

# Senate Bill 359

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## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits amount of appeal fee that city or county may charge for quasi-judicial review of city or county decisions on land use application. Requires city or county to refund appeals fee and transcript fee when appellate authority of city or county declines to review decision.

Prohibits city or county from charging fee for appeal of final decision of city or county to Land Use Board of Appeals.

## A BILL FOR AN ACT

1  
2 Relating to fees for appeal of local land use decisions; creating new provisions; and amending ORS  
3 197.835, 215.422 and 227.180.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 215.422 is amended to read:

6 215.422. *[(1)(a) A party aggrieved by the action of a hearings officer or other decision-making au-*  
7 *thority may appeal the action to the planning commission or county governing body, or both, however*  
8 *the governing body prescribes. The appellate authority on its own motion may review the action. The*  
9 *procedure and type of hearing for such an appeal or review shall be prescribed by the governing body,*  
10 *but shall not require the notice of appeal to be filed within less than seven days after the date the*  
11 *governing body mails or delivers the decision to the parties.]*

12 *[(b) Notwithstanding paragraph (a) of this subsection, the governing body may provide that the*  
13 *decision of a hearings officer or other decision-making authority is the final determination of the*  
14 *county.]*

15 *[(c) The governing body may prescribe, by ordinance or regulation, fees to defray the costs incurred*  
16 *in acting upon an appeal from a hearings officer, planning commission or other designated person. The*  
17 *amount of the fee shall be reasonable and shall be no more than the average cost of such appeals or*  
18 *the actual cost of the appeal, excluding the cost of preparation of a written transcript. The governing*  
19 *body may establish a fee for the preparation of a written transcript. The fee shall be reasonable and*  
20 *shall not exceed the actual cost of preparing the transcript up to \$500. In lieu of a transcript prepared*  
21 *by the governing body and the fee therefor, the governing body shall allow any party to an appeal*  
22 *proceeding held on the record to prepare a transcript of relevant portions of the proceedings conducted*  
23 *at a lower level at the party's own expense. If an appellant prevails at a hearing or on appeal, the*  
24 *transcript fee shall be refunded.]*

25 *[(2) A party aggrieved by the final determination may have the determination reviewed in the*  
26 *manner provided in ORS 197.830 to 197.845.]*

27 **(1) The governing body of a county, by ordinance or resolution, may:**

28 **(a) Provide that the decision of a hearings officer or other decision-making authority of**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 the county is the final determination of the county; or

2 (b) Choose to act, or designate another entity to act, as an appellate authority to review  
3 the decision of a hearings officer or other decision-making authority.

4 (2) If the governing body of the county establishes an appellate authority pursuant to  
5 subsection (1)(b) of this section, the governing body of the county, by ordinance or resol-  
6 ution, shall prescribe the procedure and type of hearing to provide for review of a decision  
7 of a hearings officer or other decision-making authority, but the governing body may not  
8 require that a notice of appeal be filed less than seven days after the date the county mails  
9 or delivers the decision to the parties.

10 (3) If the governing body of the county establishes an appellate authority pursuant to  
11 subsection (1)(b) of this section:

12 (a) A party aggrieved by the action of a hearings officer or other decision-making au-  
13 thority may appeal the decision to the appellate authority; or

14 (b) The appellate authority may review the decision on its own motion.

15 (4) To defray the costs incurred in acting upon an appeal from a hearings officer or other  
16 decision-making authority, the governing body of the county, by ordinance or resolution, may  
17 prescribe:

18 (a) A reasonable fee that does not exceed 10 percent of the original application fee or  
19 \$1,000, whichever is less, and that excludes the cost to prepare a written transcript of the  
20 proceedings to be reviewed.

21 (b) A reasonable fee for the preparation of a written transcript of the proceedings to be  
22 reviewed that does not exceed the actual cost of preparing the transcript or \$500, whichever  
23 is less.

24 (5) If an appellate authority of a county declines to review the decision of a hearings of-  
25 ficer or other decision-making authority, the county shall refund the full amount of appeal  
26 and transcript fees collected by the county.

27 (6) In lieu of having the county prepare a transcript, a party to an appeal proceeding held  
28 on the record may elect to prepare, at the party's own expense, a transcript of relevant  
29 portions of the proceedings conducted at a lower level. The county still may charge the  
30 transcript fee, but the county shall refund the transcript fee if the party prevails on appeal.

31 [(3)] (7) [No] A decision or action of a planning commission or [county governing body shall be]  
32 the governing body of a county is not invalid due to ex parte contact or bias resulting from ex  
33 parte contact with a member of the decision-making body, if the member of the decision-making body  
34 receiving the contact:

35 (a) Places on the record the substance of any written or oral ex parte communications con-  
36 cerning the decision or action; and

37 (b) Has a public announcement of the content of the communication and of the parties' right to  
38 rebut the substance of the communication made at the first hearing following the communication  
39 [where] at which action will be considered or taken on the subject to which the communication  
40 related.

41 [(4)] (8) A communication between county staff and the planning commission or governing body  
42 [shall not be considered] is not an ex parte contact for the purposes of subsection [(3)] (7) of this  
43 section.

44 [(5)] (9) Subsection [(3)] (7) of this section does not apply to ex parte contact with a hearings  
45 officer approved under ORS 215.406 (1).

1       **(10) A party aggrieved by the final decision of a county may have the final decision re-**  
 2 **viewed by the Land Use Board of Appeals in the manner provided in ORS 197.830 to 197.845.**

3       **(11) A county may not charge a fee for appeal of a final decision of the county to the**  
 4 **board.**

5       **(12) A fee prescribed under this section may not exceed the actual cost to the county for**  
 6 **providing the service.**

7       **SECTION 2.** ORS 227.180 is amended to read:

8       227.180. *[(1)(a) A party aggrieved by the action of a hearings officer may appeal the action to the*  
 9 *planning commission or council of the city, or both, however the council prescribes. The appellate*  
 10 *authority on its own motion may review the action. The procedure for such an appeal or review shall*  
 11 *be prescribed by the council, but shall:]*

12       *[(A) Not require that the appeal be filed within less than seven days after the date the governing*  
 13 *body mails or delivers the decision of the hearings officer to the parties;]*

14       *[(B) Require a hearing at least for argument; and]*

15       *[(C) Require that upon appeal or review the appellate authority consider the record of the hearings*  
 16 *officer's action. That record need not set forth evidence verbatim.]*

17       *[(b) Notwithstanding paragraph (a) of this subsection, the council may provide that the decision of*  
 18 *a hearings officer or other decision-making authority in a proceeding for a discretionary permit or zone*  
 19 *change is the final determination of the city.]*

20       *[(c) The governing body may prescribe, by ordinance or regulation, fees to defray the costs incurred*  
 21 *in acting upon an appeal from a hearings officer, planning commission or other designated person. The*  
 22 *amount of the fee shall be reasonable and shall be no more than the average cost of such appeals or*  
 23 *the actual cost of the appeal, excluding the cost of preparation of a written transcript. The governing*  
 24 *body may establish a fee for the preparation of a written transcript. The fee shall be reasonable and*  
 25 *shall not exceed the actual cost of preparing the transcript up to \$500. In lieu of a transcript prepared*  
 26 *by the governing body and the fee therefor, the governing body shall allow any party to an appeal*  
 27 *proceeding held on the record to prepare a transcript of relevant portions of the proceedings conducted*  
 28 *at a lower level at the party's own expense. If an appellant prevails at a hearing or on appeal, the*  
 29 *transcript fee shall be refunded.]*

30       *[(2) A party aggrieved by the final determination in a proceeding for a discretionary permit or zone*  
 31 *change may have the determination reviewed under ORS 197.830 to 197.845.]*

32       **(1) The governing body of a city, by ordinance or resolution, may:**

33       **(a) Provide that the decision of a hearings officer or other decision-making authority of**  
 34 **the city is the final determination of the city; or**

35       **(b) Choose to act, or designate another entity to act, as an appellate authority to review**  
 36 **the decision of a hearings officer or other decision-making authority.**

37       **(2) If the governing body of the city establishes an appellate authority pursuant to sub-**  
 38 **section (1)(b) of this section, the governing body of the city, by ordinance or resolution, shall**  
 39 **prescribe the procedure and type of hearing to provide for review of a decision of a hearings**  
 40 **officer or other decision-making authority, but the governing body may not require that a**  
 41 **notice of appeal be filed less than seven days after the date the city mails or delivers the**  
 42 **decision to the parties.**

43       **(3) If the governing body of the city establishes an appellate authority pursuant to sub-**  
 44 **section (1)(b) of this section:**

45       **(a) A party aggrieved by the action of a hearings officer or other decision-making au-**

1 **thority may appeal the decision to the appellate authority; or**

2 **(b) The appellate authority may review the decision on its own motion.**

3 **(4) To defray the costs incurred in acting upon an appeal from a hearings officer or other**  
 4 **decision-making authority, the governing body of the city, by ordinance or resolution, may**  
 5 **prescribe:**

6 **(a) A reasonable fee that does not exceed 10 percent of the original application fee or**  
 7 **\$1,000, whichever is less, and that excludes the cost to prepare a written transcript of the**  
 8 **proceedings to be reviewed.**

9 **(b) A reasonable fee for the preparation of a written transcript of the proceedings to be**  
 10 **reviewed that does not exceed the actual cost of preparing the transcript or \$500, whichever**  
 11 **is less.**

12 **(5) If an appellate authority of a city declines to review the decision of a hearings officer**  
 13 **or other decision-making authority, the city shall refund the full amount of appeal and**  
 14 **transcript fees collected by the city.**

15 **(6) In lieu of having the city prepare a transcript, a party to an appeal proceeding held**  
 16 **on the record may elect to prepare, at the party's own expense, a transcript of relevant**  
 17 **portions of the proceedings conducted at a lower level. The city still may charge the tran-**  
 18 **script fee, but the city shall refund the transcript fee if the party prevails on appeal.**

19 **[(3)] (7) [No] A decision or action of a planning commission or [city governing body shall be] the**  
 20 **governing body of a city is not** invalid due to ex parte contact or bias resulting from ex parte  
 21 contact with a member of the decision-making body, if the member of the decision-making body re-  
 22 ceiving the contact:

23 **(a) Places on the record the substance of any written or oral ex parte communications con-**  
 24 **cerning the decision or action; and**

25 **(b) Has a public announcement of the content of the communication and of the parties' right to**  
 26 **rebut the substance of the communication made at the first hearing following the communication**  
 27 **[where] at which action will be considered or taken on the subject to which the communication**  
 28 **related.**

29 **[(4)] (8) A communication between city staff and the planning commission or governing body**  
 30 **[shall not be considered] is not** an ex parte contact for the purposes of subsection [(3)] (7) of this  
 31 section.

32 **[(5)] (9) Subsection [(3)] (7) of this section [does not apply to ex parte contact with a hearings**  
 33 **officer.**

34 **(10) A party aggrieved by the final decision of a city may have the final decision reviewed**  
 35 **by the Land Use Board of Appeals in the manner provided in ORS 197.830 to 197.845.**

36 **(11) A city may not charge a fee for appeal of a final decision of the city to the board.**

37 **(12) A fee prescribed under this section may not exceed the actual cost to the city for**  
 38 **providing the service.**

39 **SECTION 3.** ORS 197.835 is amended to read:

40 197.835. (1) The Land Use Board of Appeals shall review the land use decision or limited land  
 41 use decision and prepare a final order affirming, reversing or remanding the land use decision or  
 42 limited land use decision. The board shall adopt rules defining the circumstances in which it will  
 43 reverse rather than remand a land use decision or limited land use decision that is not affirmed.

44 (2)(a) Review of a decision under ORS 197.830 to 197.845 shall be confined to the record.

45 (b) In the case of disputed allegations of standing, unconstitutionality of the decision, ex parte

1 contacts, actions described in subsection (10)(a)(B) of this section or other procedural irregularities  
2 not shown in the record that, if proved, would warrant reversal or remand, the board may take ev-  
3 idence and make findings of fact on those allegations. The board shall be bound by any finding of  
4 fact of the local government, special district or state agency for which there is substantial evidence  
5 in the whole record.

6 (3) Issues shall be limited to those raised by any participant before the local hearings body as  
7 provided by ORS 197.195 or 197.763, whichever is applicable.

8 (4) A petitioner may raise new issues to the board if:

9 (a) The local government failed to list the applicable criteria for a decision under ORS 197.195  
10 (3)(c) or 197.763 (3)(b), in which case a petitioner may raise new issues based upon applica-  
11 ble criteria that were omitted from the notice. However, the board may refuse to allow new issues to be  
12 raised if it finds that the issue could have been raised before the local government; or

13 (b) The local government made a land use decision or limited land use decision which is different  
14 from the proposal described in the notice to such a degree that the notice of the proposed action  
15 did not reasonably describe the local government's final action.

16 (5) The board shall reverse or remand a land use decision not subject to an acknowledged  
17 comprehensive plan and land use regulations if the decision does not comply with the goals. The  
18 board shall reverse or remand a land use decision or limited land use decision subject to an ac-  
19 knowledged comprehensive plan or land use regulation if the decision does not comply with the  
20 goals and the Land Conservation and Development Commission has issued an order under ORS  
21 197.320 or adopted a new or amended goal under ORS 197.245 requiring the local government to  
22 apply the goals to the type of decision being challenged.

23 (6) The board shall reverse or remand an amendment to a comprehensive plan if the amendment  
24 is not in compliance with the goals.

25 (7) The board shall reverse or remand an amendment to a land use regulation or the adoption  
26 of a new land use regulation if:

27 (a) The regulation is not in compliance with the comprehensive plan; or

28 (b) The comprehensive plan does not contain specific policies or other provisions which provide  
29 the basis for the regulation, and the regulation is not in compliance with the statewide planning  
30 goals.

31 (8) The board shall reverse or remand a decision involving the application of a plan or land use  
32 regulation provision if the decision is not in compliance with applicable provisions of the compre-  
33 hensive plan or land use regulations.

34 (9) In addition to the review under subsections (1) to (8) of this section, the board shall reverse  
35 or remand the land use decision under review if the board finds:

36 (a) The local government or special district:

37 (A) Exceeded its jurisdiction;

38 (B) Failed to follow the procedures applicable to the matter before it in a manner that preju-  
39 diced the substantial rights of the petitioner;

40 (C) Made a decision not supported by substantial evidence in the whole record;

41 (D) Improperly construed the applicable law; or

42 (E) Made an unconstitutional decision; or

43 (b) The state agency made a decision that violated the goals.

44 (10)(a) The board shall reverse a local government decision and order the local government to  
45 grant approval of an application for development denied by the local government if the board finds:

1 (A) Based on the evidence in the record, that the local government decision is outside the range  
 2 of discretion allowed the local government under its comprehensive plan and implementing ordi-  
 3 nances; or

4 (B) That the local government’s action was for the purpose of avoiding the requirements of ORS  
 5 215.427 or 227.178.

6 (b) If the board does reverse the decision and orders the local government to grant approval of  
 7 the application, the board shall award attorney fees to the applicant and against the local govern-  
 8 ment.

9 (11)(a) Whenever the findings, order and record are sufficient to allow review, and to the extent  
 10 possible consistent with the time requirements of ORS 197.830 (14), the board shall decide all issues  
 11 presented to it when reversing or remanding a land use decision described in subsections (2) to (9)  
 12 of this section or limited land use decision described in ORS 197.828 and 197.195.

13 (b) Whenever the findings are defective because of failure to recite adequate facts or legal  
 14 conclusions or failure to adequately identify the standards or their relation to the facts, but the  
 15 parties identify relevant evidence in the record which clearly supports the decision or a part of the  
 16 decision, the board shall affirm the decision or the part of the decision supported by the record and  
 17 remand the remainder to the local government, with direction indicating appropriate remedial  
 18 action.

19 (12) The board may reverse or remand a land use decision under review due to ex parte contacts  
 20 or bias resulting from ex parte contacts with a member of the decision-making body, only if the  
 21 member of the decision-making body did not comply with ORS 215.422 [(3)] (7) or 227.180 [(3)] (7),  
 22 whichever is applicable.

23 (13) Subsection (12) of this section does not apply to reverse or remand of a land use decision  
 24 due to ex parte contact or bias resulting from ex parte contact with a hearings officer.

25 (14) The board shall reverse or remand a land use decision or limited land use decision which  
 26 violates a commission order issued under ORS 197.328.

27 (15) In cases in which a local government provides a quasi-judicial land use hearing on a limited  
 28 land use decision, the requirements of subsections (12) and (13) of this section apply.

29 (16) The board may decide cases before it by means of memorandum decisions and shall prepare  
 30 full opinions only in such cases as it deems proper.

31 **SECTION 4. The amendments to ORS 197.835, 215.422 and 227.180 by sections 1 to 3 of this**  
 32 **2015 Act apply to quasi-judicial review by a city or county of the decisions made by a hearings**  
 33 **officer or other decision-making authority at the city or county level on and after the ef-**  
 34 **fective date of this 2015 Act.**