Submitte	ed on: <u>5 - 2 S</u>	Taken F	RMATION SUBMITTE
FOLLOW	MENTAL INFORMATIO 'ING:	N HAS BEEN RECEIVE	ED BY THIS OFFICE IN REGARDS TO THE
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Thank you for your time and attention to this matter. Please call us with any questions.

Sincerely,

Robert S. Russell

russell@gleaveslaw.com

RSR/jck

cc: Steve Vorhes

SUPPLEMENTAL Submitted on: 5-25-07	INFORMATION SUBMITTED  Taken By: SGS
SUPPLEMENTAL INFORMATION HAS BEIFOLLOWING:	EN RECEIVED BY THIS OFFICE IN REGARDS TO THE
BP# PA# 06 7309	B:11 sage
SP# Harper	
SI#	
OTHER:	· · · · · · · · · · · · · · · · · · ·

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May 25, 2007

Via Hand Delivery

Mr. Bill Sage Lane County Land Management Division 125 East 8<sup>th</sup> Ave. Eugene, Oregon 97401

Re: Measure 37 Claim PA06-7309 (Harper1)

Dear Mr. Sage:

This is to alert you to an error in the County's analysis regarding the above-referenced claim. As we pointed out in our initial application materials, one of the lots which is the subject of Mrs. Harper's application – Tax Lot 901 – was never placed in the Harper Family Limited Partnership. Enclosed is a title report showing that Mrs. Harper has continuously held title to that property, in her individual capacity, from the date that she initially acquired it – June 1, 1966 - to the present.

CS-25-07/09:35 RCVO

Therefore, even assuming purely for the sake of argument that Mrs. Harper's placement of other properties in the partnership created a new date of "ownership" for purposes of determining the appropriate waiver date (a conclusion which we vigorously dispute), there is no doubt that the waiver on Tax Lot 901 must go back to June 1, 1966. The County, as you are aware, has already determined that Mrs. Harper is entitled to a waiver, so it is just a matter of designating the correct date.

Thank you for your attention to this matter.

Dan Webb Howard howard@gleaveslaw.com

DWH/jck Enclosure

Sincerely.

cc: Steve Vorhes



Phone: (541) 686-8833 Fax: (541) 345-2034

975 Oak Street Suite 800 Eugene, Oregon 97401-3156

Mailing Address: P.O. Box 1147 Eugene, Oregon 97440-1147

Email: info@gleaveslaw.com Web-Site: www.gleaveslaw.com

Frederick A. Batson Jon V. Buerstatte Joshua A. Clark Daniel P. Ellison A. J. Giustina Thomas P. E. Herrmann\* Dan Webb Howard Stephen O. Lane William H. Martin\* Walter W. Miller Laura T. Z. Montgomery\* Tanya C. O'Neil Standlee G. Potter Martha J. Rodman Robert S. Russell Douglas R. Schultz Malcolm H. Scott James W. Spickerman Kate A. Thompson Jane M. Yates

\*Also admitted in Washington





## STATUS OF RECORD TITLE REPORT

GLEAVES, SWEARINGEN, POTTER & SCOTT, LLP

ATTN: DAN HOWARD

975 OAK STREET, SUITE 800

EUGENE, OR 97401

Our No: CT-0254811 Date: MAY 24, 2007

Charge: \$200.00

Government Service Fee: \$25.00

As requested, Cascade Title Co. has searched our tract indices as to the following described real property:

(ATTACHED)

and as of: MAY 17, 2007, at 8:00 A.M. we find the following:

Vestee:

JANET L. HARPER

Said property is subject to the following on record matters:

- As disclosed by the tax rolls, the premises herein described have been zoned or classified for farm use. At any time that said land is disqualified for such use, the property will be subject to additional taxes or penalties and interest.
- 2. Lack of access to and from a legally dedicated road or highway.
- Easement, including the terms and provisions thereof, granted Mountain States Power Company, by instrument recorded May 2, 1945, Book 287, Page 445, Lane County Oregon Deed Records.
- 4. Any question as to the exact location of the center line of the slough described in deed to Thomas J. Harper and Janet L. Harper, recorded June 1, 1966, Reception No. 49182, Lane County Oregon Deed Records, is excepted.

NOTE: Taxes, Account No. 0052504, Assessor's Map No. 16 04 23, #901, Code 69-30, 2006-2007, in the amount of \$2.45, PAID IN FULL.

NOTE: The vestee acquired title under deed recorded June 1, 1966, Reception No. 49182, Lane County Official Records, and has been in continuous title since that date:

continued-

MAIN OFFICE \* 811 WILLAMETTE ST. \* EUGENE, OREGON 97401 \* PH: (541) 687-2233 FLORENCE \* 1901 HWY 101 - S. 2 \* FLORENCE, OREGON 97439 \* PH: (541) 997-8417 EUGENE FAX: 485-0307 \* E-MAIL: info@cascadetitle.com \* FLORENCE FAX: 997-8246

This report is to be utilized for information only. This report is not to be used as a basis for transferring, encumbering or foreclosing the real property described.

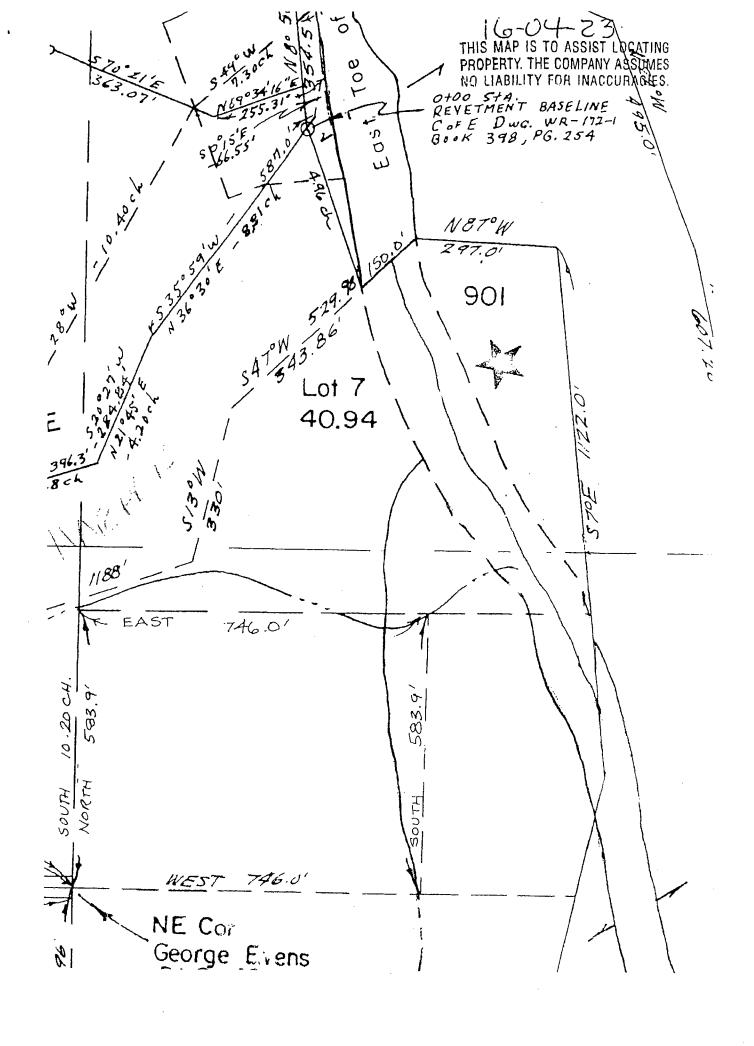
The liability of Cascade Title Co. is limited to the addressee and shall not exceed the premium paid hereunder.

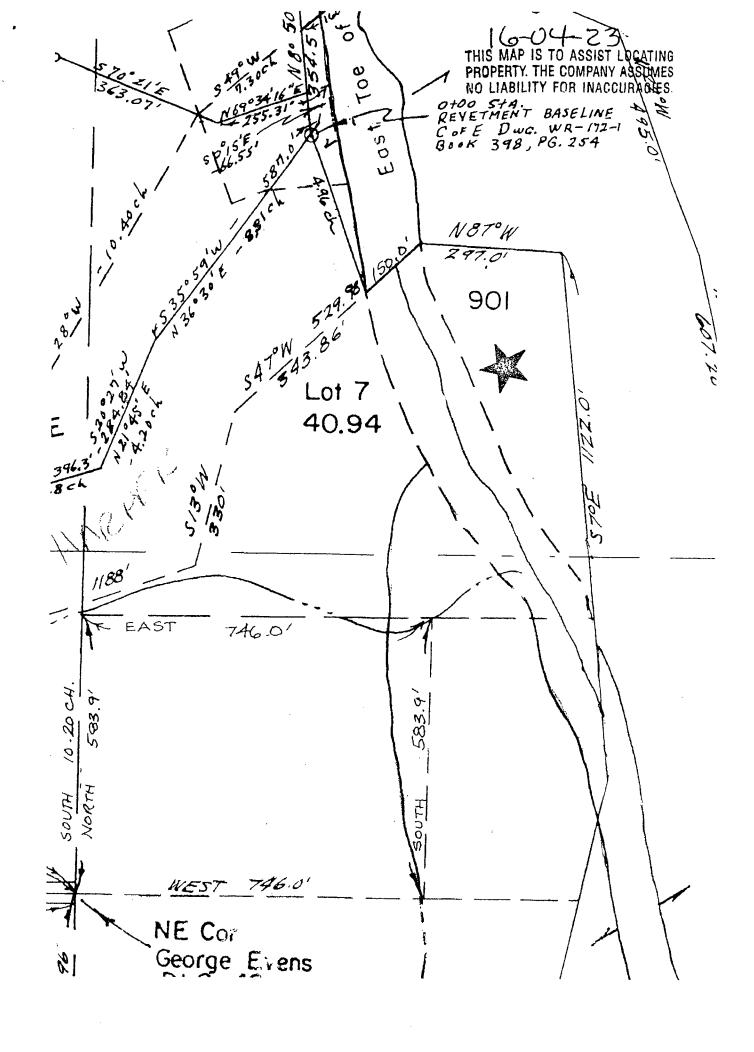
CASCADE TITLE CO., by:

sm/Title Officer: JIM HIGGINS

## PROPERTY DESCRIPTION

All that portion of Government Lot 7, in Section 23, Township 16 South, Range 4 West, Willamette Meridian, lying North and East of the center line of a certain slough as it exited in May 1966; said slough enters the property at or near the approximate Southeasterly corner of Lot 7 and continues in a Northwesterly direction to the North line of Lot 47, said parcel contains 6 acres more or less, all in Lane County, Oregon.





SUPPLEMENTAL Submitted on: May 15	INFORMATION SUBMITTED  Taken By: km at heurist
SUPPLEMENTAL INFORMATION HAS BE FOLLOWING:	EN RECEIVED BY THIS OFFICE IN REGARDS TO THE
BP#	
PA# 06- 7309 Harper	r
<u>SP#</u>	
SI#	
OTHER: MA7 16	BS

## LEE D. KERSTEN

Attorney at Law 260 Country Club Road, Suite 210 Eugene, OR 97401 Telephone: (541) 345-4312

Fax: (541) 345-7098

May 14, 2007

Lane County Board of Commissioners 125 E. 8<sup>th</sup> Avenue Eugene, OR 97401

Re: PA 067309

Harper BM 37 Claim

Dear Commissioners:

This office represents Lone Pine Farms, Ltd. ("Lone Pine"). Lone Pine opposes this application.

Tax lot 1401 was conveyed as a tenants in common ownership on April 8, 1993. Mrs. Harper did not acquire full title to the property until Mr. Harper died on March 9, 2001. Lone Pine believes this created a break in the chain of title and that waiver, if granted, should be effective as of the date Mrs. Harper obtained complete title to the property, March 9, 2001.

Tax lots 301, 1600, 100, 200, 1401, and 900 were conveyed to a limited partnership on December 11, 1996. Accordingly, Lone Pine's position is that waiver, if granted, should be effective as of that date. Lone Pine notes that this particular limited partnership is owned 10% by Mr. Harper as general partner, 10% by Mrs. Harper as general partner, and 80% owned by the limited partners. The agreement lists the limited partners as Mr. and Mrs. Harper. There is no designation that they hold their interest as joint tenants with rights of survivorship and accordingly the statutory presumption is that they hold as tenants in common. Accordingly, no single partner exercises control over the limited partnership. Accordingly, there is no retained right to dispose, right to use, or right to possess the real property as suggested by the applicant's submission. Lone Pine suggests it is inappropriate to aggregate Mr. and Mrs. Harper as husband and wife because they hold their interests in the partnership as tenants in common. The Partnership Agreement at Section 12.6 provides that each member will vote their profits interest. The Partnership Agreement at Section 12.6 also allows a limited partner to vote for dissolution. The Partnership Agreement at Section 11.2 (d) limits the general's partner's right to sell unless there is a 75% concurring vote of the limited partners.

Lone Pine also objects to the valuation material presented. The Rasmussen valuation is irrelevant to value. It presents a business operating value based on operating and marketing assumptions in the report. Business profit or loss is totally speculative and generally irrelevant to land value.

The assumptions provided to Mr. Rasmussen contain many internal inconsistencies, are inconsistent with facts existing at the property and in reality, and present a skewed result. Following are some examples.

- "Creaming" of the upper lift material as assumed in the report essentially front loads income receipts and distorts the present value calculation. It also increases the price received for the product by selling the top quality product first. By first discounting a higher profit material and secondly by moving the extraction of this material to earlier years where the discount has less effect, the present value produced is distorted.
- 2. There is no evidence demand exists to absorb this extra gravel without price adjustment. Eugene Sand testified it would be put out of business if its CUP application was denied. However, several years later it is still profitably operating by purchasing rock. If that purchased rock is removed from the market and replaced by this rock, because the purchased rock is owned by a different operator, price changes should naturally occur. Not only is the report's assumption incorrect economically, but it is internally inconsistent with the facts presented in the assumptions.
- 3. The "full compliance with all laws" statement sounds good but in reality the entire purpose of the Measure 37 Claim is to waive application of those laws.
- 4. Assumption 9 reflects an average per acre rate of material yet in their CUP application Eugene Sand gerrymandered its pit shape and showed areas where no mining would occur. Equal distribution of the material is also inconsistent with the pit drilling reports from the CUP application.
- 5. The reserve estimates are based on the CUP data which was highly criticized by geological experts and LUBA.

There are many other technical difficulties with the valuation.

OAR 125.145-004 (5) contains a list of other information which may be considered. Lone Pine would like to point out that these properties are in the flood plain and consist primarily of Class I and Class II Soils.

Please do not hesitate to contact me if you have any questions.

Yours truly

Lee D. Kersten

LDK/jmd

Copy: Client