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Staff Report

For the September 10, 2021 Public Hearing

Appeal of a Planning Director's Interpretation

Case File: T2-2021-14768

Scheduled before one of the following County Hearings Officers: - Joe Turner - Dan Kearns

Hearing Date, Time, and Place:

Friday, September 10, 2021, at 9:00 am or soon thereafter, via virtual meeting. The meeting access information can be found at https://www.multco.us/landuse/12424-nw-springville-road or by calling +1 253 215 8782 (Webinar ID 975 7494 0550).

Location:	12424 NW Springville Road Tax Lots 2800 & 3100, Section 16 and Tax Lot 600, Section 15, Township 1 North, Range 1 West, W.M. Tax Account # R961160130, R961160590 and R961150770				
Appellant:	Scott Reed	Property Owner(s):	Scott Reed and Stacey Reed		
Summary:	The Owners received permits for a dwelling customarily provided in conjunction with farm use, Significant Environmental Concern – Wildlife Habitat, and Hillside Development in Case No. T2-2014-3377 ("Permit"), effective September 11, 2015. The Planning Director determined that the Permit expired for failure to commence construction within the time period required in the Permit. The Appellant appeals that determination.				
Base Zone:	Exclusive Farm Use (EFU) and Commercial Forest Use (CFU)				
Overlay:	Significant Environmental Concern for wildlife habitat and streams; Hillside Development				
Site Size:	84.43 acres				



Applicable Approval Criteria:

Multnomah County Code (MCC): Former MCC 37.0690 Expiration of Type II or Type III Decisions¹

Recommended Hearing Officer Decision:

Staff recommends that the Hearings Officer affirm the Planning Director's determination that the permits issued in Case File No. T2-2014-3377 (the "Permit") have expired.

Findings of Fact

FINDINGS: Written findings are contained herein. The Multnomah County Code (MCC) criteria are in **bold** font. Staff analysis and comments are identified as '**Staff:**' and address the applicable criteria. Staff comments may include a conclusionary statement in *italic*.

1.0 Project Description:

Staff: In Case No. T2-2014-3377, the Owners proposed to construct a new dwelling in conjunction with farm use on not high-value farmland soils capable of producing the median level of annual gross sales, as provided in *former* MCC 33.2625(D)(3). (Exhibit B.1).² The

¹ Multnomah County consolidated and renumbered its Zoning Code in 2018 (Ordinance 1264). *Former* MCC 37.0690 is now codified at MCC 39.1185. The full text of *former* MCC Chapter 37 is available at <u>https://multco-web7-psh-files-usw2.s3-us-west-2.amazonaws.com/s3fs-public/ch37.pdf</u>.

² Exhibit B.1 contains the 2017 version of MCC 33.2625, which is also available at <u>https://multco-web7-psh-files-usw2.s3-us-west-2.amazonaws.com/s3fs-public/ch33.pdf</u>. Although MCC 33.2625 was amended three times following the September 11, 2015 effective date of the Permit, none of those amendments affected MCC 33.2625(D)(3), which is the provision referenced

dwelling was proposed to be located on the subject 84.43-acre tract of land, as described in the Permit. The Permit approving the proposed development, with conditions, became effective on September 11, 2015. (Exhibit A.1). The issue before the Hearings Officer is whether the Permit has expired.

2.0 **Property Description & History:**

Staff:

<u>Property Description</u>: As more fully described in the Permit (Exhibit A.1), the subject tract consists of three tax lots (R324339, R324300 and R501639) of which 72.87 acres are zoned Exclusive Farm Use and 11.56 acres are zoned Commercial Forest Use -2. The property includes three overlays: SEC-s for streams, SEC-w for wildlife habitat, and Hillside Development for steep slopes. (Exhibit A.1).

<u>Procedural History</u>: The Permit became effective on September 11, 2015. (Exhibit A.1). Condition 3 of the Permit provides, in part, "**This Permit EXPIRES as provided in MCC 37.0690.**" (Exhibit A.1) (emphasis in original).

As explained more fully below, under MCC 37.0690, the first step a property owner must take to ensure that their permit does not expire is "commencement of construction." For certain types of permits, the Code requires commencement of construction to occur within 2 years of the date of final decision, which, in this case, would be September 11, 2017. MCC 37.0690(B). For other types of permits, the Code requires commencement of construction to occur within 4 years of the date of final decision, which, in this case, would be September 11, 2019. MCC 37.0690(C). As relevant here, commencement of construction is defined in MCC 37.0690(B) and (C) to mean "actual construction of the foundation or frame of the approved structure." (Exhibit B.1).

Almost two years after the Permit's September 11, 2015 effective date, on August 8, 2017, the Owners submitted an application to the County for a grading and erosion control permit for the dwelling. (Exhibit B.2).

By September 11, 2017, two years from the date of final decision on the Permit, no grading permits had been issued, the Owners had not applied for building permits, and no work had occurred on the foundation or frame of the dwelling. (Exhibit B.3) (noting "Foundation contractor start[ed] work" in May 2018 and no building permit issued as of March 2020); (Exhibit B.4) (showing on page 1 that building permit application was submitted March 27, 2018).

On February 12, 2018, the County completed and signed off on its Building Permit Review for the dwelling. (Exhibit B.5). Two days later, on February 14, 2018, the County issued a

in the Permit. *See* Ordinance 1242 (accessory structures in MCC 33.2625(O)); Ordinance 1248 (farm stands in MCC 33.2625(G)); Ordinance 1249 (wineries in MCC 33.2625(H), (S), (T)), all available at https://www.multco.us/board/ordinances.

Grading and Erosion Control permit for the subject property in Case No. T1-2017-9729 ("GEC Permit"). (Exhibit B.6).³

On March 27, 2018, the Owners submitted their Building Permit application to the City of Portland ("City"), which provides building permit services for the County pursuant to an intergovernmental agreement.⁴ (Exhibit B.4); (Exhibit B.3) (stating plans were submitted to City for building permit in March 2018).

In May 2018, the Owners notified the County that they planned to "start the sitework [sic] for the house." (Exhibit B.7) (providing notice).

The Owners have since stated that in May 2018, they "hire[d] Nichols Excavating to build [their] foundation" and that "[b]y June 2018 the foundation contractor had a surveyor lay out the foundation and they excavated the basement and the footings for the foundation. We thought we had met the threshold for commencement of work and no further approvals were needed from the County." (Exhibit B.3). Independent of the Appellant's assertions, the County has not received documentation from the Appellant verifying that excavation occurred. Aerial photographs of the property from 2018, 2019, and 2020 do not provide any clear indication of excavation work or any other work at the proposed home site. (Exhibit B.8).

In addition, the Appellant has not provided any evidence of construction of the foundation or frame occurring during the period between June 2018, when the Appellant asserts the excavation occurred, and September 11, 2019, which marked four years from the effective date of the Permit. By September 11, 2019, no building permits had been issued for the dwelling. (Exhibit B.4).

On February 7, 2020, County planning staff requested that the City of Portland put the Owners' building permit on administrative hold because staff believed the Permit had expired. (Exhibit B.9). Not having received a response from the City, County planning staff followed up with the City of Portland on April 23, 2020, at which time the City confirmed that the Owners' building permit had been put on administrative hold. (Exhibit B.9).

On June 4, 2021, the Planning Director issued a decision stating that the Permit had expired for failure to commence construction within the required time period (the "Decision"). (Exhibit A.1).

On June 11, 2021, the Appellant filed a Notice of Appeal arguing that (1) the Decision failed to explain its application of MCC 37.0690; (2) the Appellant had substantially undertaken foundation construction; and (3) the Appellant has a vested right to complete construction under the Permit.

³ As explained more fully in the analysis below, it is staff's position in this appeal that the Permit's expiration date was September 11, 2017, and staff therefore concedes that the Building Permit Review and Grading and Erosion Control permit were issued in error.

⁴ It appears that the Owners originally filed a Building Permit application with the City on February 20, 2018, but the City determined at that time that the application was not ready for intake. (Exhibit B.4) (comment on page 1 from 2/20/2018 that application was "not ready for intake"). The Owners refiled the application on March 27, 2018, as shown on page 1 of the City report. (Exhibit B.4).

For the Hearings Officer's convenience, the dates above have been summarized in the following table:

Date	Action	
September 11, 2015	Permit Effective Date/Date of Final Decision	
August 8, 2017	Owners submit Type I application to Multnomah County for	
	Grading and Erosion Control Permit (T1-2017-9729)	
September 11, 2017	2 Years from Permit effective date	
February 12, 2018	County Building Permit Review complete	
February 14, 2018	County issues Grading and Erosion Control Permit in Case No. T1-2017-9729	
March 27, 2018	Owners submit Building Permit application to City of Portland	
May 29, 2018	Owners notify Multnomah County that they plan to start site work	
	for the dwelling	
May 2018	Owners hire Nichols Excavating to build foundation*	
June 2018	Surveyor lays out foundation and contractor excavates basement and	
	footings*	
September 11, 2019	4 Years from Permit effective date	
February 7, 2020	County requests building permit administrative hold	
April 23, 2020	County again requests building permit administrative hold and City	
	confirms administrative hold	
June 4, 2021	Planning Director's written determination of expiration	
June 11, 2021	Notice of Appeal filed	

* Not verified by the County

3.0 Public Comment:

Staff: Staff mailed a notice of the appeal and Hearings Officer hearing to the required parties per MCC 39.1105 as Exhibited in C.1. Staff did not receive any public comments prior to the hearing.

4.0 **EXPIRATION CRITERION:**

4.1 MCC 37.0690: EXPIRATION OF TYPE II OR TYPE III DECISIONS

* * *

(B) Except for approval of residential developments as specified in (C) below, a Type II or Type III land use approval issued pursuant to this Chapter for a use or development that includes a structure shall expire as described in 1 or 2 below:

(1) When construction has not commenced within two years of the date of the final decision. Commencement of construction shall mean actual construction of the foundation or frame of the approved structure. For utilities and developments without a frame or foundation, commencement of construction shall mean actual construction of support structures for an approved above ground utility or development or actual excavation of trenches for an approved underground utility or development. For roads, commencement of construction shall mean actual grading of the roadway.

(2) When the structure has not been completed within four years of the date of commencement of construction. Completion of the structure shall mean completion of the exterior surface(s) of the structure and compliance with all conditions of approval in the land use approval.

(C) A Type II or III decision approving residential development on land zoned for Exclusive Farm Use or Commercial Forest Use outside of an urban growth boundary is subject to the following provisions:

(1) The approval shall expire as described in (a) or (b) below:

(a) When construction has not commenced within four years of the date of the final decision. Commencement of construction shall mean actual construction of the foundation or frame of the approved structure.

(b) When the structure has not been completed within four years of the date of commencement of construction. Completion of the structure shall mean completion of the exterior surface(s) of the structure and compliance with all conditions of approval in the land use approval.

(2) For the purposes of this section, the expiration provisions in (a) and (b) shall also apply to all other Type II or III decisions associated with approval of the residential development, such as SEC or HDP permits.

(3) The provisions in (C) shall only apply to residential development for which a decision of approval:

(a) Was valid (not expired) on January 1, 2002, or

(b) Was issued after January 1, 2002 (the effective date of Senate Bill 724, 2001).

(4) For the purposes of this section, "residential development" only includes dwellings as provided for under:

(a) ORS 215.283(1)(s) – alteration, restoration or replacement of a lawfully established dwelling in the EFU zones as provided in MCC 33.2620 (J), (L) & (M); 34.2620 (J), (L) & (M); 35.2620 (J), (L) & (M); 36.2620 (J), (L) & (M); and

(b) ORS 215.284 – dwelling not in conjunction with farm use in the EFU zones (not currently provided for in any MCC Chapter); and

(c) ORS 215.705 (1) to (3) – "Heritage Tract Dwelling" in the EFU zones as provided for in MCC 33.2625 (F); 33.2630 (M) & (N); 34.2625 (F); 34.2630 (M) & (N); 35.2625 (F); 35.2630 (M) & (N); 36.2625 (F); 36.2630 (J) & (K); and

(d) ORS 215.720 – "Heritage Tract Dwelling" in the CFU zones as provided in MCC 33.2230 (C); and 35.2230 (C); 36.2030 (C); and

(e) ORS 215.740 – "Large Acreage Dwelling" in the CFU zones as provided for in MCC 33.2030 (A); 33.2230 (A); 35.2230 (A); 36.2030 (A); and

(f) ORS 215.750 – "Template Dwelling" in the CFU zones as provided for in MCC 33.2230 (B); 33.2430 (A); 35.2230 (B); 36.2030 (B); and

(g) ORS 215.755 (1) – alteration, restoration or replacement of a lawfully established dwelling in the CFU zones as provided in MCC 33.2020 (D) & (E); 33.2025 (A) & (B); 33.2220 (D) & (E); 33.2225 (A) & (B); 33.2420 (D) & (E); 33.2425 (A) & (B); 35.2020 (D) & (E); 35.2025 (A) & (B); 35.2220 (D) & (E); 36.2020 (D); 36.2025 (A) & (B); and

(h) ORS 215.755 (3) a caretaker residence for a public park or public fish hatchery in the CFU zones as provided for in MCC 33.2020 (H); 33.2220 (H); 33.2420 (H); 35.2020 (H); 35.2220 (H); and 36.2020 (G).

(D) Expiration under (A), (B), or (C) above is automatic. Failure to give notice of expiration shall not affect the expiration of a Type II or III approval.

* * *

Staff: The ultimate issue before the Hearings Officer is whether the Permit has expired. To determine whether the Permit has expired, the Hearings Officer must decide:

(1) what expiration period applies (MCC 37.0690(B) or MCC 37.0690(C)); and
(2) whether the Owners had commenced construction (as defined in MCC 37.0690(B)(1) or MCC 37.0690(C)(1)(a)) within the applicable expiration period.

(1) Applicable Expiration Period

As noted above, Condition 3 of the Permit provides, in part, "**This Permit EXPIRES as provided in MCC 37.0690.**" (Exhibit A.1) (emphasis in original).

MCC 37.0690 has two different expiration provisions for land use permits that include a structure: one for "residential development" outside the UGB in the EFU or CFU and another for all other structures. MCC 37.0690(B), (C).

Under both provisions, the first step a permittee must take to ensure that their permit does not expire is commencement of construction. For "residential development" in the EFU and CFU, construction must commence within 4 years of the date of the final decision (MCC 37.0690(C)); for all other structures, construction must commence within 2 years of the date of the final decision (MCC 37.0690(B)).

The subject property is zoned both EFU and CFU and is located outside the UGB. (Exhibit A.1). As a result, the Permit would be subject to the 4-year expiration provision in MCC 37.0690(C), rather than the 2-year expiration provision for all other structures in MCC 37.0690(B), if it approved "residential development," as defined in MCC 37.0690(C)(4).

MCC 37.0690(C)(4) lists the types of dwellings that qualify as "residential development" by citing the Multnomah County Code and state law citations that authorize those dwellings. As noted above, the Permit at issue approves a dwelling under *former* MCC 33.2625(D)(3), which is not included in the MCC 37.0690(C)(4) list of dwellings that qualify as "residential development" subject to a 4-year expiration period. As a result, the Permit is subject to the 2-year expiration period in MCC 37.0690(B) for all other structures, making September 11, 2017 the relevant expiration date. Under MCC 37.0690(D), expiration "is automatic."

(2) Commencement of Construction

The next issue is whether the Owners took sufficient steps prior to September 11, 2017 to prevent the permit from expiring. Under MCC 37.0690(B)(1), a permit expires "[w]hen construction has not commenced within two years of the date of the final decision." The Code goes on to define commencement of construction to mean "actual construction of the foundation or frame of the approved structure." MCC 37.0690(B)(1).

The phrase "actual construction" is not defined in County Code, and it therefore is necessary to look to the plain meaning of that phrase. See State v. Gaines, 346 Or 160, 171 (2009) (interpreting statute begins with examination of text and context); PGE v. Bureau of Labor and Industries, 317 Or 606, 611 (1993) ("[W]ords of common usage typically should be given their plain, natural, and ordinary meaning."). The word "actual" means "existing in fact or reality : really acted or acting or carried out * * * distinguished from apparent and nominal < the ~ cost of goods>." Webster's Third New Intl'l Dictionary 22 (unabridged ed 2002); see also id. at 1534 (defining "nominal" as "existing or being something in name or form but usu. not in reality" and "being so small, slight, or negligible as scarcely to be entitled to the name"); Dowell v. Oregon Mutual Insurance Company, 361 Or 62, 69 (2017) (noting that court generally consults dictionary definitions to determine plain meaning). The word "construction," as relevant here, means "the act of putting parts together to form a complete integrated object." Webster's at 489. Taken together, the relevant test is whether the permittee has, more than nominally, put parts together to form the foundation or frame of the approved structure; preparatory excavation is not sufficient to constitute "actual construction" of the foundation or frame.

The context of the same County Code provision further supports that interpretation. MCC 37.0690(B)(1) goes on to define the phrase "commencement of construction" for utilities, developments without a frame or foundation, and roads. For example, in the context of utilities, the Code provides that commencement of construction means, in part, "*actual excavation* of trenches for an approved underground utility or development," and in the context of roads, commencement of construction means, "*actual grading* of the roadway." MCC 37.0690(B)(1) (emphasis added). Those provisions show that the drafters expressly used terms like "grading" and "excavation" to signal instances in which preparatory work is sufficient to qualify as commencement of construction. Notably, those terms are not used to describe what constitutes commencement of construction for a structure like the dwelling at issue here.

In this case, the Owners did not commence construction within the time period required in the Permit. By the September 11, 2017 expiration date, the Owners had not started actual construction of the foundation or frame of the approved dwelling because the Owners had not taken any steps to start putting the foundation or frame together; in fact, even excavation of the foundation had not occurred by that date. (Exhibit B.3). No grading and erosion control permit

had been obtained from the County, and no building permits for the dwelling had been sought or issued. (Exhibit B.3, B.4, and B.6). Therefore, the Permit expired under its terms on September 11, 2017.

Staff's position in this appeal is that 2017 is the relevant expiration date. However, even if the relevant date were September 11, 2019, as the Appellant appears to assert by citing to the 4-year expiration period set forth in MCC 37.0690(C) in the Notice of Appeal, the result would be the same. By that date, the Owners had not taken any steps to start putting the foundation or frame together, and no building permits had been issued. (Exhibits B.3, B.4). At most, only the preparatory work of excavating the foundation had taken place – and as noted, the County is not aware of any evidence that excavation actually occurred beyond the Appellant's own statements. However, even if it did occur, excavation is not sufficient to qualify as "commencement of construction" as defined in MCC 37.0690(C), which uses the same "actual construction of the foundation or frame" standard as is used in MCC 37.0690(B), because the Owners had not started putting the foundation or frame together.

Indeed, no action that would qualify as "actual construction" could have been taken by September 11, 2019 because, while a grading and erosion control permit may entitle a permittee to grade and excavate, a building permit is required for all construction activities that follow grading and excavation, and none had been issued by that date. (Exhibits B.3, B.4); *see also Oregon Residential Specialty Code*, § R105.1, *available at* <u>https://codes.iccsafe.org/content/ORRSC2017/chapter-1-scope-and-administration</u> (providing, in part, that "[a]ny owner or owner's authorized agent who intends to *construct* * * * a building or structure* * * or to cause any such work to be performed, shall first make application to the *building official* and obtain the required permit" (emphasis on "construct" added; other emphasis in original). Therefore, even if MCC 37.0690(C) were applicable, the Permit would be expired.

(3) Response to the Appellant's Appeal

In the Notice of Appeal, the Appellant cites three arguments supporting his appeal. None of those arguments is sufficient to overcome the Planning Director's Decision.

(A) <u>Because the Hearings Officer's review is de novo, the only relevant evidentiary</u> <u>question is whether there is substantial evidence before the Hearings Officer that the</u> <u>Permit expired</u>.

In the Notice of Appeal, the Appellant states that the first basis for appeal is that the Decision does not provide an explanation of the application of MCC 37.0690. In addition to the fact that the Decision stated that the Permit expired for failure to commence construction within the required time period, failure to provide additional explanation is not a basis for appeal to the Hearings Officer. (Exhibit A.1). Under MCC 39.1160(6), "Appeal hearings shall be de novo, as if new, and all issues relevant to the applicable approval criteria may be considered." As a result, the sufficiency of the Planning Director's explanation in the Decision is not relevant; the only issue before the Hearings Officer is whether there is substantial evidence to support a Hearings Officer determination that the Permit has expired under MCC 37.0690.

(B) <u>Digging and excavation of the foundation is not actual construction of the foundation</u> or frame of the dwelling. The Appellant's second basis for appeal is that the Owners "substantially under[took] foundation construction" because the Owners "commenced 'actual construction' of the foundation by digging the foundation." (Exhibit A.1). The Appellant also notes that the Code does not require "completion" of the foundation or frame. There are two flaws in the Appellant's argument.

First, as explained above, there is no evidence that the Owners took any action other than, at most, excavation of the basement and footings, and both the text and context demonstrate that excavation does not constitute "commencement of construction" as defined in MCC 37.0690 because it does not involve actually putting the parts of the foundation or frame together.

Second, the Appellant's argument that the Code does not require "completion" of the foundation or frame misses the point. The Permit did not expire because the Owners failed to *complete* construction of the foundation or frame. The Permit expired because the Owners failed to *commence* construction of the foundation or frame. There is no evidence that the Owners timely started the process of actually "putting parts together" to form the foundation or frame of the dwelling; instead, at most, the evidence is limited to the Appellant's assertion that the Owners commenced excavation of the basement.⁵ (Exhibit B.3 – Appellant statement he believed that contractor's June 2018 excavation of basement and footings for foundation was sufficient for commencement standard); (Exhibit A.1 – stating evidence will show commencement of construction occurred through digging foundation). Therefore, the Permit expired under its own terms.

(C) The Owners do not have a vested right to complete construction of the dwelling.

The Appellant's third basis for appeal is that the Owners have expended "substantial sums of both soft and hard costs of construction" and did so "in a good faith belief that such expenditures were sufficient to vest permit approval," citing to *Clackamas County v. Holmes*, 265 Or 193 (1973). (Exhibit A.1). However, the vested rights doctrine does not apply on the facts before the Hearings Officer.

The vested rights doctrine applies where a property owner has lawfully commenced construction and made a substantial investment, and the zoning laws then change to restrict or prohibit the development. As LUBA put it: "[W]here a property owner commences construction of a lawful use and that construction reaches a certain stage of good faith investment, the owner acquires a vested right to continue development of the use, notwithstanding *subsequent adoption of zoning amendments* that restrict or prohibit the development." *Heidgerken v. Marion County*, 35 Or LUBA 313, 317 (1998) (emphasis added).

The vested rights doctrine does not apply where a property owner incurs expenses under a lawful permit, and the permit subsequently expires when the property owner fails to comply with the timelines prescribed in the permit. In *Heidgerken*, an applicant had been granted a conditional use permit, which included a requirement that the development commence within six months of the permit effective date, unless an extension was granted. 35 Or LUBA at 314-15. After 14 years of extensions, the county denied the final request for extension. *Id.* at 316. On appeal to LUBA, the property owners argued that they had substantially performed under

⁵ As noted, staff has not been able to verify the Appellant's assertion, and some evidence undermines that assertion. In particular, the aerial photographs of the subject from property from 2018 to 2020 do not appear to show any excavation. (Exhibit B.8).

the permit and therefore had acquired a vested right to finish their development. *Id.* at 317. LUBA rejected that argument, noting that the vested rights doctrine did not apply. *Id.* LUBA noted that, unlike a situation where the zoning changes part way through a development, the property owners had known from the time their permit was issued that their right to construct was subject to the requirement that they commence the use before the deadline stated in the permit. *Id.* As a result, LUBA held that the permit itself, and not the vested rights doctrine, governed whether the property owners had a right complete the development. *Id.* at 318-19.

Heidgerken is directly on point. Just as the permittees in that case failed to comply with the timelines set forth in their permit, the Owners here failed to comply with the timeline set forth in the Permit. The Owners had notice of that timeline for the life of the Permit – there was no change in law that impacted his right to commence or complete his development. Moreover, as a practical matter, if the vested rights doctrine did apply, it is not clear by what date the Owners would have to show that his right had vested, because the doctrine measures vesting on the date the law changes. *See Friends of Yamhill County v. Board of Commissions of Yamhill County*, 351 Or 219, 241, 264 P3d 1265 (2011) (noting that the effective date of the zoning change is customarily the "temporal point for measuring the existence of a vested right"). The vested rights doctrine is inapplicable on these facts; to rule otherwise would essentially render expiration provisions meaningless.⁶

10.0 Conclusion:

Based on the findings and other information provided above, staff requests that the Hearings Officer affirm the Planning Director's determination that the Permit in Case No. T2-2014-3377 has expired.

⁶ The County does not know what expenses the Owners have incurred in preparing to build the dwelling and so at this point cannot speak to application of the vested rights doctrine if the Hearings Officer determines that it does apply. However, based on the Appellant's own assertions, no physical work had been done on the property prior to September 11, 2017, and the only work done prior to September 11, 2019 was excavation of the basement and footings for the foundation. (Exhibit B.3). To acquire a vested right, "the commencement of the construction must have been substantial, or substantial costs toward completion of the job must have been incurred." *Clackamas County v. Holmes*, 265 Or 193, 197 (1973). In addition, to acquire a vested right, "the acts of the landowner should rise beyond mere contemplated use or preparation, such as leveling of land, boring test holes, or preliminary negotiations with contractors or architects." *Id.* at 199. Based on the facts currently available, it appears unlikely that the Owners could qualify for the vested rights doctrine, even if it did apply.

11.0 Exhibits

- 'A' Appellant's Exhibits
- 'B' Staff Exhibits
- 'C' Procedural Exhibits

Exhibits with a " \star " after the exhibit # have been included as part of the mailed decision. Those exhibits have been reduced to a size of 8.5" x 11" for mailing purposes. All other exhibits are available for review in Case File T2-2021-14768 at the Land Use Planning office.

Exhibit #	# of Pages	Description of Exhibit	Date Received / Submitted
A.1*	34	Appellant's Cover Letter, General Application Form, and Notice of Appeal with Exhibits	6/11/2021
'В'	#	Staff Exhibits	Date
B.1	13	Excerpts of <i>former</i> Zoning Code (2017): MCC 33.2625 and MCC 37.0690	2017
B.2	18	Type I Application for Grading and Erosion Control Permit (T1-2017-9729)	8/8/2017
B.3	2	Email from Scott Reed to Carol Johnson re Reed Family Home	5/12/2021
B.4	31	City of Portland Building Permit Email and Folder Summary for 12424 NW Springville Rd	8/26/2021 6/23/2021
B.5	23	Building Permit Review for BP-2018-10026	2/12/2018
B.6	4	Grading and Erosion Control Permit (T1-2017-9729)	2/14/2018
B.7	1	Email from Scott Reed to Rithy Khut re Site Work	5/29/2018
B.8	3	2018, 2019, and 2020 aerial photographs of the subject property	
B.9	2	Emails between Chris Liu (County Land Use Planner) and Tim Morris (City of Portland) re Permit Hold Request	2/7/2020 4/23/2020
' С'	#	Administration & Procedures	Date
C.1	5	Hearing Notice and mailing list	8/20/2021