# LAND USE BOARD OF APPEALS

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BEFORE THE LAND USE BOARD OF APPEALS
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                                                          10 16 AN '87
 2
                         OF THE STATE OF OREGON
 3 BETTY GRIFFITHS, STEPHEN HAWKES,
  PAUMULA HAWKES, STEVEN SPRECHER,
 4 LYNDA SPRECHER, BRUCE JOHNSON and
  ROSE JOHNSON,
                                                   LUBA No. 87-043
            Petitioners,
 6
                                                    FINAL OPINION
                                                      AND ORDER
       Vs.
 7
  CITY OF CORVALLIS,
            Respondent,
 9
       and
10
  GARY R. HAWKINS and JOHN S.
11 BRANDIS, JR.,
12
            Respondent-Intervenors.
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       Appeal from City of Corvallis.
14
       J. Stefan Gonzalez, Albany, filed the petition for review
15 and argued on behalf of petitioners.
  Michael Newman, Corvallis, filed a response brief and argued on behalf of Respondent City.
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       Roderick L. Johnson, Corvallis, filed a response brief and
18 argued on behalf of Respondent-Intervenors. With him on the
  brief were Johnson & Adkins.
       BAGG, Referee; DuBAY, Chief Referee; HOLSTUN, Referee;
20 participated in the decision.
                                         09/09/87
21
       REMANDED
       You are entitled to judicial review of this Order.
  Judicial review is governed by the provisions of ORS 197.850.
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Page 1
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Opinion by Bagg.
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# 2 NATURE OF THE DECISION

Petitioners appeal approval of a development plan for the

4 "Timberhill Shopping Center." The approval allows construction

 $^{5}$  of a 200,000 square foot shopping center in the City of

6 Corvallis.

### 7 FACTS

The subject property is a 21.73 acre parcel at the corner

9 of Kings and Walnut Boulevards. The site is an undeveloped

 $^{10}$  hillside with a grade of from 3 to 40 percent. The property is

11 zoned Community Shopping District (CS) and is subject to a

12 planned development overlay (R2). Surrounding uses include

13 offices and duplexes.

The city's planning commission reviewed the application in

15 March, 1987 and granted approval for Phase I (the shopping

16 center is planned for two phases).

The city council conducted a hearing on the application on

 $^{18}$  April 6, 1987, and approved the application with conditions on

19 May 18, 1987.

## 20 FIRST ASSIGNMENT OF ERROR

"The city erred in adopting the foundation engineering study as a condition of approval."

Under this asignment of error, petitioners first argue that

the shopping center site is subject to geologic hazard.

Because the area is subject to geologic hazard, Plan Policy

3.2.5 applies. The policy states:

į "THE CITY SHALL ADOPT STANDARDS IN THE LAND DEVELOPMENT CODE FOR OPEN SPACE/HILLSIDE AREAS AND 2 OTHER AREAS WITH STEEP SLOPES THAT WILL ACHIEVE THE FOLLOWING GUIDELINES IN AREAS WHERE DEVELOPMENT IS 3 PERMITTED: " \_ PLAN DEVELOPMENT TO FIT THE TOPOGRAPHY, SOIL,

GEOLOGY, AND HYDROLOGY OF HILLSIDES AND TO ENSURE HILLSIDE STABILITY BOTH DURING AND AFTER DEVELOPMENT.

MINIMIZE SOIL DISTRUBANCES [SIC] AND THE REMOVEAL OF NATIVE VEGETATION AND, IF POSSIBLE, AVOID THESE ACTIVITIES DURING WINTER MONTHS."

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The city's order makes it clear the city considered the first of the two guidelines quoted above to be applicable to this 10 decision. 1

11

The applicant commissioned two geologic studies by James K. 12 Maitland, a professional engineer. The first study is in the 13 form of a letter dated December 16, 1986, addresed to Brent 14 The second is a document entitled "Foundation 15 Investigation" dated February 1987.

16

The Maitland letter proposes several conditions and 17 recommendations for coping with the geologic hazards on the 18 property. The foundation investigation includes more 19 recommendations with options for various construction 20 strategies.

21

Petitioners allege these studies were considered at the planning commission hearing on March 4, 1987. Mr. Maitland 23 testified about the studies, but did not offer the studies or Indeed, the respondent maintains that letter into the record. 25 the letter and the study are not part of the record of the 26

- city's proceeding.
- 2 According to petitioners, the planning commission and the
- $^{3}$  city council adopted a condition requiring that the project
- 4 comply with the recommendations of the engineering report, the
- 5 same report petitioners contend is not in the record.
- 6 Petitioners' argument is that the decision is at least in part
- $^{7}$  based on the two engineering studies, neither of which is in
- 8 the record, and therefore the decision is not supported by
- 9 substantial evidence in the record. See ORS 197.835(8)(a)(C).
- 10 Petitioners point out that while the engineer, Mr.
- II Maitland, testified about the geo-technical feasibility of
- 12 building on the site, the city did not rely on the testimony.
- 13 Instead, the city relied on the missing study. The city's
- 14 order states:
- "A geo-technical study prepared by Jim Maitland, Professional Engineer, and submitted with the
- application indicates the soils, sub-surface geology, and hydrology would support the proposed
- 17 development." Record 15, 265, 88, and 100.
- 18 Petitioners claim the geo-technical investigation is
- 19 critical to this decision because the stability of the hillside
- 20 is assured, according to the county's order, only if the
- 21 project complies with the recommendations of the Maitland
- 22 reports. See Condition 6, Record 15.
- Petitioners next argue that it is not clear which of
- 24 several recommendations in the Maitland study the city relies
- 25 upon. According to petitioners, there are alternative
- 26 strategies included in the reports, and the city has failed to

- 1 identify which strategies it believes are appropriate and why.
- $^{2}$  According to petitioners, this is error.
- The city first argues that petitioners failed to allege
- 4 they were prejudiced by failure to include the engineering
- 5 reports. In addition, the city argues petitioners failed to
- 6 make an objection about the omission before the local
- government. See Dobaj v. Beaverton, 1 Or LUBA 237 (1981)
- $^{f 8}$  wherein we held a petitioner must raise all procedural errors
- $^{9}$  in the local forum before claiming error here.
- We do not characterize petitioners' objection as
- 11 procedural; rather, petitioners' complaint of insufficient
- 12 evidence to support the city's decision is an allegation of
- substantive error. See ORS 197.835(8)(a)(C). We, therefore,
- 14 will review the complaint.
- The city argues in the alternative that there is
- 16 substantial evidence to support the council's findings. The
- 17 city says the substance of the report is in the record and that
- 18 the included materials furnish substantial evidence to support
- 19 the city's decison. See Record 88, 265, 347, 428, 431, 440 and
- 20 463. Respondent City adds that McCoy v. Marion County, 14 Or
- 21 LUBA 108 (1985) supports its claim that the council may rely on
- 22 expert testimony and planning staff reports.
- The city goes on to affirm that the geological reports are
- 24 on file with the city and available to any one. Therefore,
- 25 according to the city, petitioners may easily know the
- 26 substance of the various engineering alternatives. <sup>2</sup>

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       The testimony given by the applicant's expert and
   summarized in the minutes does not show compliance with the
 3 city's plan. Mr. Maitland's responses to questions asked by
   city council members are equivocal. He simply states that he
   made several recommendations with respect to design and
   development of the site. Mr. Maitland does not state the
   project complies with the comprehensive plan. See Record 15,
 oldsymbol{8} 88, 100 and 265. A statement of project feasibility, given in
 9 unequivocal terms, is necessary to show compliance with
  applicable criteria, in this case, Plan Guidelines 3.2.5 quoted
  supra at p. 3. Margulis v. City of Portland, 4 Or LUBA 89
12 (1981).
13
       The staff report, however, does provide a statement that
   the project complies with the plan. At Record 347, the staff
   summarizes the engineering evidence and states:
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       "Generally, the report indicates the soils and
       sub-soil structure are suitable and stable for the
       traditional flat shopping center design if engineered
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       appropriately." See also Record 463.
18
      The difficulty with the materials cited by respondent is
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   that they do not clearly state what engineering recommendations
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  the city believes are appropriate to assure compliance with the
21
         The minutes and testimony discuss several alternatives,
  plan.
22
  and petitioners allege, and respondents do not deny, that the
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  engineering reports include alternative recommendations.
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      In our view, it was the council's responsibility to (1)
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  decide which of the modifications it wishes to pursue or (2)
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1 provide sufficient guidelines to control under what
2 circumstances particular alternatives will be utilized.
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3 council has taken neither action in this case.

4 We conclude the record is insufficient to support a finding

5 of compliance with paragraph 3.2.5 of the city's comprehensive

6 plan, and we sustain the first assignment of error. This error

7 requires a remand.

#### 8 SECOND ASSIGNMENT OF ERROR

"The city erred where it delegated authority to staff to review and grant approval of plans for Store F."

Petitioners argue the city decision improperly delegates

the power to review and grant detailed development plan

approval to the city's planning staff. In particular,

petitioners complain that detail development plan approval for

Building "F" is given to staff. This act, according to

petitioners, violates the city's plan providing for citizen

participation in all aspects of the land use planning process.

The city's approval required the applicant to submit

certain additional information about Building F as follows:

"2. The applicant shall submit for approval the following prior to request for building permits on Building F:

Detailed site plan of proposed development;

Detailed parking lot layout and internal circulation;

Plan Compatibility Review of drive-throughs and eating or drinking establishments;

Detailed utility plans for each development proposed;

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Architectural elevations of the proposed
            structure;
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            Detail plans of slope plantings and program for
 3
            maintaining plantings in the adverse slope
            conditions:
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            Detail of signs and locations." Respondent's
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            Brief at p. 17.
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       Petitioner asserts delegation of these issues for staff
  decision at the building permit stage violates Code Sections
  112.04.03-112.04.13 requiring public hearings by the planning
  commission to consider proposed development plans. See Code
10 Section 105.03 and 112.04.07. According to petitioners, the
  planning staff is not authorized to hold the hearings required
12 to grant approval of a development plan. See Code Section
13 112.04.07.
14
      The city first argues that this error is procedural, and
15 petitioners have failed to allege or demonstrate any predjudice
16 from the error. We disagree. The issue is whether the city's
17 code empowers the planning department to issue approvals.4
18 The question is one of delegation of the city council's
19 authority to find an application in compliance with the city's
  land use regulations. We will review petitioners' claim.
21
      The city then states the city council gave detailed
22 development plan approval to Buildings A-E and Building F.
23 According to the city, it is within staff discretion to approve
24 minor modifications to an approved development plan for
25 Building F under Code Section 112.05.03.03. This code section
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1 provides 2 "Any modification which is not within the description of a major change as provided in Section 112.05.03.01 3 shall be considered a minor change, which may be conditionally approved, or denied by the Director following the review and recommendation of staff. 5 Appeals of the Director's decision concerning minor modifications may be appealed to the Land Development 6 Hearings Board in accordance with the provisions of Section 118."5 7 According to the city, all that is given to the staff under 8 the condition complained of is limited authority to review proposed minor modifications. Because the detailed development 10 plan is approved in the city's order, the city contends that 11 the plan approval responsibility is not delegated to the 12 staff. 13 Further, according to the city, the staff's authority to 14 review plans for building applications is limited by the terms 15 of the city's order. The city concludes its code permits staff 16 to consider and approve design questions like the seven items 17 required by the final order, quoted supra at 7. 18 The council's approval of phase I of the development and 19 building application includes approval of the site plan, plan 20 elevations, general landscape plan, preliminary grading, 21 traffic, utilities, lighting and sign details. The city's 22 order granting development plan approval for the development 23 specifically grants approval only for Phase I. Phase I, as 24 originally applied for, includes Buildings A - E. Phase II,

not approved by the city's action, includes Building F and pads

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- (or site locations) for Buildings G K.
- While the city's order does not precisely say that this
- 3 first phase approval now includes Building F, the city makes
- 4 reference to Building F throughout its order. For example, at
- 5 Record 3 the city describes the basic design concept as
- 6 consisting of a "main complex of buildings (Buildings
- 7 A- F).... The city's order mentions Building F in its
- 8 discussion of signs, noise attenuation and transportation. See
- 9 Record 10, 11, 13, and 17. In addition, the council's approval
- 10 of the Timberhill Shopping Center Plan Development excepts from
- II the approval "those portions of the plan generally known as the
- 12 'PAD' or 'Phase II' sites." Record 19. Given the remainder of
- 13 the city's order, and the fact that the city's order refers to
- 14 approvals of buildings but defers approval of sites for future
- 15 buildings, interpretation of the order to include detailed
- 16 development plan approval for Phase I including Building F is
- 17 reasonable. We therefore reject petitioners claim that the
- 18 city has delegated detail development plan approval to staff.
- We also find the tasks delegated to staff are limited by
- 20 the city's order, and the limitation falls within code
- 21 provisions allowing staff approval of particular design and
- 22 construction tasks. For example, Section 209.02.02(b) of the
- 23 city code permits staff review of drive-in facilities,
- 24 including financial institutions and eating establishments.
- 25 See also Code Section 108.04.04. The utility plans and typical
- 26 architectural elevations were previously approved in the city's

- 1 order (See Record 4, 24 and 28) and we understand staff review
- 2 is limited to determining whether the elevations are consistent
- 3 with the "intent and character of the proposed development" as
- 4 approved by the city council. See Ordinance Section
- 5 112.05.01.01(c). Other conditions, including detail of slope
- 6 plantings and of sign locations are sufficiently limited, we
- 7 believe, to provide adequate guidance to staff. For example,
- 8 regarding plantings, the council noted it desired plantings of
- 9 "greater density and size" along the southern border of the
- 10 property. Record 7. This statement, along with additional
- 11 landscape findings in Record 6-8, do not call for the kind of
- 12 analysis reserved for quasi-judicial consideration under
- 13 Section 112.05.03 of the Code.
- Similarly, Condition 8, Record 9-10, lists specific sign
- 15 requirements for the shopping center. The order provides for
- 16 the number of signs at specific locations, their height, style
- 17 and lighting. See Record 10-12.
- 18 We conclude this staff review is quite unlike the major
- 19 review called for in Plan Chapter 112 for approval of detail
- 20 plans and major modifications to detail plans. See Section
- 21 112.05.03.02.
- The second assignment of error is denied.
- The decision of the City of Corvallis is remanded.

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Respondent does not argue that use of the word "guidelines" in the introductory paragraph is a directory standard. See

5 Downtown Community Assoc. v. City of Portland, 80 Or App 336

772 P2d 1258 (1986).

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The applicant argues that the reports are, indeed, part of 8 the record. The applicant states that the reports were supplied with the application.

A record objection was filed including, among other things, a complaint the reports were not part of the record. However, the objection was withdrawn. Unless the applicant wishes to file an exception to the record, we no longer have an issue regarding the record before us. We note that ordinarily all materials submitted with the application are part of the record of the city's proceeding.

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Both engineering reports are appended to petitioners'

brief. From the reports, it is not at all clear what
recommendations the city believes are appropriate. For example,

16 "We recommend, therefore, that the proposed site layout be modified to reduce the required depths of cuts and 17 engineered fills. These modifications could include terracing the site so that the uphill buildings (Pads A 18 through E) are located at a modest depth below the existing ground surface and with terraced parking located around the 19 structures and retained by modest retaining walls (4 to 6 feet high). We also recommend that the maximum practical 20 slopes for the pavement be used to reduce the overall amount of fill required. Other possibilities include 21 moving the buildings to the center of the site and terracing the parking around the buildings. Therefore, the 22 parking behind the main series of structures could be located at a lower elevation along Rolling Green Drive and 23 Forest Green Avenue. In general, we believe that a combination of terracing, relocation of the structures, 24 maximizing pavement slopes, using steep access driveways, and the judicious use of retaining walls could be used to 25 develop the property successfully." Appendix 3-3 of Petitioners; Brief. 26

Page 12

1 "The grading plan for the area uphill (north) of the major parking lot was not available at the time of the 2 preparation of this report. It is our understanding that 3 several isolated building pads are proposed for this area. It is our opinion that several options are available for construction within that portion of the property. options include: excavation of deeper cut slopes beyond those recommended herein, construction of retaining walls to support cut slopes, use of the proposed buildings as retaining walls, and construction of the building pads at a 6 substantially higher elevation. Appendix 4-9 of Petitioners' Brief. The applicant argues this issue is not ripe for review. The applicant insists the approval for Building F, if delegated 10 to staff, is not final. Because approval of design for Building F must come in the future, the applicant argues it 11 does not represent a "final land use decision" under ORS 197.015(10) and is, therefore, not subject to our review. 12 We disagree. The land use decision on review includes the 13 delegation. The delegation is properly before us at this time. The eventual approval or disapproval of a design for 14 Building F is not a subject for this appeal. 15 A major change in a plan development includes the following: 16 " 1. "Land Use; 17 " 2. Increase in dwelling unit density; 18 " 3. Decrease in dwelling unit density below that specified 19 in the Comprehensive Plan. 20 " 4. Ratio of number of different types of dwelling units; 21 " 5. Type of commercial or industrial structures; 22 6. Type and location of accessways and parking where off-site traffic would be affected; 23 " 7. Increase in the floor area proposed for 24 non-residential use by more than ten (10) percent

" 8. Reduction of more than ten (10) percent of the area

where previously specified;

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1 reserved for common open space and/or usable open space where previously specified; 2 " 9. Increase in the total ground area proposed to be covered by structures by more than five (5) percent 3 where previously specified; 4 "10. Reduction of specific setback requirements by more than twenty-five (25) percent where previously 5 specified; 6 "11. Reduction of project amenities provided such recreational facilities, screening, and/or landscaping 7 provisons by more than ten (10) percent where previously specified; and 8 "12. Any other modification to specific requirements 9 established at the time of conceptual development plan approval." City of Corvallis Land Development Code, 10 Section  $112.05.\overline{0}3.01(a)(1-12)$ . 11 A minor modification is any modification not included in 12 the above list. As discussed, the delegation to staff in the condition challenged by petitioners does not involve consideration of any of the 12 items under Section 112.05.03.01. 14 15 16 17 18 19 20 21 22 23 24 25

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