

Penn central transportation co. v. new york city

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Penn Central Transportation Co. v. New York City

438 U. S. 104

At the time this case arose, New York City had a law meant to protect and preserve historical landmarks. Once a building or area was deemed a landmark, if an owner wished to make changes or additions to it, those changes had to be approved by the city's Landmark Preservation Commission. Such changes could be approved by any of three certificates: a certificate of no effect, one of appropriateness, or insufficient returns. Penn Central Transportation Company owned a significant historic New York City landmark, the Grand Central Terminal. Penn Central decided to construct a multi story office building atop the landmark, with the promise of substantial profit, and submitted two plans to the commission for approval.

The commission then refused their request, denying certificates for the addition claiming that it would overwhelm the landmark itself and destroy the views of the terminal. Penn Central had the option of judicial review of the commission's decision, but did not seek such a review. Rather, it asserted that by applying the Landmark Law, New York City had taken its property.

The issue brought before the Court was therefore, whether New York City and its Landmark Preservation Law had unconstitutionally "taken" the land where the Terminal stood owned by Penn Central, in violation of the 5th Amendment.

In reaching its decision, the Court had to address three factors: the monetary impact of the Landmark Law on Penn Central, how greatly the law had

affected Penn Central's investment backed expectations, and if the law unjustly effected Penn Central more than other landmark owners in the city. The Court relied heavily on past cases such as *Maher v. New Orleans*, 516 F. 2d 1051, *Goldblatt v. Hempstead*, 369 U. S. 590, *Miller v. Schoene*, 276 U. S. 272, and *Hadacheck v. Sebastian*, 239 U. S. 394, each with similar aspects as the case at hand.

The Court cited *Maher v. New Orleans* to demonstrate that neither a decreased property value, as asserted by Penn Central, nor the refusal to allow an owner to do certain things to their property constitute a taking of such property. Furthermore, since Penn Central did still own the terminal, the Landmark Law in no way prevented them from making a profit off of the property. In fact, Penn Central already profited from the lease of the offices inside of the terminal at the time, and there was no reason to assume that this profit was not Penn Central's initial expectation at the time when they decided to purchase the property. Finally citing *Miller v. Schoene* and *Hadacheck v. Sebastian*, the Court determined that the law was not discriminatory. Just because it affected Penn Central more than some other landmark owners, it did not illustrate that New York City had taken their property in violation of the Constitution.

The Court held that by upholding the New York City Landmark Law, New York had not taken Penn Central's property.

Resources

The United States Supreme Court, " Syllabus Penn Central Transportation Co. v. New York."

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Cornell University Law School. n. d.. Cornell University Law School. 11 May 2008

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Brennan, " Opinion Penn Central Transportation Co. v. New York." Cornell University Law

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