

EQUAL JUSTICE UNDER LAW



■ LEGAL PRECEDENT | FEDERAL COURT

# Koontz v. St. Johns River Water Management District

*Housing Affordability Institute's Legal Precedents outlines influential, precedent-setting court decisions at the state and federal levels and illustrates their impact on housing and development.*

## CASE OVERVIEW

*Koontz v. St. Johns River Water Management District*, 570 U.S. 595 (2013), examined the Nollan-Dolan test in relation to monetary exactions. Koontz sought to develop several acres of wetland while providing St. Johns River Water Management District a conservation easement several times greater in size than the proposed development. St. Johns countered with giving Koontz the choice of either a significant reduction to the size of the proposed development or pay for improvements on an unrelated parcel of land. Koontz filed suit and the case eventually found its way to the United States Supreme Court.

In 2013 the United States Supreme Court ruled 5-4 for Koontz, reversing an earlier Florida Supreme Court decision.

## PRECEDENT

Under *Koontz*, the standards of "essential nexus" and "rough proportionality" were held applicable to monetary exactions imposed on land use development. In the majority opinion, Justice Alito wrote:

*"Nollan and Dolan accommodate both realities by allowing the government to condition approval of a permit on the dedication of property to the public so long as there is a "nexus" and "rough proportionality" between the property that the government demands and the social costs of the applicant's proposal. Dolan Our precedents thus enable permitting authorities to insist that applicants bear the full costs of their proposals while still forbidding the government from engaging in "out-and-out . . . extortion" that would thwart the Fifth Amendment right*

*to just compensation. Under Nollan and Dolan the government may choose whether and how a permit applicant is required to mitigate the impacts of a proposed development, but it may not leverage its legitimate interest in mitigation to pursue governmental ends that lack an essential nexus and rough proportionality to those impacts." (Citations Omitted)*

## IMPACT ON HOUSING

*Koontz* expanded on similar takings cases, notably *Nollan v. California Coastal Commission* and *Dolan v. City of Tigard*. The United States Supreme Court ruled that the *Nollan-Dolan* test applies even when the approving entity demand money and/or when the project is denied. Since *Koontz*, government cannot impose a monetary exaction and circumvent the *Nollan-Dolan* test.

## FURTHER READING

*Nollan v. California Coastal Commission*, 483 U.S. 825 (1987); *Dolan v. City of Tigard*, 512 U.S. 374 (1994)