




Texas

Known Condemnations Benefiting Private Parties ⁴¹⁸

Filed/Authorized Condemnations  3

Threatened Condemnations  434

Legend  = 1  = 100

El Paso

In March 2006, the Paso Del Norte Group (“PDNG”) introduced its vision for a new downtown area that calls for redeveloping 127.5 acres consisting of 33 homes and 496 apartments.⁴¹⁹ According to an activist, around 400 businesses operate in the affected area.⁴²⁰ According to the *El Paso Times*, the Sacred Heart Church also lies in the threatened area.⁴²¹ The working class area will be replaced, if PDNG’s vision is realized, with “affordable” residential housing.⁴²² In the face of mounting criticism over the project, Mayor John Cook announced in May 2006 that the City would start the plan over again and that eminent domain would only be used as a last resort.⁴²³ This is hardly comforting news to local property owners.

Freeport

Freeport was the first city in the country to take the *Kelo* decision as a green light for eminent domain abuse. Within a few hours of the Supreme Court’s decision in *Kelo*, City officials condemned three properties owned by two shrimp

⁴¹⁸ These numbers were compiled from news sources. Many cases go unreported, and news reports often do not specify the number of properties against which condemnations were filed or threatened.

⁴¹⁹ Vic Kolenc, “Store owners want to stay,” *El Paso Times*, April 9, 2006, at 1E.

⁴²⁰ E-mail from Edie Zuvanich, Director of Sales and Marketing, Starr Western Wear, to Justin Gelfand, Institute for Justice (May 23, 2006) (on file with the author).

⁴²¹ *El Paso Times*, May 18, 2006, at 1A (photo and caption).

⁴²² David Dorado Romo, “Not for distribution: Behind the demolition plan,” *Newspaper Tree*, May 1, 2006, at http://www.newspapertree.com/view_article.sstg?c=6f8049c244c746a2&mc=356aef8318be40a8 (retrieved May 30, 2006).

⁴²³ David Crowder, “Mayor to start over on redevelopment plan,” *El Paso Times*, May 18, 2006, at 1A.

The purpose of the condemnation is economic development; although the current businesses are active and profitable, the new project is supposed to bring in more tax revenue.

companies—Trico Seafood and Western Seafood Company—to turn them over to Walker Royall, a private developer, so he can build an \$8 million private marina. The City is offering Royall a \$6 million loan to help the project along.

Of *Kelo*, Freeport Mayor Jim Phillips said, “This is the last little piece of the puzzle to put the project together.” The purpose of the condemnation is economic development; although the current businesses are active and profitable, the new project is supposed to bring in more tax revenue. While Western Seafood rakes in approximately \$40 million annually, the City expects the proposed Marina to attract \$60 million worth of hotels, restaurants and retail establishments.⁴²⁴ As City Manager Ron Bottoms explained, they used eminent domain as a “last resort.”⁴²⁵ It was a last resort made possible by *Kelo*.

An oral argument—the first in federal court since *Kelo* came down—was heard by the 5th U.S. Circuit Court of Appeals in June 2006.⁴²⁶

424 Thayer Evans, “Freeport moves to seize 3 properties; Court’s decision empowers the city to acquire the site for a new marina,” *Houston Chronicle*, June 24, 2005, at A6.

425 Dick Hogan, “Shrimp group battles for turf,” *News-Press*, July 5, 2004, at 13A; Thayer Evans, “Freeport moves to seize 3 properties; Court’s decision empowers the city to acquire the site for a new marina,” *Houston Chronicle*, June 24, 2005, at A6.

426 “Western Seafood first to challenge eminent domain for private use,” *Business Wire*, May 24, 2006.