



CALIFORNIA ALLIANCE TO PROTECT PRIVATE PROPERTY RIGHTS

**FOR IMMEDIATE RELEASE:**

**Thursday, August 14, 2008**

**Los Angeles City Council to Award Retail Project to Controversial Non-Profit  
State Audit Revealed Non-Profit Mismanaged Public Money**

**Los Angeles** – Tomorrow, the Los Angeles City Council is expected to approve a redevelopment deal that involves conveying private property seized by eminent domain and giving it to Concerned Citizens of South Central Los Angeles ([CCSCLA](#)), a politically connected non-profit organization that, according to the Los Angeles Times, tried to swindle over \$1.3 million in taxpayer dollars from the State of California.

“It is simply not right for the City Council to seize private property by eminent domain and give it to another so that they can profit,” said Marko Mlikotin, president of the California Alliance to Protect Private Property Rights. “If the city did its homework they would not approve a plan to spend millions of taxpayer dollars to benefit an organization that tried to swindle taxpayers of millions of dollars. I fail to understand why the city continues to favor an organization that has mismanaged taxpayer dollars.”

The City of Los Angeles will consider a development agreement between the Community Redevelopment Agency of Los Angeles (CRA/LA) and the CCSCLA/Regency Realty Inc. development partnership that requires a more than \$20 million subsidy. The proposed Slauson Central Retail Center is to be located on the corner of Slauson and Central Avenue. The details of the sham include financial benefits to CCSCLA, including one that requires the developer to sell the publicly subsidized project to CCSCLA, presumably at below market value since the non-profit did not have the resources to finance the project. Critics find this gift of public money remarkable since the Los Angeles Times reported in 2004 that state auditors found CCSCLA to have double dipped into city and state funds for the development of a \$13 million soccer field complex near the proposed Slauson retail project that to date is a barren clay field. The Times reported that the State took \$1.3 million back from CCSCLA after discovering that the group had already bought the land with a grant from the City of Los Angeles and they were seeking the return of additional funds misspent by the organization. According to CCSCLA’s 2006 tax returns, the non-profit reported a \$594,812 net loss.

In 2004, the redevelopment agency filed suit to seize private property by eminent domain after the rightful owners’ plan to develop their property into a shopping center was approved by the city’s planning department. Their plan is similar to the CCSCLA plan but does not require public subsidies and provides even greater economic benefits to the redevelopment agency and

neighboring community. Some of the rightful owners have filed court challenges to regain their property.

Related Article: "State Wants Money Back From Non-Profit, Los Angeles Time, 12/22/04

Link - <http://articles.latimes.com/2004/dec/22/local/me-soccer22>

City Council Hearing, Friday August 15, 2008, Rm. 340

Agenda Item 9

<http://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=07-4174>

The California Alliance to Protect Private Property Rights (the Alliance) is a statewide organization dedicated to reforming eminent domain abuse and was a proponent of Proposition 98, an eminent domain reform ballot measure that appeared on the June 2008 ballot. To learn more about the Alliance, visit [www.calpropertyrights.com](http://www.calpropertyrights.com).

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