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Memorandum Date: September 1, 2006
Order Date: September 13, 2006

TO: Board of County Commissioners

DEPARTMENT: Public Works Dept./Land Management Division

PRESENTED BY: BILL VANVACTOR, COUNTY ADMINISTRATOR
KENT HOWE, PLANNING DIRECTOR

AGENDA ITEM TITLE: 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 (PA06-5583, MERRELL)

I. MOTION

Move to approve the Measure 37 Claim and adopt the order attached to this memo.

II. AGENDA ITEM SUMMARY

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 Connie Jean Merrell to use the property as allowed at the time she acquired an interest in the property?

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Applicant: Larry Reed

Current Owner: Connie Jean Merrell

Agent: Robin Sanders

Map and tax lot: 17-02-04 #710

Acreage: 15 acres

Current Zoning: F2 (Impacted Forest)

Date Applicant acquired an interest in the Property: July 5, 1972.

Date claim submitted: April 13, 2006. The 180-day deadline is October 11, 2006.

Land Use Regulations in Effect at Date of Acquisition: Unzoned.

County land use regulation which restricts the use and reduces the fair market value of claimant's property:

B. Policy Issues

This claim does not involve any administrative policy or objective.

C. Board Goals

The public hearing will provide an opportunity for citizen participation in decision making, in conformance with the overall goals of the Lane County Strategic Plan.

D. Financial and/or Resource Considerations

The applicant has requested compensation of \$315,000 or a waiver of the F2 zone regulations that prohibit the division of the property into lots containing less than 80 acres and placement of a dwelling on each lot.

E. Analysis

The applicant has paid the processing fee and submitted evidence in support of this claim. This evidence includes an appraisal, title report and deeds.

The applicant acquired an interest in the property on July 5, 1972 (WD #7001). On that date, the property was unzoned. Currently, the property is zoned F2 (Impacted Forest), the minimum lot size is 80 acres and a new dwelling requires a special use permit. The applicant wants to divide the property into lots that contain less than 80 acres and place a dwelling on each lot.

The applicant has submitted an appraisal to demonstrate a reduction in fair market value. According to this appraisal, the alleged reduction in fair market value from enforcement of a restrictive land use regulation is \$315,000.

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

Connie Merrell acquired an interest in the property on July 5, 1972 (WD #7001). On that date, the property was unzoned. Currently, the property is zoned F2 (Impacted Forest), the minimum lot size is 80 acres and a new dwelling requires a special use permit. The applicant wants to divide the property into lots that contain less than 80 acres and place a dwelling on each lot.

Reduction in Fair Market Value

The applicant has submitted an appraisal to demonstrate a reduction in fair market value. According to this appraisal, the alleged reduction in fair market value resulting from enforcement of a restrictive land use regulation is \$315,000.

Exempt Regulations

The F2 (Impacted Forest) limitations on new dwellings, and the minimum parcel size of 80 acres do not appear to be exempt regulations described in Measure 37 or LC 2.710.

Conclusion

It appears this is a valid claim if the Board determines the submitted evidence demonstrates a reduction in fair market value resulting from enforcement of a restrictive land use regulation.

F. Alternatives/Options

The Board has these options:

- Determine the application appears valid and adopt the order attached to this report.
- Require more information regarding the reduction in value or ownership.
- 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. TIMING/IMPLEMENTATION

If the Board determines this is a valid claim and waives a land use regulation, the claimant must receive a similar waiver from the state before a land use application and/or development proposal is submitted.

VI. RECOMMENDATION

If the Board determines the submitted evidence demonstrates a reduction in fair market value resulting from enforcement of a restrictive land use regulation, the County Administrator recommends the Board waive the restrictive land use regulations.

VII. FOLLOW-UP

If adopted, the order will be recorded.

VII. ATTACHMENTS

- Draft order to approve the claim of Connie Jean Merrell.
- Vicinity Map.
- Claim submitted on April 13, 2006.

**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 (Connie Jean Merrill/PA06-5583)

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 landowner 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 Connie Jean Merrill (PA06-5583), the owner of real property located at 90440 Hill Road, Springfield, and more specifically described in the records of the Lane County Assessor as map 17-02-04, tax lot 710, consisting of approximately 15 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 September 13, 2006, the Board conducted a public hearing on the Measure 37 claim (PA06-5583) of Connie Jean Merrill and has now determined that the restrictive F2 (Impacted Forest) zone dwelling and land division requirements of LC 16.211 were enforced and made applicable to prevent Connie Jean Merrill from developing the property as might have been allowed at the time she acquired an interest in the property on July 5, 1972, and that the public benefit from application of the current F2 dwelling and division land use regulations to the applicant's property is outweighed by the public burden of paying just compensation; and

WHEREAS, Connie Jean Merrill request either \$315,000 as compensation for the reduction in value of her property, or waiver of all land use regulations that would restrict the division of land into lots containing less than eighty acres and placement of a dwelling on each lot, uses that could have otherwise been allowed at the time she acquired an interest in 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 F2 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 Connie Jean Merrill to make application for development of the subject property in a manner similar to what she could have been able to do under the regulations in effect when she 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 applicant Connie Jean Merrill 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 she acquired an interest in 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 Connie Jean Merrill shall be granted and the restrictive provisions of LC 16.211 that limit the development of dwellings and the division of land in the F2 (Impacted Forest) Zone shall not apply to Connie Jean Merrill, so she can make application for approval to develop the property located at 90440 Hill Road, Springfield, and more specifically described in the records of the Lane County Assessor as map 17-02-04, tax lot 710, consisting of approximately 15 acres in Lane County, Oregon, in a manner consistent with the land use regulations in effect when she acquired an interest in the property on July 5, 1972.

IT IS HEREBY FURTHER ORDERED that Connie Jean Merrill still needs 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 her 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 a new dwelling 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, and return to the Board for action, if necessary. All other Lane Code land use and development regulations shall remain applicable to the subject property until such time as she are shown to be restrictive and that those restrictions reduce the fair market value of the subject property.

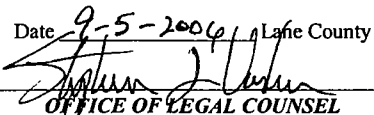
IT IS HEREBY FURTHER ORDERED that this action making certain Lane Code provisions inapplicable to use of the property by Connie Jean Merrill does not constitute a waiver or modification of state land use regulations and does not authorize immediate division of the subject property or immediate construction of a dwelling. The requirements of state law may contain specific standards regulating development of the subject property and the applicant 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 applicant 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 9-5-2006 Lane County

OFFICE OF LEGAL COUNSEL



Gilkey Creek

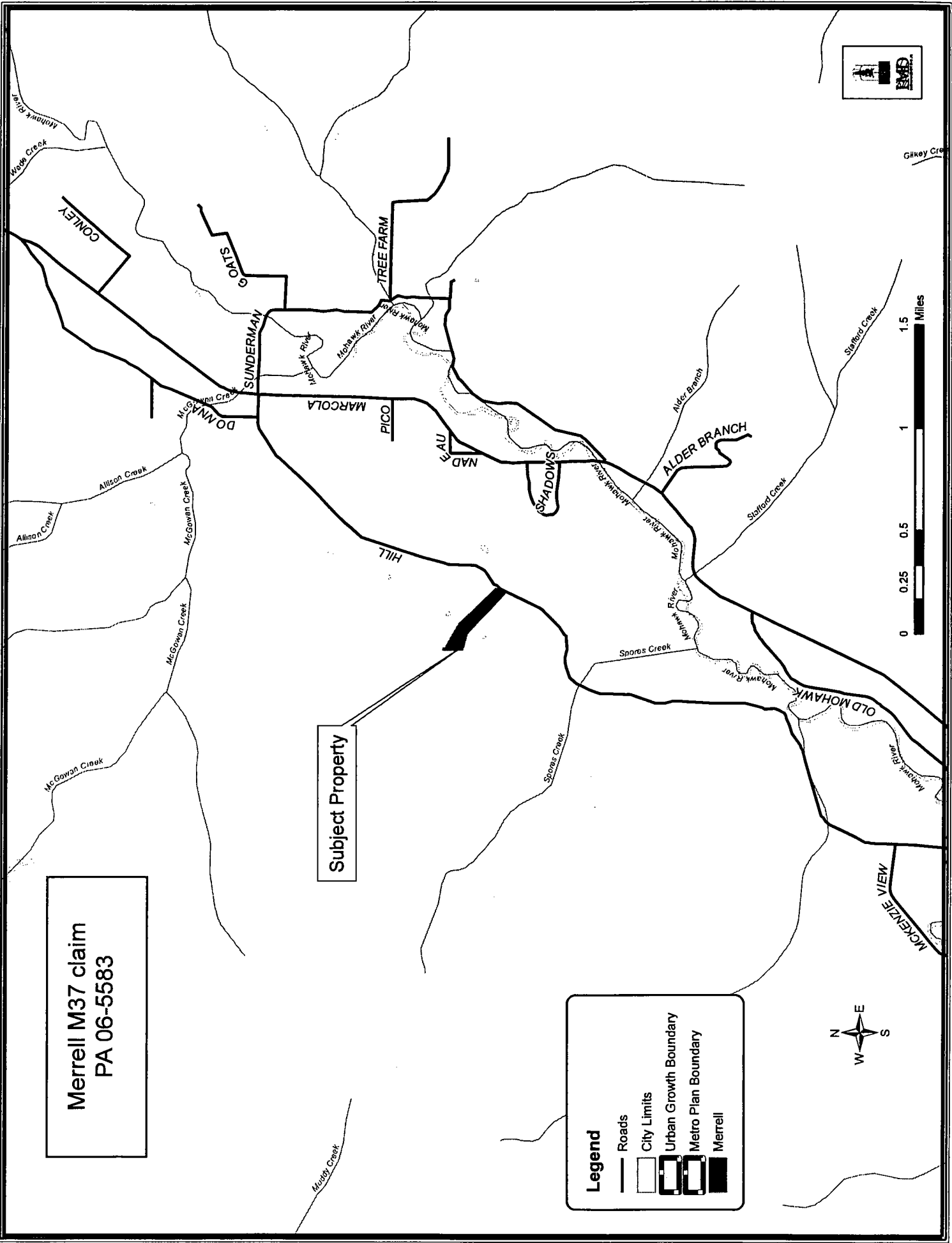


Legend

- Roads
- City Limits
- Urban Growth Boundary
- Metro Plan Boundary
- Merrell

Subject Property

Merrell M37 claim
PA 06-5583



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

LARRY E. REED JR 4265 VILLAGE PLAZA LOOP #201 (541) 687-1081
 Applicant Name (Please Print) Mailing Address Phone

ROBIN SANDERS (DAUGHTER) 219 42ND STREET SPRINGFIELD OR 97477
 Agent Name (Please Print) Mailing Address Phone

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.

CONNIE J. MERRELL 90440 HILL ROAD SPRINGFIELD OR 97478
 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 MAP 17-02-04-00-00710 (TAX LOT 710)

Street Address 90440 HILL ROAD, SPRINGFIELD 97478 Legal Description Attached YES
SEE NARRATIVE EXH. C

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).

LANE COUNTY CODE SECTION 16.211 IMPACTED FOREST LAND (F-2) UNDER COUNTY ORD. # PA884 AND EARLIER LIMITED FOREST LAND DISTRICT (F-2) BY COUNTY ORD. # 841 WERE BOTH ADOPTED AFTER THE MERRELL'S PURCHASED THE SUBJECT SITE (T.L. 710) IN 1972. THE PROPERTY WAS NOT SUBJECT TO ANY LAND USE REGULATIONS (ZONING) UNTIL SEPT. 28, 1980 PER COUNTY RESEARCH REQUEST PA 05-6436 SEE NARRATIVE EXH. H

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 NARRATIVE AND ATTACHED EXHIBITS: EXH C - MERRELL 1972 DEED, EXH D - COUNTY LEGAL LOT VERIFICATION, EXH E - DEATH CERTIFICATE, EXH F - MRS MERRELL'S/OWNER'S STATEMENT AND EXH G - TITLE REPORT

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.

CHARLES P. THOMPSON & ASSOCIATES, INC (MIA - STATE LICENSED APPRAISERS)
APPRAISAL IS EXHIBIT I ATTACHED TO NARRATIVE. ALSO SEE NARRATIVE
EXHIBIT H - COUNTY'S VERIFICATION OF 1972 LAND USE (ZONING) REGULATIONS.

7. Leases, Covenants, Conditions and Restrictions

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

TWO UTILITY EASEMENTS ARE IDENTIFIED IN THE TITLE REPORT (EXH I). THESE
EASEMENTS ARE BLANK EASEMENTS (NOT SPECIFICALLY LOCATED) AND ARE
ATTACHED TO NARRATIVE AS EXHIBITS J-1 AND J-2.

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.

BECAUSE THE COUNTY AND STATE AS NO FUNDS TO COMPENSATE MRS. MERRELL, MRS.
MERRELL REQUESTS THAT THE COUNTY'S CURRENT F-2 - LAND USE (ZONING) AND TO
SOME DEGREE CURRENT LAND DIVISION REGULATIONS BE WAIVED ALLOWING HER TO
PROCEED TO DEVELOPER HER LAND UNDER STATE AND COUNTY LAND DIVISION 1972 RULES.

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).

Cornie) Merrell

Owner(s) Signature

2/8/06
Date

Larry E. Leed of J.R.H.
Rob Sanders

Applicant/Agent Signature

2/8/06
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.



JRH

LANE COUNTY

MEASURE 37 CLAIM APPLICATION

PROPERTY OWNER –
CONNIE JEAN MERRELL

APRIL 7, 2006



LANE COUNTY MEASURE 37 CLAIM APPLICATION

Prepared for:
Connie Jean Merrell
90440 Hill Road
Springfield, OR 97478

Narrative prepared by:
JRH Land Use Division
4765 Village Plaza Loop, Suite 201
Eugene, OR 97401
(541) 687-1081

April 7, 2006

Request: This application seeks the waiver of Lane County Land Use Regulations adopted after July 5, 1972, thereby allowing Mrs. Connie Jean Merrell to proceed to develop her land under the County's Land Division Regulations in effect as of July 5, 1972, the date of purchase.



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- V. APPRAISALS
 - A. Current Regulations
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- VI. IDENTIFICATION OF RELIEF SOUGHT
- VII. SUPPORTING REASONS
- VIII. SUMMARY
- IX. EXHIBITS (at end of this narrative)

EXHIBITS

- A. Vicinity Map
- B. County Assessor's Map #17-02-04
- C. Legal Description and 1972 Deed
- D. County Legal Lot Verification
- E. Medical Certificate of Death
- F. Connie Merrell's Owner's Statement
- G. Title Report
- H. County's Verification of Zoning Rules 1972
 - H-1 1980 Ordinance 841 Applying F-2 Zoning
 - H-2 Country 1970 Subdivision Ordinance (portions)
 - H-3 1970 Amendment to Subdivision Ordinance
 - H-4 1972 Amendment to Subdivision Ordinance
- I. MIA Appraisal
- J. Utility Easements
 - J-1 1969 to Pacific Power and Light Co.
 - J-2 1972 to Pacific Power and Light Co.
- K. Composite Map of Sections 4 (16-02-04), 9 (17-02-09), and 33 (16-02-33) of Hill Road

I. OWNERSHIP AND PARTIES OF INTEREST:

The property owner is Connie Jean Merrell who lives at 90440 Hill Road, Springfield, Oregon, 97478. Mrs. Merrell's daughter and agent, is Robin Merrell Sanders, who lives at 219 42nd Street, Springfield, Oregon, 97477. A map of the area of the Merrell property is attached as Exhibit A and labeled Vicinity Map.

II. IDENTIFICATION AND LEGAL DESCRIPTION:

The subject site is identified as Tax Lot 710 of Lane County Assessor's Map 17-02-04. A copy of this County Assessor's Map is attached as Exhibit B. The legal description is set forth in the Deed documents 1972, Reel 593, Document # 7001, is attached as Exhibit C.

III. BACKGROUND:

A. Location and Siting:

The subject site is located approximately 4.5 miles north of Springfield (north of Interstate Route 105 and 42nd Street exit) to the west of the Mohawk River along the lower west side of the Mohawk Valley. This area's native vegetation consists mainly of prairie grass dotted with Oregon White Oak, some Incense Cedar, with Poison Oak, Hazelnut, and Western Bracken Fern as the main understory plants. Very little merchantable timber (Douglas Fir) grows on the lower east-facing slope of the Coburg Hills. According to the Soils Survey of Lane County, these lower slopes of the Coburg Hills are used mainly for pasture, orchard, berries, and home sites. The area along Hill Road and immediately surrounding the subject site is divided up into numerous smaller parcels ranging in size from 1± acre to 30 acres. The subject site overlooks the Mountain Shadows subdivision to the east. Opposite Mountain Shadows subdivision, further east, is the Springfield Country Club and Golf Course on the west facing slopes of the Mohawk Valley.

B. Legal Lot:

The subject site is a legal lot of record as documented by Lane County Planning action PA 06228. This document is attached as Exhibit D. The County's determination is based upon the fact the property was created in 1972 by Deed and prior to the County's land division platting provisions. The property continues today with the same legal description. According to County procedures, the County's staff legal lot findings only constitute a preliminary legal lot. Before it is final, the County requires a final notice to surrounding property owners. It is anticipated this final notice process will be completed prior to Mrs. Merrell filing for a Preliminary Land Divisioning Plat.

C. Development Vision:

The Merrells (Stanley Thomas Merrell and Connie Jean Merrell, husband and wife) purchased the site in 1972 not only as their home, but also in anticipation of developing the site; being able to sell lots for country home sites. The Merrells began pursuing this development in 1978-1979 before running into technical and financial hurdles. When these issues were resolved and they got back to the task

of pursuing their land development, the Merrells found that the County had zoned their land and that these land use regulations prevented the Merrells from pursuing their vision (and investment goals). Mr. Merrell is now deceased. A medical Certificate of Death record as recorded in 1991 in Lane County Deed Records, Reel 1718, Document # 9144958 is attached as Exhibit E. An Owner's Statement (by Connie Jean Merrell, surviving spouse) is also attached as Exhibit F.

IV. STATEMENT OF CLAIM:

The following will show that Mrs. Merrell, as owner, is entitled to just compensation for the County's adoption of specific land use regulations that denied the owners the ability to develop the land as allowed at the time of the Merrell's purchase (1972).

A. Title Report:

A Title Report by Evergreen Title Company is attached as Exhibit G. Also see County's Legal Lot Verification, Exhibit D, and Certificate of Death, Exhibit E. An examination of the above documents shows the property was created in 1972 through the Deed to the Merrells and that Connie Jean Merrell (the surviving spouse) has continuously owned the subject site since 1972.

B. Land Use Regulations:

1. Imposed Regulations:

The property was un-zoned up until September of 1980. On September 28, 1980 the County Board of Commissioners enacted Ordinance 841, which, for the first time, applied the Limited Forest Land (F-2) to the property. This 1980 F-2 zoning remained in place until February 29, 1984 when the subject site was changed to Impacted Forest Land (F-2) by County Ordinance 884.

The above statement is verified in a letter from Lane County Land Management Division (research request response PA 05-6436) dated October 27, 2005. A copy of this County letter is attached as Exhibit H, including supporting Exhibits H-1 through H-4.

Note: The County's current F-2 zoning regulations are codified in Lane County Code Section 16.211. In addition, Lane Code Section 13.050 requires that land divisions to be in conformance with County Rural Comprehensive Plans and with all zoning regulations including the use of land, lot area, and lot dimensions, etc.

2. Regulations Prior to September 28, 1980:

Based upon the above County documents, no zoning (land use) regulations were in effect in 1972, the year the Merrells purchased the subject site. However, this un-zoned portion of the County, including the Merrell's property, was subject to the County Land Divisioning Regulations for the purpose of regulating the division of land into units of land less than 5 acres



(as defined). This Ordinance's purpose was to ensure land development provided adequate transportation access, provisions for water supply, and sewage/wastewater disposal, etc.

In 1978/1979, when the Merrells began their pursuit of developing their land, the Lane County Subdivision Ordinance specifically allowed a minimum of one acre where the home sites/ lots were not served by public sanitary sewer or by a public water supply. A copy of the cover page and pages 1, 2, 3, 4, 5, 6, and 24 of Lane County Subdivision Ordinance, 1970 as amended, is attached as Exhibit H-2 (specifically Ordinance page 24), exhibit page 8).

Based upon Measure 37 statutory provisions, Mrs. Merrell is entitled to compensation based upon the market value of the land today under the County's 1972 regulations compared to the market value under today's Land Use Regulations.

V. APPRAISALS:

A. Appraisal Value:

The attached Appraisal Report by Chuck Thompson, MIA Appraiser licensed by the State of Oregon Appraiser Certifications and Licensure Board, is attached as Exhibit I. This Appraisal shows the loss or reduction in value is \$315,000.

1. Value under Current Regulations:

The value of house and land is \$470,000 under present F-2 zoning regulations.

2. Values under 1972 Regulations:

| | |
|---|-------------------|
| Sale of 7 lots | \$845,000 (gross) |
| Minus Development Costs (hard & soft) | <u>460,000</u> |
| Value – Cash Flow | 385,000 (net) |
| Value of Existing Residence (smaller lot) | <u>400,000</u> |
| | \$785,000 |
| Value of Existing Residence (full parcel) | <u>470,000</u> |
| POTENTIAL | \$315,000 |

B. Additional Information:

This \$315,000 figure, as shown in the attached MIA appraisal (Exhibit I), represents the difference or value of this Measure 37 claim. This figure is very conservative. By JRH calculations, combined engineer, construction cost, and real estate sales expenses, the estimated hard and soft costs are more in the range of \$375,000, not \$460,000. This difference of \$85,000 added to \$315,000 is \$400,000.



In addition, this loss of value of between \$315,000 and \$400,000 does not speak to what will actually occur; to wit, Mrs. Merrell will be able to stay in the house where she lived with her husband and raised her children, while gaining income to help support herself.

| | |
|---|---------------------------|
| Sale of 7 lots | \$845,000 (gross) |
| Minus Development Costs (hard & soft) | <u>460,000</u> |
| Value – Cash Flow | 385,000 (net) |
| Anticipated Additional Value | <u>85,000 (per above)</u> |
| POTENTIAL | \$470,000 |

This \$385,000 to \$470,000 represent a more realistic figure of what this approval is worth to Mrs. Merrell.

VI. IDENTIFICATION OF RELIEF SOUGHT:

Mrs. Merrell understands that Lane County and the State of Oregon have no funds available to compensate her and/or her family for the reduction in market value pursuant to Measure 37 Claim statutes. Therefore, Mrs. Merrell simply wishes the County’s approval to proceed under the County’s regulations in effect at the time of her and her husband’s purchase.

This Board of Commissioners’ action requires the waiver of Lane Code Section 16.211 (current F-2 Zoning Regulations) in its entirety and portions of Section 13.050, those subsections (specifically subsections (1) and (2)) relating to land use (comprehensive plans and zoning) conformity.

VII. SUPPORTING REASONS:

The following looks at other reasons why approval of this Measure 37 claim is a good thing, good for the County.

A. The property is not important farm or forest land. The following explains this statement.

1. According to the Federal Soils Survey of Lane County Oregon, the site primarily consists of Waldo, Nekia, and Panther soils. The Waldo soil has an Agricultural Rating of III without having any Timber Index. Nekia soil has an Agricultural Rating of IV with a Timber Index of 151 (the area of the existing house). In addition, Panther soil type has an Agricultural Rating of VI, also without any Timber rating.
2. The Soils Survey goes on to state the native vegetation of this soil are mainly Oregon White Oak, Incense Cedar, including Douglas Fir on the Nekia soils of the land of higher elevation and having steeper slopes, with Poison Oak, Hazelnut, and Western Bracken Fern as the main understory plants. The soils on the lower east-facing slopes of the Coburg Hills are primarily used for pasture, berries, orchards, and home sites.

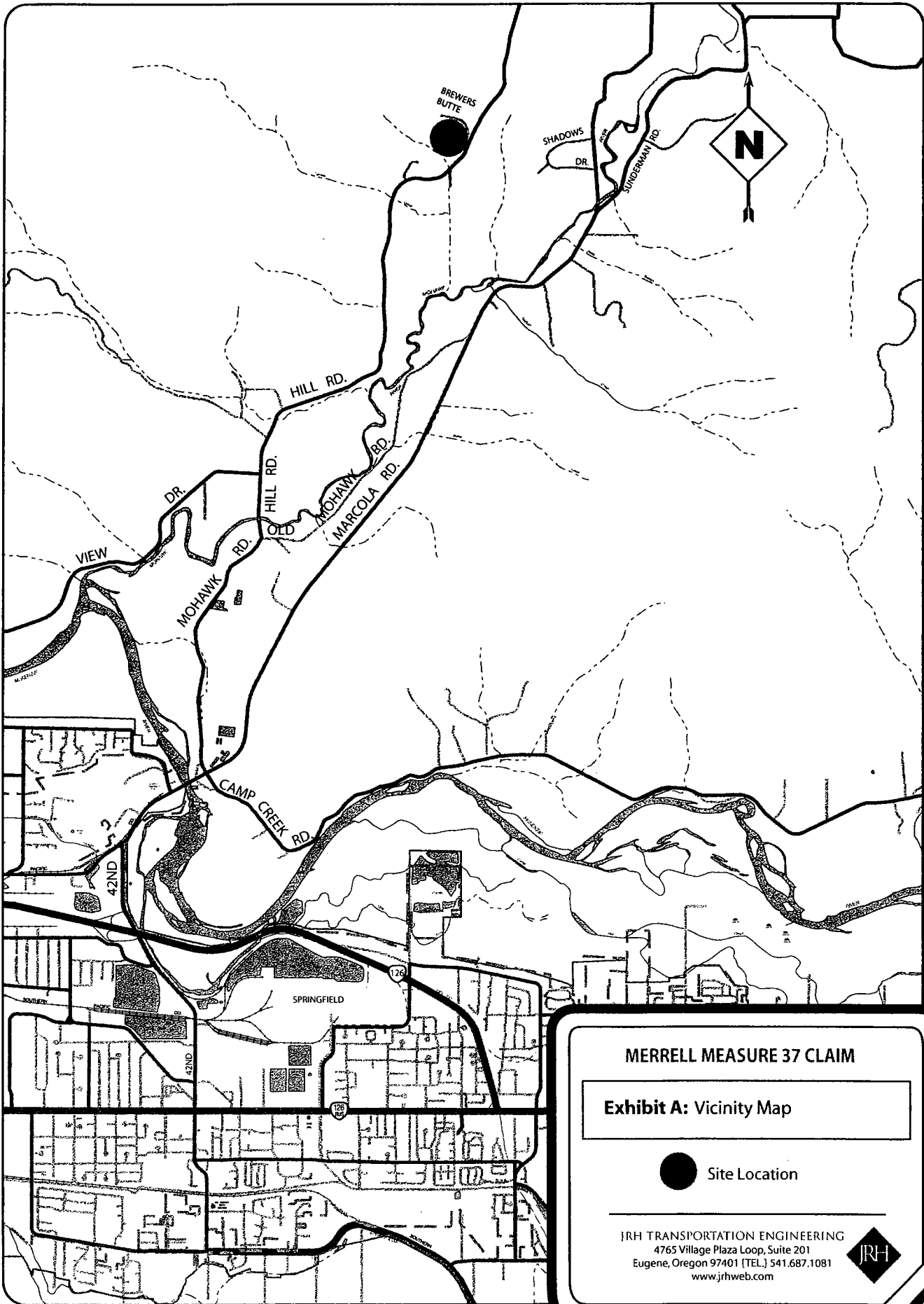


According to Mrs. Merrell, the site has never grown merchantable timber (Douglas Fir). See Exhibit F. Based on the foregoing statements, the creation of a few additional lots won't be removing any land from timber production.

- B. According to the State of Oregon and Lane Council of Governments' (LCOG) projections, the State of Oregon will continue to grow in population. Lane County is expected (required) to accommodate their portion of this growth. According to the National Homebuilders research, 87 percent of people in the market to purchase a home are looking for a detached house. Of this group a smaller subset of future homeowners want a home in a country-rural setting. In the future, the subject site's few additional home sites will help supply this segment of the rural market demand.
- C. This area of the Mohawk Valley along the east facing slopes of the Coburg Hills adjoining Hill Road is already highly parcelized into lots of various sizes used primarily for Residential home sites. Most of these lots are not productive Agricultural units. Although, on the larger parcels along the east side of Hill Road, specialty Agricultural production provides some exception to this Residential land use pattern. A composite map of Section 33 (Map 16-02-33), Section 4 (Map 17-02-04) and Section 9 (Map 17-02-09) is attached as Exhibit K. This composite map provides a visual representation and record of the land division that has previously occurred in this area. A few additional lots of such a parcelized area will not significantly affect the types of agricultural endeavors occurring in the surrounding area.

VIII. SUMMARY:

Mrs. Merrell and her daughter, Robin Merrell Sanders, have provided all the documentation and evidence required under Measure 37 statutory provisions. Based upon the facts set forth in this Application and attached Exhibits, Mrs. Merrell may be granted a Measure 37 approval. On behalf of Mrs. Merrell, it is requested that her Measure 37 claim be approved as submitted.



MERRELL MEASURE 37 CLAIM

Exhibit A: Vicinity Map

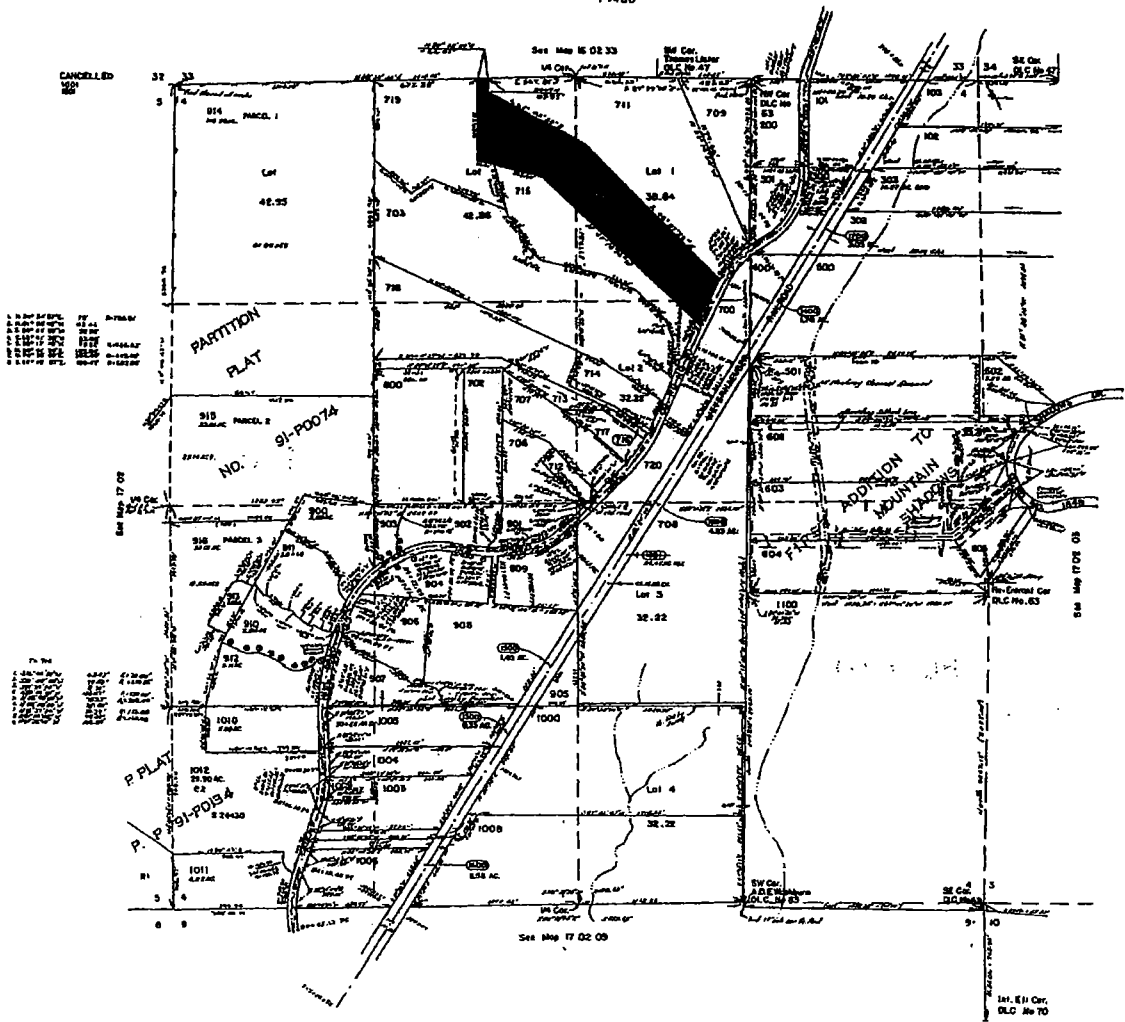
● Site Location

JRH TRANSPORTATION ENGINEERING
 4765 Village Plaza Loop, Suite 201
 Eugene, Oregon 97401 (TEL.) 541.687.1081
 www.jrhweb.com



Section 4 T.17S. R.2W.W.M.
LANE COUNTY
1"=400'

17 02 04



MERRELL MEASURE 37 CLAIM

Exhibit B: Assessor's Tax Map 17-02-04

Subject Site T.L. 710

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www.jrhweb.com



Beginning at the stone marking the Northwest corner of the A.D.E. Washburn Donation Land Claim No. 63, Township 17 South, Range 2 West of the Willamette Meridian; thence South 0° 12' 40" West 1073.28 feet to an iron pin set on the Northwesterly right-of-way line of County Road No. 1327 (Hill Road); thence along said right-of-way line and along the arc of a curve to the left having a radius of 602.96 feet to an iron pin marking the True Point of Beginning, which bears South 40° 52' 37" West 302.90 feet from the last described point; thence South 26° 19' 47" West 311.58 feet continuing along said right-of-way line to a point marked by an iron pin; thence North 47° 12' 36" West 1387.17 feet to a point marked by an iron pin; thence North 75° 36' 31" West 435.13 feet to a point marked by an iron pin; thence North 521.23 feet to an iron pin set on the North line of Section 4, said Township and Range, as located in County Survey No. 12416, May 1962; thence North 88° 28' 40" East 62.09 feet along said Section line to a point marked by an iron pin; thence South 83.83 feet to a point marked by an iron pin; thence South 62° 43' 20" East 700.25 feet to a point marked by an iron pin; thence South 45° 07' 25" East 1260.44 feet to the True Point of Beginning, in Lane County, Oregon.

MERRELL MEASURE 37 CLAIM

**Exhibit C: Legal Description and
1972 Deed to Merrell's**

Page 1 of 3

JRH TRANSPORTATION ENGINEERING
4765 Village Plaza Loop, Suite 201
Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com



KNOW ALL MEN BY THESE PRESENTS, That Dale I. Granley and Mary Curtis Granley

the Grantors, in consideration of EIGHTEEN THOUSAND SEVEN HUNDRED AND 00/100-- Dollars,

to, paid do hereby grant, bargain, sell and convey unto
Stanley T. Merrell and Connie J. Merrell, Husband and Wife

their heirs and assigns, all the following real property, with the tenements, hereditaments and appurtenances, situated in the County of Lane and State of Oregon, bounded and described as follows, to-wit:

Beginning at the stone marking the northwest corner of the A.D.E. Washburn Donation Land Claim No. 63, Township 17 South, Range 2 West of the Willamette Meridian; thence,

S0°12'40"W 1073.28 feet to an iron pin set on the northwesterly right of way line of County Road No. 1327 (Hill Road) thence,

along said right of way line and along the arc of a curve to the left having a radius of 602.96 feet to an iron pin marking the TRUE POINT OF BEGINNING, whc which bears

S40°52'37"W 302.90 feet from the last described point; thence,

S26°19'47W 311.58 feet continuing along said right of way line to a point marked by an iron pin; thence,

N47° 12' 36"W . 1387.17 feet to a point marked by an iron pin; thence,

N75° 36' 31"W 435.13 feet to a point marked by an iron pin; thence,

North 521.23 feet to an iron pin set on the north line of Section 4, said Township and Range, as located in County Survey No. 12416, May, 1962; thence,

N88° 28' 40"E 62.09 feet along said Section line to a point marked by an iron pin; thence,

South 83.83 feet to a point marked by an iron pin, thence,

S62° 43' 20"E 700.25 feet to a point marked by an iron pin; thence,

S45° 07' 25"E 1260.44 feet to the true point of beginning in Lane County, Oregon.

MERRELL MEASURE 37 CLAIM

Exhibit C: Legal Description and
1972 Deed to Merrell's

Page 2 of 3

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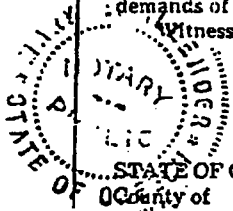
7001

To Have and to Hold the above described and granted premises unto the said grantee , heirs and assigns forever.

And the grantors do covenant that they lawfully seized in fee simple of the above granted premises free from all incumbrances,

and that they will and their heirs, executors and administrators, shall warrant and forever defend the above granted premises, and every part and parcel thereof, against the lawful claims and demands of all persons whomsoever.

Witness my hand and seal this 5th day of July, 1972.



Dale I. Gramley (Seal)
Mary Curtis Gramley (Seal)

STATE OF OREGON,
County of Lane } ss.

On this 5th day of July, 1972, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named

Dale I. Gramley and Mary Curtis Gramley

who are known to me to be the identical individual^s described in and who executed the within instrument, and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written

Mary E. Allen
Notary Public for Oregon

My Commission Expires May 19, 1976

7001
Compliments of
CASCADE TITLE CO.
938 Oak Street Eugene, Oregon

WARRANTY DEED

TO

State of Oregon,
County of Lane—ss.
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

1972 JUL 5 PM 4 48 G

Reel 593 R
Lane County OFFICIAL RECORDS.
D. M. PENFOLD, Director of the Department of Records & Elections.
By *D. M. Penfold* Deputy
C29-083-05
Return To:

MERRELL MEASURE 37 CLAIM

Exhibit C: Legal Description and 1972 Deed to Merrell's





LANE COUNTY
PUBLIC WORKS
LAND MANAGEMENT DIVISION

Date: April 3, 2006

APPLICANT:
Larry Reed
JRH Transportation & Planning
4765 Village Plaza Loop, Suite 201
Eugene, OR 97401

OWNER:
Connie Merrell
90440 Hill Road
Springfield, OR 97478

PA: 06-5228

RE: Report and Verification of a Legal Lot
Tax Map: 17-02-04 Taxlot: 710

A more exact description by reference to Deed or Land Sales Contract
Is Warranty Deed R593/7001

Based upon the Findings provided in this report, the above referenced property constitutes a preliminary legal lot. A legal lot means:

1. Ownership to this property may be conveyed with the assurance that such a conveyance would not require approval by Lane County land division regulations; and
2. Upon the completion of the "Final Notice" process, Lane County will recognize this property as a legally separate unit of land for the purposes of development. Nevertheless, development will still be subject to applicable zoning, sanitation, access, and building regulations.

(A Preliminary Legal Lot Determination establishes the legality of the creation of this unit of land. Lane County makes no claim as to ownership, title or boundary location).

Findings

1. The subject property was created as a separate parcel on 7/05/1972
See attached instrument(s) Warranty Deed R593/7001
2. The creation of the subject property as a separate parcel complied with all effective land division, zoning and comprehensive plan regulations, and it therefore constitutes a legal lot:
 - a. Land division regulations:
 - When the subject parcel was created, there were not land division regulations in effect to govern its creation. Lane County did not adopt applicable regulations for this kind of division until March 26, 1975.
 - There were land division regulations in effect governing the creation of this parcel, and the creation of this parcel was specifically exempted by these regulations from compliance because _____.

LAND MANAGEMENT DIVISION / PUBLIC WORKS DEPARTMENT / 125 EAST 8TH AVENUE / EUGENE, OREGON 97401 / FAX 541-682-3947
BUILDING (541)-682-3823 / PLANNING (541) 682-3807 / SURVEYORS (541) 682-4195 / COMPLIANCE (541) 682-3741
100% Recycled Unbleached paper - 50% Post-Consumer Content

MERRELL MEASURE 37 CLAIM

Exhibit D: County Legal Lot Verification

Page 1 of 3

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www.jrhweb.com





LAND MANAGEMENT DIVISION

b. Zoning regulations:

- When the subject parcel was created, there were no zoning regulations in effect at that time. The zoning for this property was adopted on 6/01/1977.
- When the subject parcel was created, there were the following zoning regulations in effect which the parcel complied with because _____.

c. Additional Comments:

Tax lot 710, Map 17-02-04, as described in Warranty Deed R593/7001, is a preliminary legal lot. A lawfully created lot or parcel created shall remain a discrete lot or parcel, unless the lot or parcel lines are changed or vacated or the lot or parcel is further divided as provided by law LC 13.101(4). Tax Lot 710 appears to have access along its southeasterly boundary with Hill Rd, Co. Rd No. 1327.

This Legal Lot Verification report is a preliminary indication that the above referenced property, as further designated on the enclosed map, is preliminarily a legal lot. The final legal lot decision will be made at the time of "Application for Notice," which is a notice that is sent to adjacent property owners per L.C. 13.020. Please be aware that if the boundary of this preliminary legal lot changes by the time a permit or application requiring a legal lot is submitted, then a new Legal Lot Verification will be required."

Sincerely,

D. G. NICKELL, P.L.S.O.
Engineering Associate
541-682-3989

ATTACHMENTS
CC: TRS File

LAND MANAGEMENT DIVISION / PUBLIC WORKS DEPARTMENT / 125 EAST 8TH AVENUE / EUGENE, OREGON 97401 / FAX 541-682-3947
BUILDING (541) 682-3823 / PLANNING (541) 682-3807 / SURVEYORS (541) 682-4195 / COMPLIANCE (541) 682-3741
100% Recycled Unbleached paper - 50% Post-Consumer Content

MERRELL MEASURE 37 CLAIM

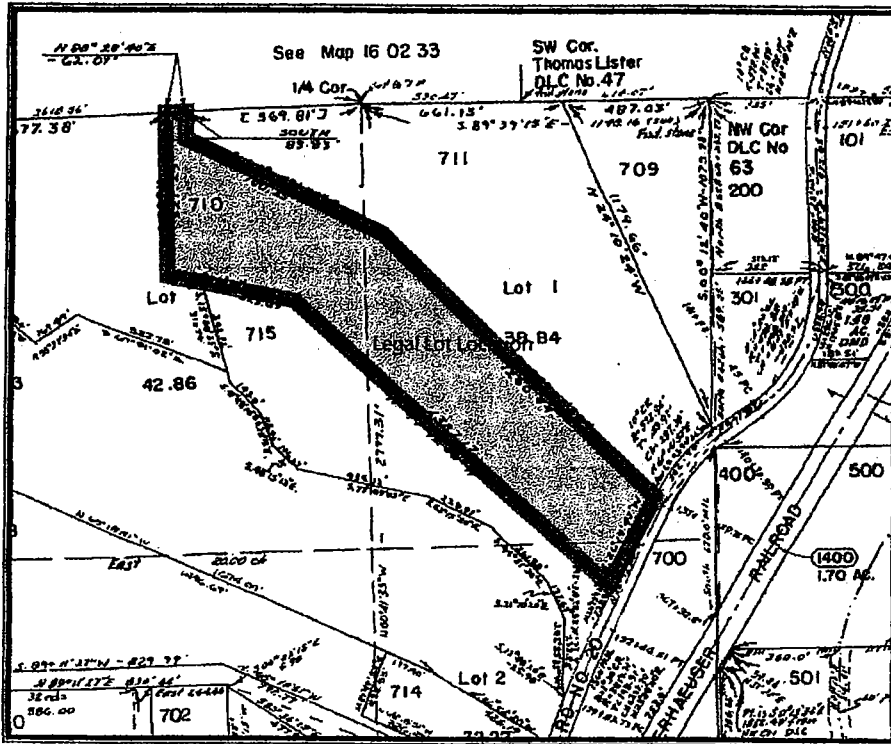
Exhibit D: County Legal Lot Verification

Page 2 of 3

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Eugene, Oregon 97401 (TEL.) 541.687.1081
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MAP*
OF
TAX MAP 17-02-04 TAX LOT 710
PA 06-5228



* Note: This is only a graphical representation to aid in locating the approximate location of the subject property. It is not intended to depict the actual location of the boundary nor is it the result of a survey. Information shown is based upon information provided by the Applicant.

MERRELL MEASURE 37 CLAIM

Exhibit D: County Legal Lot Verification



Site Location

Page 3 of 3

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Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com



9144958

STATE OF ILLINOIS
MEDICAL CERTIFICATE OF DEATH

DECEASED'S BIRTH NO. **5**
10

REGISTRATION DISTRICT NO. **1**

REGISTERED NUMBER **1**

DECEASED-NAME FIRST MIDDLE LAST SEX DATE OF DEATH (MONTH, DAY, YEAR)

1. Stanley Thomas Merrell **2. Male** **3. September 4, 1991**

CITY, TOWN, TWP. OR ROAD DISTRICT NUMBER HOSPITAL OR OTHER INSTITUTION-NAME (IF NOT IN EITHER BIVE STREET AND NUMBER) IF HOSP OR INST INDICATE BIV OF OTHER INST PATIENT (SPECIFY)

4. Lake **5b. American International Hospital** **5c. Inpatient**

BIRTHPLACE (CITY AND STATE OR FOREIGN COUNTRY) MARRIED, NEVER MARRIED, WIDOWED, DIVORCED (SPECIFY) NAME OF SURVIVING SPOUSE (MARRIAGE NAME, IF DIFFERENT) HAS DECEASED EVER PUNISHED OR FENCED (SPECIFY) (YES/NO)

7. Oneida, NY **8a. Married** **8b. Connie Jean Murr** **9. Yes**

SOCIAL SECURITY NUMBER USUAL OCCUPATION KIND OF BUSINESS OR INDUSTRY EDUCATION (SPECLIFY ON THIS LINE) (SPECLIFY ON THIS LINE)

10. 069-24-0994 **11a. Owner** **11b. Restaurant** **12. 12**

RESIDENCE (STREET AND NUMBER) CITY, TOWN, TWP. OR ROAD DISTRICT NO. COUNTY (SPECLIFY ON THIS LINE) (SPECLIFY ON THIS LINE)

13a. 90440 Hill Road **13b. Springfield** **13c. No** **13d. Lane**

STATE ZIP CODE RACE (WHITE, BLACK, AMERICAN INDIAN, HISPANIC) OF HISPANIC ORIGIN (SPECIFY ON THIS LINE) (YES/NO) (SPECLIFY ON THIS LINE) (SPECLIFY ON THIS LINE)

13e. Oregon **13f. 97478** **14a. White** **14b. No** **14c. No**

FATHER-NAME FIRST MIDDLE LAST MOTHER-NAME FIRST MIDDLE LAST

15. Frank Day Merrell **16. Margaret Shortell**

INFORMANT'S NAME (TYPE OR PRINT) RELATIONSHIP (SPECLIFY ON THIS LINE) ADDRESS (STREET AND NO OR R.F.D., CITY OR TOWN, STATE, ZIP)

17a. Connie Jean Merrill **17b. Wife** **17c. 90440 Hill Road, Springfield, OR 97478**

18. PART I: Enter the disease, or conditions that caused the death. Do not enter the mode of dying, such as cardiac respiratory arrest, shock, or brain failure. List only one cause on each line.

18. PART II: Enter the disease, or conditions that caused the death. Do not enter the mode of dying, such as cardiac respiratory arrest, shock, or brain failure. List only one cause on each line.

(a) CEREBRO-VASCULAR ACCIDENT
(b) CEREBRAL EMBOLISM
(c) CARDIAC ARRHYTHMIA
RECTAL CANCEROMA

DATE OF OPERATION, IF ANY MAJOR FISHINGS OF OPERATION

20a. **20b.**

WAS CORONER OR MEDICAL EXAMINER NOTIFIED (YES/NO) HOUR OF DEATH

21a. No **21b. No** **21c. 10:38 p.m.**

TO THE BEST OF MY KNOWLEDGE, DEATH OCCURRED AT THE TIME, DATE AND PLACE AND DUE TO THE CAUSE(S) STATED.

22a. SIGNATURE **22b. 9-6-91**

NAME AND ADDRESS OF CERTIFIER (TYPE OR PRINT) ALLIANCE LICENSE NUMBER

22c. DANILLO CANCER MD, 1911 27th ST, 210N, IL **22d. 036-058-740**

NAME OF ATTENDING PHYSICIAN (TYPE OR PRINT) NOTE: IF A PHYSICIAN HAS NOT SIGNED THIS DEATH THE CORONER OR MEDICAL EXAMINER MUST BE NOTIFIED.

23.

24a. Burial 24b. Local 24c. Eugene, Oregon 24d. Sep 09 91

FUNERAL HOME NAME STREET AND NUMBER OR R.F.D. CITY OR TOWN STATE ZIP

25a. Poole-Larsen Funeral Home, 1100 Charnelton Street, Eugene, Oregon 97401

FUNERAL DIRECTOR'S SIGNATURE Agent FUNERAL DIRECTOR'S LICENSE NUMBER

26a. William Surkin **26b. 031-006926**

LOCAL REGISTRAR'S SIGNATURE DATE FILED BY LOCAL REGISTRAR (MONTH, DAY, YEAR)

26c. Judy L. Smith **26d. 9-6-91**

9144958 (Rev. 8-88) Illinois Department of Public Health - Division of Vital Records (BASED ON 1988 U.S. STANDARD CERTIFICATE)

I HEREBY CERTIFY that the foregoing is a true and correct copy of the death record for the decedent named in item (1), and that this record was established and filed in my office, in accordance with provisions of the Illinois Statutes relating to the registration of deaths.

DATE 9-6-91 SIGNED Judy L. Smith
AT Zion, Illinois OFFICIAL TITLE Local Sub-Registrar

MERRELL MEASURE 37 CLAIM

Exhibit E: Medical Certificate of Death



9144958

9144958

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
SEP 91 11: 09

Reel **1718R**

Lane County OFFICIAL Records.
Lane County Clerk

By: John E. Faw
County Clerk

MERRELL MEASURE 37 CLAIM

Exhibit E: Medical Certificate of Death

Page 2 of 2

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Eugene, Oregon 97401 (TEL.) 541.687.1081
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OWNER'S STATEMENT

I, Connie Jean Merrell, as property owner of the land addressed as 90440 Hill Road, Springfield, Oregon 97478 (tax lot 710 of Assessor's map 17 02 04), hereby attest to the following:

1. My husband (since deceased) and I purchased the referenced land in 1972.
2. In late 1978 or the beginning of 1979, my husband began the process for a land division development by talking with engineers, doing site septic drainfield investigations, talking with contractors and various lending institutions.
3. This initial land development work stopped in early 1980, based upon technical engineering issues, our commercial development commitments, etc. caused our subdivision vision to be placed on hold.
4. In the winter of 1980 (or early 1981), my husband was advised the property was now zoned and the County's regulations prevented any further development of our land.
5. During the time of our ownership, no commercial tree harvest has been done on the land and, to the best of my knowledge, none was done prior to our purchase in 1972.

In declaration, the undersigned Connie Jean Merrell has hereby set her hand on this 11 day of April, 2006.

Connie Merrell

MERRELL MEASURE 37 CLAIM

Exhibit F: Owner's Statement

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1570 Mohawk Blvd. • Springfield, OR 97477
P.O. Box 931 • Springfield, OR 97477
Phone: 541.741.1981
Fax: 541.741.0619



875 Country Club Rd. • Eugene, OR 97401
P.O. Box 10211 • Eugene, OR 97440
Phone: 541.687.9794
Fax: 541.687.0924

TITLE INSURANCE SERVICES • ESCROW CLOSINGS

PRELIMINARY TITLE REPORT

January 23, 2006

ELT-49909

Evergreen Land Title Company
875 Country Club Road
Eugene, Oregon 97401
Attn: Melissa Fricke

| | |
|-----------------------------|------------|
| Estimated Premium for: | |
| \$250,000.00 ALTA EXT. MTG. | \$1,085.50 |
| Endorsements (100,116, 8.1) | \$50.00 |
| Re-Issue Credit | \$0.00 |
| Survey Waiver Fee | \$0.00 |
| Gov't Service Fee | \$25.00 |

Dear Melissa:

| | | |
|------------------------|--------------|-------------------|
| Escrow No. EU06-E12440 | TOTAL | \$1,160.50 |
|------------------------|--------------|-------------------|

We are prepared to write Title Insurance covering the following described premises to-wit:

SEE ATTACHED

Showing fee simple title as of January 13, 2006, at 8:00 a.m., vested in:

CONNIE J. MERRELL

Subject to the usual printed exceptions, and

1. Taxes, Map No. 17-02-04-00-00710, Code 19-05, Account No. 1343159, 2005-2006, a lien in the original amount of \$2,625.63, of which \$43.76, is unpaid.
2. Rights of the public in any portion of said premises lying within the limits of streets, roads and highways.
3. Right-of-Way Easement for Electric Transmission and Distribution Lines, granted to Pacific Power & Light Company, a corporation, its successors and assigns, including the terms and provisions thereof, by instrument Recorded December 2, 1969, Reel 461R, Reception No. 89215, Lane County Oregon Records.

CONTINUED

"IN OUR BUSINESS, YOU MATTER MOST"
www.evergreenlandtitle.com

MERRELL MEASURE 37 CLAIM

Exhibit G: Title Report

Page 1 of 3

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Eugene, Oregon 97401 (TEL.) 541.687.1081
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ELT - 49909
Page 2

4. Right-of-Way Easement for Electric Transmission and Distribution Lines, granted to Pacific Power & Light Company, a corporation, its successors and assigns, including the terms and provisions thereof, by instrument Recorded June 8, 1972, Reel 589R, Reception No. 3025, Lane County Oregon Records.

5. Line of Credit Deed of Trust, including the terms and provisions thereof, executed by Connie J Merrell, as Grantor(s), to Cascade Title Company, as Trustee, for the benefit of South Umpqua State Bank, as Beneficiary, Dated September 5, 1997, Recorded September 15, 1997, Reel 2335R, Reception No. 97-62085, Official Records of Lane County, Oregon, given to secure payment of a Note for \$200,000.00.

6. Any encroachments, unrecorded easements, violations of conditions, covenants and restrictions, and any other matters which would be disclosed by a correct survey.

7. Proof that there are no parties in possession, or claiming to be in other than above vestees.

8. Any statutory liens for labor or material, which have now gained or hereafter may gain priority over the lien of the insured mortgage, which liens do not now appear of record.

NOTE: The address of the property to be insured herein is: 90440 HILL ROAD, SPRINGFIELD, OREGON 97478.

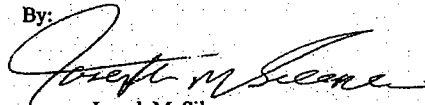
NOTE: A JUDGEMENT/LIEN/BANKRUPTCY SEARCH was done for the name(s) CONNIE J. MERRELL, and as of January 13, 2006, none were found.

NOTE: Said property lies outside the city limits, therefore, is not subject to city liens.

Very truly yours,

EVERGREEN LAND TITLE COMPANY
HOME OFFICE

By:



Joseph M. Silence
Title Officer

CC: Worldwide Mortgage, Inc.
Attn: Monte (Fax No. 465-8894)

NO LIABILITY IS ASSUMED HEREUNDER UNTIL POLICY IS ISSUED AND PREMIUM PAID. IF FOR ANY REASON THE REPORT IS CANCELLED, A MINIMUM CANCELLATION FEE OF \$230.00 WILL BE CHARGED.

MERRELL MEASURE 37 CLAIM

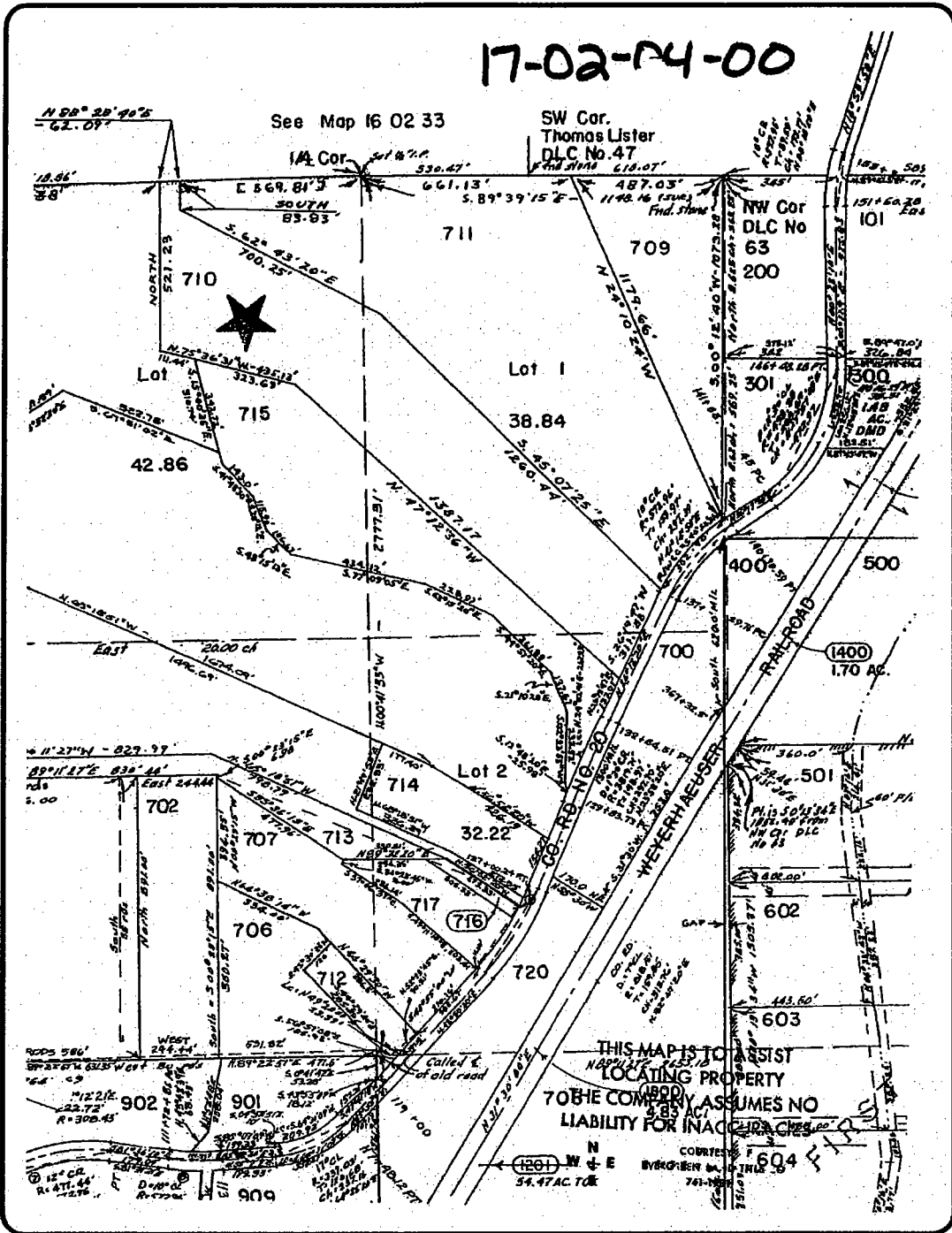
Exhibit G: Title Report

Page 2 of 3

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Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com



17-02-14-00



MERRELL MEASURE 37 CLAIM

Exhibit G: Title Report



October 27, 2005

Larry E. Reed
4765 Village Plaza Loop
Eugene OR 97401



LAND MANAGEMENT DIVISION
http://www.LaneCounty.org/PW_LMD/

Re: Research Request PA05-6436
Assessor's Map and Taxlot # 17-02-04-00-00710

On September 29, 2005 you submitted a "Request for Research of Public Records" to the Land Management Division. The information requested was stated as: "Requesting information (Copy of) zoning district and zoning regulations – standards applicable to the reference property as of July 5th 1972." I have researched the available records with the following results:

The subject property, Map 17-02-04-00-00710, is within the Lane County Rural Comprehensive Plan. Research indicates that the property was unzoned until September 28, 1980. At that time, Ordinance 841 was enacted which applied the requirements of the Limited Forest Land District (F-2) to the property. The same zoning designation for the base zone remained in effect until February 29, 1984, when the property zoning was changed to Impacted Forest Lands Zone (F-2) under Ordinance PA884.

No zoning regulation was in effect in 1972. This unzoned area was subject to the Lane County Revised Subdivision Ordinance for the purpose of subdividing properties. Enclosed please find copies of the following information:

- A full version of the Lane County Revised Subdivision Ordinance effective July 16, 1970 (enacted under ordinance 12-70).
- Ordinance 13-70, effective July 3, 1970, amending Section III, Definitions, Subsection H-2 of the Lane County Revised Subdivision Ordinance.
- Ordinance 1-72, effective January 26, 1972 amending the Lane County Revised Subdivision Ordinance.

Please call if I can be of further assistance,

Frédérique Château-Gruener
Planner
Lane County Land Management Division
125 E 8th Ave
Eugene, OR 97401
(541) 682-3700

LAND MANAGEMENT DIVISION / PUBLIC WORKS DEPARTMENT / 125 EAST 8TH AVENUE / EUGENE, OREGON 97401 / FAX 541/682-3947
BUILDING (541) 682-3823 / PLANNING (541) 682-3807 / SURVEYORS (541) 682-4185 / COMPLIANCE (541) 682-3807 / ON-SITE SEWAGE (541) 682-3754
♻️ 30% Post-Consumer Content

MERRELL MEASURE 37 CLAIM

Exhibit H: County's Verification of
Zoning Rules in Effect in 1972

JRH TRANSPORTATION ENGINEERING
4765 Village Plaza Loop, Suite 201
Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com



SEE SUPPLY VITAL REEL #3 FOR MICROFILMING.
BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY OREGON

LANE COUNTY ZONING AND
LAND USE ORDINANCE NO. 841

IN THE MATTER OF ZONING LANDS IN TOWNSHIP 16 SOUTH, RANGE 1 WEST AND ZONING AND REZONING CERTAIN LANDS IN PORTIONS OF TOWNSHIPS 15 SOUTH, RANGE 1 WEST; 17 SOUTH, RANGE 1 WEST; 15 SOUTH, RANGE 2 WEST; 16 SOUTH, RANGE 2 WEST; 17 SOUTH, RANGE 2 WEST; 16 SOUTH, RANGE 3 WEST; 17 SOUTH, RANGE 3 WEST; 15 SOUTH, RANGE 15 EAST; 16 SOUTH, RANGE 15 EAST; 15 SOUTH, RANGE 25 EAST.

FILED

AT _____ O'CLOCK _____ M

SEP 23 1980

D.M. PENFOLD, Director of
General Services of Lane County
[Signature]
DEPUTY

WHEREAS, the Board of County Commissioners has considered the proposed zoning and rezoning for the Mohawk-Camp Creek Subarea, Minutes of the Lane County Planning Commission and Board of County Commissioners, the Mohawk-Camp Creek Subarea Plan, and written testimony and correspondence relating to the zoning and rezoning of the lands zoned and rezoned by this Ordinance; now therefore,

THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY ORDAINS as follows: that under the authority of ORS 215 and Lane Code Chapters 10 and 12, the lands depicted on the Official Zoning Maps, copies of which are attached hereto as Exhibits 1 through 9, made a part by reference are hereby ZONED and REZONED as set forth on said exhibits, said zoning and rezoning encompassing in whole or part Range 15 South, Range 1 West; 17 South, Range 1 West; 15 South, Range 2 West; 16 South, Range 2 West; 17 South, Range 2 West; 16 South, Range 3 West; 17 South, Range 3 West; 15 South Range 15 East; 16 South, Range 15 East, 15 South, Range 25 East; from unzoned status and Rural Residential (RR-5) to be zoned or rezoned in various combinations of the following zoning districts: Important Forest Land (F-1); Limited Forest Land (F-2); Important Agricultural Land (A-1); Limited Agricultural Land (A-2); Suburban Residential (RA); Public Reserve (PR); Rural Commercial (CA); General Rural (GR-5); General Rural (GR-10); Light Industrial (M-2); and Heavy Industrial (M-3), as modified by the Board of Commissioners by Appendix A (attached hereto and indicated as Appendix A). The original Zoning Maps are on file in the Planning Division Office.

THE BOARD ADOPTS as specific findings those contained in the following proposed documents, as may be revised upon adoption: "General Plan Goals and Policies, Draft 2" (copy attached hereto and indicated as Appendix B), "Proposed Revisions, Mohawk-Camp Creek Subarea, Draft 2" (copy attached hereto and indicated as Appendix C), pages 1, 2 and 3 of "Draft 2, Lane County Plan Diagram, Mohawk-Camp Creek, Spencer Creek" (copy attached hereto and indicated as Appendix D), and those as may be contained in the minutes of the Board of Commissioners meeting(s) of August 14 for the reasons set forth therein.

APPROVED AS TO FORM
DATE 8/1/80 Lane County
[Signature]

OFFICE OF LEGAL COUNSEL
Lane County Zoning
and Land Use Ordinance
No. 841 Mohawk-Camp
Creek Subarea Zoning

WP 28398-6E-19

Enacted this 29th day of August, 1980.

[Signature]
Chairman, Lane County Board of Commissioners

[Signature]
Recording Secretary for this Meeting of the Board

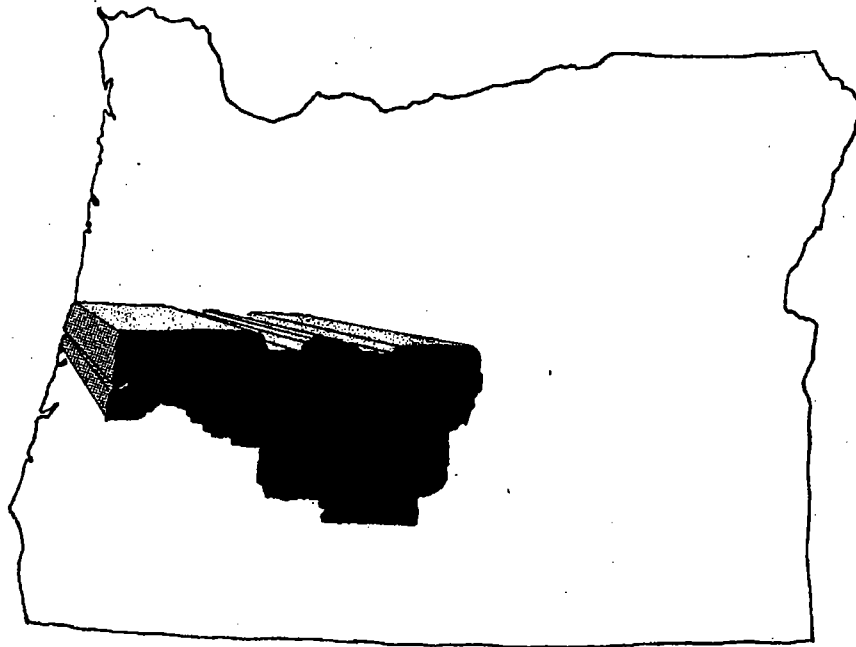
MERRELL MEASURE 37 CLAIM

Exhibit H-1: 1980 County Ordinance
No. 841 Applying F-2 Zoning to Subject Site

JRH TRANSPORTATION ENGINEERING
4765 Village Plaza Loop, Suite 201
Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com



SUBDIVISION ORDINANCE



LANE COUNTY, OREGON

REVISED JULY, 1970

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY

IN THE MATTER OF REQUIRING)
)
 APPROVAL OF SUBDIVISIONS)

LANE COUNTY REVISED
 SUBDIVISION ORDINANCE

The following rules, regulations and standards relating to the subdivision of land in Lane County, and the following procedures to be followed by subdividers, the Lane County Planning Commission, the Land Development Review Committee, and the Board of County Commissioners of Lane County with respect thereto, are hereby adopted pursuant to O.R.S. 215.010 through 215.190, and the Lane County Home Rule Charter.

SECTION I. PURPOSE

The purpose of this Ordinance is to provide rules, regulations and standards to govern the approval of plats of subdivisions and also of partitioning of land by creation of a street or way, to carry out the development pattern and plan of Lane County and to promote the public health, safety and general welfare, lessen congestion in the streets, secure safety from fire, flood, pollution and other dangers, provide adequate light and air, prevent overcrowding of land, and facilitate adequate provision for transportation, water supply, sewerage, drainage, education, recreation and other needs of the people of Lane County, and to prescribe procedures to be followed in submitting plans and plats of subdivisions for approval.

SECTION II. APPROVAL OF SUBDIVISIONS

- A. No person shall create a street or way for the purpose of partitioning a parcel of land without the approval of the body authorized to give approval of plats for subdivisions under the provisions of this ordinance.
- B. No person shall dispose of, transfer or sell any lot or parcel of land in a minor subdivision with respect to which approval is required by this ordinance until such approval is obtained.
- C. No person shall dispose of, transfer, sell or advertise, agree or negotiate to sell any lot or parcel of land in any major subdivision with respect to which approval is required by this ordinance until such approval is obtained, and the plat thereof has been acknowledged and recorded with the County Recording Officer.

SECTION III. DEFINITIONS

- A. As used in this Ordinance, unless the context requires otherwise:
 - 1. "Alley" means a minor way for vehicular traffic which is used primarily for service access to the back or side of property abutting a street.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance



2. "Arterial" means a street which is used primarily for through traffic, or which by its location will likely be needed for such use in the normal growth of the community.
 3. "Block Length" means the distance measured along all that part of one side of a street which is between two intersecting or intercepting streets, or between an intersecting or intercepting street and a railroad right of way, water course, body of water or unsubdivided acreage.
 4. "Board of County Commissioners" means the Board of County Commissioners of Lane County.
 5. "Business Street" means any block length along any street, other than an arterial within which there is or will be provided access to one or more commercial structures which in the judgment of the Planning Commission will result in a high volume of business traffic on such street.
- B. As used in this Ordinance, unless the context requires otherwise:
1. "Butt Lot" means a lot the lot side line of which abuts the lot rear line of two or more adjoining lots.
 2. "Collector Street" means a street other than an arterial which is used primarily for carrying traffic to one or more arterials.
 3. "Corner Lot" means a lot two or more connecting sides of which abut a street.
 4. "Cul-de-sac" means a dead end street which in the opinion of the Planning Commission will never practicably be extended so as not to be a dead end street.
 5. "Division of Land" means the creation of a lot.
- C. As used in this Ordinance, unless the context requires otherwise:
1. "Double Frontage Lot" means a lot two or more nonconnecting sides of which abut a street.
 2. "Drainage Land" means land required for drainage ditches, or required along a natural stream or watercourse for preserving the channel and providing for the flow of water therein, to safeguard the public against flood damage or the accumulation of surface water.
 3. "Final Plat" means a plat for a major subdivision duly submitted to the Secretary of the Planning Commission for Planning Commission consideration and approval and conforming in all respects to the requirements therefor specified in Section IV-C-6 of this Ordinance.

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Exhibit H-2: County's 1970 Subdivision Ordinance

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4. "Finished Plat" means a plat for a minor subdivision duly submitted to the Secretary of the Planning Commission for Planning Commission consideration and approval and conforming in all respects to the requirements therefor specified in Section IV-B-2 of this Ordinance.

5. "Key Lot" means a lot the lot rear line of which abuts the lot side line of two or more adjoining lots.

6. "Land Development Review Committee" means a Committee hereafter referred to as "Land Committee," authorized to perform such functions as herein provided in this ordinance and other ordinances of Lane County, and consisting of the following members or their duly authorized representatives:

- a. The County Sanitarian ;
- b. The County Chief Building Inspector ;
- c. The County Surveyor;
- d. The County Public Works Director;
- e. The County Planning Director who shall serve as Secretary.

D. As used in this Ordinance, unless the context requires otherwise:

1. "Local Street" means a street which is used primarily for access to abutting properties.

2. "Lot" means a parcel or portion of land separated from other land in a lease or transfer of ownership or by a drawing on a duly approved final plat or finished plat, for separate individual use or separate use in immediate or future building development.

3. "Lot Front Line" means the lot line abutting a street; for corner lots the front line shall be that with the narrowest street frontage, and for double frontage lots the lot front line shall be that lot line having frontage on a street which is so designated by the subdivider and approved by the Planning Commission.

4. "Lot Rear Line" means the lot line which is opposite to and most distant from the lot front line.

5. "Lot Side Line" means any lot line which is not a lot front line or lot rear line.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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E. As used in this Ordinance, unless the context requires otherwise:

1. "Major Subdivision" means a subdivision which is not a minor subdivision.
2. "Master Road Plan" means the plan or plans adopted by the Board of County Commissioners in accordance with Section V-A-1-c of this Ordinance.
3. "Minor Subdivision" means any subdivision of land any part of which is within urbanizing area and which:
 - a. Results in not more than three lots fronting on an existing street; and which
 - b. Does not create any new street, or require the widening of any existing street; and which
 - c. Does not impede the future highest and best use of the remainder of the tract under the same ownership, or adversely affect the safe and healthful development of such remainder or any adjoining land or access thereto, in the judgment of the Planning Commission; and which
 - d. Is not in conflict with any law or ordinance applicable to the land being subdivided.
4. "Owner" means an individual, association, partnership or corporation having legal or equitable title to land sought to be subdivided, other than legal title held for purpose of security only.
5. "Performance Agreement" means a performance bond executed by a surety company duly licensed to do business in the State of Oregon, in an amount equal to the full cost of the work to be done, and conditioned upon the faithful performance thereof in accordance with Section VI-G of this Ordinance.

F. As used in this Ordinance, unless the context requires otherwise:

1. "Planning Commission" means the Lane County Planning Commission.
2. "Planning Office" means the Office of the Lane County Planning Commission in the Lane County Courthouse.
3. "Preliminary Plat" means a tentative map and plan for a major subdivision duly submitted to the Secretary of the Planning Commission for Planning Commission consideration and approval and conforming in all respects to the requirements therefor specified in Section IV-C-2 of this Ordinance.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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4. "Single Family Density Area" means an area abutting a local street not a business street, where for one block length or more, all property on both sides of said street is, or as determined by the Planning Commission will be, occupied by no more than 9 families per acre exclusive of street right of way.

5. "Statutory Subdivision" means a subdivision as defined in O.R.S. 92.010.

G. As used in this Ordinance, unless the context requires otherwise:

1. "Street" means any public street, avenue, boulevard, lane, road, parkway, highway, or other public way, other than an alley, for use of vehicular traffic and includes the land between the right of way lines whether improved or unimproved.

2. "Subdivide" means to effect a subdivision.

3. "Subdivider" means any owner commencing proceedings under this Ordinance to effect a subdivision of land by himself or through his lawful agent.

4. "Subdivision" means the division of land; except that the following division of land shall not be deemed a subdivision where no new street is created:

a. A division of land for use for agricultural purposes, where each resulting lot is 5 acres or larger in size, has a width of not less than 300 feet for the entire length between the lot front line and lot rear line, and has frontage of not less than 300 feet on a street; provided that such street has a right of way width of not less than 50 feet and not less than such width as may be called for in the Master Road Plan.

b. Either (1) an exchange of land between owners of abutting property, or (2) the division of no more than one lot in a recorded plat so as to add land to one or more lots existing as originally recorded on such plat, so that no resulting tract under the same ownership, if used or to be used for other than commercial purposes, shall have less than any of the dimensional requirements as set forth in SECTION V., PLATTING STANDARDS - D. LOTS - 1. Size and Frontage - a. General Requirements.

c. A division of land which would be a minor subdivision but for the fact that no part of the area being subdivided is within urbanizing area.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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H. As used in this Ordinance, unless the context requires otherwise:

1. "Subdivision Area" means that part of land proposed to be subdivided which is, or which the subdivider intends will be, described on a single final plat or finished plat in accordance with Section IV-B-2-b(1) or Section IV-C-6-b-(1) of this Ordinance.
2. "Urbanizing Area" means all of the area in Lane County, outside the boundaries of incorporated cities, in the following U. S. Government Sections:

Township 16 South, Range 4 West, Willamette Meridian, Sections 31 through 36;
Township 17 South, Range 1 West, Willamette Meridian, Sections 31 and 32;
Township 17 South, Range 2 West, Willamette Meridian, Sections 19 through 23, and 26 through 36;
Township 17 South, Range 3 West, Willamette Meridian, Sections 6 through 10 and 14 through 36;
Township 17 South, Range 4 West, Willamette Meridian, Sections 1 through 36;
Township 17 South, Range 5 West, Willamette Meridian, Sections 11 through 14 and 23 through 26, and Sections 35 and 36;
Township 18 South, Range 2 West, Willamette Meridian, Sections 2 through 10, 15 through 22, and 27 through 30, and Sections 33 and 34;
Township 18 South, Range 3 West, Willamette Meridian, Sections 1 through 24;
New Township 18 South, Range 4 West, Willamette Meridian, Sections 1 through 6 and 9 through 14;
Township 18 South, Range 5 West, Willamette Meridian, Sections 1 and 2;
Township 20 South, Range 3 West, Willamette Meridian, Sections 19 through 36;
Township 21 South, Range 3 West, Willamette Meridian, Sections 1 through 18.

SECTION IV. PROCEDURE FOR PLATTING PROPERTY

A. INITIAL STEPS

When proposing to subdivide land, the owner of such land shall submit to the Secretary of the Planning Commission a map of sufficient accuracy to be used for the purpose of discussion in order to determine properly the classification of the proposed subdivision. The owner shall comply with Section IV-B of this Ordinance, if the proposal is for a minor subdivision. The owner shall comply with Section IV-C of this Ordinance, if the proposal is for a major subdivision.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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Commission along lot rear lines, lot side lines, or elsewhere as necessary to provide needed facilities for present or future development of the area in accordance with the purpose of this Ordinance. Easements for utility lines shall be not less than 14 feet in width; except that for an easement abutting land not in the subdivision area a lesser width may be allowed at the discretion of the Planning Commission where the subdivider presents a satisfactory plan whereby such easement will be expanded to the width otherwise required. Easements for access to sewer lines for maintenance shall be 6 feet in width.

D. LOTS

1. Size and Frontage

a. General Requirements

(1) Area and Width for Residential Use:

(a) Where the site is served by both public sewer & water facilities, or by public sewers alone:

| | Sq. Ft. | m.a.w. |
|-----------------------------|---------|--------|
| (i) Single-family dwelling | 6,000 | 60 ft |
| (ii) Two-family dwelling | 8,000 | 60 ft |
| (iii) Three-family dwelling | 10,000 | 70 ft |
| (iv) Four-family dwelling | 12,000 | 70 ft |

(b) Where the site is served by public water, but not by public sewer facilities:

| | | |
|-----------------------------|--------|-------|
| (i) Single-family dwelling | 8,000 | 60 ft |
| (ii) Two-family dwelling | 12,000 | 70 ft |
| (iii) Three-family dwelling | 16,000 | 80 ft |
| (iv) Four-family dwelling | 20,000 | 90 ft |

(c) Where the site is served by neither public sewer nor public water facilities:

| | | |
|--------------------------------------|-----------|--------|
| (i) Single and two-family dwellings | One acre | 150 ft |
| (ii) Three and four-family dwellings | Two acres | 250 ft |

(d) Corner lots, key lots and butt lots shall in no case have a minimum average width between the lot side lines of less than sixty-five (65) ft.

(e) "m.a.w." shall mean minimum average width.

(2) Depth

Each lot shall have an average depth between the lot front line and the lot rear line of not less than the applicable

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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minimum average width requirement for such lot, but in no case shall be less than 80 feet, and not more than two and one-half (2-1/2) times the average width between the lot side lines.

(3) Frontage

Each lot shall have frontage of not less than 60 feet upon a street, except that a lot on the outer radius of a curved street or facing the circular end of a cul-de-sac shall have frontage of not less than 35 feet upon a street, measured on the arc.

- (4) No lot shall be created, divided or set off in such a manner that either the portion created, divided or set off, or the portion remaining, shall fail to conform with the applicable minimum area, width, depth and frontage requirements set forth immediately above.

b. Exceptions

(1) Subdivision Area Developed as a Unit

The Planning Commission may at its discretion authorize the relaxation of the lot size and frontage requirements specified herein where the subdivider presents a plan satisfactory to the Planning Commission whereby the entire subdivision area will be designed and developed with provision for proper maintenance of recreation and park area which will be commonly available for recreation and park purposes to the residents of the subdivision area, and which the Planning Commission determines will be of such benefit to said residents as is equal to that which would be derived from observance of the lot size and frontage requirements otherwise specified, and will be in accordance with the purpose of this Ordinance.

(2) Land Zoned for Commercial Use

The Planning Commission may in its discretion authorize relaxation of the lot size and frontage requirements specified herein in the case of land zoned for commercial use, where such relaxation is necessary in consideration of the suitability of the land for such use, and in accordance with the purpose of this Ordinance.

(3) Lot Retained for Future Subdivision

The Planning Commission may in its discretion waive lot frontage requirements where in its judgment a lot should and will be retained by the subdivider, and future subdivision of such lot will be the highest and best use thereof and such use will be best protected by the creation of a reserve strip separating such lot from any street.

MERRELL MEASURE 37 CLAIM

Exhibit H-2: County's 1970 Subdivision Ordinance

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BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDINANCE No. 13-70)
)
)
)
)

In the Matter of
Amending Lane County Revised
Subdivision Ordinance, Section
III, DEFINITIONS, H-2

The Board of Commissioners of Lane County ordains as follows:

That the Lane County Revised Subdivision Ordinance, Section III,
DEFINITIONS, Subsection H, paragraph 2, is amended by adding the following:

"Township 20 South, Range 3 West, Willamette
Meridian, Sections 19 through 36.

"Township 21 South, Range 3 West, Willamette
Meridian, Sections 1 through 18."

Enacted this 3rd day of June, 1970.

Norm E. Arnold
Chairman, Lane County Board of Commissioners

Eugene Hart
Recording Secretary for this meeting of the Board

APPROVED AS TO FORM
DATE 5/12/70
W. L. J. Wilkins
OFFICE OF COUNTY COUNSEL

The hereinabove ordinance approved and recommended for enactment by
majority vote of the Lane County Planning Commission this 12th day of May, 1970,
after giving due notice of public hearing, and holding a public hearing on the
12th day of May, 1970.

Allen Compton
Chairman, Lane County Planning Commission

Lee Walker
Secretary, Lane County Planning Commission

Effective: July 3, 1970

cc: Applicant
Building & Sanitation (2)
Central Lane Planning Council

Ordinance No. 13-70

MERRELL MEASURE 37 CLAIM

Exhibit H-3: 1970 Amendment to
County's Subdivision Ordinance

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Eugene, Oregon 97401 (TEL.) 541.687.1081
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BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDINANCE 1-72)

IN THE MATTER OF AMENDING LANE COUNTY REVISED
SUBDIVISION ORDINANCE, AS AMENDED

The Board of County Commissioners of Lane County ordains as follows:

Amend the Lane County Revised Subdivision Ordinance, as Amended, as follows:

AMEND SECTION V, PLATTING STANDARDS, by adding a new Subsection "C",
and relettering existing Subsections "C", "D", "E", "F", "G", and "H",
accordingly.

C. SIDEWALKS

The Planning Commission may require adequate and proper sidewalks
to be dedicated to the public by the subdivider, of such design
and in such locations as are necessary to facilitate provision
for the pedestrian traffic needs of the community and the subdivi-
sion area, in accordance with the purpose of this ordinance and
the Lane County Sidewalk Ordinance as may be adopted or amended
by the Board of County Commissioners.

AMEND SECTION VI, IMPROVEMENTS, by adding "...construction of sidewalks..."

to Sub-Section A.1, as follows:

1. Submitting Specifications

The Planning Commission shall prepare and submit for the approval
of the Board of County Commissioners specifications, and amendments
thereto, for construction of streets and alleys, construction of
curbs and gutters, dedication of slope easements for streets and
alleys, construction of drainage facilities, construction of
sidewalks, and construction of pedestrian ways in subdivision areas.
Such specifications shall conform to proper engineering standards
relevant thereto, and be so devised as to facilitate provision
for the health, safety and welfare needs of the County and area
affected in accordance with the purpose of this Ordinance.

AMEND SECTION VI, IMPROVEMENTS, by adding a new Subsection "F" as

follows, and relettering existing Subsections "F" and "G" accordingly.

F. SIDEWALKS

The subdivider shall grade and pave all sidewalks in the subdivision
area in accordance with specifications adopted by ordinance by the
Board of County Commissioners. Construction of such improvements
shall be subject to inspection and approval by the County Engineer.

This ordinance being enacted by the Board of County Commissioners in the exercise
of its police power for the purpose of meeting an emergency, and being deemed necessary

MERRELL MEASURE 37 CLAIM

**Exhibit H-4: 1980 County Ordinance
No. 841 Applying F-2 Zoning to Subject Site**

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Eugene, Oregon 97401 (TEL.) 541.687.1081
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BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDINANCE 1-72)

IN THE MATTER OF AMENDING LANE COUNTY REVISED
SUBDIVISION ORDINANCE, AS AMENDED

The Board of County Commissioners of Lane County ordains as follows:

Amend the Lane County Revised Subdivision Ordinance, as Amended, as follows:

AMEND SECTION V, PLATTING STANDARDS, by adding a new Subsection "C", and relettering existing Subsections "C", "D", "E", "F", "G", and "H", accordingly.

C. SIDEWALKS

The Planning Commission may require adequate and proper sidewalks to be dedicated to the public by the subdivider, of such design and in such locations as are necessary to facilitate provision for the pedestrian traffic needs of the community and the subdivision area, in accordance with the purpose of this ordinance and the Lane County Sidewalk Ordinance as may be adopted or amended by the Board of County Commissioners.

AMEND SECTION VI, IMPROVEMENTS, by adding "...construction of sidewalks..."

to Sub-Section A.1, as follows:

1. Submitting Specifications

The Planning Commission shall prepare and submit for the approval of the Board of County Commissioners specifications, and amendments thereto, for construction of streets and alleys, construction of curbs and gutters, dedication of slope easements for streets and alleys, construction of drainage facilities, construction of sidewalks, and construction of pedestrian ways in subdivision areas. Such specifications shall conform to proper engineering standards relevant thereto, and be so devised as to facilitate provision for the health, safety and welfare needs of the County and area affected in accordance with the purpose of this Ordinance.

AMEND SECTION VI, IMPROVEMENTS, by adding a new Subsection "F" as

follows, and relettering existing Subsections "F" and "G" accordingly.

F. SIDEWALKS

The subdivider shall grade and pave all sidewalks in the subdivision area in accordance with specifications adopted by ordinance by the Board of County Commissioners. Construction of such improvements shall be subject to inspection and approval by the County Engineer.

This ordinance being enacted by the Board of County Commissioners in the exercise of its police power for the purpose of meeting an emergency, and being deemed necessary

MERRELL MEASURE 37 CLAIM

Exhibit H-4: 1972 Amendment to
County's Subdivision Ordinance

Page 1 of 2

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for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this ordinance shall take effect immediately upon being enacted.

Enacted this *26th* day of *January*, 1972.

Ken E. Ormrod
Chairman, Lane County Board of Commissioners

Ruby Wintner
Recording Secretary of the Board at the Meeting at which this Ordinance was enacted

The hereinabove ordinance approved and recommended for enactment by majority vote of the Lane County Planning Commission this 11th day of January, 1972, after giving due notice of public hearing and holding a public hearing on this date.

Lee Miller
Secretary, Lane County Planning Commission

MERRELL MEASURE 37 CLAIM

**Exhibit H-4: 1972 Amendment to
County's Subdivision Ordinance**

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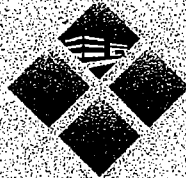
**COMPLETE APPRAISAL -
SUMMARY REPORT**

of

**REAL PROPERTY LOCATED AT
90440 HILL ROAD
SPRINGFIELD, OREGON**

**Date of Report: March 31, 2006 Submitted to: Connie Merrell
c/o Larry Reed, Principal Planner
JRH Engineers, Project Managers &
Planners
4765 Village Plaza Loop Suite 201
Eugene, OR 97401**

**Date of Value: March 13, 2006 Submitted by: Charles P. Thompson, MAI, SRA
Rebecca S. Nelson, Appraiser
Charles P. Thompson & Assoc., Inc.
1234 High Street, Suite A
Eugene, OR 97401**



Charles P. Thompson & Assoc., Inc.

Real Estate Appraisers & Counselors

P.O. Box 10233
Eugene, OR 97440
541-343-8895
FAX 541-343-5190

MERRELL MEASURE 37 CLAIM

**Exhibit I: Cover of Property Appraisal
Report (March 31, 2006)**

JRH TRANSPORTATION ENGINEERING
4765 Village Plaza Loop, Suite 201
Eugene, Oregon 97401 (TEL.) 541.687.1081
www.jrhweb.com





March 31, 2006

Connie Merrell
c/o Larry Reed, Principal Planner
JRH Engineers, Project Managers & Planners
4765 Village Plaza Loop, Suite 201
Eugene, OR 97401

RE: Complete Appraisal - Summary Report of real property owned by Connie Merrell located at 90440 Hill Road, Springfield, Oregon. The property is further identified on Lane County Assessor's Map 17-02-04 as Tax Lot No. 710.

Dear Mrs. Merrell:

Pursuant to the request by Larry Reed of JRH, we have personally inspected the above-referenced property for the purpose of estimating the current market value as zoned (F-2), and also under the *hypothetical condition* that the property was unzoned, with the *extraordinary assumption* that the property could be divided into eight or more one to two-acre lots.

It is our understanding that the appraisal will be utilized in filing a claim under Measure 37. The two value estimates are set forth as follows:

| | |
|--|------------------|
| Estimated Value of Subject Property under the <i>Hypothetical condition</i> that it is currently unzoned and the <i>extraordinary assumption</i> that it could be divided into eight or more lots, effective March 13, 2006:..... | \$785,000 |
| Estimated Value of Subject Property as zoned (F-2), effective March 13, 2006:..... | \$470,000 |
| Potential Measure 37 Claim:..... | \$315,000 |

The contributory value of the existing residence is included in the above value estimates.

The interests valued in this case are the fee simple interests.

This Complete Appraisal - Summary Report has been completed in conformity with the Code of Ethics and Standards of Professional Practice of the Appraisal Institute, and is in

accordance with the 2006 edition of the Uniform Standards of Professional Appraisal Practice (USPAP), adopted by the Appraisal Foundation.

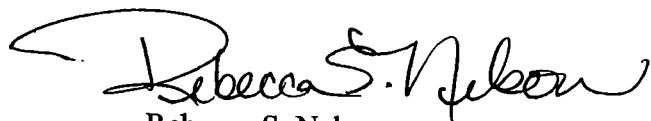
This summary appraisal report is respectfully submitted and your attention drawn to the "Assumptions and Limiting Conditions" as set forth beginning on page 37.

If you have any questions or need additional information, please contact us at your convenience.

Very truly yours,

CHARLES P. THOMPSON & ASSOC., INC.

Charles P. Thompson, MAI, SRA
Oregon State Certified General Appraiser #C000007

A handwritten signature in cursive script that reads "Rebecca S. Nelson". The signature is written in black ink and is positioned above the printed name and title of the signatory.

Rebecca S. Nelson
Oregon State Certified General Appraiser #C000736

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INTRODUCTION

CLIENT/INTENDED USER: Connie Merrell
c/o Larry Reed, Principal, Planner
JRH Engineers, Project Managers & Planners
4765 Village Plaza Loop, Suite 201
Eugene, OR 97401

APPRAISERS: Charles P. Thompson, MAI, SRA
Rebecca S. Nelson, Appraiser
Charles P. Thompson & Assoc., Inc.
P.O. Box 10233
Eugene, OR 97440-2233

SUBJECT PROPERTY: A parcel of land containing a total of approximately 14.98 acres, with improvements consisting of a residence and attached garage. Lane County Assessor's Map 17-02-04, Tax Lot 710.

DATE OF VALUE: March 13, 2006

DATE OF APPRAISAL: March 31, 2006

PURPOSE OF THE APPRAISAL: The purpose of this appraisal is to provide the appraisers' best estimate of the market value of the subject property "as is", effective the date of inspection or March 13, 2006. The interest appraised in this case is the fee simple interest. In addition, the property was valued under the *hypothetical condition* and *extraordinary assumption* that it had the same potential for development on the effective date of value that it had when it was unzoned at the time of acquisition in 1972. More specifically, that the subject property was unzoned on March 13, 2006 (*hypothetical condition*) and that it could be subdivided into eight or more one to two-acre residential home sites (*extraordinary assumption*). The *hypothetical condition* and *extraordinary assumption* were necessary in this case to arrive at the difference between the two value estimates to form the basis for a Measure 37 Claim.

MARKET VALUE DEFINITION: "Market Value" is defined in the Uniform Standards of Professional Appraisal Practice publication as follows:

A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.

Comment: Forming an opinion of market value is the purpose of many real property appraisal assignments, particularly when the client's intended use includes more than one intended user. The conditions included in market value definitions establish market perspectives for development of the opinion. These conditions may vary from definition to definition, but generally fall into three categories:

1. The relationship, knowledge, and motivation of the parties (i.e. seller and buyer);
2. The terms of sale (e.g. cash, cash equivalent, or other terms); and
3. The conditions of sale (e.g. exposure in a competitive market for a reasonable time prior to sale).

The specific market value definition utilized in this appraisal is that defined by the federal financial institutions' regulatory agencies as follows:

"Market Value" means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Buyer and seller are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f].)

INTENDED USE OF REPORT: This appraisal is intended to assist in the filing of a Measure 37 Claim for damages or waiver of zoning.

INTERESTS VALUED: Fee simple.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS: In preparing this appraisal the appraisers:

1. Inspected the subject property on March 13, 2006. The subject photographs were taken on that same date.
2. Gathered information on comparable sales and viewed sites.
3. In developing the opinions of value, the appraisers performed a complete appraisal process as defined by the Uniform Standards of Professional Appraisal Practice, including applications of a hypothetical condition and an extraordinary assumption.

4. Reviewed historical information regarding the subject property, which was provided by Larry Reed of JRH. Mr. Reed also provided research documents with regard to zoning and planning data as published by the Lane County Planning Commission. Information was also obtained from the Lane County Assessor's Department.

This summary appraisal report is a brief recapitulation of the appraiser's data, analyses, and conclusions. Other supporting documentation is retained in the appraiser's file.

AREA/NEIGHBORHOOD DATA:

Area Data - The Cities of Eugene and Springfield are located in the center of Western Oregon, at the southern edge of the Willamette Valley. The Willamette River flows northwest by Springfield and through the heart of Eugene. The McKenzie River joins the Willamette River to the north of Eugene. The communities are divided by the Interstate-5 Freeway and are located approximately 110 miles south of Portland, and 216 miles north of the California border. It is 60 miles west of the Cascade Mountains, and 60 miles east of the Pacific Ocean.

Elevation: The elevation is approximately 426 feet above sea level. Eugene's topography features include Skinner Butte to the north of downtown, and Spencer Butte to the south which has a 310-acre city park.

Population: Lane County's population is 336,085 according to certified estimates from Portland State University, effective July 1, 2005. Eugene is the third largest city in Oregon with a current population estimated at 146,160. Springfield's population count was estimated at 55,860. Statewide, Oregon's population recently reached 3,631,440.

Airport: The Eugene Airport, Mahlon Sweet Field, is the fifth largest airport in the Pacific Northwest. It provides commercial air service to a six-county region in mid-Oregon. It is served by four air carriers: America West Express, Horizon Air, SkyWest (the Delta Connection), and United Express. Daily flights servicing Western cities include Los Angeles, San Francisco, and Salt Lake City. The four car rental companies located in the airport terminal are AVIS, Budget, Hertz & Enterprise.

Employment: Lane County's ten top employers are ranked as follows: PeaceHealth Medical Group, University of Oregon, U.S. Government, Lane Community College, Lane County, Eugene School District, Springfield School District, City of Eugene, State of Oregon, and McKenzie-Willamette Medical Center. Lane County's ten top manufacturers are listed as follows: Monaco Coach Corporation, Country Coach, Hynix Semiconductor Manufacturing America, Symantec Corporation, PSC Scanning, Weyerhaeuser Company, Rosboro Lumber Company, Whittier Wood Products, McKenzie Forest Products, and Marathon Coach. (Source: Eugene Area Chamber of Commerce and Lane Metro Partnership)

According to the Oregon Employment Department, the fastest growing occupations in

Oregon were administrative and support services with an increase of 13.1% from 2001 to 2003. Areas showing decline during this same period were wood product manufacturing, down 9.6%; transportation/warehousing/utilities, down 6.9%; also durable goods and state education, both down 6.5%. The Department's employment projections by industry anticipated to increase are health services, by 28.3% from 2002 by the year 2012. Also expected to increase by 20.5% are business and professional services. The industry projected to decrease the most include the wood products "other" category, anticipated to take a 20% decline. The top five growing occupations projected by the year 2012 include: Registered nurses, retail salespersons, office clerks, general, cashiers, and nurses aides/orderlies/attendants.

Unemployment: The current unemployment rate for Lane County (as of December, 2005) was 5.5%; 0.7 of a percentage point lower than the 6.2% rate recorded one year prior (December, 2004). The current unemployment rate for the State of Oregon is 5.5%, lower than it was one year prior when it was at 6.5%. (Oregon Employment Department, Eugene/Springfield Metro Labor Trends Newsletter, February, 2006.)

The high unemployment rate in 2003 was due to a recession which started in 2000 and continued into 2003. In Eugene, a well-known department store chain went into bankruptcy and closed in February, 2003. Sony, a 50-million dollar CD-ROM manufacturing plant in Springfield, closed in April 2003. In mid-2004, the Sony plant was purchased PeaceHealth for additional office space in conjunction with the newly planned hospital to be located a short distance to the southeast. Also contributing to unemployment in the area were large layoffs experienced at Seneca Sawmills and Monaco Coach.

Labor Trends: Recent indicators reflect that the economy is taking a turn for recovery. The local major RV manufacturers are hiring again; Monaco recently announced that in closing their Bend factory they will relocate 400 jobs to their Coburg campus location.

Brian Rooney, a regional labor economist with the state Employment Department was recently quoted by The Register-Guard, a local news publication, as saying, "The overall picture in Lane County is still one of a strengthening economy, however, with continued job growth, albeit somewhat slower than in recent months. Last year was basically a rebound from the recession, and we got rapid (job) growth from the rebound. It seems to be slowing a bit, but its still really good ... we've gone from 2-2.5 percent (annual job) growth to 1.5 percent this past month. Last year manufacturing and, in particular RV manufacturing really took off."

New developments in the Eugene downtown area include:

- The Lane Transit District, which provides area-wide bus service, recently constructed a major facility at 11th Avenue and Olive Street.
- The City of Eugene has recently built a fire station at 13th Avenue and Willamette Street.

- Construction on the new Federal Courthouse is ongoing. As of July, the \$70 million, 270,000 square foot project is on budget and on time for its scheduled move-in date in September of next year.
- A new city library was recently completed in the downtown area.
- The Oregon Research Institute has recently purchased of the former Sears building in downtown Eugene, located immediately north of the new library on the north side of W. 10th Avenue. The former Sears building has been razed and a new six-story, 80,000 square foot office building will be constructed at this location.
- The Tate Condominiums project is currently under construction in downtown Eugene. The project involves a six-story, brick building offering 47 upscale condominium units located at 14th Avenue and Olive Street. The sizes range from 794 to 2,128 square feet incorporating one-, two- and three-bedroom units. There will be private and secure ground-level parking. The complex is expected to be completed for occupancy by the winter of 2006.
- A partnership consisting of the Woolley/Conner families & the Opus Group are attempting to acquire large contiguous blocks of property along both sides of W. Broadway Street in the old downtown mall area to do a large retail & residential redevelopment of this area.

Other area businesses that will be expanding and new building construction include:

- Since doubling their production within the last year, Ecklund Industries, Inc. is planning to break ground for the construction of an additional 14,000 square foot manufacturing building directly east of its current location in northwest Eugene.
- BowTech, a Eugene-based archery company, is planning a \$2.5-million expansion, adding 15,000 square feet of manufacturing space and a 9,500-square foot extension and remodeling of its retail space. They will add 35 to 40 new jobs.
- The Willow Creek Tennis and Sports Center's expansion project includes a 4,300 square foot building.
- McKay Investment Inc. plans to develop a four-acre site for Orthopedic Healthcare Northwest on Coburg Road. Demolition of the building currently occupied by Goodwill Thrift Store will begin at the end of 2005. The \$14 million, four-story, 80,000 square foot medical office building is scheduled to be completed for the opening in fall 2007.
- Ben & Jerry's Homemade Ice Cream and Bambini, a children's clothing store, will lease space at a new 9,000-square foot building at Eugene's Woodfield Station. Construction is expected to begin in February.

- H D Fowler Co. plans to build a 9,600-square foot warehouse and office building in the Murry Industrial Park in west Eugene. Modern Machinery bought a 2.1-acre lot in the park.
- A 15-screen, 3,182-seat movie theater will be built at Valley River Center's former Montgomery Ward site. Construction for the 74,000-square foot theater will begin in 2006.
- Hotel expansions are being planned by the Resident's Inn by Marriott in Eugene and the Holiday Inn Express in Springfield. By adding 27 rooms to each, the Resident's Inn will increase to 112 rooms and the Holiday Inn Express will contain 85 rooms.
- A new 45,000 square foot building was recently built for Best Buy to lease on Gateway Blvd. in Springfield.
- A new 165,000 square foot building is currently under construction for Royal Caribbean Call Center in Springfield which will employ 240 employees by December 23, 2005. It is anticipated that they may employ as many as 1,100 within five years.
- PeaceHealth purchased the former Sony Disc Manufacturing plant at 123 International Way in Springfield, renaming it "RiverBend Annex." The building is approximately 375,000 square feet. Oregon Medical Labs will occupy about 80,000 square feet with 380 employees. The remainder of the building will be occupied by several PeaceHealth departments.
- PeaceHealth has begun construction of a second medical campus on 174 acres at RiverBend, in Springfield, Oregon, east of I-5 and Belt Line Road, on the McKenzie River. Construction is expected to be complete in spring or summer 2008. Sacred Heart Medical Center at RiverBend will initially employ about 2,200 people.
- Northwest Specialty Clinics, a network of nine medical practices with 50 employees, will build a medical office next to PeaceHealth's RiverBend Hospital in Springfield. Construction is expected to begin in October, 2006.
- Symantec is planning a two-story, 200,000 square foot office building for its research and development facility, doubling the current size of its Springfield campus. They hope to break ground in August and complete it by next July.
- St. Vincent de Paul Society plans to build a five-story apartment building at the site of its thrift store in Springfield. St. Vincent de Paul also plans to build a new 20,000-square foot store a few blocks to the east.

Market trends: Current market conditions involve a strong real estate market in Springfield and Eugene. In fact, Springfield marked a record year for building permits in

2005. The construction of the RiverBend Medical Center accounted for nearly half of the \$407.7 million in permit value. Subdivision developments are continuing with the most recent announced being a 64-lot subdivision on seven acres at the current site of Mel's Marine. Also a 230-acre parcel was recently purchased by SunTrust Land Company for the creation of 500 lots in the MountainGate housing development. Upon completion, the 700-lot MountainGate development will be Lane County's single largest development. All sectors of the market are strong, particularly the residential sector where values have increased significantly over the last several years and are continuing this trend, modified by a slight softening evidenced primarily by a significant increase in "time on the market."

Neighborhood Data - The subject property is located approximately 4.5 miles northeast of 42nd Street in Springfield. It is situated along the west side of Hill Road, which branches off to the west from old Marcola Road.

There are no definitive neighborhood boundaries, but the area is generally referred to as the Mohawk Valley. The area is rural in nature with small to medium acreage home sites along both sides of Marcola Road, which travels between 42nd Street in Springfield to the community of Marcola and beyond. The entire neighborhood is outside the City of Springfield and its Urban Growth Boundary

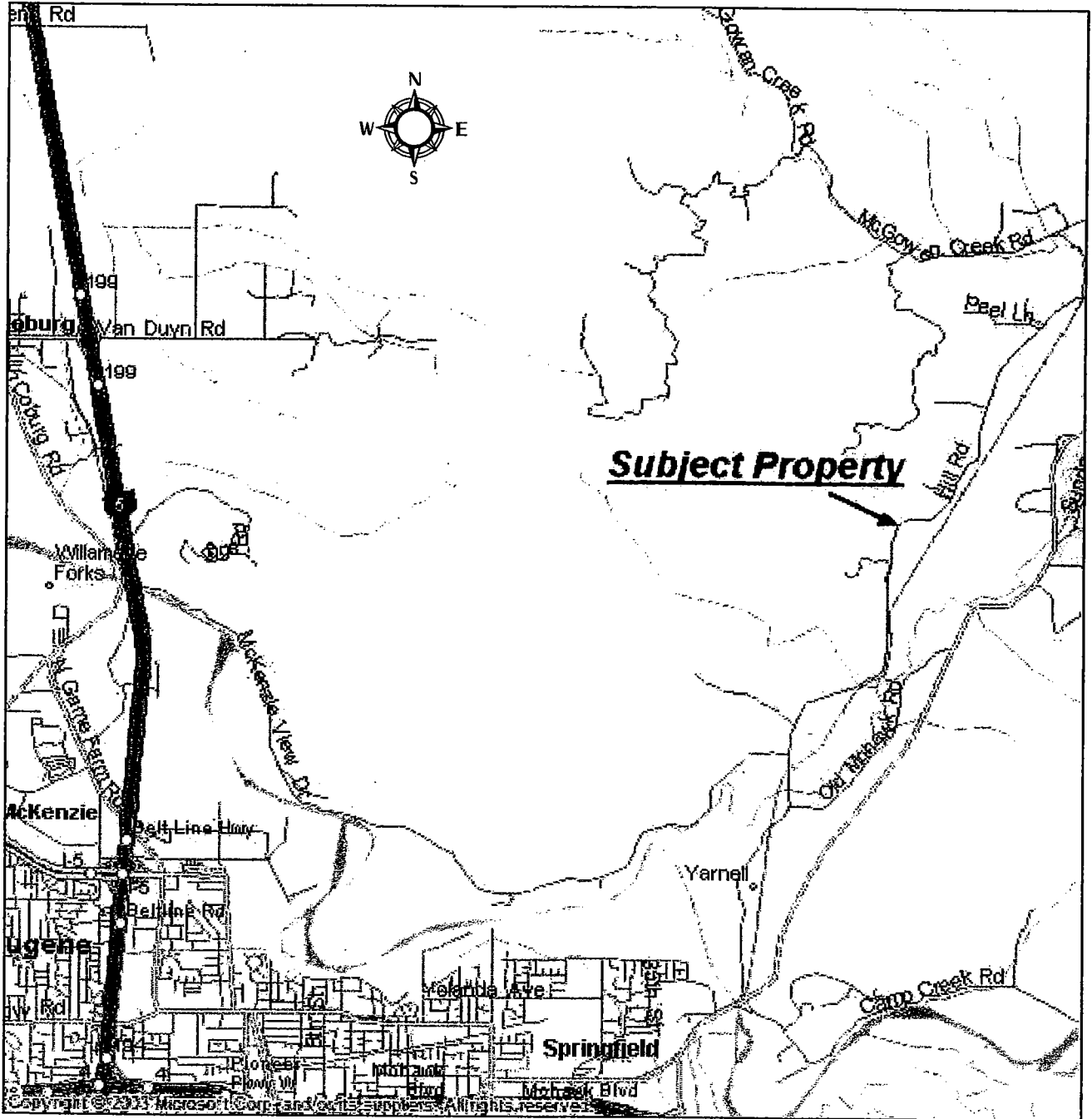
The topography consists of level to rolling hills, mostly with mild slopes. The neighborhood is typified by rural residences, small farms, and wood lots. A notable feature within the area is the Springfield Country Club. The trend in the area is for five- to ten-acre building lots divided from larger parcels on which new, single-family residences are being constructed. Smaller lots, one to two-acres are becoming more prevalent. The area is particularly desirable for home sites because of its close in location, the country atmosphere, wildlife, and view amenities.

Electricity is provided by Emerald People's Utility District. Water is provided by private wells. Sewage disposal is provided by septic or sand filter systems. Fire protection is available to the neighborhood from the Mohawk Valley Rural Fire Protection District and police protection via the Lane County Sheriff's office. Because of the proximity of the neighborhood to the City of Springfield, shopping, schools, churches, and professional services are all convenient.

Real estate values in the subject neighborhood are currently increasing, which is a trend that has prevailed over the past several years. Further increases are anticipated, although, there has been a slowing in sales. The market is keyed to low interest rates.

Please refer to the following pages for a vicinity map illustrating the location of the subject neighborhood and subject property.

VICINITY MAP



PROPERTY DATA

LOCATION:

Street Address: 90440 Hill Road, Springfield, Oregon.

**Geographic Location
and Legal Description:**

Northwest of Hill Road approximately 2.50 miles from its intersection with Old Mohawk Road to the south. Please refer to Addendum item "II" in the Addenda to this report for a copy of the deed which includes the legal description.

**Assessor's Map
and Tax Lot No.:**

Lane County Assessor's Map 17-02-04
Tax Lot No. 710

Tax Account Nos.:

1343159 and 1027190

Current Zoning:

F-2, Impacted Forest Lands.

TAX AND ASSESSMENT DATA (2005/2006 Values):

| Account # | No. of Acres | RMV Land | RMV Improve. | RMV Total | Assessed Value | Taxes |
|-----------|--------------|----------|--------------|-----------|----------------|----------|
| 1343159 | 5.00 | \$60,775 | \$255,440 | \$316,215 | \$248,769 | \$26,956 |
| 1027190 | 9.98 | \$9,866 | \$-0- | \$9,866 | \$56,420 | \$0,589 |
| Total | 14.98 | \$70,641 | \$255,440 | \$326,081 | \$305,189 | \$27,545 |

EFFECTIVE TAX RATE: \$10.27 per \$1,000 of assessed value.

Tax Levy Code: 19-05 & 19-15

Real estate taxes are based on assessed values, which were determined by taking the 1995/96 real market values and subtracting 10% in accordance with a tax relief measure. The assessed values, as calculated, can only be increased by a maximum of 3% per annum. New construction and additions are treated differently. Bonded indebtedness is exempt from this requirement.

OWNERSHIP AND PROPERTY HISTORY:

Current ownership is vested with Connie Jean Merrell. A Warranty Deed shows that Dale I. Gramley and Mary Curtis Gramley transferred ownership to Stanley T. Merrell and Connie J. Merrell, husband and wife on July 5, 1972. The deed reflects an instrument number of 7001, which was recorded on July 5, 1972. Stanley Thomas Merrell became deceased on September 4, 1991, as evidenced by a Medical Certificate of Death recorded as document number 9144958 in the Lane County public records. There have been no sales of the subject property which are pertinent to its current value.

DESCRIPTION OF THE SUBJECT PROPERTY:

Land - In general, the subject property consists of a parcel of rural pasture land with access on the south direct to Hill Road, which connects to Old Mohawk Road, which in turn connects to Marcola Road. The total land area is approximately 14.98 acres. Currently, the access to the existing residence is via a roadway just south of the subject property, which is utilized and maintained via a joint use agreement.

According to FEMA flood hazard zone information and FIRM Map No.: 41039C0670 F, effective June 2, 1999, the subject property is outside the 500-year flood zone.

The majority of the topography varies from level to mildly sloping, with a significant slope increase at the northwest portion of the property. This area has been divided off for the placement of the existing improvements, which are located very near the west property line. The slope is downward from northwest to southeast. Below the existing home site, there are areas of brambles and underbrush transitioning into a pasture area that extends to the property line adjacent to Hill Road. The topography of the land affords views to the east, northeast and southeast. The property, to the best of the owner's knowledge, has never been utilized for timber production. Most of the existing tree cover is in the west portion and along the northwest property line. There is no significant timber value.

The soils are identified in the following chart, followed by a brief description:

| Soils | Percentage of Tax Lot |
|-------|-----------------------|
| | 57% |
| | 32% |
| | 11% |

Panther Silty Clay Loam, 2-12% slopes (102C) – This deep, poorly drained soil is in swales and on benches of foothills adjacent to valleys of the Willamette River and its tributaries. The vegetation in areas not cultivated is mainly grasses, sedges, western brackenfern, Oregon ash, Oregon white oak, and occasional Douglas-fir. Typically, the surface layer is very dark brown silty clay loam about 10 inches thick. The subsoil is very dark grayish brown and dark grayish brown about 19 inches thick. Permeability of this Panther soil is very slow. Available water capacity is about four to nine inches. Runoff is medium, and the hazard of water erosion is moderate. Most areas of this unit are used for hay and pasture and wildlife habitat. This unit is poorly suited to home site and urban development. Drainage is needed if roads and building foundations are constructed. Cutbanks are not stable and are subject to slumping. Roads and streets need heavy base rock. If buildings are constructed on this unit, properly designing foundations and footings and diverting runoff away from buildings help to prevent structural damage because of shrinking and swelling.

Nekia silty clay loam, 20-30% slopes (89E) – This moderately deep, well drained soil is on foothills adjacent to the Willamette Valley. The native vegetation is mainly Douglas-fir, Oregon white oak, Pacific madrone, and vine maple. The surface layer is dark reddish brown silty clay loam about 10 inches thick. The subsoil is dark reddish brown

and reddish brown clay about 25 inches thick. Permeability of this Nekia soil is moderately slow. Available water capacity is about four to seven inches. Runoff is rapid, and the hazard of water erosion is high. This unit is used for pasture, timber production, wildlife habitat, and watershed. If this unit is used for home site development, the main limitations are slope, depth to rock, and the moderately slow permeability. These limitations restrict construction in most areas. Because of the hazard of erosion, only those areas needed for construction should be disturbed and cuts and fills should be seeded as soon as possible. This unit is poorly suited to septic tank absorption fields because of slope and depth to bedrock.

Waldo silty clay loam (130) – This deep, poorly drained soil is in depressional areas on the flood plains and low terraces of the smaller tributaries to the Willamette Valley and headwaters of the Siuslaw River. Typically, the surface layer is very dark brown silty clay loam about 11 inches thick. The subsoil is very dark gray, dark gray, and gray, mottled silty clay and clay about 49 inches thick. Permeability of this Waldo soil is slow. Available water capacity is about nine to eleven inches. Runoff is slow, and the hazard of water erosion is slight except when nearby streams overflow. This unit is used mainly for pasture, hay, and grass seed. If this unit is used for home site development, the main limitations are the seasonal high water table, the hazard of flooding, the silty clay loam surface layer, slow permeability, wetness, and low soil strength. Flood can be controlled only by use of major flood control structures. Wetness can be reduced by installing drain tile around footings. Buildings and roads should be designed to offset the limited ability of the soil in this unit to support a load. Roads for year-round use need heavy base rock.

The three soil types have limitations pertaining to urban development. Aside from the issues related to the steeper slopes, the soils have a generally slow permeability and a seasonal high water table. Drainage issues would need to be carefully addressed in any design plan to avoid water damage to footings and other structural improvements. In addition, the soils appear to be less favorable to multiple septic and drainfield systems, as opposed to a community sewage disposal system.

There are a limited number of permitted uses under the F-2, Impacted Forest Lands Zoning District, which are not considered pertinent in terms of the highest and best use of the property. Reference is made to a copy of the F-2 ordinance (Impacted Forest Lands) set forth as Addendum "III" in the Addenda to this report.

Available utilities include electricity provided by Emerald People's Utility District. Fire protection is provided by Mohawk Valley Rural Fire Protection District, and police protection is provided by the Lane County Sheriff's Department.

No preliminary title report was made available to the appraisers. From a physical inspection, there appears not to be any easements or encroachments that would have an adverse impact on the market value of the subject property. Reportedly, the access to the existing residence is via a joint use agreement for a roadway just south of the subject property.

The subject property was purchased in July of 1972 at which time there was no zoning. At the time of purchase the property was only subject to Lane County subdivision regulations, which meant that the subject property could have been divided into residential home sites commensurate with the potential for septic approvals and potable water.

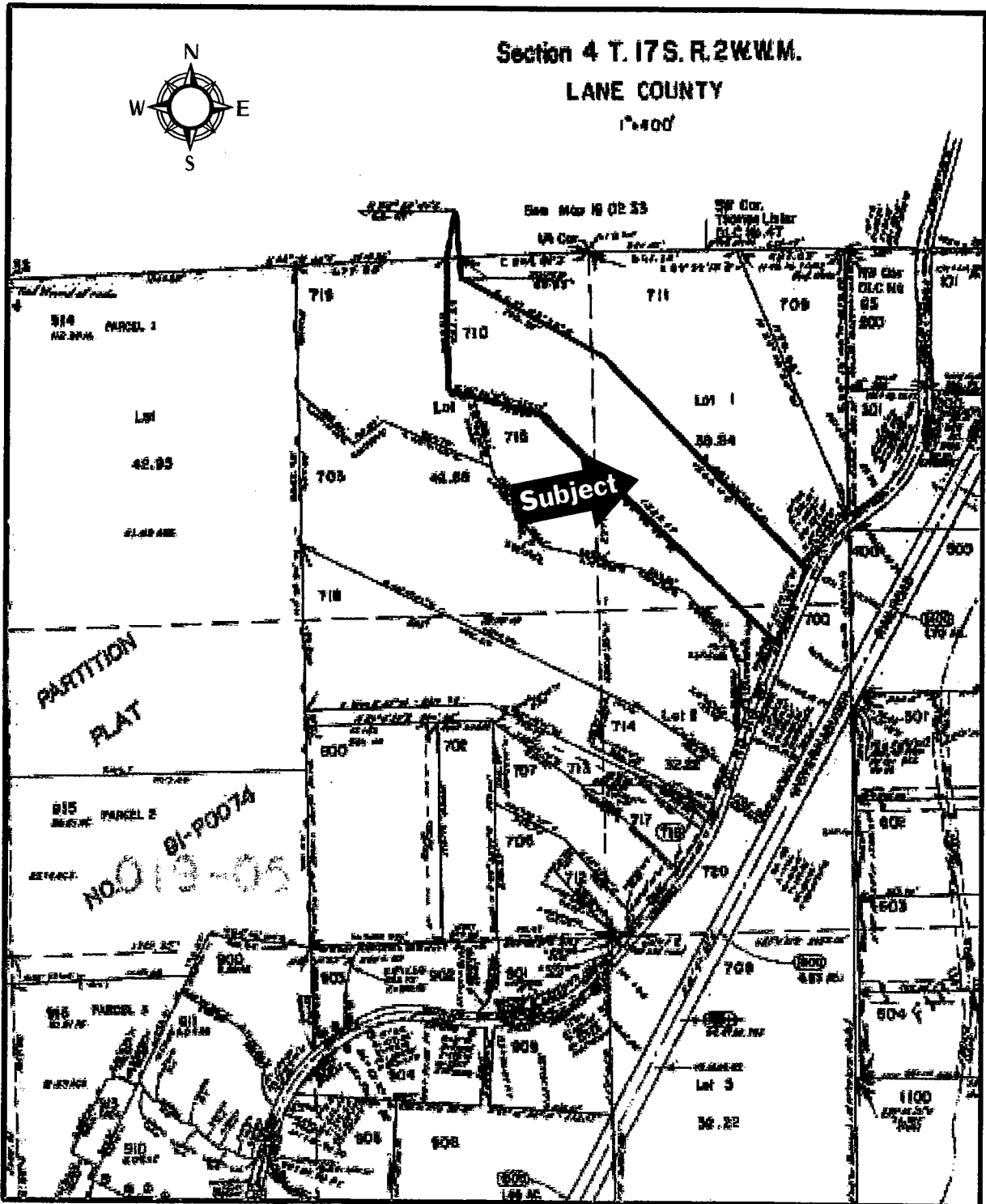
IMPROVEMENTS:

The subject property is improved with a two-story, wood frame house with an attached double garage, which was built in 1972. The finished space consists of 1,850 square feet on the main level, 1,200 square feet on the lower level for a total of 3,050 square feet. The floor plan consists of living, dining, kitchen and family areas, as well as four bedrooms and two baths. The attached garage has 528 square feet. The exterior walls are wood frame with board and batten siding. The roof is of gable design with composition shingle cover. There is good fenestration with double pane windows. The interior has drywall finish with wood trim. The floor coverings consist of carpet and vinyl. There are two fireplaces, with the main heat source being a forced air furnace. There is no cooling unit. Appliances and fixtures are typical for a single family residence. The home has received above average maintenance and is in good condition relative to its age.

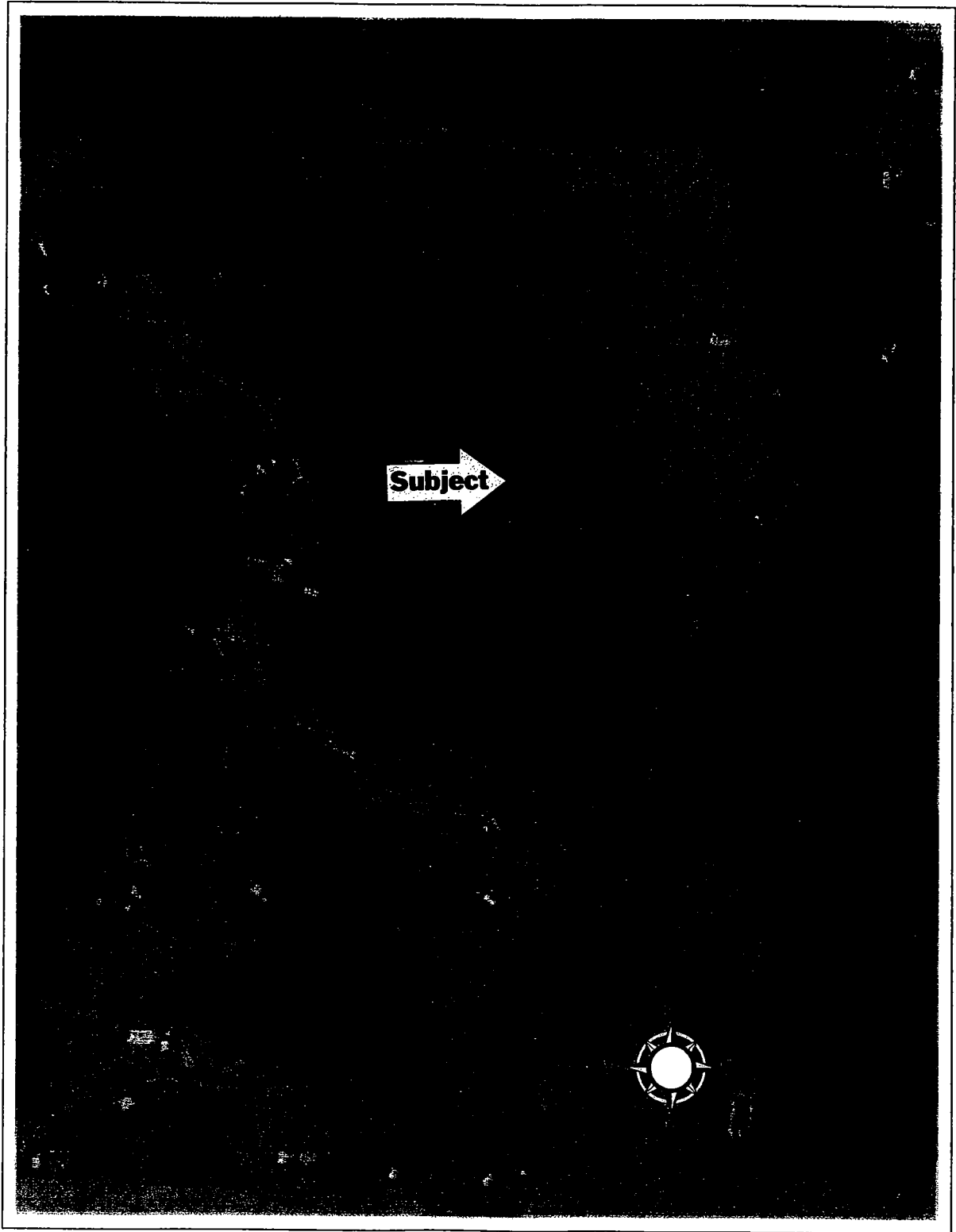
The exterior is improved with wood decking at the main entry, as well as a second story balcony deck. The driveway and parking area are asphalt paved. The site is landscaped in the immediate vicinity of the home with lawn and low maintenance shrubs.

Please refer to the following pages for a plat map, aerial photograph, and ground level photographs of the subject property taken on the date of inspection.

PLAT MAP



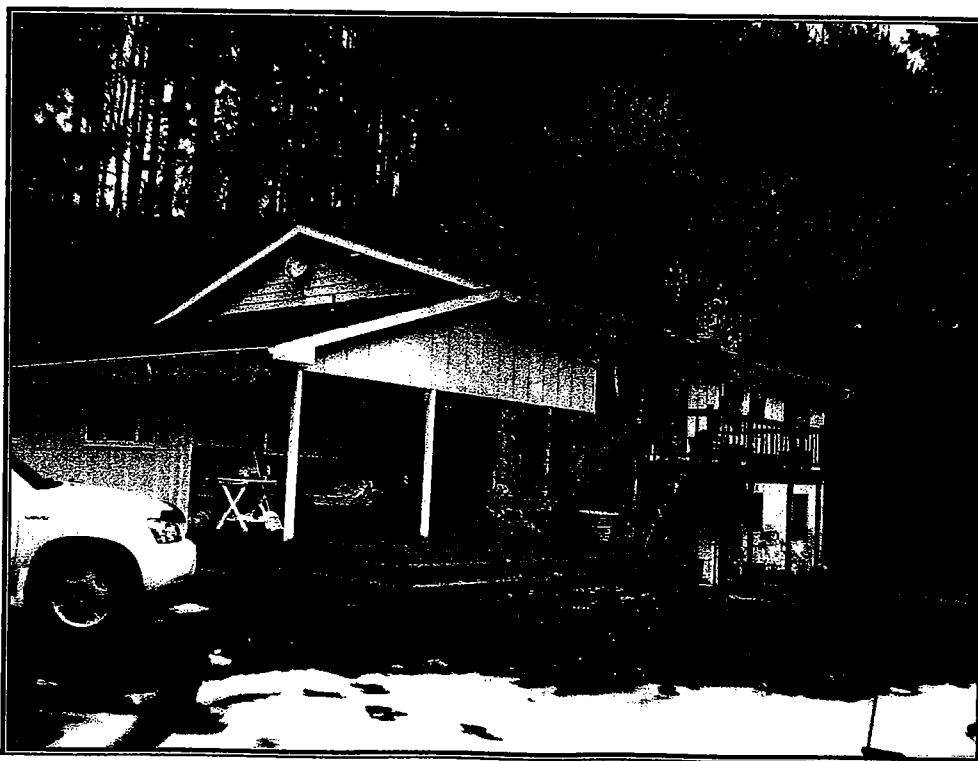
AERIAL PHOTOGRAPH



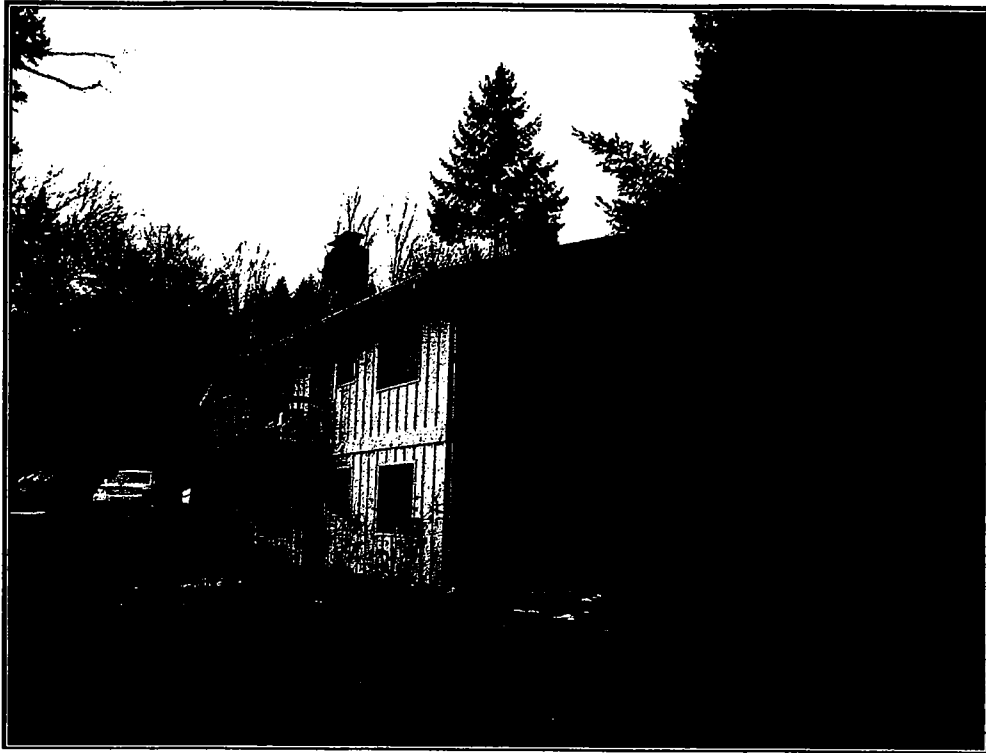
SUBJECT PHOTOGRAPHS



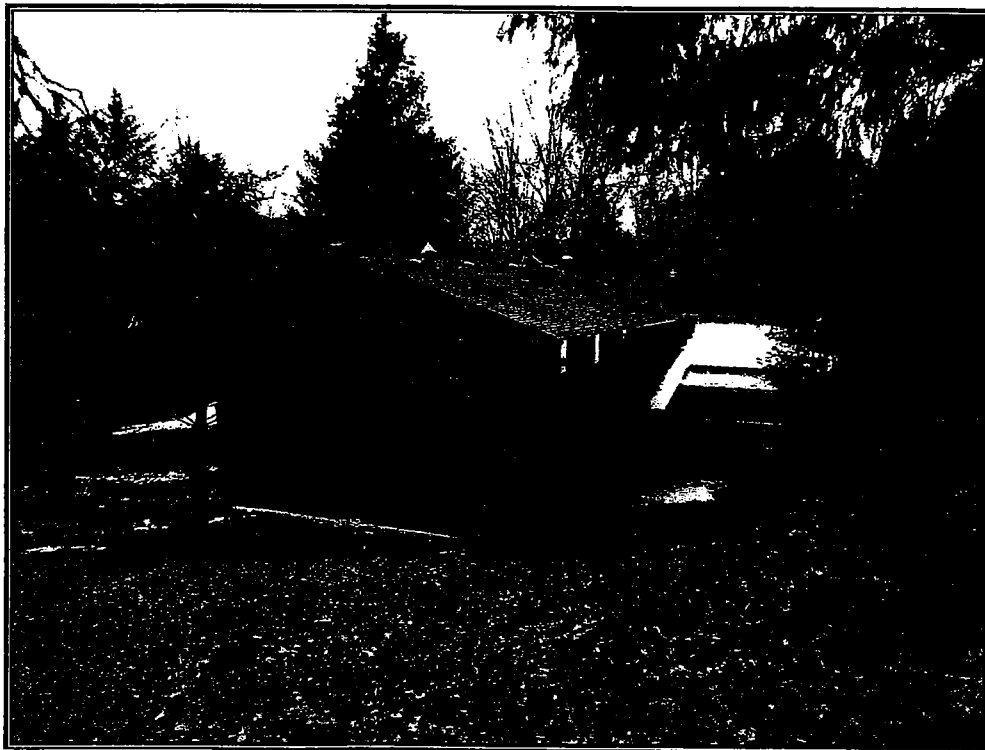
View of Improvements – Looking North



View of Improvements – Looking NW



View of Improvements – Looking South



View of Improvements – Looking SE