



Coos County Planning Department
Land Use Application

Official Use Only
FEE: \$1,173
Receipt No.
Check No./Cash 1140
Date 4/15/19
Received By JB
File No. ACU-19-011

Paid \$306 online for CD - upgraded to ACU

Please place a check mark on the appropriate type of review that has been requested.

- Administrative Review [checked]
Hearings Body Review []
Final Development Plan (BDR) []
Variance []

ACU-19-011

An incomplete application will not be processed. Applicant is responsible for completing the form and addressing all criteria. Attach additional sheets to answer questions if needed. Please indicated not applicable on any portion of the application that does not apply to your request.

A. Applicant:

Name: MICHAEL LOVAS Telephone: 925-577-0293
Address: 86814 SYDNAM LN
City: Bandon State: OR Zip Code: 97411

B. Owner:

Name: Bandon Black Moon Farms LLC Telephone: 541-347-6477
Address: 86814 SYDNAM LN
City: Bandon State: OR Zip Code: 97411

C. As applicant, I am (check one): Please provide documentation.

- The owner of the property (shown on deed of record); [checked]
The purchaser of the property under a duly executed written contract who has the written consent of the vendor to make such application (consent form attached). []
A lessee in possession of the property who has written consent of the owner to make such application (consent form attached). []
The agent of any of the foregoing who states on the application that he/she is the duly authorized agent and who submits evidence of being duly authorized in writing by his principal (consent form attached). []

D. Description of Property:

Township 30S Range 15W Section 14 Tax Lot 500
Tax Account 1367200 Lot Size 67.63 AC Zoning District F/EFU

E. Information (please check off as you complete)

- 1. Project Proposal. Attach description if needed. NEW DWELLING
- 2. A detailed parcel map of the subject property illustrating the size and location of existing and proposed uses, structures and roads on an 8½" x 11" paper to scale. Applicable distances must be noted on the parcel map along with slopes. (See example plot map)Covenants or deed restrictions on the property, if unknown contact title company.
- 3. Existing Use FARMING: CRANBERRY, BLUEBERRY, SHEEP
- 4. Site Address 86814 SYDNAM LN, BANDON, OR. 97911
- 5. Access Road SYDNAM LANE
- 6. Is the Property on Farm/Forest Tax Deferral YES
- 7. Current Land Use (timber, farming, residential, etc.) FARMING
- 8. Major Topography Features (streams, ditches, slopes, etc.) _____
- 9. List all lots or parcels that the current owner owns, co-owns or is purchasing which have a common boundary with the subject property on an assessment map.
- 10. Identify any homes or development that exists on properties identified in #9.
- 11. A copy of the current deed of record.

F. Proposed use and Justification

Please attach an explanation of the requested proposed use and **findings (or reasons)** regarding how your application and proposed use comply with the following the Coos County Zoning and Land Development Ordinance (LDO). Pursuant to the LDO, this application may be approved only if it is found to comply with the applicable criteria for the proposed use. Staff will provide you with the criteria; however, staff cannot provide you with any legal information concerning the adequacy of the submitted findings, there is no guarantee of approval and the burden rests on the applicant. (You may request examples of a finding)

List of Applicable Criteria and Justification:

SEE ATTACHMENT

G. Authorization:

All areas must be initialed by all applicant(s) prior to the Planning Department accepting any application unless the statement is not applicable. If one of the statements, below is not applicable to your request indicated by writing N/A.

W I hereby attest that I am authorized to make the application for a conditional use and the statements within this application are true and correct to the best of my knowledge and belief. I affirm that this is a legally created tract, lot or parcel of land. I understand that I have the right to an attorney for verification as to the creation of the subject property. I understand that any action authorized by Coos County may be revoked if it is determined that the action was issued based upon false statements or misrepresentation.

W **ORS 215.416 Permit application; fees; consolidated procedures; hearings; notice; approval criteria; decision without hearing.** (1) When required or authorized by the ordinances, rules and regulations of a county, an owner of land may apply in writing to such persons as the governing body designates, for a permit, in the manner prescribed by the governing body. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service. The Coos County Board of Commissioners adopt a schedule of fees which reflect the average review cost of processing and set-forth that the Planning Department shall charge the actual cost of processing an application. Therefore, upon completion of review of your submitted application/permit a cost evaluation will be done and any balance owed will be billed to the applicant(s) and is due at that time. By signing this form you acknowledge that you are responsible to pay any debt caused by the processing of this application. Furthermore, the Coos County Planning Department reserves the right to determine the appropriate amount of time required to thoroughly complete any type of request and, by signing this page as the applicant and/or owner of the subject property, you agree to pay the amount owed as a result of this review. If the amount is not paid within 30 days of the invoice, or other arrangements have not been made, the Planning Department may choose to revoke this permit or send this debt to a collection agency at your expense.

W I understand it is the function of the planning office to impartially review my application and to address all issues affecting it regardless of whether the issues promote or hinder the approval of my application. In the event a public hearing is required to consider my application, I agree I bear the burden of proof. I understand that approval is not guaranteed and the applicant(s) bear the burden of proof to demonstrate compliance with the applicable review criteria.

W As applicant(s) I/we acknowledge that it is in my/our desire to submit this application and staff has not encouraged or discouraged the submittal of this application.



Applicant(s) Original Signature

Applicant(s) Original Signature

MICHAEL J LOVAS

Print Name

Print Name

Attachment to Coos County Planning Department Land Use Application

Applicant:

Michael Lovas
86814 Sydnam Lane
Bandon , Oregon 97411
925-577-0293
mjlovas@gmail.com

Property: Bandon Black Moon Farms LLC
86814 Sydnam Lane
Bandon, Oregon 97411
30S 15W S14 tax lot 500

1.0 & F Project Proposal, Proposed Use and Justification

Applicant proposes to add a new dwelling on our farm property for use by the parents of the farm operator Nicholas Kelly. The parents are Donna Lovas (mother) and Michael Lovas (Stepfather) and both are co-owners of the property along with Nick. The farm owner is designated at Bandon Black Moon Farms LLC, a limited partnership with three members – Michael, Donna and Nick. Attached is a copy of the LLC organization designating the owners.

The proposed dwelling is requested per the statute in the Coos County Land Use Ordinance section 4.6.210.2.e, a copy of said section is below.

The new dwelling is on the same parcel as the dwelling of the farm operator. The principal operator of the farm is Nicholas Kelly. The proposed new dwelling will be occupied by the parents of the operator, Michael and Donna Lovas. Michael and Donna frequently visit the farm to assist in farm operations. Michael performs accounting duties, assists in harvesting, sorting and packaging cranberries and blueberries and in general maintenance. Donna assists in harvesting crops, marketing crops and in maintaining the property. Nicholas is the principal operator of the farm and is resident full time on the farm in the current farm dwelling. He is responsible for maintaining the organic certification of the farm, the watering, weeding, maintenance, improvements, managing the herd of sheep and all other aspects of farm operations. He determines when crops are ready for harvest, maintains all farm equipment and is fully involved in all aspects of the farm operation. He is a single man and requires help from family to be successful in operating the farm. See attached statement from Nicholas Kelly.

From Land Use Ordinance Document for Coos County: Section 4.6.210.2.e

e. Farm Help Relative Dwelling on property used for farm use may be allowed when it is:

i. Located on the same lot or parcel as the dwelling of the farm operator.

- ii. *Occupied by a grandparent, grandchild, parent, child, brother or sister of the farm operator or the farm operator's spouse.*
- iii. *Whose assistance in the management of the farm is or will be required by the farm operator. The farm operator must so state this in and state in writing how the farm operator will continue to have the predominate role in the farm operations.*
- iv. *The County shall impose a condition on the subject lot or parcel prohibiting its division or partition upon establishment of the farm help relative's dwelling on the lot or parcel.*
- v. *The landowner shall sign and record in the deed records for the county a document binding the landowner, and the landowner's successors in interest, prohibiting them from pursuing a claim for relief or cause of action alleging injury from farming or forest practices for which no action or claim is allowed under ORS 30.936 or 30.937.*

New Dwelling Info

Siting information for the new dwelling:

- The site currently has a small structure on it built by a previous owner. The plan is to remove that structure.
- The owners plan to have a pre-built modular home installed that is approximately 28'x48' on the site. A new foundation will be built for the new dwelling.
- The site is within 185 feet of the current house and close to the barn and machine shop structures, keeping the buildings clustered in one area of the farm
- The current driveway can be used for the new structure with only a 30 foot extension required to reach the new dwelling. No new access roads will be required.
- Since there is currently a small structure on the property, the location does not impact current forest or agriculture operations on the property.
- The new dwelling will have a metal roof and partial metal siding, reducing the risk from fire

Section E Details

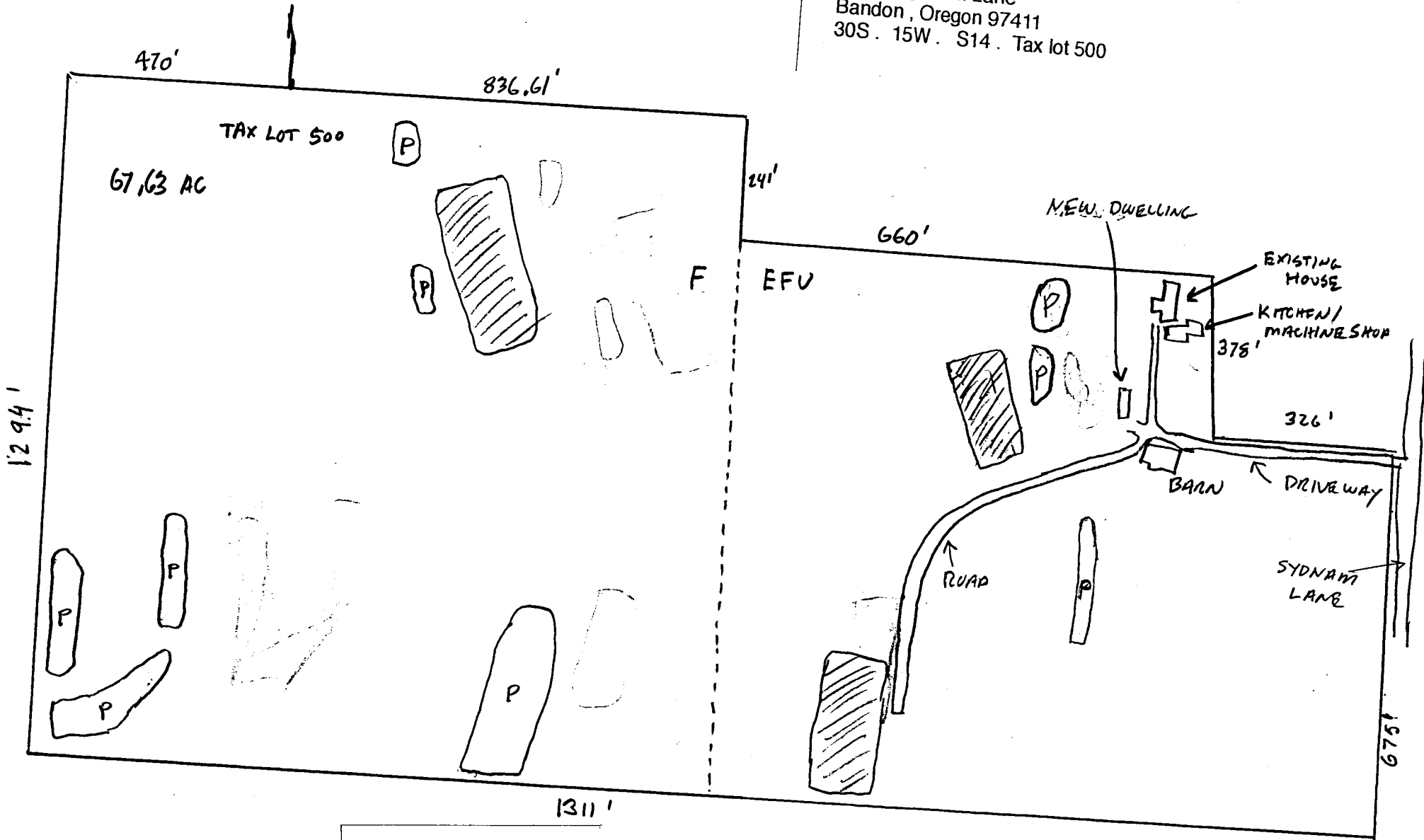
- 1 See above
- 2 A parcel map is attached showing the current structures, roads, ponds, and bogs on the property. Also shown is the proposed location of the new dwelling.
- 3 Existing Use: Farming: cranberries, blueberries, chestnuts, sheep
- 4 Site address: 86814 Sydnam Lane, Bandon, Oregon 97411
- 5 Access road: Sydnam lane and current driveway
- 6 Farm forest tax deferred YES
- 7 Current land use: Farming, timber
- 8 See plot diagram for all features on farm

- 9 There are no adjacent properties owned by the current owners of Bandon Black Moon Farms.
- 10 No adjacent properties owned by us so this detail is not required.
- 11 A copy of deed is attached

ATTACHMENTS:

1. Plot plan for property with location of all structures, ponds, bogs, road and planned location for new dwelling.
2. Same plot with photo background of the farm property
3. Detail on location of new structure
4. Deed of record for property
5. Articles of organization for Bandon Black Moon Farms LLC
6. Memo from Nick Kelly principal farm operator

Bandon Black Moon Farms
86814 Sydnam Lane
Bandon, Oregon 97411
30S. 15W. S14. Tax lot 500



P -- Pond
[Hatched Box] -- Cranberry Bog

1" = 250'



Sydnam Ln

Existing House

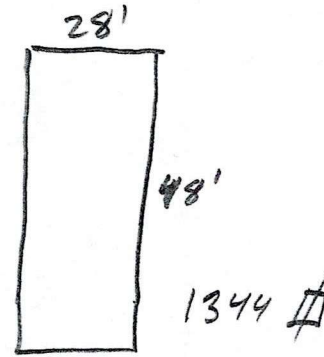
New Dwelling

Barn

Bandon Black Moon Farms
30S 15W S14
Tax Lot 500
86114 Sydnam Lane
Bandon, Or. 97411



NEW DWELLING
APPROXIMATE DIMENSIONS



BANDON BLOOD MOON FARMS
86814 SYDNAM LN
BANDON, OR 97411
30S 15W S14 LOT 500

Sydnam Ln

RECORDED BY
FIRST AMERICAN TITLE
2325225



After recording return to:
Bandon Black Moon Farms, LLC
681 Norante Court
Pleasanton, CA 94566

Until a change is requested all tax
statements shall be sent to the
following address:
Bandon Black Moon Farms, LLC
681 Norante Court
Pleasanton, CA 94566

File No.: 7132-2325225 (kad)
Date: October 01, 2014

THIS SPACE RESERVED FOR RECORDER'S USE

COOS COUNTY, OREGON **2014-08524**

\$56.00 10/24/2014 03:12:36 PM
Pgs=3



00015203201400085240030032

Terril L. Turl, Coos County Clerk

STATUTORY WARRANTY DEED

Thomas C. Forgatsch and Virginia R. Forgatsch, as Trustees of the Forgatsch Family Revocable Living Trust, dated October 1, 2008, Grantor, conveys and warrants to Bandon Black Moon Farms, LLC, an Oregon limited liability company, Grantee, the following described real property free of liens and encumbrances, except as specifically set forth herein:

See Legal Description attached hereto as Exhibit A and by this reference incorporated herein.

Subject to:

1. Covenants, conditions, restrictions and/or easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey.

The true consideration for this conveyance is **\$530,000.00**. (Here comply with requirements of ORS 93.030)

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Dated this 21 day of Oct, 2014.

Forgatsch Family Living Trust

Thomas C Forgatsch

Thomas C. Forgatsch, Trustee

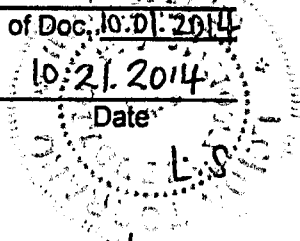
Virginia R. Forgatsch

Virginia R. Forgatsch, Trustee

NOTARY PUBLIC CERTIFICATION
Loida Torrano Third Judicial Circuit
Doc. Description: Statutory Warranty Deed

No. of Pages: 3 Date of Doc: 10.21.2014

Loida Torrano
Notary Signature



STATE OF Hawaii)
County of Hawaii)ss.

This instrument was acknowledged before me on this 21st day of October, 2014 by Thomas C. Forgatsch and Virginia R. Forgatsch as Trustess of Forgatsch Family Living Trust, on behalf of the Trust.

Loida Torrano
LOIDA TORRANO
Notary Public for Hawaii
My commission expires: 8.26.2016

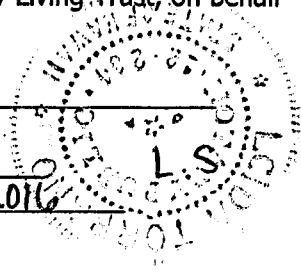


EXHIBIT A

LEGAL DESCRIPTION: Real property In the County of Coos, State of Oregon, described as follows:

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 15, WEST OF THE WILLAMETTE MERIDIAN IN COOS COUNTY, OREGON.

ALSO, THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 15, WEST OF THE WILLAMETTE MERIDIAN IN COOS COUNTY, OREGON, EXCEPTING THEREFROM THE FOLLOWING:

ALSO: BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 33 SOUTH, RANGE 15 WEST OF THE WILLAMETTE MERIDIAN, COOS COUNTY, OREGON; THENCE SOUTH 0° 39' 33" WEST ALONG THE EAST LINE OF THE SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, 553.00 FEET TO A 3/4 INCH IRON ROD AS SHOWN ON SURVEY 42 A 54, SAID IRON ROD ALSO BEING NORTH 0° 39' 33" EAST, 755.27 FEET, MORE OR LESS, FROM THE TRUE POINT OF BEGINNING OF A BOUNDARY LINE AGREEMENT AND QUITCLAIM DEED RECORDED ON MICROFILM REEL NO. 82-5-4200, COOS COUNTY, OREGON RECORDS; THENCE ALONG SAID BOUNDARY LINE AGREEMENT NORTH 89° 18' 32" WEST, 326 FEET TO A 3/4 INCH IRON ROD; THENCE NORTH 2° 52' 38" WEST, 336.73 FEET, MORE OR LESS, TO A 3/4 INCH IRON ROD; THENCE NORTH 89° 18' 32" WEST, 943.28 FEET, MORE OR LESS, TO A 3/4 INCH IRON ROD ON THE NORTH-SOUTH CENTER LINE OF SAID SECTION 14; THENCE NORTH 0° 45' 09" EAST, 241 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14; AND THE TERMINUS OF THE COMMON BOUNDARY; THENCE SOUTH 89° 18' 32" EAST, 1292.71 FEET TO THE POINT OF BEGINNING.

ALSO, GRANTING UNTO THE BUYERS THE RIGHT TO USE A PERMANENT RIGHT OF WAY AND EASEMENT FOR POWER LINE PURPOSES AS RESERVED IN MEMORANDUM OF LAND SALE CONTRACT DATED MAY 1, 1978, BETWEEN GLADE M. KREWSON AS SELLER AND NATHAN D. HOLT AND CAROLINE D. HOLT, HUSBAND AND WIFE, RECORDED MAY 3, 1978 AS MICROFILM NO. 78-4-4707, AS BUYERS, AS RECORDED IN RECORDS OF COOS COUNTY, OREGON.

ARTICLES OF ORGANIZATION



Corporation Division
www.filinginoregon.com

E-FILED
Oct 06, 2014
OREGON SECRETARY OF STATE

REGISTRY NUMBER

105233993

TYPE

DOMESTIC LIMITED LIABILITY COMPANY

1. ENTITY NAME

BANDON BLACK MOON FARMS, LLC

2. MAILING ADDRESS

111 SW FIFTH AVE STE 1500
PORTLAND OR 97204 USA

3. NAME & ADDRESS OF REGISTERED AGENT

369286-95 - DK OREGON, INC.

111 SW FIFTH AVE STE 1500
PORTLAND OR 97204 USA

4. ORGANIZERS

STEPHEN J KLARQUIST

111 SW FIFTH AVE STE 1500
PORTLAND OR 97204 USA

5. DURATION

PERPETUAL

6. MANAGEMENT

This Limited Liability Company will be member-managed by one or more members

7. OPTIONAL PROVISIONS

The company elects to indemnify its members, managers, employees, agents for liability and related expenses under ORS 63.160.

Bandon Black Moon Farms, LLC

OPERATING AGREEMENT

THIS AGREEMENT made effective the 6th day of October, 2014, between Michael Lovas, Trustee of The Lovas Trust u/a dtd. 10/28/1999 ("Michael Lovas"); Donna Lovas, Trustee of The Lovas Broder Separate Property Trust u/a dtd. 11/13/2002 ("Donna Lovas"); and Nicholas Kelly.

1. FORMATION OF COMPANY

1.1 Formation. The Members agree to form a limited liability company (the "Company") under the laws of the State of Oregon, and have filed Articles of Organization, which articles were filed on October 6, 2014, as registry number 105233993.

1.2 Name. The name of the Company shall be Bandon Black Moon Farms, LLC.

1.3 Principal Place of Business. The principal place of business of the Company shall be at 86814 Sydnam Lane, Bandon, OR 97411. The business of the Company may also be conducted at any other or additional place or places as may from time to time be designated by the Members.

1.4 Purposes and Powers. The purpose of the Company is to engage in any lawful business permitted by the Oregon Limited Liability Company Act or the laws of any jurisdiction in which the Company may do business.

2. CAPITAL

2.1 Initial Capital. The Company's initial capital contributed by the Members is set forth on the opening books of the Company.

2.2 Additional Contributions. If further capital is required for carrying on Company business, the Members shall make contributions in amounts and percentages as they shall agree.

2.3 Interest. No interest shall be paid on the initial contributions or on any subsequent contributions to capital of the Company.

2.4 Return of Contributions; No Right to Withdraw Capital. Except as specifically provided in this Agreement, a Member may not withdraw capital from the Company. A Member shall have no recourse against any other Member for return of the Member's capital contributions. To the extent any amount that any Member is entitled to receive from the Company pursuant to any provision of this Agreement constitutes a return of capital, each of the Members consents to the withdrawal of capital. A Member shall not have the right to demand and receive property other than cash in return for the Member's capital contribution.

2.5 Membership Interest. The Membership Interest of each Member in the Company shall be as follows:

Michael Lovas	47.5%
Donna Lovas	47.5%
Nicholas Kelly	5.0%

2.6 Capital Accounts. The Company shall maintain a Capital Account for each Member on a cumulative basis. Each Member's Capital Account shall be equal to:

2.6.1 the amount of cash and the fair market value of the property contributed to the capital of the Company by the Member in accordance with Section 2; plus

2.6.2 the Member's allocable share of any profits of the Company pursuant to Section 3; less

2.6.3 the Member's allocable share of any losses of the Company pursuant to Section 3; less

2.6.4 the amount of cash and the fair market value of property distributed to the Member.

Upon a sale, exchange, transfer, assignment, gift, or other disposition of an interest in the Company, the Capital Account associated with the interest so transferred, whether the Capital Account has a positive or negative balance, shall be transferred to the transferee of the interest.

2.7 Loans from Members. Any Member may make a loan to the Company on the terms and conditions as the Member and the Company shall negotiate.

2.8 Adjustments to Capital Accounts. Except as otherwise provided in this Agreement, whenever it is necessary to determine the Capital Account of any Member for any purpose hereunder, the Capital Account of the Member shall be determined after giving effect to the allocation for the Company's current year of income and losses pursuant to Article 3 and all distributions for the year pursuant to Article 4 (except liquidating distributions pursuant to paragraph 7.2). Capital Accounts may also be adjusted in connection with (1) a contribution of money or other property (other than a *de minimis* amount) to the Company by a new or existing Member as consideration for an interest in the Company, or (2) a distribution of money or other property (other than a *de minimis* amount) by the Company to a retiring or continuing Member as consideration for an interest in the Company, to reflect the manner in which the unrealized income, gain, loss, or deduction inherent in Company property (that has not previously been reflected in the Capital Accounts) would be allocated among the Members if there were a taxable disposition of the property for the fair market value on the date of contribution or distribution.

3. ALLOCATION OF NET PROFITS AND LOSSES

3.1 Determination. The determination of net profit and net loss of the Company for each year shall be made in accordance with generally accepted accounting principles applied on a consistent basis by the independent accountant or the firm of independent accountants then servicing the Company.

3.2 Allocation. The net profit or net loss of the Company for each fiscal year shall be allocated among the Members in the ratio of their Membership Interests, as provided in Section 2.5.

3.3 Transfer of Membership Interest. In the event a Member transfers all or part of the Member's interest in the Company, the net profit or net loss of the Company allocable to the interest so transferred shall be prorated between the transferor and the transferee for the fiscal year in which the transfer occurs in accordance with the number of days during the fiscal year that each owned the interest.

3.4 Special Tax Allocations for Contributed Property. Income, gain, loss and deductions with respect to Property contributed to the Company by a Member shall be allocated among the Members in accordance with §704(c) of the Code, and the regulations promulgated thereunder.

3.5 Qualified Income Offset. If any Member unexpectedly receives an adjustment, allocation, or distribution described in subparagraph (4), (5), or (6) of paragraph (b)(2)(ii)(d) of Reg. §1.704-1 for any year, and such adjustment, allocation or distribution causes or increases a deficit balance in such Member's Capital Account, such partner shall be allocated items of income and gain (consisting of a pro rata portion of each item of partnership income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate such deficit as quickly as possible.

4. DISTRIBUTIONS

No less often than quarterly, the Members shall review the financial operations and cash position of the Company and may distribute any cash (including the proceeds of any refinancing of indebtedness of the Company) which is in excess of the amount that Members having Membership Interests exceeding 60 percent determine is reasonably needed by the Company. Any distribution pursuant to this section shall be allocated among the Members in the ratio of their Membership Interests on the date of the distribution.

5. ADMINISTRATION OF COMPANY BUSINESS

5.1 Management and Voting Rights. All Members shall have the right to participate in the management and conduct of the business of the Company. Except as otherwise provided in this Agreement, any matters related to the conduct of the business of the Company or the administration of the internal affairs of the Company shall be decided by the affirmative vote or consent of Members having combined Membership Interests exceeding sixty percent in interest of the Membership Interests.

5.2 Meetings. A meeting of Members shall be held if at least two Members sign, date, and deliver to the other Members a written demand for the meeting, describing the purpose or purposes for which it is called. Meetings shall be held at the principal office of the Company or any other place specified in the notice.

5.3 Quorum and Voting. The presence, in person or by proxy, of a majority of the Members shall constitute a quorum. Any action requiring the approval or consent of the Members shall be deemed approved only if a majority in interest of the Members, or any higher number or percentage required by this Agreement or by the Act for a particular matter, approve or consent to the action.

5.4 Unanimous Approval of Other Members Required. A Member shall not engage in any of the following acts without written consent of all Members:

5.4.1 admit a person as a Member of the Company;

5.4.2 redeem the interest of a Member whose membership has terminated;

5.4.3 do any act detrimental to the best interests of the Company or which would make it impossible to carry on the ordinary business of the Company;

5.4.4 do any act in contravention of this Agreement;

5.4.5 confess a judgment against the Company; or

5.4.6 possess Company property or assign the Members' rights in specific Company property for other than a Company purpose.

5.5 Outside Business Interests. Each Member may have other business interests, may engage in any other business or profession and shall not be required to devote the Member's entire time to the business of the Company, even though the other activities may directly or indirectly compete with this Company.

5.6 Outside Management. The Company may enter into contracts for management of any part of the Company business with a professional management company or for other services with a Member, acting individually or with a partnership or corporation in which one or more of the Members may be directly or indirectly interested as a partner, officer or stockholder; provided, however, that the manager shall serve at the will of the Members and shall not be a "manager" as that term is used in ORS Chapter 63.

5.7 Salary. No Member shall be entitled to any salary for services rendered to the Company except as authorized by the Company.

5.8 Indemnification. The Company shall indemnify and hold the Members harmless from and against any liabilities, losses, and expenses suffered or sustained, including, without limitation, any judgment, settlement, reasonable attorney fees, and other costs or expenses incurred in connection with the defense of any actual or threatened action or proceeding, provided that the liability, loss, or expense results from an honest mistake of judgment or from action or inaction taken in good faith for a purpose reasonably believed to be in the best interests of the Company, and provided further that the mistake, action, or inaction does not constitute gross negligence, fraud, or willful or wanton misconduct.

5.9 Waiver of Opportunity. No Member shall be accountable to the Company for any investment or business opportunity of which the Member becomes aware by reason of affairs of the Company. Each Member hereby waives any and all rights which the Member has now or may have in the future by reason of the doctrine of partnership or corporate opportunity, as it may be applied to a limited liability company.

6. TRANSFER OF MEMBERSHIP INTERESTS; WITHDRAWAL

6.1 General Restrictions on Transfer. Except as otherwise expressly provided in this Agreement, a Member may not sell, exchange, assign or otherwise dispose of the Member's - Membership Interest, or any portion thereof, to any person who is not then a Member, without the prior written consent of all of the other Members (the "non-transferring Members"), and no assignee, transferee or purchaser shall become a Member except as provided in paragraph 6.5. Any attempted

assignment in contravention of this Agreement shall be void and shall not be recognized by the Company.

6.2 Permitted Transfers. Notwithstanding any other provision of this Agreement, a Member may assign his Membership Interest, or any portion thereof, by sale, exchange, gift, or other disposition to

6.2.1 an ancestor, lineal descendant or spouse of the transferor Member;

6.2.2 a trustee of a trust described in paragraph 6.3 of this Agreement; or

6.2.3 an assignee not otherwise described in clauses (a) and (b), after compliance with the terms and conditions of paragraph 6.4 of this Agreement.

6.3 Assignment to Trust. A Member may assign his or her interest to a trust solely for the benefit of such Member and/or those persons described in subparagraph 6.2.1 without the approval of the other Members, and if the assignor is serving as trustee of such trust, then notwithstanding this Article 6 or the Act, the assignor, in his capacity as trustee, shall be treated as a Member with respect to the assigned interest during the period in which the Member is serving as trustee.

6.4 Right of First Refusal. A Member desiring to assign his Membership Interest under this paragraph 6.4 shall give the other Members written notice (the "Notice") of his intention to make such disposition, at least thirty (30) days in advance of such proposed disposition, and such proposed disposition shall be subject to the terms and conditions of this paragraph 6.4.

6.4.1 The Notice shall contain all of the terms and conditions of the proposed disposition of such Membership Interest ("Offered Interest") by such Member (the "Offering Member"), including the names and addresses of the proposed purchasers, transferees, or assignees, the purchase price, and terms of payment for such Interest.

6.4.2 For a period of thirty (30) days from the date the Notice is given (the "Option Period"), the Members other than the Offering Member (pro rata, in proportion to their respective Membership Interests, or in such other proportion as they may otherwise agree upon) shall have the option to purchase the Offered Interest under the same terms and conditions as are set forth in the Notice. If the Offering Member has included in the Notice the terms of a gift or other transfer not calling for a purchase price, the other Members shall be entitled to purchase the Offered Interest at the appraised value thereof as defined in subparagraph 6.4.6 (the "Appraised Value"), and the Option Period shall commence on the date the appraisal is issued in final form. If the offer of a prospective purchaser is an offer to purchase the Offered Interest for consideration, in whole or in part, other than money, the Offering Member and the other Members shall agree on a cash valuation of such consideration, or if such parties are unable to agree, the other Members shall be entitled to purchase the Offered Interest at the Appraised Value thereof, and the Option Period shall commence on the date the appraisal is issued in final form.

6.4.3 If the Members do not elect to purchase the Offered Interest, the Company shall, for a period of fifteen (15) days after the expiration of the Option Period of the Members, have

the option to purchase the Offered Interest under the same terms and conditions as are set forth in such Notice, or at the Appraised Value, as the case may be.

6.4.4 Such option shall be exercised, in either such case, by giving written notice thereof to the Offering Member within the applicable Option Period. The terms and conditions of the purchase shall be as specified in the Notice; provided, however, that in the event the other Members or the Company are entitled to purchase the Offered Interest at the Appraised Value, the purchase of the Offered Interest shall be made in cash not later than sixty (60) days after the option has been exercised.

6.4.5 In the event the Company and the other Members do not elect to purchase the Offered Interest, then the Offered Interest may be transferred subject to the satisfaction of all the following conditions:

(1) The price and terms may be no more favorable than those offered to the Company and Members.

(2) The transfer must be completed no more than 90 days after the option granted to the Company expires.

If the above conditions are not satisfied, the provisions of this paragraph 6.4 shall again be applicable to such Offered Interest.

6.4.6 For purposes of this Agreement, the Appraised Value shall mean the value of the Offered Interest as determined by an appraiser selected by the Offering Member, or his legal representative, and the Company. The standard used to value the Offered Interest shall be the same as that used to value gifts for federal gift tax purposes, as described in Treas. Reg. §25.2512-3. In the event the Offering Member, or his legal representative, and the Company cannot agree on an appraiser within 30 days after the Notice is given, the appraiser shall be selected by an arbitrator pursuant to Article 9. The Offering Member and the Company shall pay one-half of the fees and expenses of the arbitrator and the appraiser.

6.5 Admission of Assignee. An assignee, transferee or purchaser who is not currently a Member shall become a Member when all of the following conditions are satisfied:

6.5.1 All of the Members consent in writing to the admission of the assignee as a Member;

6.5.2 The assignee executes this Agreement and accepts in writing all of the terms and provisions of this Agreement as it may have been amended;

6.5.3 In the case of a corporate or limited liability company assignee, the assignee provides to the Company a certified copy of a resolution of the assignee's Board of Directors or Managers (if any) authorizing it to become a Member under the terms and provisions of this Agreement;

6.5.4 In the case of the purchase of an interest by a person who is not an existing Member, the assignee executes a statement that it is acquiring the Interest for investment and not for resale, and provides an opinion of legal counsel, at the expense of the purchaser, to the effect

that the transfer of the Interest is exempt from all applicable state and federal securities registration requirements;

6.5.5 The assignee executes such other documents or instruments, and provides any information, as the Company may reasonably require in order to complete the admission of the assignee as a Member; and

6.5.6 The assignee pays such reasonable expenses to as may be incurred by the Company in connection with its admission as a Member.

6.6 Rights and Liabilities of Assignor. A Member who assigns the Member's Membership Interest ceases to be a member with respect to the interest assigned, but is not released from liability as a member solely as a result of the assignment, and is not relieved of any fiduciary duties the assignor otherwise may continue to owe the Company or the remaining Members.

6.7 Rights and Liabilities of Assignee.

6.7.1 Until the assignee of a Membership Interest becomes a Member, the assignee shall have the assignor's right to receive and retain, to the extent assigned, the distributions, as and when made, and allocations of profits and losses to which the assignor would be entitled, but shall not exercise any other rights of a Member, including without limitation the right to vote or otherwise participate in the management and affairs of the Company.

6.7.2 An assignee who becomes a Member has, to the extent assigned, the rights and powers, and is subject to the restrictions and liabilities, of a Member under this Agreement and the Act. An assignee who becomes a Member also is liable for any obligations of the assignee's assignor to make contributions under this Agreement and the Act, but is not obligated merely by becoming a Member for any other liabilities for which the assignor was liable that were unknown to the assignee at the time the assignee became a Member and that could not be ascertained from the Articles of Organization.

6.8 Withdrawal. A Member may voluntarily withdraw as a Member from the Company, by delivering written notice to the other Members. The rights of a Member who has withdrawn, including the right to distributions and to withdraw capital, are limited as provided in paragraphs 6.9 and 6.10.

6.9 Termination of Membership Interest of Member. The death, withdrawal, expulsion, bankruptcy or dissolution of a Member shall terminate the membership of such Member, but shall not cause a dissolution of the Company. The former Member or his successor in interest shall have only the rights of an assignee of the Member with respect to the interest, unless the successor in interest of the Member is currently a Member or is admitted to the Company as a Member.

6.10 Redemption of Former Member's Interest. In the event the membership of a Member terminates, the Company may, but shall not be required to, redeem all or a portion of the Membership Interest held by the former Member or his successor in interest, by paying to the former Member (or his legal representative) or the successor in interest the Appraised Value of the Membership Interest held by the former Member. Similarly, the remaining Members shall have the option at any time, by agreement of a majority of them and in such proportions as they might agree, to purchase the Membership Interest held by the former Member, at the Appraised Value of the Interest. This paragraph shall not apply if the

successor in interest of the Interest is a Member or becomes a Member after the transfer, except with the consent of such Member.

7. TERMINATION

7.1 Events of Termination. Unless sooner terminated, the Company shall terminate upon the first to occur of the following:

7.1.1 a voluntary election to terminate upon the written consent of all Members;

7.1.2 the insolvency or bankruptcy of the Company; or

7.1.3 the sale or other disposition of all, or substantially all, of the Company's assets, other than a disposition for security purposes only.

7.2 Procedure Upon Termination. Upon the termination of the Company, the Members shall proceed with reasonable promptness to sell all Company property and to liquidate the business of the Company. The profits and losses of the business during the period of liquidation shall be divided among or be borne by the Members in the same percentages in which they or their predecessors in interest shared in profits and losses prior to the event which resulted in the liquidation.

The proceeds on liquidation shall be applied and distributed in the following order of priority:

7.2.1 payment of expenses of liquidation.

7.2.2 payment of all Company debts and liabilities (including set aside of reasonable reserves for any contingent or disputed liabilities).

7.2.3 payment of any loans, including interest, made by any Member to the Company.

7.2.4 distribution to the Members and assignees, first in proportion to, but not exceeding, their respective Capital Accounts, with the balance distributed in the percentages set forth in Section 2.5, of all remaining Company property and funds, including any reserves when contingent or disputed liabilities have been established and paid.

8. ACCOUNTING

8.1 Records and Books of Account. The Company shall keep adequate records and books of account and shall maintain them in accordance with generally accepted accounting principles. The Members shall cause annual financial statements of the Company to be prepared, which shall include a balance sheet, a profit and loss statement, and the supporting statements as the Members may from time to time deem relevant. Each Member shall at all times have access to the records and books of account of the Company.

8.2 Banking. All funds of the Company shall be deposited in its name in a checking account or accounts as shall be designated by the Members.

8.3 Method of Accounting. The books of account of the Company shall be kept on a cash basis. The taxable year of the Company shall be the calendar year.

8 - Operating Agreement

8.4 Income Tax Information. The Company shall furnish each Member with information pertaining to the Company taxable income or loss, including but not limited to, the informational tax returns of the Company and a Schedule K-1. The information shall show each Member's distributive share of each class of income, gain, loss, deduction, or credit of the Company. The information shall be furnished to the Members as soon as is practicable following the close of the Company's taxable year.

9. ARBITRATION

Any dispute or controversy arising in connection with the liquidation of the Company shall be resolved by arbitration in the City of Portland, Oregon, by Arbitration Services of Portland, Inc. (ASP). The parties shall select the arbitrator and conduct the arbitration according to the rules and policies of ASP. Any award shall be final and binding upon each and all of the parties, and judgment may be entered in any court having jurisdiction of the matter. In addition, if they mutually agree the parties may attempt to resolve the dispute through mediation prior to arbitration. Except as otherwise specifically provided for herein, costs of arbitration and mediation, including reasonable attorneys' fees, shall be borne by the non-prevailing party.

10. MISCELLANEOUS PROVISIONS

10.1 Benefit. This Agreement, including all restrictions on transferability on interests, shall be binding upon and inure to the benefit of the Members, their legal representatives, transferees, successors and assigns.

10.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

10.3 Amendment. This Agreement and the Articles of Organization may not be altered or amended except by the written consent of all Members.

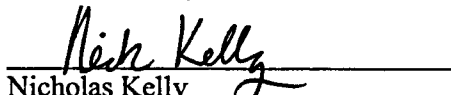
10.4 Integration. This Agreement embodies the entire agreement of the parties hereto. There are no promises, terms, conditions or obligations other than those contained herein.

IN WITNESS WHEREOF, the parties have signed this Agreement.

THE LOVAS TRUST



Michael Lovas, Trustee



Nicholas Kelly

THE LOVAS BRODER SEPARATE PROPERTY
TRUST



Donna Lovas, Trustee

MEMO

TO: COOS COUNTY PLANNING DEPARTMENT

FROM: NICHOLAS KELLY

SUBJECT: LAND USE APPLICATION

DATE: 4/5/2019

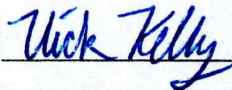
CC:

I am the principal operator of Black Moon farms and have been living and working full time on the farm since 2015. I require the assistance of family members to help at various times during the year including lambing season, harvesting, and for product distribution and sales.

My mother and stepfather are required to help at these times and required to stay on the farm for extended periods. This request is allow for a new dwelling that will accommodate them and make their stays on the farm easier.

I perform all the various operations including soil preparation, planting, harvesting of blueberries, cranberries and chestnuts. I maintain all equipment, do all repairs that are needed but there is more work than one person can do. I cannot afford to pay for extra help so I rely on family members when needed. I rely on family to help in aspects of the operation including accounting, crop sales, and with help in harvesting and packing product.

I respectfully am asking for approval of this new farm dwelling for my parents.



Nick Kelly