

Property acquisition

Upgrading the Pacific Highway



The Roads and Traffic Authority (RTA) sometimes need to purchase private property to build or improve a road. This fact sheet explains how property is acquired.

Is this a legal process?

The RTA can acquire land under the terms of the Roads Act 1993. Payment for land is assessed in accordance with the provisions of the *Land Acquisition (Just Terms Compensation) Act*, (referred to here as 'the Act').

One aim of the Act is to encourage the purchase of land by negotiation, rather than using the compulsory acquisition process. The RTA fully supports this objective.

Property owners are alerted to land acquisition requirements for roadworks through enquiries made when they are purchasing the property (to Council or the RTA), from proposals shown on Local Planning Schemes, or through the RTA's community involvement processes for new projects. New road proposals are made public as soon as possible. The RTA does not acquire more land than is necessary for roadworks.

How is land acquired by the RTA?

When a project has been assessed and approved, and before construction starts, the RTA sends a letter to the owners of each property affected by the road proposal. The owner is advised that a valuer representing the RTA will make an appointment to inspect the property and carry out a valuation prior to submitting a formal offer for the property.

The letter invites landowners to submit an asking price for the affected land, if they wish to. The Act guarantees that compensation will be not less than the market value of the land, and this value is considered to be unaffected by the road proposal. The RTA will make every effort to negotiate a mutually acceptable purchase agreement.

The RTA may give consideration in special circumstances to purchasing a property ahead of the construction phase, where the owner of the land to be acquired can show that a delay in this acquisition will cause hardship, as defined by the Act.

How much land is acquired?

If the RTA only requires a portion of a lot or property to build a road, the amount to be paid under partial acquisition is assessed using the 'before and after' method, involving two separate valuations. The first valuation is of the property unaffected by the road proposal. The second valuation is of the residue land at the same date, on the basis that the new road has been constructed and is in use.

The difference between the two valuations is the payment for the partial acquisition reflecting any reduction in value of the remaining land. The RTA will also adjust services or public utilities and relocate fences, as needed.

The RTA's solicitor prepares contracts when negotiations are complete and an agreement on the purchase price is reached. The purchase and transfer of property is completed in a similar way to an open market sale.

Do I have to sell my land?

If a mutually acceptable purchase agreement cannot be reached between the property owner and the RTA, a 'Proposed Acquisition Notice' to compulsorily acquire land under the Act may be issued.

Compulsory acquisition can provide a way to resolve a dispute about the amount of compensation payable. If the Minister for Roads gives approval, a 'Proposed Acquisition Notice' is issued to the owner and any other party with a legal or equitable interest in the land.

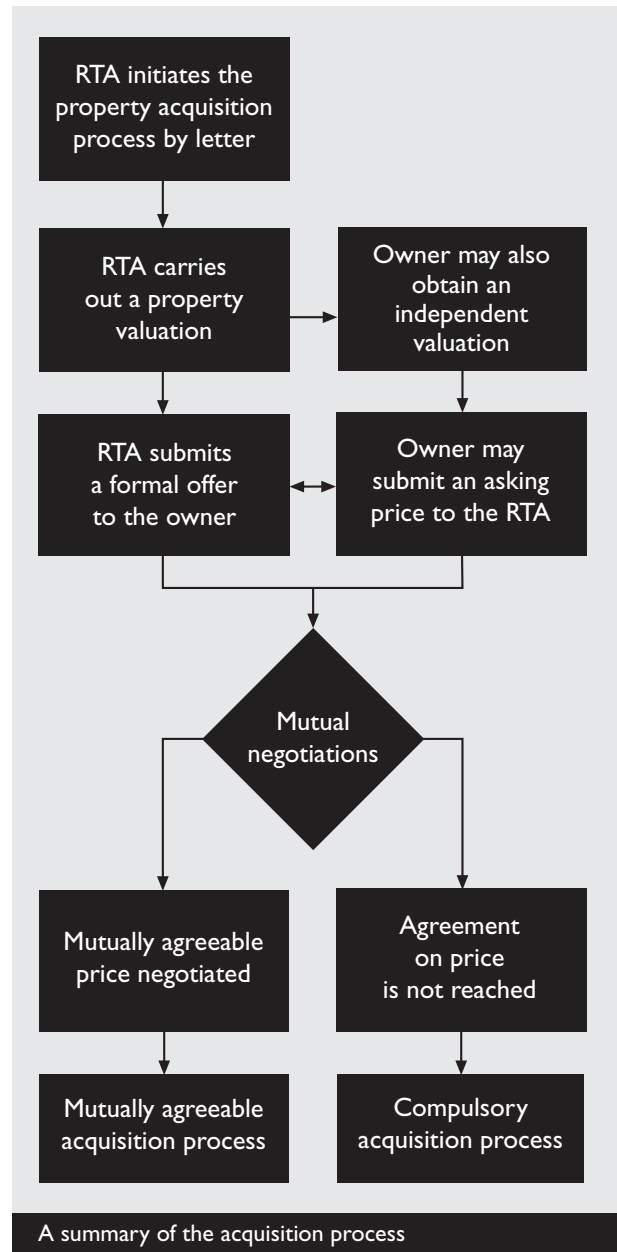
This notice advises the owner of the RTA's intention to acquire the land after 90 days, or the Minister may approve acquisition in a shorter period. After this period, and upon publication in the Government Gazette, the land converts to RTA ownership, with the former owner's interest being converted to an entitlement to compensation.

What is the amount of compensation?

Recipients of a Proposed Acquisition Notice can lodge a claim for compensation with the RTA. The Valuer General determines the amount of compensation, including legal and valuation costs, to be offered to the owner in return for the compulsory acquisition of property.

How do I know if the RTA's offer is fair?

The property owner may obtain an independent valuation and these valuation fees can be reimbursed by the RTA (up to an amount specified by letter).



For further information, or to request a copy of the RTA's *Land Acquisitions Policy Statement 1999*, please contact the Roads and Traffic Authority, Pacific Highway Office on: Telephone (free call) 1800 653 092