



March 31, 2017

Mr. Donal S. Russell
General Manager
Capistrano Bay Community Services District
35000 Beach Road
Capistrano Beach, CA 92624

Dear Mr. Russell:

I traveled to D.C. last week to watch oral arguments in our latest case before the Supreme Court, *Murr v. State of Wisconsin*. I'm pleased to share some thoughts on what I saw.

You may recall that this case involves two properties inherited by the adult children of the late William and Dorothy Murr. Mr. and Mrs. Murr purchased the first lot in 1960 to build a family vacation cabin and bought a second, adjacent lot a few years later as an investment property. Subsequent regulations now block the Murr siblings from selling or developing the vacant investment parcel. Government officials argue that this does not represent an unconstitutional "taking" of their property, however, because the Murrs own the adjacent lot. The government claims the two parcels should be treated as one, rather than as separate lots.

Our lead attorney on the case, John Groen, focused on the key issue that the Murr family's two lots are lawfully separate and distinct — and that the government may not arbitrarily merge them just to avoid compensating the Murrs for rendering one of those lots unusable and unmarketable.

The Justices asked many challenging questions and engaged in plenty of back-and-forth with the attorneys for both sides. It certainly was a robust discussion, exactly what we would expect from our nation's highest court.

I was struck by the markedly different approaches the two sides took. We argued forcefully for a fundamental property right and the real world implications rights have on actual people. The government attorneys — we were facing off against the local, state, and federal governments — approached the case as more of an academic exercise in which they were advancing arguments for the sake of engaging in a philosophical tussle. We care about the outcome; they just care about the battle.

John's focus on the real world implications seemed to resonate most strongly with Chief Justice Roberts and Justice Alito. Justices Kagan and Sotomayor sounded more supportive of the government assertion that the two parcels could be viewed as one, and I sense that Justices Breyer or Ginsburg are not on our side. Meanwhile, Justice Kennedy came across as not having

Mr. Donal S. Russell
March 31, 2017
Page 2

been convincingly persuaded by either side's arguments, despite the fact that he authored an important case on which our position relies. Justice Thomas, as is his custom, remained silent during oral argument.

We cannot know for certain how the Court will rule in any particular case, including this one. It could be a close vote, given the makeup of the Court and the issues involved. We also don't yet know whether or how Judge Gorsuch, if confirmed by the Senate, will participate in the decision.

What I do know for certain is this: We stood toe-to-toe against all three levels of government in this case and held our own. This is because of the strength of our principles, the courage of the Murr family, and the legal talent PLF brings to our cases.

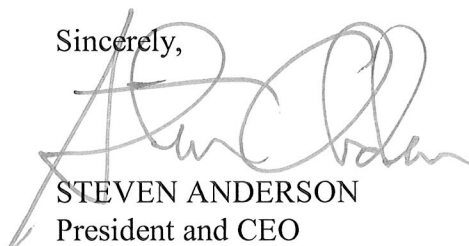
It was inspiring to sit in the nation's highest court, just a few feet from John as he fought on behalf of the Murr family. I came away from the oral argument prouder than ever of PLF's work defending the fundamental freedoms that lie at the heart of who we are as a nation.

It is equally inspiring to know that this work is made possible by generous, freedom-loving donors all across this great country.

Let me take this opportunity to tell you how much we appreciate your wonderful support. You are the reason we are able to stand up for the Murr family. You are the reason we are able to stand up for the countless other citizens whose liberties we've been so privileged to defend for the past 44 years.

Thank you for giving voice to those who would otherwise not be able to fight back against Big Government overreach. **Thank you** for securing the sacred rights guaranteed to each of us under the Constitution.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Anderson", written over a light blue horizontal line. The signature is fluid and cursive, with a large initial "S" and "A".

STEVEN ANDERSON
President and CEO