



# Oregon

Theodore R. Kulongoski, Governor

## Department of Land Conservation and Development

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October 25, 2007

To: Interested Persons  
From: Cora R. Parker, Acting Director



*Re: Ballot Measure 37 (ORS 197.352) Claim Number M130799*

*Claimants: Richard R., Arlone A., and Georgia Stradley*

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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 A  
COMPENSATION UNDER ORS 197.352 ) CLAIM NO. M130799  
(BALLOT MEASURE 37) OF )  
Richard R. Stradley and Arlone A. Stradley, CLAIMANT )

Claimant: Richard R. Stradley and Arlone A. Stradley (the Claimant)

Property: Township 2S, Range 16E, Section 34, Tax lot 4500  
Sherman County (the property)

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

Claimant 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 Amended Final Staff Report and Recommendation of DLCD (the DLCD Report) attached to and by this reference incorporated into this order.

ORDER

The Claim is denied as to laws administered by DLCD and the Land Conservation and Development Commission (LCDC) for the reasons set forth in the DLCD Report.

This Order is entered by the Acting 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 chapter 125, division 145, and by the Manager for the Measure 37 Services Unit of the DAS as a final order of DAS under ORS 197.352, OAR chapter 125, division 145, and ORS chapter 293.

FOR DLCD AND THE LAND  
CONSERVATION AND  
DEVELOPMENT COMMISSION:



Cora R. Parker, Acting Director  
DLCD  
Dated this 25<sup>th</sup> day of October, 2007.

FOR THE DEPARTMENT OF  
ADMINISTRATIVE SERVICES:



Carla Ploederer, Manager  
DAS, Measure 37 Services Unit  
Dated this 25<sup>th</sup> day of October, 2007.

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

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

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)

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 B  
COMPENSATION UNDER ORS 197.352 ) CLAIM NO. M130799  
(BALLOT MEASURE 37) OF )  
Georgia Stradley, CLAIMANT )

Claimant: Georgia Stradley (the Claimant)

Property: Township 2S, Range 16E, Section 34, Tax lot 4500, Sherman County  
(the Property)

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

Claimant 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 Georgia Stradley's division of 21 acres of the 314.55-acre subject property into approximately two-acre parcels or to her development of a dwelling on each parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33. These land use regulations will not apply to Georgia Stradley only to the extent necessary to allow her to use the subject property for the use described in this report, and only to the extent that use was permitted when she acquired the property on March 29, 1968.
2. The action by the State of Oregon provides the state's authorization to Georgia Stradley to use the subject property for the use described in this report, subject to the standards in effect when she acquired the property on March 29, 1968.
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 Georgia Stradley first obtains 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 Georgia Stradley 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 Georgia Stradley to use the subject property, it may be necessary for her 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 Georgia Stradley 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 property by her.

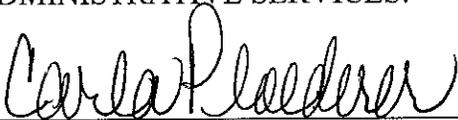
6. Nothing in this report or the state's final order for this claim constitutes any determination of ownership by the State of Oregon as to submerged or submersible lands, or as to public rights to the use of waters of the state.

This Order is entered by the Acting 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 Manager for the Measure 37 Services Unit 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:

  
Cora R. Parker, Acting Director  
DLCD  
Dated this 25<sup>th</sup> day of October, 2007.

FOR the DEPARTMENT OF  
ADMINISTRATIVE SERVICES:

  
Carla Ploederer, Manager  
DAS, Measure 37 Services Unit  
Dated this 25<sup>th</sup> day of October, 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**

October 25, 2007

**STATE CLAIM NUMBER:** M130799

**NAMES OF CLAIMANTS:** Richard R. Stradley  
Arlone A. Stradley  
Georgia Stradley

**MAILING ADDRESS:** Richard and Arlone Stradley  
PO Box 66  
Grass Valley, Oregon 97029

Georgia Stradley  
2326 E 10th Street  
The Dalles, Oregon 97058

**PROPERTY IDENTIFICATION:** Township 2S, Range 16E, Section 34  
Tax lot 4500  
Sherman County

**DATE RECEIVED BY DAS:** November 16, 2006

**DEADLINE FOR FINAL ACTION:<sup>1</sup>** May 9, 2008

**I. SUMMARY OF CLAIM**

The claimants, Richard, Arlone and Georgia Stradley, seek compensation in the amount of \$90,000 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 21 acres of the 314.55-acre subject property into approximately two-acre parcels and to develop a dwelling on each parcel.<sup>2</sup> The subject property is located at 61102 Stradley Road, near Grass Valley, in Sherman County. (See claim.)

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<sup>1</sup> ORS 197.352, as originally enacted, required that final action on claims made under Measure 37 be made within 180 days of the date the claim was filed. In response to the large volume of claims filed in late 2006, the Oregon legislature passed House Bill 3546, which became effective on May 10, 2007. This legislation increased the amount of time state and local governments have to take final action on Measure 37 claims filed on or after November 1, 2006, by 360 days, to a total of 540 days.

<sup>2</sup> The claim also indicates that the claimants desire to sell or transfer the newly created parcels for development. In effect, the claimants request that a decision of the department to "not apply" (waive) certain laws as set forth in this report be transferable with the property. ORS 197.352 only authorizes a state agency to waive a law in order to allow the current owner a use of the property permitted at the time that owner acquired the property. A determination of transferability is beyond the scope of relief that the department may grant under ORS 197.352.

## 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 in part. 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 Georgia Stradley's division of 21 acres of the 314.55-acre subject property into approximately two-acre parcels and to her development of a dwelling on each parcel: applicable provisions of Statewide Planning Goal 3 (Agricultural Lands), ORS 215 and Oregon Administrative Rules (OAR) 660, division 33. These laws will not apply to Georgia Stradley only to the extent necessary to allow her to use the subject property for the use described in this report, and only to the extent that use was permitted when she acquired the property on March 29, 1968.

The department has further determined that the claim is not valid as to Richard and Arlone Stradley because they do not have an ownership interest that includes a present right to use the subject property and, therefore, no state land use regulations restrict their present ownership interest in the subject property in a manner that reduces the property's fair market value. (See the complete recommendation in Section VI. of this report.)

## III. COMMENTS ON THE CLAIM

### Comments Received

On May 21, 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, no written comments were received in response to the 10-day notice.

## 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.

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

## **Findings of Fact**

This claim was submitted to DAS on November 16, 2006, for processing under OAR 125, division 145. The claim identifies ORS 215 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**

Claimants Richard and Georgia Stradley acquired an interest in the subject property from the estate of Clyde F. Stradley on March 29, 1968, as reflected by an order approving first and final account and decree of distribution of Clyde F. Stradley’s estate obtained by the department. However, that order granted the property to Richard, Gail and Georgia Stradley, subject to a life estate in favor of Georgia Stradley. That life estate reserves in Georgia Stradley the exclusive right to use the subject property during her lifetime. Gail Stradley conveyed his interest in the property to Richard and Arlone Stradley on July 8, 1974, as reflected by warranty deed included with the claim. However, Richard and Arlone Stradley’s ownership interest continues to be subject to Georgia Stradley’s life estate, and does not provide them with any present right to use the subject property during the term of Georgia Stradley’s life. As of the date of this claim, Richard and Arlone Stradley do not have an ownership interest that includes a present right to use the subject property in a manner that can be restricted by land use regulations.

Clyde F. Stradley acquired the subject property from his family member, Mary Stradley, who first acquired the subject property on June 7, 1948, as reflected by a warranty deed included with the claim. The Sherman County Assessor’s Office confirms the claimants’ current ownership interest of the subject property.

## **Conclusions**

Claimant Georgia Stradley is an “owner” of the subject property as that term is defined by ORS 197.352(11)(C) as of March 29, 1968. Richard and Arlone Stradley’s ownership interest is subject to Georgia Stradley’s life estate. Therefore, Richard and Arlone Stradley do not have an ownership interest that includes a present right to use the subject property in a manner that can be restricted by land use regulations. Mary and Clyde F. Stradley are “family members” of

Georgia Stradley as defined by ORS 197.352(11)(A). The Stradley family acquired the subject property on June 7, 1948.

## **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 desire to divide 21 acres of the 314.55-acre subject property into approximately two-acre parcels and to develop a dwelling on each parcel, and that current land use regulations prevent the desired use.

The claim is based generally on the applicable provisions of state law that require Exclusive Farm Use (EFU) zoning and restrict uses on EFU-zoned land. The claimants' property is zoned EFU F-1 by Sherman County as required by Goal 3, in accordance with ORS 215 and OAR 660, division 33, because the claimants' property is "agricultural land" as defined by Goal 3.<sup>3</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.

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 the development of dwellings on existing or any proposed parcel 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). Sherman County's EFU zone requires a minimum of 160 acres for the creation of a new lot or parcel. 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.<sup>4</sup>

The Stradley family acquired the subject property in 1948 and Georgia Stradley acquired the property in 1968, prior to the adoption of the statewide planning goals and their implementing statutes and regulations. No county zoning applied to the subject property in 1948 or 1968.

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<sup>3</sup> The claimants' property is "agricultural land" because it contains National Resources Conservation Service Class I-VI soils.

<sup>4</sup> The Commission adopted amendments to OAR 660-033-0100, -0130 and -0135 to comply with House Bill 3326 (Chapter 704, Oregon Laws 2001, effective on January 1, 2002), which were effective on May 22, 2002. These amendments clarified but did not further restrict dwelling standards for EFU-zoned land.

Richard and Arlone Stradley have not acquired an ownership interest in the subject property that includes a right to use the subject property in a manner that can be restricted by land use regulations.

### **Conclusions**

The current zoning requirements, minimum lot size and dwelling standards established by applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, were all enacted or adopted after the Stradley family and Georgia Stradley acquired the subject property in 1948 and 1968, and do not allow the desired division or development of the subject property. These laws restrict the use of the property relative to the uses allowed when the Stradley family and Georgia Stradley acquired the property.

Because Richard and Arlone Stradley's present ownership interest in the subject property does not include any present right to use the subject property in a manner that can be restricted by land use regulations, no land use regulations currently restrict their use of the subject property.

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 Georgia Stradley seeks a building or development permit to carry out a specific use, it may become evident that other state laws currently apply to and may continue to 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 regulations (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 \$90,000 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 market analysis included with the claim.

### **Conclusions**

As explained in Section V.(1) of this report, the claimants are Georgia Stradley, whose family acquired the subject property in 1948 and who acquired the property in 1968, and Richard and Arlone Stradley. Richard and Arlone Stradley do not have an ownership interest in the subject property that includes a present right to use the subject property in a manner that can be restricted by land use regulations. Therefore, no land use regulations restrict their use of the subject property with the effect of reducing the fair market value of the subject property. Under ORS 197.352, Georgia Stradley is 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 Stradley family and Georgia Stradley acquired the subject property restrict her desired use of the property. The claimants estimate that the effect of the regulations on the subject property's fair market value is a reduction of \$90,000.

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 Goal 3, ORS 215 and OAR 660, division 33, which Sherman County has implemented through its current EFU F-1 zone. All of these land use regulations were enacted or adopted after the Stradley family and Georgia Stradley acquired the subject property.

#### **Conclusions**

Without a specific development proposal for the 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 none of the general statutory, goal and rule restrictions on residential division and development of the subject property were in effect when the Stradley family acquired the property on June 7, 1948, or when Georgia Stradley acquired the property on March 29, 1968. As a result, these laws are not exempt under ORS 197.352(3)(E).

Richard and Arlone Stradley do not have a present ownership interest in the subject property that can be restricted by land use regulations. Therefore, the issue of whether any land use regulations are exempt is not relevant to the subject property as to Richard and Arlone Stradley.

Laws in effect when the Stradley family or Georgia Stradley acquired the subject property are exempt under ORS 197.352(3)(E) and will continue to apply to her use of the property. There may be other laws that continue to apply to Georgia Stradley's 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 Georgia Stradley seeks 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 record, the department finds that the claim is not valid as to Richard and Arlone Stradley because they do not have a present ownership interest in the subject property that includes the right to use the property in a manner that can be restricted by land use regulations. Therefore, no land use regulations restrict their present interest in the subject property with the effect of reducing the fair market value of the property. The department further finds laws enforced by the Commission or the department restrict Georgia Stradley's 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 \$90,000. 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 Georgia Stradley's desired use of the subject property was allowed under the standards in effect when her family and she acquired the property. Nevertheless, based on the record for this claim, the department acknowledges 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 Georgia Stradley to use the subject property for a use permitted at the time she acquired it on March 29, 1968.

### **Conclusions**

Based on the record and the foregoing findings and conclusions, Richard and Arlone Stradley have not established that they are entitled to relief under ORS 197.352(1) as a result of land use

regulations enforced by the Commission or the department because they do not have a present ownership interest in the subject property that includes a right to use the property in a manner that can be restricted by state land use regulations with the effect of reducing its fair market value. Therefore, the department recommends that this claim be denied as to Richard and Arlone Stradley.

The department otherwise recommends that the claim be approved as to Georgia Stradley, 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 Georgia Stradley's division of 21 acres of the 314.55-acre subject property into approximately two-acre parcels or to her development of a dwelling on each parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33. These land use regulations will not apply to Georgia Stradley only to the extent necessary to allow her to use the subject property for the use described in this report, and only to the extent that use was permitted when she acquired the property on March 29, 1968.
2. The action by the State of Oregon provides the state's authorization to Georgia Stradley to use the subject property for the use described in this report, subject to the standards in effect when she acquired the property on March 29, 1968.
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 Georgia Stradley first obtains 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 Georgia Stradley 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 Georgia Stradley to use the subject property, it may be necessary for her 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 Georgia Stradley 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 property by her.
6. Nothing in this report or the state's final order for this claim constitutes any determination of ownership by the State of Oregon as to submerged or submersible lands, or as to public rights to the use of waters of the state.

## **VII. COMMENTS ON THE DRAFT STAFF REPORT**

The department issued its draft staff report on this claim on September 19, 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. Comments received have been taken into account by the department in the issuance of this final report.