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Didn't it sound great when the SNI areas were being touted....lots of help for the neighborhoods, elimination of blight, City support staff and the list went on. All of this, and what would it cost you ...nothing. Nothing, that is, except **the black cloud of eminent domain** for private use looming over your property. Where do we stand today? Well according to a flier distributed by the SJRDA, it doesn't sound too good for the neighborhoods.

"The Strong Neighborhoods Initiative (SNI) Project Area Committee (PAC) has been exploring how to bring additional funding to the Neighborhood Advisory Committees (NACs). **Because the cost of neighborhood revitalization far exceeds current or projected City and Redevelopment Agency (SJRA) resources**, there is a need to leverage other resources to fill funding gaps for neighborhood priorities."

So, the RDA won't be able to fulfill its promises??? But is it repealing the ability to take your property for private gain – NO. What a deal – the RDA will not be fulfilling its promises, but it still insists on the neighborhoods' homes being at risk.

Not only will the money not be there, but the support staff is disappearing too. The SJRDA is trying to consolidate 19 SNI areas into 6. Why? Because 6 areas will require less staff (thus less personal attention to your neighborhood's needs) than 19 do.

Want to read more concerning the consolidation -

http://www.sanjoseca.gov/clerk/CommitteeAgenda/BuildingStrongNeighb/02_05_04docs/02_05_04_BSN_Special_itemB.attA.pdf

Want to voice your opinion? Contact your City Council representative or attend the budget meeting on June 14.

<http://www.sanjoseca.gov/council.html>

WWW.CRRSJ.COM

Please check out our
new (shorter) website
address.

**CRR meets the
second Thursday
of every month
from 7:00 – 9:00
p.m.**

**Want to learn
more?
Please call us for
further
information.**

Did you know ???

In mid-May, the planning department asked the planning commission to zone about 30 acres of "open blue space." They didn't use the word "blue", but they did ask that about 30 acres **under** Guadalupe River, the Alviso Slough, and the Bay be designated "open space." Apparently the department has decided to bulk up its statistics on open space in North San Jose by labeling open water as open space!

- Dale Warner Save Open Space Coalition

The PAC (Project Area Committee) is scheduled to end in June 2005. Redevelopment law requires that a PAC be formed whenever the RDA in a proposed redevelopment area (here, the SNI area) will have the ability to take residential property using eminent domain. The power of eminent domain is in effect, in this plan, for 12 years from the date of adoption. The PAC is to be the voice of the citizens. How well do you think the RDA will listen to the citizens once the PAC is gone?

Bill SB1659 – It’s Day To Be Heard In Sacramento?

On Monday, May 10, the Senate Judiciary Committee of California at its afternoon session heard a bill, SB1659, which was introduced by Senator Chuck Poochigian (R) Fresno. **This bill essentially added more protections for property owners whose properties are taken by Redevelopment.** This bill “would require that with respect to property taken by eminent domain pursuant to Redevelopment Law, if the property owner intends to replace the property taken in order to continue his or her residency ‘in the same area’ the measure of compensation is the cost to replace the residence or business on the property taken, upon property within the ‘same area’ as within either the same city or unincorporated area , or within a radius of 15 miles”.

The following is an account of what transpired at that very important meeting of the Judiciary Committee in Sacramento.

Attending this meeting were Doug McNea and Yolanda Reynolds from San Jose, Sherry Curtis from Pioneer speaking on behalf of MORR (Municipal Officials for the Reform of Redevelopment) and Karen Klinger, a resident and realtor/businesswoman from Sacramento who spoke in support of SB1659. Senate members of the Judiciary Committee are: Martha Scotia (Chairperson), Byron Sher, Bill Morrow (Vice Chair), Dick Ackerman, Denise Moreno Ducheny, Gilbert Cedillo, Sheila Kuehl.

The committee began deliberations at 1:30 pm. There were numerous other bills to be heard including bills that dealt with high-tech communication innovations.

Since Senator Byron Sher (D) 11th Senate District (Palo Alto) was a member of the committee, we were hopeful that our support for the bill would be heard and that he would ask some good questions. It was disappointing to see that Senator Sher slipped out just as SB 1659 came before the committee. Though the hour was approaching 5 p.m., the author and we had patiently waited the entire afternoon and fully expected that all of the members would remain.

Sherry Curtis detailed the enormous impact that Redevelopment has had on the state’s budget and the misuse of the powers of eminent domain in behest of ‘economic development’ which essentially transferred the property of an individual to another individual.

Karen Klinger pointed out that having to relocate is more often than not a real hardship and, in fact, for the small business person often results in the end of their business, since the new location is far from the established customer base. Another problem is that often zoning regulations preclude building or relocating where land or space is available. Karen Klinger also pointed out that 15 miles was not enough of a protection since, in most communities, 15 miles would put one in another town altogether.

Yolanda Reynolds addressed the lengthy arguments presented by CRA (California Redevelopment Association) spokespersons and others (mostly cities) that asserted such compensation would bankrupt redevelopment efforts in California. Reynolds pointed out that the claims that such compensation would bankrupt Redevelopment efforts in the state revealed the truth of what is happening. In fact, property owners who lose property are subsidizing redevelopment, since they are not compensated for the real value of their property. As for the CRA case law citations, she pointed out that they had conveniently ignored recent court rulings against the takings of property that did not serve the public’s good.

Continued on following page

“...under the banner of ‘redevelopment’, many government officials now interpret public good to mean the advancement of any business interest that creates more jobs and tax revenue than the business, home, or neighborhood that it replaces.”

- Mugged by the State by Randall Fitzgerald

“...the moment the idea is admitted into society that property is not as sacred as the Laws of God, and that there is not a force of law and public justice to protect it, anarchy and tyranny commence. Property must be sacred or liberty cannot exist.”

- John Adams

In San Jose, abuse in the use of eminent domain was evidenced in the recent Tropicana Shopping Center lawsuit in which the courts ruled against the local RDA taking this property. Reynolds also pointed out that one third of the city of San Jose was now formally under threat of the powers of eminent domain thereby causing distress, concern and anxiety among the property owners and residents of the city.

Doug McNea spoke to the inherent property rights protected by the Constitution of the United States. He caused some pause when he mentioned that the previous day he had attended the memorial service held in San Jose for the American soldier and hero, Pat Tillman. McNea pointed out that this young soldier had given his life in Afghanistan in the belief that he was fighting for the freedom and values held dear by the citizens of this nation. Pat Tillman chose to do what he felt was right and made the ultimate sacrifice in defense of Freedom. All the committee members had to do to protect property rights and freedom was to vote "yes". McNea reminded the Senators that respect for property rights plus the rule of law equaled freedom and urged that they vote for SB1659. Senator Poochigian in his presentation of SB1659 recounted the many complaints he has heard regarding the use of eminent domain and the consequent compensation that left too many victims in its wake. Senator Bill Morrow (R) from the Long Beach area, after detailing the many problems with Redevelopment and the use eminent domain, voted for SB1659.

Those in favor of a bill are allowed to speak first, those opposed speak last. As we returned to our seats about a dozen very well dressed and finely coifed opponents swarmed to the table. Confidence was exhibited in their demeanor. Among them were four representing San Jose. Two appeared to be paid lobbyists. One, a woman who came before the Redevelopment budget hearings held last month in San Jose informed the San Jose City Council that Sacramento seemed to be undecided as to whether the state would reduce the amount of property tax revenues in order to balance the state's budget. Another who opposed the bill was a man who announced that he represented a union group based in San Jose.

Mr Poochigian had informed us that there were very powerful groups opposed to his bill. After the vote was taken and as he was leaving the chambers he was immediately surrounded by the representatives of the CRA and pelted with questions. At this time it is uncertain whether Mr Poochigian will reintroduce this or a similar bill in the future. It was obvious that few people knew of the bill, which raised the question as to why there was little publicity since there are groups all over the state who would have vocally supported SB1659.

Other thoughts have come to mind as a consequence of this trip to Sacramento: Why are the city of San Jose and /or the Redevelopment Agency using public funds to pay lobbyists who truly do not promote the interests of its residents? How much is paid, per year, to these lobbyists?

Clearly big money floats all over Sacramento. How can we counter that influence?

If you are as concerned about eminent domain as we are, please take this opportunity to write to you government representatives, especially those, listed in this article, that sit on this committee. With enough support from citizens, like you, this bill could be resurrected and voted on again.

A copy of the bill can be found at <http://www.octa.net/octa/org/gov/sb1443.pdf>

**Want to contact your Senator? Their contact information can be found at:
<http://www.senate.ca.gov/~newsen/senators/senators.htm>**

Citizens making a difference without RDA's money or help

Congratulations to members on the Burnbank/Del Monte NAC who took it into their own hands to get the #5 item on their wish list done. A few key members completed a comprehensive report concerning their community without the financial or staff support of the Redevelopment Agency. Rather than waiting around for RDA to do it for them, they finished the project and saved the Agency approximately \$50,000.

To read the full story in the SJ Mercury News -

http://www.mercurynews.com/mld/mercurynews/news/local/states/california/counties/santa_clara/los_gatos/8547565.htm

Please be aware you must now register (free) with the San Jose Mercury News to access the articles.

Redevelopment Gets “Pumped Up”

Celebrating its 25th anniversary, the California Redevelopment Agency hosted a three-day conference in Monterey on March 10-12. More than 600 people attended the event which had the theme: “Pumping Up Redevelopment.”

CRA was established in 1979 to provide support for redevelopment in California. The “nonprofit organization” sponsors and supports California laws favorable to redevelopment. The CRA is comprised of more than 340 redevelopment agencies and 260 private companies such as developers, law firms, financial agencies and redevelopment consultants.

A marketing firm, Crocker/Flanagan was hired to change the CRA image-to counter the image presented by the book Redevelopment- the Unknown Government. Soon there will be a “new slogan, logo and presentation.” Passing bonds will become just, “refinancing the home mortgage.” There will be greater use of neighborhood opinion leaders, state legislators and the media. Part of this new campaign is to show that “it's going to be better for schools.” These are some of the new redevelopment tools which will be used to convince the public that redevelopment is necessary in California.

Sherm Harmer, president of the California Building Industry Association said that the home building industry comprises about 10% of the California economy. He said that building coalitions are critical in solving the affordable housing problem and that his association will work with CRA. This alliance has great political clout because it means jobs.

CRA has been very effective in promoting redevelopment for the last 25 years. Now they seem to be reorganizing to present a new plan to cope with critics and attempts to curb the power of redevelopment.

CRA must be closely watched by all of us.

The Gnat Knows.....

- **Arrogant Mayor** “leading” the Council? Mayor Gonzales was recently quoted as saying “**the only deal I ever cut is the one with the people of San Jose to do what I think is best for them**”

Apparently, he knows what is best for us better than we do OR the City, through the Redevelopment Agency, based on his proposal, would not be spending \$6,600,000 on a **tent** to “temporarily” expand the Convention Center after the citizens voted against expansion – *perhaps we can save more money during these hard times by eliminating elections, which do not seem to mean very much and just let the Mayor decide what is best for us in the first place.*

- Do you have a business in San Jose? Have you figured out how much more it will cost you to do business in San Jose if the telephone **tax** goes into effect in January and your garbage and sewer costs are increased as planned? Email c2r_coalition@yahoo.com to share your story.

Links to Articles and Sites You Should See

San Jose City Budget in Brief 2004-2005

<http://www.sanjoseca.gov/budget0405/budgetInBrief.pdf>

- **SJ Business Journal:**
San Jose sued by hotelier in dispute over parking fees
Sharon Simonson - May 14, 2004
<http://sanjose.bizjournals.com/sanjose/stories/2004/05/17/story5.html>
- **Public Policy Institute of California:**
Subsidizing Redevelopment in California
Michael Dardia. February 1998
<http://www.ppic.org/main/publication.asp?i=70>
- **WorldNet Daily: Private Impropriety**
Jon Dougherty. April 22, 2003
http://www.worldnetdaily.com/news/article.asp?ARTICLE_ID=32172
- **Institute of Taxation and Economic Policy: No More Secret Candystore – Tax Increment Financing**
Greg Le Roy and Sara Hinkley
<http://www.ctj.org/itep/research/ch6tif.pdf>

Articles and information in this newsletter are either written by or reviewed by CRR’s Executive Board before publication.

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