SUPREME COURT, U.S. WASHINGTON, D.C., 20543

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OFFICIAL TRANSCRIPT PROCEEDINGS BEFORE

THE SUPREME COURT OF THE UNITED STATES

DKT/CASE NO. 86-133

TITLE JAMES PATRICK NOLLAN, ET UX., Appellants V. CALIFORNIA COASTAL COMMISSION

PLACE Washington, D. C.

DATE March 30, 1987

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1	IN THE SUPREME COURT OF THE UNITED STATES
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3	JAMES PATRICK NOLLAN, ET UX., :
4	Appellants :
5	v. : No. 86-133
6	CALIFORNIA COASTAL COMMISSION :
7	х
8	Washington, D.C.
9	Monday, March 30, 1987
0	The above-entitled matter came on for oral
1	argument before the Supreme Court of the United States
2	at 11:05 a.m.
3	APPEARANCES:
4	ROBERT K. BEST, ESQ., Sacramento, California; on behal:
5	of the Appellants.
6	MS. ANDREA SHERIDAN ORDIN, ESQ., Los Angeles,
7	California; on behalf of the Appellees.
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PROCEEDINGS

CHIEF JUSTICE REHNQUIST: We will hear arguments next in No. 86-133, James Patrick Nollan against California Coastal Commission.

Mr. Best, you may proceed whenever you're ready.

ORAL ARGUMENT OF ROBERT K. BEST, ESQ.,

ON BEHALF OF THE APPELLANTS

MR. BEST: Mr. Chief Justice, and may it please the Court:

This case presents the issue of the scope of protection under the just compensation clause, where the right of the Nollan family to exclude others from the property surrounding their family home on the coast of California.

The case comes to you on an appeal from a decision by the California Court of Appeal which overturned favorable judgments for the Nollans.

The trial court had ruled, after a review of the facts of the case, that the Nollans intended action to replace one single family residential structure with a new, larger family home would have no effect on the public's access to and around the beach in the area of their home; and therefore, could not justify the imposition on the Nollans of the requirement placed by

the California Coastal Commission that they dedicate an accessway covering approximately one-third of their property, for public use.

QUESTION: Mr. Best, may I ask you to address a preliminary question that is troubling me.

The allegation of California is that the Nollans went ahead during the litigation and rebuilt the house, and that under California law, that amounts to a waiver of their right to challenge the constitutionality of the permit.

How is that dealt with below? And what is your response to that problem?

MR. BEST: The issue was never raised below, Justice O'Connor, so it was not decided by the courts below in this case.

QUESTION: Was the construction -- is it a fact that the construction was carried out pending this litigation?

MR. BEST: Yes. The house was constructed without the permit.

QUESTION: Was that after the matter was heard by the Court of Appeal in the California courts?

MR. BEST: The construction was going on during the time this case was on appeal. And our point here, on that particular argument, is that the

presentation by the Attorney General and our response to that in our -- our response to the second motion to dismiss is, that that is not California law; that what California law provides --

QUESTION: Well, what do you expect us to do?

To decide the California law question here?

MR. BEST: No, I don't believe it's necessary to decide that question here, because I think California law on the point is very clear.

QUESTION: Well, we'd have to decide that then.

MR. BEST: I don't believe so. I guess to the extent, if this Court believes there is a question as to whether or not a waiver of a right to follow a judicial proceeding has occurred.

Our point is that the courts below have already decided that point, and the courts have said that mandamus is always available.

There was a recent California Supreme Court decision in the Candid Enterprises case, which is cited in our response, where the Court essentially dealt with the same issue and expressly said that, although a waiver may occur as to past expenditures, as to damages that had occurred, preceding -- in reliance -- not challenging the permit, that the remedy of mandamus is always available.

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And that has been California's proceeding all along the line. Otherwise, without the remedy, you put the permit applicant in essentially this problem of having to swallow an unconstitutional provision.

And one of the things that were very -concerning us, in terms of the argument that is being made by the Attorney General here, is to suggest that the permit processes may be used as an exaction mechanism without regard to the facts of the case, because it shifts the whole burden onto the property owner.

Whenever the government wants a piece of property, if they're lucky enough to have jurisdiction over the owner for any reason where a regulatory permit is involved --

QUESTION: You would agree, would't you, Mr. Best, that your client proceeds at his peril in this respect; that if he loses here, he's then bound by the California Coastal Commission requirement?

MR. BEST: Absolutely, Your Honor. He must -if this case -- if the decision of the Court of Appeal is not reversed, the Nollans are obligated to make the dedication of the property for the public right of way.

QUESTION: Could you tell me precisely what the access right would be? Is it just across the rear

of your property?

MR. BEST: That's correct --

QUESTION: It's not through -- from outside your property down to the beach?

MR. BEST: No, it is not an access from the road to the beach. It is an access along the beach. The Commission --

QUESTION: It's between the high water mark and what?

MR. BEST: And the seawall.

QUESTION: And how far is that?

MR. BEST: There's some dispute as to how far it is. But according to the property records that exist at this time, we're talking about approximately 35 feet.

QUESTION: And that is -- and you have title to that?

MR. BEST: The Nollans have title to that.

QUESTION: And if -- if -- if you lose the case, then people may not only cross -- cross that piece, but they could just use it?

MR. BEST: No. The dedication provision is for pass and repass rights, which means the public can walk back and forth and use the beach for tide pooling, for getting -- if they're surfing, to take their surfboards along, and so forth.

But it would not allow them, for example, to engage in recreational activity.

QUESTION: They couldn't set up their beach chair there, and sit in it?

MR. BEST: In theory, that's correct, Your Honor. But as a practical matter, if the public has access, your ability to go out and say, well, sure you can walk up and lown, but you can't stand and talk, the Nollans feel that once the door is opened, the ability to interject any sort of effective control is going to be lost.

QUESTION: They could surf there, too, I assume? That would be passing and repassing?

MR. BEST: Surf, Justice Scalia?

QUESTION: Yes.

MR. BEST: Yes, sir, they do surf there now.

They can surf there without the accessway, and this is a popular surfing area.

QUESTION: Well, not when it's at high tide. What happens when --

MR. BEST: Well, surfers -- as a surfer, they
go in at the -- at the open public access areas that
exist a few hundred yards to the north, and a few
hundred yards to the south of the Nollans' property.
And then, of course, they can paddle their surfboards

around any place, and surf where they can surf.

And if they surf in, they turn around and go back out again.

So it doesn't really have a significant impact currently. This is a very active surfing beach even without the access provision that's there, is the point I'm trying to make.

QUESTION: May I ask, Mr. Best, would it be a taking under your view of the case if they insisted on -- if the regulation was not in the form it is, but said, you may not build a fence along the side to interrupt with the passage?

MR . BEST: No, Your Honor.

QUESTION: That would not be --

MR. BEST: We think there's a very important distinction with this case, is that it is not a regulation of use, as the prohibition on building anything would be a regulation on use.

QUESTION: Why is it different in practical effect from a prohibition against putting up a fence?

MR. BEST: It's different in a practical effect because what is happening is, you are actually transferring a property to the government, and other people are obtaining an interest in your property.

QUESTION: Well, that's a difference in legal

effect. But what's the difference in practical effect, for a person living there?

MR. BEST: It's a difference in practical effect specifically in they have no -- they lose their ability to go out and ask people not to be there. In other words --

QUESTION: Not to pass through; not to pass through.

MR. BEST: That's true, but if the fences aren't there --

QUESTION: They ion't lose their ability to ask people not to be there. If the people stop, as I understand it, they can ask them to please move on.

MR. BEST: That is correct.

QUESTION: But the thing they can't do is interrupt their passage.

MR. BEST: That is correct. Which of course -QUESTION: It seems to me that's the practical
equivalent of a fence. That's all a fence does.

MR. BEST: No, I think it's the opposite of a fence. In other words, if they were denied the ability to put up a fence, then they would not have a physical barrier, but they could still go out and say, don't cross, you know -- don't cross the beach.

QUESTION: But if you win this case, can't you

put up a fence?

MR. BEST: Well, you couldn't put up a fence without a coastal development permit. And there's clear that they're not going to approve that.

And again, you see, that would be a regulation of use.

QUESTION: Most people don't trespass even without a fence, I take it? You have fairly law abiding people in California, don't you? You really need fences to stop them from trespassing?

MR. BEST: Justice Scalia, we have both kinds in California. Some people do not trespass without a fence; other people do.

And that's part of the problem. This is an open access for anybody.

QUESTION: Can you put a -- if you win this case, can you put up a sign, private beach?

MR. BEST: If you have a coastal development permit, you can put up a sign.

QUESTION: Will you get one? Can you get one, if you lose this case?

MR. BEST: I doubt very seriously that it would be approved.

QUESTION: Hold your breath.

MR. BEST: But again, you see, that's a

regulation on use.

QUESTION: Well, what about just putting a line on the seawall: No trespassing from Point A to Point B?

MR. BEST: Not without a coastal development permit.

QUESTION: You couldn't even do that?

MR. BEST: That's correct. And, again, you -again, the Nollans are not disputing that. And Justice
Stevens, I want to go back to that and emphasize, the
Nollans feel there is a big difference between being
told -- their being told not to do something on their
property, and being told to allow somebody else to do
something on their property.

And whether that is being told not to put up a fence, or not to put up a sign, that -- or being told not to build on the beach area, they concede that the state has that authority.

QUESTION: But if you win this case, you could have a -- you could hire two people, one in one chair at one end of the private property, and one in the other end, and say, sorry, don't go beyond this point?

MR. BEST: Well, let's look at in a practical sense.

QUESTION: I mean that wouldn't require a

permit?

MR. BEST: That could be hired -- that could be done without a permit.

QUESTION: What would you do about the surfboard that came in? If you do assign -- put somebody on each end, you can't stop that man from coming in?

MR. BEST: That's correct. A man can come in on the surf, and he can -- because the tidelands are public. In other words, the lands up to the mean high tide are public, and surfers are free to ride in and turn around and go back out again without regard to this particular accessway.

But I -- let me explain to you why this is important to the Nollans. I think it's important to recognize this.

Faria Beach is a variable beach. The sand washes in and the sand washes out. And there are admittedly times when it is not particular important to the Nollans to be able to exclude the public; times when, as some of the briefs have said, you have a rocky, relatively inhospitable area separated by a high seawall.

But when the sand comes in, and there are pictures in the Joint Appendix at page 261 and 265, that

And when you have that kind of a circumstance, then it isn't so much of a concern of the people who are walking across the -- the foot 33, 34 and 35, right along the surf. The Nollans have no interest in excluding people from normal use of the beach.

But this dedication is not just a few feet along the side of the tidelands. It goes all the way up to the seawall.

And at times like that, people can walk along just a few feet from the Nollans' house. They can see over the seawall directly into their living area. They can reach over the seawall into the very small area that is left between their house.

Now, as any parents of small children, that concerns them.

QUESTION: Mr. Best, the -- the other side,
California also argues that the state already
effectively holds an easement by virtue of the
California constitution.

MR. BEST: I cannot believe they made that argument, Your Honor.

Again, in our reply brief, we point out that the constitutional provision has been -- has been

interpreted several times by the California Supreme

Court and by several Courts of Appeal, and it has never

been interpreted -- in fact, the Attorney General's own

opinion on this matter says that these -- that provision

has never been interpreted to allow the public a right

of access across private lands.

I simply -- and the case they cited in their brief do not stand for that proposition. In fact, those very cases reinforce that private land is private land.

The Nollans' fee title is no less than anybody else's fee title.

QUESTION: Well, one would think that if that were the constitution of California, the Court of Appeal would have said something about it.

MR. BEST: And you would think there would be no need for even asking for the exaction in the first place, because the right would already exist.

The Commission had never believed that they had this right without this. The Commission made reference to maybe there are prescriptive rights, or maybe there was an implied dedication, although none of those matters were ever decided either by the Commission or the courts below, but never referred to the fact that we have an absolute right under the California constitution for access.

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I simply don't know where that argument came

Now, on this case, we would like to emphasize that since it is not a regulation abuse, since what we are dealing with here is not a prohibition on the Nollans, and this property is stringently regulated.

I mean, recognize this. You have a very small piece of property that is only allowed for single family residential use, and it is very stringently regulated in terms of health and safety standards as to what you can build there.

And the Nollans are complying with all of that, and not challenging any of that. This is not really a land use issue, in the sense that nobody's asked to change the approved land use, a land use which has been in effect for over half a century.

What the question here is, in essence, the coastal development permit is another building permit, a second level building permit, in addition to the one the Nollans had to acquire from the county and local governments.

So the controlling factor in a takings analysis when applied to this type of case is the character of the governmental action being involved here; the fact that, indeed, what we have here is the government engaged in an acquisition program.

There is an established state program to develop a roadway along the beach. It's set forth preliminary in the statute, and then the Commission, in its policy guidelines, adopted for the whole state, expressly says they're going to take this kind of an accessway from any kind of development, without regard to what it is, as long as it's not expressly exempted in the statute.

The guidelines go so far as to say, look at the need for access, and look at the property's ability to give that access, and don't -- don't look at what the property owner is doing when you decide to take that access.

In the staff report, in making the decision, the Commission refers to the comprehensive program right at Faria Beach itself to obtain this kind of an accessway.

QUESTION: Well, what -- could the -- suppose you had applied for this right to rebuild this house, and you are making it larger?

MR. BEST: Yes, sir.

QUESTION: And the Commission just said, sorry, no.

MR. BEST: That is within the power of the

QUESTION: We just don't want a house built there -- or that we don't want it rebuilt there?

MR. BEST: And that case is not this case,
Your Honor. The Commission has the power to deny that.
And if they denied the rebuilding of it, then we would
be here on a traditional regulatory takings case, if
this Court had ever been interested in taking another
traditional takings case.

But that would be a denial of use. And this case does not dispute either the authority of the state to obtain an accessway along the coast if they want one, or the ability of the Commission to restrict use.

What this case disputes is the ability of the state to obtain the accessway without condemning it by attaching the requirement that the accessway be given to them on a regulatory permit to which they're otherwise eligible.

QUESTION: Mr. Best, what is the accessway that they have now?

MR. BEST: The accessway that they have now is what is called vertical access, in other words, north of the Nollans and south of the Nollans a few hundred yards in each direction, there, one, is a public beach area where they get all the way to the coast.

QUESTION: Well, what is going to happen when you lose here?

MR. BEST: If we lose here --

QUESTION: Yes.

MR. BEST: -- then the Nollans will have to dedicate across approximately --

QUESTION: And what will that mean?

MR. BEST: That will give a square of beach in the middle of private beach --

QUESTION: Which everybody is using right now?

MR. BEST: Which some people are using right

now.

QUESTION: Right now. Well, they're the public, aren't they?

MR. BEST: Some members of the public are using it right now, with the permission of the Nollans. But the Nollans currently have the ability, if there's something going on there they don't like, or if they don't want the people crossing within a few feet of their window, to go out and ask them to cross down by the waterway and stay away from their private residence, for example, if their small children are playing in the backyard.

They lose that under this access provision.

QUESTION: What else do they lose?

MR. BEST: They lose basically the ability to control who comes on their property.

QUESTION: Their feelings are hurt.

MR. BEST: I didn't hear that last --

QUESTION: Their feelings are hurt?

MR. BEST: No, Your Honor, it's much more than the feelings are hurt. As parents of small children, you're talking about the backyard of their home.

This is, in effect, one big sandbox in the backyard of their home, and they would like to retain some ability to control --

QUESTION: (Inaudible.)

MR. BEST: That's correct. But the swimming pool isn't there. The swimming pool belongs to the public. And so does the sand right adjacent to the swimming pool belong to the public.

Then there's a sand that belongs to the Nollans. And again, one of the most difficult aspects about this particular effect, and why the Nollans are upset about it, is, the Commission didn't just say, let's take a little strip of sand along towards the water.

The Commission said, we want all this beach, all the way up to the seawall, which means, people could wander back and forth right next to their windows.

QUESTION: How high is the seawall?

MR. BEST: The seawall, Justice Stevens, varies in height depending on the season and how much sand is there. And the pictures in the record will demonstrate that.

QUESTION: I thought it was about eight feet high.

MR. BEST: Your Honor, it can be as high as eight feet high. At other times, it is as low as -- as three or four feet.

QUESTION: But that's when the water is adjacent to it, isn't it?

MR. BEST: No, it's the other way around.

When the sand comes in, the water retreats, and you have a very, very broad -- it's when the sand washes out that the water comes all the way into the seawall.

Mr. Nollan's declaration said from his measurements, at the time when the sand has accreted on the beach, that the mean high tideland stops ten feet beyond his property; ten feet beyond his property line; there's ten feet of sandy beach area above the mean high tide line before his property line begins.

QUESTION: So that people, even under your view, could use that ten feet --

MR. BEST: Oh, they can use that ten feet.

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water coming over the seawalls and hitting the house.

But they're been there -- been there many, many years, and the damage has not been irreparable, or sufficient to get people not to rebuild.

QUESTION: Mr. Best, supposing that the seawall had not been built on this property, and your clients applied for permission to build a new house with -- and construct a seawall that was going to be perhaps eight or ten feet high.

And the Commission says, we're not going to let you -- we're not going to let you build the seawall because that's going to cut off people's view from the road.

Do you think there's anything wrong with that sort of a condition?

MR. BEST: I think that, again, when you're having a prohibition, a regulation on use, that the only way we can evaluate that is with what effect that has on the value of the property and so forth.

There they're not acquiring property for themselves. They're saying, don't do something to disturb the property. The question is, maybe that would make that property totally worthless.

QUESTION: Well --

MR. BEST: And might be a taking.

QUESTION: -- supposing it doesn't make it

worthless.

MR. BEST: If it doesn't make it worthless, and there's still -- the property is still of value to the owner, then it would not appear to be a taking, unless you came under one of the other factors in the Penn Central analysis.

QUESTION: Well, what about typical zoning -or zoning requirements that, if there's going to be a
new subdivision leveloped, that the owners have to
dedicate land for public streets and rights of way? Is
that similar to your case? Do you think that government
can extract that kind of a dedication?

MR. BEST: Well, it's exceedingly different from our case. Let'me emphasize that again.

We have one lot, replacing the same use on the same lot. In a subdivision case, you're normally talking about multiple lots. Frequently a change in use from undeveloped property to developed property.

And you have a different factual context. And I think what we are supporting --

QUESTION: Well, is that going to be all right under your view of the constitutional requirements under the takings clause? Does the balance -- can the balance come out differently and be constitutional?

MR. BEST: Under our view --

QUESTION: Can the city, for instance, in one of these developments, require a dedication of land for a school or a park because of the population that's going to be using this new subdivision?

MR. BEST: Yes, Your Honor. Under our -OUESTION: And roads?

MR. BEST: Roads? Yes, Your Honor. Under our view of the takings clause, it's an ad hoc factual inquiry based on that case.

And the case presents different factors. Now this case is not -- this Court has not decided a specific case of this type before. And that's why we have analogized to the assessment cases in our opening brief, and suggested that one of the ways you can distinguish between the minimal type cases where -- where the -- have a minimal effect, and it would be a taking to impose an exaction, and the other types of cases is, by analyzing whether the property owner is creating a burden or not, and the exaction is solely for the purpose of relieving that burden.

Here we have two problems. One is, it's clear on the record, nobody really denies that what the Commission is doing is taking the property. They want the property for a totally different purpose; nothing to do with what they're building there.

QUESTION: Mr. Best, could I interrupt you just a second. Do I correctly -- I don't want to misstate your argument.

If I understand you, you're saying that if they had a regulation of use which, in substance, said to the Nollans you may not use this property in anyway that will interfere with the public's walking past without loitering or stopping, that would bie permissible.

You can't put up a fence or a sign or you can't put a guard out. The regulation of use would be permissible.

MR. BEST: That's correct, Your Honor. If they --

QUESTION: But what's wrong is, precisely the same objective is accomplished because there's a dedication?

MR. BEST: It's not the same objective, and it's not the same result, and I think that's where you and I are having trouble communicating.

what we are saying is, they're free to regulate this sandy beach area, allow nothing to be done on it, for the purpose of keeping an open coastal area for asesthetic and environmental reasons.

QUESTION: Well, specifically, nothing that

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will prevent a member of the public from walking from Point A to Point B: that's the use.

MR. BEST: Nothing that will physically prevent. They can't put anything on it.

QUESTION: Well, what if the regulation was use, you may not put up signs or have anyone out there orally advising them not to do it?

MR. BEST: Now, there we would draw the line. When you get beyond the signs, when you're talking about the physical development and then saying, and you cannot stop people -- in other words, and in effect, you must give them a right of way.

QUESTION: You can't sue somebody for --MR. BEST: You can't sue somebody. You can't enforce --

MR. BEST: -- you can't force -- you can't throw them off. You can't call the cops and say they're trespassing. As long as the government is saying, don't

QUESTION: That's where you draw the line.

build a fence. Don't put a barrier out there of any kind, that's fine.

But when they get to the point and say, and, you lose your legal right to tell somebody to leave your property, no matter how obnoxious or how distasteful you find their presence, or threatening to your family you

may find their presence, that's where the line has to be drawn.

In effect, here, there's just no dispute.

What we are dealing with here is a right of way, a right of way for the public to walk back and forth across this property; and we are dealing with a program that takes a very important concern -- this is a private residence, a family with small children -- away from this family to serve a program, a statewide program.

And I would like to reserve a few minutes for rebuttal if there are no other questions.

CHIEF JUSTICE REHNQUIST: Thank you, Mr. Best. We'll hear now from you, Ms. Ordin.

ORAL ARGUMENT OF ANDREA SHERIDAN ORDIN, ESQ.,

ON BEHALF OF THE APPELLEES

MS. ORDIN: Mr. Chief Justice, and may it please the Court:

Contrary to the argument, we do believe that this is another traditional regulatory taking case before this Court.

Before you is a fairly unremarkable condition which is allowed -- which has been placed by the Coastal Commission on the granting of a permit for new development, granting really a sidewalk by the sea, allowing persons to pass and repass in that perhaps

The record is not entirely clear how tall that seawall is. Eight feet appears in the Solicitor General's record. Different figures appear in declarations.

The pictures at the back of your Appendix, I think, make it very clear that in great part, all seawalls tend to be above the heads of all who walk along there.

QUESTION: Well, it has to depend on how much sand there happens to be in, doesn't it?

MS. ORDIN: That's exactly right, and how much water there happens to be, as you recognize from those pictures also. It is an inhospitable, rocky shore, much of the time, with the water lapping or crashing against that seawall.

QUESTION: Where -- is it Ventura County?

MS. ORDIN: Yes, it is. Faria Trust Beach.

And was once a -- a larger trust which has now been broken into these smaller parcels and lots, each with single family dwellings or vacation homes.

But here it was a permit by the Coastal

Commission which was granted to build new development.

The Coastal Commission didn't say, no, you may not build

a house that is three times as large as the one that was there before.

The Coastal Commission did not say, you may not have a two-story house here which will block visual access, which will cause the types of burdens that we sere in the record below.

The Coastal Commission after taking evidence, and of course with some help from the trial court who sent it back to the Coastal Commission to take some more evidence, did then decide that they would impose the least restrictive of all permit conditions; and that is, the -- the pass and repass conditions.

QUESTION: Ms. Ordin, does the Coastal

Commission contend here that the pass and repass
easement is necessitated in anyway by the change in the
house that's going to be on the property?

MS. ORDIN: Yes, the Coastal Commission does.

QUESTION: And would you explain how that goes?

MS. ORDIN: Yes. The individual house, perhaps in and of itself, would not be sufficient to cause that type of burden.

QUESTION: To cause what type of burden?

MS. ORDIN: The -- oh, the burden on the

visual access to the coast. As you can see in the administrative record, there are studies, and there are

-- studies not only of this tract but other -- other tracts which show that one of the purposes behind the Coastal Act was to allow the public to have access to its own public lands.

And one of the most important areas has been the area to see that land; to know that your public beach is there; and be able to get there. And so --

QUESTION: Well, there was already a house there, though?

MS. ORDIN: Yes, a house.

QUESTION: So I don't see how that's much of a burden. There was a -- it's a replacement of one house for another, so your argument there seems quite weak frankly.

MS. ORDIN: We believe that that house, which was originally 521 square feet, and then is in excess of 1,600 square feet and two stories with adjacent garages, is a very different house, and therefore, a new development.

But certainly, if it were only that house, and that house alone, I'm afraid we might have to concede that.

QUESTION: Well --

MS. ORDIN: But it is all the other houses.

QUESTION: What's that got to do with --

QUESTION: Why should the Nollans be held responsible for all the other houses?

MS. ORDIN: Because they are a part of this wall of houses along the thousand miles of the coast which are creating a wall between the people and their public beaches.

QUESTION: Well, it's a visual wall you've been talking about.

MS. ORDIN: Yes, we have.

QUESTION: But what -- I would suppose the Coastal Commission could solve the public's right to be able to see the ocean without requiring a property owner to allow access across the rear of his property.

What's that got to do with vision?

MS. ORDIN: The way the Pacific Coast Highway passes this area, the visions for the persons in their buses and in their cars and walking along is obstructed by those houses, which are much higher --

QUESTION: Well, I agree -- I agree with that. But what's that got to do with the right of way across the rear of the property?

MS. ORDIN: It is one of the burdens that this house, along with others, has place on the -- on the rights of the public.

QUESTION: But how does the easement alleviate

MS. ORDIN: Our position is that there are a variety of burdens that are placed by this construction and other constructon; and there are a variety of purposes that are served.

QUESTION: Well, before the house -- before the property owner -- before this property wanted to be expanded, before the owner wanted to expand it, there was the same restriction across the back of his property.

Why did expanding the house increase or decrease the burden on the public access along the beach?

MS. ORDIN: It is a -- it's the other side of that coin of the burden on access. And I think this Court has said as recently as in footnote 21 of Keystone that the actual match of the burden and what the individual property owner gives up does not have to be precise or exact.

QUESTION: Well, this is nowhere near -- we're not arguing whether it's precise and exact. What you seem to be arguing is that if you do anything that's going to harm the public somehow, we can make you cough up something in return that'll help the public, whether it's related or not.

MS. ORDIN: Well, I think it's much more specific than that, Justice Scalia.

QUESTION: What about a vertical right of access? I assume that the logic of your position is that you could have required vertical access here, too?

MS. ORDIN: The logic of our position is that we could have required vertical access. This is not a vertical --

QUESTION: So everybody along that coast could be required to let the public pass from the road with an easement across their land without any comensation by the state?

MS. ORDIN: In this particular case, where we have a specific statute which is grounded in the California constitutional provision, which demands that we give maximum access to the public --

QUESTION: Well, you can pay for it and comply with the constitution, I mean, right?

MS. ORDIN: But it isn't a payment case. It is a case that says, there have been burdens placed on the public based on your development of new development.

As a legislative finding, as a constitutional finding, California has said, in its wisdom, that that is a burden. And that burden must be paid for

Here the property owner gains from this, also.

There are incremental benefits that sometimes arise here. This property owner, who may have lost very little -- a right to exclude people; the right of use in this pass and repass -- is gaining from that very same condition --

QUESTION: What?

MS. ORDIN: -- that is imposed by the Coastal Commission on all similar situated --

QUESTION: What is he gaining?

MS. ORDIN: He too is gaining that right to walk along the beach, as he --

QUESTION: Well, didn't he -- the owner didn't have the right to walk along the beach? His own beach?

MS. ORDIN: Oh, I'm sorry, Justice Marshall.

Of course he had the right to walk along his own beach.

But he may wish to go further than in front of his own private home. And he may wish not to pass down from the seawall, and to walk half a mile up to a public beach, or a half a mile down.

QUESTION: Well, that doesn't -- did this fellow had dune buggies running around there?

MS. ORDIN: There was no right to have dune

buggies running around there.

QUESTION: Well, what's to stop the state from giving him that right?

MS. ORDIN: Well, the state would fee'l very strongly about the damage to the coast from dune buggies riding along there. So --

QUESTION: Well, could they have buses?

MS. ORDIN: Could not have buses, because based on this record --

QUESTION: Why not?

MS. ORDIN: Because based upon this record the state took evidence showing the -- the fragile nature of this environment; and the state would not require anything but this very minimal intrusion of passing and repassing right next to the public beach, and perhaps on the public beach.

QUESTION: Well, why do they need to take -they're passing there now, right?

MS. ORDIN: They are passing there now.

QUESTION: Why give them the right to pass when they're already passing?

MS. ORDIN: Well, but this --

QUESTION: There must be some other reason. There must be another reason.

MS. ORDIN: Well, one of the reasons that was

in the record was that this is now a big house that's going to last a long time, and although the Nollans --

QUESTION: I'm not talking about the house;
I'm talking about the beach. What changed the beach,
now?

MS. ORDIN: The Nollans are the ones who are giving permission at this time to let people pass. The Nollans are doing that --

QUESTION: Well, how are they going to stop them?

MS. ORDIN: The Nollans cannot stop them -well, can stop them now if this -- if we do not win this
case. But the -- the successors in interest from the
Nollans might very well say, we don't want the public to
pass.

There are many questions about the ownership of this property, there is no question about it, in terms of whether it's even been impliedly dedicated already.

But the Coastal Commission took no position on those areas, and instead, it merely wishes --

QUESTION: You just walked in and said, we're going to have a highway in front of your house.

MS. ORDIN: No, we are going to allow the public to walk along a small area --

QUESTION: Well, does the public usually walk along a highway?

MS. ORDIN: In California, sometimes too much.

QUESTION: Well, they do. So that's what
they're going -- they're going to open this up, what is
now a private highway, and make it a public highway.

MS. ORDIN: We are asking a property owner who has --

QUESTION: (Inaudible.)

MS. ORDIN: We are asking -- or we would not be here -- we are asking the property owner --

QUESTION: Well, please don't ask me -- if that's what --

QUESTION: I don't see why you tie it to the, you know, to the alteration in the house. This is an important state interest, I suppose.

whether they -- you know, the person who is lucky enough to have modernized their house a couple of years before the California Coastal Act went into effect doesn't have to give you an easement, I -- you have to pay for that one from that other person who's already modernized his house? But this person, since he wants to modernize the house, has to give it to you for free.

That idesn't seem fair, somehow.

MS. ORDIN: Well, that's a legislative judgment. I believe under our California constitutional provision, a statute such as you suggest might very well not only pass, but pass constitutional muster here and in California.

But the legislature made a different judgment. And the legislature said that it is that type of new development that we will impose this type of a condition.

QUESTION: What type of new development? It sounds like all types of new development.

MS. ORDIN: Well, the guidelines in those statutes are, any development which is in excess of 10 percent of the footage.

However if you see --

QUESTION: Square -- square footage? It's a comparison of square footage or lineal footage?

MS. ORDIN: It compares square footage. So here, of course, we are far over the 10 percent figure; it is not even close.

But the Coastal Commission has the power to define new development within that statute; and it has that guideline that anything over 10 percent shall be new development.

If I may then, the -- to return to my point

And there are the questions of what the underlying right is for a property owner to exclude in such a case. But in any case, this very small passage and repassage certainly does not in anyway impose anything that looks like a Loretto type taking for the purposes of this Court.

QUESTION: How far is the seawall from the back of this house here? Let's assume that there -that whoever lives in the house has little children, or even, they don't have little children. They have a back window there overlooking the sea, which they normally want to have open.

Now, I wouldn't consider it a minimal intrusion at all if your backyard is, what, seven feet, and then there's the seawall. And when the sand's all the way up there, the seawall is, let's say, four feet high.

And let's assume there's a person down the street that I think -- I don't trust him. I mean, he just looks shifty eyed. And he takes to walking back and forth seven feet away from my back window, back and

forth: back and forth.

I can't stop him, so long as he keeps going back and forth, right? Gooking into my house and --

MS. ORDIN: On two points. The same person passing back and front in front of the house causes and raises and heightens a kind of concern about that which I think certainly the Nollans could take different action --

QUESTION: What different action? I can't stop them. The person hasn't done anything.

MS. ORDIN: Well, you may not wish to -- the Nollans may not wish to, but they may indeed wish to call someone, if they feel threatened or in fear, if that is the allegation.

QUESTION: No, they just don't like the fellow walking back and forth and looking into their house constantly. It makes them --

MS. ORDIN: But as to --

QUESTION: They couldn't stop that, could they, unless there were some --

MS. ORDIN: Unless there were facts to show that this was a harrassing or other --

QUESTION: I'd much rather have another 15 feet beyond my property to keep them that much further off. Wouldn't that be nicer?

MS. ORDIN: It may be nicer, but if you have built new development, it may indeed be that you are going to have to make different judgments.

The Coastal Commission also has the power to arrange for privacy buffers. The statutory scheme is quite discretionary. It does not extend as far as the constitutional would allow us.

QUESTION: Well, Mr. Nollan thought he bought a privacy buffer. I mean, that's the point.

MS. ORDIN: Well, I'm not sure. Because that gets to his reasonable expectations. And here we have had a Coastal Commission Act. We have had a California constitution. And we have had these regulations.

And when he actually bought this house in 1982, all of them were in place, and was fully aware of all of those conditions.

So I am not sure that he had any reasonable expectation of anything other than reasonable, rational regulation by the Coastal Commission.

QUESTION: You mean so long as the things that California couldn't do previous -- to existing landowners, they can do in the future by just saying, in the future we are -- we want you all to be on notice, we can take easements over your land.

And although prior to their saying that, it

would have been unconsitutional, the mere fact that they have disrupted investor expectations by announcing that in the future, though it's unconstitutional, that they're going to do it, that that changes thing's?

MS. ORDIN: The mere announcement does not make what was -- or is not -- does not make it constitutional.

Under these facts here, the Nollans, if they were making a traditional takings argument, I think are ousted from that argument because of their recognition of this regulatory scheme.

And again, what we would say is a regulatory scheme that has a great deal of discretion, and allows the property owner much flexibility, and does not even extend as far as the state constitution and the United States Constitution would allow it to go.

QUESTION: Ms. Ordin?

MS. ORDIN: Yes.

QUESTION: Didn't the case we had in Kaiser

Aetna say that the right to exclude is of central

importance to a property owner?

MS. ORDIN: Yes. Certainly this Court has said it in Kaiser Aetna, and has said it often. And of course it is --

QUESTION: And do you agree?

MS. ORDIN: That it is an important aspect of the property --

QUESTION: Of central importance to the property owner.

MS. ORDIN: I will say it was of central importance. I would say in Kaiser Aetna, the reason that that case was decided differently than I would have this Court decide this case is a situation where government, unlike government here, which has made its will known very clearly, government and the Corps of Engineers in that case allowed the property owner to spend millions of dollars to develop a navigational servitude, and once that navigational servitude existed, government came in years later and said, now you must have public access.

So that, though I certainly agree as a general proposition of the importance of the right to exclude, the decision in Kaiser versus Aetna does not assist, I believe, in deciding this case.

QUESTION: You concede that there has to be a reasonable relationship between the contemplated use of the land and the condition that government extracts --

MS. ORDIN: I do concede that.

QUESTION: -- in exchange for the permit?

MS. ORDIN: I concede that it not only --

 QUESTION: So this case then turns on whether such a reasonable relationship eixsts? Is that the crux of this case, in your view?

MS. ORDIN: The crux -- I do believe it may be a two-part analysis. But the very first analysis is exactly as Your Honor suggests; that indeed, we look to see if there has been a rational and reasonable relationship or nexus between the harm being sought to be obviated and the nature of the action.

QUESTION: And so some might think that the state is limited in its concern about the visual burden to regulations that limit the height of the structure or the size of it.

But you say it goes beyond that?

MS. ORDIN: That's right. Because, again, reasonable and rational does not mean exactitude. And here, we are looking at all of the burdens on access.

And one of the access, because it happens to be visual, is the burden, access along the beachfront and the walking is a way of compensating.

There could have been other ways. He could have --

QUESTION: Well, I -- I might be inclined to think that the reasonable nexus would be limited to regulations of the size, location and so forth of the

structure itself.

MS. ORDIN: That might be an analysis that the legislation would have -- would have determined. Our legislature did not.

And in fact, that kind of analysis might lead

QUESTION: But if that -- if the reasonable relationship or the nexus is part of the constitutional balance, then that's something the court has to be concerned about as well.

MS. ORDIN: Yes.

QUESTION: It isn't totally left up to the legislative body, I suppose.

MS. ORDIN: Absolutely. Great deference, cleary, to the legislative body; but absolutely, that is right.

I would like to point out that time -- not time and place, but size and place of the structure might very well be a much more substantial taking in the generic sense than anything like walking along the beach.

If in fact we had denied the permit altogether, or if in fact we said, you may not build a second story, certainly many, many homeowners would say that that was much more obstructive and much more

intrusive into their private rights.

QUESTION: Yes, but, Mr. Ordin, may I follow up on Justice O'Connor's question? The burden here is on visual access of the beautiful ocean and the shore.

It seems to me you've alleviated that harm.

It seems to me you might argue, had you given -
required vertical access, you might say, well, they can

park the bus and get out and walk to the beach and

therefore see what they otherwise couldn't see. That

might be related.

But how loss horizontal access respond to the particular burden you've described?

MS. ORDIN: Access, we say, and have said through the statutes and through the regulations, is a term which includes ability to enjoy the beach.

And there are many ways that you are forbidden from enjoying that beach. Congrestion, lack of parking lots, the inability to see the beach, private dwellings; a whole variety of areas.

So it is the larger picture of access that we are trying to fix. And we have made that judgment that insofar as access, the visual access, has been cut off, and other burdens that this house may place on the -- on the public, that we look to ways to compensate.

And you can compensate it by vertical access

and by horizontal access. And in this case, they determined, after all the facts, that it was horizontal access.

I really believe that the definition is broader than looking to the individual burden in one situation, and making the condition fit exactly.

QUESTION: What about -- what about making this landowner, who owns another piece of property half a mile down the highway, devote that to a public parking lot for buses, so the people can get out and look at the ocean? Could the state do that, as a condition to increasing the size of your house?

MS. ORDIN: I would think that finally is right at the line of what is a reasonable --

QUESTION: Gee, I think that's a lot closer --

MS. ORDIN: Because of the buses?

QUESTION: -- I think it's this side from what you've done, because --

MS. ORDIN: Well, I concede that, also.

QUESTION: You're saying, here are the people driving along the highway who's view is obstructed by increasing the size of the house will now have some place else they can go a half a mile down where they can see the ocean.

And you think that that would be bad, but this

is good.

MS. ORDIN: No, I -- I --

QUESTION: Because this serves entirely different people. That is, the people who drive by in the bus still can't see the shore, but at least there'll be some other people, surfers or whoever, who can walk along the wall and look into this fellow's house.

QUESTION: Of course it may be, there won't be anybody. It may be that his two neighbors aren't subject to this passage requirement. And so nobody can cross their property, and hence, nobody can cross this fellow's except his two neighbors. Big gain.

MS. ORDIN: Well, we are not talking about big gain or small gain or good or bad.

QUESTION: We certainly aren't, you're right.

MS. ORDIN: What we are talking about is the upholding of a regulatory scheme which is designed to make gains, and has ione it very slowly, and very ponierously.

And here we're hopeful that the conditions will be held to be a reasonable exercise of the police power.

The -- whether the half a mile away a bus stop would be reasonable would differ among -- among various municipalities.

Certainly in many dedication cases, there are in lieu fees. Some of the state cases that we talk about in our brief, Remmenga is a payment in lieu, and then payment is male somewhere else.

That has traditionally been upheld by this Court as a rational, reasonable relationship.

And so it might very well apply here.

One of the arguments, of course, that has been made in the briefs is that there isn't sufficient information on the taking issue in this -- in this record for this Court to make a final decision.

I would only submit to this Court that in fact, there is sufficient information.

The Court of Appeal record here is definitely brief; there is no question about that. But I think we have to recognize that the Court of Appeal, when it did its taking analysis, came at the end of three other California cases, three of which this Court had not granted hearing.

And therefore, the short analysis in the Court of Appeal of what the requirements of the Federal Constitution and the state constitution more than suffices to show that an adequate examination of this Court's cases in Loretto, this Court's cases in Penn Central, were analyzed and found not to be a taking.

If there are no further questions -QUESTION: I have just one.

MS. ORDIN: Yes?

QUESTION: Is there anything in the record to tell us what the market value of this particular dispute is?

MS. ORDIN: No, there is not. And of course it is California's position that that was the burden of the Nollans. The Nollans had the opportunity and the ability to put some -- some information into the record on the diminution of value, if any.

It is our position, of course, that that diminution would be minimal, and certainly, in no way, reduces their reasonable expectations.

They have value given to them by this permit. The ability to increase the value of their lot and their house by the structure; and whatever value might be put on it at some later time and some later place of this right to access, there is no showing that in any way they have been damaged financially.

CHIEF JUSTICE REHNQUIST: Thank you, Mr. Ordin.

MS. ORDIN: Thank you.

CHIEF JUSTICE REHNQUIST: Mr. Best, you have four minutes remaining.

MR. BEST: I'll be brief, Your Honor.

I'd like to address quickly two concessions made by counsel in her presentation, conceding that there must be the reasonable relationship test applied in this case, and also earlier, a concession that if the case is limited to an evluation of the facts of the Nollans, she would concede that they were in trouble.

So in essence what their argument is is that there must be a reasonable relationship test, but the reasonable relationship is between their legislative findings, or their statewide program, and what they are doing, and not on the facts of the case.

And that's our fundamental concern here, is that this taking analysis should be performed on the facts of the case.

QUESTION: But Mr. Best, let me just ask you right there.

Suppose well in advance of this conveyance they had passed a law that said, there shall be no further development of property that improves -- increases the interruption of visibility unless this action is granted.

Just a flat rule across the board. Would you

then say that each time a piece was granted, you have to test the particular property? Or could you test it on a general basis?

I don't know is that question is clear or not.

MR. BEST: I think you could try to do it on a general basis. You're doing a facial challenge based on a taking and --

QUESTION: No, no, my question is, if they can justify it as a whole, would that mean that any particular property owner could get in effect an exemption from it by saying, yes, but the reason for the rule really doesn't apply to my property, because I'm only slightly enlarging the house?

MR. BEST: That would be our position, Your Honor, that they would have to have that exemption because of the takings clause.

We can justify it in a police powers sense, and having a rational basis for what they're doing. But if the effect of that is to take the property, each individual property owner is entitled to show on the facts of his or her case that that would be the result.

When you look at the facts of this case, they're relying on this visual access concept. You know, quite frankly, that's strictly a made-up proposition.

But if you look at the facts of the case, if you look at the picture on page 267 of the Joint Appendix, you have a picture taken from the road across a one-story house almost -- very similar to what used to exist on the Nollans' property, toward the ocean, and what do you see? You see no beach. You see no surf. You see no ocean.

The fact of the matter is here, from the roalway, if you look at the beach, anything that is more than about six feet high, if that's how tall you are, blocks your view.

There was no visual access with the old development on the property. Mr. Nollan submitted pictures in the record, and a declaration in which he described the pictures, and says, look it, I've stood at all these points and looked at the ocean and you can't see anything.

It's just simply the Commission's legislative finding that anytime you build a bigger house you're going to block visual access which they're relying on.

They won't look at the facts of the case. They won't look at what is happening to the Nollans.

And I think that's a particular concern when we're dealing with a question of is there sufficient information in the record to make a decision in this case.

The facts in this case are relatively simple, and they're all clearly in the record.

You had a house that was there. It was being used for single family usage. It blocked all view of the ocean. The only thing the Nollans did was to build a bigger house.

They had to go above the 10 percent, because as the trial court said in its original findings, 10 percent on the old house wasn't enough to add a decent closet to the house; and it would still be a house that was not acceptable for a family dwelling.

And so the Nollans were caught. They were caught in a situation where they were a member of a trust before this permit process ever --

QUESTION: Was the house longer from side to side that it was?

MR. BEST: Justice White, the house is bigger in all ways. It's wider, it's deeper, and it's taller.

The reason it doesn't block view, though, is because in the older house there were fences that went out from the house to the property lines which blocked

the view.

And you couldn't see the beach, the sand, the surf or the ocean over the fences, either.

And so, again, the point is, on the facts of this case, we have a taking.

Thank you.

CHIEF JUSTICE REHNQUIST: Thank you, Mr. Best.

The case is submitted.

(Wheraupon, at 12:02 p.m., the case in the above-entitled matter was submitted.)

CERTIFICATION

erson Reporting Company, Inc., hereby certifies that the sched pages represents an accurate transcription of ctronic sound recording of the oral argument before the rame Court of The United States in the Matter of:

#86-133 - JAMES PATRICK NOLLAN, ET UX., Appellants V.

CALIFRONIA COASTAL COMMISSION

that these attached pages constitutes the original mascript of the proceedings for the records of the court.

BY Paul A. Richardon

(REPORTER)

SUPREME COURT US MARSHAL'S OFFICE

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