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Viewpoints: Redevelopment agencies stomped on the little people for too long

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Gov. Jerry Brown plans to abolish redevelopment agencies and redirect the resulting \$5 billion in annual savings to support local education, public safety and other basic services. The panicked reaction of California redevelopment agencies – so long accustomed to wielding unchecked power – brings to mind an old "Twilight Zone" episode.

In the 1962 episode "The Little People," two astronauts crash land on a planet. One of them is a power-hungry malcontent. Wandering about, he discovers a race of tiny people. He sets himself up as a god and terrorizes them, literally grinding them into the dirt. This continues until one day, the roar of a space ship is heard. A giant astronaut from another planet appears. He towers over the malcontent just as the malcontent had towered over the little people. The giant picks up the malcontent and accidentally crushes him, unknowingly freeing the little people in the process.

The same drama is happening with Brown, redevelopment agencies and us, the little people. For years, redevelopment agencies have abused the power of eminent domain to grind down the little people. Now Brown may crush the agencies, liberating us in the process.

Although elimination of "urban blight" achieved some early successes, redevelopment today has mostly devolved into an outlandish misuse of government power. And when eminent domain is used to forcibly take private property, redevelopment shows its cruelest face. Many people don't know that redevelopment agencies take more than vacant lots or empty buildings. They also take ongoing, successful businesses.

The loss inflicted on business and property owners in these circumstances, supposedly for the greater public good (read for the politically connected developer), is incalculable because it cannot be measured solely in economic terms. Taking a successful business through eminent domain traumatizes not only the hard-working people whose often lifetime of effort built it, but also their families, their employees and their employees' families.

The process can be physically devastating, too. Members of family-owned businesses have told me things like: "I don't want to tell my son that redevelopment killed Grandpa," and "we need to finish with the agency before they give my husband a heart attack."

The redevelopment lobby will argue that redevelopment and eminent domain are crucial for

economic health. That claim has always been questionable, but is more so in light of a January report from the nonpartisan Legislative Analyst's Office which found "no reliable evidence that this program (redevelopment) improves overall economic development in California."

Currently, the ability to take private property is almost unlimited. Commercial and industrial properties, large and small businesses, farms, places of worship, rental properties and second homes are all vulnerable, as are primary residences under certain circumstances.

This is because the term "blight" has been twisted into whatever redevelopment agencies want it to mean. In fact, many condemned properties are not at all blighted. It is often the opposite. Good citizens maintaining their properties, providing jobs, creating revenue and strengthening the tax base may find themselves targeted precisely because they have magnificent locations. It just happens that those locations are ones that politically favored developers want for themselves.

A prime example is the Glendale Redevelopment Agency's recent threat to seize the Golden Key Hotel for expansion of billionaire Rick Caruso's mega-Americana at Brand project.

The Golden Key Hotel is neither "blighted" nor in need of redevelopment. To the contrary, it is in pristine condition, proudly maintained by its owner, Ray Patel.

Yet because Caruso wants to expand, the Glendale Redevelopment Agency in November warned that if Patel didn't want his property taken by eminent domain, he had better sell to Caruso.

Caruso's Americana could itself be called "blighted" under the elastic use of that word. It has not met financial expectations, its residential component has an unenviable vacancy rate, and the Glendale Redevelopment Agency has not seen the much vaunted revenue sharing that was projected. So why should Patel and the Golden Key Hotel be sacrificed for Caruso and Glendale's miscalculations? The entire process is grotesque and un-American.

If Brown ultimately allows redevelopment agencies to survive in some form, then at a minimum, they should be stripped of the power of eminent domain. And any last-minute eminent domain lawsuits should be retroactively invalidated as part of his upcoming legislation.

Brown has taken a bold step. Hopefully this is the twilight of redevelopment agencies and their power to abuse the little people.

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