



# Oregon

Theodore R. Kulongoski, Governor

## Department of Land Conservation and Development

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May 1, 2007



To: Interested Persons

From: Lane Shetterly, Director

*Re: Ballot Measure 37 (ORS 197.352) Claim Number M130619*

*Claimants: Paul R. and Rosetta A. Kent*

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Enclosed, in regard to the above-referenced claim for compensation under Ballot Measure 37 (ORS 197.352), is the Final Staff Report and Recommendation of the Department of Land Conservation and Development, and the Final Order.

This Final Staff Report and Recommendation and the Final Order constitute the final decision on this claim. No further action will be taken on this matter.

BEFORE THE DEPARTMENT OF ADMINISTRATIVE SERVICES,  
THE DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT OF  
THE STATE OF OREGON

IN THE MATTER OF THE CLAIM FOR ) FINAL ORDER  
 COMPENSATION UNDER ORS 197.352 ) CLAIM NO. M130619  
 (BALLOT MEASURE 37) OF )  
 Paul R. Ken and Rosetta A. Kent, CLAIMANTS )

Claimants: Paul R. Ken and Rosetta A. Kent (the Claimants)

Property: Township 28S, Range 14W, Section 20A: tax lots 1200 and 1300; Section 20B: tax lot 900; Section 20BB: tax lots 700, 1100 and 1800; Section 20BC: tax lots 500 and 1000, Coos County (the Property)

Claim: The demand for compensation and any supporting information received from the Claimants by the State of Oregon (the Claim).

Claimants submitted the Claim to the State of Oregon under ORS 197.352. Under OAR 125-145-0010 *et seq.*, the Department of Administrative Services (DAS) referred the Claim to the Department of Land Conservation and Development (DLCD) as the regulating entity. This order is based on the record herein, including the Findings and Conclusions set forth in the Final Staff Report and Recommendation of DLCD (the DLCD Report) attached to and by this reference incorporated into this order.

ORDER

The Claim is approved as to laws administered by DLCD and the Land Conservation and Development Commission (LCDC) for the reasons set forth in the DLCD Report, and subject to the following terms:

1. In lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to Paul and Rosetta Kent's division of the 58.84-acre subject property into 104 approximately 0.5-acre parcels or their development of a dwelling on each parcel, as follows:

Rosetta Kent		
Acquisition Date:	Tax Lots:	Applicable Laws:
November 2, 1946	1000 (platted lots 35, 36, 53, 54 and 55)	Goals 3 and 14, ORS 215 and OAR 660, division 33
March 8, 1948	1200 and 1300	Goals 4 and 14, ORS 215 and OAR 660, division 6

Paul Kent		
Acquisition Date	Tax Lots:	Applicable Laws:
July 22, 1959	1000 (platted lots 35, 36, 53, 54 and 55)	Goals 3 and 14, ORS 215 and OAR 660, division 33
	1200 and 1300	Goals 4 and 14, ORS 215 and OAR 660, division 6

Both Claimants		
Acquisition Date:	Tax Lots:	Applicable Laws:
December 20, 1966	700	Goals 3 and 14, ORS 215 and OAR 660, division 33
	900	
	1000 (platted lot 34)	
	1100 (platted lots 39, 47, 48, 49 and 50)	
	1800	
July 7, 1967	1100 (platted lot 40)	
December 1980	500	

The above laws will not apply to the claimants only to the extent necessary to allow them to use the subject property for the use described in this report, and only to the extent that use was permitted when each claimant acquired the subject property, as described above.

2. The action by the State of Oregon provides the state's authorization to the claimants to use the subject property for the use described in this report, subject to the standards in effect when Rosetta and Paul Kent acquired the subject property as identified above. In 1980, tax lot 500 was subject to applicable provisions of Goals 3 and 14 and ORS 215 then in effect.

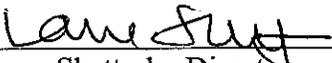
3. To the extent that any law, order, deed, agreement or other legally enforceable public or private requirement provides that the subject property may not be used without a permit, license or other form of authorization or consent, the order will not authorize the use of the property unless the claimants first obtain that permit, license or other form of authorization or consent. Such requirements may include, but are not limited to: a building permit, a land use decision, a "permit" as defined in ORS 215.402 or 227.160, other permits or authorizations from local, state or federal agencies and restrictions on the use of the subject property imposed by private parties.

4. Any use of the subject property by the claimants under the terms of the order will remain subject to the following laws: (a) those laws not specified in (1) above; (b) any laws enacted or enforced by a public entity other than the Commission or the department; and (c) those laws not subject to ORS 197.352 including, without limitation, those laws exempted under ORS 197.352(3).

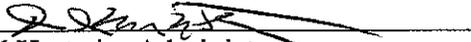
5. Without limiting the generality of the foregoing terms and conditions, in order for the claimants to use the subject property, it may be necessary for them to obtain a decision under ORS 197.352 from a city and/or county and/or metropolitan service district that enforces land use regulations applicable to the property. Nothing in this order relieves the claimants from the necessity of obtaining a decision under ORS 197.352 from a local public entity that has jurisdiction to enforce a land use regulation applicable to a use of the subject property by the claimants.

This Order is entered by the Director of the DLCD as a final order of DLCD and the Land Conservation and Development Commission under ORS 197.352, OAR 660-002-0010(8), and OAR 125, division 145, and by the Administrator for the State Services Division of the DAS as a final order of DAS under ORS 197.352, OAR 125, division 145, and ORS 293.

FOR DLCD AND THE LAND  
CONSERVATION AND  
DEVELOPMENT COMMISSION:

  
Lane Shetterly, Director  
DLCD  
Dated this 1<sup>st</sup> day of May, 2007.

FOR the DEPARTMENT OF  
ADMINISTRATIVE SERVICES:

  
David Hartwig, Administrator  
DAS, State Services Division  
Dated this 1<sup>st</sup> day of May, 2007.

**NOTICE OF RIGHT TO APPEAL OR OTHER JUDICIAL RELIEF**

You are entitled, or may be entitled, to judicial remedies including the following:

1. Judicial review under ORS 183.484: Judicial review under ORS 183.484 may be obtained by filing a petition for review within 60 days from the service of this order. A petition for judicial review under ORS 183.484 may be filed in the Circuit Court for Marion County or the Circuit Court in the county in which you reside.
2. A cause of action under ORS 197.352 (Measure 37 (2004)): If a land use regulation continues to apply to the subject property more than 180 days after the present owner of the property has made written demand for compensation under ORS 197.352, the present owner of the property, or any interest therein, shall have a cause of action in the circuit court in which the real property is located.

(Copies of the documents that comprise the record are available for review at the Department's office at 635 Capitol Street NE, Suite 150, Salem, Oregon 97301-2540)

**FOR INFORMATION ONLY**

The Oregon Department of Justice has advised the Department of Land Conservation and Development that "[i]f the current owner of the real property conveys the property before the new use allowed by the public entity is established, then the entitlement to relief will be lost."

**ORS 197.352 (BALLOT MEASURE 37) CLAIM FOR COMPENSATION**  
**OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT**  
**Final Staff Report and Recommendation**

May 1, 2007

**STATE CLAIM NUMBER:** M130619

**NAMES OF CLAIMANTS:** Paul R. Kent  
Rosetta A. Kent

**MAILING ADDRESS:** 55965 Portland Road  
Bandon, Oregon 97411

**PROPERTY IDENTIFICATION:** Township 28S, Range 14W  
Section 20A: tax lots 1200 and 1300  
Section 20B: tax lot 900  
Section 20BB: tax lots 700, 1100 and 1800  
Section 20BC: tax lots 500 and 1000  
Coos County

**OTHER CONTACT INFORMATION:** Emmett R. McIntosh  
33711 Oak Flat Road  
Agness, Oregon 97406

**DATE RECEIVED BY DAS:** November 7, 2006

**180-DAY DEADLINE:** May 6, 2007

**I. SUMMARY OF CLAIM**

The claimants, Paul and Rosetta Kent, seek compensation in the amount of \$6,259,487 for the reduction in fair market value as a result of land use regulations that are alleged to restrict the use of certain private real property. The claimants desire compensation or the right to divide the 58.84-acre subject property into 104 approximately 0.5-acre parcels and to develop a dwelling on each parcel. The subject property is located at 55965 Portland Road and 55899 Spring Creek Road, near Bandon, in Coos County. (See claim.)

**II. SUMMARY OF STAFF RECOMMENDATION**

Based on the findings and conclusions set forth below, the Department of Land Conservation and Development (the department) has determined that the claim is valid. Department staff recommends that, in lieu of compensation, the requirements of the following state laws enforced by the Land Conservation and Development Commission (the Commission) or the department not apply to Paul and Rosetta Kent's division of the 58.84-acre subject property into 104 approximately 0.5-acre parcels and to their development of a dwelling on each parcel, as follows:

Rosetta Kent		
Acquisition Date:	Tax Lots:	Applicable Laws:
November 2, 1946	1000 (platted lots 35, 36, 53, 54 and 55)	Statewide Planning Goals 3 (Agricultural Lands) and 14 (Urbanization), ORS 215 and Oregon Administrative Rules (OAR) 660, division 33
March 8, 1948	1200 and 1300	Goals 4 (Forest Lands) and 14, ORS 215 and OAR 660, division 6

Paul Kent		
Acquisition Date	Tax Lots:	Applicable Laws:
July 22, 1959	1000 (platted lots 35, 36, 53, 54 and 55)	Goals 3 and 14, ORS 215 and OAR 660, division 33
	1200 and 1300	Goals 4 and 14, ORS 215 and OAR 660, division 6

Both Claimants		
Acquisition Date:	Tax Lots:	Applicable Laws:
December 20, 1966	700	Goals 3 and 14, ORS 215 and OAR 660, division 33
	900	
	1000 (platted lot 34)	
	1100 (platted lots 39, 47, 48, 49 and 50)	
	1800	
July 7, 1967	1100 (platted lot 40)	
December 1980	500	

The above laws will not apply to the claimants only to the extent necessary to allow them to use the subject property for the use described in this report, and only to the extent that use was permitted when each claimant acquired the subject property, as described above. (See the complete recommendation in Section VI. of this report.)

### III. COMMENTS ON THE CLAIM

#### Comments Received

On March 22, 2007, pursuant to OAR 125-145-0080, the Oregon Department of Administrative Services (DAS) provided written notice to the owners of surrounding properties. According to DAS, five written comments were received in response to the 10-day notice.

The comments do not address whether the claim meets the criteria for relief under ORS 197.352. Comments concerning the effects a use of the subject property may have on surrounding areas are generally not something that the department is able to consider in determining whether to waive a state law. If funds do become available to pay compensation, then such effects may become relevant in determining which claims to pay compensation for instead of waive a state law. (See the comment letters in the department's claim file.)

## IV. TIMELINESS OF CLAIM

### Requirement

ORS 197.352(5) requires that a written demand for compensation be made:

1. For claims arising from land use regulations enacted prior to the effective date of Measure 37 (December 2, 2004), within two years of that effective date, or the date the public entity applies the land use regulation as an approval criteria to an application submitted by the owner, whichever is later; or
2. For claims arising from land use regulations enacted after the effective date of Measure 37 (December 2, 2004), within two years of the enactment of the land use regulation, or the date the owner of the property submits a land use application in which the land use regulation is an approval criteria, whichever is later.

### Findings of Fact

This claim was submitted to DAS on November 7, 2006, for processing under OAR 125, division 145. The claim identifies Coos County's Forest (F) and Exclusive Farm Use (EFU) zones as the basis for the claim. Only laws that were enacted or adopted prior to December 2, 2004, are the basis for this claim.

### Conclusions

The claim has been submitted within two years of the effective date of Measure 37 (December 2, 2004), based on land use regulations enacted or adopted prior to December 2, 2004, and is therefore timely filed.

## V. ANALYSIS OF CLAIM

### 1. Ownership

ORS 197.352 provides for payment of compensation or relief from specific laws for "owners" as that term is defined in ORS 197.352. ORS 197.352(11)(C) defines "owner" as "the present owner of the property, or any interest therein."

### Findings of Fact

Claimant Rosetta Kent acquired the majority of tax lot 1000 (platted lots 35, 36, 53, 54 and 55) on November 2, 1946, as reflected by a deed included with the claim. Rosetta Kent acquired tax lots 1200 and 1300 on March 8, 1948, as reflected by a bargain and sale deed included with the claim. Claimant Paul Kent acquired the majority of tax lot 1000 and tax lots 1200 and 1300 on July 22, 1959, as reflected by a deed included with the claim. Both claimants acquired tax 1100 (platted lot 40) on June 7, 1967, as reflected by a quitclaim deed included with the claim.

The claimants first acquired an interest in tax lots 500, 700, 900, 1000 (platted lot 34), the majority of tax lot 1100 (platted lots 39, 47, 48, 49 and 50) and tax lot 1800 on December 11,

1959, as reflected by a deed included with the claim. However, the deed by which they acquired the property was subject to a life estate in favor of Henry C. and Panza A. Simmons, which reserved in them the exclusive right to use the property during their lifetimes. On December 20, 1966, Henry and Panza Simmons released their life estate in tax lots 700, 900, 1000 (platted lot 34), 1100 and 1800, as reflected by a deed included with the claim. Henry and Panza Simmons continued to reserve a life estate in tax lot 500. The claimants acquired their present interest and right to use tax lot 500 in December 1980, the date of Henry Simmons' death, as evidenced by a search of the Social Security death index.<sup>1</sup>

The Coos County Assessor's Office confirms the claimants' current ownership of the subject property.

### **Conclusions**

The claimants, Paul and Rosetta Kent, are "owners" of the subject property as that term is defined by ORS 197.352(11)(C). Rosetta Kent has been owner of the majority of tax lot 1000 since November 2, 1946, and an owner of tax lots 1200 and 1300 since March 8, 1948. Paul Kent has been owner of the majority of tax lot 1000 and of tax lots 1200 and 1300 since July 22, 1959. The claimants have been owners of tax lots 700, 900, 1000 (platted lot 34), 1100 and 1800 since December 20, 1966, tax lot 1100 (platted lot 40) since July 7, 1967, and tax lot 500 since December 1980.

### **2. The Laws That are the Basis for This Claim**

In order to establish a valid claim, ORS 197.352(1) requires, in part, that a law must restrict the claimants' use of private real property in a manner that reduces the fair market value of the property relative to how the property could have been used at the time the claimants or a family member acquired the property.

### **Findings of Fact**

The claim indicates that the claimants desired to divide the 58.84-acre subject property into 104 approximately 0.5-acre parcels and to develop a dwelling on each parcel, and that the current zoning prohibits the desired use.

The claim is based generally on the applicable provisions of state law that require EFU and forest zoning and restrict uses on EFU- and forest-zoned lands.

Tax lots 500, 700, 900, 1000, 1100 and 1800 are zoned EFU by Coos County as required by Goal 3, in accordance with ORS 215 and OAR 660, division 33, because those tax lots are "agricultural land" as defined by Goal 3.<sup>2</sup> Goal 3 became effective on January 25, 1975, and required that agricultural lands as defined by the Goal be zoned EFU pursuant to ORS 215.

<sup>1</sup> Although the claimants acquired some of the property from Rosetta Kent's parents, Henry and Panza Simmons, the claimants did not provide documentation to establish when Henry and Panza Simmons first acquired the property. Absent evidence to establish when the claimants' family members acquired the property, the department cannot evaluate the claim for compensation based on family ownership.

<sup>2</sup> Tax lots 500, 700, 900, 1000, 1100 and 1800 are "agricultural land" because they contain Natural Resources Conservation Service Class I-IV soils.

Current land use regulations, particularly ORS 215.263, 215.284 and 215.780 and OAR 660, division 33, enacted or adopted pursuant to Goal 3, prohibit the division of EFU-zoned land into parcels less than 80 acres and establish standards for development of dwellings on existing or proposed parcels on that land.

ORS 215.780 establishes an 80-acre minimum size for the creation of new lots or parcels in EFU zones and became effective on November 4, 1993 (Chapter 792, Oregon Laws 1993). ORS 215.263 (2005 edition) establishes standards for the creation of new parcels for non-farm uses and dwellings allowed in an EFU zone.

OAR 660-033-0135 (applicable to farm dwellings) became effective on March 1, 1994, and interprets the statutory standard for a primary dwelling in an EFU zone under ORS 215.283(1)(f). OAR 660-033-0130(4) (applicable to non-farm dwellings) became effective on August 7, 1993, and was amended to comply with ORS 215.284(4) on March 1, 1994. The Commission subsequently adopted amendments to comply with House Bill 3326 (Chapter 704, Oregon Laws 2001, effective on January 1, 2002), which were effective on May 22, 2002. (See administrative rule history for OAR 660-033-0100, -0130 and -0135.)

Tax lots 1200 and 1300 are zoned F by Coos County as required by Goal 4, in accordance with ORS 215 and OAR 660, division 6, because those tax lots are "forest land" under Goal 4. Goal 4 became effective on January 25, 1975, and requires that forest land be zoned for forest use (see statutory and rule history under OAR 660-015-0000(4)). The forest land administrative rules (OAR 660, division 6) became effective on September 1, 1982, and ORS 215.705 to 215.755 and 215.780 became effective on November 4, 1993 (Chapter 792, Oregon Laws 1993). OAR 660-006-0026 and 660-006-0027 were amended on March 1, 1994, to implement those statutes.

Together, ORS 215.705 to 215.755 and 215.780 and OAR 660, division 6, enacted or adopted pursuant to Goal 4, prohibit the division of forest land into parcels less than 80 acres and establish standards for development of dwellings on existing or proposed parcels on those lands.

Goal 14, which became effective on January 25, 1975, would likely apply to the division of the claimants' property into parcels less than two acres. Goal 14 generally requires that land outside of urban growth boundaries be used for rural uses.

Rosetta Kent acquired the majority of tax lot 1000 (platted lots 35, 36, 53, 54 and 55) in 1946 and tax lots 1200 and 1300 in 1948; Paul Kent acquired the majority of tax lot 1000 and tax lots 1200 and 1300 in 1959; and both claimants acquired tax lots 700, 900, 1000 (platted lot 34), the majority of tax lot 1100 (platted lots 39, 47, 48, 49 and 50) and tax lot 1800 in 1966 and tax lot 1100 (platted lot 40) in 1967. All of those tax lots were acquired prior to the adoption of the statewide planning goals and their implementing statutes and regulations.

The claimants acquired tax lot 500 after the adoption of the statewide planning goals, but before the Commission acknowledged Coos County's land use regulations to be in compliance with the statewide planning goals pursuant to ORS 197.250 and 197.251.<sup>3</sup> Because the Commission had not acknowledged the county's plan and land use regulations when the claimants acquired tax lot

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<sup>3</sup> Coos County's comprehensive plan and land use regulations were acknowledged by the Commission for compliance with Goal 3 on August 29, 1985.

500 in December 1980, the statewide planning goals, and Goal 3 in particular, applied directly to that tax lot when they acquired it.<sup>4</sup>

As adopted on January 25, 1975, Goal 3 required that agricultural land be preserved and zoned for EFU pursuant to ORS 215. The Goal 3 standard for land divisions involving property where the local zoning was not acknowledged required that the resulting parcels must be of a size that is "appropriate for the continuation of the existing commercial agricultural enterprise within the area." Further, ORS 215.263 (1973 edition) only authorized the partition of land subject to EFU zoning, and required that all divisions of land subject to EFU zoning comply with the legislative intent set forth in ORS 215.243 (Agricultural Land Use Policy). Thus, the claimants' opportunity to divide tax lot 500 when they acquired that tax lot in 1980 was limited to land divisions that were consistent with Goal 3, which required that the resulting parcels be (1) appropriate for the continuation of the existing commercial agricultural enterprise in the area and (2) shown to comply with the legislative intent set forth in ORS 215.

Under the Goal 3 standards in effect in 1980, farm dwellings were allowed if they were determined to be "customarily provided in conjunction with farm use" under ORS 215.213(1)(e) (1973 edition). Non-farm dwellings were subject to compliance with ORS 215.213(3) (1973 edition).

No information has been presented in the claim to establish that the claimants' desired division of tax lot 500 complies with the standards under Goal 3 and ORS 215.263 (1973 edition), nor is there any information to establish that the claimants' desired development of dwellings on that tax lot satisfies the standards for farm or non-farm dwellings under ORS 215.213 (1973 edition).

### **Conclusions**

The current zoning requirements, minimum lot size and dwelling standards established by applicable provisions of Goals 3, 4 and 14, ORS 215 and OAR 660, divisions 6, and 33, were all enacted or adopted after the claimants acquired the subject property in 1948, 1959, 1966, 1967 and 1980 and do not allow the desired division or residential development of the property. These laws restrict the use of the subject property relative to the uses allowed when the claimants acquired the property. However, the claim does not establish whether or the extent to which the claimants' desired use of tax lot 500 complies with the standards for land divisions and development under the requirements of Goals 3 and 14 and ORS 215 in effect when the claimants acquired tax lot 500 in December 1980.

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<sup>4</sup> The statewide planning goals became effective on January 25, 1975, and were applicable to legislative land use decisions and some quasi-judicial land use decisions prior to the Commission's acknowledgment of each county's comprehensive plan and implementing regulations. *Perkins v. City of Rajneeshpuram*, 300 Or 1 (1985); *Alexanderson v. Polk County*, 289 Or 427, rev. den 290 Or 137 (1980); *Sunnyside Neighborhood Assn. v. Clackamas County*, 280 Or 3 (1977); *Jurgenson v. Union County*, 42 Or App 505 (1979); and *1000 Friends of Oregon v. Benton County*, 32 Or App 413 (1978). After the county's plan and land use regulations were acknowledged by the Commission, the statewide planning goals and implementing rules no longer applied directly to such local land use decisions. *Byrd v. Stringer*, 295 Or 311 (1983). However, statutory requirements continue to apply, and insofar as the state and local provisions are materially the same, the local provisions must be interpreted consistent with the substance of the goals and implementing rules. *Forster v. Polk County*, 115 Or App 475 (1992) and *Kenagy v. Benton County*, 115 Or App 131 (1992).

This report addresses only those state laws that are identified in the claim, or that the department is certain apply to the subject property, based on the uses that the claimants have identified. There may be other laws that currently apply to the claimants' use of the subject property, and that may continue to apply to the claimants' use of the property, that have not been identified in the claim. In some cases, it will not be possible to know which laws apply to a use of the subject property until there is a specific proposal for that use. When the claimants seek a building or development permit to carry out a specific use, it may become evident that other state laws apply to that use.

### **3. Effect of Regulations on Fair Market Value**

In order to establish a valid claim, ORS 197.352(1) requires that the land use regulation(s) described in Section V.(2) of this report must have "the effect of reducing the fair market value of the property, or any interest therein."

#### **Findings of Fact**

The claim includes an estimate of \$6,259,487 as the reduction in the subject property's fair market value due to the regulations that restrict the claimants' desired use of the property. This amount is based on a comparative market analysis included with the claim.

#### **Conclusions**

As explained in Section V.(1) of this report, the claimants are Paul and Rosetta Kent who acquired the subject property in 1948, 1959, 1966, 1967 and 1980. Under ORS 197.352, the claimants are due compensation for land use regulations that restrict the use of the subject property and have the effect of reducing its fair market value. Based on the findings and conclusions in Section V.(2) of this report, laws enacted or adopted since the claimants acquired the subject property restrict the claimants' desired use of the property. The claimants estimate that the effect of the regulations on the fair market value of the subject property is a reduction of \$6,259,487.

Without an appraisal or other documentation, it is not possible to substantiate the specific dollar amount by which the land use regulations have reduced the fair market value of the subject property. Nevertheless, based on the evidence in the record for this claim, the department determines that the fair market value of the subject property has been reduced to some extent as a result of land use regulations enforced by the Commission or the department.

### **4. Exemptions Under ORS 197.352(3)**

ORS 197.352 does not apply to certain land use regulations. In addition, under ORS 197.352(3), certain types of laws are exempt from ORS 197.352.

#### **Findings of Fact**

The claim is based on state land use regulations that restrict the use of the subject property, including applicable provisions of Goals 3, 4 and 14, ORS 215 and OAR 660, divisions 6, and 33, which Coos County has implemented through its current EFU and F zones. With the

exception of provisions of Goals 3 and 14 and ORS 215 in effect when the claimants acquired tax lot 500 in December 1980, these land use regulations were enacted or adopted after the claimants acquired the subject property.

### **Conclusions**

Without a specific development proposal for the subject property, it is not possible for the department to determine all the laws that may apply to a particular use of the property, or whether those laws may fall under one or more of the exemptions under ORS 197.352. It appears that with the exception of provisions of Goals 3 and 14, and ORS 215 in effect in 1980, the statutory, goal and rule restrictions on division and development of the claimants' property were not in effect when the claimants acquired it, and therefore, these laws are not exempt under ORS 197.352(3)(E). Provisions of Goals 3 and 14 and ORS 215 in effect when the claimants acquired tax lot 500 in 1980 are exempt under ORS 197.352(3)(E) and will continue to apply to the property.

Other laws in effect when the claimants acquired the subject property are exempt under ORS 197.352(3)(E) and will also continue to apply to the claimants' use of the property. In addition, the department notes that ORS 215.730 and OAR 660, division 6, particularly OAR 660-006-0029, include standards for siting dwellings in forest zones. Those provisions include fire protection standards for dwellings. ORS 197.352(3)(B) specifically exempts regulations "restricting or prohibiting activities for the protection of public health and safety, such as fire and building codes...." Accordingly, siting standards for dwellings in forest zones in ORS 215.730 and OAR 660, division 6, are exempt under ORS 197.352(3)(B).

There may be other laws that continue to apply to the claimants' use of the subject property that have not been identified in the claim. In some cases, it will not be possible to know which laws apply to a use of the subject property until there is a specific proposal for that use. When the claimants seek a building or development permit to carry out a specific use, it may become evident that other state laws apply to that use. In some cases, some of these laws may be exempt under ORS 197.352(3)(A) to (D).

This report addresses only those state laws that are identified in the claim, or that the department is certain apply to the subject property based on the uses that the claimants have identified. Similarly, this report only addresses the exemptions provided for under ORS 197.352(3) that are clearly applicable, given the information provided to the department in the claim. The claimants should be aware that the less information they have provided to the department in the claim, the greater the possibility that there may be additional laws that will later be determined to continue to apply to their use of the subject property.

## **VI. FORM OF RELIEF**

ORS 197.352(1) provides for payment of compensation to an owner of private real property if the Commission or the department has enforced one or more laws that restrict the use of the property in a manner that reduces its fair market value. In lieu of compensation, the department may choose to not apply the law in order to allow the present owner to carry out a use of the property permitted at the time the present owner acquired the property. The Commission, by rule, has directed that if the department determines a claim is valid, the Director of the

department must provide only non-monetary relief unless and until funds are appropriated by the legislature to pay claims.

**Findings of Fact**

Based on the findings and conclusions set forth in this report, laws enforced by the Commission or the department restrict the claimants' desired use of the subject property. The claim asserts that existing state land use regulations enforced by the Commission or the department have the effect of reducing the fair market value of the subject property by \$6,259,487. However, because the claim does not provide an appraisal or other relevant evidence demonstrating that the land use regulations described in Section V.(2) reduce the fair market value of the subject property, a specific amount of compensation cannot be determined. In order to determine a specific amount of compensation due for this claim, it would also be necessary to verify whether or the extent to which the claimants' desired use of the subject property was allowed under the standards in effect when they acquired the property. Nevertheless, based on the record for this claim, the department has determined that the laws on which the claim is based have reduced the fair market value of the subject property to some extent.

No funds have been appropriated at this time for the payment of claims. In lieu of payment of compensation, ORS 197.352 authorizes the department to modify, remove or not apply all or parts of certain land use regulations to allow the claimants to use the subject property for a use permitted at the time Rosetta Kent acquired the majority of tax lot 1000 on November 2, 1946, and tax lots 1200 and 1300 on March 8, 1948; when Paul Kent acquired the majority of tax lot 1000 and tax lots 1200 and 1300 on July 22, 1959; and both claimants acquired tax lots 700, 900, 1000 (platted lot 34), the majority of tax lot 1100 and tax lot 1800 on December 20, 1966, tax lot 1100 (platted lot 40) on June 7, 1967, and tax lot 500 in December 1980.

**Conclusions**

Based on the record, the department recommends that the claim be approved, subject to the following terms:

1. In lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to Paul and Rosetta Kent's division of the 58.84-acre subject property into 104 approximately 0.5-acre parcels or their development of a dwelling on each parcel, as follows:

Rosetta Kent		
Acquisition Date:	Tax Lots:	Applicable Laws:
November 2, 1946	1000 (platted lots 35, 36, 53, 54 and 55)	Goals 3 and 14, ORS 215 and OAR 660, division 33
March 8, 1948	1200 and 1300	Goals 4 and 14, ORS 215 and OAR 660, division 6

Paul Kent		
Acquisition Date	Tax Lots:	Applicable Laws:
July 22, 1959	1000 (platted lots 35, 36, 53, 54 and 55)	Goals 3 and 14, ORS 215 and OAR 660, division 33
	1200 and 1300	Goals 4 and 14, ORS 215 and OAR 660, division 6

Both Claimants		
Acquisition Date:	Tax Lots:	Applicable Laws:
December 20, 1966	700	Goals 3 and 14, ORS 215 and OAR 660, division 33
	900	
	1000 (platted lot 34)	
	1100 (platted lots 39, 47, 48, 49 and 50)	
	1800	
1100 (platted lot 40)		
July 7, 1967	1100 (platted lot 40)	
December 1980	500	

The above laws will not apply to the claimants only to the extent necessary to allow them to use the subject property for the use described in this report, and only to the extent that use was permitted when each claimant acquired the subject property, as described above.

2. The action by the State of Oregon provides the state's authorization to the claimants to use the subject property for the use described in this report, subject to the standards in effect when Rosetta and Paul Kent acquired the subject property as identified above. In 1980, tax lot 500 was subject to applicable provisions of Goals 3 and 14 and ORS 215 then in effect.

3. To the extent that any law, order, deed, agreement or other legally enforceable public or private requirement provides that the subject property may not be used without a permit, license or other form of authorization or consent, the order will not authorize the use of the property unless the claimants first obtain that permit, license or other form of authorization or consent. Such requirements may include, but are not limited to: a building permit, a land use decision, a "permit" as defined in ORS 215.402 or 227.160, other permits or authorizations from local, state or federal agencies and restrictions on the use of the subject property imposed by private parties.

4. Any use of the subject property by the claimants under the terms of the order will remain subject to the following laws: (a) those laws not specified in (1) above; (b) any laws enacted or enforced by a public entity other than the Commission or the department; and (c) those laws not subject to ORS 197.352 including, without limitation, those laws exempted under ORS 197.352(3).

5. Without limiting the generality of the foregoing terms and conditions, in order for the claimants to use the subject property, it may be necessary for them to obtain a decision under ORS 197.352 from a city and/or county and/or metropolitan service district that enforces land use regulations applicable to the property. Nothing in this order relieves the claimants from the necessity of obtaining a decision under ORS 197.352 from a local public entity that has jurisdiction to enforce a land use regulation applicable to a use of the subject property by the claimants.

## VII. COMMENTS ON THE DRAFT STAFF REPORT

The department issued its draft staff report on this claim on April 9, 2007. OAR 125-145 0100(3), provided an opportunity for the claimants or the claimants' authorized agent and any third parties who submitted comments under OAR 125-145-0080 to submit written comments, evidence and information in response to the draft staff report and recommendation.