

Bond Case Briefs

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EMINENT DOMAIN - UTAH

Cardiff Wales LLC v. Washington County School District

Court of Appeals of Utah - March 4, 2021 - P.3d - 2021 WL 822216 - 2021 UT App 21

Former landowner brought action against school district and developer for declaratory relief and to set aside school district's sale of landowner's former property to developer after school district decided not to build high school on property, alleging violation of statutory right of first refusal for property acquired under threat of condemnation.

The Fifth District Court dismissed. Former landowner appealed.

The Court of Appeals held that school district's purported pre-sale statements about ability to use eminent domain, without any vote approving use of power, were not a "threat of condemnation" triggering right of first refusal.

School district's purported statements to landowner, before parties entered into sales agreement, that school district would use its eminent domain powers to acquire landowner's property if necessary did not involve a specific authorization of use of eminent domain, and thus statements did not qualify as a "threat of condemnation" under statute providing for right of first refusal to a grantor upon a declaration, by the state or one of its subdivisions, that property obtained by threat of condemnation was surplus real property, where there was no vote and approval of use of eminent domain power by school district, which originally wanted to build high school on property.