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EMINENT DOMAIN - CALIFORNIA

City of Escondido v. Pacific Harmony Grove Development, LLC

Court of Appeal, Fourth District, Division 1, California - August 26, 2021 - Cal.Rptr.3d - 68 Cal.App.5th 213 - 2021 WL 3783247 - 21 Cal. Daily Op. Serv. 8775

City brought eminent domain action against land owners, which sought to acquire strip of owners' land by condemnation.

Following bench trial on bifurcated issue of valuation of land, the Superior Court entered judgment in favor of city. Owners appealed.

The Court of Appeal held that:

- Dedication requirement was constitutional;
- It was reasonably probable that city would impose dedication requirement in exchange for permit to further develop land;
- Dedication requirement arose four years prior to date of probable inclusion; and
- Condemnation action was not unreasonably delayed for purpose of precondemnation damages.

City's dedication requirement for strip of owners' property to build industrial road prior to further development of property was constitutional, as was required for Porterville doctrine, 195 Cal.App.3d 1260, for valuing property in condemnation proceeding to apply, despite contention that road across property was unnecessary because existing frontage road could have been widened, where dedication in exchange for development approval was logically related to public interest in mitigating traffic caused by development, consideration of most favorable comparison for owners—that is, using higher alleged valuation for strip—showed that dedication was not disproportionate, and frontage road was overburdened such that further development would violate general development plan's policy goal.

It was reasonably probable that city would impose constitutional dedication requirement on property owners for strip of property in exchange for permit to further develop land, and thus Porterville doctrine, 195 Cal.App.3d 1260, for valuing property in condemnation proceedings applied to determine value of owners' property, where owners acknowledged that development of property would likely have required some sort of dedication to mitigate any resulting adverse impact, and city's long-term development planning, in place for more than 10 years, contemplated connecting parkway across property via condemned strip.

City' dedication requirement for strip of owners' property to build road prior to further development of property arose four years prior to date of probable inclusion of property in city's public project, and thus project effect rule did not apply when determining value of property in condemnation proceeding, despite contention that dedication requirement did not arise until year in which city amended general redevelopment plan to restrict access to owners' property, where dedication requirement as to strip arose four years prior to date of probable inclusion when plan fixed location

of road extension across property, and, at time of purchase years after plan was put in place, owners should have reasonably expected that any development approval would be conditioned on dedication of strip.

City's condemnation action for strip of owners' property was not unreasonably delayed, and thus owners were not entitled to precondemnation damages, despite contention that city's formal announcement of necessity to condemn property occurred 10 years prior to adoption of resolution of necessity to condemn when city entered into agreement to permit construction of hospital, where action was filed two days after resolution was adopted, city lacked authority to approve any development of property until city annexed property from county approximately one year prior to resolution, and owners never sought city approval to develop property in any other manner other than tentative map proposal that owners ultimately withdrew.