| 1 | BEFORE THE LAND USE BOARD OF APPEALS |
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| 2 | OF THE STATE OF OREGON |
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| 4 | RAYMOND HATTON and |
| 5 | SYLVIA HATTON, |
| 6 | Petitioners, |
| 7 | |
| 8 | VS. |
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| 10 | CITY OF EUGENE, |
| 11 | Respondent. |
| 12 | |
| 12 13 | LUBA No. 2006-221 |
| 14 | |
| 15 | FINAL OPINION |
| 16 | AND ORDER |
| 17 | |
| 18 | Appeal from City of Eugene. |
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| 20 | G. David Jewett, Springfield, filed the petition for review. With him on the brief was |
| 21 | Thorp, Purdy, Jewett, Urness & Wilkinson, PC. H. Andrew Clark, Springfield, argued on |
| 22 23 | behalf of petitioners. |
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| 24 25 | Ross M. Williamson, Eugene, filed the response brief and argued on behalf of |
| 25 | respondent. With him on the brief were Emily N. Jerome and Harrang Long Gary Rudnick |
| 26 | PC. |
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| 28 | HOLSTUN, Board Member; BASSHAM, Board Chair, participated in the decision. |
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| 30 | RYAN, Board Member, did not participate in the decision. |
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| 32 | AFFIRMED 03/28/2007 |
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| 34 | You are entitled to judicial review of this Order. Judicial review is governed by the |
| 35 | provisions of ORS 197.850. |

NATURE OF THE DECISION

Petitioners appeal a hearings official decision that interprets a part of the City of Eugene Code (EC) that governs nonconforming structures.

REPLY BRIEF

Petitioners move for permission to file a reply brief. The reply brief attached to petitioners' motion replies to an argument that is advanced by the city in response to petitioners' third assignment of error. Because we do not reach the third assignment of error, we need not and do not consider the reply brief.

FACTS

Petitioners' house and attached garage were constructed in 1947. A carport was constructed in front of the garage sometime before city zoning setback requirements were adopted in 1948. Building setbacks under the EC, which were first imposed in 1948, have changed over the years. Under the current EC, an interior yard setback of five feet is required and structures on adjoining properties must be at least 10 feet apart. The eaves of the garage and carport on petitioners' property are approximately 21 inches from the eaves of the house on the adjoining property. This encroachment into the current EC setbacks makes petitioners' garage and carport nonconforming structures under the EC.

Petitioners' flat-roofed car port was attached to the house and garage in a way that allowed moisture and debris to collect. The carport became severely damaged over the years due to rot and insect infestation and was in danger of collapsing. Petitioners had the damaged carport removed and a new carport of similar design was constructed in its place. The removal and new construction was accomplished without the required city building permit. The new carport apparently occupies essentially the same footprint as the old

¹ The parties dispute whether the evidence shows that construction of the carport predates the zoning setbacks.

carport. Although there are some design similarities between the new and old carport, there are differences as well. The new carport is bulkier in appearance, and the new carport is

taller and has a sloped roof that allows rainwater to drain away from the house and garage.

While the new carport was under construction without a building permit, the city issued a stop work order. In an August 3, 2006 letter, petitioners' attorney requested that the new carport be allowed to remain as a restoration of the old carport under EC 9.1230(1).² Record 83-85. The city planning department responded that the new carport does not qualify as a restoration of the old carport. Record 81-82. Petitioners appealed that decision to the city land use hearings official. The hearings official also concluded that the new carport did not qualify as a restoration of the old carport, and this appeal followed.

FIRST ASSIGNMENT OF ERROR

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The City of Eugene, like most cities and counties, has a policy of disfavoring nonconforming uses and structures and requiring that they be corrected or removed over time. EC 9.1200.³ But the City of Eugene, like most cities and counties, expressly provides a limited right to continue use of nonconforming structures. EC 9.1230.⁴ As relevant here

² We set out the relevant EC sections later in this opinion.

³ EC 9.1200 provides:

[&]quot;Purpose for Regulation of Nonconforming Situations. Nonconforming lots or parcels, uses, and structures are detrimental to the orderly development and general welfare of citizens and property. This land use code provides for the orderly termination of legal nonconforming situations in order to promote the public health, safety, and general welfare, and bring these lots, uses, or structures into compliance with this land use code. Sections 9.1210 through 9.1230 are intended to:

[&]quot;(1) Minimize the impacts of the nonconforming situation by establishing standards that limit the expansion of the nonconformity.

[&]quot;(2) Provide for the correction or removal of nonconforming situations in an equitable, reasonable, and timely manner."

⁴ EC 9.1230 provides:

[&]quot;<u>Legal Nonconforming Structure</u>. A structure that was legally established but no longer conforms to all development standards of this land use code (such as height or setbacks) is

1 under EC 9.1230(1), "[a] legal nonconforming structure that is damaged to an extent of 50% 2 or more of its replacement cost may be restored only if the damage was not intentionally 3 caused by the property owner and the nonconformity is not increased." There are a number 4 of elements that must be satisfied before the old carport could be "restored" under EC 5 9.1230(1). In this appeal, there is no dispute that petitioners satisfied each element in EC 6 9.1230(1): (1) unintentional damage, (2) damage more than 50% of replacement cost, (3) 7 nonconformity not increased. Nonetheless, the city disputes petitioners' contention that the 8 new carport qualifies as a "restoration" of the old carport. The hearings official considered 9 petitioners' arguments to the contrary, but ultimately concluded that the new carport did not

"[Petitioners] assert that the carport structure that replaces the prior structure restores the carport, in that the new structure serves the same function in the same location as the structure it replaces. In support of that argument, [petitioners] supplied a dictionary definition of 'restore' which provides:

""restore * * * 1. to put back into existence or use. 2. To bring back to a former or original condition. 3. To give back: return * * * syns: REINSTATE, RENEW, REVIVE.' Webster's II New Riverside Dictionary 359 (1988).'

considered a legal nonconforming structure. Notwithstanding development standard requirements in this code, minor repairs and routine maintenance of a legal nonconforming structure are permitted. The continuation of a legal nonconforming structure is subject to the following:

- "(1) A legal nonconforming structure that is damaged to an extent of 50% or more of its replacement cost may be restored only if the damage was not intentionally caused by the property owner and the nonconformity is not increased. Any residential structure(s), including multiple-family, in a residential zone damaged beyond 50% of its replacement cost by a catastrophe, such as fire that is not intentionally caused by the owner, may be reconstructed at the original density provided the reconstruction is commenced within 2 years after the catastrophe.
- "(2) A legal nonconforming structure may be altered to bring the structure closer to compliance with existing regulations, but shall not be altered in a manner that increases its nonconformity.
- "(3) A legal nonconforming structure that is moved loses its nonconforming status and must then conform to all requirements of this land use code."

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17 18 qualify as a restoration of the old carport.

"[Petitioners] contend that the design of the carport is intended to replicate the pre-existing carport, which supports their assertion that the project falls within the definition of 'restoration' rather tha[n] replacement. According to [petitioners], EC 9.1230(1) permits such restoration where, as here, the structure is damaged to more than 50% of its replacement costs and the property owners did not cause the damage.[5]

"Staff responds that EC 9.1230(1) should be read in context with EC 9.1200. [See n 3] Read together, staff argues that the code clearly contemplates that when a nonconforming structure must be completely reconstructed, it must comply with current development standards."

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"As the present dispute shows, the provision is ambiguous. In interpreting ambiguous code provisions, the decision maker must first look to the text and context of the provision. *PGE v. Bureau of Labor and Industries*, 317 Or 606, 610, 859 P2d 1143 (1993). The definition of 'restored' is crucial to whether the carport at issue in this case is a 'restored' structure, or a replacement that must satisfy current setback standards. The term is not defined in the EC.

"Words of common usage typically should be given their plain, natural, and ordinary meaning. *Id.* at 611, citing *State v. Langley*, 314 Or 247, 256, 839 P2d 692 (1992).

"Here, [petitioners] have supplied a dictionary definition that provides support for their argument that the construction that occurred in August 2006 falls within the meaning of 'restore.' It is true that the purpose of the new structure is to restore the use of the space as a carport. However, it is the structure, and not the use, that is nonconforming. Therefore, the pertinent inquiry is whether the actions taken by [petitioners] 'restore' the structure rather than replace it.

"The word 'restore' implies that there is some original part of the building that will be brought back as a result of the actions of the contractor. The evidence shows that the previous structure was completely replaced by a new structure. The new structure is built of the same materials: wood, cement and fiberglass, but the design amplifies the height and bulk of the structure it replaced. By any stretch of the imagination, the use of all new materials and a

⁵ The hearings officer also acknowledged petitioners' arguments that while the new carport is taller and bulkier that the old carport that it replaced, the relevant inquiries under EC 9.1230(1) are whether a carport is being replaced with a carport with shared design elements and whether the interior setback intrusion is being increased.

new design does not 'restore' the structure that was irreparably damaged by water and insects.

"For this reason, the Hearings Official concludes that the replacement carport is a new structure that must comply with setback standards that apply to new construction." Record 6-8 (footnotes omitted).

In its response brief, respondent offers the following defense of the hearings official's

decision:

"Initially, the Hearings Official looked to the text and sought to apply a plain and ordinary meaning to the term 'restore' as it relates to Petitioners' construction of a new carport. Petitioners' own argument cites a dictionary definition for the term 'restore' as including 'to bring back to a former or original condition.' One look at a picture of the original carport in comparison to the new carport leads to the conclusion that it is unreasonable to determine that Petitioners' new carport brings the original carport back to its original condition. *Compare* [Record] 32-33 (original structure) *with* [Record] 36, 72 (new structure).

"Furthermore, the Hearings Official's interpretation takes into account the fact that the 'structure' at issue is the original carport that no longer exists. As the Hearings Official found, and as evidenced by the record, no part of the original carport 'structure' continues to exist in the new structure. The new carport is made from new materials with a different design, including a different height, different overall mass, and different appearance.

"The Hearings Official's interpretation is also reasonable and correct when taking into account the context of the provision—wherein the term 'restore' is prefaced by the term 'continuation' and juxtaposed with the term 'reconstruct.' Petitioners replaced the original carport. The original carport structure was not continued in any manner, but replaced by new materials using a new design. With the complete replacement of the structure, Petitioners actions must be considered closer to a 'reconstruction' as opposed to a 'restoration.' The terms 'continuation' and 'reconstruct' provide context for defining the term 'restoration.' It is reasonable to conclude that a restoration contemplates something less than the complete reconstruction or replacement of a structure.

⁶ We understand the hearings official, and respondent in its brief, to distinguish the concepts of *restoration* and *reconstruction* based on the usage of the terms "restored" and "reconstructed" in the first and second sentences of EC 9.1230(1). *See* n 4. Under the second sentence of EC 9.1230(1), the fire-damaged remains of a residential structure could be entirely removed and a new home at the same density could be "reconstructed" on the property. Under the first sentence of the EC 9.1230(1), the "restored" structure must include some part of damaged structure or the new structure is not property classified as a restoration.

"Last, the Hearings Official's interpretation is reasonable and correct when considering the purpose of the provisions—stating nonconforming situations are disfavored and the code intends to end the situations in due course. Eugene Code 9.1200. Petitioners' proposed interpretation would swallow the intended purpose of the provision by allowing nonconforming structures to be replaced for perpetuity. * * *" Respondent's Brief 13-14 (citations omitted).

We have quoted at length from the hearings official's decision and respondent's defense of the hearings official's reasoning in its brief in this appeal because we agree with that reasoning and respondent's defense of that reasoning and do not have anything material to add to that reasoning or respondent's defense of the hearings official's reasoning. Simply stated, the dictionary definition of "restore" that petitioners cited and the city relied on calls for bringing something back but is somewhat obscure about what that something is. To identify that "something" petitioners would focus on function and use; and the lack of any increase in the setback intrusion (the carport function is brought back and the setback intrusion is the same now as it once was). The city focused instead on the different structures and the lack of continuity (the old structure was discontinued and no part of that structure was brought back; the new structure is constructed of all new materials, taller and somewhat different in design). The focus dictates the result under EC 9.1230(1). Even if petitioners' focus is defensible, we agree with respondent that the hearings officer's focus is truer to the text of EC 9.1230(1) and more consistent with the cited contextual provisions.

Petitioners make two additional arguments that merit brief mention. First, because EC 9.1230(1) authorizes restoration if a nonconforming structure is "damaged to an extent of 50% or more of its replacement cost," petitioners argue that a nonconforming structure that is damaged to the extent of 100 percent of its replacement value could be restored under EC 9.1230(1). From that argument, petitioners advance a second argument: "[t]he only way to 'restore' a structure that has been damaged to an extent of 100% of its replacement cost is to substitute 100% new materials for the damaged materials." Petition for Review 10. We agree with respondent that the EC 9.1230(1), as written, establishes a *minimum* damage of

"50% or more of its replacement cost," and does not necessarily contemplate the restoration of a structure that has been damaged to the extent of 100 percent of its replacement cost. Furthermore, even if a structure that is damaged to the extent of 100 percent of its replacement cost can be restored under EC 9.1230(1), petitioners' second argument does not necessarily flow from the first. Notwithstanding that a structure might be damaged to an extent that an insurance adjuster would conclude equals 100 percent of its replacement cost, it does not necessarily follow that all structural components are damaged and must be replaced. Even if all structural components are damaged, it could easily be the case that some of the damaged structural components could nevertheless be repaired and included in the restoration.

Finally, petitioners fault the city for not considering EC 9.1230(2). *See* n 4. EC 9.1230(2) authorizes *alteration* of a nonconforming structure "to bring the structure closer to compliance with existing regulations." Petitioners suggest the new carport design was selected to "bring it closer to compliance with current building standards." We are not sure we understand the argument. If petitioners are arguing that the new carport design qualifies as an alteration "to bring the structure closer to compliance with existing regulations" under EC 9.1230(2), petitioners cite no regulation that either prohibits the flat-roof design of the old carport or requires the taller pitched roof design that was incorporated into the new carport. Because petitioners cite no regulation that the old carport violated or that the new carport is "closer to compliance with," we fail to see how EC 9.1230(2) has any bearing on this matter.

The first assignment of error is denied.

SECOND ASSIGNMENT OF ERROR

Petitioners' second assignment of error is nominally a substantial evidence challenge to the hearings official's interpretation of EC 9.1230(1). With one possible exception, we agree with respondent that petitioners' arguments under the second assignment merely repeat

the argument they advanced under their first assignment of error and that petitioners' dispute with the city with regard to EC 9.1230(1) presents a question of legal interpretation rather than an evidentiary question.

The one possible exception is petitioners' quotation of an exchange that occurred below between the hearings official and petitioners' contractor. In that exchange, the contractor speculated that even under the city's narrow view of EC 9.1230(1), the old carport could have been entirely replaced so long as some nominal part of the old carport remained as part of the new carport. That argument begs the question of whether the taller and bulkier new carport is accurately described as a restoration. And, in any event, we do not understand the argument. It is hardly surprising that there may be ways to go about repairing damaged nonconforming structures that comply with the letter of EC 9.1230(1) but are inconsistent with the underlying purpose. The question in this appeal is whether petitioners' decision to entirely remove the damaged old carport and replace it with a new, taller and bulkier carport resulted in a "restored" carport, within the meaning of EC 9.1230(1). That some other approach to addressing the problem posed by the old, damaged carport might have been consistent with EC 9.1230(1) and resulted in something that resembles the new carport is irrelevant.

The second assignment of error is denied.

THIRD ASSIGNMENT OF ERROR

To take advantage of EC 9.1230, petitioners' old carport must have been a structure that was "legally established." Because the old carport violated the zoning setbacks that were first imposed in 1948, petitioners had the burden to establish that the old carport was constructed before 1948. Petitioners relied on city planning staff's agreement, throughout most of the local proceedings, to assume the old carport predated 1948. That agreement was based on the *lack* of any evidence that the old carport was constructed after 1948. Petitioners describe that agreement as a "stipulation" by the city. On October 20, 2006, the same day

the evidentiary record in this matter closed, the city withdrew its prior agreement to assume that the old carport was constructed before 1948. Record 29. The hearings official ultimately concluded that petitioners failed to carry their evidentiary burden to demonstrate that the old carport was "legally established."

The hearings official's finding that the new carport does not qualify as a restoration of the old carport under EC 9.1230(1) assumes that the old carport was "legally established," within the meaning of EC 9.1230. That finding was a separate and independent basis for rejecting petitioners' appeal of the planning department's decision concerning the new carport. Therefore, the hearings official's decision would have to be affirmed even if we sustained petitioners' third assignment of error. Because the third assignment of error would not alter our ultimate decision in this appeal, regardless of our disposition of that assignment of error, we do not consider petitioners' third assignment of error.

The city's decision is affirmed.