

# HB3439

*Introduced at the request of Oregon Lavender Farm.*

A Bill to Permit Wholesale Distribution of Agricultural  
Products on EFU lands with Building Improvements  
Existing on or Before May 19<sup>th</sup>, 1970.

**Chief Co-Sponsors**  
**Rep. Bill Kennemer**  
**Rep. Jeff Reardon**

**Amends EFU Land Use Statute  
ORS 215.283 to permit wholesale  
agricultural distribution from  
legacy farm buildings.**

Authorizes wholesale distribution of agricultural crops, produced on or off the property, in conjunction with farm use in one or more buildings that existed on May 19, 1970.

# **Adds paragraph (bb) to Section 2 of ORS 215.283 as follows:**

((bb) Wholesale distribution, including manufacturing, processing, packaging and repacking, of raw or processed agricultural crops and related products, produced on or off the farm operator's property, that is integrated with farm use of the property and that is conducted in one or more buildings, with a total area of not less than 100,000 square feet, that existed and were used for the distribution of agricultural products produced by other farms on or before May 19, 1970.

# HB3439 Amended.

Amended to Ensure Only Significant Legacy Facilities Are  
Able to Meet the Requirements of the Bill.

- Requires > 100,000 square foot in building improvements existing prior to May 19<sup>th</sup>, 1970.
- Requires use of building improvements for distribution of the produce of other farms prior to May 19<sup>th</sup>, 1970.

# **Allows An Exception for Only Qualifying Legacy Facilities**

The Oregon Lavender Farm is the only known  
qualifying facility.

If other qualifying facilities exist it is in the public interest to  
allow those facilities to be not be wasted.

If similar facilities exist they likely already enjoy grandfather  
rights to similar uses.

Passage of this exception will not act to  
undermine the EFU statute

# **Public Policy Goals: Preserve & Protect Agricultural Lands**

Large legacy facilities exist on EFU agricultural lands that were established prior to Oregon's implementation of its 1973 Land Use legislation.

Legacy facilities that do not lend themselves to sustainable productive use are a burden on agricultural lands.

Commercial uses in conjunction with agricultural practices that maintain legacy facilities and support agricultural practices meet the spirit and criteria of Oregon's agricultural land public policy goals.

# **Approval Requires County Conditional Use Permit Evidencing:**

No Adverse Changes To Surrounding  
Farm & Forest Practices

and

No Increased Costs to Surrounding Farm  
& Forest Practices

# **Requires Conditional Use Approval pursuant to ORS 215.296**

(2) The following nonfarm uses may be established, subject to the approval of the governing body or its designee in any area zoned for exclusive farm use subject to ORS 215.296:



# **ORS 215.296 Requires County To Find Conditional Use Approval Will NOT:**

(a) Force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use;

or

(b) Significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest use

# **The Need for this Legislation Arose in Clackamas County at the Oregon Lavender Farm.**

this Clackamas County legacy facility has been utilized for the wholesale distribution of agricultural crops and products since it was acquired and renovated in 1999.

The property owner asserted to the County in 2005 that the use was allowed outright as a customary practice in conjunction with its farm practice and has conducted business there without any evidence of adverse impacts to surrounding practices for over a decade.

# The Oregon Lavender Farm



# ***The Oregon Lavender Farm*** **A Legacy EFU Farm Facility**

90 acres of EFU agricultural land located in Clackamas County

150,000+ square foot of building improvements

25 acres of cultivated lavender

Steam Distillation Processing of Farm Grown Lavender & Other Crops  
for Essential Oils

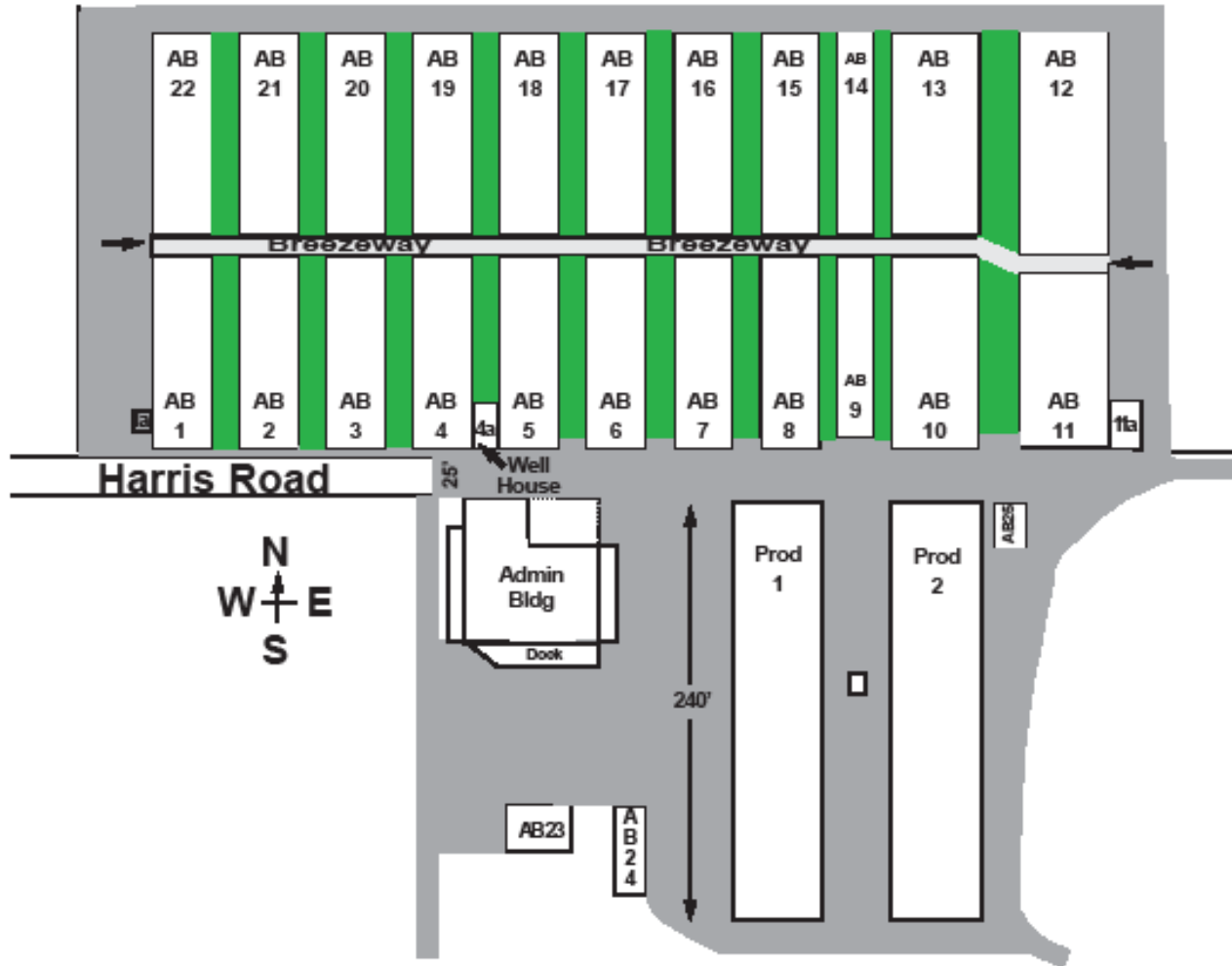
Legacy facility used to process and distribute farm crops including lavender,  
lavender oil, herbs and herbal extracts

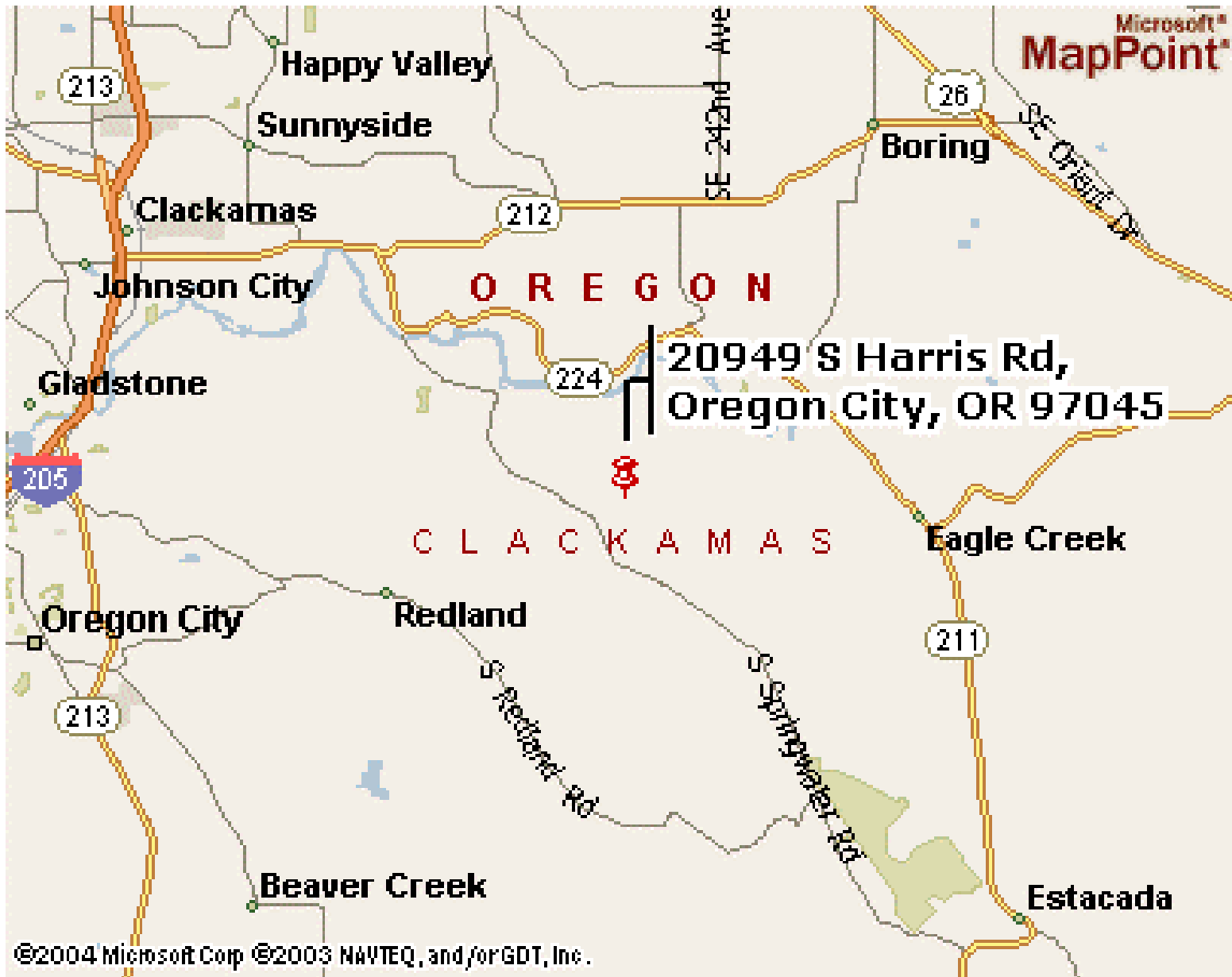
*and*

The wholesale distribution of crops grown and processed on other farms in  
Oregon and around the world.

# ~ 5 acre Commercial Facility

Farm Improvement Map





# Aerial Map

# **Clackamas County was Compelled To Act By a Retributive Land Use Complaint.**

On December 21<sup>st</sup>, 2011 an out of state judgment debtor of the property owner who has no interest or standing in Oregon land use matters filed a land use complaint asking for a cease and desist of the distribution operations. The filing was made to cause damage and harm in order to hinder and delay the property owner's claims for relief in courts in three states to recover damages for a series of wrongful acts.



# **Existing Statutes Substantially Limit the Wholesale Distribution of Agricultural Crops and Products Use**

Under ORS 215.283(2)(a) commercial activities in conjunction with a farm use are allowed. These uses are subject to the following limitations:

- Limit the size of the improvements utilized for such uses.
- Limit the amount of goods that may be distributed that are not produced on the farm site.

Under ORS 215.448 Home Occupations are allowed in EFU zones subject to the following limitations:

- No more than five full time employees.

Under ORS 215.283(1)(o) Farm Stands are allowed in EFU zones subject to the following limitations:

- Distribution of local area farm products only.
- Limitation on incidental item sales < 25% of the farm stand

# **The Assertion of Outright Use and Application Under Other Land Use Provisions Could Result in Costly and Lengthy Litigation.**

Given the evaluation by the County that other land use options to reconcile the distribution use were not likely to prevail and the high cost and substantial amount of time to receive a court determination, Clackamas County proposed and the property owner agreed that seeking a legislative solution was the best option.

# **Historical Uses - Logan Egg Farm**

**Unsustainable Egg Farm operating from  
the early 1960's- through the late 1970's**

Originally named the Logan Egg Farm after the historic Oregon Trail DLC community established near Bakers Ferry.

On site breeding of chickens for eggs and distribution of chicken eggs. Purchased by Carnation in the late 1960's. The business was expanded to manage regional distribution of eggs for other producers. The operations were shutdown by Carnation due to contamination of the ground water supply by excessive nitrate levels caused by large amounts of chicken manure.

# Historical Uses – Carnation Egg Farm Distribution for Other Farms

Carnation

Egg Division

P.O. Box 398  
Rochester, Washington 98579  
Telephone: (206) 273-5984

July 26, 1983

*Several*

Dr. Charles Cambell  
C/O Bakana Management  
209th South Harris Rd  
Oregon City, Oregon 97045

Dear Dr. Cambell;

Permit me in offering congratulations on the purchase of Logan Farms. I understand you are converting the poultry house into rabbit raising vacillaties.

Between 1971 and 1978, I managed Logan Farms for Carnation Co. At that time Carnation raised laying hens, and processed eggs for distribution in and around the Portland area. We would also bring in processed eggs from Carnation owned farms in other locations for distribution.

If at any time in the near future you permit vistors, I would enjoy a tour of your location.

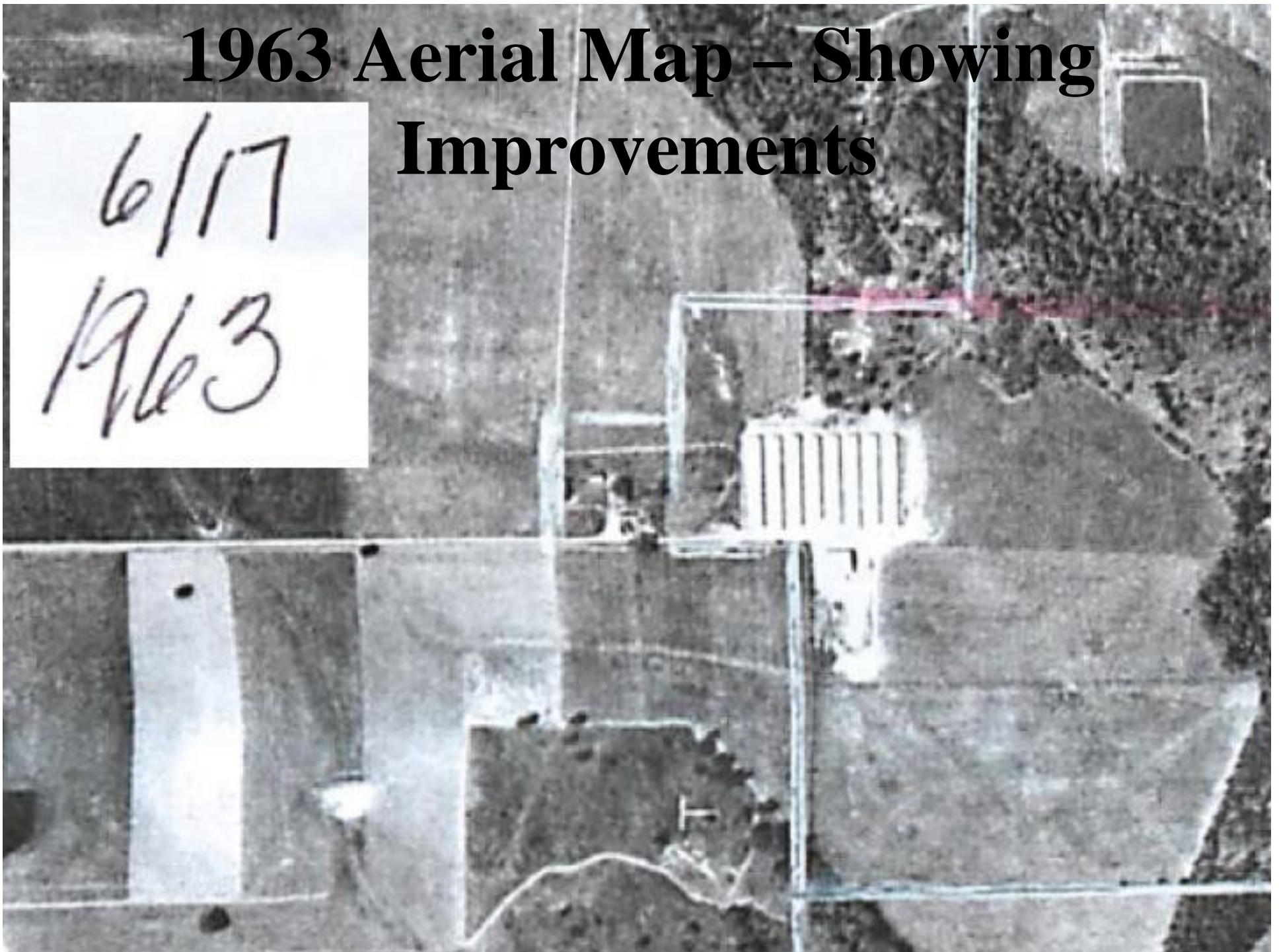
Congratulation and best wishes from all of us at Carnation.

Sincerely,

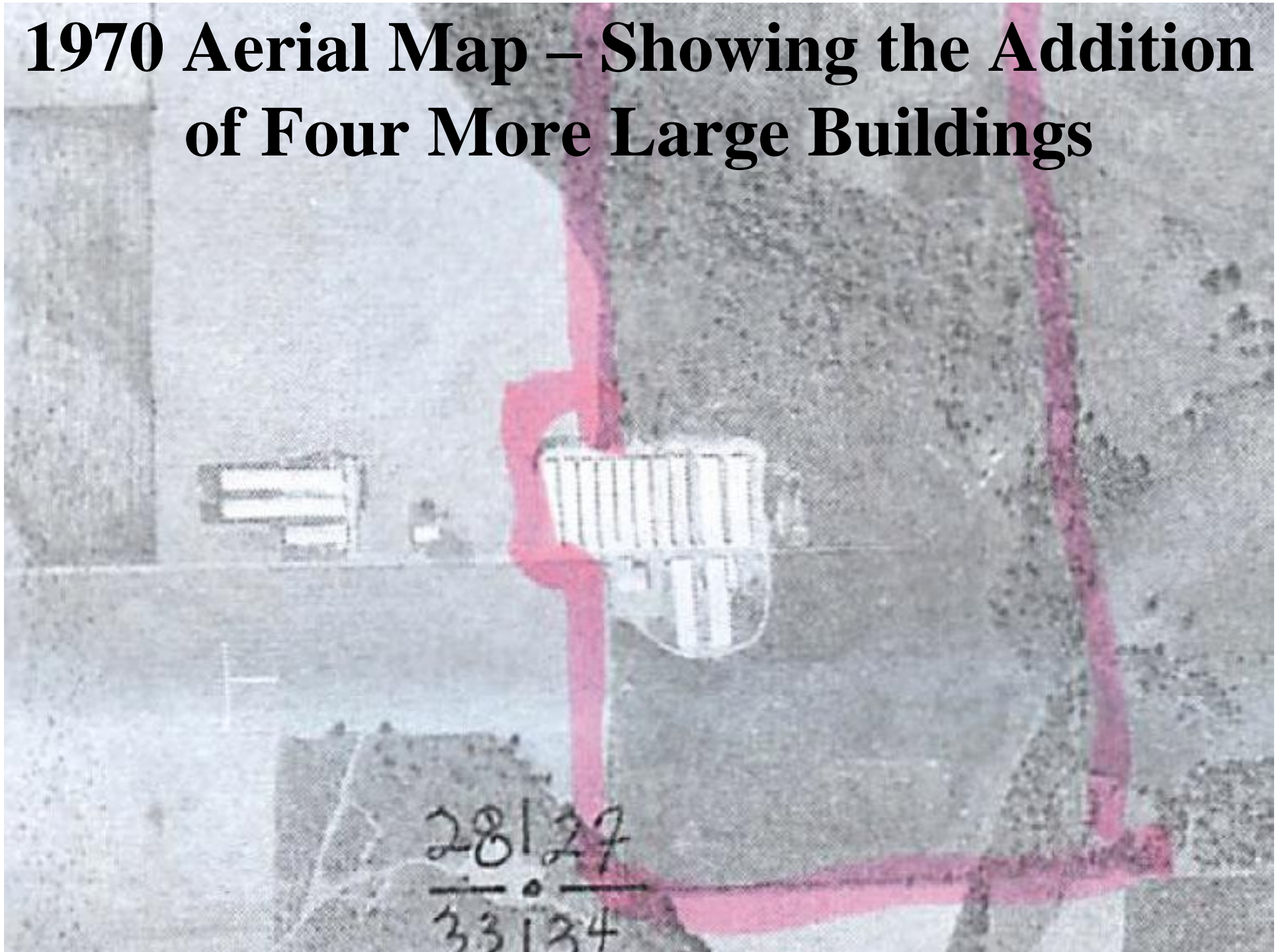
  
Don Schaefer

# 1963 Aerial Map – Showing Improvements

6/17  
1963



# 1970 Aerial Map – Showing the Addition of Four More Large Buildings



# Historical Uses – Rabbit Ranch

**Unsustainable Rex Rabbit Ranch operated from  
the late 1970's to the mid 1990's**

After Carnation Inc. closed the egg operation, the original 200 acre property was divided into several parcels with the largest collection of buildings remaining on the parcel which is now the Oregon Lavender Farm property.

The Rex rabbit operation included the USDA inspected rendering and processing of rabbits for their meat and also a tannery operation for the processing of their high valued fur.

Despite the investment of several million dollars into the operations by successive owners, the rabbit operations were unable to purchase sufficient volumes of rabbits from other farms to meet demand and maintain profitability.

# Rabbit Rendering

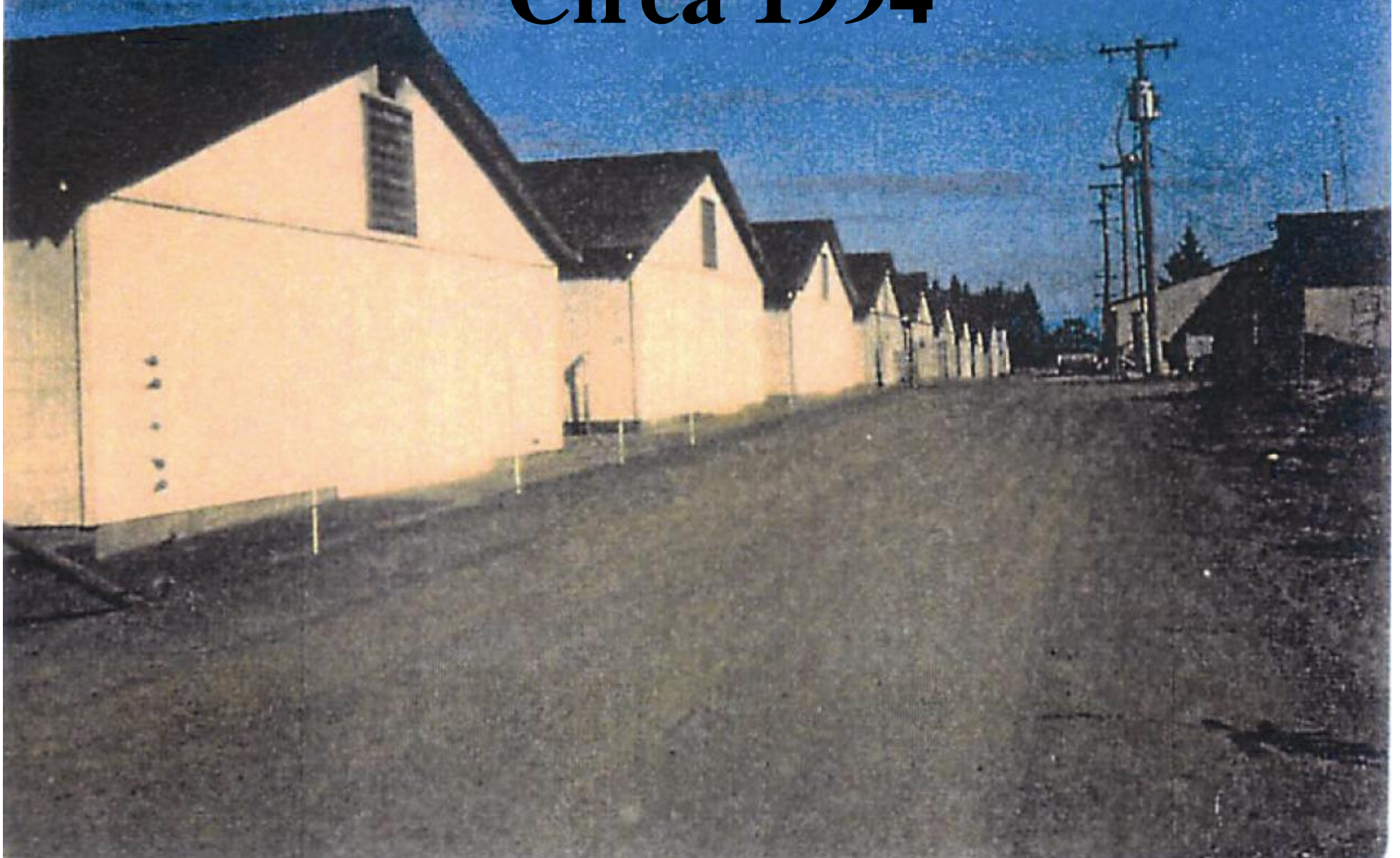




# Rabbit Slaughter Conveyors



# Rabbit Operations Circa 1994



# Nuisance, Illegal, and Non-Conforming Uses

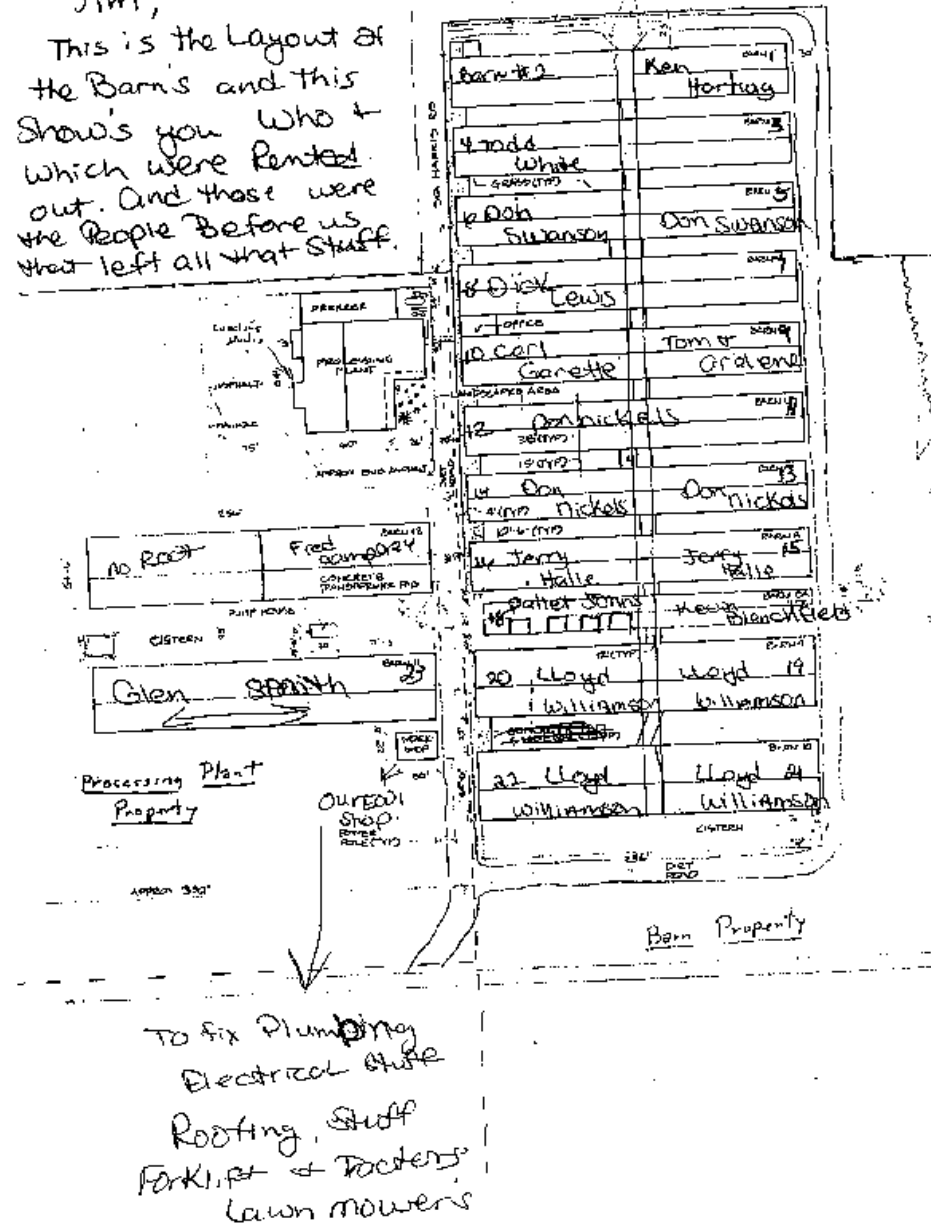
As the successive rabbit farming operations failed, the property fell rapidly into disuse and disrepair.

The buildings and property were used for the following uses spanning several decades:

- Drug lab
- Cockfights
- Barn Residences
- Auto Body
- Chop Shop
- Auto Salvage
- Cabinet Making
- Towing Company
- Feed and Fertilizer Sales
- Reptile Business
- Misc Storage
- Electrical Equipment Salvage
- Refrigeration Storage
- Sewing of Stuffed Animals
- Refrigeration, Sorting and Storage of Mushrooms
- Refrigeration and Re-packaging of Jelly

# Map Identifying Locations of Non-Conforming Uses By Former Owner

Jim,  
 This is the Layout of  
 the Barns and this  
 shows you who &  
 which were Rented  
 out. And those were  
 the People Before us  
 that left all that stuff.



# Letter from Former Owner Identifying Long History of Non-Conforming Uses

William G. Ball  
1424 Barbis Way  
Concord, CA 94518  
(925) 827-9395, fax (925) 827-2395

March 27, 2000

Jim Dierking  
20949 S Harris Road  
Oregon City, OR 97045

RE: Occupancy of barns

Dear Mr. Dierking:

In response to your request of information concerning the occupancy in the barns at 20949 S. Harris Road, Oregon City, Oregon I submit the following.

I first spent any time on the property starting around 1987. At that time there were various entities using or renting the barns.

There was one company renting two barns for storage of feed, materials and raising rabbits until approximately 1991.

Ore-Best was using a barn for the sewing and making of stuffed animals from around 1988 until 1990.

Brad Tylman raised snakes and had built an area for various aspects of the snake business sometime around 1990 - 1992.

Starting in 1991 & 1992 and continuing until approximately 1997 there were numerous short term tenants who used the barns for temporary storage of many items. These included, but were not limited to: storage of autos & pickups. Storage of lumber and other misc. building materials. Storage of liquidation items that were used for flea market and surplus sales. Storage of electric motors and other electrical equipment removed from salvaged buildings. Storage of misc. electronic equipment for repair and ultimate resale at flea markets. Storage of boats. Storage of horse gear.

During this same time one tenant was using the barns for the storage of automobile cores. This use continued until you purchased the property.

I believe it was 1995 or 1996, the nursery used the refrigerator rooms to store plants from her nursery.

The year earlier, the processing plant and refrigerator rooms were used during the mushroom season for sorting and storing of mushrooms.

ny used the processing plant and refrigerator rooms for the bottling and labeling of shipment of jams for the Trailblazer jam company.

ore-Best used the property for the raising of rabbits, storing and sale of fertilizer and ruction and sale of cages. For approximately 1 year we also operated a tannery on the

at this information will be of use to you.

,



William G. Ball  
Manager for Ore-Best Farms

# Meth Lab Operation

## **School-bus meth operation brings 5-year, 4-month term**

OREGON CITY — A Southeast Portland man who cooked methamphetamine while living inside a school bus in 1996 has been sentenced to five years and four months in prison.

Lloyd H. Williamson, 48, was convicted in July in Clackamas County Circuit Court on drug and weapons charges.

Andy Eglitis, a senior deputy district attorney, said police discovered the meth operation along

with 19 guns Williamson had stockpiled while living in a bus parked along South Harris Road.

Williamson was scheduled for trial in 1997 but failed to show up in court, Eglitis said. Authorities in California arrested Williamson last May and delivered him to Clackamas County for trial.

## **Hooley, British Labourite due for tour of county Saturday**

OREGON CITY — Rep. Darlene Hooley, D-Ore., will squire a member of the British Parliament

# Unfit For Use

Permits Id: ASSR100L Keyword: @ASSRM User: NANCYD 07/16/99  
Parcel File Maintenance - Locks/Holds/Notices

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Locks/Holds/Notices for Parcel - Update Record  
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Text: UNFIT FOR USE - DRUG LAB ACTIVITY - NO PERMIT TO BE ISSUED

Lock/Hold/Notice (L/H/N): H

Effective Date Range - From: 4/ 1/98 Thru: 12/31/99  
By: FRONH Date: 04/01/98

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Parcel: 23E27C 01500 Use: 5512 Owner: MDG LLC  
Situs: 20949 S HARRIS RD Acres: 16.45  
Legal: #CL 551-710-62-02-92-77 ZONED EFU - POTENTIAL  
-----

<ESC>Cancel Update, <F7>Update Record

Before











POSTED





**After 14 Years of Stewardship by Liberty to renew  
the farmland and facilities.**



**Operator of  
The Oregon Lavender Farm**

**Distributor & Processor  
of Botanical Products**

# CERTIFICATE OF FITNESS

The property located at 20949 S. Harris Road, Building #10 (Eastern-most building), Oregon City; Township 25 South, Range 03 East, of the Willamette Meridian, Section 27 C, Tax Lot 1400; Clackamas County, Oregon has undergone a drug lab chemical assessment by a Health Division licensed Illegal Drug Laboratory Decontamination Contractor in accordance with ORS 453.855-453.990, and is hereby certified as fit for use to the extent that can be determined using current techniques and methodologies. Any act of fraud committed in obtaining this Certificate renders said Certificate null and void.

Certificate # 96-002



Thomas W. Johnson  
Health Division Authority  
March 28, 2000  
Date



## **Healing The Farm**

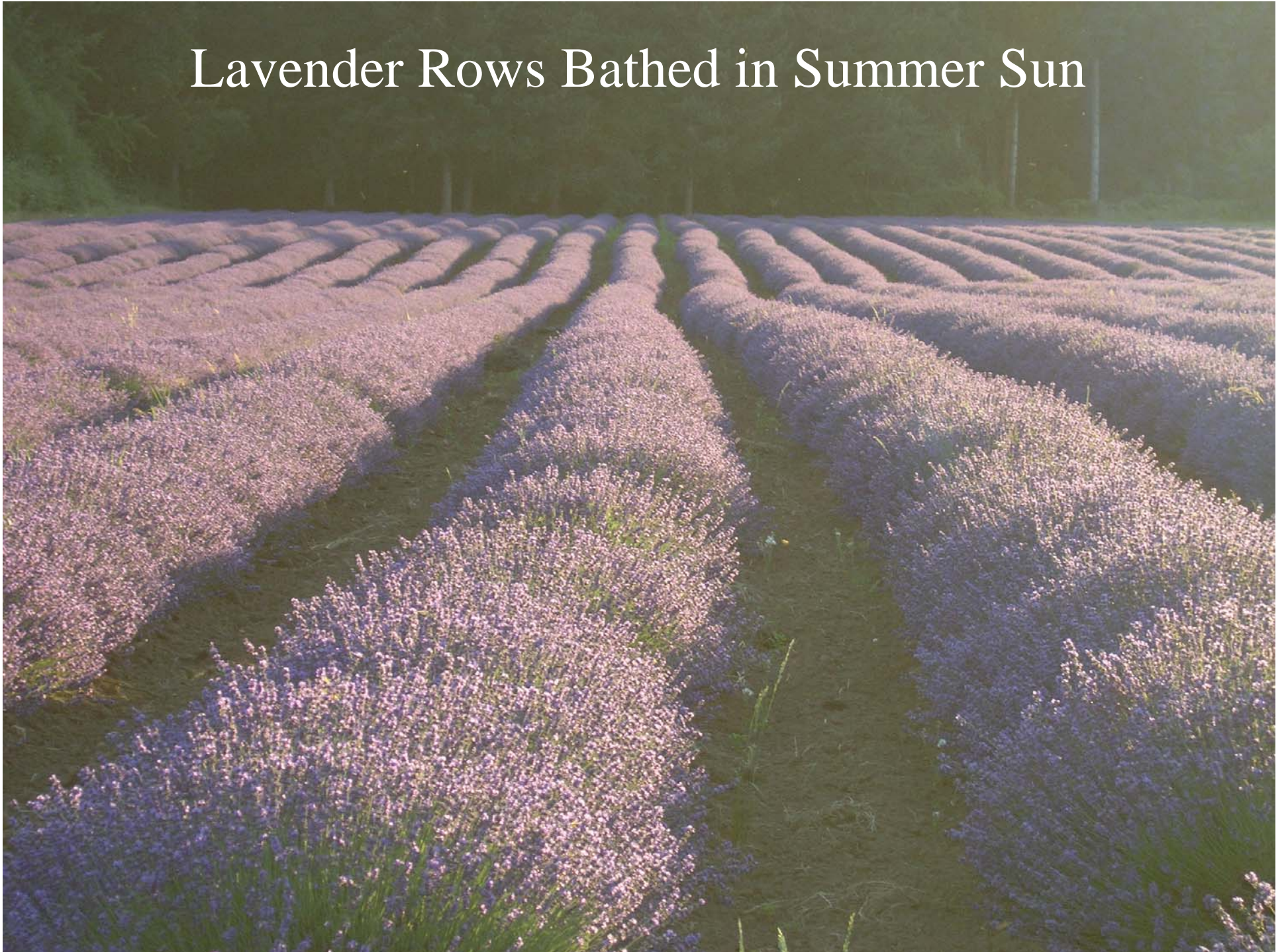
- **Termination of tenancy of nuisance tenants and removal of tenants substantial property.**
- **Resolve numerous encroachment and easement issues.**
- **Removal of 1000's of yards of debris from barns.**
- **Repair of substantial deferred maintenance to the infrastructure.**
- **Structural fortification of barns to stop further deterioration.**
- **Repair of infrastructure removed by tenants to fund drug addictions.**
- **Remediation of methamphetamine site listed by State of Oregon.**
- **Removal of obsolete equipment and supplies.**
- **Repair roadway deferred maintenance.**
- **Removal of over 20 acres of blackberries, overgrowth, left over logging slash and trees in fields.**
- **Removal of over 100 stumps from fields.**
- **Remove extensive garbage and debris from fields.**
- **Regrade fields, install/repair drain tile and irrigation systems.**
- **De-rock fields.**



# Aromatic & Medicinal Herb Garden



# Lavender Rows Bathed in Summer Sun





# Restored Administration Building



# Restored Administration Building



# Admin Upstairs Main Room



# Admin Upstairs Customer Service Dept



# Admin Upstairs Accounting Offices





# Admin Upstairs Conference Room



# Admin Upstairs Reception



# Admin Upstairs Server Room



# Admin Upstairs Purchasing Dept.



# Restored Farm Buildings: P1



# Repackaging of Essential Oils From Drums to Large Containers



# Repackaging of Essential Oils to Small Containers



# Agricultural Raw Materials Supplier to Oregon & Manufacturers Worldwide





# Processing & Packaging Supplies Warehouse



# Lavender Products Produced From OLF Lavender and French Sourced Lavender



# OLF – LNP Shipping Department



# Wholesale Distribution

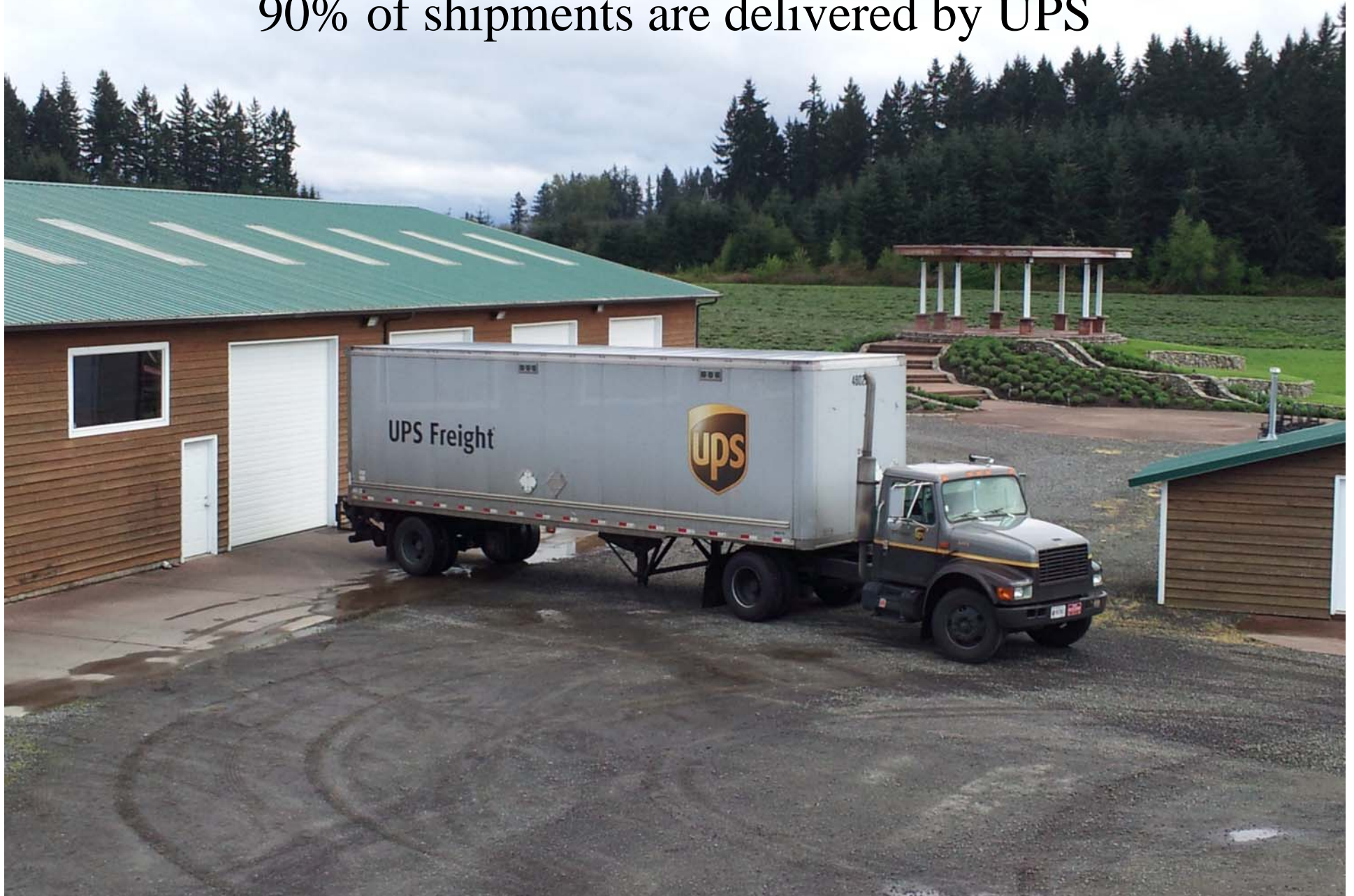
90% of shipments are via UPS

99% of sales are by phone, fax or internet



# Wholesale Distribution

90% of shipments are delivered by UPS



# Restored Farm Buildings: P2



# Aromatic & Medicinal Herb Garden



# Liberty Grows Dozens of Herbs Used to Make Its Line of Over 100 Herbal Extracts





# **Echinacea Grown in Garden For Herbal Extract & Dried Herb**



# Rosemary Cultivation for Essential Oil and Herb



# Dried Herbs Warehouse



# Garden Grown Dried Herb Storage



# Herbal Extract Production



# Herbal Extract – Private Label Manufacture



# Lavender Distillery



# Lavender Distillery





# Lavender Distillation – Dispensing From Condensor



# Lavender Hand Harvest for Culinary Lavender



# Lavender Harvester



# Lavender Row Harvester



# Lavender Harvester French Clier Head



# Lavender Harvester NH 1880



# Alternative Energy Projects

In the works are sustainable and alternative energy projects that include:

Reconstruction of an existing building using the Oregon energy efficient Faswall building material.

Geothermal ground heat pump system.

Rooftop Solar Panels

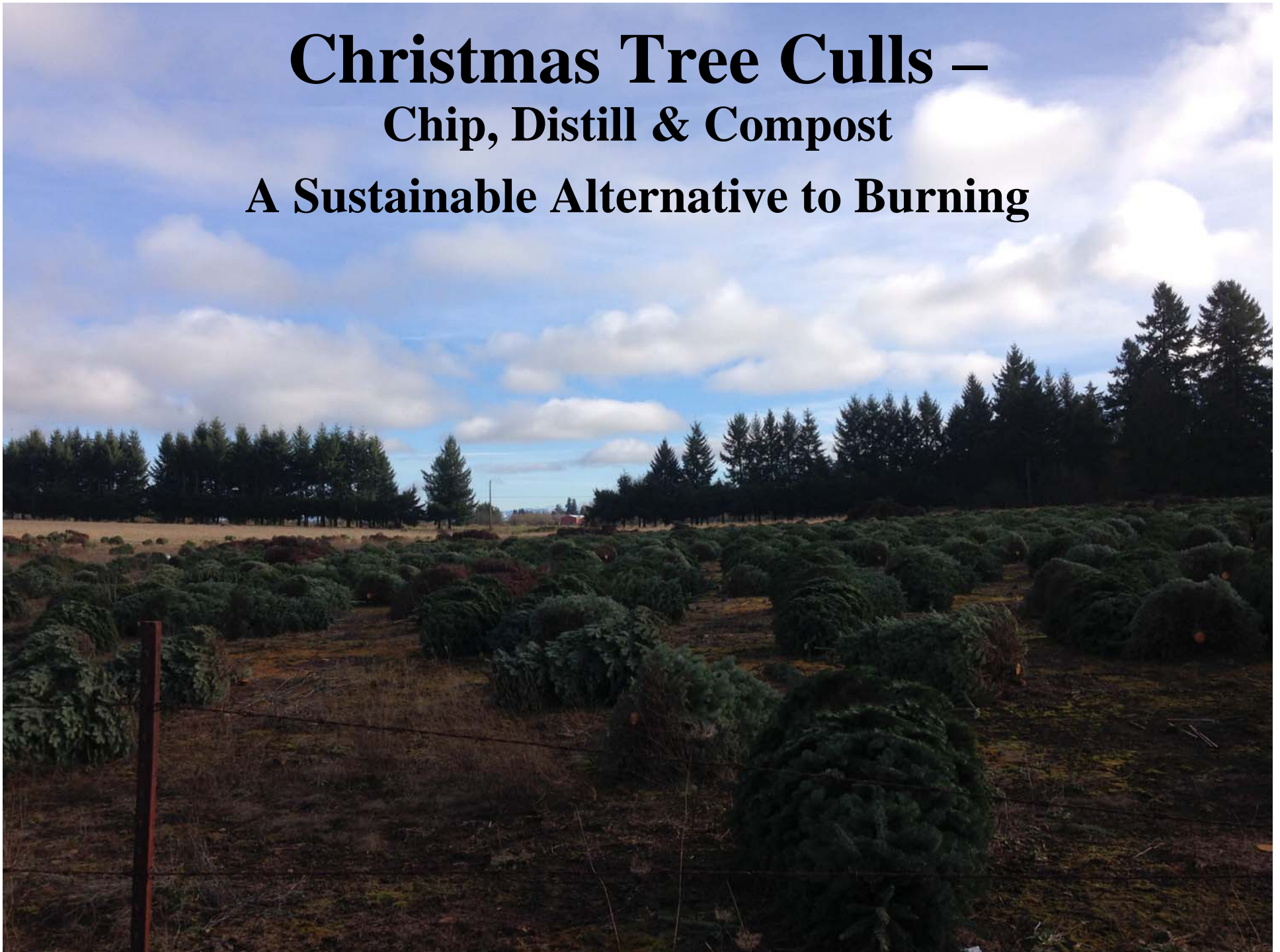
Raindrain – Irrigation – Fire protection – High Head Hydro Pond

# Rainwater – Irrigation – Fire Protection Pond





**Christmas Tree Culls –  
Chip, Distill & Compost  
A Sustainable Alternative to Burning**



# **A Sustainable Solution to Christmas Tree Burning and Smoke.**

A conditional use permit under HB3439 will also allow Liberty to distill Christmas Tree culls from other farms to help stop air pollution cause by burning the culls.



# **Christmas Tree Distillation R&D Project**

## **Developing sustainable disposal practices**

Liberty has invested in research and development of distilling Christmas Tree culls for their essential oil.

The growth of the Christmas tree practice and its use of burning prompted Liberty to explore the market feasibility for the essential oil.

In order to distill the Christmas trees they first must be chipped. The oil is then obtained through steam distillation of the chips.

The left over spent charge of chips is sterilized and is a valuable complimentary addition of carbon to the composting of high nitrogen horse manure.

# **Liberty Supports Agriculture**

- **Sponsor of the Clackamas County Lavender Festival for 7 years.**
  - **Supports a scholarship fund for the Clackamas Community College Horticulture Program since 2007**
  - **Supports the Springwater Environmental School enabling students an opportunity to experience the farm as an outdoor agricultural school room.**

# 7<sup>th</sup> Annual Clackamas County Lavender Festival

5000 Visitors Each Year  
Celebrating Oregon Agriculture



# Lavender Festival U-pick



# Clackamas County Tourism – Promoting Agri-Tourism



# Springwater School Students 2008 Planting of Lavandin Rows





## **Liberty Natural Products** **Use & Impact**

**The restoration and development of the farm property and facilities have been exclusively funded and managed by Liberty Natural Products.**

**Liberty Natural Products distribution & processing of agricultural products at the Oregon Lavender Farm is similar in nature and scope as the previous processing and distribution functions of the chicken and rabbit husbandry operations.**

**LNP's operations do not have the waste contamination problems that resulted from the chicken and rabbit operations.**

**The use of the property does not require expansion of the facilities and will use the existing infrastructure to its highest and best use without significant impact in the EFU zone.**

**Harris Road was improved by the County to serve and meet the needs of the facility in conjunction with the 1983 conditional use approval.**

**The current operations use the substantial electrical infrastructure existing at the farm.**

## **The Oregon Lavender Farm & Liberty Natural Products**

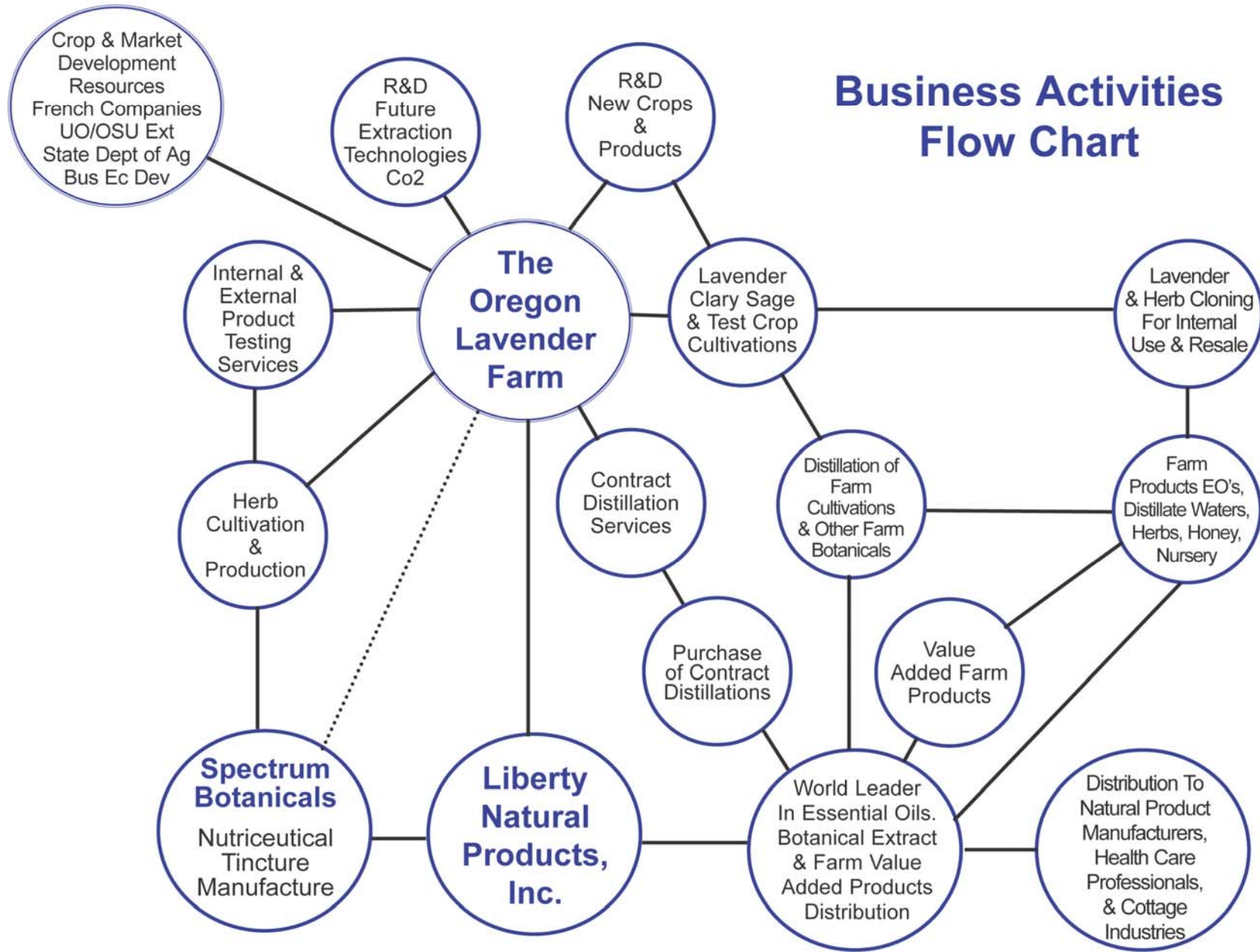
**Liberty Natural Products, Inc. presently performs many of the Oregon Lavender Farms administrative functions.**

### **The Oregon Lavender Farm      Liberty Natural Products**

<b>Bookeeping</b>	<b>Bookeeping</b>
<b>Purchasing</b>	<b>Purchasing</b>
<b>Marketing</b>	<b>Marketing</b>
<b>Sales</b>	<b>Sales</b>
<b>Personnel</b>	<b>Personnel</b>
<b>IT</b>	<b>IT</b>
<b>Field &amp; Grounds Labor</b>	
<b>Cultivation &amp; Harvesting</b>	
<b>Farm Equipment Maintenance &amp; Repair</b>	
<b>Facilities Maintenance &amp; Repair</b>	<b>Facilities Maintenance &amp; Repair</b>
<b>Packaging</b>	<b>Packaging</b>
<b>Shipping</b>	<b>Shipping</b>
<b>Inventory &amp; Quality Control</b>	<b>Inventory &amp; Quality Control</b>

**Liberty Natural Products is in the business of processing & distributing agricultural products. The Oregon Lavender Farm benefits because it does not have to duplicate LNP's functions and resources.**

# Business Activities Flow Chart



# Integrated Farming & Distribution

Liberty's uses at the farm property are multifaceted and integrated with the lavender farming operation.

The removal of the agricultural distribution would be complicated and problematic and would remove the efficient use of resources and workforce that is consistent with Oregon public policy to encourage sustainable business operations and support and preserve agricultural lands.

Your passage of HB3439 will allow an exceptional solution to continue.