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Walton v. Neskowin Regional Sanitary Authority

Supreme Court of Oregon - May 23, 2024 - P.3d - 372 Or. 331 - 2024 WL 2348864

Landowners brought inverse-condemnation action against regional sanitary authority for the physical occupation of a main sewer line installed on their property.

The Circuit Court granted sanitary authority's motion for summary judgment. Landowners appealed. The Court of Appeals affirmed. Landowners petitioned for review, which was allowed.

The Supreme Court held that:

- Even if discovery rule applied, landowners' inverse condemnation claim accrued, and six-year limitations period began to run, no later than when previous landowner allegedly entered into agreement with sanitary authority, and
- Landowners' inverse condemnation claim accrued, and six-year limitations period began to run, when sewer line was installed.

Even if discovery rule applied, landowners' inverse condemnation claim under state constitutional takings clause based on regional sanitary authority's installation of a main sewer line on their property accrued, and six-year limitations period began to run, no later than when previous landowner allegedly entered into agreement with sanitary authority for free hook-up to sewer system when needed in exchange for easement.

A property owner's inverse condemnation claim under the state constitutional takings clause based on a physical occupation of the property accrues, thereby triggering the six-year statute of limitations for an action for interference with or injury to any interest of another in real property, as soon as the state or other governmental entity physically occupies the owner's property, not when the owner requests and is denied compensation.

A property owner's inverse condemnation claim under the federal constitutional takings clause based on a physical occupation of the property accrues, thereby triggering Oregon's six-year statute of limitations for an action for interference with or injury to any interest of another in real property, as soon as the government takes the owner's property without paying for it, not when the owner requests and is denied compensation.

Landowners' inverse condemnation claim under state and federal constitutions alleging main sewer line on their property constituted a taking accrued, and six-year limitations period began to run, when regional sanitary authority installed sewer line, not when sanitary authority refused to honor alleged agreement with prior landowner for free hook-up to sewer system when needed in exchange for easement.