

LAND ACQUISITION ORDINANCE: OVERVIEW

The City uses a Land Acquisition Ordinance (LAO) to acquire land for transportation projects, including roadway and pedestrian projects, and other key City projects which provide a public purpose.

General Specifics of LAOs:

- LAO must have a public purpose.
- A LAO grants authority to acquire needed property through negotiated purchase or condemnation and can include full or partial property acquisition or temporary or permanent easements.
- The City cannot acquire more property than is anticipated for use. Occasionally, the City will acquire a whole property when only a portion is needed if the remainder property would become useless to the land owner.
- Funding for acquisition is included as part of the project budget.
- Large roadway projects typically use vesting deeds to describe a broader area within which acquisitions will occur. This is due to timing of the engineering design and approval and construction schedule.
- Smaller sidewalk and pedestrian projects are often more precise and limited to a more specific area for acquisition and use legal descriptions in the right of way plans to describe the LAO area.

Right of Way Process:

1. Property owner and tenant, if applicable, are notified in writing of the project through a Letter of Intent.
2. City orders an appraisal to determine fair market value based upon the engineering plans and legal descriptions defining the required area.
3. City sends a Relocation General Information Notice, if applicable, and the Acquisition Offer Letter Packet based upon the fair market value.
 - Owner has the right to obtain its own appraisal at City's expense.
4. City negotiates with Owner to come to a settlement agreement:
 - If Owner accepts offer, City prepares Purchase Agreement and moves forward with acquisition, relocation and closing.
 - If owner rejects offer or does not respond to offer, City moves forward with condemnation.
5. City sends a Final Offer and Last and Final Offer Letter if there has been no response from the owner during the initial 30 day period.

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LAO DEFINITIONS	
TERM	Definition
Eminent domain	The legal process that allows the government to take title and possession of private property from the landowner for a public purpose or necessity. In the United States, just compensation must be paid for private property acquired through eminent domain.
Condemnation	The legal process of acquiring private property for public use or purpose through the acquiring agency's power of eminent domain. Condemnation is usually not used until all attempts to reach a mutually satisfactory agreement through negotiations have failed. An acquiring agency then goes to court to acquire the needed property.
Just Compensation	The price the Agency must pay to acquire real property under eminent domain. The price offered by the Agency is considered to be fair, equitable and "just" to both the property owner and the public. The Agency's offer to the owner is determined as "just compensation" and may not be less than the amount established in the approved valuation report as the fair market value for the property. If you and the Agency cannot agree on the amount of compensation to be paid for the property needed, and it becomes necessary for the acquiring Agency to use the condemnation process, the amount determined by the court is the just compensation for your property. See also definition of "Fair Market Value" (Reasonable Market Value).
Fair Market Value (Reasonable Market Value)	For purposes of eminent domain acquisition in Colorado, the term "Fair Market Value" or "Reasonable Market Value" means the fair, actual, cash market value of the property. It is the price the property could have been sold for on the open market under the usual and ordinary circumstances, that is, under those circumstances where the owner was willing to sell and the purchaser was willing to buy, but neither was under an obligation to do so."
Uniform Relocation Act	Ensures fair compensation and assistance for those whose property was acquired for public use under "eminent domain" law.
Fee Interest	The legal possession of both the surface and mineral rights for a property. <ul style="list-style-type: none"> • Full take: City acquires entire parcel. • Partial take: City acquires only what it needs and does not negatively impact the remainder of the parcel.
Easement	An interest in real property that conveys a right to use a portion of an owner's property or a portion of an owner's rights in the property either temporarily or permanently. <ul style="list-style-type: none"> • Temporary easement: Typically needed only during construction. • Permanent easement: Attached to the deed and continues to affect the land through subsequent changes in ownership.