

APPROVED BY ORDER # 4-07-516

**MINUTES OF THE
LINCOLN COUNTY BOARD OF COMMISSIONERS
MEETING OF MARCH 28, 2007**

CALL TO ORDER

Vice-Chair Terry Thompson convened the adjourned session of the Lincoln County Board of Commissioners. Present at the meeting were Commissioner Don Lindly, County Counsel Wayne Belmont, and Recorder Liz Sample. Also present were Jim Buisman, Public Works Director; Guy Faust, OCCC Small Business Development Center Director; Gail Kimberling from the *News-Times*; Kiera Morgan from KNPT radio; Mike Rich, Finance Director; Matt Spangler, Planning and Development Director; and Ron Spisso, OCCC Small Business Management Coordinator. Constituents included Gerry Brown and Roxie Cuellar from Yachats.

ROLL CALL - ESTABLISHMENT OF A QUORUM

Chair Hall was excused from the meeting, as he was taking the first vacation of his commission term. Quorum was established.

RECOGNITION/PROCLAMATION

ADOPTION OF CONSENT CALENDAR

Vice-Chair Thompson introduced the Consent Calendar items. There were no items highlighted or deleted. Commissioner Lindly made a motion to approve the Consent Calendar in its entirety. Vice-Chair Thompson seconded the motion. The vote was taken and the motion passed unanimously.

**MOTION TO APPROVE CONSENT CALENDAR
OF MARCH 28, 2007**

CONSENT CALENDAR ITEMS

Minutes of the Board of Commissioners Meeting

3-07-509 BOC Meeting Minutes of March 21, 2007

Commissioner Appointments & Resignations

3-07-510 Changes in membership to the Lincoln County Local Alcohol and Drug Abuse Planning Committee

3-07-511 Disbandment of the Lincoln County Mental Retardation Developmental Disabilities Advisory Committee

3-07-512 Changes in membership to the Fishermen Involved in Natural Energy (FINE) Ad Hoc Committee

3-07-513 Appointing Edward Kuntz to the Lincoln County Local Public Safety Coordinating Council

3-07-514 Changes in membership to the Lincoln Community Health Council

License Applications or Renewals

Tax Foreclosure, Right-of-Way, Sales and Deeds

General Budget Resolutions

Acting as Governing Body of County Wide Service Districts

Documents and Recording Matters in the Commissioners Journal

Recordation:

3-07-515 Board authorization for continuation of tax exemption for low income housing under the provisions of ORS 307.541 to 307.547 for the Ridge Apartments located in Lincoln City

PUBLIC HEARING

Public hearing regarding a petition to vacate a portion of NW Stone Street in the San Marine area

The road vacation requested is located in Section 11, Township 14 South, Range 12 West, Willamette Meridian. Vice-Chair Thompson opened the public hearing and invited Public Works Director Jim Buisman to discuss his staff report. Mr. Buisman submitted the Affidavit of Posting and Affidavit of Service to the record. He received letters regarding this vacation request, and provided those to County Counsel. He confirmed the location of the subject area, and noted that Stone is not open to vehicular travel. There are two dedicated streets that run between California and Idaho Streets, one of which is Stone. He described the ownerships of the properties on Stone. Mr. Buisman stated that the applicant put a considerable amount of work into the petition, including specific reasons for the request, which was submitted to the commissioners. The key to the request stems from the petitioners' belief that the ability to use the Stone right-of-way for septic purposes is the difference between being able to develop or not develop their lots. Mr. Buisman requested that the Lincoln County Planning and Development Department provide information on an opinion regarding the septic usage, as well as the need for retention of the Stone right-of-way. Mr. Buisman's recommendation was if P&D believes there is not a good case for retaining Stone, the BOC grant the request for vacating the subject area.

Mr. Buisman received an electronic message from Planning Director Matt Spangler, which the BOC has on file, in which he expressed that there are no particular issues regarding the need for Stone for future access by the County. Mr. Spangler referred to the results found by Bill Zekan concerning septic evaluation. Mr. Zekan completed a general test of the subject area (three test holes), though not a complete site evaluation, and found that the presence of a high water table could render the site unsuitable for on-site sewage disposal.

Mr. Buisman pointed to the tax map of the subject area, indicating which areas are exempt from the vacation. The lots do not need direct road access to and from Stone. Mr. Buisman referred to the two letters he received regarding the request, one from Betty Ann DeCaro, who is in opposition to the request, and whose concern is the possible eventual erosion of one of the main streets, which would then leave Stone as the only north-south street in the area. The letter Mr. Buisman received from Henry Haag is in opposition, as he believes the street should be developed, or to provide parking that is not available on Finisterre.

Commissioner Lindly was contacted by Mrs. DeCaro, as well. He inquired whether the fire district provided any testimony. One of the petitioners present stated that Frankie Petrie, Fire Chief of South Lincoln Fire Protection District, had verbally spoken with them but had not submitted anything in writing regarding her testimony in favor of the request. Commissioner Lindly referred to the letter from the petitioner in which bank erosion was a concern. Mr. Buisman stated that substantial erosion must occur before it reaches Finisterre.

Mr. Buisman responded to Vice-Chair Thompson's concerns about the high water table, stating that Mr. Zekan's analysis doesn't refer to any opinion of whether or not the area is wetlands. He only commented on the technical feasibility for septic use. Mr. Spangler confirmed that no tests had been done to determine a status of wetlands in the area.

Vice-Chair Thompson called for public testimony in favor of the vacation request. Roxy Cuellar, Yachats resident, thanked the commissioners for reading her petition, and for the staff who answered her questions about the vacation request. She acknowledged the seven petitioners who were present, stating that she would be the only one speaking on their behalf. She stated she had 100% support from the abutting property owners, even though the commissioners do not have an affidavit from one of them (a 93 year old woman who lives in California).

Ms. Cuellar stated she had spoken with Mr. Buisman and Mr. Spangler, who both agreed that it is not necessary for the County to develop Stone in terms of traffic flow and street connectivity. She discussed how the vacation can be in the public's interest, including the development of new houses, and the current lot sizes of the abutting homes on Stone, which are substandard in size to other lots under the Lincoln County Code. Providing three examples of such substandard-sized homes, Ms. Cuellar described how approving the vacation would change the lot sizes, increasing square footage of the abutting homes on Stone. She described other neighbors' building dilemmas as related to septic issues. Regarding Mr. Zekan's findings from his testing, she commented on the use of Stone for drain fields. Ms. Cuellar stated that the Board of Commissioners has the basis for finding that the vacation is in the public's interest, without cost to the County. She added that a new home hasn't been built in that immediate area in 35 years.

Commissioner Lindly requested a "raising of hands" from the petitioners attending the meeting to see how many of them currently have residences in the subject area. There were four in attendance. Gerry Brown, Yachats resident also living in the subject area, stated his support of the vacation request so there is an opportunity for additional permanent residences to be built. He discussed his opinion of the benefits of permanent residences.

Vice-Chair Thompson requested testimony in opposition, of which there was none. He closed the public hearing. Commissioner Lindly thanked Ms. Cuellar for her thorough application and testimony. He expressed reluctance over approving vacation requests. He reiterated Mr. Zekan's comments about his

findings over the septic issues. Though he would normally rely on utility agencies and fire departments for their access needs, Commissioner Lindly stated that access doesn't seem to be the issue in this case. He expressed his tendency to lean toward approving the request.

Due to his desire to protect the coastal zone within the first quarter mile of the ocean and protect County property, Vice-Chair Thompson expressed his tendency to oppose the request. He requested input from County Counsel Wayne Belmont, who explained that since there is one vote in favor and one against, it will fail unless they postpone the decision until Commissioner Hall returns next week. Commissioner Lindly made a motion to continue the public hearing in the matter of the vacation of NW Stone Street in the San Marine area to the April 4, 2007 Board of Commissioners meeting so Chair Hall has the opportunity to review all the submitted material on the record. Vice-Chair Thompson seconded the motion. A vote was taken and the motion passed unanimously.

**MOTION TO CONTINUE THE PUBLIC
HEARING IN THE MATTER OF THE VACATION
OF NW STONE STREET IN THE SAN MARINE
AREA TO THE APRIL 4, 2007 BOARD OF
COMMISSIONERS MEETING**

Public hearing regarding a petition to vacate a portion of NW 56th Street in the Road's End area north of Lincoln City

The road vacation requested is located in Section 34, Township 6 South, Range 11 West, Willamette Meridian. Vice-Chair Thompson opened the public hearing. Mr. Buisman submitted the Affidavit of Service and Affidavit of Posting for the record, in addition to several letters he received about the requested vacation. He described the requested vacation, which is approximately 100 feet long. The request was filed awhile back under different ownership, and Mr. Buisman contacted the new owners to determine their stance on the issue, and they expressed their willingness to pursue the vacation request. The reason for the petition, as stated in writing by the petitioners, is for better access to Logan Road. Mr. Buisman described the subject area of 56th Street. The request is within the Urban Growth Boundary (UGB) of the City of Lincoln City. Logan Road is a County road. Mr. Buisman commented on the access roads to Logan Road. If the Board grants the access, the County would require that the lots access the remainder of 56th Street to the west, going through the Keel Road access.

Mr. Buisman suggested the Board consider any comments received by the City since the subject area lies in the UGB. From a Road Department standpoint, Mr. Buisman expressed his concern over the safety of the people driving Logan Road and stated his preference to have the 56th Street access removed, but only if the City didn't object to the vacation request. He recommended that the Board defers to the City's request, which is to deny the vacation.

Mr. Buisman read several letters in favor of the vacation. One of the letters came from Carlene Minor, who had an additional request beyond the original vacation request. Ms. Minor owns the lot immediately west of the subject property, and wants to expand the request to include the length of the street extending beyond her house, as well. Mr. Buisman read two emails from the City of Lincoln City in which the City expressed its opposition to the request. The City wants to be able to have future access to this road, as needed.

Mr. Buisman stated that the subject properties are currently accessing Logan Road via Keel Street, not 56th Street, for safety reasons. If the vacation is granted, the tax lots can be expanded, removing the public right-of-way to cross this access point to Logan Road. There was discussion regarding the width of 56th Street and how an easement could be divided fairly to the owners, if the vacation is granted.

Counsel Belmont inquired if Mr. Buisman is recommending the vacation all the way to Keel, as requested by Ms. Minor, or only the original request. Mr. Buisman provided his opinion, but recommended the Board act according to the City's recommendation.

Vice-Chair Thompson invited public testimony in favor of the vacation, of which there was none. He invited testimony in opposition, of which there was none. He closed the public hearing, and called for Board deliberations. Commissioner Lindly commented on the arguments in favor of the request, and agreed with Mr. Buisman that less access to Logan Road is preferred. However, since the City opposed the vacation request and the property is in the UGB, he expressed the need to respect its decision. Commissioner Lindly recommended the vacation request be denied. Vice-Chair Thompson expressed a similar sentiment as he stated at the first public hearing concerning nearshore building, and recommended denial of the request, as well. Commissioner Lindly made a motion to deny the petition to vacate a portion of NW 56th Street in the Road's End area north of Lincoln City. Vice-Chair Thompson seconded the motion. A vote was taken and the motion passed unanimously.

**MOTION TO DENY THE PETITION TO VACATE
A PORTION OF NW 56TH STREET IN THE
ROAD'S END AREA NORTH OF LINCOLN CITY**

Counsel Belmont stated that staff will prepare an Order for action – denying the vacation request - at next week's Board meeting.

Public hearing regarding Lincoln County's application for a 2007 Microenterprise Assistance Grant from the Oregon Economic and Community Development Department

Vice-Chair Thompson opened the public hearing. Counsel Belmont stated that this is the County's opportunity to hold a public hearing to consider an application for the 2007 Microenterprise Assistance Grant (MAG) from the Oregon Economic and Community Development Department. The grants can be used for enabling local or statewide microenterprise support organizations to facilitate economic development by operating regional microenterprise assistance programs. Counsel Belmont described the different types of activities for which the grant provides support. This is the County's fourth application for the MAG. Of the \$411,000 proposed to be awarded to Oregon non-metropolitan and counties, the maximum amount in the microenterprise category is \$100,000. Lincoln County, Lincoln City, the City of Newport, the City of Waldport, and Oregon Coast Community College will submit an application for an MAG. It is estimated that the proposed project will benefit at least 32 persons, of whom 100% will be low or moderate income. He described the criteria for receiving the MAG.

Counsel Belmont explained that the purpose for the hearing is to hear a report from the Oregon Coast Community College's (OCCC) Small Business Development Center representatives regarding this program in the past, and to obtain citizen views and responses to the County's proposal to apply for grant funds for the 2007 program.

Guy Faust, OCCC Small Business Development Center (SBDC) Director, stated that in the past three years, OCCC has received \$205,000 from the State of Oregon to help entrepreneurs in Lincoln County. OCCC would like to apply for \$80,000 this year. He explained that, because of the alliance with the other local governments, OCCC can bring \$20,000 in matching funds into the program. Unlike in the past with its "first-come-first-serve" application process, this year, the application process is competitive around the state. The alliance helps strengthen Lincoln County's application.

Mr. Faust discussed statistics of previous years' graduating students, youth versus adult, including the number of those in business. He discussed the Kayak Shack, a social enterprise run by students in Waldport, which resulted in obtaining additional grant money that might not have been awarded had the business not been so successful. Mr. Faust commented that in the first couple years of the SBDC, they were focusing mainly on the start-up businesses. This year, OCCC enrolled some existing businesses into the program. He discussed the number of clients enrolled in the program this last year, and the types of services provided to them. He expressed positivity for the youth entrepreneur program this next year.

Ron Spisso, OCCC Small Business Management Coordinator, explained that he has been working in small business management for 15 years in Lincoln County. With the funding in the microenterprise segment, he takes on additional businesses so the program can focus on specific stages of growth. He discussed graduating numbers over the years, and the support provided by the alumni club. With the dues paid by the members of the alumni club, consultants are brought in to discuss business development, retention, and growth. He thanked the commissioners for their support over the years.

Commissioner Lindly mentioned his participation in the Education Summit last week, stating that there were many attendees who voiced their desire to see the youth entrepreneur program integrated into the regular school curriculum at elementary and high school levels. He added that the County annually contributes \$20,000 from the Community and Economic Development funds to the support of the SBDC. This year, SBDC is requesting an additional \$5,000 that would help facilitate this particular grant. The County has recently looked at the available Community and Economic Development funds, and Commissioner Lindly recommended the approval of the additional funding, at least for this next year, when the time comes for allocating that money.

Commissioner Lindly inquired about the number of Community Development Block Grants that are allowed to be open at one time. Counsel Belmont responded that, with approval of this one, the County still qualifies under the guidelines of the CDBG, since there are only three open.

Vice-Chair Thompson requested additional public testimony regarding the microenterprise grant, of which there was none. He closed the public hearing, and called for a motion. Commissioner Lindly made a motion to authorize Lincoln County to apply for the 2007 Microenterprise Assistance Grant from the Oregon Economic and Community Development Department. Vice-Chair Thompson seconded the motion. A vote was taken and the motion passed unanimously.

**MOTION TO AUTHORIZE LINCOLN COUNTY
TO APPLY FOR THE 2007 MICROENTERPRISE
ASSISTANCE GRANT FROM THE OREGON
ECONOMIC AND COMMUNITY
DEVELOPMENT DEPARTMENT**

DECISION/ACTION

Participation in funding activities of the Oregon Office for Community Dispute Resolution

Counsel Belmont discussed the history of the community dispute resolution program. Commissioner Lindly added that the County traditionally provides extra funding to the program through its Non-Profit Social Service Agency Allocation, though it hasn't made any decisions for this year yet. Commissioner Lindly made a motion to execute and record Resolution # 07-28-03A in the matter of participation in funding activities of the Oregon Office for Community Dispute Resolution. Vice-Chair Thompson seconded the motion. A vote was taken and the motion passed unanimously.

**MOTION TO EXECUTE AND RECORD
RESOLUTION # 07-28-03A IN THE MATTER OF
PARTICIPATION IN FUNDING ACTIVITIES OF
THE OREGON OFFICE FOR COMMUNITY
DISPUTE RESOLUTION**

DISCUSSION/INFORMATION

Proposed replacement of Canal Creek Bridge as a Local Improvement District (LID) on Aldersprings Road

Mr. Buisman provided a brief history of Canal Creek Bridge. He stated that the County is in receipt of a petition to form a Local Improvement District for the purpose of replacing the bridge. The project is to replace an unserviceable rail car bridge with a modern concrete structure. Mr. Buisman described the temporary fix. The petition was found to be in order, and has been underway for awhile. A spread sheet showing the provided signatures was presented to the Board of Commissioners.

The Canal Creek Bridge is part of the Highway and Bridge Replacement and Rehabilitation Program. Mr. Buisman described this program, and stated that most of the funding comes from a federal program through ODOT, and a local match is required. The LID is intended to pay the match since it is on a local access road. Mr. Buisman described the criteria for the match, which now rates 10.27% of the project costs. He described the point where the County is in the LID process.

Mr. Buisman stated that he investigated the project and found it to be feasible. He submitted a spreadsheet of the properties that are thought to be specially benefited by the improvement. He described the total estimate of the project to be \$754,945, putting the local match at \$97,305. However, there have been vast differences in project cost estimates between Lincoln County and ODOT, so Mr. Buisman recommended that if the Board does approve the formation of the LID, that it not approve the project cost until Mr. Buisman has researched the estimate discrepancies further. There was discussion about the options in payment plans. Mr. Buisman stated that he will work with County Counsel to provide the notice and ballots as described in the Lincoln County Code. The Board gave consensus to move forward with the notice.

Discussion of Planning Director's report and recommendation for the following Land Use Regulation Compensation (Measure 37) claims

Case file # 3-LURCC-06, Yaquina River Properties of "OREG LTD," claimant

Planning Director Matt Spangler described the subject property, which is identified as tax lot 301 on Lincoln County Assessor's map 10-10-36A.; tax lot 904 on map 10-09-31 and tax lot 5702 on map 10-10. The current zoning on the property is A-C (Agricultural Conservation). The claimants are seeking compensation for or modification or removal of land use regulations which establish an 80-acre minimum parcel size for land divisions and restrict establishment of additional single family dwellings on the subject property. They have asserted a reduction in value of their property as a result of the A-C land use restrictions in the amount of \$473,000. Claimants originally acquired interest in the subject property in 1970, and later entered into an unrecorded limited partnership agreement forming Yaquina River Properties of Oreg Ltd. Based on the Planning Director's findings and conclusions that the subject claim is valid, resolution of the claim requires the payment of just compensation, or the modification, removal or non-application of the offending land use regulations. Staff recommends that the Board direct that the current restrictions of the A-C zone not be applied to the subject property to the extent necessary to permit the owner to create up to sixteen lots/parcels and construct single family dwellings on these lots/parcels. The Board gave consensus to move this claim forward.

Case file # 10-LURCC-06, Jack C. Eriksen, claimant

Mr. Spangler described the subject property, which is identified as tax lots 400 and 2300 on Lincoln County Assessor's map 13-12-36-DB. The current zoning of the property is RR-2 (single family residential). The claimant is seeking compensation for, or the modification or removal of, land use regulations that restrict land divisions in the RR-2 zone. Claimant asserts that the restrictions reduce fair market value of the property by approximately \$1.4 million. Claimant acquired title as an individual in 1993. Staff recommends the Board find the claim to be valid. The recommendation for resolution is the waiver of the current RR-2 zone minimum lot size requirements and dwelling restrictions; instead the provisions of the A-2 and the R-2 zoning in effect at the time of acquisition would apply. There was discussion regarding what divisions this would allow on the claimant's property. The Board gave consensus to move this claim forward.

Case file # 19-LURCC-06, Shari Hall Kiser and Lester Hall, claimants

Mr. Spangler described the subject property, which is a total of approximately 121.25 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current A-C zoning that is applicable to this property. Compensation sought is for \$1,050,000. The property was acquired by the present owner in 1971, when there was no zoning in effect on that area. Staff recommends the Board find the claim to be valid and that the Board direct the following: That the Board direct that the minimum parcel size requirements and dwelling restrictions in A-C zone not be applied to the subject property. This would allow the claimants to divide the property into a total of six parcels, each approximately 20 acres in size, as permitted at the time of acquisition. The Board gave consensus to move this claim forward.

Case file # 20-LURCC-06, Annabelle Loomis, claimant

Mr. Spangler described the subject property, which is approximately 61.48 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current T-C zoning that is applicable to this property. Compensation sought is for \$1,246,000. The property was acquired by the present owner in 1959, when there was no zoning in effect on that area. Staff recommends the Board find the claim to be valid and that the Board direct the following: That land use restrictions in the T-C zone not be applied to the subject property. This would allow the claimant to divide the subject property into 19 parcels. Details about the parcel divisions were discussed. The Board gave consensus to move this claim forward.

Case file # 21-LURCC-06, David Loomis, claimant

Mr. Spangler described the subject property, which is a total of 24.81 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current T-C zoning that is applicable to this property. Compensation sought is for \$554,000. The property was acquired by the present owner in 1974, and additional acreage acquired in 1979. Staff recommends the Board find the claim to be valid and that the Board direct the following: That the minimum parcel size requirements and restrictions on dwellings in the T-C zone not be applied to the subject property. This would allow the claimant to divide the property into a total of eight parcels, ranging in size from one to five acres, each with a single-family dwelling, as permitted at the time of acquisition. The Board gave consensus to move this claim forward.

Case file # 23-LURCC-06, Steve Davenport and Katie Davenport, claimants

Mr. Spangler described the subject property, which is a total of 2.93 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current T-C zoning that is applicable to this property. Compensation sought is for \$70,000. The property was acquired by the present owner in 1995. Staff recommends the Board find the claim to be valid and that the Board direct the following: That the County not apply any Lincoln County Code provisions enacted since May 22, 1995 for claimant Steve Davenport and not applying any code provisions enacted since June 7, 2006 for claimant Katie Davenport. This would allow the owners to use the property for a use permitted at the time of their acquisition, although it will not allow claimants the uses they requested. The Board gave consensus to move this claim forward.

Case file # 24-LURCC-06, John and Nadine Beck, claimants

Mr. Spangler described the subject property, which is a total of 44.84 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current A-C and T-C zoning that is applicable to this property. Compensation sought was not included in the Letter of Opinion from a real estate broker licensed in the State of Oregon. The property was acquired by the present owner in 1961, when there was no zoning in effect on that area. Staff recommends the Board find the claim to be valid and that the Board direct the following: That the minimum parcel size requirements and dwelling restrictions in the A-C and T-C zone not be applied to the subject property. This would allow the claimants to divide the property into a total of 45 parcels, of roughly one-acre each, as permitted at the time of the claimants' acquisition. The Board gave consensus to move this claim forward.

Case file # 26-LURCC-06, Miami Corporation, claimant

Mr. Spangler described the subject property, which is a total of 689.5 acres. The claim is for a reduction in value from restrictions on land divisions and uses in the current T-C zoning that is applicable to this property. Compensation sought is for \$640,000. The property was acquired by the present owner at various times in 1957, 1958, and 1974 when there was no zoning in effect on that area. Staff recommends the Board find the claim to be valid and that the Board direct the following: That land use restrictions in the T-C zones not be applied to the subject property. This would allow the claimant to divide 78.2 acres of the 689.5 acres of the subject property into approximately 27 parcels, ranging in size from 2.2 to 4.8 acres, each with a single-family dwelling, as permitted at the time of acquisition. The claimants submitted a letter into the record which noted the corrections needed in the original staff report. (The numbers shown here are the corrected numbers.)

There was discussion regarding any potential rights to come back in the future to request additional divisions on the property. Counsel Belmont explained that since there aren't definitive answers under Measure 37 for repeated claims on the same property, the County's response would be that once the County grants the waiver for the claim, the claimant cannot make another claim on the same property, unless regulations are adopted subsequently. There was further discussion regarding the change in ownership on this property, and property taxes on zone changes. The Board gave consensus to move this claim forward.

Case file # 27-LURCC-06, Dell Kelson, claimant

Mr. Spangler described the subject property, which is a total of 17 acres and three tax lots. The claim is for a reduction in value from restrictions on land divisions and uses in the current RR-5 zoning that is applicable to this property. Compensation sought is for \$100,000. The property was acquired by the present owner in 1958, when there was no zoning in effect on that area. Staff recommends the Board find the claim to be valid and that the Board direct the following: That land use restrictions in the R-1 and RR-5 zones not be applied to the subject property. This would allow the claimant to divide the subject property, establish additional dwellings, commercial uses or billboards as requested by the claimant and as permitted at the time of acquisition in 1958. The commissioners commented on the use of billboards in Lincoln County, for which there are current restrictions (but did not exist in 1958). Because the County does not have the resources to offset this type of claim, the Board gave consensus to move this claim forward.

Case file # 28-LURCC-06, Craig and Kathleen Kelson, claimants

Mr. Spangler described the subject property. The claim is for a reduction in value from application in minimum lot size restrictions in the current RR-5 zone. Compensation sought is for \$51,000. The property was acquired by the present owners in 1978 when it was zoned A-2. Staff recommendation is that this claim is valid, resolution is the waiver of the current RR-5 zone minimum lot size requirements and in their place the standards of the A-2 zone that were in effect at the time of acquisition of the property. The Board gave consensus to move this claim forward.

Case file # 29-LURCC-06, Verba Croston and Adrian Croston, claimants

Mr. Spangler described the subject property. The claim is for reduction in value from the application of minimum lot size requirements and dwelling restrictions in the current A-C and T-C zoning. Compensation sought is for \$1.3 million. The properties were acquired by the owners in 1964 when there was no zoning in effect in this area of the county. Staff recommendation is to find the claim valid. The recommended resolution of the claim is the waiver of current A-C and T-C zone minimum lot size requirements and dwelling restrictions to allow the claimant to create up to ten parcels, which would have been allowed at the time of acquisition. There was discussion regarding the claimant's compensation request and the fair market value. The Board gave consensus to move this claim forward.

Case file # 30-LURCC-06, Joe and Janyce Steenkolk, claimants

Mr. Spangler described the subject property. The claim is for reduction in value from the application of minimum lot size requirements and dwelling restrictions of the T-C zone. There is currently no division or development potential as it is currently zoned. The property was acquired by the claimants in 1969, before any zoning was in effect in this area. Staff recommendation is to find the claim valid. The recommended resolution of the claim is the waiver of the current T-C zone minimum lot size requirements and dwelling restrictions to allow the claimants to create up to six parcels total out of the 34-acre tract of land. The Board gave consensus to move this claim forward.

Counsel Belmont will prepare Board Orders for approval, and will attempt to bring several of them forward for approval at next week's Board meeting. To the extent that Board Orders for all of the claims brought forward today aren't completed by next week, the remainder will be brought before the Board for approval the following week. There was discussion regarding the timeline for processing claims. 55 claims have yet to go to public hearing, but they have all been scheduled for their respective hearings. Concern was expressed for counties who have thousands of Measure 37 claims to process and most likely won't have them completely processed by the end of the timeline. There was discussion regarding the potential of counties having to pay monetary compensation for claims that aren't processed in time, and if so, counties could go bankrupt since there isn't any money budgeted for Measure 37 claims. Commissioner Lindly commended the work done by County Counsel and the Planning and Development Department staff.

Discussion of proposed order authorizing the execution of a contract to purchase a financial software upgrade

Counsel Belmont discussed the current financial software the County uses, which is outdated. Finance Director Mike Rich is requesting a software upgrade, which has been included in the proposed budget for next year. The request does not include an estimate on hardware costs, only software. Mr. Rich explained that the estimated cost of \$180,000 for the software is not as high as what was budgeted. There was discussion regarding what improvements can be expected with the new software. Mr. Rich stated that since the current software is so old, there isn't any technical support for it, so the new software will eliminate that problem. Currently, the County processes payroll through e-time, which costs approximately \$5,000 per month. The new system will enable in-house payroll. The Board gave consensus to move this request forward for approval at next week's Board meeting.

BOARD OF COMMISSIONERS AS GOVERNING BODY OF COUNTYWIDE SERVICE DISTRICTS

REPORTS

CONSTITUENT INPUT

EXECUTIVE SESSION

ADJOURNMENT

The meeting adjourned at 12:15 p.m. These meeting minutes were read and approved this 4th day of April 2007.

LINCOLN COUNTY BOARD OF COMMISSIONERS

Excused

BILL HALL, Chair

TERRY N. THOMPSON, Commissioner

DON LINDLY, Commissioner