LAND USE BOARD OF APPEALS BEFORE THE LAND USE BOARD OF APPEALS 1 HAY 19 5 01 PH '86 OF THE STATE OF OREGON 2 S & J BUILDERS, LTD.. 3 LUBA No. 86-004 Petitioner, 4 FINAL OPINION vs. 5 AND ORDER CITY OF TIGARD, 6 Respondent. 7 8 Appeal from City of Tigard. 9 Jack L. Orchard, Portland, filed the petition for review and argued on behalf of petitioner. With him on the brief were 10 Ball, Janik & Novack. 11 Timothy V. Ramis, Portland, filed a response brief and argued on behalf of Respondent City of Tigard. 12 D. William Venable, Beaverton, filed a response brief and 13 arqued on behalf of Respondent Williams. With him on the brief were Bomarito and Henderson, P.C. 14 BAGG, Referee; KRESSEL, Chief Referee; DUBAY, Referee; 15 participated in the decision. 16 05/19/86 AFFIRMED 17 You are entitled to judicial review of this Order. Judicial review is governed by the provisions of ORS 197.850. 18 19 20 21 22 23 24 25 26

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Opinion by Bagg.

## NATURE OF THE DECISION

3 Petitioner appeals the denial of its request for a

4 comprehensive plan and zone change from Commercial Professional

5 (C-P) to Commercial General (C-G) for its property in the City

6 of Tigard.

## 7 FACTS

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g The 5.4 acre site is presently zoned C-P, a designation

9 which allows professional offices, but does not permit the

wide-variety of businesses, including retail sales, permitted

in the C-G zone. 1

The property is at the intersection of Southwest Scholls

13 Ferry Road and Southwest North Dakota Street. The City of

Beaverton city limits are immediately across Scholls Ferry

Road. The site is north of and adjacent to a 15 and one-half

acre parcel also owned by petitioner which houses a 305 unit

apartment complex. The site is also adjacent to a retail

shopping center known as the Greenway Town Center. If the

requested changes were approved, the subject property would

house additional commercial retail space as part of a second

phase of the Greenway Town Center.

22 A similar application was before the city in February,

23 1985. After approval by the planning commission, the city

council heard the application on an appeal and reversed the

planning commission in April, 1985. Petitioner filed an appeal

with this board, and pursuant to a request by the city, the

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1 matter was remanded to the city on August 10, 1985. 2 Builders v. City of Tigard, (LUBA No. 85-035, August 17, 1985). 3 The city council took up the remand on September 9, 1985. 4 At that hearing, petitioner stated that only traffic impacts 5 from the proposal required further inquiry. The petitioner 6 took this position because the city had stated, in the findings 7 adopted May 6, 1985, that all other approval criteria had been 8 satisfied. 9 At the close of the September 9 hearing, council voted to 10 deny the petitioner's application, but the denial was based on 11 additional criteria which city council members believed were 12 unsatisfied. Petitioner stated again that it understood the 13 only issue properly before the council was transportation. 14 council then voted to continue the matter to prepare findings. 15 On September 16, 1985 the council reopened deliberations. 16 The council concluded not only that additional criteria should 17 be applied, but additional public hearings should be held. On September 27, 1985, petitioner was notified in writing of the 18 added approval criteria.<sup>2</sup> 19 Petitioner submitted new application materials (under 20 21 protest), and after a city council hearing on November 25, 1985, the city council voted to deny the requested plan and 22 23 zone change. Findings were prepared, but the council referred them to the city attorney for revision. New findings were 24 approved by the council on January 6, 1986. The city's order 25 of denial became effective January 16, 1986. 26

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## FIRST ASSIGNMENT OF ERROR

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"The City is required to consider <u>Petitioner's</u> application based upon the standards specifically adopted by the City in the original proceedings on the application."

Petitioner claims the city announced the appropriate approval criteria prior to the order of remand by this board. Those criteria did not include the issues later relied upon to deny the application. Petitioner asserts the original announced criteria form the only "legal" basis to evaluate the application. Petition for Review at 17-18. Addition of other criteria, later used to deny petitioner's application, amounted to an <u>ad hoc</u> process of the kind specifically invalidated in <u>Sun Ray Dairy v. OLCC</u>, 16 Or App 63, 517 P2d 289 (1973), according to petitioner.

Further, petitioner argues the city's action violates ORS 227.178(3). Petitioner claims this statute prohibits changing land use approval criteria "in mid-stream during the processing of an application." Petition for Review at 19. ORS 227.178(3) provides:

"(3) If the application was complete when first submitted...and the city has a comprehensive plan and land use regulations acknowledged under ORS 197.251, approval or denial of the application shall be based upon the standards and criteria that were applicable at the time the application was first submitted."

(Emphasis added) Petition for Review at 19.

We find no error as alleged. The remand order to the city did not address the merits of the case. The remand did not direct any particular action by the city. Under such an order,

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ı we believe the city was free to undertake a complete review of 2 the case. See OAR 661-10-080(D). In addition, all of the criteria existed in the city's 3 comprehensive plan and zoning ordinance prior to and after the 5 first application by S & J Builders. No ordinance criteria 6 were changed, but the city did change it's mind as to which of 7 the existing ordinance criteria would be applicable to the applicant's proposal. The applicant was informed by letter of the changes 28 days prior to the scheduled hearing. Petitioner 10 requested that a later hearing be held, and the matter was rescheduled giving the petitioner another 28 days to prepare 11 12 for the hearing. Petitioner had ample time to address all criteria noted in the city's letter. 13 Under these circumstances, we find the city was free to 14 choose the approval criteria. The choice involved no 15 deprivation of petitioner's due process rights, and no 16 violation of ORS 227.178(3). 17 The first assignment of error is denied. 18 SECOND ASSIGNMENT OF ERROR 19 "Assuming that the City Council had a right to adopt 20 additional approval criteria following remand of the case, the new and additional approval criteria were 21 adopted on an ad hoc basis and were inconsistent with approval criteria utilized for other land use actions 22 of the type similar to Petitioner's request." 23 In this assignment of error, petitioner complains that the 24 city's additional approval standards were imposed ad hoc

exclusively for use in evaluating S & J Builders' proposal.

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ı These changes "raise significant due process issues." Petition 2 for Review at 22. Petitioner cites prior city council orders 3 concerning plan and zone changes which petitioner says show the 4 city applied different approval standards to S & J Builders 5 than to other applicants with similar proposals. See Petition 6 for Review at pp. 24-25. 7 We are not persuaded that petitioner's substantial rights have been violated. Even if we were to agree that the five 8 9 cases cited by petitioner show a course of conduct far 10 different from that applied to petitioner's application, 11 petitioner is not relieved from the burden of showing compliance with all applicable criteria. This petitioner may 12 13 not use past city errors to prevent the city from finding an applicable criterion unsatisfied. See Archdiocese of 14 Portland v. Washington Co., 254 Or 77, 458 P2d 682 (1969); City 15 of Eugene v. Crooks Co., 55 Or App 351, 637 P2d 1350 (1981); 43 16 Op. Att'y Gen. (1984). 17 The second assignment of error is denied. 18 THIRD ASSIGNMENT OF ERROR 19 "The City Council lacks an adequate basis for denial 20 of Petitioner's application as evidenced by the reasons given for the decision and the findings 21 documenting the denial decision." 22 Petitioner claims that the written order does not reflect 23 reasons for denial given orally at the November 25 hearing. 24 Notwithstanding petitioner's complaint, we believe the matter 25

for our review is the city's written order. The reviewable

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- 1 decision is not what individual council members may have stated
- 2 from time to time during the course of hearings, but is the
- 3 final written order. See Citadel Corporation v. Tillamook, 9
- 4 Or LUBA 61, aff'd 66 Or App 965, 675 P2d 1114 (1984); Bennett
- 5 v. Linn County, Or LUBA (LUBA No. 85-073, January 16,
- 6 1986).
- 7 Petitioner next attacks each of the reasons given for
- 8 denial of the permit. Petitioner's complaint is that each of
- 9 the city's findings is not supported by substantial evidence in
- 10 the record.
- II A. NEED TEST
- 12 According to petitioner, the city required petitioner to
- 13 demonstrate a long-term need for additional C-G zoned
- 14 property. Petitioner claims there is no basis in the city's
- 15 comprehensive plan or development code for such a requirement.
- In addition, petitioner argues the city erred in finding that
- there were existing empty retail spaces along Scholls Ferry
- 18 Road because petitioner's application was neither for a
- 19 particular type of commercial use, nor for an immediate
- 20 development.
- 21 Although petitioner believes the city relied on a need
- test, the city's order does not discuss any need criterion. 6
- 23 We do not understand the city's order to say that the proposal
- 24 should be denied because it is not needed. We conclude that
- 25 petitioner's attack is misplaced in that it does not explain
- 26 how the city has violated its plan and ordinance or any other

- 1 applicable criteria. See our discussion under Assignment of
- 2 Error No. 3(C), infra.
- 3 B. TRANSPORTATION ISSUES
- 4 The city found the zone change will negatively impact
- 5 Scholls Ferry Road and exacerbate existing traffic
- 6 difficulties. Petitioner argues this finding is erroneous and
- 7 is not supported by a traffic study prepared as part of the
- 8 original application process and updated for the hearing after
- 9 remand. The study concludes the traffic impacts would result
- in a level of service no different from the existing level of
- service on Scholl's Ferry Road. See Record at 28, 206-210. In
- other words, providing the property is developed as proposed,
- there would be no adverse traffic impacts and therefore no
- 14 violation of any applicable criterion according to
- 15 petitioner.<sup>7</sup>
- 16 Petitioner goes on to argue that not even the city's
- 17 comprehensive plan inventories show Scholls Ferry Road as a
- highway of major congestion (in contrast to Highway 217,
- 19 Interstate 5, and Highway 99W). Petitioner explains that the
- 20 city's fear of congestion on Scholls Ferry Road is based on the
- 21 mistaken assumption that under the present C-P zoning, the
- 22 property would be developed for office use, and under C-G
- zoning, the property would be developed for intensive retail
- use. Petitioner states it is impossible to pinpoint the mix of
- uses or impacts which may actually occur. Uses in the C-G zone
- 26 include those which do not generate as much traffic as certain

other uses in the C-P zone, notes petitioner.

The city's order relies on locational criterion

3 12.2.1(2)(B)(2)(a) of the Tigard Comprehensive Plan. This

4 provision requires that the General Commercial area or an

5 expanding existing General Commercial area must not create

6 congestion or traffic safety problems.

7 The city found petitioner's traffic study unreliable. The

8 study was based on the premise that offices would be built and

a small convenience store sited in the property. The city

10 notes, however, that there is no analysis showing traffic

impacts if the store is not built. The city uses this fact to

12 posit that without the store, the traffic impacts under the C-P

zone might be considerably less than those anticipated with

14 development at C-G levels.

The city also faults the study because (1) it did not

include a count of actual traffic volumes in the area, and (2)

it failed to consider the effect of improvements to Sorento

18 Road, an improvement that the city thought might contribute to

traffic problems on Scholls Ferry Road.

20 The city concludes that it

"cannot determine from the evidence submitted whether the conclusion that this change in zone would produce

no additional traffic safety problems is reliable."

Record at 10.

The only evidence cited in the findings showing that a

24 traffic hazard does indeed exist is found in opponent's

testimony and photographs. According to the city, this evidence

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     shows that "traffic conditions in the area are very congested
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     and hazardous." Record at 9.
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         It is not our function to reweigh the evidence to determine
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     whether we would reach the same result reached by the city.
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     Our job is only to determine whether the city's findings are
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     supported by substantial evidence. ORS 197.835(8)(a)(C).
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     Here, the city noted the evidence showing the traffic hazard,
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     and explained why it found petitioner's evidence about traffic
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     impacts was not reliable. It need do no more. Goracke v.
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     Benton Co., 74 Or App 453, P2d (1985); Morse v. Clatsop
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     Co., 12 Or 1UBA 70 (1984).
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         We conclude that the city's finding is supported by
     subtantial evidence and we find no error as alleged. We note
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     that in a typical denial case, the proponent must prove the
     denial was erroneous as a matter of law.
                                               Jurgenson v. Union
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     County Court, 42 Or App 505, 600 P2d 1241 (1979). See also
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     Maracci v. City of Scappoose, 26 Or App 131, 552 P2d 552 (1976).
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     C. CHANGE IN NEIGHBORHOOD
         Petitioner next attacks the city's finding that petitioner
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     failed to show how change in circumstances warranted a change
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     in zoning designation. Section 18.22.040 of the Tigard
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    Municipal Code states, in part, that:
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         "A recommendation or a decision to approve, approve
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         with conditions or to deny an application for a
         quasi-judicial amendment shall be based on all of the
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         following standards:
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              "(1) ****.
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**"(2)** \*\*\*\*\*.

\*(3) \*\*\*\*\*.

"(4) Evidence of change in the neighborhood or community or a mistake or inconsistency in the comprehensive plan or zoning map as it relates to the property which is the subject of the development application."

Petitioner insists changes have indeed occurred in the neighborhood. Petitioner states that two other parcels in the immediate vicinity have been redesignated as suburban office use and, as a result, any need for additional professional office space can be met at those parcels. Petitioner introduced evidence showing the property is not economically suited for office and space development. Petitioner adds that it is unlikely that the parcel will be used for office space. Petitioner points to a 22 acre parcel within a half a mile of petitioner's property which is to be sold as residential land. Additional residential use in the area will, according to petitioner, "focus the need for sub-regional commercial opportunities in the area...." Petition for Review at 44.

According to petitioner, the city ignores the enlargement of the Scholls Ferry Road and Southwest North Dakota Street intersection, and signalization of that intersection. These improvements change traffic patterns in the area, according to petitioner, and provide a link between the City of Beaverton and Tigard not existing at the time the comprehensive plan was adopted. The net result of this changed traffic pattern will, according to petitioner,

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"be to increase the necessity of utilizing the subject property for a broad range of commercial uses because of the 'draw' of the signalized intersection and its cross-city linkage." Petition for Review at 45.

Lastly, petitioner notes that it introduced evidence showing that the area is deficient in "commercial opportunities." Also, the nearby 305 unit apartment complex includes new residents who need "further commercial opportunities."

The city noted petitioner's evidence of change but concluded the changes did not justify approval of the application. The city adds that the submitted information and analysis confirms the need to retain the C-P designation, rather than change it to the C-G designation. The city also said petitioner presented no analysis of sales volume and drawing power for adjacent retail uses and that the record shows empty stores in the community. The city concludes that the commercial analysis presented by the developer shows a need for the shopping center such as the one in existence, but does not prove that changes in the area establish a need for rezoning the site to C-P zone.

As noted earlier, the proponent of the land use change has a heavy burden. Jurgenson v. Union County Court, supra. The city's analysis adequately explains why the changes noted by petitioner do not justify the proposed rezoning.

# D. PROCESS FOR ADOPTING FINDINGS

25 Petitioner makes the following argument:

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"As extensively noted throughout this brief, the process utilized by the City Council in adopting the January, 1986 findings was designed to accomplish one purpose: to find reasons to support a denial of Petitioner's application. Based upon the record, there is no doubt that the City Council starting with its April, 1985 hearings and continuing through the September and November, 1985 hearings reached its decision first and decided its reasons later. This violates the requirement that the decision must flow from the findings and not vice versa. Heilman v. Roseburg, 39 Or App 71, 591 P2d 390 (1979).

Petitioner's reliance on <u>Heilman</u> is misplaced. In <u>Heilman</u>, the city council voted to deny the application and asked the city attorney to prepare findings. No formal order of denial was made after the vote. The court noted that

"there is no order made contemporaneously with or after the fact-finding and [sic] the findings themselves do not in any express or implied way suggest a deliberate ratification of an earlier tentative decision." Heilman, 39 Or App at 75.

City council minutes of September 9, 1985 show the city council had grave doubts about the merits of the application. The minutes of the November 25, 1985 hearing show the city council asked that the findings be redrafted. A new set of findings was drafted and submitted for council review at a hearing on January 6, 1986. The minutes show the council considered this last draft of findings, including an order of denial, and approved the combined document at the January 6 meeting.

We believe these circumstances show that the city's decision was made on January 6, 1986. Unlike in <a href="Heilman">Heilman</a>, the city did not commit itself to any particular course of action

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at any particular meeting, as it reviewed findings at each of
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     the various hearings in which the matter was considered.8
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          We find no error as alleged.
          The third assignment of error is denied.
          The decision of the City of Tigard is affirmed.
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#### **FOOTNOTES**

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The uses allowed in the C-P zone include such civic uses as postal services and libraries, and such commercial uses as restaurants, business equipment sales, professional offices, and "convenient sales and personal services (not to exceed 10 percent of the total square footage within the office complex)." In contrast, the C-G district permits all of the uses allowed in the C-P district, plus automobile repair, general retail sales, sports and entertainment facilities and transient lodging. Further, conditional uses permitted within the C-G zone include a variety of additional commercial and service uses. See Tigard Community Development Code, Sec. 18.62 and 18.64.

The letter, including citation to approval critiera, preceded the scheduled hearing by 28 days. Petitioner then submitted a new application and asked for a continuance on October 25, 1985. A continuance was granted and a new hearing scheduled for October 25. See Respondent's Brief at 5 & 6.

All the approval criteria existed in the ordinance at the time the application for the plan and zone change was filed.

Petitioner argues that the city's first order setting forth what the city believed to be applicable approval criteria constitutes "the law of the case" in that the city made a concession that petitioner's first application met most approval criteria. See The Matter of Heater's Estate, 24 Or App 777, 547 P2d 636, 1976. We do not belive the law of the case doctrine applies. As noted, the city's first order, issued May 6, 1985, was appealed to this board and remanded. Our order of remand was not specific as to the issues the city was to consider. Our order simply "reinvested" the city with jurisdiction over the matter of the plan and zone change. See OAR 662-10-070(b)(4). There was, then, no "law" existing in the case which the city was obliged to follow on remand. Compare this case with Portland Audubon Society v. Clackamas Co., Or App (LUBA No. 85-032, April 28, 1986).

25 We understand petitioner to claim it has been denied equal protection of the law under the city's approval

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policies.

We note that none of the plan and zoning change requests cited by petitioner as evidence of discriminatory practice by the city involves changes from the C-P zone to the C-G zone. We believe it would be necessary for petitioner to compare criteria utilized in C-P to C-G zone changes in order to prove that other similar applications were treated differently than petitioner's application. Tribbet v. Benton Co., 2 Or LUBA 161 (1981).

There is, however, a discussion of a study attempting to justify more shopping center space. The discussion, however, does not reference any "need" approval criterion. See Record at 13. The discussion is relevant, however, to the city's requirement that a proponent of a change show a change in circumstances since plan adoption.

The traffic study assumed (as does the applicant) that the following actions would be taken along with development of the property: (1) extension of Southwest North Dakota to the City of Tigard; (2) expansion of Scholls Ferry Road and the Southwest North Dakota Street intersection; (3) signalization of that intersection; and 4) the addition of a right-turn phase on the signal.

 During the course of the hearing, the city council was informed that the intersection improvements had been installed and that the signal at Scholls Ferry Road and Southwest North Dakota would be operational sometime in 1986.

The city did not provide the notice of decision required by ORS 227.173 until after it had issued its findings on January 6.

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# CERTIFICATE OF MAILING

2	I hereby certify that I served the foregoing Final Opinion and Order for LUBA No. 86-004, on May 19, 1986, by mailing to
3	said parties or their attorney a true copy thereof contained in a sealed envelope with postage prepaid addressed to said
4	parties or their attorney as follows:
5	Jack L. Orchard
6	Ball, Janik & Novack 101 SW Main, Suite 1100
7	Portland, OR 97204
8	Timothy V. Ramis O'Donnell, Ramis,
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13	Suite 201 Beaverton, OR 97005
14	Patrid this 10th day of May 1006
15	Dated this 19th day of May, 1986.
16	Patricia & Kadaya
17	Patricia J. Madaja Administrative Assistant
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