

Property Rights Knockout

Ever since the Supreme Court's misguided 2005 decision in *Kelo v. City of New London*, states have been passing their own laws to protect property owners from abuses of eminent domain. One of those laws was enforced this month in California, and the decision is a major victory for property rights.

In *Community Youth Athletic Center v. National City*, San Diego Superior Court Judge Steven R. Denton ruled that National City, California's designated blight zone is "invalid and unenforceable." The decision means the city will not be allowed to seize property belonging to CYAC, a local boxing gym that sponsors programs for at-risk kids.

The tale began in 2005 when National City gave private developer Jim Beauchamp the right to build a condo project on the gym's land. The Community Development Commission threatened that if the CYAC were "unable to come to terms with the developer on the sale of your property," then "the developer may request that the CDC proceed directly with the acquisition of your property."

In 2007, the city extended an ordinance designating some 692 properties, including the gym, as "blighted" and therefore subject to eminent domain for 10 years. Facing a slew of bad publicity, National City Mayor Ron Morrison downplayed any threat to the gym itself, but the eminent domain threat hovered around developers' plans for surrounding neighborhood properties, including churches, schools and small businesses.

This was exactly the scenario California legislators had in mind when they passed a post-*Kelo* law in 2006 requiring the government to show "specific and quantifiable" evidence of blight and that the blight couldn't be improved without eminent domain. The court's ruling chastised the city for failing to document exactly why the targeted properties should qualify as "blighted." "Lack of parking" doesn't qualify, Judge Denton noted dryly.

California has been a leading abuser of eminent domain and the case should resonate with California Republican lawmakers, who have been in the odd position of rejecting an effort by Governor Jerry Brown to jettison the state's some 400 redevelopment agencies because they opposed his overall budget. Getting rid of the redevelopment agencies would save the state roughly \$1.7 billion a year amid a roughly \$25 billion budget deficit.

According to the Institute for Justice, which represented CYAC, nearly 200 California development projects have used or threatened to use eminent domain laws for private developments, often on the grounds of economic improvement. The victims of the law are often minorities and economically disadvantaged residents, who are unable to protect their businesses and neighborhoods from politically connected developers.

Property takings rarely produce the economic growth their developers promise, and any gentrification of a neighborhood is little consolation to those whose homes and businesses are seized. We're glad average citizens are fighting for their property rights, and we hope GOP lawmakers take Governor Brown up on the offer to send redevelopment agencies to the knacker.