ORIGINAL

OFFICIAL TRANSCRIPT PROCEEDINGS BEFORE

THE SUPREME COURT OF THE UNITED STATES

DKT/CASE NO. 82-708

TITLE SUMMA CORPORATION, Petitioner v. STATE LANDS COMMISSION AND CITY OF LOS ANGELES

PLACE Washington, D. C.

DATE February 29, 1984

PAGES 1 thru 48



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1	IN THE SUPREME COURT OF THE UNITED STATES
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3	SUMMA CORPORATION, :
4	Fetitioner, :
5	v. : No. 82-708
6	STATE LANDS COMMISSION AND CITY :
7	OF LOS ANGELES :
8	x
9	Washington, D.C.
10	Wednesday, February 29, 198
11	The above-entitled matter came on for oral
12	argument before the Supreme Court of the United States
13	at 11:01 o'clock a.m.
14	APPEAR ANCES:
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16	on behalf of the petitioner.
17	LCUIS F. CLAIBCRNE, ESC., Office of the Solicitor
18	General, Department of Justice, Washington, D.C.; on
19	behalf of the U.S. as amicus curiae.
20	NANCY ALVARADO SAGGESE, ESQ., Deputy Attorney General
21	cf California, Los Argeles, California; on behalf of
22	the respondents.
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1 PRCCEEDINGS

- 2 CHIEF JUSTICE BERGER: We will hear arguments
- 3 next in Summa Corporation against State Lands Commission
- 4 and City of Los Angeles.
- 5 Mr. Christopher, I think you may proceed when
- 6 you are ready.
- 7 ORAL ARGUMENT OF WARREN M. CHRISTOPHER, ESQ.,
- 8 ON EFHALF OF THE PETITIONER
- 9 MR. CHRISTOPHER: Thank you, Mr. Chief
- 10 Justice, and may it please the Court.
- 11 The fundamental issue before you is whether
- 12 California chtained from the United States a public
- 13 trust property interest in Mexican rancho lands which
- 14 are now held by private parties under an unqualified
- 15 federal patent.
- 18 By a divided vote, the California Supreme
- 17 Court held that upon its admission to the union,
- 18 California obtained a public trust property interest.
- 19 The California Supreme Court recognized that never
- 20 before in more than 13C years since California entered
- 21 the union had this public trust concept been extended to
- 22 Mexican rancho lands, cr indeed to any other lands to
- 23 which California had never previously had title.
- 24 The theory of the California Supreme Court was
- 25 that Mexico retained a public trust interest when it

- 1 conveyed this land into private ownership in 1839, that
- 2 the United States acquired this interest when it annexed
- 3 California in 1848, and that California succeeded to the
- 4 interest under the equal focting doctrine when it
- 5 entered the union in 1850.
- 8 Now, this public trust interest carved out by
- 7 California is a permanent and pervasive estate in land.
- 8 For example, it is so pervasive that the state can enter
- 9 upon and possess the land. It enables the state to
- 10 construct improvements on the property or, on the other
- 11 hand, to require that the property be held as open space
- 12 without compensation.
- 13 QUESTION: Mr. Christopher, is that a holding
- 14 or a statement of the California Supreme Court that you
- 15 are quoting from or one of the California appellate
- 16 courts?
- MR. CHRISTOPHER: Mr. Justice Rehnquist, that
- 18 is the holding of a line of California cases. Marx v.
- 19 -- the Marx case cited in my brief is the principal and
- 20 most recent case. It begins with the California Fish
- 21 case in 1913, and it has marched through a long series
- 22 of cases.
- 23 The public trust interest which has been
- 24 marked out by the California Supreme Court is
- 25 independent of any exercise of police power, and it

- 1 based not on the present condition of the property, but
- 2 upon its historical character when California entered
- 3 the union. Thus this property interest is permanent and
- 4 continues to exist even where the property has been
- 5 lawfully filled and reclaimed by its owner.
- 6 Now, as the Court knows, it was settled in
- 7 early cases. One of the foundation cases, Knight versus
- 8 United States Land Association, settled that California
- 9 did not get ownership of tidelands within Mexican land
- 10 grants or ranchos when it entered the union. The reason
- 11 for this special treatment of rancho properties or
- 12 Mexican grant properties was the international duty of
- 13 the United States under the 1848 Treaty of Guadaloupe
- 14 Hidalgc.
- The rule of these cases is not directly
- 16 challenged here, but it is indirectly subverted through
- 17 the carving out of this very extensive public trust
- 18 property interest in rancho lands. The question before
- 19 the Court is whether the Court will permit and authorize
- 20 the erosion of private rights by denying the owner the
- 21 most fundamental aspects of cwnership under the
- 22 California Supreme Court public trust doctrine.
- In a fundamental sense, this case turns on the
- 24 meaning of the Act of March 3, 1851, which is known as
- 25 the Mexican Claims Act. This Act was the mechanism to

- 1 carry out the commitment of the United States under the
- 2 Treaty of Guadaloupe Hidalgo, which of course as you
- 3 kncw ended the war between the United States and
- 4 Mexico.
- 5 To heal the wounds of that war, the United
- 6 States made a commitment that the property rights of
- 7 former Mexican citizens would be inviolably respected,
- 8 inviolably respected. The title to the 1851 Act sends
- 9 an important message. The title is An Act to Ascertain
- 10 and Settle Private Land Claims in California. Thus the
- 11 purpose of the Act was to determine once and for all the
- 12 validity and scope of land claims in California, to
- 13 issue patents to those that proved their claims, and to
- 14 identify the remainder as public domain.
- 15 It was a jurisdiction, as this Court has said,
- 16 to decide rightly or wrongly, and whatever decided is
- 17 now foreclosed. This is the line of cases O'Donnell in
- 18 303 U.S., earlier Title Insurance, and Thompson Land
- 19 Company, all cited in my brief.
- The crucial point is that between the
- 21 claimants and the United States the 1851 Act proceedings
- 22 were tantamount to a quiet title action. Decisions in
- 23 favor of the claimants are conclusive against the United
- 24 States, and anyone claiming under the United States, as
- 25 California is here.

- 1 QUESTION: Mr. Christopher, may I interrupt
- 2 you and ask you one question? I understand that you
- 3 don't in your brief argue the rcint that the government
- 4 does in the first point of their brief about what
- 5 happened with the actual original conveyance. If you
- 6 assume that the trust was reserved in the criginal
- 7 conveyance, contrary to the government's position, what
- 8 is your view as to the status of the title to the trust
- 9 interest the day after California was admitted to the
- 10 union and before the 1851 Act was passed?
- 11 MR. CHRISTOPHER: Well, my view of that is
- 12 that at that time, that issue was an unsettled issue. I
- 13 will take your assumption for the moment, Mr. Justice
- 14 Stevens, that such a right did exist. It was within the
- 15 power of the Board of Land Commissioners under the 1851
- 18 Act to determine questions exactly like that.
- 17 The Board of Land Commissioners was set up to
- 18 separate the public domain from private property, and in
- 19 accordance with that jurisdiction, the Foard of Lard
- 20 Commissioners passed on such questions as whether cr not
- 21 there was such a right under Mexican law. Indeed, the
- 22 land commissioners were specifically chosen for their
- 23 knowledge of Mexican law.
- Sc, until the Act of 1851 exercised its rower
- 25 to determine these rights, that question was an

- 1 uncertain question, but it was well within the power of
- 2 the Board of Land Commissioners under the 1851 Act to
- 3 resolve exactly that kind of a question.
- 4 QUESTION: I don't think that answers my
- 5 question, Mr. Christopher. I am assuming that before it
- 8 was answered, that the correct answer would have been
- 7 that it was something other than what happened in 1851.
- 8 You are saying that the activity pursuant to the 1851
- g statute conveyed that interest regardless of what its
- 10 status was before, as I understand it.
- 11 You say that even though that would have
- 12 enlarged the rights of your clients.
- MR. CHRISTOPHER: Mr. Justice Stevens, on your
- 14 question, I would say that after California entered the
- union, and before the 1851 Act proceedings, and taking
- 16 your assumption that such a right did exist --
- 17 QUESTION: Right.
- 18 MR. CHRISTOPHER: -- then that right may have
- 19 passed to California under the equal fcoting clause,
- 20 although there is a subsidiary question there, and that
- 21 is whether or not the equal focting clause covered such
- 22 partial rights, a question also addressed in the brief.
- 23 QUESTION: Mr. Christopher, I am interested in
- 24 just how this is a federal question. Supposing this
- 25 happened, that your client had a confirmed patent from

- 1 the Mexican land grant that had been authorized by the
- 2 Claims Commission, and so forth, and adjoining your
- 3 client's property was another property which didn't come
- 4 under the Treaty of Guadaloupe Hidalgo, and there was
- 5 just a classic surveying dispute, say, as to 20 feet of
- 6 their property.
- 7 The Mexican patent showed that your client
- 8 owned it. The deed under the authority of the state of
- 9 California showed that the other people owned it. And
- 10 that is litigated in the California courts, and the
- 11 California Supreme Court applies its rule as to how you
- 12 solve these surveying ambiguity disputes, and rules
- 13 against your client, saying that the Mexican patent
- 14 description doesn't prevail.
- 15 Do you think your client could come here cn
- 18 the grounds that it is a federal question because the
- 17 full latitude of the description in the confirmed
- 18 Mexican patent wasn't confirmed by the Supreme Court of
- 19 California?
- MR. CHRISTOPHER: I think that is a much
- 21 different case than the case here, Mr. Justice
- 22 Rehnquist. The clearest cut federal question before
- 23 this Court is whether the state of California received
- 24 anything pursuant to the equal footing clause when
- 25 California entered the union.

- 1 The California Supreme Court deliberately put
- 2 this decision on the basis of the fact that title -- I'm
- 3 sorry, this property interest passed from Mexico to the
- 4 United States, and then from the United States to
- 5 California under the equal footing clause.
- 6 One of the things that is clearest under this
- 7 Court's decisions is that what a state initially
- 8 receives under the equal fecting clause is a federal
- 9 question. The decision of this Court in what I call the
- 10 Humboldt Light Case, California Land Commission, Justice
- 11 White's cpinion in a fcctncte, I think, says
- 12 specifically that what a state received initially under
- 13 the equal footing clause is a federal question.
- Now, there are other possible federal
- 15 guestions, but I think there can be no doubt at all as
- 16 to whether that is a federal question. Other possible
- 17 federal quesitons relate to the Treaty of Guadalcure
- 18 Hidalgo and the construction of the 1851 Act, but cn
- 19 that question I think there is no doubt.
- 20 QUESTION: Can this case be decided without
- 21 passing on the treaty problems that you mentioned?
- MR. CHRISTOPHER: Mr. Chief Justice, the
- 23 treaty is the background for the 1851 Act, and the 1851
- 24 Act is the crucial basis for decision here. The 1851
- 25 Act provides that the Foard of Land Commissioners'

- 1 ruling is conclusive. The treaty questions are only
- 2 important background for both the 1851 Act and for this
- 3 Court's ruling in earlier cases that Mexican ranches are
- 4 in a special category, and that the state does not
- 5 receive tidelands in Mexican ranchos when it entered the
- 6 unicn.
- 7 QUESTION: Mr. Christopher, don't we have to
- 8 decide the treaty questions in this case?
- MR. CHRISTOPHER: Well, you certainly have to
- 10 decide that the treaty was entitled -- the treaty was
- intended to protect the rights of Mexicans --
- 12 QUESTION: Well, now, that very question,
- 13 isn't that a federal quesion?
- MR. CHRISTCPHER: Yes, I believe that's a
- 15 federal guestion as well, Your Honor.
- 16 QUESTION: Mr. Christopher, let me fcllcw
- 17 through a little on Justice Rehnquist's inquiry. If you
- 18 prevail here, are we not constructing, what shall I call
- 19 it, a Mason-Dixon line between -- in the southern part
- 20 of California with these old Mexican grants, and in the
- 21 northern part where there are no Mexican grants, with
- 22 different rules of law flowing from each?
- MR. CHRISTOPHER: Mr. Justice Blackmun, I know
- 24 the California Supreme Court took that position. The
- 25 land titles in California vary all up and down the ccast

- 1 with respect to those tidelands that the state owns
- 2 because they received them under the equal footing
- 3 clause. Many of those have been granted into private
- 4 ownership. Many of them are held in public cwnership.
- 5 So there are many categories of tidelands or shorelands
- 6 in California.
- 7 I think that is a much overstated worry on the
- 8 part of the California Supreme Court. Frankly, there is
- 9 a checkerbcarding cf title all up and dcwn the ccast,
- 10 and the fact that it has been settled for 130 years that
- 11 Mexican land grants are in a special category, I think,
- 12 would indicate that it would lend stability rather than
- 13 promote instability for the Court to vindicate my
- 14 position here today.
- 15 QUESTION: Mr. Christopher, does the
- 16 California public trust doctrine embrace any land other
- 17 than tidal land?
- 18 MR. CHRISTOPHER: Mr. Justice Powell, the
- 19 California public trust doctrine is so ambitious that it
- 20 has been extended to land on the shores of lakes in
- 21 California. That's the Lakes and Fogarty case which was
- 22 here on certiorari, but the Court denied it apparently
- 23 because it found no federal question, and more recently
- 24 the California public trust doctrine has been extended
- 25 to non-navigable streams feeding into lakes in

- 1 California. That case is not final, but I think you get
- 2 some idea of the ambitiousness of this doctrine when you
- 3 see that it has been extended one place after another,
- 4 and this is the final cr at least one cf -- this is the
- 5 latest, this is the latest attempt to extend that
- 6 doctrine.
- 7 QUESTION: So we are not simply addressing in
- 8 this case tidal lands in terms of the consequences of a
- 9 decision?
- MR. CHRISTOPHER: Mr. Justice Powell, this
- 11 decision really stands on its own bottom. There has
- 12 been, as I sair, for a century or more special rules
- 13 with respect to Mexican rancho lands, and this case can
- 14 be decided solely on those terms. The California rublic
- 15 trust doctrine could stand with respect to other
- 18 property, and you could decide in this case that because
- 17 cf this long course of decision beginning with Knight
- 18 versus -- beginning with the Knight case, that Mexican
- 19 rancho lands are in a special category because of the
- 20 treaty duty, because of the international duties of the
- 21 United States under the Treaty of Guadaloupe Hidalgo.
- 22 Let me just say that there is no question in
- 23 this case of the full compliance of the owners of the
- 24 rancho here, Rancho La Ballona, with all the
- 25 administrative and statutory procedures set up under the

- 1 Mexican Claims Act. The end of that procedure was the
- 2 granting of an unqualified ratent under the statute
- 3 itself and under decisions of this Court like the United
- 4 States versus O'Donnell in 303 U.S. That patent is
- 5 conclusive against the United States and against all
- 6 those claiming under the United States, such as the
- 7 state of California.
- 8 Mr. Chief Justice, I would like to reserve the
- g remainder of my time.
- 10 CHIEF JUSTICE BERGER: Very well.
- 11 Mr. Claitcrne.
- 12 ORAL ARGUMENT OF LOUIS F. CLAIBORNE, ESQ.,
- ON BEHALF CF U.S. AS AMICUS CURIAE
- 14 MR. CLAIFORNE: Mr. Chief Justice, and may it
- 15 please the Court.
- One could, of course, debate the wisdom,
- 17 indeed, even the correctness of the rule exempting
- 18 Mexican land grants from the equal footing principle
- 19 that the state is the cwner of at least navigable water
- 20 bottoms and tidal lands, but on this question, the law
- 21 has been settled so well so long ago that to engage in
- 22 such an exercise today with respect to a rule of
- 23 property would seem out of bounds and out of date.
- On the other hand, the state cught not be
- 25 permitted to attempt to circumvent that settled,

- 1 established law by conceding the bare title to these
- 2 tidelands to the landowner while claiming to have
- 3 reserved for itself all the uses and full control of
- 4 those water bottoms.
- But in our view, this is uniquely a case ruled
- 6 by authority, indeed, by two decisions of this Court.
- 7 Those are, in our view, the Corcnado Beach case,
- 8 reported in Volume 255 of this Court's decision, and the
- 9 Title Insurance Company case, reported ten volumes later
- 10 at 265 U.S., both cases cited in all briefs.
- 11 Those are two unanimous decisions, the first
- 12 one by Mr. Justice Holmes, the second by Mr. Justice Van
- 13 de Vanter, bringing, as this Court has remarked in later
- 14 days, the authority of an expert in the field of land
- 15 law and Indian law. Those two decisions represent the
- 16 culmination of a long line cf cases stretching back more
- 17 than 50 years in which the Court had addressed the
- 18 several problems relating to Mexican land grants.
- 19 For the most part, the decisions in 1921 and
- 20 1923 merely reaffirmed what was already well settled,
- 21 but they did more. They put to rest any doubts, any
- 22 ambiguities, any unresclved questions that still
- 23 lingered at this date. As it happens in both these
- 24 cases, the United States was then advancing, in the
- 25 early 1920's, arguments very like those advanced by

- 1 California today, but we lost, and that was more than 60
 - 2 years ago. Even then, the Court chided the government
 - 3 with attempting to unsettle rules of property on which
 - 4 substantial reliance had been placed in the interim, and
 - 6 which in the Court's words "to now disturb would be
 - 6 fraught with many injurious results."
 - Now, obviously, that is all the more true now,
 - 8 60 years later. Touching those cases briefly, the first
 - 9 one, the Coronado Beach Company case, that was a case in
- 10 which the United States brought a condemnation action
- 11 with respect to an island in San Diego Eay which was the
- 12 subject -- which had been the subject of a Mexican
- 13 grant. The question was whether the grant of the island
- 14 embraced some 600 acres of water bottoms on one side,
- 15 both submerged and tidelands.
- We then in 1921 elaborately argued that the
- 17 tidelands could not have rassed to the grantee because
- 18 under the equal focting doctrine they had been reserved
- 19 to the state; furthermore, that Mexican law would not
- 20 have included such water bottoms; and finally, that the
- 21 Land Commission, which had seemingly adjudicated the
- 22 water bottoms as part of the grant, had no jurisdiction
- 23 to do sc.
- Those arguments, as I say, elaborately put to
- 25 the Court, were rejected in three sentences by Justice

- 1 Holmes, and from that day that question has no longer
- 2 been thought open, but interestingly, the United States
- 3 made an alternative argument in that case, and it was
- 4 that even if bare title had passed to the Mexican
- 5 grantee, the United States did not -- was not required
- 6 to ray full value for these water bottoms in this
- 7 condemnation action because there were reserved public
- 8 rights both in the United States and in the state of
- 9 California that so diminished the value of these water
- 10 bottoms that the very inflated price ought not be raid.
- 11 We claimed, among other things, the California
- 12 public trust, citing the California Fish case as an
- 13 indication that the grantee had never received these
- 14 rights. Now, once again, the Court rejected these
- 15 arguments firmly and affirmed the award. That ought to
- 18 have been the end of the proposition that any such
- 17 pervasive easement attached to Mexican grants in the
- absence of any words to that effect, and incidentally,
- 19 in that case, the words about enclosing without
- 20 prejudice to crossings, roads, and servitudes were
- 21 included in the grant and were pleaded by the United
- 22 States just as they are in this grant rleaded by
- 23 California. But the Court has put those aside.
- QUESTION: Mr. Claiborne, is it possible that
- 25 that holding could rest on the notion that the trust did

- 1 not in fact change the value of the lands as opposed to
- 2 a holding that there was no such trust interest.
- 3 MR. CLAIECRNE: The Court adverts, Mr. Justice
- 4 Stevens, only to one of the claims, which was a claim of
- 5 a right in the government to use the property for
- 6 national defense, and the Court firmly rejects that
- 7 there was any such easement or servitude attaching to
- 8 these water bottoms, and that therefore any diminishment
- 9 of value resulting from that cause cught not be taken
- 10 into account.
- 11 The Court does not directly address the other
- 12 kinds of public trust claimed by the United States, but
- 13 apparently rejects them, and since the whole burden cf
- 14 the argument by the United States was that that aspect
- 15 had been overvalued, the instructions to the jury in
- 16 valuation had said the cwner may use his lands as he
- 17 sees fit only subject to harborlines, and indeed the
- 18 government filed a petition for rehearing, pointing
- 19 again to this overvaluation question and the
- 20 diminishment in value due to the trust. It is hard to
- 21 see that the Court didn't reject that argument out of
- 22 hand.
- The other case to which I would call the
- 24 Court' attention is the insurance case. That was a case
- 25 in which the United States sued on behalf of Mission

- 1 Indians seeking the quiet title, their Indian possessory
- 2 title only to occupy the land which had been the subject
- 3 of a Mexican grant, claiming that this kind of less than
- 4 fee title was not a proper subject for adjudication by
- 5 the land commission and that the Indians would not have
- 6 been required to put it forward in the 1850's.
- 7 The Court, adhering to an earlier decision,
- 8 said not so. The Indians should have put forth their
- 9 claim or the government should have put it forth on
- 10 their behalf. That was now done. It is now far too
- 11 late, and the Indian claim must fail.
- 12 It seems to us that once again this stands for
- 13 the proposition that a claim of less than full fee title
- 14 is one which if not preserved in these confirmation
- 15 proceedings is indeed lost to the claimant, and that
- 16 claimant is anyone who claims derivatively from the
- 17 United States, here the state of California.
- 18 The combined effect of these two decisions is
- 19 to reject any notion that the reservation of usages or
- 20 servitudes in the standard bcilerplate can be read as
- 21 preserving the kinds of public rights --
- QUESTION: Mr. Claibcrne, is it your position,
- 23 and I take it you say it is supported by the cases if it
- 24 is, that land grants coming under the Treaty of
- 25 Guadaloupe Hidalgo based on old Mexican grants pricr to

- 1 the accession of -- the Mexican cession stand on a
- 2 different and higher fcoting in the world of land
- 3 transactions than, say, a grant from the United States,
- 4 simply a patent from the United States made by the
- 5 General Land Office.
- MR. CLAIBCRNF: I wouldn't say on a higher
- 7 focting, Justice Rehnquist, but this Court has more
- 8 readily found that Mexican grants include tidelands or
- 9 submerged lands than it has with respect to criginal
- 10 grants by the United States in which there was a like
- 11 ambiguity.
- 12 CUESTION: Well, in the Borax case in 296
- 13 U.S., the Court distinguishes Knight and some of those
- 14 other cases, saying those involved Mexican land grants,
- 15 and we are kind of going to apply a different rule where
- 16 Mexican land grants aren't involved.
- MR. CLAIBCRNE: Indeed, and Ecrax is only one
- 18 of the most recent decisions in which the Court
- 19 reaffirmed once again what was done most recently of all
- 20 in the case in Gregon, Corvalis, that one exception to
- 21 the rule that water bottoms innure to the state is where
- 22 in pursuance of international obligations, referring to
- 23 the Mexican treaty, those water bottoms had been
- 24 previously alienated to a private grantee.
- QUESTION: Ms. Saggese?

- 1 ORAL ARGUMENT OF NANCY ALVARADO SAGGESE, ESQ.,
- 2 ON BEHALF OF THE RESPONDENTS
- MS. SAGGESE: Mr. Chief Justice, and may it
- 4 please the Court.
- 5 Petitioner comes before this Court seeking
- 6 equality of title that is higher than Mexico granted to
- 7 his predecessors in interest, and more than the United
- 8 States confirmed in carrying out its obligations under
- 9 the Treaty of Guadalcure Hidalgo, but in order to chtain
- 10 this result, petitioner is going to have to convince
- 11 this Court to give it special treatment, because the
- 12 decisions of this Court with respect to the confirmation
- 13 proceedings and sovereign rights and tidelands are all
- 14 the other way.
- 15 QUESTION: Do you concede that there is a
- 16 federal question presented here?
- 17 MS. SAGGESE: Well, Your Honor, there are
- 18 four possible bases for a federal question, as Summa has
- 19 stated in its brief. The Treaty of Guadaloupe Hidalgo
- 20 is a possible basis. However, we do not challenge the
- 21 validity of the treaty and we don't think that it
- 22 requires an interpretation of the treaty in order to
- 23 determine this case. Furthermore, the treaty did say
- 24 that the United States was to inviolably respect pricr
- 25 existing titles, but it did not state what those titles

- 1 were, so we think the treaty is not involved here, the
- 2 interpretation of it, that is.
- 3 The Act of 1851 is another possible basis for
- 4 federal jurisdiction, but again, we do not challence the
- 5 validity of the Act, and we don't think that it needs to
- 6 be interpreted. The Act simply set forth a procedure
- 7 for confirming preexisting titles, but it did not create
- 8 new federal titles. The same with the patent, the third
- 9 possible basis.
- 10 QUESTION: But may I interrupt? On the 1851
- 11 Act, if we take your adversary's position, I understand
- 12 them to be arguing that that may have enlarged the title
- 13 of the Mexican grantees, and it seems to me that is a
- 14 federal question as to whether the federal patent could
- 15 convey more than the Mexican government had previously
- 16 conveyed. Wouldn't that be a federal question?
- MS. SAGGESE: Well, Your Honor, you would not
- 18 be interpreting -- since the patent did not create a new
- 19 federal title --
- QUESTION: Well, that's the argument. One of
- 21 the arguments is that it did grant more. Even if the
- 22 Mexican grant did not include the trust reservation, as
- 23 I understand their position, although the government is
- 24 a little ambiguous in its brief, they in effect argue
- 25 that there was an enlargement of the grant.

- 1 MS. SAGGESE: Yes, but this Court has held in
- 2 no less than seven cases that patents issued in
- 3 confirmation of preexisting Mexican titles did not
- 4 create a new federal title, so we think that that
- 5 argument is incorrect. This Court has --
- 6 QUESTION: Yes, but whether it is correct cr
- 7 incorrect is a federal question, is all I am addressing
- 8 my remark to.
- 9 MS. SAGGESE: Well, Your Honor, once again,
- 10 we would point to those cases that say that when a
- 11 confirmatory patent is at issue, in order to determine
- 12 what the Mexican grantees gct, that is, whether what
- 13 they got confirmed was what Mexico had granted them or
- 14 whether it enlarged -- the United States could have
- 15 enlarged those rights as it could have. The United
- 16 States was free to grant any of its proprietary rights
- 17 to Mexican grantees and thereby enlarge those rights,
- 18 but we would say that again it is a local question to
- 19 determine exactly what was granted by Mexicc and then
- 20 what the grantee ended up with as a result of the
- 21 confirmatory grant.
- The only other possible basis for federal
- 23 jurisdiction is the equal footing doctrine, and while
- 24 that does have its basis in the Constitution, we believe
- 25 that that question has already been answered by this

- 1 Court. The Lewis Eluepoint Cyster Company versus Friggs
- 2 was a case in which this Court affirmed the state
- 3 decision below interpreting a pre-Revolutionary War
- 4 crcwn grant. In that case, it was held that a grant by
- 5 the crown of tide and submerged lands passed only the
- 6 crcwn's proprietary rights or use provatim in the lands
- 7 subject to the public rights in the lands or use
- 8 publicum, and that after the Revolution, the state
- 9 succeeded to the remaining rublic rights the use
- 10 publicum or public trust, just as it succeeded to the
- 11 full ownership of tide and submerged lands that had not
- 12 previously been granted, and that is all that the state
- 13 seeks here. We think that that question has already
- 14 been answered, and under the equal footing doctrine,
- 15 rights in tidelands that are less than full ownership
- 16 did pass to the state. Cf course, that is a federal
- 17 question, but once again, we think it has been
- 18 answered.
- 19 Almost 15C years ago, in fact, in New Orleans
- 20 versus the United States, this Court held that public
- 21 rights arising under a prior sovereign would be
- 22 recognized and respected even if they had been expressly
- 23 rejected in confirmation proceedings, because public
- 24 rights, in contrast to private rights, could not be so
- 25 extinguished. Rather, they survived, and on statehood,

- 1 these rights held by the pricr sovereign passed to the
- 2 state to be administered to the people.
- 3 We think that this case presents an even
- 4 stronger case for affirmation of public rights.
- 5 QUESTION: What treaty, Ms. Sagesse, did the
- 8 New Orleans case grow cut of?
- 7 MS. SAGGESE: Well, the New Crleans case came
- 8 out of the Iouisiana Purchase after that property became
- 9 property of the United States. The United States had
- 10 the same obligation to respect preexisting titles under
- 11 international law. That is a requirement even if it is
- 12 not specifically set forth in any treaty.
- 13 QUESTION: But there was no expressed
- 14 counterpart to the provision in the Treaty of Guadalcupe
- 15 Hidalgo in the Louisiana Purchase treaty?
- 16 MS. SAGGESE: I am not aware, but I would
- 17 think that under international law the United States
- 18 would have the obligation to respect preexisting titles,
- 19 and it did set up a board of land commissioners
- 20 identical to the board of land commissioners in
- 21 California in purpose --
- 22 OUESTION: If you are right there, then we are
- 23 not talking about just a federal right that arises under
- 24 any patent confirming a prior Mexican grant in the whole
- 25 Mexican cession area, but we are talking about the area

- 1 between the Mississippi and the Rocky Mountains and the
- 2 Gulf of Mexico and the Canadian border.
- 3 MS. SAGGESE: Well, Your Honor, it is true
- 4 that the United States has acquired a lct of property
- 5 from other sovereigns, expecially from Spain, Mexico,
- 8 and France. However, those states have already told us
- 7 what they think of that -- the law of the prior
- 8 sovereign. For example, in Louisiana we do have New
- 9 Orleans versus United States, where preexisting public
- 10 rights were recognized. In Florida we have the Apola
- 11 Jaccla case, in which the La Cieta Partidas, which was
- 12 the law in effect in Mexico at the time of this grant,
- 13 was interpreted to hold that a grant of tidelands rassed
- 14 again, the proprietary rights only held by the crown,
- 15 but retained the public rights, which would remain. The
- 16 public rights there seemed to --
- 17 QUESTION: I take it that it isn't entirely
- 18 impossible under your theory that the Supreme Court of
- 19 Nebraska, which is a state that was acquired in the
- 20 Louisiana Furchase, could next year decide that under
- 21 old French law the state owned the bottom of all the
- 22 riverbeds, even though that had never been the law in
- 23 Nebraska up to now, and presumably that would then
- 24 depend on an examination of the old French authorities
- 25 pricr to the Louisiana Furchase.

- 1 MS. SAGGESE: Well, Your Honor, if California
- 2 is correct in this case, Netraska would have to follow
- 3 the same type of analysis as California has proposed
- 4 here, and it would have to be a right that was existing
- 5 under the previous sovereign, and the analysis would
- 6 also have to consider whether that right would take away
- 7 any rights for existing private property rights under
- 8 the preexisting soveriegn, and also determine whether or
- 9 not that right is consistent with and compatible with
- 10 its own system of laws.
- 11 For example, in California, the courts have
- 12 looked at water rights questions, and have decided to
- 13 adopt federal water rights, because they are consistent
- 14 and compatible with their cwn system, but rejected the
- 15 appropriative water rights system that Mexico held in
- 16 favor of a Riparian one. So these questions have been
- 17 decided all along since statehood in the various states,
- 18 and this is the type of analysis that has been used.
- 19 Tidelands are a special type of property. It
- 20 is a type of property that has been -- in which public
- 21 use and public rights have been protected by nations
- 22 since the time of Justinian. It is a type of property
- 23 that is so important to the state functioning as a state
- 24 that it has been identified with the police power as an
- 25 incident of sovereignty. The tideland --

- 1 QUESTION: Ms. Sagesse, why isn't the
- 2 California court bound by the determination of the
- 3 question of historical fact in the 1851 Act proceedings
- 4 that the lands weren't tidelands?
- 5 MS. SAGGESE: Well, Your Honor, those
- 6 proceedings took place pursuant to the Act of 1851, and
- 7 the board and the General Land Office had a very limited
- 8 jurisdiction under that Act. It had to determine the
- 9 validity of title and then if found to be valid to
- 10 locate them on the ground. This Court held in Freemont
- 11 versus United States that those bodies -- expressly held
- 12 that those bodies did not have the jurisdiction to
- 13 determine or affect sovereign rights.
- 14 So, the first answer to that question is that
- 15 any determination made in the General Land Office as to
- 16 the location of a private grant could not have affected
- 17 sovereign rights because it didn't have the jurisdiction
- 18 to do so. Eut secondly --
- 19 QUESTION: Well, did it have jurisdiction to
- 20 determine whether they were tidelands or not?
- MS. SAGGESE: Well, I think that that was an
- 22 irrelevant question in that proceeding because the
- 23 purpose of the proceedings in the General Land Office
- 24 was not to determine the character of property and then
- 25 if found to be tidal to exclude them, but rather to

- 1 determine if the surveys that had been made of the
- 2 ranchos had accurately depicted the boundaries set forth
- 3 in the decree of confirmation. The fact of the
- 4 character of the land that would be encompassed within a
- 5 rancho was really irrelevant to the General Land Office.
- 6 For example, many years before the La Ballona
- 7 survey was approved by the General Land Office, it had
- 8 approved the survey for the rancho that was involved in
- 9 the Coronado Beach case. Now, that admittedly contained
- 10 within it tide and submerged lands in San Diego Bay, and
- 11 yet the General Land Office approved it, notwithstanding
- 12 the fact that it contained tide and submerged lands,
- 13 because it found that the survey accurately depicted the
- 14 boundaries that had been set in the decree of
- 15 confirmation, and that is all they did in this case.
- 16 It is true that a statement was made by
- 17 Commissioner Drummond that the inner bay is not an arm
- 18 of the sea. However, for one thing, it was a not
- 19 irrelevant determination to what they were doing, and
- 20 secondly, it was superseded by the Secretary of the
- 21 Interior's decision on the case which didn't mention the
- 22 character of the land at all, and simply said that the
- 23 survey's northeastern and northwestern boundaries had
- 24 been correctly located, and furthermore, the subject of
- 25 the instant case is not in that inner bay. It is a part

- 1 of the inlet which in the U.S. Coast Survey map of 1876
- 2 is shown as tideland, which even the Solicitor General
- 3 concedes shows a low water line, indicating that it is
- 4 tidal.
- For that reason, it has never been determined
- 6 otherwise than to be tidal, and that was what the
- 7 experts at trial looked to, not the character of the
- 8 entire inner bay as to whether it was tidelands
- 9 historically, but only that part of the inlet that is
- 10 involved in this case, and that was found to be
- 11 tidelands today and tidelands for the last 900 years.
- 12 The tidelands in issue here, I should point
- 13 cut, are very small in size. They take up about 12
- 14 acres of the approximately 14,000 acres confirmed to
- 15 Summa's predecessors in interest, but they are important
- 16 nevertheless to the state because they are one of the
- 17 few remaining undeveloped estuaries in Southern
- 18 California.
- 19 QUESTION: Ms. Sagesse, some time during your
- 20 argument would you mind taking out the map that appears
- 21 at the back of the brief for the petitioner and
- 22 identifying which of the lands there are the subject of
- 23 this particular dispute?
- MS. SAGGESE: Yes, Your Honor. I would be
- 25 happy to do that. That map and petitioner's statement

- 1 and also that of the Sclicitor General would have this
- 2 Court believe that an entire area of the inner bay is
- 3 involved in the instant proceedings, but it is actually,
- 4 as I say, 12 acres of tidelands that are at the very
- 5 bottom of the map.
- 6 QUESTION: The very bottom of the mar?
- 7 MS. SAGGESE: Yes, where it connects to the
- 8 sea. Today --
- 9 QUESTION: Where it says Del Ray Lagcon?
- MS. SAGGESE: It is north of the entrance
- 11 channel.
- 12 QUESTION: North of the entrance channel.
- MS. SAGGESE: I think you can see a little bit
- 14 of the blue waterway with Ballona Lagoon.
- 15 QUESTION: Part of the -- the southern part of
- 16 the Ballona Lagoon? Is that what we are --
- MS. SAGGESE: Yes. Well, that map does not
- 18 show the historic lagoon. It shows the Marina del Ray
- 19 small craft harbor that was built in the 1960's, and
- 20 that, of course, is not in issue here. The only thing
- 21 we have is historic tidelands. Your Honor, would you
- 22 like me to --
- QUESTION: No, that is what I was trying to
- 24 find out. Thank you very much.
- MS. SAGGESE: Our position is that when these

- 1 tidelands were held by Mexico, they were subject to
- 2 public rights that are very similar to the public
- 3 trust. In fact, in the Apola Jacola case, we know that
- 4 those rublic rights had the same source, that is, roman
- 5 law book, the common law public trust, and the Mexican
- 6 public trust. They were both recognized as incidents of
- 7 sovereignty. They were both -- they came into being as
- 8 a recognition of the public interest in waterways and
- 9 the necessity to protect this public interest.
- 10 QUESTION: One point that is made by your
- 11 oppcnents, and they dispute the Supreme Court of
- 12 California on this, I guess, is, they say that we are
- 13 not really talking here about an incident of
- 14 sovereignty. We are talking about essentially a
- 15 progrietary interest in the land, because presumably it
- 16 is so extensive in their view. Do you think that the
- 17 distinction between the so-called sovereign power that
- 18 you say it is and the ordinary property interest is a
- 19 rather clear one?
- MS. SAGGESE: Yes, Your Honor, the sovereign
- 21 rights have always been treated much differently from
- 22 progrietary rights. In fact, the sovereign ownership of
- 23 land has been very clearly shown to be comprised of two
- 24 separate elements, the proprietary rights in the land or
- 25 the use probatim and the public rights in the land cr

- 1 use publicum, and the sovereign can convey the
- 2 progrietary rights so long as the public rights are
- 3 retained, and that was what was done in this case by the
- 4 Mexican sovereign.
- We do have sovereign cwnership here.
- 6 California never owned the fee title to the land, but
- 7 the Mexican sovereign did, and when he granted out this
- 8 land, the public rights in it remained. It is only the
- 9 public interest that the state is interested in here,
- 10 and not the proprietary rights to the land, and this
- 11 public interest is, it is consistent with the state's
- 12 interest in protecting these properties, because the
- 13 public trust or state's interest in tidelands is not
- 14 ccextensive with the full breadth of ownership.
- 15 Cwnership of the public trust interest has been found to
- 16 be necessary to protect these properties and will
- 17 satisfy --
- QUESTION: Under your theory, is it essential
- 19 that this public trust doctrine or its counterpart had
- 20 existed under Mexican law at the time of the 1839 grant?
- MS. SAGGESE: Well, Your Honor, yes. It
- 22 would be a very tough case.
- QUESTION: In view of the Corchado Beach and
- 24 some of the others kind of attaching special
- 25 significance to Mexican land grants, I would think if

- 1 this hadn't existed under Mexican law you would have a
- 2 real problem.
- 3 MS. SAGGESE: Yes, Your Honor, I believe so.
- 4 I'd like to talk about the Coronado case for just a
- 5 moment.
- 6 QUESTION: Before you do that, could I ask,
- 7 what evidence is there in the record about the existence
- 8 of the easement in the original Mexican grant?
- MS. SAGGESE: In the original Mexican grant
- 10 we have the language that the grantee can enclose the
- 11 property without prejudice to the traversing roads and
- 12 servitudes.
- 13 QUESTION: That is the only language?
- MS. SAGGESE: That is the language, Your
- 15 Honor, which petitioner's own expert witness on Mexican
- 16 law interpreted at trial to mean a reservation in favor
- 17 of the public, that it would include the public's rights
- 18 in tidelands, and California courts have also
- interpreted this language, servitude in the context of a
- 20 Mexican ranch grant, to be a reservation in favor of the
- 21 public, and this Court's holding in Barker versus Harvey
- 22 is not to the contrary, because in that case this Court
- 23 only found that an Indian private right of occupancy was
- 24 not a servitude, but that is consistent with the
- 25 California courts' determination that only public rights

- 1 were servitudes under Mexican law. The Indian right,
- 2 being a private right, could not have been a servitude.
- 3 In the Coronado Beach Company case, the
- 4 Solicitor General has talked to this Court at length
- 5 about what was contained in the briefs for the United
- 6 States. I didn't have access to them. I don't know
- 7 what was on review to the Court by the United States
- 8 other than what is contained in the official reports.
- 9 There is an excerpt of the United States' argument there
- 10 in which the United States clearly acknowledges the
- 11 existence of the public trust.
- 12 In fact, the attorney for the Coronado Beach
- 13 Company also says the public rights for navigation and
- 14 fishery are not in issue here. So this was strictly a
- 15 case of whether the United States was going to have to
- 18 pay for this land. It argued, Number One, that it
- 17 shouldn't have to because under Mexican law there was a
- 18 servitude -- this language, without prejudice to the
- 19 servitudes existed in that grant as well -- and that the
- 20 servitude for military occupation would allow it to be
- 21 able to get this land free of payment of compensation.
- 22 But this Court locked at servitude in that
- 23 grant and determined that there was no such servitude
- 24 under Mexican law, that the military right of occupancy
- 25 could not exist under Mexican law on private property,

- 1 and where it could exist, the Mexican government would
- 2 have to pay compensation, so therefore there was no
- 3 servitude under Mexican law that would get the United
- 4 States cut from having to pay compensation.
- 5 The only other question that the Court
- 6 addressed in its opinion is whether fee title to tide
- 7 and submerged lands would have passed in the
- 8 confirmatory patent in that case, and it said, it
- 9 acknowledged that tidelands are usually held by the
- 10 state, but said that since we had the chligation to
- 11 recognized preexisting titles, and since Mexico had the
- 12 ability to convey these lands, that if they were
- 13 encompassed within a confirmatory patent, the only thing
- 14 we could do was recognize them.
- The state's title was held in abeyance until
- 16 they were finally located, and if it was found to
- 17 include tide and submerged lands, that title related
- 18 back to the original grant, which said the state never
- 19 had any interest in it as far as the fee is concerned,
- 20 but we say that since the sovereign retained the rublic
- 21 rights, those public rights then came to California on
- 22 its admission to the union.
- QUESTION: May I ask you a question? You
- 24 don't dispute, as I understand you, that title to the
- 25 tidelands itself is in your opponent. It is just the

- 1 trust interest in the --
- MS. SAGGESE: That is exactly correct.
- 3 Exactly.
- 4 QUESTION: So that is a little different. In
- 5 the Coronado Beach case there was actually a dispute
- 6 over the ownership of the tidelands themselves.
- 7 MS. SAGGESE: In fact, Your Honor, I think
- 8 that was the only issue that the Court addressed in its
- 9 opinion, ownership of the fee title of tidelands.
- 10 QUESTION: Yes.
- 11 QUESTION: Could I ask you, I take it that
- 12 under the California public trust doctrine, the state
- 13 could actually take possession of the property and
- 14 develop it?
- MS. SAGGESE: The state would have the right.
- 16 This retained public trust interest could be exercised.
- 17 QUESTION: Well, it could take possession and
- 18 develop it.
- MS. SAGGESE: That's right.
- QUESTION: Do you think that was true of the
- 21 reserved right which you claimed existed in favor of the
- 22 sovereign in Mexico and under Mexican law?
- MS. SAGGESE: I don't know, Your Honor, but
- 24 we do know that it was very -- they were both couched in
- 25 the same terms. That is, public rights for navigation

- 1 and fishing, and in fact the Mexican public trust might
- 2 have even been broader because, as was stated in the
- 3 Apola Jacola case, it recognized public rights for
- 4 recreation as well, which the California courts have
- 5 only recently recognized.
- 8 But I think, Your Honor, that you have to
- 7 compare the Mexican public trust and the common law
- 8 state rublic trust at the time of 1848 when the Mexican
- 9 sovereign would have relinquished it, and 1850, when the
- 10 state would have succeeded to it, and it is only at that
- 11 time that a comparison is valid. After that, Mexican
- 12 law is irrelevant, and the interests would be defired by
- 13 the California common law.
- 14 QUESTION: Were there any improvements on this
- 15 lagcon at the time this complaint was filed?
- 16 MS. SAGGESE: Never, Your Honor. There still
- 17 are none today.
- 18 QUESTION: None today?
- MS. SAGGESE: None today.
- 20 QUESTION: Would the owner of the fee have had
- 21 the right, say, to put a large marina on it?
- MS. SAGGESE: Your Honor, as far as privately
- 23 owned tidelands subject to the public trust, there are
- 24 approximately 80,000 acres of such lands in private
- 25 ownership in the state today. These are lands located

- 1 outside of Mexican ranchos which everyone concedes the
- 2 state came into full ownership of on its admission to
- 3 the union. So over the years the state has sold
- 4 approximately 80,000 acres into private ownership, and
- 5 yes, the uses that can be made of them include marinas,
- 6 commercial uses such as restaurants, commercial
- 7 buildings, hotels.
- 8 QUESTION: Could the city of Los Angeles have
- 9 enjoined an improvement that it thought interfered,
- 10 perhaps, with its wetland rights?
- MS. SAGGESE: The cnly way that -- once a
- 12 development is in -- right now there is a procedure in
- 13 California where if a person wants to make a development
- 14 on lands within the coastal zone, which would include
- 15 these lands, it would have to go to the Coastal
- 16 Commission for a development permit. The Coastal
- 17 Commission then informs the State Lands Commission that
- 18 there is going to be a development or one is proposed.
- 19 QUESTION: Before any development could be
- 20 made, permission has to be obtained?
- 21 MS. SAGGESE: By the State Lands Commission.
- 22 The State Lands Commission will comment as to whether
- 23 the development is cr is not consistent with the public
- 24 trust, and coce -- coce a development is in on the hasis
- 25 that the State Lands Commission had said it is not

- 1 inconsistent, if the state at a later date wanted to
- 2 exercise the public trust to remove it, it would have to
- 3 pay compensation for the improvement under state law and
- 4 for the fill.
- 5 QUESTION: I am puzzled about that. Is this
- 8 public trust interest something that the state can cr
- 7 cannot convey to a private cwner?
- 8 MS. SAGGESE: The proprietary rights in
- 9 tidelands can be conveyed by the state as sovereign, but
- 10 subject --
- 11 QUESTION: Can they surrender entirely?
- MS. SAGGESE: Absolutely not. It is subject
- 13 to the public trust. It can be surrendered entirely,
- 14 but only under special circumstances for the reclamation
- 15 of property in aid of navigation, similer to the Jover
- 16 case, Jover versus Insular Covernment, which was a
- 17 recognition that under the Mexican law similar grants of
- 18 tidelands could be made for reclamation and improvement
- 19 to navigation, so the two public trusts are similar --
- QUESTION: You rely on the Illinois Central
- 21 case, which I understood held that if it is this kind of
- 22 animal, this kind of trust right, the state legislature
- 23 does not have the power to divest the state of it.
- MS. SAGGESE: That was a case where it was
- 25 divesting its entire ownership. I think the Court --

- 1 QUESTION: That is what I am asking. Could
- 2 the state of California divest its entire ownership in
- 3 this particular -- what is in dispute here.
- 4 MS. SAGGESE: Fee title and public trust, no.
- It would have to be -- There is state law on this
- 6 subject. It says it has to be a relatively small
- 7 parcel, that it wouldn't interfere with the use of the
- 8 remaining tidelands, that it has to be in the course of
- 9 a highly beneficial program that would aid navigation,
- 10 and there might be one other. There are quite a few
- 11 tests that have to be made before the public trust would
- 12 be terminated.
- 13 QUESTION: As I understand it, meanwhile, the
- 14 fee title, without the permission of the Lands
- 15 Commission, you can't do anything --
- MS. SAGGESE: That is not true, Your Honor.
- 17 The private owner of tidelands can make any use that is
- 18 not inconsistent with the trust. The only thing that --
- 19 QUESTION: Yes, but can he make that use --
- 20 perhaps I misunderstood you. I thought you said any use
- 21 he wants to make of it, the consistency with the state
- 22 interest has to be determined, and that is by the lands
- 23 Commission.
- MS. SAGGESE: Well, he can -- if a developer
- 25 wants a determination from the state lands commission,

- 1 he can have it, and --
- 2 QUESTION: My question is, doesn't he have to
- 3 get that determination?
- 4 MS. SAGGESE: I think that under the procedure
- 5 that is set, it would automatically happen in the course
- 6 of getting --
- 7 QUESTION: It would automatically happen how?
- 8 He would have to go to the --
- MS. SAGGESE: That he would get permission
- 10 because it would be part of the development permit
- 11 process.
- 12 QUESTION: My question is, he can't do
- 13 anything without that permission, can he? You say he
- 14 wouldn't --
- MS. SAGGESE: Unless he didn't want a
- 18 development permit. If he didn't go through the
- 17 development permit process, the State Lands Commission
- 18 would never know about it, and anything could go ir on
- 19 that property without knowledge.
- QUESTION: Well, anything? I mean, he could
- 21 build on it?
- MS. SAGGESE: Well, not without a development
- 23 permit. I would say that in the procedure that is set
- 24 by state law now for development permits, the State
- 25 Lands Commission would be informed and would comment on

- 1 the development.
- 2 QUESTION: Yes, but what can he do without
- 3 getting a permit, with the Mexican lands?
- 4 MS. SAGGESE: Well, Your Honor, this land is
- 5 treated the same as any other tidelands in the state.
- 6 QUESTION: I know, but I still don't
- 7 understand. What may he do without getting a Lands
- 8 Commission permit?
- 9 MS. SAGGESE: If he wants to develop -- It is
- 10 not a permit, Your Honor. It is just a statement that
- 11 it is not inconsistent with the public trust.
- 12 QUESTION: Well, whatever it may be.
- 13 MS. SAGGESF: I think that in order to put any
- 14 kind of a development on it, he would have to go through
- 15 the governmental permit process or else he couldn't
- 16 develop it at all, and in going through the governmental
- 17 development --
- 18 QUESTION: He couldn't develop it without it.
- 19 What may he do without going to the Lands Commission?
- 20 MS. SAGGESE: He can make any use of it in its
- 21 natural condition that it is in now -- it has been in
- 22 this natural condition since, I suppose, the beginning
- 23 of time. It is still in its national condition now.
- QUESTION: Well, what does that mean? He can
- 25 fish? He can hunt?

- 1 MS. SAGGESE: Well, the public has been making
- 2 that kind of use of it, the fishing and hunting and
- 3 clamming and boating and swimming, since the 1800's that
- 4 we know of, documented in the record, and this use has
- 5 been going on, and it still goes on now.
- 6 QUESTION: But it can't produce too much
- 7 income for the fee title owner, can it?
- 8 MS. SAGGESE: No, Your Honor.
- 9 QUESTION: May I follow up, please, ma'am? We
- 10 have an amicus brief filed on behalf of the Title
- 11 Examiners Association of California, the Title Insurance
- 12 Companies, I guess it is.
- MS. SAGGESE: Yes.
- 14 QUESTION: They say that thousands of policies
- 15 have been issued that have not recognized California law
- 16 to be as your brief describes it. Is this just
- 17 attributable to the ignorance of the lawyers who examine
- 18 the titles? Or what is the explanation of that?
- 19 MS. SAGGESE: Well, I don't know, Your Honor.
- 20 There is usually an exception in land title policies for
- 21 sovereign rights of the state, but one thing I do know
- 22 is that they state that eight and a half million acres
- 23 of property would be clouded. Well, that must be all
- 24 property that was ever included in the Mexican rancho
- 25 grant, and even the California Land Title Association

- 1 admits that shores and tidelands and submerged lands and
- 2 bays were not generally granted by Mexico. We have not
- 3 done an inventory of how much land would be involved,
- 4 but we know that it was not very much land at all.
- 5 QUESTION: Related to that question, has the
- 6 state of California asserted before this case in other
- 7 cases involving Mexican rancho grants this public trust?
- 8 MS. SAGGESE: Yes, Your Honor. In fact, in
- 9 the reply brief filed by Summa, they point to the Rancho
- 10 Bolsa Chica case and said that the state has changed its
- 11 position, because in that case we took the position that
- 12 tidelands within ranches are not subject to the public
- 13 trust. However, petitioner has also included in his
- 14 reply brief the supplemental brief that the state filed
- 15 in that case which sets forth the responses.
- In that case, the underlying transaction
- 17 involved was a settlement of where sovereign rights were
- 18 going to be, and it was a settlement, and in the
- 19 underlying settlement the state did recognize that
- 20 tidelands within ranches were subject to the public
- 21 trust.
- QUESTION: Well, it is a recent position taken
- 23 by the state.
- MS. SAGGESE: Well, it has only come up --
- 25 every time it has come up the state has taken that

- 1 position. That is the best way that I can answer that.
- 2 CHIEF JUSTICE BERGER: Very well. Your time
- 3 has expired.
- 4 MS. SAGGESE: Thank you, Your Honor.
- 5 CHIEF JUSTICE BERGER: Mr. Christopher, do you
- 6 have any more?
- 7 ORAL ARGUMENT OF WARREN M. CHRISTOPHER, ESQ.,
- 8 ON BEHALF OF THE FETITIONER REBUTTAL
- 9 MR. CHRISTOPHER: Only briefly, Mr. Chief
- 10 Justice.
- 11 First, on a factual matter, I wanted to be
- 12 sure that Mr. Justice Fehnquist had his question
- 13 answered with respect to the mar attached to our brief.
- 14 The property in issue, as I believe you were correctly
- 15 saying at the end of the colloquy, is the Ballona Iacoon
- 16 area there just north of the channel. The area of black
- 17 line is the area which the state says may be public
- 18 trust. In other words, that may be the area where they
- 19 assert public trust interests if they win this case with
- 20 respect to the Ballona Lagoon.
- 21 Mr. Justice Brennan, on your factual question,
- 22 I think the answer is, a landowner, our client, and
- 23 other landowners would be able to undertake any
- 24 development on the property only at their peril, cnly at
- 25 the peril that subsequently the state would assert that

- 1 it was inconsistent with the public trust.
- 2 QUESTION: But if they get the permission in
- 3 the first place, that determination is made by the
- 4 commission, is it?
- 5 MR. CHRISTOPHER: That determination is made
- 6 by the State Lands Commission, but after a rather
- 7 exhaustive proceeding, and as you understand, Mr.
- 8 Justice, the State Lands Commission could insist that
- 9 the property be kept in open space without the payment
- 10 of compensation if you were to uphold this public
- 11 trust.
- 12 With respect to the provision of the grant
- 13 relating to traversing roads, I think I should say
- 14 before I conclude that that provision is in the 1839
- 15 Mexican grant, but it does not appear in the 1873 patent
- 16 from the United States to petitioner's predecessors.
- 17 Once again, that is the kind of an issue the Board of
- 18 Land Commissioners were fully competent to pass on. The
- 19 fact that it does not appear in the patent, I think,
- 20 should be decisive here in addition to the fact that
- 21 this Court has never held that language preserved so
- 22 broad and pervasive and permanent a trust -- or a
- 23 property interest as is involved here.
- Mr. Chief Justice, thank you very much.
- 25 CHIEF JUSTICE BERGER: Thank you, counsel.

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    The case is submitted.
              (Whereupon, at 11:59 o'clock a.m., the case in
    the above-entitled matter was submitted.)
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CERTIFICATION

Alderson Reporting Company, Inc., hereby certifies that the attached pages represent an accurate transcription of electronic sound recording of the oral argument before the Supreme Court of the United States in the Matter of: #82-708-SUMMA CORPORATION, Petitioner v. STATE LANDS COMMISSION AND CITY OF LOS ANGELES

and that these attached pages constitute the original transcript of the proceedings for the records of the court.

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