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

IN THE MATTER OF THE CLAIM FOR COMPENSATION UNDER ORS 197.352 (BALLOT MEASURE 37) OF John, Candace and Richard Kirsch, CLAIMANTS	))))	FINAL ORDER CLAIM NO. M118498

Claimants: John, Candace and Richard Kirsch (the Claimants)

Property: Tax lot 700, Township 3S, Range 4W, Section 34, Yamhill County (the Property)

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

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

ORDER

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

1. In lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to John and Richard Kirsch's division of the 40.01-acre property in order to divide the existing homesite from the larger farm parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, enacted after April 25, 1975. Also in lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to Candace Kirsch's division of the 40.01-acre property in order to divide the existing homesite from the larger existing farm parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, enacted after October 19, 1999. The department acknowledges that the relief to which Candace Kirsch is entitled will not allow her to use the subject property in the manner set forth in the claim. These land use regulations will not apply to the claimants only to the extent necessary to allow them to use the subject property for the use described in this report, and only to the extent that use was permitted when John and Richard Kirsch acquired the property on April 25, 1975, and when Candace Kirsch acquired the property on October 19, 1999.

2. The action by the State of Oregon provides the state's authorization to John, Candace and Richard Kirsch to use these properties for a use described in this report, subject to the standards in effect on April 25, 1975 and October 19, 1999, respectively. On those dates, the property was subject to applicable provisions of Goal 3 and ORS 215 then in effect.

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

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

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

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

FOR DLCD AND THE LAND CONSERVATION AND DEVELOPMENT COMMISSION:

Lane Shetterly, Director
DLCD
Dated this 6th day of April, 2006.

FOR the DEPARTMENT OF ADMINISTRATIVE SERVICES:

Dugan Petty, Deputy Administrator
DAS, State Services Division
Dated this 6th day of April, 2006.

NOTICE OF RIGHT TO APPEAL OR OTHER JUDICIAL RELIEF

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

1. Judicial review under ORS 183.484: Judicial review under ORS 183.484 may be obtained by filing a petition for review within 60 days from the service of this order. A petition for judicial review under ORS 183.484 may be filed in the Circuit Court for Marion County or the Circuit Court in the county in which you reside.

2. A cause of action under ORS 197.352 (Measure 37 (2004)): If a land use regulation continues to apply to the subject property more than 180 days after the present owner of the property has made written demand for compensation under ORS 197.352[1], the present owner of the property, or any interest therein, shall have a cause of action in the circuit court in which the real property is located.

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

FOR INFORMATION ONLY

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

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[1] By order of the Marion County Circuit Court, "all time lines under Measure 37 [were] suspended indefinitely" on October 25, 2005. This suspension was lifted on March 13, 2006 by the court. As a result, a period of 139 days (the number of days the time lines were suspended) has been added to the 180-day time period under ORS 197.352(6) for claims that were pending with the state on October 25, 2005.

BALLOT MEASURE 37 (ORS 197.352)
CLAIM FOR COMPENSATION

OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT
Final Staff Report and Recommendation

April 6, 2006

STATE CLAIM NUMBER:	M118498
NAMES OF CLAIMANTS:	John, Candace and Richard Kirsch[1]
MAILING ADDRESS:	6900 Poverty Bend Road McMinnville, Oregon 97128
PROPERTY IDENTIFICATION:	Township 3S, Range 4W, Section 34 Tax lot 700 Yamhill County
DATE RECEIVED BY DAS:	May 24, 2005
180-DAY DEADLINE:	April 6, 2006[2]

I. SUMMARY OF CLAIM

The claimants, John, Richard and Candace Kirsch seek compensation in the amount of $50,000 for the reduction in fair market value as a result of land use regulations that are alleged to restrict the use of certain private real property. The claimants desire compensation or the right to divide the 40.01-acre property into two parcels, with one parcel containing the existing homesite. The subject property is located at 6430 Highway 47, near Carlton, in Yamhill County. (See claim.)

II. SUMMARY OF STAFF RECOMMENDATION

Based on the findings and conclusions set forth below, the Department of Land Conservation and Development (the department) has determined that the claim is valid. Department staff recommends that, in lieu of compensation, the requirements of the following state laws enforced by the Land Conservation and Development Commission (the Commission) or the department not apply to claimants John, Candace and Richard Kirsch's desire to divide the 40.01-acre property into two parcels, with one parcel containing the existing homesite: applicable

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[1] The Kirsch family filed three claims under ORS 197.352 (M118497-99. Richard Kirsch has an ownership interest in the properties subject to all three claims. Ricahrd Kirsch did not sign the claim form for this specific claim. However, in light of his clear ownership interest in tax lot 700 and comments submitted from the Kirsch family for this claim, this report will treat Richard Kirsch as a claimant.

[2] This date reflects 180 days from the date the claim was submitted as extended by the 139 days enforcement of 2005 Oregon Laws, Chapter 1 was suspended during the pendency of the appeal of *MacPherson v. DAS. MacPherson v. Dept. of Admin. Srvcs.*, 340 Or ___, 2006 Ore. Lexis 104 (Feb. 21, 2006).

provisions of Statewide Planning Goal 3 (Agricultural Lands), ORS 215 and Oregon Administrative Rules (OAR) 660, division 33, enacted after April 25, 1975, with respect to John and Richard Kirsch and with respect to Candace Kirsch, enacted after October 19, 1999. These laws will not apply to John, Candace and Richard Kirsch's use of the subject property only to the extent necessary to allow them to use the property for the use described in this report, and only to the extent that use was permitted when they acquired the property. The department acknowledges that the relief to which Candace Kirsch is entitled under ORS 197.352 (2005 Oregon Laws, Chapter 1) will not allow her to use the subject property in the manner set forth in the claim. (See the complete recommendation in Section VI. of this report.)

III. COMMENTS ON THE CLAIM

Comments Received

On August 16, 2005, pursuant to OAR 125-145-0080, the Oregon Department of Administrative Services (DAS) provided written notice to the owners of surrounding properties. According to DAS, one written comment, evidence or information was received in response to the 10-day notice.

The comment is relevant to whether the restriction of the claimants' use of the subject property reduces the fair market value of the property and whether a state agency has the authority to waive state statutes. The comment has been considered by the department in preparing this report. (See the comment letter in the department's claim file.)

IV. TIMELINESS OF CLAIM

Requirement

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

1. For claims arising from land use regulations enacted prior to the effective date of 2005 Oregon Laws, Chapter 1 (December 2, 2004), within two years of that effective date or the date the public entity applies the land use regulation as an approval criterion to an application submitted by the owner, whichever is later; or

2. For claims arising from land use regulations enacted after the effective date of 2005 Oregon Laws, Chapter 1 (December 2, 2004), within two years of the enactment of the land use regulation, or the date the owner of the property submits a land use application in which the land use regulation is an approval criterion, whichever is later.

Findings of Fact

This claim was submitted to DAS on May 24, 2005, for processing under OAR 125, division 145. The claim identifies section 402 of Yamhill County's EF-80 zone, an Exclusive Farm Use (EFU) zone under the provisions of ORS 215, as the basis for the claim. Only laws that were enacted prior to December 2, 2004, are the basis for this claim.

Conclusions

The claim has been submitted within two years of the effective date of 2005 Oregon Laws, Chapter 1 (December 2, 2004), based on land use regulations enacted prior to December 2, 2004, and is therefore timely filed.

V. ANALYSIS OF CLAIM

1. Ownership

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

Findings of Fact

The claimants, John and Richard Kirsch, acquired the subject property on April 25, 1975. John Kirsch conveyed the property to "John and Candace Kirsch Trustees of the John W. Kirsch Revocable Living Trust dated October 8, 1999," as of October 19, 1999.[3] A copy of this deed was not submitted with this claim but appears to be covered by a deed submitted with another claim from the Kirsch family (M118497). From the information submitted with the claim, it appears that Candace Kirsch acquired her interest in the subject property on October 19, 1999. The Yamhill County Assessor's office confirms that all three claimants are the current owners of the subject property.

Conclusions

The claimants, John and Richard Kirsch, are the "owners" of the subject property as of April 25, 1975, and Candace Kirsch is an "owner" of the subject property as of October 19, 1999 as that term is defined by ORS 197.352(11)(C). John and Richard Kirsch are a "family member" to Candace Kirsch as that term is defined by ORS 197.352(11)(A).

2. The Laws That are the Basis for This Claim

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

Findings of Fact

The claim identifies Section 402 of Yamhill County's EF-80 zone and "Minimum Parcel Size–80 acres" as the laws that restrict the use of the subject property and are the basis for the claim.

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[3] Transfer of the property to a revocable trust does not constitute a change in ownership for the purposes of Measure 37.

The claim is based generally on Yamhill County's current EFU and the applicable provisions of state law that require such zoning. The claimants' property is zoned EFU-80 as required by Goal 3 in accordance with ORS 215 and OAR 660, division 33, because the claimants' property is "agricultural land" as defined by Goal 3.[4] Goal 3 became effective on January 25, 1975, and requires that agricultural lands as defined by the Goal be zoned EFU pursuant to ORS 215.

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

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

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

The claimants' family acquired the subject property after the adoption of the statewide planning goals, but before the Commission acknowledged Yamhill County's land use regulations to be in compliance with the statewide planning goals pursuant to ORS 197.250 and 197.251. Because the Commission had not acknowledged the county's plan and land use regulations when the claimants' family acquired the subject property on April 25, 1975, the statewide planning goals, and Goal 3 in particular, applied directly to the property when the claimants' family acquired it.[5]

As adopted on January 25, 1975, Goal 3 required that agricultural land be preserved and zoned for EFU pursuant to ORS 215. The Goal 3 standard for land divisions involving property where the local zoning was not acknowledged required that the resulting parcels must be of a size that is "appropriate for the continuation of the existing commercial agricultural enterprise in the

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[4] The claimants' property is "agricultural land" because it contains Natural Resources Conservation Service Class I-IV soils.

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

area." Further, ORS 215.263 (1973 edition) required that all divisions of land subject to EFU zoning comply with the legislative intent set forth in ORS 215.243 (Agricultural Land Use Policy). Thus, the opportunity to divide the subject property when the claimants' family acquired it in 1975 was limited to land divisions that were consistent with Goal 3, which required that the resulting parcels be (1) appropriate for the continuation of the existing commercial agricultural enterprise in the area and (2) shown to comply with the legislative intent set forth in ORS 215.243.

No information has been presented in the claim to establish that the claimants' desire to divide the existing homesite from the subject property complies with the "commercial" standard for farm parcels under Goal 3, or the standards for non-farm parcels under ORS 215.263 (1973 edition).

Conclusions

The current zoning requirements and minimum lot size standards established by Goal 3, ORS 215 and OAR 660, division 33, were all enacted after claimants' family acquired the subject property in 1975 and do not allow the claimants to divide the subject property. However, the claim does not establish whether or to what extent the claimants' desired use of the subject property complies with the standards for land divisions under Goal 3 in effect when claimants' family acquired the property on April 25, 1975.

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

3. Effect of Regulations on Fair Market Value

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

Findings of Fact

The claim includes an estimate of $50,000 as the reduction in the subject property's fair market value due to current regulations. This amount is based on the claimants' estimate of the market value of the property if the existing homesite is divided from the larger farm parcel. No appraisal and no explanation of how this amount was determined have been provided with the claim to support this statement. Copies of tax statements for other properties have been provided but without any explanation of how they were used to determine the claimed reduction in fair market value.

Conclusions

As explained in Section V.(1) of this report, the claimants are John, Candace and Richard Kirsch whose family members acquired the subject property in 1975. Under ORS 197.352, the claimants are due compensation for land use regulations that restrict the use of the subject property in a manner that reduces its fair market value. Based on the findings and conclusions in Section V.(2) of this report, laws enacted since the claimants acquired the subject property may restrict the desired division and development of the property. The claimants estimate the reduction in value due to the restrictions to be $50,000.

Without an appraisal or other documentation, it is not possible to substantiate the specific dollar amount the claimants demand for compensation. Nevertheless, based on the submitted information, the department determines that it is more likely than not that the fair market value of the subject property has been reduced to some extent as a result of land use regulations enforced by the Commission or the department since the claimants' family acquired the property.

4. Exemptions Under ORS 197.352(3)

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

Findings of Fact

The claim is based on state land use regulations that restrict the use of the subject property, including applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, which Yamhill County has implemented through its current EF-80 zone. With the exception of provisions of Goal 3 and ORS 215 in effect when each of claimants John, Candace and Richard Kirsch acquired the subject property on April 25, 1975, and on October 19, 1999, respectively, these land use regulations are not exempt under ORS 197.352(3)(E). Provisions of Goal 3 and ORS 215 in effect on April 25, 1975, and October 19, 1999, are exempt under ORS 197.352(3)(E), which exempts laws in effect when they each acquired the subject property.

Conclusions

Without a specific development proposal for the subject property, it is not possible for the department to determine which laws may apply to a particular use of the subject property, or whether those laws may fall under one or more of the exemptions under ORS 197.352. It appears that the general statutory, goal and rule restrictions on residential development and use of farm land apply to the claimants' use of the subject property, and these laws are not exempt under ORS 197.352(3)(E) to the extent they were enacted after each of the claimants acquired the property on April 25, 1975, and October 19, 1999. Provisions of Goal 3 and ORS 215 in effect when the claimants' family acquired the subject property in 1975 are exempt under ORS 197.352(3)(E) and will continue to apply to the property.

Other laws in effect when the claimants' family acquired the subject property are also exempt under ORS 197.352(3)(E), and will continue to apply to the claimants' use of the property. There may be other laws that continue to apply to the claimants' use of the subject property that

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

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

VI. FORM OF RELIEF

ORS 197.352(1) provides for payment of compensation to an owner of private real property if the Commission or the department has enforced a law that restricts the use of the property in a manner that reduces its fair market value. In lieu of compensation, the department may choose to not apply the law in order to allow the present owner to carry out a use of the property permitted at the time the current owner acquired the property. The Commission, by rule, has directed that if the department determines a claim is valid, the Director of the department must provide only non-monetary relief unless and until funds are appropriated by the legislature to pay claims.

Findings of Fact

Based on the findings and conclusions set forth in this report, laws enforced by the Commission or the department restrict the claimants' ability to divide the 40.01-acre property in order to divide the existing homesite from the larger existing farm parcel. The claim asserts that the laws enforced by the Commission or the department reduce the fair market value of the subject property by $50,000. However, because the claim does not provide an appraisal or other specific documentation for how the specified restrictions reduce the fair market value of the subject property, and without verification of whether or to what extent the claimants' desired use of the property was allowed under the standards in effect when they acquired the property, a specific amount of compensation cannot be determined. Nevertheless, based on the record for this claim, the department acknowledges that the laws on which the claim is based likely have reduced the fair market value of the subject property to some extent.

No funds have been appropriated at this time for the payment of claims. In lieu of payment of compensation, ORS 197.352 authorizes the department to modify, remove or not apply all or parts of certain land use regulations to allow John and Richard Kirsch to use the subject property for a use permitted at the time he acquired the property on April 25, 1975.

At the time the Candace Kirsch acquired an interest in the subject property, it was zoned EFU by Yamhill County and subject to the current lot size standards under Goal 3, ORS 215 and OAR 660, division 33, and as described in Section V.(2) of this report.

In addition to the applicable provisions of Goal 3 and ORS 215 in effect on April 25, 1975, and October 18, 1999, and other laws in effect when claimants acquired the subject property, there may be other laws that apply to the claimants' use of the property that have not been identified in the claim. In some cases, it will not be possible to know which laws apply to a use of the subject property until there is a specific proposal for that use. In addition, some of these laws may be exempt under ORS 197.352(3)(A) to (D), and will continue to apply to the subject property on that basis.

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

Conclusions

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

1. In lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to John and Richard Kirsch's division of the 40.01-acre property in order to divide the existing homesite from the larger farm parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, enacted after April 25, 1975. Also in lieu of compensation under ORS 197.352, the State of Oregon will not apply the following laws to Candace Kirsch's division of the 40.01-acre property in order to divide the existing homesite from the larger existing farm parcel: applicable provisions of Goal 3, ORS 215 and OAR 660, division 33, enacted after October 19, 1999. The department acknowledges that the relief to which Candace Kirsch is entitled will not allow her to use the subject property in the manner set forth in the claim. These land use regulations will not apply to the claimants only to the extent necessary to allow them to use the subject property for the use described in this report, and only to the extent that use was permitted when John and Richard Kirsch acquired the property on April 25, 1975, and when Candace Kirsch acquired the property on October 19, 1999.

2. The action by the State of Oregon provides the state's authorization to John, Candace and Richard Kirsch to use these properties for a use described in this report, subject to the standards in effect on April 25, 1975 and October 19, 1999, respectively. On those dates, the property was subject to applicable provisions of Goal 3 and ORS 215 then in effect.

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

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

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

VII. COMMENTS ON THE DRAFT STAFF REPORT

The department issued its draft staff report on this claim on March 14, 2006. OAR 125-145-0100(3), provided an opportunity for the claimant or the claimant's authorized agent and any third parties who submitted comments under OAR 125-145-0080 to submit written comments, evidence and information in response to the draft staff report and recommendation. Comments received have been taken into account by the department in the issuance of this final report.