of Manila and in lieu thereof Transfer Certificate of Title No. 80876 was issued in the name of the Land Tenure Administration (now Land Authority) pursuant to the provisions of Republic Act No. 4118.[9]

But due to reasons which do not appear in the record, the City of Manila made a complete turn-about, for on December 20, 1966, Antonio J. Villegas, in his capacity as the City Mayor of Manila and the City of Manila as a duly organized public corporation, brought an action for injunction and/or prohibition with preliminary injunction to restrain, prohibit and enjoin the herein appellants, particularly the Governor of the Land Authority and the Register of Deeds of Manila, from further implementing Republic Act No. 4118, and praying for the declaration of Republic Act No. 4118 as unconstitutional.

With the foregoing antecedent facts, which are all contained in the partial stipulation of facts submitted to the trial court and approved by respondent Judge, the parties waived the presentation of further evidence and submitted the case for decision. On September 23, 1968, judgment was rendered by the trial court declaring Republic Act No. 4118 unconstitutional and invalid on the ground that it deprived the City of Manila of its property without due process of law and payment of just compensation. The respondents were ordered to undo all that had been done to carry out the provisions of said Act and were restrained from further implementing the same.

Two issues are presented for determination, on the resolution of which the decision in this case hinges, to wit:

- I. Is the property involved private or patrimonial property of the City of Manila?
- II. Is Republic Act No. 4118 valid and not repugnant to the Constitution?

I.

As regards the first issue, appellants maintain that the land involved is a communal land or "legua comunal" which is a portion of the public domain owned by the State; that it came into existence as such when the City of Manila, or any pueblo or town in the Philippines for that matter, was founded under the laws of Spain, the former sovereign; that upon the establishment of a pueblo, the administrative authority was required to allot and set aside portions of the public domain for a public plaza, a church site, a site for public buildings, lands to serve as

common pastures and for streets and roads; that in assigning these lands some lots were earmarked for strictly public purposes, and ownership of these lots (for public purposes) immediately passed to the new municipality; that in the case of common lands or "legua comunal", there was no such immediate acquisition of ownership by the pueblo, and the land though administered thereby, did not automatically become its property in the absence of an express grant from the Central Government, and that the reason for this arrangement is that this class of land was not absolutely needed for the discharge of the municipality's governmental functions.

It is argued that the parcel of land involved herein has not been used by the City of Manila for any public purpose and had not been officially earmarked as a site for the erection of some public buildings; that this circumstance confirms the fact that it was originally "communal" land allotted to the City of Manila by the Central Government not because it was needed in connection with its organization as a municipality but simply for the common use of its inhabitants; that the present city of Manila as successor of the Ayuntamiento de Manila under the former Spanish sovereign merely enjoys the usufruct over said land, and its exercise of acts of ownership by selling parts thereof did not necessarily convert the land into a patrimonial property of the City of Manila nor divest the State of its paramount title.

Appellants further argue that a municipal corporation, like a city, is a governmental agent of the State with authority to govern a limited portion of its territory or to administer purely local affairs in a given political subdivision, and the extent of its authority is strictly delimited by the grant of power conferred by the State; that Congress has the exclusive power to create, change or destroy municipal corporations; that even if we admit that legislative control over municipal corporations is not absolute and even if it is true that the City of Manila has a registered title over the property in question, the mere transfer of such land by an act of the legislature from one class of public land to another, without compensation, does not invade the vested rights of the City.

Appellants finally argue that Republic Act No. 4118 has treated the land involved as one reserved for communal use, and this classification is conclusive upon the courts; that if the City of Manila feels that this is wrong and its interests have been thereby prejudiced, the matter should be brought to the attention of Congress for correction; and that since Congress, in the exercise of its wide discretionary powers has seen fit to classify the land in question as communal, the Courts certainly owe it to a coordinate branch of the Government to respect such determination and should not interfere with the enforcement of the law.

Upon the other hand, appellees argue by simply quoting portions of the appealed decision of the trial court, which read thus:

"The respondents (petitioners-appellants herein) contend, among other defenses, that the property in question is communal property. This contention is, however, disproved by Original Certificate of Title No. 4329 issued on August 21, 1920 in favor of the City of Manila after the land in question was registered in the City's favor. The Torrens Title expressly states that the City of Manila was the owner in 'fee simple' of the said land. Under Sec. 38 of the Land Registration Act, as amended, the decree of confirmation and registration in favor of the City of Manila * * * shall be conclusive upon and against all persons including the Insular Government and all the branches thereof * * * There is nothing in said certificate of title indicating that the land was 'communal' land as contended by the respondents. The erroneous assumption by the Municipal Board of Manila that the land in question was communal land did not make it so. The Municipal Board had no authority to do that.

"The respondents, however, contend that Congress had the power and authority to declare that the land in question was 'communal' land and the courts have no power or authority to make a contrary finding. This contention is not entirely correct or accurate. Congress has the power to classify 'land of the public domain', transfer them from one classification to another and declare them disposable or not. Such power does not, however, extend to properties which are owned by cities, provinces and municipalities in their 'patrimonial' capacity.

"Art. 423 of the Civil Code provides that properties of provinces, cities and municipalities are divided into properties for public use and patrimonial property. Art. 424 of the same code provides that properties for public use consist of provincial roads, city streets, municipal streets, the squares, fountains, public waters, promenades and public works for public service paid for by said province, cities or municipalities. All other property possessed by any of them is patrimonial. Tested by this criterion the Court finds and holds that the land in question is patrimonial property of the City of Manila.

"Respondents contend that Congress has declared the land in question to be 'communal' and, therefore, such designation is conclusive upon the Courts. The Courts hold otherwise. When a statute is assailed as unconstitutional the Courts have the power and authority to inquire into the question and pass upon it. This has long ago been settled in *Marbury vs. Madison*, 2 L. ed. 60, when the United States Supreme Court speaking thru Chief Justice Marshall held:

"* * * if an act of the legislature, repugnant to the constitution, is void, does it, notwithstanding its validity, bind the courts, and oblige them to give effect? It is emphatically the province and duty of the judicial department to say what the law is * * * So if a law be in opposition to the constitution; if both the law and the constitution apply to a particular case, so that the court must either decide that case conformable to the constitution, disregarding the law, the court must determine which of these conflicting rules governs the case. This is of the very essence of judicial duty."

Appellees finally concluded that when the courts declare a law unconstitutional it does not mean that the judicial power is superior to the legislative power. It simply means that the power of the people is superior to both and that when the will of the legislature, declared in statutes, stands in opposition to that of the people, declared in the Constitution, the judges ought to be governed by the Constitution rather than by the statutes.

There is one outstanding factor that should be borne in mind in resolving the character of the land involved, and it is that the City of Manila, although declared by the Cadastral Court as owner in fee simple, has not shown by any shred of evidence in what manner it acquired said land as its private or patrimonial property. It is true that the City of Manila as well as its predecessor, the *Ayuntamiento de Manila*, could validly acquire property in its corporate or private capacity, following the accepted doctrine on the dual character – public and private – of a municipal corporation. And when it acquires property in its private capacity, it acts like an ordinary person capable of entering into contracts or making transactions for the transmission of title or other real rights. When it comes to acquisition of land, it must have done so under any of the modes established by law for the acquisition of ownership and other real rights. In the absence of a title deed to any land claimed by the City of Manila as its own, showing that it was acquired with its private or corporate funds, the presumption is that such land came from the State upon the creation of the municipality (*Unson vs. Lacson, et al.*, 100 Phil. 695). Originally the municipality owned no patrimonial property except those that were granted by the State not for its public but for private use. Other properties it owns are acquired in the course of the exercise of its corporate powers as a juridical, entity to which category a municipal corporation pertains.

Communal lands or "*legua comunal*" came into existence when a town or pueblo was established in this country under the laws of Spain (Law VII, Title III, Book VI, *Recopilacion de las Leyes de Indios*). The municipalities of the Philippines were not entitled, as a matter of right, to any part of the public domain for use as communal lands. The Spanish law provided that the usufruct of a portion of the public domain adjoining municipal territory might be granted by the Government for communal purposes, upon proper petition, but, until granted, no rights therein passed to the municipalities, and, in any event, the ultimate title remained in the sovereign (*City of Manila vs. Insular Government*, 10 Phil. 327).

"For the establishment, then, of new pueblos, the administrative authority of the province, in representation of the Governor General, designated the territory for their location and extension and the metes and bounds of the

same; and before allotting the lands among the new settlers, a special demarcation was made of the places which were to serve as the public square of the pueblo, for the erection of the church, and as sites for the public buildings, among others, the municipal building or the casa real, as well as of the lands which were to constitute the common pastures, and propios of the municipality and the streets and roads which were to intersect the new town were laid out, * * *." (*Municipality of Catbalogan vs. Director of Lands*, 17 Phil. 216, 220) [Italics supplied]

It may, therefore, be laid down as a general rule that regardless of the source or classification of land in the possession of a municipality, excepting those acquired with its own funds in its private or corporate capacity, such property is held in trust for the State for the benefit of its inhabitants, whether it be for governmental or proprietary purposes. It holds such lands subject to the paramount power of the legislature to dispose of the same, for after all it owes its creation to it as an agent for the performance of a part of its public work, the municipality being but a subdivision or instrumentality thereof for purposes of local administration. Accordingly, the legal situation is the same as if the State itself holds the property and puts it to a different use (2 *McQuilin, Municipal Corporations*, 3rd Ed. p. 197, citing *Monagham vs. Armatage*, 218 Minn. 27, 15 N. W. 2nd 241).

True it is that the legislative control over a municipal corporation is not absolute even when it comes to its property devoted to public use, for such control must not be exercised to the extent of depriving persons of their property or rights without due process of law, or in a manner impairing the obligations of contracts. Nevertheless, when it comes to property of the municipality which it did not acquire in its private or corporate capacity with its own funds, the legislature can transfer its administration and disposition to an agency of the National Government to be disposed of according to its discretion. Here it did so in obedience to the constitutional mandate of promoting social justice to insure the well-being and economic security of the people.

It has been held that a statute authorizing the transfer of a Municipal airport to an Airport Commission created by the legislature, even without compensation to the city, was not violative of the due process clause of the American Federal Constitution. The Supreme Court of Minnesota in *Monagham vs. Armatage*, supra, said:

"* * * The case is controlled by the further rule that the legislature, having plenary control of the local municipality, of its creation and of all its affairs, has the right to authorize or direct the expenditures of money in its treasury, though raised, for a particular purpose, for any legitimate municipal purpose, or to order and direct a distribution thereof upon a division of the territory, into separate municipalities * * *. The local municipality has no such vested right in or to its public funds, like that which the Constitution protects in the individual as precludes legislative interferences. *People vs. Power*, 25 Ill. 187; *State Board (of Education) vs. City*, 56 Miss. 518. As remarked by the supreme court of Maryland in *Mayor vs. Sehner*, 37 Md. 180: 'It is of the essence of such a corporation, that the government has the sole right as trustee of the public interest, at its own good will and pleasure, to inspect, regulate, control, and direct the corporation, its funds, and franchises.'

"We therefore hold that c.500, in authorizing the transfer of the use and possession of the municipal airport to the commission without compensation to the city or to the park board, does not violate the Fourteenth Amendment to the Constitution of the United States."

The Congress has dealt with the land involved as one reserved for communal use (*terreno comunal*). The act of classifying State property calls for the exercise of wide discretionary legislative power and it should not be interfered with by the courts.

This brings Us to the second question as regards the validity of Republic Act No. 4118, viewed in the light of Article III, Sections I, subsection (1) and (2) of the Constitution which ordain that no person shall be deprived of his property without due process of law and that no private property shall be taken for public use without just compensation.

II.

The trial court declared Republic Act No. 4118 unconstitutional for allegedly depriving the City of Manila of its property without due process of law and without payment of just compensation. It is now well established that the presumption is always in favor of the constitutionality of a law (U.S. vs. Ten Yu, 24 Phil. 1; Go Ching, et al. vs. Dinglasan, et al., 45 O.G. No. 2 pp. 703, 705). To declare a law unconstitutional, the repugnancy of that law to the Constitution must be clear and unequivocal, for even if a law is aimed at the attainment of some public good, no infringement of constitutional rights is allowed. To strike down a law there must be a clear showing that what the fundamental law condemns or prohibits, the statute allows it to be done (Morfe vs. Mutuc, et al., G.R. No. L-20387, Jan. 31, 1968; 22 SCRA 424). That situation does not obtain in this case as the law assailed does not in any manner trench upon the constitution as will hereafter be shown.

Republic Act No. 4118 was intended to implement the social justice policy of the Constitution and the Government program of "Land for the Landless". The explanatory note of House Bill No. 1453 which became Republic Act No. 4118, reads in part as follows:

"Approval of this bill will implement the policy of the administration of 'land for the landless' and the Fifth Declaration of Principles of the Constitution which states that 'the promotion of social justice to insure the well-being and economic security of all people should be the concern of the State'. We are ready and willing to enact legislation promoting the social and economic well-being of the people whenever an opportunity for enacting such kind of legislation arises."

The respondent Court held that Republic Act No. 4118, "by converting the land in question – which is the patrimonial property of the City of Manila into disposable alienable land of the State and placing it under the disposal of the Land Tenure Administration – violates the provisions of Article III (Secs. 1 and 2) of the Constitution which ordain that "private property shall not be taken for public use without just compensation, and that no person shall be deprived of life, liberty or property without due process of law". In support thereof reliance is placed on the ruling in Province of Zamboanga del Norte vs. City of Zamboanga, G.R. No. L-24440, March 28, 1968; 22 SCRA 1334, which holds that Congress cannot deprive a municipality of its private or patrimonial property without due process of law and without payment of just compensation since it has no absolute control thereof. There is no quarrel over this rule if it is undisputed that the property sought to be taken is in reality a private or patrimonial property of the municipality or city. But it would be simply begging the question to classify the land in question as such. The property, as has been previously shown, was not acquired by the City of Manila with its own funds in its private or proprietary capacity. That it has in its name a registered title is not questioned, but this title should be deemed to be held in trust for the State as the land covered thereby was part of the territory of the City of Manila granted by the sovereign upon its creation. That the National Government, through the Director of Lands, represented by the Solicitor General, in the cadastral proceedings did not contest the claim of the City of Manila that the land is its property, does not detract from its character as State property and in no way divests the legislature of its power to deal with it as such, the state not being bound by the mistakes and/or negligence of its officers.

One decisive fact that should be noted is that the City of Manila expressly recognized the paramount title of the State over said land when by its resolution of September 20, 1960, the Municipal Board, presided by then Vice-Mayor Antonio Villegas, requested "His Excellency the President of the Philippines to consider the feasibility of declaring the city property bounded by Florida, San Andres and Nebraska Streets, under Transfer Certificate of Title Nos. 25545 and 25547, containing an area of 7,450 square meters, as patrimonial property of the City of Manila for the purpose of reselling these lots to the actual occupants thereof." (See Annex E, Partial Stipulation of Facts, Civil Case No. 67945, CFI, Manila, p. 121, Record of the Case) [Italics Supplied]

The alleged patrimonial character of the land under the ownership of the City of Manila is totally belied by the City's own official act, which is fatal to its claim since the Congress did not do as bidden. If it were its patrimonial property why should the City of Manila be requesting the President to make representation to the legislature to declare it as such so it can be disposed of in favor of the actual occupants? There could be no more blatant recognition of the fact that said land belongs to the State and was simply granted in usufruct to the City of Manila for municipal purposes. But since the City did not actually use said land for any recognized public purpose and allowed it to remain idle and unoccupied for a long time until it was overrun by squatters, no presumption of State grant of ownership in favor of the City of Manila may be acquiesced in to justify the claim that it is its own private or patrimonial property (*Municipality of Tigbauan vs. Director of Lands*, 35 Phil. 798; *City of Manila vs. Insular Government*, 10 Phil. 327; *Municipality of Luzuriaga vs. Director of Lands*, 24 Phil. 193). The conclusion of the respondent court that Republic Act No. 4118 converted a patrimonial property of the City of Manila into a parcel of disposable land of the State and took it away from the City without compensation is, therefore, unfounded. In the last analysis the land in question pertains to the State and the City of Manila merely acted as trustee for the benefit of the people therein for whom the State can legislate in the exercise of its legitimate powers.

Republic Act No. 4118 was never intended to expropriate the property involved but merely to confirm its character as communal land of the State and to make it available for disposition by the National Government: And this was done at the instance or upon the request of the City of Manila itself. The subdivision of the land and conveyance of the resulting subdivision lots to the occupants by Congressional authorization does not operate as an exercise of the power of eminent domain without just compensation in violation of Section 1, subsection (2), Article III of the Constitution, but simply as a manifestation of its right and power to deal with state property.

It should be emphasized that the law assailed was enacted upon formal written petition of the Municipal Board of Manila in the form of a legally approved resolution. The certificate of title over the property in the name of the City of Manila was accordingly cancelled and another issued to the Land Tenure Administration after the voluntary surrender of the City's duplicate certificate of title by the City Treasurer with the knowledge and consent of the City Mayor. To implement the provision of Republic Act No. 4118, the then Deputy Governor of the Land Authority sent a letter, dated February 18, 1965, to the City Mayor furnishing him with a copy of the "proposed subdivision plan of the said lot as prepared for the Republic of the Philippines for subdivision and resale by the Land Authority to bona fide applicants." On March 2, 1965, the Mayor of Manila, through his Executive and Technical Adviser, acknowledged receipt of the subdivision plan and informed the Land Authority that his Office "will interpose no objection to the implementation of said law provided that its provisions are strictly complied with." The foregoing sequence of events clearly indicates a pattern of regularity and observance of due process in the reversion of the property to the National Government. All such acts were done in recognition by the City of Manila of the right and power of the Congress to dispose of the land involved.

Consequently, the City of Manila was not deprived of anything it owns, either fragment under the due process clause or under the eminent domain provisions of the Constitution. If it failed to get from the Congress the concession it sought of having the land involved given to it as its patrimonial property, the Courts possess no power to grant that relief. Republic Act No. 4118 does not, therefore, suffer from any constitutional infirmity.

WHEREFORE, the appealed decision is hereby reversed, and petitioners shall proceed with the free and untrammelled implementation of Republic Act No. 4118 without any obstacle from the respondents.

Without costs.

Concepcion, C.J., Makalintal, Zaldivar, Castro, Fernando, Teehankee, and Antonio, JJ., concur.

Barredo and Makasiar, JJ., took no part.

- [1] Pages 79-80, Rollo
- [2] Annex "E" to the Partial Stipulation of Facts, page 121, Records.
- [3] Annex "E-1" to the Partial Stipulation of Facts, page 122, Records.
- [4] Annex "F" to the Partial Stipulation of Facts, page 123, Records.
- [5] Annex "F-1", page 128, Records.
- [6] Annex "J", page 142, Records.
- [7] Annex "K", page 145, Records.
- [8] Annexes "L" and "L-1", pages 145-147, Records.
- [9] Annexes "A" and "N", pages 148-150, Records.

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