## MEMORANDUM

TO: Board of County Commissioners
FROM: Caroline House, Senior Planner
DATE: October 25, 2023

RE: An appeal of the Hearings Officer's Remand Decision Approving a Single-Family Dwelling in the Forest Use (F2) Zone; File No. 247-23-000599-A and Appeal No. 247-23-000728-A

On November 1, 2023, the Board of County Commissioners ("Board") will consider hearing an appeal of the Hearings Officer's remand decision conditionally approving a single-family dwelling in the F2 Zone.

## I. PROPOSAL

The Applicant is requesting conditional use approval to establish a single-family dwelling in the F2 Zone. The requested Forest Use dwelling type is a "Template Dwelling", and the property is located at 59770 Scale House Road, Bend, OR 97702.

## II. PROCEDURAL HISTORY

In 2021-2022, the Hearings Officer approved the Applicant's conditional use request. However, this decision was appealed to the Land Use Board of Appeals ("LUBA") and the Oregon Court of Appeals. Ultimately, the Hearings Officer's decision was remanded back to the County for further review.

On July 28, 2023, the Applicant initiated the subject remand application. Since the Hearings Officer was the final decision maker in the previous review, the Hearings Officer was the initial reviewer for the subject remand application. After reviewing the submitted information, the Hearings Officer found the Applicant sufficiently addressed the issues on remand and approved the Applicant's request. On October 10, 2023, the Windlinx Ranch Trust ("Appellant") filed an appeal of the Hearings Officer's decision.

## III. WINDLINX RANCH TRUST APPEAL

The Appellant requests the Board review the Hearings Officer's decision, as part of a de novo review, to address the following key issues related to the template dwelling test requirements:

1. To determine the location of Lot $7 B$ and Lot 7 C .
2. To determine whether Lot 7C is located within the Applicant's 160-acre square template.
3. To determine if Lot 7 is a "parcel" as defined in ORS 215.010.

## IV. STAFF RECOMMENDATION

Staff recommends the Board not hear the appeal for the following reasons:

- The appeal issues are primarily matters of state law interpretation and a Board decision would not be given deference if appealed to LUBA.
- The Hearings Officer's decision is well written and reasoned, and could be supported, as the record exists today on appeal to LUBA.
- The County's review of a remand application must be completed within 120 days and the County will have used 95 of the 120 days as of November $1^{\text {st }}$. Therefore, it is unlikely there would be sufficient time for the Board to review the subject appeal and meet the 120-day deadline.
- Both parties were well represented by land use attorneys.


## V. BOARD OPTIONS

First, the Board must decide if it wishes to hear the appeals. In determining whether to hear the appeals, the Board may only consider:

1. The record developed before the Hearings Officer;
2. The Notice of Appeal; and
3. Recommendation of staff ${ }^{1}$

## Option 1: Hear the Appeal

If the Board decides to hear the appeal, the Board must make a decision on the scope of the review. As noted above, the Appellant has requested a de novo review. Per the Deschutes County Code ("DCC"), the Board has two choices for the scope of the review:

[^0]1. On the Record

- This means parties can only present their arguments and the Board must rely on the record developed before the Hearings Officer. No new evidence can be submitted.

2. De Novo

- This means parties can submit new evidence and present their arguments.

Next, the Board may wish, but is not required, to limit the issues it will consider as part of the Board's review.

Lastly, the Board should give staff direction on when to schedule the appeal hearing and the Board may want to establish time limits for testimony at the hearing.

## Option 2: Not Hear the Appeal

Should the Board decline to hear the appeal, the Hearings Officer's decision will become the final decision of the County. Upon the mailing of the Board's decision to decline review, the party appealing may continue their appeal as provided under the law.

## VI. 120-DAY LAND USE CLOCK

The $120^{\text {th }}$ day on which the County must take final action on this application is November $25,2023$.

## VII. RECORD

The record for File no. 247-23-000599-A and the Notice of Appeal are presented at the following Deschutes County Community Development Department website:
https://www.deschutes.org/cd/page/247-23-000599-kerr-template-dwelling-remand
Attachments:

1. DRAFT Board Order 2023-050 Accepting Review of the Hearings Officer's Decision
2. DRAFT Board Order 2023-050 Declining Review of the Hearings Officer's Decision
3. Notice of Appeal - 247-23-000728-A


For Recording Stamp Only

## BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Accepting Review of the Hearings *
Officer's Decision in File No. 247-23-000599-A. * ORDER NO. 2023-050

WHEREAS, on October 10, 2023, the Hearings Officer approved File No. 247-23-000599-A; and

WHEREAS, on October 20, 2023, the Windlinx Ranch Trust, the Appellant, appealed (Appeal No. 247-23-000728-A) the Deschutes County Hearings Officer's Decision on File No. 247-23-000599-A; and

WHEREAS, Sections 22.32.027 and 22.32.035 of the Deschutes County Code ("DCC") allow the Deschutes County Board of County Commissioners ("Board") discretion on whether to hear appeals of Hearings Officer's decisions; and

WHEREAS, the Board has given due consideration as to whether to review this application on appeal; now therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. That it will hear on appeal Appeal No. 247-23-000728-A pursuant to Title 22 of the DCC and other applicable provisions of the County land use ordinances.

Section 2. The appeal shall be heard de novo.
Section 3. Staff shall set a hearing date and cause notice to be given to all persons or parties entitled to notice pursuant to DCC 22.24.030 and DCC 22.32.030.

Section 4. Pursuant to Section 22.32.024, the Board waives the requirement that the appellants provide a complete transcript for the appeal hearing.

Section 5. Pursuant to DCC 22.32.035(D), to date the only documents placed before and considered by the Board are the notice of appeal, recommendations of staff, and the record
developed before the lower hearings body for File No. 247-23-000599-A, as presented at the following website:
https://www.deschutes.org/cd/page/247-23-000599-kerr-template-dwelling-remand
Going forward, all documents further placed before, and not rejected by, the Board shall be added to the aforementioned website, and that website shall be the Board's official repository for the record in this matter.

DATED this $\qquad$ day of $\qquad$ 2023.

BOARD OF COUNTY COMMISSIONERS

ANTHONY DEBONE, Chair

ATTEST:
PATTI ADAIR, Vice Chair

Recording Secretary
PHIL CHANG, Commissioner

## BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Denying Review of the Hearings *
Officer's Decision in File No. 247-23-000599-A *

WHEREAS, on October 10, 2023, the Hearings Officer approved File No. 247-23-000599-A; and

WHEREAS, on October 20, 2023, the Windlinx Ranch Trust, the Appellant, appealed (Appeal No. 247-23-000728-A) the Deschutes County Hearings Officer's Decision on File No. 247-23-000599-A; and

WHEREAS, Sections 22.32.027 and 22.32.035 of the Deschutes County Code ("DCC") allow the Deschutes County Board of County Commissioners ("Board") discretion on whether to hear appeals of Hearings Officers' decisions; and

WHEREAS, the Board has given due consideration as to whether to review this application on appeal; now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. That it will not hear on appeal Appeal No. 247-23-000728-A pursuant to Title 22 of the DCC and/or other applicable provisions of the County land use ordinances.

Section 2. Pursuant to DCC 22.32.015, the County shall refund any portion of the appeal fee not yet spent processing the subject application. If the matter is further appealed to the Land Use Board of Appeals and the County is required to prepare a transcript of the hearing before the Hearings Officer, the refund shall be further reduced by an amount equal to the cost incurred by the County to prepare such a transcript.

Section 3. Pursuant to DCC 22.32.035(D), the only documents placed before and considered by the Board are the notice of appeal, recommendations of staff, and the record developed before the lower hearing body for File No. 247-23-000599-A, as presented at the following website:
https://www.deschutes.org/cd/page/247-23-000599-kerr-template-dwelling-remand

DATED this $\qquad$ day of $\qquad$ 2023.

BOARD OF COUNTY COMMISSIONERS

ANTHONY DEBONE, Chair

ATTEST:
PATTI ADAIR, Vice Chair

Recording Secretary
PHIL CHANG, Commissioner

## APPEAL APPLICATION - BOARD OF COUNTY COMMISSIONERS

FEE:


## EVERY NOTICE OF APPEAL SHALL INCLUDE:

1. A statement describing the specific reasons for the appeal.
2. If the Board of County Commissioners is the Hearings Body, a request for review by the Board stating the reasons the Board should review the lower decision.
3. If the Board of County Commissioners is the Hearings Body and de nov review is desired, a request for de nova review by the Board, stating the reasons the Board should provide the de nova review as provided in Section 22.32.027 of Title 22.
4. If color exhibits are submitted, black and white copies with captions or shading delineating the color areas shall also be provided.

It is the responsibility of the appellant to complete a Notice of Appeal as set forth in Chapter $\mathbf{2 2 . 3 2}$ of the County Code. The Notice of Appeal on the reverse side of this form must include the items listed above. Failure to complete all of the above may render an appeal invalid. Any additional comments should be included on the Notice of Appeal.

Staff cannot advise a potential appellant as to whether the appellant is eligible to file an appeal (DCC Section 22.32.010) or whether an appeal is valid. Appellants should seek their own legal advice concerning those issues.

Appellant's Name (print): Windlinx Ranch Trust
Phone: (541 ) 410-0191
Mailing Address: 59895 Scale House Road
City/State/Zip: Bend, Oregon 97702
Email Address: rwindlinx@empnet.com
Land Use Application Being Appealed: 247-23-000599-A (Remand)
Appellant's Signature: $\qquad$ Date:


Robert Windlinx
By signing this application and paying the appeal deposit, the appellant understands and agrees that Deschutes County is collecting a deposit for hearing services, including "whether to hear" proceedings. The appellant will be responsible for the actual costs of these services. The amount of any refund or additional payment will depend upon the actual costs incurred by the county in reviewing the appeal.

Except as provided in section 22.32.024, appellant shall provide a complete transcript of any hearing appealed, from recordings provided by the Planning Division upon request (there is a $\$ 5.00$ fee for each recording copy). Appellant shall submit the transcript to the planning division no later than the close of
the day five (5) days prior to the date set for the de novo hearing or, for on-the-record appeals, the date set for receipt of written records.

## NOTICE OF APPEAL

Please see attached Appeal Statement with:
Exhibit 1 - Diagram;

Exhibit 2-1910 Deed; and
Exhibit 3-1911 Deed.

## NOTICE OF APPEAL

## Windlinx Trust Appeal Statement

Dear Chair DeBone, Vice-Chair Adair, and Commissioner Chang:
Windlinx Ranch Trust respectfully appeals a recent hearings officer decision that approves a template dwelling in the F2 zone. This appeal statement presents the specific reasons for appeal and the reasons the Board should provide de novo review as provided in DCC 22.32.027.

## Background for Appeal.

The application involves a request to add a new template dwelling in the F2 zone. The proposed template is depicted on Exhibit 1 to this document. This appeal involves the parcel identified as Lot 7C. The applicants asserted that Lot 7C and a parcel identified as Lot 7A were created in 1910 when the owner of the larger parcel, Ferguson, conveyed right-of-way to the Oregon Trunk Railway. The 1910 deed, a copy of which is attached as Exhibit 2, did not contain any legal description of the property interest conveyed. It referred to a strip 50 feet on either side of a centerline of a railroad now or hereafter located and staked over the west half of the southwest quarter of Section 31. Although the proposed template illustrated a location for Lot 7B, the "railroad parcel", the applicants acknowledged that that strip could not be specifically located. That is because the railroad was never constructed, a fact established by former County Surveyor, Mike Berry. The parcel noted as Lot 7C was not part of the request because the applicants stated that they could not locate the railroad parcel and thus, could not show that Lot 7C was located in their template. At most, applicants stated that they believed that a small part of Lot 7C was in the template. Appellant asserts that the applicants never revised or amended their statement that they were not using Lot 7C for establishing compliance with the template test.

A hearings officer approved the request, and that approval was appealed to LUBA. LUBA remanded for the county to further evaluate whether Lots $7 \mathrm{C}, 7 \mathrm{~A}$, and Lot 2 were lawfully created. Both parties appealed LUBA's decision and the court of appeals affirm LUBA on all counts.

On remand, the applicants asserted that the hearings officer had already decided that the specific location of Lot 7B and Lot 7C was, as a matter of fact, within the proposed template. They argued that LUBA and the court of appeals confirmed that finding. Appellant asserted the contrary that the specific location of Lots 7B and 7C was never determined because it was impossible to determine said location. On remand, the hearings officer concluded that the issue of whether Lot 7C was in the template was resolved in the prior proceedings even though LUBA expressly stated that Lot 7 C was not part of the application. The hearings officer further found that the applicants demonstrated that Lot 7C was within the proposed template. The hearings officer noted that each iteration of the proposed template showed Lot 7C within the template, apparently concluding that all an applicant must do is recite on a template that a parcel is within the template they propose. The hearings officer accepted applicants' surveyors' reliance on ODOT maps that depicted possible locations of a railroad line that was never constructed. He disregarded the testimony of five professional surveyors who agreed with the applicants' initial representation that because Lot 7B (railroad parcel) cannot be located, it is not possible to locate Lot 7C within the applicants'
template. Each professional surveyor stated that the railroad parcel cannot be located because there is no legal description, and the railroad was never constructed.

## Grounds for Appeal.

1. The hearings officer erred in misapplying the law to conclude that the issue over whether Lot 7 C is located within the 160 -acre square proposed by applicants was previously decided and could not be raised in the remand proceedings. He erred in determining that the specific location of Lot 7B was determined. Neither the hearings officer nor LUBA determined that the specific location of those parcels was established or decided that Lot 7C was in the template because the applicants did not include Lot 7C in their template analysis as LUBA expressly noted in its decision. In fact, LUBA specifically noted that Lot 7C was not part of the applicants' request. The LUBA decision was not preclusive on this issue because it did not conclude that Lot 7C is within the applicants' proposed template. The only issue decided with respect to Lot 7C was whether it was lawfully created.
2. The hearings officer erred in making a decision not supported by the preponderance of the evidence, or substantial evidence, that Lot 7C is located within the applicants' 160 -acre square. The hearings officer accepted unsupported opinions from applicants' surveyors that they could locate Lot 7C based on the location of the "railroad parcel" as depicted on ODOT maps. The hearings officer ignored credible evidence from five professional surveyors who stated that the location of Lot 7C could not be determined because to locate that parcel of land one would need to be able to locate property described as the railroad parcel. The refuted evidence established that the railroad was never constructed and thus, it was impossible for anyone to locate it on the ground. To the extent the hearings officer agreed that the 1911 deed on the adjacent parcel established the location of the railroad strip on the Ferguson parcel in Section 31, he committed two errors. First, the grantor in the 1911 deed, Mueller, did not own the Ferguson parcel (Lot 7) at that time and could not have created any interest in it. Second, if the hearings officer agreed that the 1911 Mueller deed created an interest in a strip of property on the Fergeson parcel (Lot 7), he ignored the text in the 1911 deed that expressly states that the strip was only a right-of-way easement that reverted back to Mueller if the railroad was not constructed in five years. A copy of that deed is attached as Exhibit 3. Mike Berry provided unrefuted evidence that the railroad was never constructed. Thus, there could not have been any strip in the Ferguson parcel or the Mueller property after 1916. The hearings officer sanctioned an applicant asserting contrary positions.

## Statement on why the Board should accept the appeal.

It is important that the Board accepts this appeal and reverses the hearings officer because his erroneous decision could pave the way for future dwellings in resource areas based upon applicants using "parcels" that do not exist or cannot be located. The "railroad parcel" was clearly conveyed to allow only a possible railroad in a general location. LUBA ruled that the conveyance for railroad purposes created a fee parcel. Appellant accepts that ruling. However, LUBA's ruling that such a deed not only creates a lawful parcel but also lawful parcels on each side of it creates a dangerous precedent when the primary "parcel" cannot be located. It allows applicants to show the special
use "parcel" almost anywhere they want in a parcel creating additional parcels that they show wherever they want and then use for qualifying for a dwelling. Indeed, under the hearings officer's decision, the railroad strip still exists even though no one could ever locate it and the 1911 deed stated that it went away after five years. The hearings officer's decision allows the applicants to use in its template a historic parcel description that went away over 100 years ago.

Further, under the hearings officer's current decision, any deed conveying an interest for a utility can be a parcel. If the document does not define a specific location, an applicant can show it anywhere on a parcel and then manipulate it to "create" additional parcels for a template test. Appellant submits that this is not the type of "parcel" the county intended to be used for qualifying for a dwelling. A proper template test should include only real parcels that can be found and identified in a specific location.

An additional reason the Board should hear this appeal is that the hearings officer's decision potentially allows unauthorized dwellings in a forest zone and that will increase the potential for wildfires. It will also have negative impacts on established and accepted forestry operations.

## Appellant requests that if the Board accepts the appeal, it conduct a de novo hearing.

DCC $22.32 .027(B)(2)(d)$ provides: "Whether in its sole judgment a de novo hearing is necessary to fully and properly evaluate a significant policy issue relevant to the proposed land use action.

As stated above this appeal presents a significant policy issue on how the county should apply DCC 18.40 .050 to parcels that were created for a special purpose and not intended for use commonly associated with dwelling applications.

Thank you in advance for your consideration of this matter.

## EXHIBIT - 160 ACRE TEMPLATE






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[^0]:    ${ }^{1}$ Deschutes County Code 22.32.035(D)

