



**OREGON DEPARTMENT OF LAND CONSERVATION AND
DEVELOPMENT**

**ORS 195.300 to ORS 195.336 (MEASURE 49) SUPPLEMENTAL REVIEW
OF MEASURE 37 CLAIM
Preliminary Evaluation**

November 25, 2009

STATE ELECTION NUMBER: E133047

CLAIMANT: Billie Joe Hunter
Applegate Investments, Inc.
7170 Highway 238
Jacksonville, OR 97530

**MEASURE 37 PROPERTY
IDENTIFICATION:** Township 38S, Range 3W
Section 23, Tax lot 700¹
Section 26, Tax lot 300
Jackson County

PRIMARY CONTACT INFORMATION: Tim Hunter
Applegate Investments, Inc.
6955 Highway 238
Jacksonville, OR 97530

I. ELECTION

The claimants, Billie Joe Hunter and Applegate Investments, Inc., filed a claim with the state under ORS 197.352 (2005) (Measure 37) on December 1, 2006, for property located along Highway 238, near Jacksonville, in Jackson County. ORS 195.300 to ORS 195.336 (Measure 49) entitles claimants who filed Measure 37 claims to elect supplemental review of their claims. The claimants have elected supplemental review of their Measure 37 claim under Section 6 of Measure 49, which allows the Department of Land Conservation and Development (the department) to authorize up to three home site approvals to qualified claimants.

¹ The Measure 37 claim property consists of tax lots 700, 300, 101 (T38S, R3W, S27A) and 702 (T38S, R3W, S23). The claimants did not elect supplemental review for tax lots 101 and 702. While a claim cannot be amended to remove claim property, analysis of a claimant's eligibility for relief on a portion of claim property may, in some cases, be immaterial. In this case, whether the claimants are eligible for relief on tax lots 101 and 702 is not relevant to the analysis of whether the claimants are eligible for relief on tax lots 700 and 300. Therefore, although tax lots 101 and 702 are part of the Measure 37 claim property, review of the claimants' eligibility for relief on tax lots 101 and 702 is omitted and all references to Measure 37 claim property refer only to tax lots 700 and 300.

II. SUMMARY OF PRELIMINARY EVALUATION

Based on the department's preliminary analysis, it appears that claimant Applegate Investments, Inc. is qualified for one home site approval on either the WR-zoned or the EFU-zoned portion of the Measure 37 claim property. The claimant's property, including both the Measure 37 claim property and all contiguous property in the same ownership, currently appears to consist of four lots or parcels, which are developed with three dwellings. The number of lots, parcels and dwellings currently in existence on the Measure 37 claim property and the contiguous property under the same ownership is equal to or exceeds the maximum number of home sites the claimant could qualify for under Section 6 of Measure 49. However, because the claimant otherwise qualifies for relief under Section 6, the claimant appears to qualify for one home site approval on either the WR-zoned or the EFU-zoned portion of the Measure 37 claim property. After taking into account the number of lots, parcels and dwellings currently located on the Measure 37 claim property and the contiguous property under the same ownership, it appears that the one home site approval will allow the claimant to establish one additional dwelling on either the WR-zoned or the EFU-zoned portion Measure 37 claim property.

Based on the preliminary analysis, it does not appear that the claimant qualifies for a Measure 49 home site approval on the 1.69-acre RR-5 zoned portion of the property because the claimant was not lawfully permitted to establish the lots, parcels or dwellings on that portion of the property on the claimant's date of acquisition.

Based on the department's preliminary analysis, it appears that claimant Billie Joe Hunter is not eligible for any relief under Measure 49 because the claimant has not established his ownership of the property for the purposes of Measure 49.

III. THE MAXIMUM NUMBER OF HOME SITE APPROVALS FOR WHICH THE CLAIMANTS MAY QUALIFY

Under Section 6 of Measure 49, the number of home site approvals authorized by the department cannot exceed the lesser of the following: three; the number stated by the claimant in the election materials; or the number described in a Measure 37 waiver issued by the state, or if no waiver was issued, the number of home sites described in the Measure 37 claim filed with the state. However, if the number of lots, parcels and dwellings currently in existence on the Measure 37 claim property and the contiguous property under the same ownership is equal to or greater than the maximum number of home sites a claimant could otherwise qualify for under Section 6 of Measure 49, a claimant may qualify for only one home site approval.

The claimants have requested three home site approvals in the election material. No waiver was issued for this claim. The Measure 37 claim filed with the state describes land division that could have resulted in more than three home sites. However, because it appears that the Measure 37 claim property and contiguous property in the same ownership contain three or more lots or parcels that are developed with dwellings, the claimants may qualify for a maximum of one home site approval.

IV. PRELIMINARY ANALYSIS OF QUALIFICATION FOR HOME SITE APPROVAL

1. Preliminary Analysis

To qualify for a home site approval under Section 6 of Measure 49, a claimant must have filed a Measure 37 claim for the property with either the state or the county in which the property is located on or before June 28, 2007, and must have filed a Measure 37 claim with both the state and the county before Measure 49 became effective on December 6, 2007. If the state Measure 37 claim was filed after December 4, 2006, the claim must also have been filed in compliance with the provisions of OAR 660-041-0020 then in effect.

The claimants, Billie Joe Hunter and Applegate Investments, Inc., filed a Measure 37 claim, M133047, with the state on December 1, 2006. The claimants filed a Measure 37 claim, M37 2006-00200, with Jackson County on November 28, 2006. The state claim was filed prior to December 4, 2006.

It appears that the claimants timely filed a Measure 37 claim with both the state and Jackson County.

In addition to filing a claim with both the state and the county in which the property is located, to qualify for a home site approval under Section 6 of Measure 49 the claimants must establish each of the following:

(a) The Claimant is an Owner of the Property

Measure 49 defines "Owner" as: "(a) The owner of fee title to the property as shown in the deed records of the county where the property is located; (b) The purchaser under a land sale contract, if there is a recorded land sale contract in force for the property; or (c) If the property is owned by the trustee of a revocable trust, the settlor of a revocable trust, except that when the trust becomes irrevocable only the trustee is the owner."

According to the deeds submitted by the claimants, Applegate Investments, Inc. is the owner of fee title to the property as shown in the Jackson County deed records and, therefore, is an owner of the property under Measure 49.

According to the information submitted by the claimants, Billie Joe Hunter has not established his ownership of the property for the purposes of Measure 49.

(b) All Owners of the Property Have Consented in Writing to the Claim

It appears that claimant Applegate Investments, Inc. is the sole owner of the property. Therefore, no additional consent is required.

(c) The Measure 37 Claim Property Is Located Entirely Outside Any Urban Growth Boundary and Entirely Outside the Boundaries of Any City

The Measure 37 claim property is located in Jackson County, outside the urban growth boundary and outside the city limits of the nearest city, Jacksonville.

(d) One or More Land Use Regulations Prohibit Establishing the Lot, Parcel or Dwelling

As stated in Sections III and IV(a) above, claimant Applegate Investments, Inc. may qualify for one home site.

The western approximately 125-acre portion of tax lot 700 and the eastern approximately 110-acre portion of tax lot 300 of the Measure 37 claim property are currently zoned Exclusive Farm Use (EFU) by Jackson County, in accordance with ORS chapter 215 and OAR 660, division 33, because the property is "agricultural land" as defined by Goal 3. Goal 3 requires agricultural land to be zoned exclusive farm use. Applicable provisions of ORS chapter 215 and OAR 660, division 33, enacted or adopted pursuant to Goal 3, generally prohibit the establishment of a lot or parcel less than 80 acres in size in an EFU zone. Those provisions also regulate the establishment of dwellings on new or existing lots or parcels and include restrictions on establishing more than one dwelling on a single tract.

The eastern approximately 129.8-acre portion of tax lot 700 of the Measure 37 claim property is currently zoned Woodland Resource (WR) by Jackson County, in accordance with ORS chapter 215 and OAR 660, division 6, because the property is "forest land" under Goal 4. Applicable provisions of ORS chapter 215 and OAR 660 division 6, enacted or adopted pursuant to Goal 4, generally prohibit the establishment of a lot or parcel less than 80 acres in size in a forest zone. Those provisions also regulate the establishment of dwellings on new or existing lots or parcels and include restrictions on establishing more than one dwelling on a single tract.

The northwest approximately 1.69-acre portion of tax lot 300 of the Measure 37 claim property is currently zoned Rural Residential 2.5 (RR 2.5) by Jackson County, in accordance with Goal 14, which prohibits the urban use of rural land and requires local comprehensive plans to identify and separate urbanizable from rural land in order to provide for the orderly and efficient transition from rural to urban use. State laws, namely Goal 14 and OAR 660-004-0040, prohibit the establishment of a lot or parcel less than the size established in the County rural residential zone in existence on October 4, 2000, if the zone in existence on that date had a minimum lot size of two or more acres. Jackson County's RR 2.5 requires a minimum lot size of 2.5 acres.

The claimant's property consists of 366.49 acres that make up a single tract. Therefore, state land use regulations prohibit the claimant from establishing on the Measure 37 claim property the one home site the claimant may qualify for under Section 6 of Measure 49.

(e) The Establishment of the Lot, Parcel or Dwelling Is Not Prohibited by a Land Use Regulation Described in ORS 195.305(3)

ORS 195.305(3) exempts from claims under Measure 49 land use regulations:

- (a) Restricting or prohibiting activities commonly and historically recognized as public nuisances under common law;
- (b) Restricting or prohibiting activities for the protection of public health and safety;
- (c) To the extent the land use regulation is required to comply with federal law; or
- (d) Restricting or prohibiting the use of a property for the purpose of selling pornography or performing nude dancing.

Based on the documentation submitted by the claimants, it does not appear that the establishment of the one home site for which claimant Applegate Investments, Inc. may qualify on the property would be prohibited by land use regulations described in ORS 195.305(3).

(f) On the Claimant's Acquisition Date, the Claimant Lawfully Was Permitted to Establish at Least the Number of Lots, Parcels or Dwellings on the Property That Are Authorized Under Section 6 of Measure 49

A claimant's acquisition date is "the date the claimant became the owner of the property as shown in the deed records of the county in which the property is located. If there is more than one claimant for the same property under the same claim and the claimants have different acquisition dates, the acquisition date is the earliest of those dates."

Jackson County deed records indicate that claimant Applegate Investments, Inc. acquired the property on October 1, 1980.

The claimant acquired the Measure 37 claim property after adoption of the statewide planning goals, but before the Commission acknowledged Jackson County's comprehensive plan and land use regulations to be in compliance with those goals pursuant to ORS 197.250 and 197.251. At that time, the eastern approximately 129.8-acre portion of tax lot 700 of the Measure 37 claim property was zoned Open Space Development (OSD-5) and the western approximately 125-acre portion of tax lot 700 and tax lot 300 of the Measure 37 claim property were zoned Farm Residential (F-5) by Jackson County. However, the Commission had not acknowledged those zones for compliance with the goals when the claimant acquired the property on October 1, 1980. Accordingly, the statewide planning goals, and in particular Goals 3, 4 and 14, and ORS chapter 215 applied directly to the Measure 37 claim property when the claimant acquired it.

On May 16, 1983, the Commission acknowledged the application of Jackson County's Woodland Resource (WR) zone to the eastern approximately 129.8-acre portion of tax lot 700 of the Measure 37 claim property. The Commission's acknowledgement of Jackson County's WR zone confirmed that zone's compliance with Goal 4 and ORS chapter 215. Jackson County's acknowledged WR zone required 20 acres for the creation of a new lot or parcel on which a dwelling could be established. The eastern portion of tax lot 700 consists of approximately 129.8

acres and is developed with a dwelling. The claimant was lawfully permitted to establish more than one dwelling on a tract on its date of acquisition. Therefore, the claimant lawfully could have established the one home site for which the claimant may be eligible on the WR-zoned portion of the Measure 37 claim property on the claimant's date of acquisition.

On May 16, 1983, the Commission acknowledged the application of Jackson County's Exclusive Farm Use (EFU) zone to the western approximately 125-acre portion of tax lot 700 and the approximately 111.69-acre eastern portion of tax lot 300 of the Measure 37 claim property. The Commission's acknowledgement of Jackson County's EFU zone confirmed that zone's compliance with Goal 3 and ORS chapter 215. Jackson County's acknowledged EFU zone required 80 irrigated acres or 160 non-irrigated acres for the creation of a new lot or parcel on which a dwelling could be established, or 20 acres for the establishment of dwelling on a pre-existing vacant lot or parcel. The western portion of tax lot 700 and the eastern portion of tax lot 300 consist of 236 acres. The claimant was lawfully permitted to establish more than one dwelling on a tract on its date of acquisition. Therefore, the claimant lawfully could have established the one home site for which the claimant may be eligible on the EFU-zoned portion of the Measure 37 claim property on the claimant's date of acquisition.

On May 16, 1983, the Commission acknowledged the application of Jackson County's Rural Residential 5 (RR-5) zone to the northwestern approximately 1.69-acre portion of tax lot 300 of the Measure 37 claim property. The Commission's acknowledgement of Jackson County's RR-5 zone confirmed that zone's compliance with Goal 14. Jackson County's acknowledged RR-5 zone required five acres for the creation of a new lot or parcel on which a dwelling could be established. The northwestern portion of tax lot 300 consists of approximately 1.69 acres. Therefore, on the claimant's acquisition date, it could not have established any home sites on the 1.69-acre RR-5 zoned portion that was ultimately acknowledged to comply with the statewide planning goals and implementing regulations. It appears that the claimant does not qualify for any home sites on the 1.69-acre RR-5 zoned portion of the Measure 37 claim property, unless the claimant can show that a direct application of the Goals would have allowed the claimant to establish additional home sites on the 1.69-acre RR-5 zoned portion of the property.

2. Preliminary Conclusion

Based on the preliminary analysis, it appears that claimant Applegate Investments, Inc. qualifies for one home site approval on either the WR-zoned or the EFU-zoned portion of the Measure 37 claim property under Section 6 of Measure 49.

Based on the preliminary analysis, it does not appear that the claimant qualifies for a Measure 49 home site approval on the 1.69-acre RR-5 zoned portion of the property because the claimant was not lawfully permitted to establish the lots, parcels or dwellings on that portion of the property on the claimant's date of acquisition.

Based on the preliminary analysis, it appears that claimant Billie Joe Hunter does not qualify for any home site approvals under Section 6 of Measure 49 because the claimant has not established his ownership of the property for the purposes of Measure 49.

V. NUMBER OF LOTS, PARCELS OR DWELLINGS ON OR CONTAINED WITHIN THE PROPERTY

The number of lots, parcels or dwellings that a claimant is authorized to establish pursuant to a home site authorization is reduced by the number of lots, parcels or dwellings currently in existence on the Measure 37 claim property and any contiguous property under the same ownership according to the methodology stated in Section 6(2)(b) and 6(3) of Measure 49. If a claimant otherwise qualifies for relief under Section 6 of Measure 49, the claimant will be able to establish at least one additional lot, parcel or dwelling, regardless of the number of dwellings currently in existence.

Based on the documentation provided by the claimant and information from Jackson County, the Measure 37 claim property appears to currently include two lots or parcels and one dwelling. As demonstrated by supplemental information submitted by the claimants, claimant Applegate Investments, Inc. also owns tax lots 101 (T38S R3W S27A) and 702 (T38S R3W S27) which are contiguous to the Measure 37 claim property. The contiguous property under the same ownership appears to include two lots or parcels and two dwellings. Together, it appears that the Measure 37 claim property and the contiguous property in the same ownership include four lots or parcels and three dwellings. Therefore, the one home site approval claimant Applegate Investments, Inc. appears to qualify for will allow the claimant to establish one additional dwelling on either the WR-zoned or the EFU-zoned portion of the Measure 37 claim property. The dwelling must be on a separate lot or parcel, and must be contained within the Measure 37 claim property.

VI. PRELIMINARY STATEMENT OF PROPOSED LIMITATIONS AND CONDITIONS ON THE NUMBER AND SCOPE OF HOME SITE APPROVALS

The department has identified the following limitations and conditions that may affect the scope of the home site approval that claimant Applegate Investments, Inc. would otherwise be entitled to under Section 6 of Measure 49. This list may not be comprehensive and does not preclude the possibility that other considerations, not yet identified by the department, may affect the establishment of a land division or dwelling authorized by the home site approval.

1. The establishment of a land division or dwelling based on a Measure 49 home site authorization must comply with all applicable standards governing the siting or development of the land division or dwelling. However, those standards must not be applied in a manner that prohibits the establishment of the land division or dwelling, unless the standards are reasonably necessary to avoid or abate a nuisance, to protect public health or safety, or to carry out federal law.
2. A home site authorization will not authorize the establishment of a land division or dwelling in violation of a land use regulation described in ORS 195.305(3) or in violation of any other law that is not a land use regulation as defined by ORS 195.300(14).

3. A claimant is not eligible for more than 20 home site approvals under Sections 5 to 11 of Measure 49 regardless of how many properties a claimant owns or how many claims a claimant filed.
4. Statements in this preliminary evaluation regarding the number of lots, parcels or dwellings currently existing on the Measure 37 claim property and contiguous property are not a determination on the current legal status of those lots, parcels or dwellings.
5. Temporary dwellings are not considered in determining the number of existing dwellings currently on the property. The claimant may choose to convert any temporary dwelling currently located on the property on which the claimant is eligible for Measure 49 relief to an authorized home site pursuant to a Measure 49 home site approval. Otherwise, any temporary dwelling is subject to the terms of the local permit requirements under which it was approved, and is subject to removal at the end of the term for which it is allowed.
6. A home site approval only authorizes the establishment of a new lot, parcel or dwelling on property on which the claimant is eligible for Measure 49 relief. No additional development is authorized on contiguous property for which no Measure 37 claim was filed or on Measure 37 claim property on which a claimant is not eligible for Measure 49 relief. A lot or parcel established pursuant to a home site approval must either be the site of a dwelling that is currently in existence or be the future site of a dwelling that may be established pursuant to the home site approval.
7. The claimant may use a home site approval to convert a lot, parcel or dwelling currently located on the property on which the claimant is eligible for Measure 49 relief to an authorized home site.
8. The claimant may not implement the relief described in a Measure 49 Home Site Authorization if a claimant has been determined to have a common law vested right to a use described in a Measure 37 waiver for the property. Therefore, if a claimant has been determined in a final judgment or final order that is not subject to further appeal to have a common law vested right as described in Section 5(3) of Measure 49 to any use on the Measure 37 claim property, then any Measure 49 Home Site Authorization for the property will be void. However, so long as no claimant has been determined in such a final judgment or final order to have a common law vested right to a use described in a Measure 37 waiver for the property, a use that has been completed on the property pursuant to a Measure 37 waiver may be converted to an authorized home site.
9. A home site approval does not authorize the establishment of a new dwelling on a lot or parcel that already contains one or more dwellings.
10. Because the property is located in an exclusive farm use zone and a forest zone, the home site authorization will not authorize new lots or parcels that exceed five acres. However, existing or remnant lots or parcels may exceed five acres. Before beginning construction in one of these zones, the owner must comply with the requirements of ORS 215.293. Further, the home site authorization will not authorize new lots or parcels that exceed two acres if the

new lots or parcels are located on high-value farmland, on high-value forestland or on land within a ground water restricted area. However, existing or remnant lots or parcels may exceed two acres.

11. Because the property is located in an exclusive farm use zone and a forest zone, Measure 49 requires new home sites to be clustered so as to maximize suitability of the remnant lot or parcel for farm or forest use. Further, if an owner of the property is authorized by other home site approvals to subdivide, partition, or establish dwellings on other Measure 37 claim properties, Measure 49 authorizes the owner to cluster some or all of the authorized lots, parcels or dwellings that would otherwise be located on land in an exclusive farm use zone, a forest zone or a mixed farm and forest zone on a single Measure 37 claim property that is zoned residential use or is located in an exclusive farm use zone, a forest zone or a mixed farm and forest zone but is less suitable for farm or forest use than the other Measure 37 claim properties.
12. If an owner of the property is authorized by other home site approvals to subdivide, partition, or establish dwellings on other Measure 37 claim properties, Measure 49 authorizes the owner to cluster some or all of the authorized lots, parcels or dwellings that would otherwise be located on land in an exclusive farm use zone, a forest zone or a mixed farm and forest zone on a single Measure 37 claim property that is zoned residential use or is located in an exclusive farm use zone, a forest zone or a mixed farm and forest zone but is less suitable for farm or forest use than the other Measure 37 claim properties.
13. Once the department issues a final home site authorization, a home site approval granted under that authorization will run with the property and will transfer with the property. A home site approval will not expire, except that if a claimant who received a home site authorization later conveys the property to a party other than the claimant's spouse or the trustee of a revocable trust in which the claimant is the settlor, the subsequent owner of the property must establish the authorized lots, parcels and dwellings within 10 years of the conveyance. A lot or parcel lawfully created based on the home site authorization will remain a discrete lot or parcel, unless the lot or parcel lines are vacated or the lot or parcel is further divided, as provided by law. A dwelling lawfully created based on a home site approval is a permitted use.

V. ORVII. NOTICE OF OPPORTUNITY TO COMMENT

A claimant or a claimant's authorized agent, a county and any third party may submit written comments, evidence and information in response to the preliminary evaluation. The comments, evidence and information must be filed with the department no more than twenty-eight (28) calendar days after the date this evaluation is mailed to the claimants and the claimants' agent and notice of this evaluation is mailed to third parties.

The department will mail a copy of all materials timely filed by a county or a third party with the department to the claimants and the claimants' agent. A claimant or a claimant's authorized agent may then file written comments, evidence or information in response to the materials filed by the third party or county. That response must be filed no more than twenty-one (21) calendar days after the date the department mails the materials to the claimants and the claimants' authorized agent.

All comments, evidence and information in response to the preliminary evaluation and all responses to materials filed by a third party or a county shall be delivered to Supplemental Measure 49 Claim Review, 635 Capitol Street NE, Suite 150, Salem, Oregon 97301-2540 and will be deemed timely filed either (1) if actually delivered to the department before the close of business on the final eligible calendar day, or (2) if mailed on or before the final eligible calendar day.

Note: Please reference the claim number and claimant name and clearly mark your comments as "Preliminary Evaluation Comments." Comments must be submitted in original written form only. Comments submitted electronically or by facsimile will not be accepted.