

House Bill 2658

Sponsored by Representative EVANS (Pre-session filed.)

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act stops cities and counties from making a builder complete a project that the city or county already has plans to build. (Flesch Readability Score: 62.1).

Prohibits cities or counties from conditioning a permit or zoning change on the development of an improvement project that has already been financed, planned or approved.

Applies to cities or counties with a population of 15,000 or greater. Beginning on January 1, 2031, applies to all cities and counties.

A BILL FOR AN ACT

1
2 Relating to conditions of development; creating new provisions; and amending ORS 215.416 and
3 227.175.

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

5 **SECTION 1.** ORS 215.416 is amended to read:

6 215.416. (1) When required or authorized by the ordinances, rules and regulations of a county,
7 an owner of land may apply in writing to such persons as the governing body designates, for a
8 permit, in the manner prescribed by the governing body. The governing body shall establish fees
9 charged for processing permits at an amount no more than the actual or average cost of providing
10 that service.

11 (2) The governing body shall establish a consolidated procedure by which an applicant may ap-
12 ply at one time for all permits or zone changes needed for a development project. The consolidated
13 procedure shall be subject to the time limitations set out in ORS 215.427. The consolidated proce-
14 dure shall be available for use at the option of the applicant no later than the time of the first pe-
15 riodic review of the comprehensive plan and land use regulations.

16 (3) Except as provided in subsection (11) of this section, the hearings officer shall hold at least
17 one public hearing on the application.

18 (4)(a) A county may not approve an application if the proposed use of land is found to be in
19 conflict with the comprehensive plan of the county and other applicable land use regulation or or-
20 dinance provisions. The approval may include such conditions as are authorized by statute or county
21 legislation.

22 (b)(A) A county may not deny an application for a housing development located within the urban
23 growth boundary if the development complies with clear and objective standards, including but not
24 limited to clear and objective design standards contained in the county comprehensive plan or land
25 use regulations.

26 (B) This paragraph does not apply to:

27 (i) Applications or permits for residential development in areas described in ORS 197A.400 (2);

28 or

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 (ii) Applications or permits reviewed under an alternative approval process adopted under ORS
2 197A.400 (3).

3 (c) A county may not condition an application for a housing development on a reduction in
4 density if:

5 (A) The density applied for is at or below the authorized density level under the local land use
6 regulations; and

7 (B) At least 75 percent of the floor area applied for is reserved for housing.

8 (d) A county may not condition an application for a housing development on a reduction in
9 height if:

10 (A) The height applied for is at or below the authorized height level under the local land use
11 regulations;

12 (B) At least 75 percent of the floor area applied for is reserved for housing; and

13 (C) Reducing the height has the effect of reducing the authorized density level under local land
14 use regulations.

15 (e) Notwithstanding paragraphs (c) and (d) of this subsection, a county may condition an appli-
16 cation for a housing development on a reduction in density or height only if the reduction is nec-
17 essary to resolve a health, safety or habitability issue or to comply with a protective measure
18 adopted pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the county
19 must adopt findings supported by substantial evidence demonstrating the necessity of the reduction.

20 **(f) A county with a population of 15,000 or greater may not condition a permit or zone**
21 **change for a single lot or parcel on the applicant funding, implementing, creating, repairing,**
22 **renovating or installing any project related to a compliance criteria of the application, if the**
23 **county or another public body, as defined in ORS 174.109, has prior to the application and for**
24 **the project or a project serving substantially the same function at the same location:**

25 **(A) Appropriated, dedicated or raised funds;**

26 **(B) Approved plans by someone other than the applicant; or**

27 **(C) Initiated procurement.**

28 [(f)] (g) As used in this subsection:

29 (A) “Authorized density level” means the maximum number of lots or dwelling units or the
30 maximum floor area ratio that is permitted under local land use regulations.

31 (B) “Authorized height level” means the maximum height of a structure that is permitted under
32 local land use regulations.

33 (C) “Habitability” means being in compliance with the applicable provisions of the state building
34 code under ORS chapter 455 and the rules adopted thereunder.

35 (5) Hearings under this section shall be held only after notice to the applicant and also notice
36 to other persons as otherwise provided by law and shall otherwise be conducted in conformance
37 with the provisions of ORS 197.797.

38 (6) Notice of a public hearing on an application submitted under this section shall be provided
39 to the owner of an airport defined by the Oregon Department of Aviation as a “public use airport”
40 if:

41 (a) The name and address of the airport owner has been provided by the Oregon Department
42 of Aviation to the county planning authority; and

43 (b) The property subject to the land use hearing is:

44 (A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon
45 Department of Aviation to be a “visual airport”; or

1 (B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon
2 Department of Aviation to be an “instrument airport.”

3 (7) Notwithstanding the provisions of subsection (6) of this section, notice of a land use hearing
4 need not be provided as set forth in subsection (6) of this section if the zoning permit would only
5 allow a structure less than 35 feet in height and the property is located outside the runway “ap-
6 proach surface” as defined by the Oregon Department of Aviation.

7 (8)(a) Approval or denial of a permit application shall be based on standards and criteria which
8 shall be set forth in the zoning ordinance or other appropriate ordinance or regulation of the county
9 and which shall relate approval or denial of a permit application to the zoning ordinance and com-
10 prehensive plan for the area in which the proposed use of land would occur and to the zoning or-
11 dinance and comprehensive plan for the county as a whole.

12 (b) When an ordinance establishing approval standards is required under ORS 197A.200 and
13 197A.400 to provide only clear and objective standards, the standards must be clear and objective
14 on the face of the ordinance.

15 (9) Approval or denial of a permit or expedited land division shall be based upon and accompa-
16 nied by a brief statement that explains the criteria and standards considered relevant to the deci-
17 sion, states the facts relied upon in rendering the decision and explains the justification for the
18 decision based on the criteria, standards and facts set forth.

19 (10) Written notice of the approval or denial shall be given to all parties to the proceeding.

20 (11)(a)(A) The hearings officer or such other person as the governing body designates may ap-
21 prove or deny an application for a permit without a hearing if the hearings officer or other desig-
22 nated person gives notice of the decision and provides an opportunity for any person who is
23 adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection,
24 to file an appeal.

25 (B) Written notice of the decision shall be mailed to those persons described in paragraph (c)
26 of this subsection.

27 (C) Notice under this subsection shall comply with ORS 197.797 (3)(a), (c), (g) and (h) and shall
28 describe the nature of the decision. In addition, the notice shall state that any person who is ad-
29 versely affected or aggrieved or who is entitled to written notice under paragraph (c) of this sub-
30 section may appeal the decision by filing a written appeal in the manner and within the time period
31 provided in the county’s land use regulations. A county may not establish an appeal period that is
32 less than 12 days from the date the written notice of decision required by this subsection was
33 mailed. The notice shall state that the decision will not become final until the period for filing a
34 local appeal has expired. The notice also shall state that a person who is mailed written notice of
35 the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS
36 197.830.

37 (D) An appeal from a hearings officer’s decision made without hearing under this subsection
38 shall be to the planning commission or governing body of the county. An appeal from such other
39 person as the governing body designates shall be to a hearings officer, the planning commission or
40 the governing body. In either case, the appeal shall be to a de novo hearing.

41 (E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial
42 evidentiary hearing required under ORS 197.797 as the basis for an appeal to the Land Use Board
43 of Appeals. At the de novo hearing:

44 (i) The applicant and other parties shall have the same opportunity to present testimony, argu-
45 ments and evidence as they would have had in a hearing under subsection (3) of this section before

1 the decision;

2 (ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised
 3 in a notice of appeal; and

4 (iii) The decision maker shall consider all relevant testimony, arguments and evidence that are
 5 accepted at the hearing.

6 (b) If a local government provides only a notice of the opportunity to request a hearing, the
 7 local government may charge a fee for the initial hearing. The maximum fee for an initial hearing
 8 shall be the cost to the local government of preparing for and conducting the appeal, or \$250,
 9 whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the
 10 initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made
 11 by neighborhood or community organizations recognized by the governing body and whose bounda-
 12 ries include the site.

13 (c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the ap-
 14 plicant and to the owners of record of property on the most recent property tax assessment roll
 15 where such property is located:

16 (i) Within 100 feet of the property that is the subject of the notice when the subject property
 17 is wholly or in part within an urban growth boundary;

18 (ii) Within 250 feet of the property that is the subject of the notice when the subject property
 19 is outside an urban growth boundary and not within a farm or forest zone; or

20 (iii) Within 750 feet of the property that is the subject of the notice when the subject property
 21 is within a farm or forest zone.

22 (B) Notice shall also be provided to any neighborhood or community organization recognized by
 23 the governing body and whose boundaries include the site.

24 (C) At the discretion of the applicant, the local government also shall provide notice to the
 25 Department of Land Conservation and Development.

26 (12) A decision described in ORS 215.402 (4)(b) shall:

27 (a) Be entered in a registry available to the public setting forth:

28 (A) The street address or other easily understood geographic reference to the subject property;

29 (B) The date of the decision; and

30 (C) A description of the decision made.

31 (b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a
 32 limited land use decision.

33 (c) Be subject to the appeal period described in ORS 197.830 (5)(b).

34 (13) At the option of the applicant, the local government shall provide notice of the decision
 35 described in ORS 215.402 (4)(b) in the manner required by ORS 197.797 (2), in which case an appeal
 36 to the board shall be filed within 21 days of the decision. The notice shall include an explanation
 37 of appeal rights.

38 (14) Notwithstanding the requirements of this section, a limited land use decision shall be sub-
 39 ject to the requirements set forth in ORS 197.195 and 197.828.

40 **SECTION 2.** ORS 215.416, as amended by section 1 of this 2025 Act, is amended to read:

41 215.416. (1) When required or authorized by the ordinances, rules and regulations of a county,
 42 an owner of land may apply in writing to such persons as the governing body designates, for a
 43 permit, in the manner prescribed by the governing body. The governing body shall establish fees
 44 charged for processing permits at an amount no more than the actual or average cost of providing
 45 that service.

1 (2) The governing body shall establish a consolidated procedure by which an applicant may ap-
 2 ply at one time for all permits or zone changes needed for a development project. The consolidated
 3 procedure shall be subject to the time limitations set out in ORS 215.427. The consolidated proce-
 4 dure shall be available for use at the option of the applicant no later than the time of the first pe-
 5 riodic review of the comprehensive plan and land use regulations.

6 (3) Except as provided in subsection (11) of this section, the hearings officer shall hold at least
 7 one public hearing on the application.

8 (4)(a) A county may not approve an application if the proposed use of land is found to be in
 9 conflict with the comprehensive plan of the county and other applicable land use regulation or or-
 10 dinance provisions. The approval may include such conditions as are authorized by statute or county
 11 legislation.

12 (b)(A) A county may not deny an application for a housing development located within the urban
 13 growth boundary if the development complies with clear and objective standards, including but not
 14 limited to clear and objective design standards contained in the county comprehensive plan or land
 15 use regulations.

16 (B) This paragraph does not apply to:

17 (i) Applications or permits for residential development in areas described in ORS 197A.400 (2);

18 or

19 (ii) Applications or permits reviewed under an alternative approval process adopted under ORS
 20 197A.400 (3).

21 (c) A county may not condition an application for a housing development on a reduction in
 22 density if:

23 (A) The density applied for is at or below the authorized density level under the local land use
 24 regulations; and

25 (B) At least 75 percent of the floor area applied for is reserved for housing.

26 (d) A county may not condition an application for a housing development on a reduction in
 27 height if:

28 (A) The height applied for is at or below the authorized height level under the local land use
 29 regulations;

30 (B) At least 75 percent of the floor area applied for is reserved for housing; and

31 (C) Reducing the height has the effect of reducing the authorized density level under local land
 32 use regulations.

33 (e) Notwithstanding paragraphs (c) and (d) of this subsection, a county may condition an appli-
 34 cation for a housing development on a reduction in density or height only if the reduction is nec-
 35 essary to resolve a health, safety or habitability issue or to comply with a protective measure
 36 adopted pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the county
 37 must adopt findings supported by substantial evidence demonstrating the necessity of the reduction.

38 (f) A county [*with a population of 15,000 or greater*] may not condition a permit or zone change
 39 for a single lot or parcel on the applicant funding, implementing, creating, repairing, renovating or
 40 installing any project related to a compliance criteria of the application, if the county or another
 41 public body, as defined in ORS 174.109, has prior to the application and for the project or a project
 42 serving substantially the same function at the same location:

43 (A) Appropriated, dedicated or raised funds;

44 (B) Approved plans by someone other than the applicant; or

45 (C) Initiated procurement.

1 (g) As used in this subsection:

2 (A) "Authorized density level" means the maximum number of lots or dwelling units or the
3 maximum floor area ratio that is permitted under local land use regulations.

4 (B) "Authorized height level" means the maximum height of a structure that is permitted under
5 local land use regulations.

6 (C) "Habitability" means being in compliance with the applicable provisions of the state building
7 code under ORS chapter 455 and the rules adopted thereunder.

8 (5) Hearings under this section shall be held only after notice to the applicant and also notice
9 to other persons as otherwise provided by law and shall otherwise be conducted in conformance
10 with the provisions of ORS 197.797.

11 (6) Notice of a public hearing on an application submitted under this section shall be provided
12 to the owner of an airport defined by the Oregon Department of Aviation as a "public use airport"
13 if:

14 (a) The name and address of the airport owner has been provided by the Oregon Department
15 of Aviation to the county planning authority; and

16 (b) The property subject to the land use hearing is:

17 (A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon
18 Department of Aviation to be a "visual airport"; or

19 (B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon
20 Department of Aviation to be an "instrument airport."

21 (7) Notwithstanding the provisions of subsection (6) of this section, notice of a land use hearing
22 need not be provided as set forth in subsection (6) of this section if the zoning permit would only
23 allow a structure less than 35 feet in height and the property is located outside the runway "ap-
24 proach surface" as defined by the Oregon Department of Aviation.

25 (8)(a) Approval or denial of a permit application shall be based on standards and criteria which
26 shall be set forth in the zoning ordinance or other appropriate ordinance or regulation of the county
27 and which shall relate approval or denial of a permit application to the zoning ordinance and com-
28 prehensive plan for the area in which the proposed use of land would occur and to the zoning or-
29 dinance and comprehensive plan for the county as a whole.

30 (b) When an ordinance establishing approval standards is required under ORS 197A.200 and
31 197A.400 to provide only clear and objective standards, the standards must be clear and objective
32 on the face of the ordinance.

33 (9) Approval or denial of a permit or expedited land division shall be based upon and accompa-
34 nied by a brief statement that explains the criteria and standards considered relevant to the deci-
35 sion, states the facts relied upon in rendering the decision and explains the justification for the
36 decision based on the criteria, standards and facts set forth.

37 (10) Written notice of the approval or denial shall be given to all parties to the proceeding.

38 (11)(a)(A) The hearings officer or such other person as the governing body designates may ap-
39 prove or deny an application for a permit without a hearing if the hearings officer or other desig-
40 nated person gives notice of the decision and provides an opportunity for any person who is
41 adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection,
42 to file an appeal.

43 (B) Written notice of the decision shall be mailed to those persons described in paragraph (c)
44 of this subsection.

45 (C) Notice under this subsection shall comply with ORS 197.797 (3)(a), (c), (g) and (h) and shall

1 describe the nature of the decision. In addition, the notice shall state that any person who is ad-
 2 versely affected or aggrieved or who is entitled to written notice under paragraph (c) of this sub-
 3 section may appeal the decision by filing a written appeal in the manner and within the time period
 4 provided in the county's land use regulations. A county may not establish an appeal period that is
 5 less than 12 days from the date the written notice of decision required by this subsection was
 6 mailed. The notice shall state that the decision will not become final until the period for filing a
 7 local appeal has expired. The notice also shall state that a person who is mailed written notice of
 8 the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS
 9 197.830.

10 (D) An appeal from a hearings officer's decision made without hearing under this subsection
 11 shall be to the planning commission or governing body of the county. An appeal from such other
 12 person as the governing body designates shall be to a hearings officer, the planning commission or
 13 the governing body. In either case, the appeal shall be to a de novo hearing.

14 (E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial
 15 evidentiary hearing required under ORS 197.797 as the basis for an appeal to the Land Use Board
 16 of Appeals. At the de novo hearing:

17 (i) The applicant and other parties shall have the same opportunity to present testimony, argu-
 18 ments and evidence as they would have had in a hearing under subsection (3) of this section before
 19 the decision;

20 (ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised
 21 in a notice of appeal; and

22 (iii) The decision maker shall consider all relevant testimony, arguments and evidence that are
 23 accepted at the hearing.

24 (b) If a local government provides only a notice of the opportunity to request a hearing, the
 25 local government may charge a fee for the initial hearing. The maximum fee for an initial hearing
 26 shall be the cost to the local government of preparing for and conducting the appeal, or \$250,
 27 whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the
 28 initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made
 29 by neighborhood or community organizations recognized by the governing body and whose bounda-
 30 ries include the site.

31 (c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the ap-
 32 plicant and to the owners of record of property on the most recent property tax assessment roll
 33 where such property is located:

34 (i) Within 100 feet of the property that is the subject of the notice when the subject property
 35 is wholly or in part within an urban growth boundary;

36 (ii) Within 250 feet of the property that is the subject of the notice when the subject property
 37 is outside an urban growth boundary and not within a farm or forest zone; or

38 (iii) Within 750 feet of the property that is the subject of the notice when the subject property
 39 is within a farm or forest zone.

40 (B) Notice shall also be provided to any neighborhood or community organization recognized by
 41 the governing body and whose boundaries include the site.

42 (C) At the discretion of the applicant, the local government also shall provide notice to the
 43 Department of Land Conservation and Development.

44 (12) A decision described in ORS 215.402 (4)(b) shall:

45 (a) Be entered in a registry available to the public setting forth:

- 1 (A) The street address or other easily understood geographic reference to the subject property;
- 2 (B) The date of the decision; and
- 3 (C) A description of the decision made.

4 (b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a
5 limited land use decision.

6 (c) Be subject to the appeal period described in ORS 197.830 (5)(b).

7 (13) At the option of the applicant, the local government shall provide notice of the decision
8 described in ORS 215.402 (4)(b) in the manner required by ORS 197.797 (2), in which case an appeal
9 to the board shall be filed within 21 days of the decision. The notice shall include an explanation
10 of appeal rights.

11 (14) Notwithstanding the requirements of this section, a limited land use decision shall be sub-
12 ject to the requirements set forth in ORS 197.195 and 197.828.

13 **SECTION 3.** ORS 227.175, as amended by section 5, chapter 111, Oregon Laws 2024, is amended
14 to read:

15 227.175. (1) When required or authorized by a city, an owner of land may apply in writing to the
16 hearings officer, or such other person as the city council designates, for a permit or zone change,
17 upon such forms and in such a manner as the city council prescribes. The governing body shall es-
18 tablish fees charged for processing permits at an amount no more than the actual or average cost
19 of providing that service.

20 (2) The governing body of the city shall establish a consolidated procedure by which an appli-
21 cant may apply at one time for all permits or zone changes needed for a development project. The
22 consolidated procedure is subject to the time limitations set out in ORS 227.178. The consolidated
23 procedure shall be available for use at the option of the applicant no later than the time of the first
24 periodic review of the comprehensive plan and land use regulations.

25 (3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least
26 one public hearing on the application.

27 (4)(a) A city may not approve an application unless the proposed development of land would be
28 in compliance with the comprehensive plan for the city and other applicable land use regulation or
29 ordinance provisions, including an ordinance described in ORS 197A.400 (1)(c). The approval may
30 include such conditions as are authorized by ORS 227.215 or any city legislation.

31 (b)(A) A city may not deny an application for a housing development located within the urban
32 growth boundary if the development complies with clear and objective standards, including clear and
33 objective design standards contained in the city comprehensive plan or land use regulations.

34 (B) This paragraph does not apply to:

35 (i) Applications or permits for residential development in areas described in ORS 197A.400 (2);

36 or

37 (ii) Applications or permits reviewed under an alternative approval process adopted under ORS
38 197A.400 (3).

39 (c) A city may not condition an application for a housing development on a reduction in density
40 if:

41 (A) The density applied for is at or below the authorized density level under the local land use
42 regulations; and

43 (B) At least 75 percent of the floor area applied for is reserved for housing.

44 (d) A city may not condition an application for a housing development on a reduction in height
45 if:

1 (A) The height applied for is at or below the authorized height level under the local land use
 2 regulations;

3 (B) At least 75 percent of the floor area applied for is reserved for housing; and

4 (C) Reducing the height has the effect of reducing the authorized density level under local land
 5 use regulations.

6 (e) Notwithstanding paragraphs (c) and (d) of this subsection, a city may condition an applica-
 7 tion for a housing development on a reduction in density or height only if the reduction is necessary
 8 to resolve a health, safety or habitability issue or to comply with a protective measure adopted
 9 pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the city must adopt
 10 findings supported by substantial evidence demonstrating the necessity of the reduction.

11 **(f) A city with a population of 15,000 or greater may not condition a permit or zone**
 12 **change for a single lot or parcel on the applicant funding, implementing, creating, repairing,**
 13 **renovating or installing any project related to a compliance criteria of the application, if the**
 14 **city or another public body, as defined in ORS 174.109, has prior to the application and for**
 15 **the project or a project serving substantially the same function at the same location:**

16 **(A) Appropriated, dedicated or raised funds;**

17 **(B) Approved plans by someone other than the applicant; or**

18 **(C) Initiated procurement.**

19 [(f)] (g) As used in this subsection:

20 (A) "Authorized density level" means the maximum number of lots or dwelling units or the
 21 maximum floor area ratio that is permitted under local land use regulations.

22 (B) "Authorized height level" means the maximum height of a structure that is permitted under
 23 local land use regulations.

24 (C) "Habitability" means being in compliance with the applicable provisions of the state building
 25 code under ORS chapter 455 and the rules adopted thereunder.

26 (5) Hearings under this section may be held only after notice to the applicant and other inter-
 27 ested persons and shall otherwise be conducted in conformance with the provisions of ORS 197.797.

28 (6) Notice of a public hearing on a zone use application shall be provided to the owner of an
 29 airport, defined by the Oregon Department of Aviation as a "public use airport" if:

30 (a) The name and address of the airport owner has been provided by the Oregon Department
 31 of Aviation to the city planning authority; and

32 (b) The property subject to the zone use hearing is:

33 (A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon
 34 Department of Aviation to be a "visual airport"; or

35 (B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon
 36 Department of Aviation to be an "instrument airport."

37 (7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing
 38 need only be provided as set forth in subsection (6) of this section if the permit or zone change
 39 would only allow a structure less than 35 feet in height and the property is located outside of the
 40 runway "approach surface" as defined by the Oregon Department of Aviation.

41 (8) If an application would change the zone of property that includes all or part of a mobile
 42 home or manufactured dwelling park as defined in ORS 446.003, the governing body shall give
 43 written notice by first class mail to each existing mailing address for tenants of the mobile home
 44 or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first
 45 hearing on the application. The governing body may require an applicant for such a zone change to

1 pay the costs of such notice.

2 (9) The failure of a tenant or an airport owner to receive a notice which was mailed does not
 3 invalidate any zone change.

4 (10)(a)(A) The hearings officer or such other person as the governing body designates may ap-
 5 prove or deny an application for a permit without a hearing if the hearings officer or other desig-
 6 nated person gives notice of the decision and provides an opportunity for any person who is
 7 adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection,
 8 to file an appeal.

9 (B) Written notice of the decision shall be mailed to those persons described in paragraph (c)
 10 of this subsection.

11 (C) Notice under this subsection shall comply with ORS 197.797 (3)(a), (c), (g) and (h) and shall
 12 describe the nature of the decision. In addition, the notice shall state that any person who is ad-
 13 versely affected or aggrieved or who is entitled to written notice under paragraph (c) of this sub-
 14 section may appeal the decision by filing a written appeal in the manner and within the time period
 15 provided in the city's land use regulations. A city may not establish an appeal period that is less
 16 than 12 days from the date the written notice of decision required by this subsection was mailed.
 17 The notice shall state that the decision will not become final until the period for filing a local appeal
 18 has expired. The notice also shall state that a person who is mailed written notice of the decision
 19 cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

20 (D) An appeal from a hearings officer's decision made without hearing under this subsection
 21 shall be to the planning commission or governing body of the city. An appeal from such other person
 22 as the governing body designates shall be to a hearings officer, the planning commission or the
 23 governing body. In either case, the appeal shall be to a de novo hearing.

24 (E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial
 25 evidentiary hearing required under ORS 197.797 as the basis for an appeal to the Land Use Board
 26 of Appeals. At the de novo hearing:

27 (i) The applicant and other parties shall have the same opportunity to present testimony, argu-
 28 ments and evidence as they would have had in a hearing under subsection (3) of this section before
 29 the decision;

30 (ii) The presentation of testimony, arguments and evidence may not be limited to issues raised
 31 in a notice of appeal; and

32 (iii) The decision maker shall consider all relevant testimony, arguments and evidence that are
 33 accepted at the hearing.

34 (b) If a local government provides only a notice of the opportunity to request a hearing, the
 35 local government may charge a fee for the initial hearing. The maximum fee for an initial hearing
 36 shall be the cost to the local government of preparing for and conducting the appeal, or \$250,
 37 whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the
 38 initial hearing shall be refunded. The fee allowed in this paragraph does not apply to appeals made
 39 by neighborhood or community organizations recognized by the governing body and whose bounda-
 40 ries include the site.

41 (c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the ap-
 42 plicant and to the owners of record of property on the most recent property tax assessment roll
 43 where such property is located:

44 (i) Within 100 feet of the property that is the subject of the notice when the subject property
 45 is wholly or in part within an urban growth boundary;

1 (ii) Within 250 feet of the property that is the subject of the notice when the subject property
 2 is outside an urban growth boundary and not within a farm or forest zone; or

3 (iii) Within 750 feet of the property that is the subject of the notice when the subject property
 4 is within a farm or forest zone.

5 (B) Notice shall also be provided to any neighborhood or community organization recognized by
 6 the governing body and whose boundaries include the site.

7 (C) At the discretion of the applicant, the local government also shall provide notice to the
 8 Department of Land Conservation and Development.

9 (11) A decision described in ORS 227.160 (2)(b) shall:

10 (a) Be entered in a registry available to the public setting forth:

11 (A) The street address or other easily understood geographic reference to the subject property;

12 (B) The date of the decision; and

13 (C) A description of the decision made.

14 (b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a
 15 limited land use decision.

16 (c) Be subject to the appeal period described in ORS 197.830 (5)(b).

17 (12) At the option of the applicant, the local government shall provide notice of the decision
 18 described in ORS 227.160 (2)(b) in the manner required by ORS 197.797 (2), in which case an appeal
 19 to the board shall be filed within 21 days of the decision. The notice shall include an explanation
 20 of appeal rights.

21 (13) Notwithstanding other requirements of this section, limited land use decisions are subject
 22 to the requirements set forth in ORS 197.195 and 197.828.

23 **SECTION 4.** ORS 227.175, as amended by section 5, chapter 111, Oregon Laws 2024, and section
 24 3 of this 2025 Act, is amended to read:

25 227.175. (1) When required or authorized by a city, an owner of land may apply in writing to the
 26 hearings officer, or such other person as the city council designates, for a permit or zone change,
 27 upon such forms and in such a manner as the city council prescribes. The governing body shall es-
 28 tablish fees charged for processing permits at an amount no more than the actual or average cost
 29 of providing that service.

30 (2) The governing body of the city shall establish a consolidated procedure by which an appli-
 31 cant may apply at one time for all permits or zone changes needed for a development project. The
 32 consolidated procedure is subject to the time limitations set out in ORS 227.178. The consolidated
 33 procedure shall be available for use at the option of the applicant no later than the time of the first
 34 periodic review of the comprehensive plan and land use regulations.

35 (3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least
 36 one public hearing on the application.

37 (4)(a) A city may not approve an application unless the proposed development of land would be
 38 in compliance with the comprehensive plan for the city and other applicable land use regulation or
 39 ordinance provisions, including an ordinance described in ORS 197A.400 (1)(c). The approval may
 40 include such conditions as are authorized by ORS 227.215 or any city legislation.

41 (b)(A) A city may not deny an application for a housing development located within the urban
 42 growth boundary if the development complies with clear and objective standards, including clear and
 43 objective design standards contained in the city comprehensive plan or land use regulations.

44 (B) This paragraph does not apply to:

45 (i) Applications or permits for residential development in areas described in ORS 197A.400 (2);

1 or

2 (ii) Applications or permits reviewed under an alternative approval process adopted under ORS
3 197A.400 (3).

4 (c) A city may not condition an application for a housing development on a reduction in density
5 if:

6 (A) The density applied for is at or below the authorized density level under the local land use
7 regulations; and

8 (B) At least 75 percent of the floor area applied for is reserved for housing.

9 (d) A city may not condition an application for a housing development on a reduction in height
10 if:

11 (A) The height applied for is at or below the authorized height level under the local land use
12 regulations;

13 (B) At least 75 percent of the floor area applied for is reserved for housing; and

14 (C) Reducing the height has the effect of reducing the authorized density level under local land
15 use regulations.

16 (e) Notwithstanding paragraphs (c) and (d) of this subsection, a city may condition an applica-
17 tion for a housing development on a reduction in density or height only if the reduction is necessary
18 to resolve a health, safety or habitability issue or to comply with a protective measure adopted
19 pursuant to a statewide land use planning goal. Notwithstanding ORS 197.350, the city must adopt
20 findings supported by substantial evidence demonstrating the necessity of the reduction.

21 (f) A city [*with a population of 15,000 or greater*] may not condition a permit or zone change for
22 a single lot or parcel on the applicant funding, implementing, creating, repairing, renovating or in-
23 stallating any project related to a compliance criteria of the application, if the city or another public
24 body, as defined in ORS 174.109, has prior to the application and for the project or a project serving
25 substantially the same function at the same location:

26 (A) Appropriated, dedicated or raised funds;

27 (B) Approved plans by someone other than the applicant; or

28 (C) Initiated procurement.

29 (g) As used in this subsection:

30 (A) "Authorized density level" means the maximum number of lots or dwelling units or the
31 maximum floor area ratio that is permitted under local land use regulations.

32 (B) "Authorized height level" means the maximum height of a structure that is permitted under
33 local land use regulations.

34 (C) "Habitability" means being in compliance with the applicable provisions of the state building
35 code under ORS chapter 455 and the rules adopted thereunder.

36 (5) Hearings under this section may be held only after notice to the applicant and other inter-
37 ested persons and shall otherwise be conducted in conformance with the provisions of ORS 197.797.

38 (6) Notice of a public hearing on a zone use application shall be provided to the owner of an
39 airport, defined by the Oregon Department of Aviation as a "public use airport" if:

40 (a) The name and address of the airport owner has been provided by the Oregon Department
41 of Aviation to the city planning authority; and

42 (b) The property subject to the zone use hearing is:

43 (A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon
44 Department of Aviation to be a "visual airport"; or

45 (B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon

1 Department of Aviation to be an “instrument airport.”

2 (7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing
3 need only be provided as set forth in subsection (6) of this section if the permit or zone change
4 would only allow a structure less than 35 feet in height and the property is located outside of the
5 runway “approach surface” as defined by the Oregon Department of Aviation.

6 (8) If an application would change the zone of property that includes all or part of a mobile
7 home or manufactured dwelling park as defined in ORS 446.003, the governing body shall give
8 written notice by first class mail to each existing mailing address for tenants of the mobile home
9 or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first
10 hearing on the application. The governing body may require an applicant for such a zone change to
11 pay the costs of such notice.

12 (9) The failure of a tenant or an airport owner to receive a notice which was mailed does not
13 invalidate any zone change.

14 (10)(a)(A) The hearings officer or such other person as the governing body designates may ap-
15 prove or deny an application for a permit without a hearing if the hearings officer or other desig-
16 nated person gives notice of the decision and provides an opportunity for any person who is
17 adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection,
18 to file an appeal.

19 (B) Written notice of the decision shall be mailed to those persons described in paragraph (c)
20 of this subsection.

21 (C) Notice under this subsection shall comply with ORS 197.797 (3)(a), (c), (g) and (h) and shall
22 describe the nature of the decision. In addition, the notice shall state that any person who is ad-
23 versely affected or aggrieved or who is entitled to written notice under paragraph (c) of this sub-
24 section may appeal the decision by filing a written appeal in the manner and within the time period
25 provided in the city’s land use regulations. A city may not establish an appeal period that is less
26 than 12 days from the date the written notice of decision required by this subsection was mailed.
27 The notice shall state that the decision will not become final until the period for filing a local appeal
28 has expired. The notice also shall state that a person who is mailed written notice of the decision
29 cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

30 (D) An appeal from a hearings officer’s decision made without hearing under this subsection
31 shall be to the planning commission or governing body of the city. An appeal from such other person
32 as the governing body designates shall be to a hearings officer, the planning commission or the
33 governing body. In either case, the appeal shall be to a de novo hearing.

34 (E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial
35 evidentiary hearing required under ORS 197.797 as the basis for an appeal to the Land Use Board
36 of Appeals. At the de novo hearing:

37 (i) The applicant and other parties shall have the same opportunity to present testimony, argu-
38 ments and evidence as they would have had in a hearing under subsection (3) of this section before
39 the decision;

40 (ii) The presentation of testimony, arguments and evidence may not be limited to issues raised
41 in a notice of appeal; and

42 (iii) The decision maker shall consider all relevant testimony, arguments and evidence that are
43 accepted at the hearing.

44 (b) If a local government provides only a notice of the opportunity to request a hearing, the
45 local government may charge a fee for the initial hearing. The maximum fee for an initial hearing

1 shall be the cost to the local government of preparing for and conducting the appeal, or \$250,
2 whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the
3 initial hearing shall be refunded. The fee allowed in this paragraph does not apply to appeals made
4 by neighborhood or community organizations recognized by the governing body and whose bounda-
5 ries include the site.

6 (c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the ap-
7 plicant and to the owners of record of property on the most recent property tax assessment roll
8 where such property is located:

9 (i) Within 100 feet of the property that is the subject of the notice when the subject property
10 is wholly or in part within an urban growth boundary;

11 (ii) Within 250 feet of the property that is the subject of the notice when the subject property
12 is outside an urban growth boundary and not within a farm or forest zone; or

13 (iii) Within 750 feet of the property that is the subject of the notice when the subject property
14 is within a farm or forest zone.

15 (B) Notice shall also be provided to any neighborhood or community organization recognized by
16 the governing body and whose boundaries include the site.

17 (C) At the discretion of the applicant, the local government also shall provide notice to the
18 Department of Land Conservation and Development.

19 (11) A decision described in ORS 227.160 (2)(b) shall:

20 (a) Be entered in a registry available to the public setting forth:

21 (A) The street address or other easily understood geographic reference to the subject property;

22 (B) The date of the decision; and

23 (C) A description of the decision made.

24 (b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a
25 limited land use decision.

26 (c) Be subject to the appeal period described in ORS 197.830 (5)(b).

27 (12) At the option of the applicant, the local government shall provide notice of the decision
28 described in ORS 227.160 (2)(b) in the manner required by ORS 197.797 (2), in which case an appeal
29 to the board shall be filed within 21 days of the decision. The notice shall include an explanation
30 of appeal rights.

31 (13) Notwithstanding other requirements of this section, limited land use decisions are subject
32 to the requirements set forth in ORS 197.195 and 197.828.

33 **SECTION 5. The amendments to ORS 215.416 and 227.175 by sections 2 and 4 of this 2025**
34 **Act become operative on January 1, 2031.**

35