

Bond Case Briefs

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EMINENT DOMAIN - COLORADO

Forest View Company v. Town of Monument

Supreme Court of Colorado - June 8, 2020 - P.3d - 2020 WL 3041235 - 2020 CO 52

Town filed petition in condemnation with regard to parcel of land it had purchased in subdivision for purpose of building water tower, seeking to extinguish restrictive covenant that restricted use of all land in subdivision to residential purposes.

Property owners in same subdivision intervened, claiming they were owed reasonable compensation for the decrease in value to their lots and homes due to lifting the restrictive covenant from town's parcel.

The District Court found that property owners had a compensable property interest. Town appealed. Court of Appeals reversed. Certiorari was granted.

The Supreme Court held that restrictive covenant was not a compensable property interest.

Restrictive covenant on properties in subdivision, which limited construction to single-family residences, was not a compensable property interest in town's eminent domain proceeding, in which town sought to extinguish covenant on parcel of property it purchased in order to build water tower, and thus other property owners in subdivision were not entitled to just compensation due to violation of covenant on town's parcel.