

‘Million Dollar’ Trade Show and Educational Conference a Huge Success! And Property Rights After the Kelo Decision

Our “Million Dollar Trade Show” and “Landlord Appreciation Day” last month was a huge success! You should have been there! Our members were more educated, motivated and stimulated by some very knowledgeable speakers who helped give them that one idea that would help them make and keep more money than ever! Some even walked away with a cruise to Mexico, a flat screen TV and other valuable prizes! WOW! Where else could you possibly spend a more profitable day? There was no place in the world like the Los Angeles Convention Center on Tuesday, October 30th celebrating “Landlord Appreciation Day.”

Thousands of our members really know how to take advantage each year of this incredible source of information and...it’s all free! It’s just one of the many services we provide our members in addition to the lowest membership dues and credit check fees as well as the best service in town!

Many thanks go to our dynamic speakers, Attorney Trevor Grimm and Jon Coupal of The Howard Jarvis Taxpayers Association, Economist John Kamin, Attorney Dennis Block, “Mr. Landlord” Jeffrey Taylor, “Dr. Cash Flow” Nick Sidoti, Bruce Norris, Lou Brown, Marvin Fleschman and Lance Strauss. They provided the most powerful and contemporary information on wealth-building and apartment landlording that you’ll ever be able to find.

Our thanks also go to our large variety of exhibitors and their commitment to our members in offering the best possible professional assortment of services.

And...a very special thanks goes to you, our members, who truly are the essence of our trade show success! Your generosity to our Union Rescue Mission “Christmas in October” Program was greatly appreciated. Thank you! And your thirst for knowledge in your pursuit of excellence is a driving force in the betterment of our industry! A thousand thanks...and we’ll see you at our next trade show at the Long Beach Convention Center on Tuesday, May 20th! It pays and saves you big just to be an AOA member. BUT...it pays and saves even more for those owners who turn up every year to discover new ideas at the Big Show!

Be sure to mark your calendar for our next big show at the Long Beach Convention Center on Tuesday, May 20th, 2008!

Property Rights After the Kelo Decision

The following was taken from a speech given by Andrew P. Napolitano, Senior Judicial Analyst, FOX News channel. “Reprinted by permission from IMPRIMIS, the national speech digest of Hillsdale College, www.hillsdale.edu.”

When teaching law students the significance of private property, we tell them that each owner of such property has something called a “bundle of rights.” The first of these rights is the right to use the property. The second is the right to alienate the property. The third and greatest is the right to exclude people from the property.

With this in mind, let me pose a question: Can the government force a property owner to *sell* his property? James Madison argued that the government could do so as long as it paid the owner a fair market value and as long as the property was purchased for a public use, such as a road or a highway or a bridge. Thomas Jefferson was opposed even to that, arguing that the essence of owning property is the right to exclude everybody – even the government- from that property and that no one could force a sale. But Madison’s ideas prevailed and were incorporated in the Fifth Amendment, which allows the government to take property for “public use” if it pays the property owner “just compensation.”

The “public use” requirement of the Fifth Amendment is now no more. A 1959 court case entitled *Courtesy Sandwich Shop, Inc. v. Port of New York Authority* arose when the owners of a lower Manhattan deli refused to sell out to the Port Authority in order to make room to build the World Trade Center. The Court of Appeals of the State of New York, which is the highest state court, held that because the World Trade Center would enhance the area’s economy, the owners of Courtesy Sandwich Shop should be forced to sell in return for the property’s fair market value. When the U.S. Supreme Court refused to hear the shop owners’ appeal, this became settled law. From that point on, there have been tens of thousands of taking property for a non-public use. Thus “public use” as found in the Fifth Amendment was re-defined by the courts as “public purpose.”

I thought these property takings would finally come to an end last year when the Supreme Court agreed to hear the Case called *Kelo v. City of New London*. I was wrong. We all know what happened: Suzette Kelo and her neighbors, on their own and with their own money, turned a slum neighborhood in New London, Connecticut into a sparkling, lovely little village on Long Island Sound. The City of New London decided that it wanted to condemn that property and turn it into a parking lot for Pfizer Corporation. I should point out that Pfizer was not a party to the case and Pfizer said many times that it would build a parking garage in a different location, allowing Suzette Kelo and her neighbors to live where they wished. In response to this proposal, the City of New London said no, a trial court in Connecticut said no, an appellate court in Connecticut said no, the Connecticut State Supreme Court said no and the U.S. Supreme Court said no. In doing so, the latter went even further than the Court of Appeals of New York had gone in the *Courtesy Sandwich Shop* case: It ruled that if the local tax collector collects more money as a result of the taking of property by government and its sale to another private owner that is a *public use*!

Like a nation of sheep, we continue to allow government to violate our natural rights, of which the right to own property is an essential one. Thinking about the *Kelo* decision, I am reminded of one of Thomas Jefferson’s favorite quotes from William Pitt the Elder: “The poorest man may in his cottage bid defiance to all the forces of the crown. It may be frail, its roof may shake, the wind may blow through it, the storm may enter, the rain may enter, but the King of England cannot enter. All of his forces dare not cross the threshold of the ruined cottage.”

In short, the natural right to exclude others, including the government, from one’s property – a right enshrined in the Fifth Amendment – has now been eviscerated by the

courts. But our natural rights don't come from the government. They spring from our very humanity, which is why Jefferson called them inalienable in the Declaration of Independence. Thus government has no legitimate power to take them from us. Of course, if one is a criminal and violates the natural rights of others, the government may use due process through the mechanism of a fair trial and take one's rights away. But Suzette Kelo was no criminal, and the due process was not observed in allowing the City of New London to take what was hers.

One encouraging sign is that since the Kelo decision, numerous states have fought back by passing legislation or amending their constitutions to prohibit such takings. One can only hope that this movement will continue.