



# MUNICIPAL TORT AND CIVIL RIGHTS LITIGATION UPDATE

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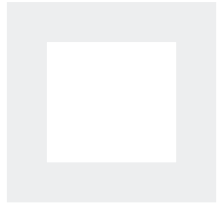
# I. POLICE LIABILITY— EXCESSIVE FORCE, SEARCH AND SEIZURE, QUALIFIED IMMUNITY.

COUNTY OF LOS  
ANGELES V. MENDEZ,  
\_\_\_\_ U.S. \_\_\_\_, 137 S.  
CT. 1539 (2017).

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Excessive force  
and liability  
for unlawful  
search.





# FACTS

- CI tells officers armed and dangerous subject of arrest warrant seen on a bicycle outside residence.
- Officers initially denied entrance; eventually permission “granted.”
- Officers search outbuildings, including a shack where Mr. Mendez and his pregnant soon-to-be wife are sleeping on a futon on the floor.
- Two officers enter without “knock-announce.”
- Mr. Mendez, who sleeps with a BB gun to fend off rats, moves the gun to get up.
- Officers see the gun pointing in their direction and fire 15 shots, striking the couple several times.



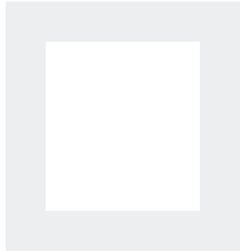
# DISTRICT COURT PROCEEDINGS

- Bench trial on Fourth Amendment excessive force and wrongful search claims.
- No excessive force under *Graham v. Connor* – officers reasonably perceived a possible threat.
- However, officers liable for excessive force based upon “provocation rule”, i.e. the entry without a warrant, and without giving knock notice violated the Fourth Amendment and “provoked” the use of force.
- Nominal damages awarded for the unlawful entry claims and \$4 million on excessive force claim.



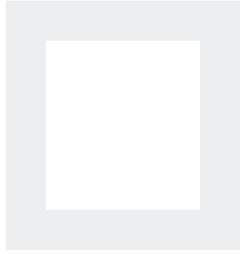
# NINTH CIRCUIT DECISION

- Affirms in part and reverses in part.
- Reverses the judgment on the knock and announce claim, because officers entitled to qualified immunity –law on searching outbuildings not clearly established.
- Affirms judgment on the excessive force claim, holding that under the provocation rule, the unlawful entry without a warrant was reckless and “provoked” the subsequent use of force.
- Even without provocation rule liability would be proper because unlawful entry proximately caused the injury -- it was “reasonably foreseeable” that officers might meet an armed homeowner when they “barged into the shack unannounced.”



# SUPREME COURT DECISION

- Court reverses, 8-0.
- Provocation rule improperly conflates two distinct constitutional violations, i.e. excessive force and wrongful entry.
- Graham v. Connor "totality of circumstances" standard governs excessive force claims, i.e, threat to officer, public, seriousness of the crime, etc.
- No need to decide whether the totality of the circumstances inquiry must take into account actions or decisions by police officers prior to the use of force.



# COURT LEAVES OPEN POSSIBLE RECOVERY

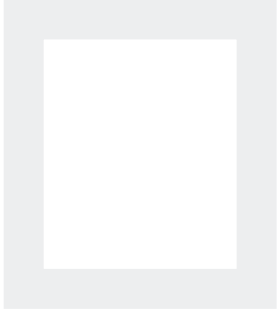
- Even though wrongful seizure and wrongful entry are separate constitutional torts, in some cases the harm proximately caused by the two torts may overlap.
- “[I]f the plaintiffs in this case cannot recover on their excessive force claim, that will not foreclose recovery for injuries proximately caused by the warrantless entry.”
- Remands case to the Ninth Circuit to address the proximate cause issue.
- Prior Ninth Circuit opinion suggests that the use of force was caused by the manner of the officer’s entry, i.e. sudden and without warning, but that officers are qualifiedly immune for the knock notice violation.
- Ninth Circuit must address whether use of force was caused by the nature of entry, or by the absence of a warrant.





# IMPACT OF DECISION

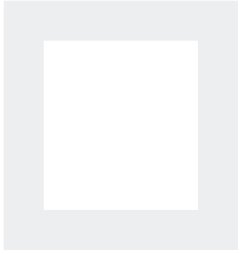
- County of Los Angeles eliminates provocation rule, but makes it clear that liability may be imposed for injuries resulting from the reasonable use of force under Graham, so long as the plaintiff can show that the use of force was proximately caused by an earlier Fourth Amendment violation.
- Knock notice violations might be a basis to impose liability, since the absence of notice may have caused homeowner to react to surprise entry with display of force.
- Mere technical Fourth Amendment violations, such as an overbroad warrant, or one that fails to adequately describe the place to be searched or items to be seized, likely not a proximate cause of the subsequent use of force.
- Closer question on whether mere failure to obtain a warrant in and of itself could be said to proximately cause a subsequent use of force – question might hinge on whether there was probable cause for the warrant, since in the absence of probable cause magistrate might not have permitted the search at all.



## LOWRY V. CITY OF SAN DIEGO, 858 F.3D 1248 (9TH CIR. 2017)

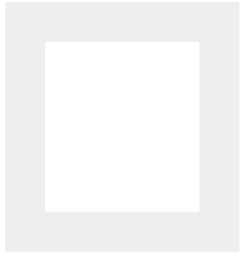
- Proper canine “Bite and Hold” policy does not result in excessive force.





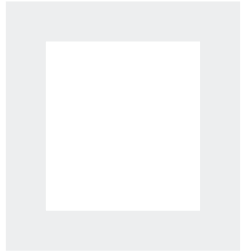
# FACTS

- After a night of drinking, plaintiff returns to her office at 11 PM and falls asleep on the couch
- Entry triggered burglar alarm, K-9 unit responds.
- Finding door to a darkened suite propped open, officers believed possible burglary suspect inside.
- Officer warns: “This is the San Diego Police Department! Come out now or I’m sending in a police dog! You may be bitten!”
- No response – officer repeats warning. Still no response. Officer releases dog, following close behind.
- Dog enters office, leaps on couch, bites plaintiff on the lip. Officer quickly intervenes.



# DISTRICT COURT PROCEEDINGS

- Plaintiff sues the City of San Diego alone under Monell, asserting that the City’s policy of “bite and hold” for its K-9 units constituted excessive force in violation of the Fourth Amendment.
- District Court grants summary judgment to the City, finding that the force used was reasonable.



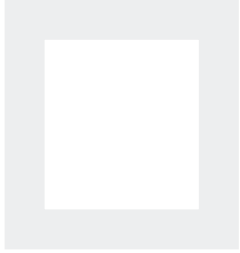
# NINTH CIRCUIT DECISIONS

- Divided three-judge panel reversed summary judgment and remanded
- Rehearing en banc granted and summary judgment for City affirmed.



# EN BANC OPINION

- Use of force pursuant to the “bite and hold” policy reasonable under Fourth Amendment.
- Amount of force used relatively modest – one bite. Prior Circuit cases involve more severe, repeated bites. (See, *Smith v. City of Hemet*, 394 F.3d 689 (9th Cir. 2005) (en banc); *Chew v. Gates*, 27 F.3d 1432 (9th Cir. 1994))
- Officers were confronted by potentially serious crime – burglary at night.
- Absence of response to clear warning indicated that suspect might be hiding and resisting, thus justifying some level of force.
- Officer not required to use “least intrusive means” of apprehending suspect.
- Use of dog without a leash reasonable, because having the animal on a short leash could expose officer to potential danger, and officer was close enough to intervene if necessary.



# IMPACT OF DECISION

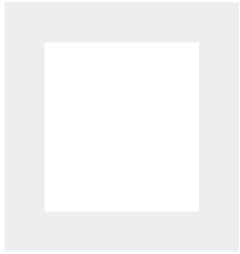
- Provides guidance for “bite and hold” policies.
- Should be used only where, given the nature of the crime, officers face potential threat of physical harm. i.e. burglary or confrontation with an armed suspect.
- Dog should only be released after repeated, clear warnings.
- Officer should be in close proximity to dog, consistent with safety considerations, to assure that ultimate use of force by K-9 is appropriate and terminated when necessary.



BREWSTER V. BECK,  
859 F.3D 1194  
(9TH CIR. 2017)

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Fourth Amendment applies to administrative seizures of property and forecloses automatic 30-day impoundment of a vehicle driven by an unlicensed driver under Cal. Veh. Code § 14602.6(a)(1).



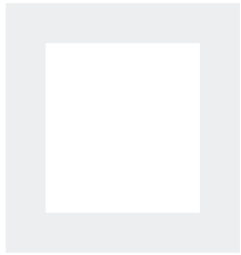
# FACTS

- Plaintiff loans car to an unlicensed driver, who is stopped by police.
- Plaintiff's car impounded for 30 days pursuant to California Vehicle Code section 14602.6(a)(1).
- Under section 14602.6, car driven by an unlicensed driver can be impounded for 30 days, subject to a hearing within two business days.



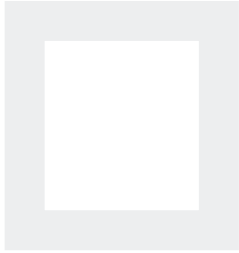
# DISTRICT COURT PROCEEDINGS

- Plaintiff sues the city and various police officers, asserting that the statutory 30 day impoundment period was unreasonable under the Fourth Amendment as it was applied in blanket fashion without any inquiry into justification in a particular case.
- District Court grants summary judgment to defendants, finding that the 30 day impoundment period was a valid administrative penalty.



# NINTH CIRCUIT DECISION

- Summary judgment reversed. 30 day impoundment period violates the Fourth Amendment.
- Even if initial seizure justified by probable cause, detention can violate Fourth Amendment when the duration of the seizure is unreasonable.
- Mandatory 30 day impoundment period, without attempt to show reasonable under the circumstances, violates Fourth Amendment.
- A seizure under Vehicle Code section 22651(p), would not necessarily run afoul of the Fourth Amendment, because the statute does not have a mandatory impoundment period.
- Does not matter that statute affords due process to owner of vehicle; test under Fourth Amendment is different.



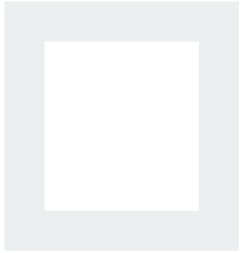
# IMPACT OF DECISION

- Possible change of policy with respect to seizing and impounding vehicles driven by unlicensed drivers or those driving on suspended license.
- Avoid holding impounded vehicles for mandatory 30 day period; release to owner at hearing.
- Use statutory hearing to make individualized “reasonableness” determination for each vehicle.

HERNANDEZ V. MESA,  
\_\_\_ U.S. \_\_\_,  
137 S. CT. 2003 (2017)

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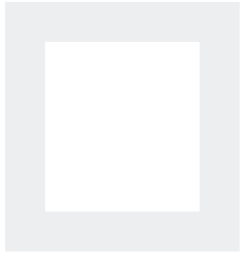
Qualified immunity must be determined based upon facts known to the officer at the time the incident occurred.





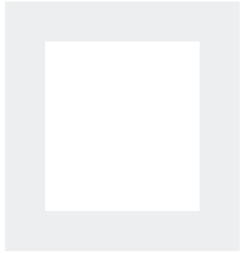
# FACTS

- Sergio Adrian Hernandez Guereca, a fifteen-year old Mexican national, was playing with friends on the cement culvert of the Rio Grande that separates El Paso, Texas from Juarez, Mexico.
- Hernandez and his friends took turns running up the incline of the culvert to touch the barbed-wire fence on the U.S. side and then running back down the incline to the Mexican side.
- A U.S. Border Patrol agent detained one of Hernandez's friends at the U.S. border, while Hernandez retreated to the the Mexican side of the River and hid behind the pillars of the Paso del Norte bridge.
- The Border Patrol agent, still standing on the U.S. side of the border, shot and killed Hernandez.



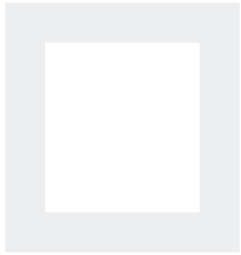
# DISTRICT COURT PROCEEDINGS

- Parents sue federal agent, alleging Fourth Amendment excessive force claim and Fifth Amendment Due process claim under *Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics*, 403 U.S. 388 (1971).
- District court grants motion to dismiss, finding that Hernandez lacked constitutional protection because he was an alien without voluntary attachments to the United States who was standing in Mexico when he was killed.
- Constitution's deadly-force protections stop at the border for non-citizens like Hernandez.



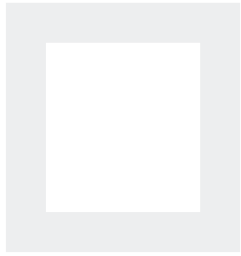
# FIFTH CIRCUIT DECISIONS

- Fifth Circuit panel affirmed in part and reversed in part.
- Fifth Amendment protections against deadly force applied, but not the Fourth Amendment protections.
- Federal Agent not entitled to qualified immunity.
- En Banc Review granted.



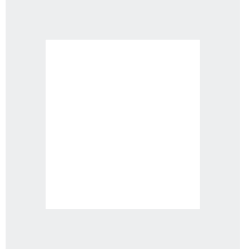
# EN BANC OPINION

- En banc panel reverses and affirms district court entirely.
- Plaintiffs could not assert a Fourth Amendment violation because the decedent was a Mexican citizen who had no significant voluntary connection to the United States.
- Even assuming possible Fifth Amendment claim, the officer was entitled to qualified immunity because there was no clearly established law concerning use of force against non-citizens across the border.



# SUPREME COURT DECISION

- Supreme Court reverses.
- Remands to determine if you can even have a Fourth Amendment Bivens claim after *Ziglar v. Abbasi*, \_\_\_ U.S. \_\_\_, 137 S. Ct. 1843 (2017).
- No qualified immunity for Fifth Amendment claim, because officer did not know whether the decedent was a Mexican national, and the immunity is based on facts known at the time, not what facts are discovered later.
- “The qualified immunity analysis thus is limited to ‘the facts that were knowable to the defendant officers’ at the time they engaged in the conduct in question. Facts an officer learns after the incident ends—whether those facts would support granting immunity or denying it—are not relevant.”



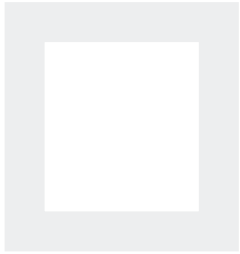
# IMPACT OF DECISION

- Underscores that qualified immunity inquiry is tied to the officer's universe of facts.
- Can cut either way – later acquired knowledge cannot be used to second guess the officer's decision.

# S.B. V. COUNTY OF SAN DIEGO, 864 F.3D 1010 (9TH CIR. 2017)

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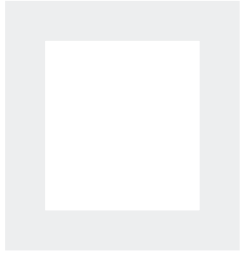
Defendant police officer entitled to qualified immunity where plaintiff could not identify clearly established law in the form of appellate decisions addressing a directly analogous factual situation.





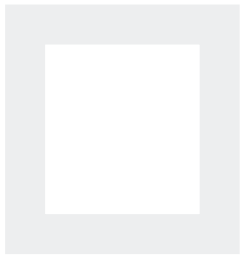
# FACTS

- Relatives concerned about Mr. Brown's behavior went to fire station to report that he was intoxicated, acting aggressively, and apparently suffering from bipolar disorder, among other complications.
- Officers go to Brown's house and find him in his kitchen, with several knives on his person, but none in his hands.
- Brown complies with officers' demands that he get on his knees.
- As one officer covers him with a Taser, and the others with guns, Brown makes some movement to touch one of the knives.
- One officer perceives this as an attempt to attack other officers with the knife, and shoots Brown.



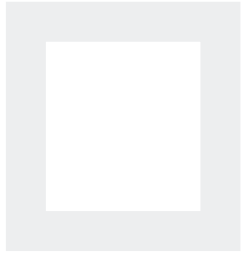
# DISTRICT COURT PROCEEDINGS

- Family sues for excessive force.
- District court denies officer's motion for summary judgment, finding numerous issues of fact concerning the officers' account of how the shooting transpired.



# NINTH CIRCUIT DECISION

- Ninth Circuit reverses.
- Acknowledges numerous issues of fact as to whether force was excessive under Fourth Amendment.
- However, officer entitled to qualified immunity because no clearly established law concerning circumstances present here.
- Rejects Circuit cases involving use of force against other individuals suffering from mental illness as constituting clearly established law.
- Notes that Supreme Court has repeatedly required extremely close factual analogy to circumstances confronting officers in order to constitute clearly established law, and that ““We hear the Supreme Court loud and clear.”
- Holds that district court opinions cannot constitute clearly established law.



# IMPACT OF DECISION

- A very strong case for qualified immunity based on lack of clearly established law.
- Very stringent application of *White v. Pauley* and other cases requiring factually analogous cases to make the law “clearly established.”
- One of the most rigorous formulations of clearly established law in Ninth Circuit case law.

SHAHER V. COUNTY OF  
SANTA BARBARA,  
\_\_\_F.3D.\_\_\_, 2017 WL  
3707904 (9TH CIR. 2017)

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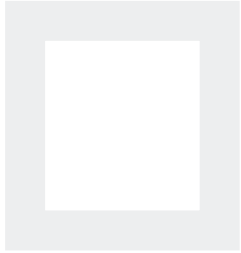


Officer entitled to qualified immunity for use of excessive force, where plaintiff can identify no case showing liability for use of similar level of force, under similar circumstances.



# FACTS

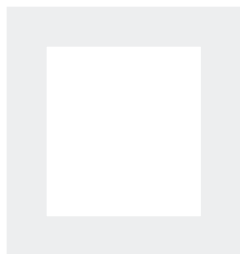
- While on patrol, officers stopped by college students who complain about being hit with water balloons.
- Officers quickly see plaintiff and a friend carrying water balloons and order them to drop the balloons.
- Plaintiff refuses. Officer takes plaintiff down with a leg sweep, causing various minor injuries.



# DISTRICT COURT PROCEEDINGS

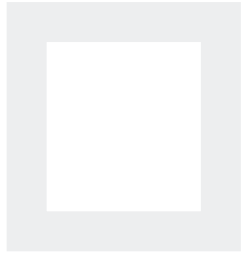
- Plaintiff files suit for excessive force, among other claims.
- Court rejects qualified immunity.
- Jury verdict for plaintiff. Awards \$120,000 in damages.





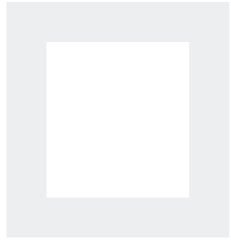
# NINTH CIRCUIT DECISION

- Reverses jury verdict.
- Substantial evidence supports jury's finding that force was excessive.
- Nonetheless, officer entitled to qualified immunity because in light of clearly established law it was not "beyond debate" that an officer would know the conduct to be improper.
- Plaintiff failed to cite cases involving the same level of force under sufficiently similar circumstances of resistance by a suspect.
- Plaintiff's burden to show conduct violated clearly established law.



# IMPACT OF DECISION

- Another very strong application of White v. Pauley requirement of strict similarity of facts in order to prove clearly established law.
- Very useful authority in excessive force cases, given focus on level of specificity required in showing comparable level of force used in comparable circumstances.

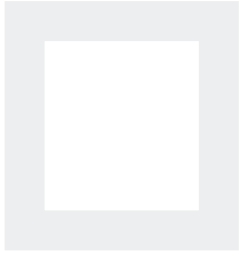


## II. FIRST AMENDMENT CLAIMS.

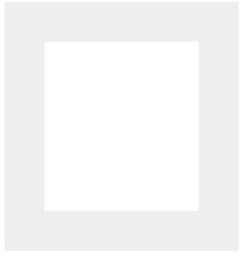
TRINITY LUTHERAN  
CHURCH OF  
COLUMBIA, INC. V.  
COMER, \_\_\_\_ U.S. \_\_\_\_,  
137 S. CT. 2012 (2017)

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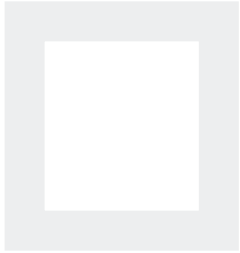


Free Exercise Clause of First Amendment prohibits governmental entities from denying generally available public benefits to religious organizations.



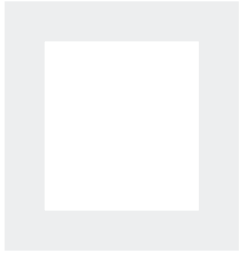
# FACTS

- Missouri creates program to recycle scrap tires for use as playground surfaces.
- Any organization with a playground could request rubber mats made from the recycled tires.
- However, because the Missouri Constitution had a strict provision prohibiting economic support of any religion, the state barred religious organizations from participating in the program.
- Trinity Lutheran Church of Columbia requests mats and otherwise qualifies for program, but is rejected based on religious status of organization.



# DISTRICT COURT PROCEEDINGS

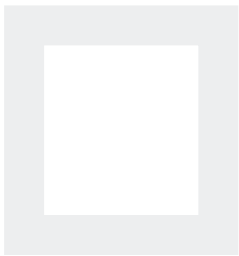
- Church files suit, asserting that refusal to allow it access to the public benefit on the basis of religion violated the Free Exercise Clause of the First Amendment.
- District court rejects Free Exercise Claim, citing *Locke v. Davey*, 540 U.S. 712 (2004), which held a state could properly withhold state scholarships from students majoring in divinity, because the practice did not burden a student's free exercise of religion.



# CIRCUIT COURT DECISION

- Eighth Circuit affirms.
- The state probably could allow religious organizations to participate in the Scrap Tire Program without running afoul of the Establishment Clause, but the stricter provisions of the Missouri Constitution prohibiting state aid to religion, prevent the state from extending the program to religious organizations.
- No Free Exercise violation.





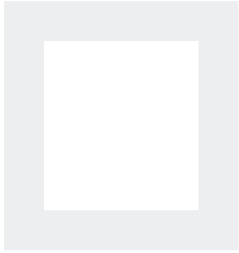
# SUPREME COURT DECISION

- Supreme Court reverses, 7-2.
- Missouri program violated the Free Exercise Clause by denying the Church an otherwise available public benefit on account of its religious status.
- Analogizes to *McDaniel v. Paty*, 435 U.S. 618 (1978) (plurality opinion), where the Court struck down under the Free Exercise Clause a Tennessee statute that disqualified ministers from serving as delegates to the state's constitutional convention.
- Missouri statute denies a generally available benefit based solely on the church's status as a religious organization. As a result, it puts the church to an improper choice— participate in an otherwise available benefit program or remain a religious institution.
- Distinguishes *Locke* on the ground that the Washington scholarship statute was extremely limited in scope; it solely prohibited use of funds to study for the ministry. In contrast, the Missouri statute involves a public benefit that had little or nothing to do with supporting religious doctrine.



# FOUR MEMBERS OF THE MAJORITY DECLINE TO LIMIT SCOPE

- Four of the seven justices in the majority refused to join in a footnote which attempted to limit the scope of the court's holding to the specific program at issue. ("This case involves express discrimination based on religious identity with respect to playground resurfacing. We do not address religious uses of funding or other forms of discrimination.")
- Suggests that four justices believe the case has broader application.
- Justice Gorsuch and Justice Thomas separately concur, broadly construing the prohibition against the free exercise of religion and suggesting that *Locke* should be overruled.



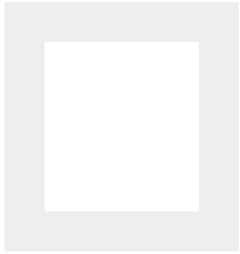
# IMPACT OF DECISION

- Despite the limiting language of footnote 3, Trinity Lutheran Church will likely have a broad impact with respect to the participation of religious organizations in public programs.
- Cities and other public entities will have to review any public subsidy or in-kind benefit programs to make certain that religious organizations are not improperly excluded.
- Possible major impact on California Constitution's No Preference and, No Aid provisions.
- Many cases interpreting the No Preference and No Aid Clauses of the California Constitution would likely come down differently if the Free Exercise principles of Trinity Lutheran Church are rigorously applied.
- Anticipate increase in litigation.
- Cities faced with the ultimate Hobson's choice—a lawsuit based on an Establishment Clause claim on one hand, or a Free Exercise Clause-based lawsuit on the other.

SANTOPIETRO V.  
HOWELL, 857 F.3D 980  
(9TH CIR. 2017)

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Posing for photographs in public and non-coercive solicitation of tips for doing so, constitute creative expression protected by the First Amendment.



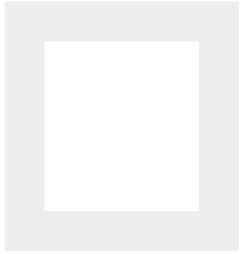
# FACTS

- Plaintiff, along with her colleague Ms. Patrick, work on Las Vegas Strip, posing as “sexy cops,” and soliciting tips from tourists who photograph them.
- County and its police force had entered into MOU acknowledging that its business licensing scheme did not apply to street performers who solicited tips in a non-coercive fashion.
- MOU also acknowledged that street performance was a protected activity, as was non-coercive solicitation of payment for such street performances.
- Three undercover police officers approached the plaintiff and Ms. Patrick and asked how much a picture cost.
- Plaintiff replied that it didn’t cost anything, that they were just asking for a tip.
- Officer took picture posing with the two women, and then started to leave without tipping.
- Ms. Patrick reminded one of the officers about the tip, who then replied that no tip would be forthcoming.
- Ms. Patrick asked the officers to delete the photo from the camera, but made it clear she would not do anything if they refused to do so, and that she simply thought they had a contract based on the officer’s agreement.
- Officers arrest both women. Charges later dropped.



# DISTRICT COURT PROCEEDINGS

- Plaintiff sues, asserting wrongful arrest and violation of right to free expression under First Amendment.
- The district court granted summary judgment to the officers, concluding that Ms. Patrick and the plaintiff, “by association,” were conducting a business without a license in violation of the county municipal code.



# NINTH CIRCUIT DECISION

- Ninth Circuit reverses.
- Court reaffirms that engaging in street performances is protected First Amendment activity.
- This includes posing in costume for photographs.
- Solicitation of tips is entitled to same constitutional protection as traditional speech, hence non-coercive solicitation of a tip is a protected activity.
- Arrest of plaintiff based solely on association with Ms. Patrick as part of their joint participation in the protected activity of posing as “sexy cops,” was improper.





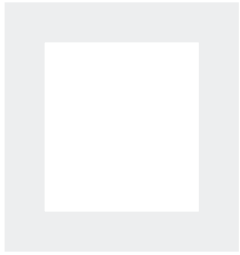
# IMPACT OF DECISION

- Potent reminder that great care must be taken when attempting to regulate street performances.
- Clarifies law on regulation of professional costumed characters.

FIRST RESORT, INC. V.  
HERRERA,  
860 F.3D 1263 (9TH CIR.  
2017)

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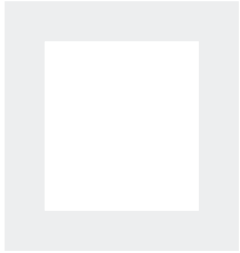


Permissible regulation of commercial speech concerning pregnancy clinical services.



# FACTS

- The City of San Francisco passed an ordinance aimed at preventing limited services pregnancy centers (LSPCs), which neither provided abortion services nor referred patients to facilities that did, from engaging in misleading advertising.
- The ordinance specifically prohibited any statement, including over the internet, concerning pregnancy-related services “which is untrue or misleading, whether by statement or omission, that the (LSPC) knows or which it by the exercise of reasonable care should know to be untrue or misleading.”



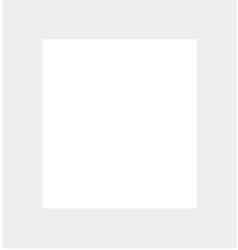
# DISTRICT COURT PROCEEDINGS

- An LSPC filed suit for injunctive and declaratory relief, asserting that the ordinance violated the First Amendment in various respects, including that it was vague and overbroad, discriminated based upon viewpoint, and regulated protected speech.
- District court grants summary judgment to the City.



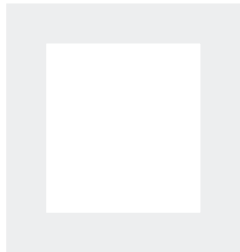
# NINTH CIRCUIT DECISION

- Ninth Circuit affirms.
- Evidence indicated that such centers often engaged in misleading practices, which caused pregnant women who might be considering an abortion to come to the centers, where they were counseled against terminating the pregnancy.
- Ordinance was concerned with regulating only commercial speech; fact that LSPC's did not charge for services irrelevant, because used for organizational fund-raising.
- Statute not overbroad, because it only prohibited false or misleading speech, which were terms of common understanding.
- No viewpoint discrimination -- statute only applied to centers that did not offer abortion services, and a center might choose not to offer abortion services for purposes entirely unrelated to whether the operator believed such procedures were proper; i.e. logistic limitations might prevent an operator from offering the services.



# STATE LAW PREEMPTION ISSUE

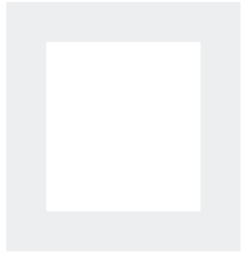
- Ordinance was not preempted by state law regulating false advertising.
- Ordinance was a civil regulatory statute, and did not impose any criminal penalties.
- Ordinance broader than the state false advertising law, which only regulates express statements, whereas the ordinance also covered implied misrepresentation, i.e. omission of pertinent information which left a false impression on the public.
- One judge finds narrow construction of state preemption law somewhat questionable.



# IMPACT OF DECISION

- Excellent template for regulation of LSPC's.
- Good authority for local entities on limitation on state preemption in general, though reasoning a little questionable.



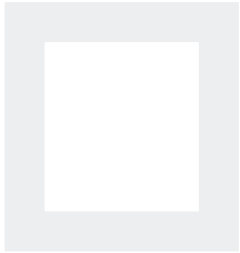


### III. HOUSING DISCRIMINATION.

BANK OF AMERICA  
CORP. V. CITY OF  
MIAMI, \_\_\_\_ U.S. \_\_\_\_, 137  
S. CT. 1296 (2017)

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City may be able to assert a Fair Housing Act (“FHA”) claim against lenders engaging in discriminatory mortgage practices if it can establish proximate cause, i.e., a close relationship between the discriminatory conduct and a direct economic injury to the city.



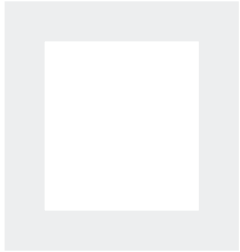
# FACTS

- City of Miami sued various lenders under the FHA, asserting that discriminatory lending practices resulted in an extremely high rate of defaults on mortgages of minority citizens.
- Defaults cause economic damage to the city in the form of having to abate the nuisance of abandoned properties, provide heightened police and fire protection for economically ravaged areas and loss of tax revenue



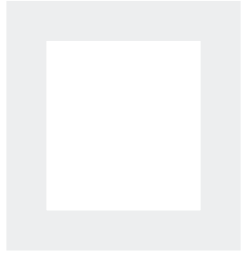
# DISTRICT COURT DECISION

- District court dismisses claim.
- City's economic claims outside the zone of interest protected by the FHA.
- City cannot show a causal connection between the bank's discriminatory conduct and any economic injury to the City.



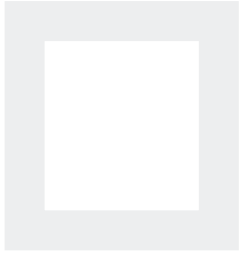
# CIRCUIT COURT DECISION

- Eleventh Circuit reversed.
- City's injuries fell within the zone of interest protected by the FHA.
- The complaint adequately alleged a proximate cause of injuries to the city.



# SUPREME COURT DECISION

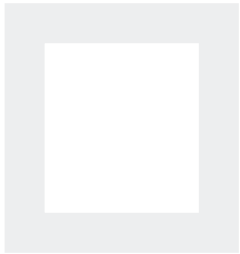
- Supreme Court affirms in part and reverses in part.
- Agrees that the injuries alleged by the city fall within the zone of interests addressed by the FHA.
- However, remands to the lower courts to examine the proximate cause issue more closely.
- City must show a direct link between the discriminatory conduct of the lenders and the specific injury suffered by the city.
- Not enough that the type of injuries suffered by the city, i.e., a loss in tax revenue from defaulted properties and an increased burden of providing law enforcement and other community services, were generally foreseeable as a result of the bank's discriminatory lending practices.
- Damages should not go beyond any "first step" of liability, although the Court declines to address what that "first step" might be in the first instance.



# IMPACT OF DECISION

- Although the Supreme Court clarifies that public entities can assert damage claims under the FHA for lending practices, failure to specifically address and clarify proximate cause for purposes of recovery leaves such claims up in the air.



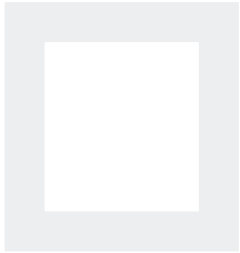


## IV. INVERSE CONDEMNATION

MERCURY CASUALTY  
CO. V. CITY OF  
PASADENA (AUGUST  
24, 2017)  
2017 WL 3634467

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A tree that is not deliberately planted by or at the direction of the government entity as part of a planned project or design serving a public purpose or use, is not a public improvement for purposes of inverse condemnation liability.



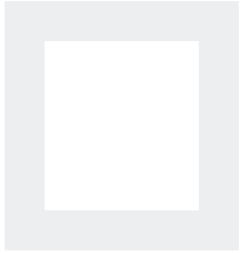
# FACTS

- Hurricane force wind uproots tree on City parkway adjacent to insured's property, which falls on residence, causing severe property damage.
- City owned tree, but evidence did not show who planted it.
- Insurer pays homeowner claim and then brings action against City for inverse condemnation.
- Bench trial results in judgment against City. Court finds that the tree was a public improvement.



# COURT OF APPEAL DECISION

- Court of Appeal reverses.
- Question of whether particular property is a public improvement is one of law for the court.
- Under the circumstances here, tree was not a public improvement, because it was not deliberately planted by the City as part of a planned project or design.
- “[A] tree constitutes a work of public improvement for purposes of inverse condemnation liability if the tree is deliberately planted by or at the direction of the government entity as part of a planned project or design serving a public purpose or use, such as to enhance the appearance of a public road.”
- Ordinance that provided for maintenance of City trees, did not impose any specific plan or design for purpose of creating a public improvement.
- No inverse condemnation liability based on maintenance plan, because 5 year inspection and care regime met, indeed exceeded, industry standards.
- Court notes that decision does not preclude liability for danger condition of public property in appropriate circumstances.



# IMPACT OF DECISION

- Clarifies scope of inverse condemnation liability for merely maintaining trees that were not initially planted by public entity.
- Provides guidance on proper maintenance and care schedule to avoid liability.



# THANK YOU

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