

Little *Pink* House

BY JEFF BENEDICT

A book review by Carol Buonanoma, CMS, GISP



All of us in IRWA are familiar with the landmark Supreme Court decision in perhaps one of the most famous cases in the court's history – *Kelo v. City of New London*. Newspaper and magazine articles at the time provided a good overview of the legal aspects of the case, but if you are interested in the human side of the story, there is much more to know about what happened in New London over the course of the decade between 1997 and June 2006, when Susette Kelo finally reached a settlement with the City. In Jeff Benedict's book, *Little Pink House*, he describes the cast of real-life characters involved in the case, a group as compelling as any a novelist could have imagined, as he details the events surrounding the controversial use of eminent domain by New London.

Although it is apparent that the author's sympathies lie with Susette Kelo and her neighbors, Benedict does a good job of presenting the point of view of the members of the New London Development Corporation (NLDC) who began planning a redevelopment project in Kelo's waterfront neighborhood with the intention of revitalizing the area of the city and the adjacent park surrounding historic Fort Trumbull.

Located on the Thames River, Fort Trumbull was built during the years 1839 to 1852 to defend the coastline of New London. At the time the redevelopment plan was being assembled, the park

was neglected, and the nearby neighborhood was beginning to show its age. Although it was a working class area, a number of the houses had been purchased by people who restored them and valued the architectural style of the time in which they were built.

Susette Kelo was working as an emergency medical technician in 1997 when, during a response to a false alarm, she spotted a house for sale in the Fort Trumbull neighborhood. Her purchase of the house set off a chain of events over the next decade, bringing public attention to what many consider to be an abuse of eminent domain by government organizations. Under continuing scrutiny is the use of government authority to seize property from private individuals and then, instead of using it for roads or other public use projects, selling the property to private individuals or companies to increase tax revenues by increasing property values. When the case was finally decided by the Supreme Court, Justice Sandra Day O'Connor wrote in her dissenting opinion, "Today the Court abandons this long-held, basic limitation on government power... Under the banner of economic development, all private property is now vulnerable to being taken and transferred to another private owner, so long as it might be upgraded."

One of the many interesting people Benedict portrays in his book is Claire Gaudiani, who in 1997 was

the president of Connecticut College in New London. Gaudiani became interested in the Fort Trumbull area as a possible site for a research and development facility for the Pfizer Corporation. In 1978, the City had established the New London Development Corporation (NLDC) and tasked it with planning economic development for the City. The agency languished for many years, so when the wheels began turning on the waterfront project, the agency was re-energized and a new president was needed. The attractive and ambitious president of Connecticut College soon found herself at the helm of the NLDC. This put her and Susette Kelo on a collision course.

The two women could not have been more different. Claire Gaudiani was the daughter of a doctor, and her parents had raised her with very high academic standards. As the young mother of an infant, Gaudiani obtained a Ph.D in the French and Italian Department at Indiana University. In contrast, Susette Kelo was raised by a single mother who worked as a waitress, and became a mother herself at the age of sixteen, having five children by the time she was twenty-five. The pink house she purchased just five months before the NLDC began to approach the residents of the neighborhood with buy out offers was the first thing of any value she had ever owned.

What the two women had in common, however, was a tenacious commitment to their respective

causes in the decade that followed. Kelo's name became synonymous with resistance to governmental abuse of eminent domain powers and as such, she was called on to testify before government officials, speak to the press on behalf of her neighbors and act as a spokesperson against the abuse of eminent domain. Gaudiani remained steadfast in her support of the vision of the NLDC's development plan and its desire to turn New London into a "Hip Little City." Kelo and members of the Coalition to Save Fort Trumbull were fond of joking that "Hip" actually stood for "Higher Income People." Gaudiani eventually became so involved in her work with the NLDC that she was forced to resign from her position as President of Connecticut College.

What most people do not know is that Susette Kelo's block, as well as the block to the North West, were not really necessary to the development plan. An alternate plan was submitted to the NLDC by the citizen's group, Coalition to Save Fort Trumbull, but it was dismissed without consideration by the agency and the City of New London. By that point, the situation had become a battle of the wills and no one was going to back down. Although Pfizer did end up building a facility on the site, once all the residential lots were cleared of structures, nothing else was built. The lots remain unoccupied and overgrown with weeds to this day. Plans for establishing an upscale neighborhood on the land floundered. Had the original houses remained instead of the current, city-owned vacant lots, there would have at least been some tax revenue for the city.

Benedict provides a wealth of interesting details about many of the people who were involved in the case. Notably, the publisher of the local New London newspaper, *The Day* took on members of the NLDC in his fight to publish ongoing details about the case. Additionally, there were several

elderly property owners who had been born in their houses and did not want to move after living there all their lives. Suzette Kelo's closest ally was the neighborhood deli owner who had purchased a number of lots over the years as investments and who was used to butting heads with city officials over such issues as the foul odors that emanated from the nearby wastewater treatment facility. Even the mayor of New London became embroiled in the fight when he ended up siding with the property owners against the members of the NLDC. The attorneys from the Institute for Justice provided free legal services for the beleaguered property owners and stuck with them through the many appeals that took them all the way to the Supreme Court.

Eminent domain is the government's power to take private property for public use. Nobody particularly likes it. But occasionally it's essential to make way for roads, schools, hospitals, and the like. And Americans accept this practice as long as deprived property owners receive due process and just compensation... But the Supreme Court changed the rules in 2005 when it decided *Kelo v. City of New London*.

– quote from *Little Pink House*

For those of us whose work projects sometimes involve eminent domain actions, reading *Little Pink House* is a good way to get some perspective from the point of view of property owners who face a major impact on their lives when government agencies decide to take their property. The City of New London's actions as described in the book could definitely serve as an example to us all of what not to do when acquiring property for a project. You may or may not agree with the concept of taking property to raise the tax base of a neighborhood, however those of us who are associated with IRWA know that the use of dirty tricks, lies and the intimidation of property owners who are unwilling sellers goes against the principles our

organization stands for, yet according to Benedict these methods were frequently employed by the City of New London in this, as well as other projects. The expenditure of millions of dollars of taxpayers' money to fund the legal costs involved, not to mention allowing the project to become a vitriolic personal vendetta between individuals on both sides of the issue, are among the many problems that grew over the course of the controversy.

Today, Susette Kelo lives in a small house with a water view, in the town of Groton, almost directly across the Thames River from where she lived in New London. After battling with New London for so many years, then losing her property, she decided she no longer

wanted to live there. She had her iconic pink house dismantled board by board and moved to another neighborhood in New London where it has been preserved as an historic site. Claire Gaudiani lives in New York City and teaches at New York University's Heyman Center for Philanthropy and Fundraising.

"As of 2008, seven states have passed constitutional amendments to ban taking private property for economic development and forty-two of the fifty states have passed legislation to protect property owners from abusive eminent-domain practices.

Notably, Connecticut, the Constitution State, is one of the few states that haven't changed their eminent-domain law in any way." – quote from *Little Pink House*.