

PASSED

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

10-2-3-1

)IN THE MATTER OF AUTHORIZING THE COUNTY
)ADMINISTRATOR AND COUNTY COUNSEL TO PERFORM
)RESEARCH AND REPORT BACK TO THE BOARD OF COUNTY
)COMMISSIONERS ON ISSUES RELATED TO CURRENT AND
)PROPOSED DIRECTION ON MARGINAL LANDS

WHEREAS the Oregon legislature authorized counties to designate marginal land and Lane County recognized that law by providing for Marginal Lands plan and zone designations for property meeting the requirements of ORS 197.247 (Or Laws 1983, Chapter 826); and

WHEREAS in 1996 and 1997 the Board approved supplements to the Marginal Lands Information Sheet provided as general guidance for potential applicants regarding the interpretation and administration of all Marginal Lands applications; and

WHEREAS some of the information in the March 1997 Supplement to Marginal Lands Information Sheet (March 1997 Supplement) attached as Exhibit "A" has become inconsistent with interpretations of ORS 197.247 in Oregon Land Use Board of Appeals (LUBA) and appellate court decisions; and

WHEREAS the Board has determined it is appropriate to consider undertaking a review either to update or repeal the March 1997 Supplement after considering revisions presented by Jim Just, the Executive Director of Goal One Coalition, at the December 1, 2009, Board meeting; and

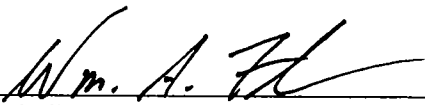
WHEREAS additional staff research and a report to the Board will enable an informed decision on options for addressing the request to review and revise the March 1997 Supplement.

NOW, THEREFORE, BE IT ORDERED that the County Administrator shall direct Land Management staff to spend no greater than 3 hours to perform the following tasks: assist County Counsel and identify practical and policy issues that may result from modifications proposed to the March 1997 Supplement.

BE IT FURTHER ORDERED that County Counsel shall assign appropriate staff to spend no greater than 5 hours to perform the following tasks: perform a substantive review of the March 1997 Supplement, applicable law, relevant LUBA or appellate court decisions and the proposed revisions, and provide a range of process and action options for the Board to consider.

IT IS HEREBY FURTHER ORDERED that both the County Administrator and County Counsel, or their designees, shall provide a report back to the Board of County Commissioners on or before Wednesday March 10, 2010, as to their findings and recommendations.

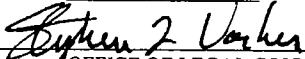
Dated this 3rd day of Feb, 2010.



Chair, Lane County Board of Commissioners

APPROVED AS TO FORM

Date 1-25-2010 Lane County



OFFICE OF LEGAL COUNSEL

March 1997

Supplement to Marginal Lands Information Sheet

**BOARD OF COUNTY COMMISSIONERS DIRECTION REGARDING THE
INTERPRETATION AND ADMINISTRATION OF MARGINAL LANDS
APPLICATIONS**

On February 26, 1997, the Lane County Board of Commissioners reviewed the state Marginal Lands law and developed responses to seven issues in the law needing clarification for purposes of administration by Lane County. Those issues are identified below, followed by the direction provided by the Board. Any application for the Marginal Land designation within the Lane County Rural Comprehensive Plan's jurisdiction must be in compliance with the Board's directions. Refer to the Marginal Lands Information Sheet, or to Oregon Revised Statutes 197.247 (1991 laws), for an explanation of the law itself.

ISSUE 1: What is the Marginal Lands concept?**Board's Direction:**

The Board recognized that marginal land is intended to be a sub-set of resource land, *i.e.*, there are "prime" resource lands and "marginal" resource lands. The marginal lands are to be available for occupancy and use as smaller tracts than are required in the better resource lands. The criteria in the law define which lands may be designated as marginal. Evidence for this position is found in the legislative history and the fact that marginal lands are recognized in both Statewide Goal 3 - Agricultural Lands and Goal 4 - Forest Lands.

ISSUE 2: Definition of "Management".

When considering forest land, the entire growth cycle must be considered for evidence of management. This is because even the best managed forest operations may have nothing occurring on the land during the five-year window (1978 - 1982) stated in the marginal lands statute (ORS 197.247(1)(a)(1991 Edition). For farm operations, however, it is hard to conceive of an operating farm on which nothing occurred for five years.

Board's Direction :

No evidence of human activity on the land is required for forest land to be "managed". The conscious decision not to convert the land to another use is enough evidence of management to meet the statutory intent, provided there is a significant amount of merchantable or potentially merchantable trees on the property. Likewise, evidence of timber harvest since 1978 would suffice to show management even if there were no trees currently on the property. For farm land, no evidence of farm use during the 5-year statutory window would indicate that land was not managed for farm use.

ISSUE 3. Managed "as part of" a (farm or forest) operation during (1978-1982).

Does this phrase in ORS 197.247(1)(a)(1991) mean, for example, that if a large timber company owned and managed a 2000 acre tract during the five-year window, and then sold someone a 40 acre portion of non-forest land in 1985, that 40 acres would not be eligible for Marginal Lands designation?

Board's Direction :

The Board found that the law creates a general presumption that all contiguous land owned during 1978-82 was part of the owner's "operation". That presumption could be rebutted, however, by substantial evidence

that the parcel in question was not, in fact, a "contributing part" of the operation. The applicant would bear the burden of producing such evidence.

ISSUE 4: What price data should be used to calculate gross annual income for forest lands?

Board's Direction :

The legislative intent of the "management and income test" of the Marginal Lands Law was to identify those lands which were not, at the time the Marginal Lands law was enacted (1983), making a "significant contribution" to commercial forestry. Therefore, it is appropriate and statistically valid to use the following methodology:

1. Based on the best information available regarding soils, topography, etc., determine the optimal level of timber production for the tract assuming reasonable management.
2. Assume that the stand was, in 1983, fully mature and ready for harvest.
3. Using the volumes calculated in step (i), and 1983 prices, calculate the average gross annual income over the growth cycle.

ISSUE 5: What "growth cycle" should be used to calculate gross annual income?

Board's Direction :

The consensus of the Board was that a 50-year growth cycle should be adopted as the usual standard, with the option that another standard could be used if substantiated by compelling scientific evidence presented by the applicant. The Board's choice was based on evidence that the USDA Natural Resource Conservation Service has adopted the 50-year cycle for rating soil productivity, plus the administrative ease of having a standardized figure.

ISSUE 6: Weight of evidence.

One of the main holdings of the Ericsson case, which arose in Lane County, is that on-site evaluation by a qualified expert is weightier evidence than published data. Given this ruling, what is the appropriate role of the parcelization table in Lane Code 16.211(10)(b) and the legislative findings for Goal 4 of the Rural Comprehensive Plan as an income standard?

Board's Direction :

As a matter of administrative ease, and in the absence of other substantial evidence, the parcelization test could still be used. It is one method of identifying the acreage required of a given forest capability classification to achieve the \$10,000 income standard.

ISSUE 7: Ambiguities in the parcelization tests of ORS 197.247(1)(b)(A) & (B).

Is the parcelization test measuring the percent of an area (acreage) or the percent of the number of parcels a "parcel count"? If the test in ORS 197.247(1)(b)(A) is an area test, does the percentage requirement apply to the acreage or to the number of parcels that lie wholly or partly within the 1/4 mile of the subject tract?

Board's Direction :

Regard the tests in ORS 197.247(1)(b)(A) & (B) as "area" tests with the difference being that (A) specifies an area including the subject parcel and land within 1/4 mile and uses a 50% small lot test, whereas (B) increases the area to a minimum of 240 acres but raises the small lot test to 60%.

(Note: This is the position adopted by Lane County in the Jackson case. In that case, Lane County ruled that the area was limited to the 1/4-mile line, whereas DLCD argued that the area line should expand to include the entirety of any parcel partly located within the 1/4 mile boundary. DLCD threatened to appeal the Jackson case on that basis, but did not do so.)