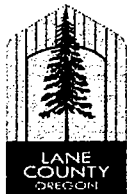


W. 17.e.



Lane County
LAND MANAGEMENT DIVISION
125 EAST 8TH AVENUE
EUGENE, OREGON 97401
PHONE: 541-682-3823
FAX: 541-682-3947

AGENDA COVER MEMO

MEMO DATE: April 25, 2006

AGENDA DATE: May 3, 2006

TO: BOARD OF COUNTY COMMISSIONERS

FROM: BILL VANVACTOR, COUNTY ADMINISTRATOR
KENT HOWE, PLANNING DIRECTOR

RE: In the Matter of Considering a Ballot Measure 37 Claim and Deciding Whether to Modify, Remove or Not Apply Restrictive Land Use Regulations in Lieu of Providing Just Compensation (PA 05-6613, Iverson)

I. MOTION

Move to approve the Measure 37 Claim and adopt the order attached as Exhibit "A".

II. ISSUE OR PROBLEM

Shall the Board of County Commissioners compensate an applicant under Ballot Measure 37 and LC 2.700 through 2.770 for the reduction in fair market value of the affected property interest resulting from enactment or enforcement of restrictive land use regulations or modify, remove, or discontinue application of those land use regulations to the subject property to allow Vernon and Margaret Iverson to use the property as allowed at the time they acquired an interest in the property?

III. DISCUSSION

A. Background

Applicant: Vernon and Margaret Iverson

Current Owner: Iverson Family Trust

Agent: Boyd Iverson

Legal Description of Property: 18-02-29 #3503 and #3502

Acreage: approximately 95 acres

Current Zoning: E40 (Exclusive Farm Use)

Date Iverson family acquired an interest: July 20, 1976

Date current owner (Trust) acquired an interest: June 3, 1991

Date claim submitted: November 2, 2005. The processing deadline is May 2, 2006.

Land Use Regulations in Effect at Date of Acquisition: F-F 20 (Farm-Forestry 20). LC 10.020.

County land use regulation which restricts the use and reduces the fair market value of claimant's property: LC 16.212. E40 (Exclusive Farm Use) zone.

B. Specific Relief Sought:

Vernon and Margaret Iverson request a waiver of the 40 acre minimum lot size and the dwelling restrictions of the E40 zone, or monetary compensation of \$1,879,069.

C. Lane Code Submittal Requirements

The processing fee has been paid and evidence has been submitted in support of this claim. This evidence includes deeds and a list of comparable sales.

The entire submittal is contained in a notebook labeled "Iverson Measure 37 Claim", available in the County Commissioners Office. This cover memo prepared for the Board hearing does not contain the entire submittal. The relevant portions of the submittal included with this memo are identified in the "Attachments " section.

D. Analysis

The property is zoned E40, contains approximately 95 acres and a dwelling built in 1980.

Vernon and Margaret Iverson acquired an interest in the property on July 20, 1976, through a land sale contract (Memorandum of Contract #7637156). Ownership was conveyed to Vernon and Margaret Iverson by deeds recorded on January 30, 1980, and February 14, 1980 (Bargain & Sale Deeds #8005235 and #8007975). The property was conveyed to the Iverson Family Trust on June 3, 1991 (Bargain and Sale deed #9135398). The current owner is the Iverson Family Trust and Vernon and Margaret Iverson, Trustees. Because the Trust is revocable and Vernon and Margaret Iverson are trustees, the current owners are allowed to demonstrate a reduction in value from the date Vernon and Margaret acquired an interest in the property in 1976. In addition, this allows a waiver of the restrictive regulations to the date Vernon and Margaret acquired the property, if the Board determines this is a valid claim. For these reasons, Vernon and Margaret Iverson are considered the applicants for this claim. If a waiver is granted, it will be granted to them and not to the Iverson Family Trust.

The applicant wishes to subdivide the property into 20 acre lots and place a dwelling on each lot. When Vernon and Margaret Iverson acquired an interest in the property on July 20, 1976, the property was zoned FF20 and the minimum parcel size was 20 acres . Currently, the property is zoned E40 (Exclusive Farm Use), the minimum parcel size is 40 acres and new dwellings require a special use permit.

The list of comparable sales does not demonstrate a connection between the alleged reduction in fair market value and the imposition of a land use regulation. In addition, the current fair market value of the property is not identified and the analysis does not mention the fact that a portion of the property contains wetlands.

As written, the attached order will allow Vernon and Margaret Iverson to seek development of up to four lots that contain twenty acres and placement of a dwelling on each.

To have a valid claim against Lane County under Measure 37 and LC 2.700 through 2.770, the applicant must prove:

1. Lane County has enacted or enforced a restrictive land use regulation since the owner acquired the property, and
2. The restrictive land use regulation has the effect of reducing the fair market value of the property, and
3. The restrictive land use regulation is not an exempt regulation as defined in LC 2.710.

Restrictive Regulations

When Vernon and Margaret Iverson acquired an interest in the property on July 20, 1976, the property was zoned FF20 and the minimum parcel size was 20 acres. Currently, the property is zoned E40 (Exclusive Farm Use), the minimum parcel size is 40 acres and new dwellings require a special use permit.

Reduction in Fair Market Value

The applicant has submitted a market analysis prepared by Boyd Iverson. This analysis compares the selling price of properties containing between 10 and 30 acres. The property also contains wetlands and the submitted valuation does not reflect this. According to this analysis, the amount of compensation is \$1,879,069. The Board must determine if this evidence demonstrates a reduction in the fair market value from a land use regulation.

Exempt Regulations

The E40 (Exclusive Farm Use) limitation on new dwellings, and the minimum parcel size of 40 acres do not appear to be exempt regulations described in Measure 37 or LC 2.710.

E. Conclusion/County Administrator Recommendation

If the Board determines the evidence demonstrates a reduction in fair market value, the County Administrator recommends the Board waive the restrictive land use regulations of the E40 (Exclusive Farm Use) zone that prohibit Vernon and Margaret Iverson from developing the property as they could have done on July 20, 1976.

IV. ALTERNATIVES/OPTIONS

The Board has these options:

1. Determine the application appears valid and adopt the order attached to this report.
2. Request more information regarding the alleged reduction in fair market value.
3. Conclude the application is not a valid claim and direct the issuance of a final written decision by the County Administrator denying the Claim.

V. RECOMMENDATION

If the Board determines the evidence demonstrates a reduction in fair market value, the County Administrator recommends alternative #1.

VI. ATTACHMENTS

Order to approve the Measure 37 claim of Vernon and Margaret Iverson.

The entire submittal is not included in these attachments. The entire submittal is located in the County Commissioner's office in a binder labeled "Iverson Measure 37 Claim, PA05-6613".

- Written claim dated November 2, 2005.
- Supplemental information received on January 13, 2006.
- Memorandum of Contract #7637156 dated July 20, 1976.
- Warranty Deed #8007975 dated August 5, 1976.
- Bargain and Sale Deed #9135398 dated June 3, 1991.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY,
OREGON**

ORDER No.) IN THE MATTER OF CONSIDERING A BALLOT
) MEASURE 37 CLAIM AND DECIDING
) WHETHER TO MODIFY, REMOVE OR NOT
) APPLY RESTRICTIVE LAND USE
) REGULATIONS IN LIEU OF PROVIDING JUST
) COMPENSATION (Vernon and Margaret Iverson/
) PA05-6613)

WHEREAS, the voters of the State of Oregon passed Ballot Measure 37 on November 2, 2004, which added provisions to Oregon Revised Statutes (ORS) Chapter 197 to require, under certain circumstances, payment to landowners if a government land use regulation restricts the use of private real property and has the effect of reducing the property value; and

WHEREAS, the Board of County Commissioners of Lane County enacted Ordinance No. 18-04 on December 1, 2004, to establish a real property compensation claim application process in LC 2.700 through 2.770 for Ballot Measure 37 claims; and

WHEREAS, the County Administrator has reviewed an application for a Measure 37 claim submitted by Vernon and Margaret Iverson (PA05-6613), the owners of an interest in real property described in the records of the Lane County Assessor as map 18-02-29 tax lots 3502 and 3503, consisting of approximately 95 acres in Lane County, Oregon; and

WHEREAS, the County Administrator has determined that the application appears to meet all of the criteria of LC 2.740(1)(a)-(d), appears to be eligible for just compensation and appears to require modification, removal or not applying the restrictive land use regulations in lieu of payment of just compensation and has referred the application to the Board for public hearing and confirmation that the application qualifies for further action under Measure 37 and LC 2.700 through 2.770; and

WHEREAS, the County Administrator has determined under LC 2.740(4) that modification, removal or not applying the restrictive land use regulation is necessary to avoid owner entitlement to just compensation under Ballot Measure 37 and made that recommendation to the Board; and

WHEREAS, the Board has reviewed the evidence and confirmed the application appears to qualify for compensation under Measure 37 but Lane County has not appropriated funds for compensation for Measure 37 claims and has no funds available for this purpose; and

WHEREAS, on May 3, 2006, the Board conducted a public hearing on the Measure 37 claim (PA05-6613) of Vernon and Margaret Iverson and has now determined that the restrictive E40 (Exclusive Farm Use) zone dwelling and land division requirements of LC 16.212 were enforced and made applicable to prevent Vernon and Margaret Iverson from developing the property as might have been allowed at the time they acquired an interest in the property on July 20, 1976, and that the public benefit from application of the current E40 (Exclusive Farm Use) dwelling

and division land use regulations to the applicants' property is outweighed by the public burden of paying just compensation; and

WHEREAS, Vernon and Margaret Iverson request either of \$1,879,069 as compensation for the reduction in value of their property, or waiver of all land use regulations that would restrict the division of land into lots containing twenty acres and placement of a single family dwelling on each lot, uses that could have otherwise been allowed at the time they acquired the property; and

WHEREAS, the Board finds that under LC 2.760(3) the public interest would be better served by modifying, removing or not applying the challenged land use regulations of the E40 zone to the subject property in the manner and for the reasons stated in the report and recommendation of the County Administrator incorporated here by this reference except as explicitly revised here to reflect Board deliberation and action to allow Vernon and Margaret Iverson to make application for development of the subject property in a manner similar to what they could have been able to do under the regulations in effect when they acquired an interest in the property; and

WHEREAS, this matter having been fully considered by the Lane County Board of Commissioners.

NOW, THEREFORE IT IS HEREBY ORDERED that the applicants Vernon and Margaret Iverson made a valid claim under Ballot Measure 37 by describing the use being sought, identifying the county land use regulations prohibiting that use, submitting evidence that those land use regulations have the effect of reducing the value of the property, showing evidence that they acquired the property before the restrictive county land use regulations were enacted or enforced and the Board hereby elects not to pay just compensation but in lieu of payment, the request of Vernon and Margaret Iverson shall be granted and the restrictive provisions of LC 16.212 that limit the development of dwellings and the division of land in the E40 (Exclusive Farm Use) Zone shall not apply to Vernon and Margaret Iverson, so that they can make application for approval to develop the property described in the records of the Lane County Assessor as map 18-02-29 tax lots 3502 and 3503, in a manner consistent with the land use regulations in effect when they acquired an interest in the property on July 20, 1976.

IT IS HEREBY FURTHER ORDERED that Vernon and Margaret Iverson still will need to make application and receive approval of any division of the property or placement of a dwelling under the other land use regulations applicable to dividing the property or placing a dwelling that were not specifically identified or established by Vernon and Margaret Iverson as restricting the division of the property or placement of a dwelling, and it would be premature to not apply those regulations given the available evidence. To the extent necessary to effectuate the Board action to not apply the dwelling or division restrictions of the applicable zone described above, the claimant shall submit appropriate applications for review and approval of land divisions and any new dwellings to show the specific development proposals and in the event additional county land use regulations result in a restriction of those uses that have the effect of reducing the fair market value of the property, the County Administrator shall have the authority to determine those restrictive county land use regulations that will not apply to that development proposal to preclude entitlement to just compensation under Measure 37. All other Lane Code land use and development regulations shall remain applicable to the subject property until such time as they are shown to be restrictive and that those restrictions reduce the fair market value of the subject property.

IT IS HEREBY FURTHER ORDERED that this action making certain Lane Code provisions inapplicable to use of the property by Vernon and Margaret Iverson does not constitute a waiver or modification of state land use regulations and does not authorize immediate division of the subject property or immediate construction of a dwelling. The requirements of state law may contain specific standards regulating development of the subject property and the applicants should contact the Department of Administrative Services (DAS - State Services Division, Risk Management - Measure 37 Unit, 1225 Ferry Street SE, U160, Salem, OR 97301-4292; Telephone: (503) 373-7475; website address: <http://www.oregon.gov/DAS/Risk/M37.shtml>) and have the State of Oregon evaluate a Measure 37 claim and provide evidence of final state action before seeking county land use approval.

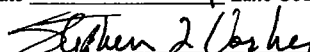
IT IS HEREBY FURTHER ORDERED that the other county land use regulations and rules that still apply to the property require that land use, sanitation and building permits be approved by Lane County before any development can proceed. Notice of this decision shall be recorded in the county deed records. This order shall be effective and in effect as described in LC 2.770 and Ballot Measure 37 to the extent permitted by law. This order does not resolve several questions about the effect and application of Measure 37, including the question of whether the right of applicants to divide or build dwellings can be transferred to another owner. If the ruling of the Marion County Circuit Court in *MacPherson v. Dept. of Administrative Services*, (Marion County Circ. Ct. Case No. 00C15769, October 14, 2005) or any other court decision involving Ballot Measure 37 becomes final and that decision or any subsequent court decision has application to Lane County in a manner that affects the authority of this Board to grant relief under Ballot Measure 37 and LC 2.700 through 2.770 then the validity and effectiveness of this Order shall be governed by LC 2.770 and the ruling of the court.

DATED this _____ day of _____, 2006.

Bill Dwyer, Chair
Lane County Board of County Commissioners

APPROVED AS TO FORM

Date 4-25-2006 Lane County


OFFICE OF LEGAL COUNSEL

Application for Claims Under LC 2.700 through 2.770

Due to Regulatory Reduction of Property Value Under Provisions Added to ORS Chapter 197 by BM37

Note: This completed form together with the referenced supporting documentation and application fee must be submitted to the Lane County Land Management Division, 125 East 8th Avenue, Eugene, Or., 97401 for all claims subject to the provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004), to be considered for compensation under LC 2.700 through 2.770. In all cases, the applicant has the burden of demonstrating, with competent evidence, that all applicable criteria are met and the applicant would be entitled to compensation if the land use regulation continues to apply. Use additional paper, if necessary.

1. Applicant/ Agent

Boyd Tjerson Jr 1872 Wellamette St. 686-8275-
Applicant Name (Please Print) Mailing Address Phone

Tjerson Family Trust 1872 Wellamette St 686-8275
Agent Name (Please Print) Mailing Address Phone
Eugene, OR 97401

2. Property Owner

Please provide the Name, Mailing Address and telephone number of all property owners of record holding interest in the property that is the subject of this application. Include a complete listing of all lien holders, trustees, renters, lessees or anyone with an interest in the property and describe the ownership interest.

Same as above
Property Owner Name (Please Print) Mailing Address Phone

Property Owner Name (Please Print) Mailing Address Phone

3. Legal Description

Please provide an accurate legal description, tax account number(s), map, street address and location of all private real properties that are the subject of this application.

Assessor Map & Tax Lot 18-02-29-3503

Street Address Sunny Hill Lane Legal Description Attached

4. Identification of Imposed Land Use Regulation

Please identify the Lane Code section or other land use regulation imposed on the private real property that is alleged to restrict the use of the subject property in a manner that reduces the fair market value. Include the date the regulation was first adopted, enforced or applied to the subject property and a written statement addressing all the criteria in LC 2.740(1).

See attached letters from Jerry Kendall, Lane County Planner

5. Title Report

Please attach a Preliminary Title Report showing title history and continuous ownership traced to the earliest family member ownership, the date of current owner(s) acquisition and all current interests of record for the subject property, issued within 30 days of the application submittal. Provide copies of relevant deeds.

See attached

6. Appraisal/Regulatory Effect

Please provide one original, signed appraisal prepared by an appraiser licensed by the Appraiser Certification and Licensure Board of the State of Oregon addressing the requirements of provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004) and indicating the amount of the alleged reduction in fair market value by showing the difference in the fair market value of the property before and after the application of the challenged regulations as of the date the owner makes written demand for compensation. Include all of the supporting methodology, assumptions and calculations affecting the appraisal.

See attached letter and comparables prepared by
Boyd Jensen

7. Leases, Covenants, Conditions and Restrictions

Please provide copies of any leases or covenants, conditions and restrictions applicable to the subject property.

None

8. Identification of Relief Sought

Please specifically indicate what relief is being sought, either a monetary value of the claim describing the reduction in fair market value of the property or the specific use authorization sought in any waiver of the land use regulation.

Please see attached letter.
OK to develop property as allowed at time of purchase

I (we) have completed all of the attached application requirements and certify that all statements are true and accurate to the best of my (our) knowledge and belief. I am (We are) authorized to submit this application on behalf of all those with an interest in the property and all the owner(s) agree to this claim as evidenced by the signature of those owner(s) below. Include additional signatures, as necessary.

Entry by County or its designee upon the subject property is authorized by the owner(s) and the owner(s) consent to the application for claims under provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004).

Boyd Jensen
for the Jensen Family Trust
Owner(s) Signature

11-29-05
Date

Applicant/Agent Signature

Date

The following contacts are provided to assist you in finding the necessary information for this application.

For zoning and land use information, please contact the Land Management Division at 682-3577.
This phone contact is a message line. Please leave a message and a Planner will return your call.
For deeds and records information, please contact Lane County Deeds and Records at 682-3654.

Written statement for an application for claim under LC 2.700 through 2.770

4. The subject property was zoned from ff-20, which is the zoning of the property when Vernon and Margaret Iverson purchased it on July 20, 1976. The zoning of the property was changed to EFU-40 by Lane County on September 8, 1984.

In relation to the applicability of this property in relation to the requirements of 2.740.

(a). The properties zoning was changed from f-20 to F-40 by Lane County Code changes.

(b) This has restricted the ability to divide the subject property from four buildable parcels to two buildable parcels. By increasing the minimum size of a buildable parcel from 20 acres to 40 acres, it has decreased the number of homes sites able to be created by 2 and thereby has dramatically decreased the value of the property and also increased the cost of development for each parcel. © The supplied chain of title and deeds show continuous family ownership from the date of purchase on July 20, 1976, until now. (d) The county's zoning of this property from ff-20 to ff-40 is not an exempt regulation as defined by LC 2.710.

5. Please see enclosed Title Report and copies of relevant deed to provide proof of continuous family ownership from time of purchase until now, as defined by 2.710 (5).

6. Regarding the requirement of a "licensed appraiser" being required to complete an analysis of the value of this property. Based on the following information and as per the stipulation contained in 2.720 I request that the County Administrator waive the requirement for the analysis of value to be completed by a "licensed appraiser"

I am and have been a licensed Real Estate Broker since 1975. Over the years I have filed several hundred tax petition request with the Board of Equalization, both for myself and for other parties. I have been personally involved in the sale of hundreds of properties in Lane County and also have extensive experience in the development and sale of hundreds of country and city parcels during this time period.

Even though I have not applied to be a "licensed appraiser" my back ground and experience easily qualifys me to complete an accurate analysis of the value of this property. For this reason I will be submitting my own verification of determination of value.

7. There are no leases or covenants, conditions and or restrictions applicable to the subject property except those implemented by Lane County Zoning and Building Codes.

8. Given the state of the County's budgetary condition we are not requesting any compensation for the loss in revenue. All we are asking is that we be allowed to divide the property as allowed under the zoning and building codes in place at the time that we purchased the property.

We have been supplied by the county with copies of the land use codes applicable at this time. Please see attached letter from Jerry Kendall/Associate Planner regarding his research on this property.

According to the County's information regarding the zone which existed at the time of our purchase, the 95+ acre parcel can be divided into 4 20 plus acre parcels. Road access and all utilities are all readily available.

Comparable Sales:

Parcels of this type, size and location, are very hard to find so I have also submitted comparable sales from the East and West Eugene area.

1. Sold 8-05. 31334 Fox Hollow Road. 30 acres located on Fox Hollow Road one quarter mile, going east, past the intersection of South Willamette St. and Fox Hollow. Partly wooded and partly open. No septic or well. Sales Price \$575,000. \$19,200 per acre. Sale Date 8-05
2. Sold Vacant land located off Fox Hollow Rd approximately one and a half miles east of the intersection of S. Willamette St. and Fox Hollow. No well, no septic. There were wetlands issues with 30 to 40% of the land being designated as wetlands. Sales price was \$200,000 \$10,723 per acre but with the wetlands use issues the per acre value would be closer to \$18,000 to \$20,000 per acre. Sold: 2/17/04 Current market value figuring a 15% a year increase in value equals \$25,300 per acre.
3. Sold 10 acres 1.5 miles west of the S. Willamette and Fox Hollow intersection Has well and well. No septic. Price \$250,000 \$25,000 acre. Sale Date: 3/22/02 Current market value figuring a 15% a year increase in value equals \$38,021 per acre.
4. Sold 10.59 acres located at 27985 Crow Rd. Sales Price \$251,000 \$23,701 per acre. Sale Date: 7/21/05
5. Sold 20.02 acres two miles west of the intersection of S. Willamette and Fox Hollow. View, well and road into property. Sales Price \$357,000 \$17,832 per acre Sale Date: 9/2/03 Current market value figuring a 15% a year increase in value equals \$23,582 per acre.
6. Sold 22.41 acres two miles west of the intersection of S. Willamette and Fox Hollow Rd. Has view. No well or septic. Sales Price \$489,000 \$21,820 per acre. Sale Date 10/12/04 Current market value figuring a 15% a year increase in value, equals \$25,093 per acre.
7. Sold 9-30-05 12.07 acres zoned F-2. Located off Spencer Hollow off Fox Hollow Rd. approx. 1 1/2 miles east of Willamette St. and Fox Hollow intersection. The property had two wells and two septic approvals. No septic were installed. Sales price \$359,000. Property was in forestry deferral and purchaser assumed responsibility of any reimbursement of property taxes when converted to residential use. Approximately 30% of the land was classified as wetlands which leaves approximately 12 acres which was

useable land. No electric or phone was to site. Also to be able to build on the subject property, purchaser was required to pay for a new wetlands analysis (cost \$5,000) and also to install a portion of a county road called Bobcat Lane at a cost of \$40,000, before he would get a building permit. Effective per acre price of \$33,660.

Average acreage price for the above seven properties is \$26,937.00 per acre or a total gross value for the 95 acres of \$2,559,069 dollars, less anticipated development cost of \$80,000, equals a net sales value of \$2,479,069. The value of the land divided into two 40 acre parcels with the forestry requirements, which would allow building, would be approximately \$300,000 each. This creates a net difference of \$1,879,069.

Submitted by Boyd Iverson for the Iverson Family Trust
1872 Willamette St.
Eugene, Or. 9401
541-686-8275

William Van Vactor
Lane County Administrator.

01-13-06P12:36 RCVD

*Joe Sansbury
Land Management*

RE. Measure 37 Claim number PA05-6613, Iverson Family Trust

Dear Mr. Van Vactor,

Thanks for your letter dated 12-29-2005:

Regarding the possibility of delaying the approval process of our claim: We paid our fees, completed our work and WE would like to proceed with the processing of our request. I believe that this law has a very good chance of passing the current legal challenge. It's what the public has requested to happen during the past two legislative sessions. Hopefully the Supreme Court of Oregon will agreed to follow the will of the people.

Regarding your other requests or comments:

1. I believe I already answered this question in my previous application. There are no leases or documents which affect the value or the ability of this property to be developed, except existing county and or state requirements.
2. The exact details of how our family trust are run are our own personal business but I have enclosed two pages which show the creation of the Iverson Loving Trust, the parties involved in the Trust and the subsequent creation of The Iverson Family Trust, upon my fathers death. Hopefully this will fulfill your request.
3. As you may or may not know, an appraisal is the personal appraisers "opinion" of value, created by his analysis of past real estate sales. I created my own appraisal of the value of the property, since I do have the knowledge and experience to do so, as noted below, and since I do not want to spend unnecessary money.

As I previously stated in my application, I have 30 plus years of real estate brokerage experience in Lane County. I have completed hundreds of tax petitions, which require appraisal expertise, and I have created thousands of market analysis's of homes and vacant land. I also have extensive knowledge regarding land development and construction. In short I have a background and experience that is greater than most appraisers in Lane County. I just have had no reason to get my appraisers license.

I don't have my application letter in front of me at this moment, but by my memory I submitted information on 6 to 8 comparable properties and I submitted information on what it would cost to develop the property, so that it would be ready for sale and deducted this figure from the sales value of the property.

A standard appraisal includes only 3 comparable properties and typically does not include accurate information regarding land development costs.

You and or the county commissioners are able to wave the "appraiser" requirement and this is what I requested in my letter. Secondly, there has been at least one previous measure 37 approval with only the only owner's submittal of value. Thirdly, the county recently approved a measure 37 submittal for Maxine Taylor (PA 05-5964) which is adjacent to the property in my request. This appraisal was completed by Craig McKern, as these owners did not have prior real estate experience.

If you need additional appraisal information, you or the County Commissioners can look at this appraisal. Craigs's appraisal was based on dividing the property into 5 acre parcels, whereas our request is for 20 acre parcels, but the appropriate adjustments can easily be made.

Sincerely,



Boyd Iverson
1872 Willamette St.
Eugene, Or. 97401
541-686-8275

THE IVERSON LOVING® TRUST

Article One

The Creation Of Our Trust

Section 1. Our Trust

We are husband and wife. This is our Loving® Trust, dated June 3, 1991, by VERNON L. IVERSON, the husband Trustmaker, also known as VERNON LEANDER IVERSON, MARGARET A. IVERSON, the wife Trustmaker, also known as MARGARET AMY IVERSON, and the following initial Trustees:

VERNON L. IVERSON
MARGARET A. IVERSON

Our Trust is a joint revocable living trust. For purposes of this agreement and for all legal purposes, our trust will be referred to as a Loving® Trust. All references to "our trust" or "trust", unless otherwise stated, shall refer to this Loving® Trust and the trusts created in it. All references to "Trustee" shall refer to our initial Trustee or Trustees, or their successor or successors in trust.

When the term "Trustmaker" is used in our trust, it shall have the same legal meaning as "Grantor", "Settlor", "Trustor", or any other term referring to the maker of a trust.

Notwithstanding anything in our trust to the contrary, when we are serving as Trustees under our trust, either of us may act for and conduct business on behalf of our trust as a Trustee without the consent of any other Trustee.

Section 2. The Name of Our Trust

For convenience, our trust shall be known as the:

IVERSON LOVING® TRUST, dated June 3, 1991

For purposes of beneficiary designations and transfers directly to our trust, our trust shall be referred to as:

VERNON L. IVERSON and MARGARET A. IVERSON, Trustees,
or their successors in trust, under the IVERSON LOVING® TRUST
dated June 3, 1991, and any amendments thereto.

Article Eight

The Creation Of The Marital And Family Trusts

Section 1. Division of Trust Property

Upon the death of the first one of us to die, our Trustee shall divide the trust property into two separate trusts, to be known as the Marital Trust and the Family Trust.

a. Creation of the Marital Trust

The Marital Trust shall consist of the surviving Trustmaker's interest in the community portion of the trust property, if any, and his or her separate portion of the trust property. In addition, the Marital Trust shall be the fractional share of the deceased Trustmaker's trust property as follows:

1. Numerator of the Fractional Share

The numerator of the fractional share shall be the smallest amount which, if allowed as a marital deduction, would result in the least possible federal estate tax being payable as a result of the deceased Trustmaker's death, after allowing for the unified credit against federal estate tax (after taking into account adjusted taxable gifts, if any) as finally determined for federal estate tax purposes, and the credit for state death taxes.

650,000
Value of 1/2 of Trustmaker's trust property

The numerator shall be reduced by the value, for federal estate tax purposes, of any interest in property that qualifies for the federal estate tax marital deduction and which passes or has passed from the deceased Trustmaker to the surviving Trustmaker other than under this Article.

2. Denominator of the Fractional Share

The denominator of the fractional share shall consist of the value, as finally determined for federal estate tax purposes, of all of the deceased Trustmaker's trust property under this agreement.

b. Creation of the Family Trust

The Family Trust shall consist of the balance of the trust property.

CHAIN OF TITLE.

Title to the herein described property was acquired by [Bargain and Sale Deed], Recorded September 29, 2000 as Reception No. 2000-056499, official records of Lane County, Oregon. Grantor: The Iverson Loving Trust; Grantee: The Iverson Family Trust (Vernon L. Iverson's undivided 1/2 interest). Tax lot No. 3503

Title to the herein described property was acquired by Deed, Recorded July 7, 1998 as Reception No. 1998-052875, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, Trustees or the successors in trust, under The Iverson Loving Trust Dated June 3, 1991, and any amendments thereto. ; Grantee: State of Oregon, by and through its Department of Transportation. Tax lot No. 3503

Title to the herein described property was acquired by [Bargain and Sale Deed], Recorded July 26, 1991 as Reception No. 1991-035398, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife; Grantee: Vernon L. Iverson and Margaret A. Iverson, Trustees or their successors in trust, under the Iverson Loving Trust dated June 3, 1991, and any amendments thereto. Tax lot No. 3503

Title to the herein described property was acquired by Memorandum of Contract, Recorded October 10, 1990 as Reception No. 1990-049004, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife ; Grantee: Melvin J. Steffenson and Ann Steffenson, husband and wife, and David M. Daniel and Amy L. Daniel, husband and wife. Tax Lot No. 3501

Title to the herein described property was acquired by [Warranty Deed], Recorded January 6, 1988 as Reception No. 1988-000468, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife ; Grantee: John Steven Melvin and Karen Ann Melvin, husband and wife. Tax Lot No. 3601

Title to the herein described property was acquired by [Warranty Deed], Recorded October 15, 1987 as Reception No. 1987-045886, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson; Grantee: Linton L. Outka and Marion A. Outka, husband and wife. Tax Lot No. 3600

Title to the herein described property was acquired by [Warranty Deed], Recorded June 23, 1987 as Reception No. 1987-026833, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife each as to undivided 1/2 interest as tenants in common; Grantee: Max J. Smith and E. Mae Smith, husband and wife. Tax Lot No. 3603

Title to the herein described property was acquired by Memorandum of Contract, Recorded April 2, 1987 as Reception No. 1987-014196, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife ; Grantee: Herb McKillop and Margo McKillop, husband and wife. **Tax Lot No. 3602**

Title to the herein described property was acquired by Memorandum of Land-sale Contract, Recorded July 21, 1986 as Reception No. 1986-027150, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson; Grantee: John Steven Melvin and Karen Ann Melvin, husband and wife. **Tax Lot No. 3601**

Title to the herein described property was acquired by [Bargain and Sale Deed], Recorded February 22, 1980 as Reception No. 1980-008759, official records of Lane County, Oregon. Grantor: Vernon L. Iverson and Margaret A. Iverson, husband and wife; Grantee: Vernon L. Iverson and Margaret A. Iverson, husband and wife. **Tax Lot No. 100**

Title to the herein described property was acquired by [Warranty Deed], Recorded February 14, 1980 as Reception No. 1980-007975, official records of Lane County, Oregon. Grantor: Beulah U Peterson, who acquired title as Beulah W. Goodwin; Grantee: Vernon L. Iverson and Margaret A. Iverson, husband and wife. **Tax Lot No. 100**

Title to the herein described property was acquired by [Bargain and Sale Deed], Recorded January 30, 1980 as Reception No. 1980-005235, official records of Lane County, Oregon. Grantor: William Rennie, Trustee under the Will of Beulah U. Peterson; Grantee: Vernon L. Iverson and Margaret A. Iverson, husband and wife, each as to an undivided one-half interest, as tenants in common. **Tax Lot No. 100**

Title to the herein described property was acquired by Memorandum of Contract, Recorded July 22, 1976 as Reception No. 1976-037156, official records of Lane County, Oregon. Grantor: Beulah U. Peterson; Grantee: Vernon L. Iverson and Margaret A. Iverson, husband and wife. **Tax Lot no. 100**

185 / Send Tax Statements to:

V.L. and M.A. Iverson
84524 Bristow Road
Pleasant Hill, Oregon 97401

7637156

QT127077
(X-6) 29-18-2W
(1) 33-18-2W

MEMORANDUM OF CONTRACT

Memorandum is made that under the terms of a written Land Sale Contract, dated July 20, 1976, Beulah U. Peterson, Seller, has contracted with Vernon L. Iverson and Margaret A. Iverson, husband and wife, Purchasers, to sell that real property situated in Lane County and described as follows:

Beginning at the Southwest corner of the Wm. W. Bristow Donation Land Claim No. 77, Notification 7027, Township 18 South of Range 2 West of the Willamette Meridian, Lane County, Oregon; running thence East along the South line of said claim 14.925 chains; thence North 0°30' East 79.72 chains to the center of the County Road; thence North 60°30' West along center of said County Road 17.14 chains to the West line of the Michael Shelly Donation Land Claim 76, Notification 7034, said Township and Range, thence South 0° 30' West along the West line of said claim and the Wm. W. Bristow Claim 77, 88.15 chains to the place of beginning. Except that certain tract deeded to State Highway Commission by deed recorded June 27, 1942, in Vol. 233, Page 163, Lane County Oregon Deed Records.

The contract between the parties is now a valid and subsisting Contract, and Purchasers are entitled to possession of the subject property. The true and actual consideration for this transfer is \$200,000.

This Memorandum is not a conveyance of or a contract to convey the subject property, but is a memorandum only and subject to all of the terms and provisions of the Contract itself.

DATED this 20th day of July, 1976.

Beulah U. Peterson
Beulah U. Peterson, Seller

Vernon L. Iverson
Vernon L. Iverson, Purchaser

Margaret A. Iverson
Margaret A. Iverson, Purchaser

7637156

STATE OF OREGON)

) ss.

County of Lane)

Personally appeared the above named Beulah U. Peterson, and acknowledged the foregoing Memorandum of Contract to be her voluntary act and deed. Before Me:

Dated this 20th day of July, 1976.



J. D. M. Penfold
Notary Public for Oregon

My Commission Expires: 2-13-80

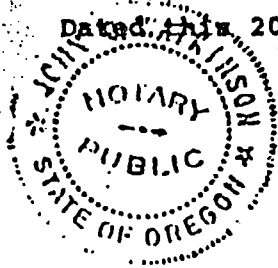
STATE OF OREGON)

) ss.

County of Lane)

Personally appeared the within named Vernon L. Iverson and Margaret A. Iverson, and acknowledged the foregoing Memorandum of Contract to be their voluntary act and deed. Before Me:

Dated this 20th day of July, 1976.



J. D. M. Penfold
Notary Public for Oregon

My Commission Expires: 2-13-80

7637156

State of Oregon,
County of Lane

I, D. M. Penfold, Director of the Department of Records and Elections, in and for the said County, do hereby certify that the within instrument was received for record at

1976 JUL 22 PM 2 14

Recd 804 R

Lane County OFFICIAL RECORDS.

D. M. PENFOLD Director of the Department of Records & Elections.

By *B. S. ...* Deputy
CDB-083-05

11.5.120 8007975

8007975

After recording return to:

.....

 NAME, ADDRESS, ZIP

Until a change is requested, mail all tax statements to:

Vernon L. & Margaret Iverson
 35490 Highway 58
 Pleasant Hill, Oregon 97401
 NAME, ADDRESS, ZIP

State of Oregon,
 County of Lane—ss.
 I, D.M. Penfold, Director of the Department of General Services, in and for the said County, do hereby certify that the within instrument was received for record at

RECORDED

Reel 1057R
 Lane County OFFICIAL RECORDS
 D.M. Penfold, Director of the Department of General Services.
 By *[Signature]*
 CLERK

WARRANTY DEED—STATUTORY FORM

..... BEULAH U. PETERSON, who acquired title as Beulah W. Goodwin..... Grantor conveys and warrants to VERNON L. IVERSON and MARGARET A. IVERSON, husband and wife

Grantee, the following described property free of encumbrances, except as specifically set forth herein.

Beginning at the Southwest corner of the Wm. W. Bristow Donation Land Claim No. 77, Notification 7027, Township 18 South of Range 2 West of the Willamette Meridian, Lane County, Oregon; running thence East along the South line of said claim 14.925 chains; thence North 0°30' East 79.72 chains to the center of the County Road; thence North 60°30' West along center of said County Road 17.14 chains to the West line of the Michael Shelly Donation Land Claim 76, Notification 7034, said Township and Range, thence South 0° 30' West along the West line of said claim and the Wm. W. Bristow Claim 77, 88.15 chains to the place of beginning. Except that certain tract deeded to State Highway Commission by deed recorded June 27, 1942, in Vol. 233, Page 163, Lane County Oregon Deed Records.

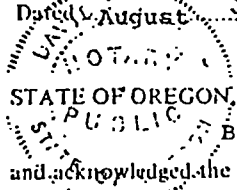
B 7 • H=0001 0003.50

(IF INSUFFICIENT SPACE, CONTINUE DESCRIPTION ON ADDITIONAL PAGE)

The said property is free from all encumbrances except power line easement granted to Mountain States Power Company, as set forth in instrument recorded November 28, 1945, in Book 303, Page 517, Lane County Oregon Deed Records

true consideration for this conveyance is \$200,000.
 Dated August 5 19 76

Beulah U. Peterson
 Beulah U. Peterson



STATE OF OREGON, County of Lane, ss.
 BEULAH U. PETERSON

Personally appeared the above named

and acknowledged the foregoing instrument to be her voluntary act and deed.
 Dated August 5 A.D. 19 76
 My Commission Expires:

David M. Andrews
 Notary Public for Oregon

NE

9135398

BARGAIN AND SALE DEED

CA

KNOW ALL MEN BY THESE PRESENTS, That.....VERNON L. IVERSON and MARGARET A. IVERSON, Husband and Wife, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto ****

hereinafter called grantee, and unto grantee's heirs, successors and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, situated in the County of Lane, State of Oregon, described as follows, to-wit:

**** VERNON L. IVERSON AND MARGARET A. IVERSON, TRUSTEES OR THEIR SUCCESSORS IN TRUST, UNDER THE IVERSON LOVING TRUST DATED JUNE 3, 1991, AND ANY AMENDMENTS THERETO

PARCEL 1:

Beginning at the southwest corner of the Prior F. Blair Donation Land Claim No. 39, Township 17 South, Range 4 West of the Willamette Meridian, said point being on the centerline of 7th Avenue West, and the East margin of McKinley Street in Eugene, Oregon, thence South 00° 38' 30" West 1396.40 feet along the East margin of McKinley Street to the North margin of 11th Avenue West and the true point of beginning, running thence North 00° 38' 30" East 135.00 feet along the East margin of McKinley Street, thence South 89° 07' East 175.00 feet, thence South 00° 38' 30" West 135.00 feet, thence North 89° 07' West along the North margin of 11th Avenue West 175.00 feet to the true point of beginning, in Lane County, Oregon.

5753 JUL .26 '91 H08REC 15.00
5753 JUL .26 '91 H08PFUND 10.00

(see attached for other parcels)
5753 JUL .26 '91 H08A&T FUND 20.00

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$.00

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which part of the sentence is not applicable, if not applicable, delete the words "part of the")

In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 3 day of June, 1991;

if a corporate grantor, it has caused its name to be signed and its seal affixed by an officer or other person duly authorized to do so by order of its board of directors.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Vernon L. Iverson
VERNON L. IVERSON
Margaret A. Iverson
MARGARET A. IVERSON

STATE OF OREGON, County of Lane ss.

This instrument was acknowledged before me on June 3, 1991,

by VERNON L. IVERSON and MARGARET A. IVERSON

This instrument was acknowledged before me on 19...

by

as

of

Notary Public for Oregon

My commission expires 10/31/91

VERNON L. IVERSON & MARGARET A. IVERSON
35490 Highway 58
Pleasant Hill, OR 97455

VERNON L. IVERSON & MARGARET A. IVERSON
35490 Highway 58
Pleasant Hill, OR 97455

JAMES H. SMITH, ATTORNEY AT LAW
1017 N. RIVERSIDE, #116
MEDFORD, OREGON 97501

Until a change is requested all tax statements shall be sent to the following address.

VERNON L. & MARGARET A. IVERSON
35490 Highway 58
Pleasant Hill, OR 97455

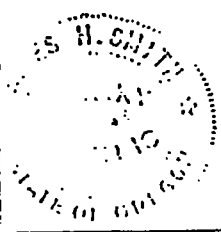
STATE OF OREGON,

County of ... ss.

I certify that the within instrument was received for record on the ... day of ... 19... at ... o'clock ... M., and recorded in book/reel/volume No... on page ... or as fee/file/instrument/microfilm/reception No... Record of Deeds of said county.

Witness my hand and seal of County affixed.

By ... Deputy



SPACE RESERVED FOR RECORDER'S USE

9135398

PARCEL 2:

Lot 2, or IVERSON PARK, as platted and recorded in Book 56, Page 22, Lane County, Oregon Plat Records, in Lane County, Oregon. ALSO: BEGINNING at the Northeast corner of Lot 1, Iverson Park as platted and recorded in Book 56, Page 22, of the Lane County Oregon Plat Records, thence South 0° 38' 30" West along the East line of said Lot 1, 139.00 feet to the Southeast corner of said Lot 1; thence North 89° 07' West along the South line of said Lot 1, 1.82 feet; thence North 1° 23' 30" East 139.00 feet to the point of beginning, all in Lane County, Oregon.

PARCEL 3 (UNION OIL):

Beginning at the southwest corner of the Prior F. Blair Donation Land Claim No. 39, Township 17 South, Range 4 West of the Willamette Meridian, said point being on the centerline of 7th Avenue West, and the East margin of McKinley Street in Eugene, Oregon, thence South 00° 38' 30" West 1396.40 feet along the East margin of McKinley Street to the North margin of 11th Avenue West and the true point of beginning, running thence North 00° 38' 30" East 135.00 feet along the East margin of McKinley Street, thence South 89° 07' East 175.00 feet, thence South 00° 38' 30" West 135.00 feet, thence North 89° 07' West along the North margin of 11th Avenue West 175.00 feet to the true point of beginning, in Lane County, Oregon.

PARCEL 4 (95.41 ACRES):

A parcel of land situated in the Southeast one-quarter of Section 29, and the Northeast one-quarter of Section 32, Township 18 South, Range 2 West, Willamette Meridian, Lane County Oregon, being more particularly described as follows: Beginning at the southwest corner of the William Bristow Donation Land Claim No. 77 said Township and Range; thence along the west line of said Donation Land Claim No. 77, North 0° 14' 49" East, 4369.32 feet to a 5/8 inch iron rod; thence leaving said west line, South 81° 25' 47" East, 279.23 feet to a 5/8 inch iron rod; thence North 0° 36' 00" West, 1156.35 feet to a 5/8 inch iron rod which is 80.00 feet when measured at right angles to the southerly right of way line of the Willamette Highway (Oregon State Highway No. 58); thence parallel to said southerly right of way line, North 60° 33' 43" West, 294.26 feet to a 5/8 inch iron rod set on the west line of the M. Shelly Donation Land Claim No. 76; thence along said west line, North 0° 33' 00" East, 68.53 feet to a 5/8 inch iron rod set on the intersection of said west line and the southerly right of way line of said Willamette Highway; thence along said southerly right of way line, South 60° 33' 43" East, 256.41 feet to an axel found at Engineers Centerline Station 239+00; thence North 29° 26' 17" East, 20.00 feet to an axel; thence South 60° 33' 43" East, 93.97 feet to a 5/8 inch iron rod; thence leaving said southerly right of way line, South 0° 36' 00" East, 1520.19 feet to a 5/8 inch iron rod; thence East, 644.16 feet to a 5/8 inch iron rod set on the easterly line of that tract of land described in deed to Vernon L. Iverson and Margaret A. Iverson recorded July 20, 1976 by Recorders Reception No. 7637156, Lane County Oregon Deed Records; thence along said east line, South 0° 14' 49" West, 4012.77 feet to a 5/8 inch iron rod set on the south line of the William Bristow Donation land Claim No. 77; thence along said south line, South 89° 27' 10" West, 985.05 feet to the point of beginning. Containing 95.41 acres.

9135398

PARCEL 5 (3.412 ACRES):

A parcel of land located in the SE1/4 of Section 29, T18S, R2W, W.M., Lane County, Oregon, and being more particularly described as follows: Beginning at a Lane County Brass Cap found marking the S.W. Corner of the M. Shelly D.L.C. No. 76, in T18S, R2W, W.M.; thence S 0° 14' 49" W, along the West boundary of the William Bristow D.L.C. No. 77, for a distance of 298.48 feet to a point marked by a 5/8" iron pin, said pin also being the TRUE POINT OF BEGINNING of this description; thence S 0° 14' 49" W. along the West boundary of said D.L.C. No. 77, for a distance of 524.14 feet to a point marked by a 5/8" iron pin; thence S 81° 25' 47" E, 279.23 feet to a point marked by a 5/8" iron pin; thence N 0° 36' 00" W, 568.58 feet to a point marked by a 5/8" iron pin; thence S 89° 24' 00" W, 267.91 feet to the TRUE POINT OF BEGINNING, all in Lane County, Oregon and containing 3.410 acres, more or less.

9135398

State of Oregon,
County of Lane--ss.

I, the County Clerk, in and for the said County, do hereby certify that the within instrument was received for record at

26 JUL 91 9:53

Recd **1709R**

Lane County OFFICIAL Records.
Lane County Clerk

By: _____

John E. Fair
County Clerk