Testimony of Clemente Casillas President, Community Youth Athletic Center

Before the United States Senate Judiciary Committee, Subcommittee on the Constitution

Hearing on "Theft By Another Name: Eminent Domain Ten Years After Kelo v. City of New London"

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I thank the Chairman and the members of the Committee for the opportunity to testify about eminent domain abuse and why federal tax dollars should stop funding it.

My name is Clemente Casillas and I am the President and Executive Director of the Community Youth Athletic Center (CYAC) in National City, California, just south of San Diego. The CYAC is a nonprofit boxing and after-school mentoring program for atrisk, inner-city youth, staffed mostly by volunteers. We started out in our founder's backyard. With the help of generous sponsors, we bought a little building on National City Boulevard and turned it into a boxing gym and mentoring center.

But nonprofit boxing gyms don't generate as much property tax revenue as luxury condominiums. So the City of National City and its federally funded Community Development Commission (CDC) tried to seize our gym using eminent domain in order to hand it over to a private developer who wanted to replace it with high-rise luxury condos for the wealthy.

I'd like to share my story with you, to help you understand how eminent domain abuse affects real people, and why the federal government should stop funding it.

When I was a teenager, I participated in a youth boxing program similar to the CYAC. At the time, my life could have gone in one of two ways. I could have easily gotten involved with the wrong crowd. But because of my boxing program, I was able to avoid kids who were in gangs. I was exposed to good role models, and eventually received a Bachelor's degree from USC and became a professional real estate agent and broker. If it wasn't for boxing and, especially, learning the discipline that comes with boxing, I would never have been able to do what I have done. I came from some of the same streets these kids come out of, and I went to the same schools. I know what a difference it can make in a kid's life. I am committed to making that same difference in the lives of other kids.

The CYAC began in 1991 with a punching bag hung up in a backyard, but over the years we have opened our doors to thousands of kids. Many of these kids come from broken homes and have broken spirits. We try to build them back up and show them how strong, smart, and successful they can be. Our motto is: "Making a difference, one round at a time."

We help keep kids off the street and teach them about important values that you can learn through the sport of boxing, such as discipline, commitment, and perseverance. We also have tutoring programs to help them succeed academically. We require that all of our students maintain good grades in order to participate in the boxing program.

Several of our kids have been successful at national tournaments and are among the top-ranked youth boxers in the nation. But that is not why we do this. We know that few of our kids will ever win a national title or compete in the Olympics. But we want to help make them winners in life.

In 2001, we used generous donations to buy an old gun store on National City Boulevard; it was the perfect location for students to be able to come to the gym on the bus after school. We remodeled it with volunteer labor and donated materials into a boxing gym and mentoring center for the kids. *That* is true community-based redevelopment.

But in 2005, National City and the CDC gave a developer *their permission* to build luxury condos on *our property*, which we owned free and clear. They seemed to think *our gym* was theirs to do with what they wanted. One day we even found a sign stuck in the ground in front of our building that said "Coming Soon" with an image of the proposed luxury condos. The CDC and the developer sent us threatening letters saying we had to sell the building or face eminent domain. The developer's first letter gave us a week to sell the building below market value or they would have the CDC take it using eminent domain. But this wasn't about the money; it was about staying at the perfect location for after-school programs in a gym we had built with our own sweat and blood.

We tried to negotiate with the City and the developer to find out if it might be possible to keep the gym on the first floor of the proposed development, with the luxury condos on the floors above. But we were told that the people who could afford to live in those high-rise condos would not want our kids around. That was when we realized we needed to stand up for our kids because no one else was going to stand up for them. We wanted to show our kids that they were important and deserved the same dignity and respect that everyone deserves. We wanted to lead by example and show our kids that sometimes you have to take a stand and fight for your rights. Not in the ring or on the street, but in City Hall and in the courts.

Fortunately, we were represented *pro bono* by the Institute for Justice (IJ), which won our lawsuit challenging the City's attempt to wrongly declare that our gym and almost 700 other properties were supposedly "blighted," even though the property values had soared. IJ litigated the case for eight years, in a case as grueling as a 15-round boxing match, and saved our gym from eminent domain. But it never should have come to that.

What happened to us should not happen to anyone else. Congress needs to send a message to local governments that this kind of abuse of power will not be funded or

tolerated. Federal lawmakers should pass legislation that will withhold federal development funding for cities that abuse eminent domain for private development.

Special interests—especially developers who benefit from this use of government power—are working to convince the public and legislatures that there isn't a problem. But what happened to our gym, and countless other people, proves otherwise. What we have now amounts to "government by the highest bidder," and that has got to stop.

Eminent domain abuse affects real people. Homeowners, small businesses and even nonprofit boxing gyms need the protections guaranteed by the Constitution that their property is their castle. The Supreme Court failed to enforce these protections ten years ago in *Kelo v. New London*, but Congress still has that opportunity. This country is full of people like the volunteers who help make the CYAC a success story, people who work hard and save up to buy something to call home. I ask you to please stop funding redevelopment for local governments like the City of National City that use federal dollars to take away homes, businesses, and nonprofits for private gain.

Thank you very much for the opportunity to testify before this Committee.