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Introduction

The acquisition of private property for a transportation project has been designed to establish uniform procedures to assure legal entitlements and provide fair, equitable, and consistent treatment to private property owners whose property is needed for an Agency's project.

The program is administered in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act or URA).

This brochure will help explain the acquisition process under the eminent domain laws.

Your concerns are important to our Agency and our goal is to minimize any disruptions and other impacts of the project. Thank you for taking the time to read this brochure. Our Agency appreciates your understanding and cooperation.

Transportation Project & Private Property

Why are transportation projects needed?

- To accommodate Washington State's growing population.
- To correct or prevent unsafe conditions on existing roadways.
- To promote environmental stewardship.

Why is private property needed for these projects?

Transportation projects require numerous studies and many years of planning. Project engineers take care to consider all options in designing and locating projects and include private property only when necessary. Brand new roadways and associated facilities, such as stormwater ponds and retaining walls, almost always require private property. Whenever possible, projects to reconfigure existing roadways and associated facilities will be designed without the need for additional property.

How much of my property is needed?

You will receive an offer letter that explains what is needed for the project. Every property and property owner's situation are unique. In general, one or more of the following will apply:

- To temporary Right of Entry on your property
- A temporary Easement on your property
- A permanent Easement on your property
- A restriction of access to the roadway from your property
- A portion of your property
- All your property

For the remainder of this brochure, every instance of "your property" refers to whatever amount of property, type, or property right, or both, is required for the project.

Can I prevent the Agency from acquiring my property?

The Washington State Constitution authorizes the government to acquire private property through Eminent Domain for public purpose, following payment of just compensation to the property owner.

The question of what qualifies as a genuine public purpose is a judicial one. To prevent and Agency from acquiring your property, you will need to convince a court of law that the Agency's proposed use of your property is not truly needed for a public purpose.

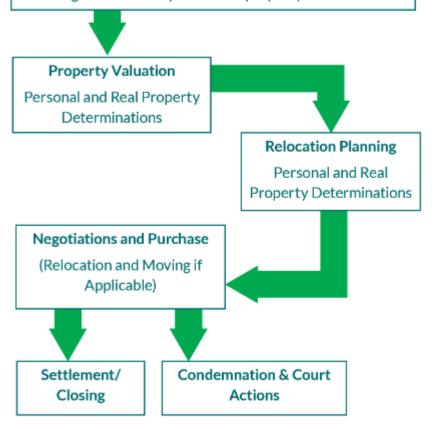
Your rights and the rights of the State are defined by the State's Eminent Domain laws. These laws are designed to:

- Safeguard you from receiving less than what you are entitled to be paid for your property.
- Prohibit the Agency for acquiring private property unnecessarily.
- Ensure proper use of taxpayers' funds by preventing excessive payment for property rights needed for road projects.

The Basic Steps When a Transportation Project Requires Private Property

Project Development and Community Engagement

- Need is established
- Project included in long-range highway plan
- Preliminary engineering
- Public meetings and hearings
- Environmental studies
- Design identifies any additional property needed



Property Valuation

How does the Agency determine what my property is worth?

The Washington State Constitution requires the government to pay *Just Compensation* before acquiring property for public us. *Just Compensation* is an estimate of the compensation due for the property based on the *Fair Market Value* of the property. *Fair Market Value* is the price a willing buyer would pay, and a willing seller would accept, in an arm's length transaction where neither is under any compulsion to buy or sell and both have knowledge of the relevant facts.

The Agency will prepare and provide you with a report that will outline an estimate of the *Fair Market Value* of your property. The report of value you receive is based on either an Appraisal Waiver (Administrative Offer Summary) or an Appraisal.

Appraisal Waiver (Administrative Offer Summary):

Prepared for the acquisition of property estimated to be valued at \$25,000 or less and the when the valuation task is uncomplicated. This is simplified, high-level valuation of your property completed by a real estate professional. If the estimated value of your property's acquisition is between \$10,000 and \$25,000, and uncomplicated, you have the option to have the Agency complete an appraisal of your property.

Appraisal:

Prepared for acquisitions of property estimated to be valued over \$25,000, or under \$25,000 when there are variables that complicate the valuation task. This is a detailed valuation of your property completed by a certified appraiser. If an appraisal is prepared, federal regulations give you the right to a joint inspection of your property with the appraiser.

The appraiser will ask to personally inspect your property and try to accommodate your schedule for the joint inspection. It is to your benefit to accompany the appraiser on the inspection. During the inspection you will have the opportunity to point out any features of the property that you believe may be relevant to its valuation. Appraisers are trained to know what to look for, but without your input, it is possible to overlook an important item. You may appoint a representative to attend the appraisal inspection in your place if you are unable or do not wish to be present.

How do I determine that the amount offered is fair?

The report you receive is based on standard valuation principles to ensure that *Just Compensation* is arrived at objectively and impartially. Every appraisal is subjected to an intensive review by a Review Appraiser – selected for experience, special training, and ability. The Review Appraiser will review the appraisal report to ensure that all applicable appraisal standards and requirements are met. Only when the reviewer is satisfied that the appraiser's conclusion of value is sound and adequately supported will he or she approve the appraisal. *Just Compensation* is set based on this approved *Fair Market Value* determination.

Negotiations & Purchase

How long do I have to consider the offer?

You will receive a written offer of *Just Compensation* from the Agency as soon as possible after the valuation is completed. The acquisition specialist presenting the offer on behalf of the Agency will:

 Meet with you in person, when possible, to present and review the offer.

OR

 Mail your offer and present and review it with you verbally – typically via phone call or video conference.

The acquisition specialist's job is to walk you through the property acquisition process and to answer or find answers to any questions you may have about the process, the project, or both. The acquisition specialist will also try to minimize, to the extent possible, any inconveniences associated with the Agency's acquisition of your property.

You will be given a minimum of 30 days to consider the Agency's offer. Many real estate transactions, including ones between an Agency and property owners, are the result of discussions. These discussions are called negotiations and are essential in reaching an agreement satisfactory to both parties. The acquisition specialist will continue negotiating as long as negotiations are done in good faith and appear to be headed toward an agreement.

What if I believe the offer is too low?

You are encouraged to seek the advice of someone knowledgeable in real property values and Eminent Domain transactions to assist you in evaluating the Agency's offer such as:

- An appraiser
- A real estate agent
- An attorney

The actual cost for obtaining such advice, up to \$750, will be reimbursed by the Agency upon presentation of a bill or a receipt proving payment.

If you conclude the offer is too low or are otherwise not prepared to accept the offer as presented,

The acquisition specialist will:

- Listen and attempt to address your concerns.
- Consider any new information you provide.
- Request a counteroffer.
- Make every attempt to negotiate a settlement acceptable to both parties.

The acquisition specialist will NOT try to coerce you into accepting the Agency's offer.

Settlement & Closing

What happens if I accept the Agency's offer?

If you decide to accept the offer, either as presented or as negotiated with the acquisition specialist, the Agency becomes owner of the property once:

 You sign the documents necessary to transfer the property to the Agency as provided by the acquisition specialist and escrow officer, if applicable.

AND

You receive payment for the property.

The acquisition specialist will handle all the details of the sale. All closing costs, including escrow fees, if applicable, will be paid by the Agency. If the transaction closes in escrow, you will receive payment from the escrow company. Otherwise, your payment will be processed by the Agency. You can expect to receive it approximately four to six weeks after signing documents. It is recommended that you check with a tax professional or the IRS regarding any questions you have on the tax implications of the sale of your property to the Agency.

Will I have to move?

A relocation specialist will contact you if the Agency's acquisition of your property requires you to relocate. He or she will explain any relocation benefits to which you are entitled. You will have no less than 90 days to vacate the property after receiving notice you are required to move.

If you are required to move because of the Agency's acquisition, you may be able to rent the property back from the Agency for an agreed-upon time. At your request, the property acquisition and relocation specialists will work with you to determine if circumstances would allow for this.

Condemnation & Court Actions

What happens if I don't accept the Agency's offer?

The acquisition specialist may ask you for a **Negotiated Possession and Use Agreement** if negotiations reach an impasse. This document is between the Agency and the property owner agreeing that, upon payment of a certain amount to the property owner, the Agency is entitled to immediate (or dated) possession and use of the property prior to final agreement on *Just Compensation*.

The Agency recognizes that some property owners would prefer not to sell their property but hopes that when negotiations are complete, you can say you have been treated courteously and fairly. If negotiations ultimately fail to reach an agreed upon value, the Agency will refer the acquisition to their attorneys. Once this happens, the Agency's original offer and any counteroffers are withdrawn.

The Agency's attorney will file a **condemnation action** in superior court in the county where the property is located. This is a lawsuit by which a government is exercising Eminent Domain to acquire private property for public use.

What happens if I don't accept the Agency's offer?

The Agency recommends you hire an attorney to represent you. In addition, you may employ one or more appraisers and any other witnesses your attorney may recommend testifying in support of your case. You <u>may</u> be entitled to payment of their associated fees by the Agency. You should discuss questions of eligibility for recovery of fees with your counsel.

A condemnation action requires the Agency to demonstrate to the court that your property is needed for a public purpose. After the Agency's attorney files the action, he or she will ask the court for an *Order Adjudicating Public Use and Necessity*. This order from the court establishes that the

property sought by the government is necessary for use by and for the benefit of the public.

The Agency may also request a *Stipulated Possession & Use*. This is an order through the courts confirming an agreement between the Agency and the property owner that the Agency will pay a specific amount of money into the registry of the court for the benefit of the property owner in exchange for possession and use of the property in advance of the determination of *Just Compensation*.

You are entitled to a trial by jury, but a settlement may be negotiated between attorneys without going to trial. The case is closed when a *Judgment and Decree of Appropriation* is awarded by the court after the judge or jury renders a verdict or when a settlement is reached before trial. This is a court order that awards title to the property to the Agency.

Contact Us

For additional information or questions on the acquisition process or to learn more about the Agency's project, please contact:

City of Poulsbo Diane K. Lenius 200 NE Moe St. Poulsbo, WA 98370 (360) 394-9750 dlenius@cityofpoulsbo.com

Agency Title VI Notice to the Public

It is the Agency's policy to ensure that no person shall, on the grounds of race, color, national origin, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its programs and activities. Any person who believes his/her Title VI protection has been violated, may file a complaint with the City of Pacific Public Works Department. For

additional information regarding Title VI complaint procedures and/or information regarding our non-discrimination obligations, please contact the City of Pacific Public Works Department.

Americans with Disabilities Act (ADA) Information

This material can be made available in an alternate format by emailing the City of Pacific Public Works Department. or by calling toll free, 855-362-4ADA (4232). Persons who are deaf or hard of hearing may make a request by calling the Washington State Relay at 711.