SB 458-3 (LC 1892) 3/31/21 (RLM/ps)

Requested by Senator FREDERICK

PROPOSED AMENDMENTS TO SB 458

1 On <u>page 1</u> of the printed bill, line 3, delete "and 94.776" and insert ", 2 94.776, 197.365, 197.370, 197.375 and 197.380".

3 Delete lines 6 through 31.

4 On page 2, delete lines 1 through 3 and insert:

"SECTION 2. (1) As used in this section, 'middle housing land division' means a partition or subdivision of a lot or parcel on which the
development of middle housing is allowed under ORS 197.758 (2) or (3).
"(2) A city or county shall approve a tentative plan for a middle
housing land division if the application includes:

"(a) A proposal for development of middle housing in compliance
 with the Oregon residential specialty code and land use regulations
 applicable to the original lot or parcel allowed under ORS 197.758 (5);

13 "(b) Separate utilities for each dwelling unit;

"(c) Proposed easements necessary for each dwelling unit on the
 plan for:

¹⁶ "(A) Locating, accessing, replacing and servicing all utilities;

"(B) Pedestrian access from each dwelling unit to a private or
 public road;

19 "(C) Any common use areas or shared building elements;

20 "(D) Any dedicated driveways or parking; and

21 "(E) Any dedicated common area;

"(d) Exactly one dwelling unit on each resulting lot or parcel, except for lots, parcels or tracts used as common areas; and

"(e) Evidence demonstrating how buildings or structures on a resulting lot or parcel will comply with applicable building codes provisions relating to new property lines and, notwithstanding the creation of new lots or parcels, how structures or buildings located on the newly created lots or parcels will comply with the Oregon residential specialty code.

9 "(3) A city or county may add conditions to the approval of a ten10 tative plan for a middle housing land division to:

11 "(a) Prohibit the further division of the resulting lots or parcels.

"(b) Require that a notation appear on the final plat indicating that
 the approval was given under this section.

"(4) In reviewing an application for a middle housing land division,
 a city or county:

16 "(a) Shall apply the procedures under ORS 197.360 to 197.380.

"(b) May require street frontage improvements where a resulting
 lot or parcel abuts the street consistent with land use regulations im plementing ORS 197.758.

"(c) May not subject an application to approval criteria except as provided in this section, including that a lot or parcel require driveways, vehicle access, parking or minimum or maximum street frontage.

"(d) May not subject the application to procedures, ordinances or
 regulations adopted under ORS 92.044 or 92.046 that are inconsistent
 with this section or ORS 197.360 to 197.380.

"(e) May allow the submission of an application for a middle housing land division at the same time as the submission of an application
for building permits for the middle housing.

30 "(f) May require the dedication of right of way if the original parcel

1 did not previously provide a dedication.

"(5) The type of middle housing developed on the original parcel is
not altered by a middle housing land division.

"(6) Notwithstanding ORS 197.312 (5), a city or county is not required to allow an accessory dwelling unit on a lot or parcel resulting
from a middle housing land division.

"(7) The tentative approval of a middle housing land division is void
if and only if a final subdivision or partition plat is not approved
within three years of the tentative approval. Nothing in this section
or ORS 197.360 to 197.380 prohibits a city or county from requiring a
final plat before issuing building permits.

"SECTION 2a. Section 2 of this 2021 Act applies only to a middle
 housing land division permitted on or after July 1, 2022.".

14 After line 29, insert:

¹⁵ "SECTION 6. ORS 197.365 is amended to read:

"197.365. Unless the applicant requests to use the procedure set forth in
a comprehensive plan and land use regulations, a local government shall use
the following procedure for an expedited land division, as described in ORS
197.360, or a middle housing land division under section 2 of this 2021
Act:

"(1)(a) If the application for [*expedited*] **a** land division is incomplete, the local government shall notify the applicant of exactly what information is missing within 21 days of receipt of the application and allow the applicant to submit the missing information. For purposes of computation of time under this section, the application shall be deemed complete on the date the applicant submits the requested information or refuses in writing to submit it.

(b) If the application was complete when first submitted or the applicant submits the requested additional information within 180 days of the date the application was first submitted, approval or denial of the application shall be based upon the standards and criteria that were applicable at the time the
application was first submitted.

"(2) The local government shall provide written notice of the receipt of 3 the completed application for [an expedited] **a** land division to any state 4 agency, local government or special district responsible for providing public $\mathbf{5}$ facilities or services to the development and to owners of property within 6 100 feet of the entire contiguous site for which the application is made. The 7 notification list shall be compiled from the most recent property tax assess-8 ment roll. For purposes of appeal to the referee under ORS 197.375, this re-9 quirement shall be deemed met when the local government can provide an 10 affidavit or other certification that such notice was given. Notice shall also 11 be provided to any neighborhood or community planning organization re-12 cognized by the governing body and whose boundaries include the site. 13

14 "(3) The notice required under subsection (2) of this section shall:

15 "(a) State:

16 "(A) The deadline for submitting written comments;

"(B) That issues that may provide the basis for an appeal to the referee
must be raised in writing prior to the expiration of the comment period; and
"(C) That issues must be raised with sufficient specificity to enable the
local government to respond to the issue.

"(b) Set forth, by commonly used citation, the applicable criteria for the decision.

"(c) Set forth the street address or other easily understood geographical
 reference to the subject property.

²⁵ "(d) State the place, date and time that comments are due.

"(e) State a time and place where copies of all evidence submitted by theapplicant will be available for review.

"(f) Include the name and telephone number of a local government contactperson.

30 "(g) Briefly summarize the local decision-making process for the [expe-

1 *dited*] land division decision being made.

2 "(4) After notice under subsections (2) and (3) of this section, the local 3 government shall:

4 "(a) Provide a 14-day period for submission of written comments prior to
5 the decision.

6 "(b) Make a decision to approve or deny the application within 63 days 7 of receiving a completed application, based on whether it satisfies the sub-8 stantive requirements of the [*local government's*] **applicable** land use regu-9 lations. An approval may include conditions to ensure that the application 10 meets the applicable land use regulations. For applications subject to this 11 section, the local government:

12 "(A) Shall not hold a hearing on the application; and

(B) Shall issue a written determination of compliance or noncompliance with applicable land use regulations that includes a summary statement explaining the determination. The summary statement may be in any form reasonably intended to communicate the local government's basis for the determination.

"(c) Provide notice of the decision to the applicant and to those who received notice under subsection (2) of this section within 63 days of the date
of a completed application. The notice of decision shall include:

21 "(A) The summary statement described in paragraph (b)(B) of this sub-22 section; and

²³ "(B) An explanation of appeal rights under ORS 197.375.

²⁴ "SECTION 7. ORS 197.370 is amended to read:

"197.370. (1) Except as provided in subsection (2) of this section, if the local government does not make a decision on an expedited land division or a middle housing land division, as defined in section 2 of this 2021 Act, within 63 days after the application is deemed complete, the applicant may apply in the circuit court for the county in which the application was filed for a writ of mandamus to compel the local government to issue the approval.

The writ shall be issued unless the local government shows that the approval would violate a substantive provision of the applicable land use regulations or the requirements of ORS 197.360 or section 2 of this 2021 Act. A decision of the circuit court under this section may be appealed only to the Court of Appeals.

"(2) After seven days' notice to the applicant, the governing body of the 6 local government may, at a regularly scheduled public meeting, take action 7 to extend the 63-day time period to a date certain for one or more applica-8 tions for an expedited land division or a middle housing land division 9 prior to the expiration of the 63-day period, based on a determination that 10 an unexpected or extraordinary increase in applications makes action within 11 63 days impracticable. In no case shall an extension be to a date more than 12 120 days after the application was deemed complete. Upon approval of an 13 extension, the provisions of ORS 197.360 to 197.380 and section 2 of this 14 **2021** Act, including the mandamus remedy provided by subsection (1) of this 15section, shall remain applicable to the [expedited] land division, except that 16 the extended period shall be substituted for the 63-day period wherever ap-17 plicable. 18

"(3) The decision to approve or not approve an extension under subsection(2) of this section is not a land use decision or limited land use decision.

²¹ **"SECTION 8.** ORS 197.375 is amended to read:

"197.375. (1) An appeal of a decision made under ORS 197.360 and 197.365
or under ORS 197.365 and section 2 of this 2021 Act shall be made as
follows:

"(a) An appeal must be filed with the local government within 14 days
of mailing of the notice of the decision under ORS 197.365 (4)[,] and shall
be accompanied by a \$300 deposit for costs.

²⁸ "(b) A decision may be appealed by:

29 "(A) The applicant; or

30 "(B) Any person or organization who files written comments in the time

1 period established under ORS 197.365.

2 "(c) An appeal shall be based solely on allegations:

"(A) Of violation of the substantive provisions of the applicable land use
regulations;

5 "(B) Of unconstitutionality of the decision;

"(C) That the application is not eligible for review under ORS 197.360 to
197.380 or section 2 of this 2021 Act and should be reviewed as a land use
decision or limited land use decision; or

9 "(D) That the parties' substantive rights have been substantially preju-10 diced by an error in procedure by the local government.

"(2) The local government shall appoint a referee to decide the appeal of a decision made under [*ORS 197.360 and 197.365*] **this section**. The referee [*shall*] **may** not be an employee or official of the local government. However, a local government that has designated a hearings officer under ORS 215.406 or 227.165 may designate the hearings officer as the referee for appeals of a decision made under ORS 197.360 and 197.365.

"(3) Within seven days of being appointed to decide the appeal, the referee 17 shall notify the applicant, the local government, the appellant if other than 18 the applicant, any person or organization entitled to notice under ORS 19 197.365 (2) that provided written comments to the local government and all 20providers of public facilities and services entitled to notice under ORS 21197.365 (2) and advise them of the manner in which they may participate in 22the appeal. A person or organization that provided written comments to the 23local government but did not file an appeal under subsection (1) of this sec-24tion may participate only with respect to the issues raised in the written 25comments submitted by that person or organization. The referee may use any 26procedure for decision-making consistent with the interests of the parties to 27ensure a fair opportunity to present information and argument. The referee 28shall provide the local government an opportunity to explain its decision, 29 but is not limited to reviewing the local government decision and may con-30

1 sider information not presented to the local government.

"(4)(a) The referee shall apply the substantive requirements of the [local $\mathbf{2}$ government's] applicable land use regulations and ORS 197.360 or section 3 2 of this 2021 Act. If the referee determines that the application does not 4 qualify as an expedited land division [as described in ORS 197.360] or a $\mathbf{5}$ middle housing land division, as defined in section 2 of this 2021 Act, 6 the referee shall remand the application for consideration as a land use de-7 cision or limited land use decision. In all other cases, the referee shall seek 8 to identify means by which the application can satisfy the applicable re-9 quirements. 10

11 "(b) For an expedited land use division, the referee may not reduce the 12 density of the land division application.

"(c) The referee shall make a written decision approving or denying the application or approving it with conditions designed to ensure that the application satisfies the land use regulations, within 42 days of the filing of an appeal. The referee may not remand the application to the local government for any reason other than as set forth in this subsection.

"(5) Unless the governing body of the local government finds exigent circumstances, a referee who fails to issue a written decision within 42 days of the filing of an appeal shall receive no compensation for service as referee in the appeal.

"(6) Notwithstanding any other provision of law, the referee shall order 22the local government to refund the deposit for costs to an appellant who 23materially improves his or her position from the decision of the local gov-24ernment. The referee shall assess the cost of the appeal in excess of the de-25posit for costs, up to a maximum of \$500, including the deposit paid under 26subsection (1) of this section, against an appellant who does not materially 27improve his or her position from the decision of the local government. The 28local government shall pay the portion of the costs of the appeal not assessed 29 against the appellant. The costs of the appeal include the compensation paid 30

the referee and costs incurred by the local government, but not the costs ofother parties.

"(7) The Land Use Board of Appeals does not have jurisdiction to consider
any decisions, aspects of decisions or actions made under ORS 197.360 to
197.380 or section 2 of this 2021 Act.

"(8) Any party to a proceeding before a referee under this section may 6 seek judicial review of the referee's decision in the manner provided for re-7 view of final orders of the Land Use Board of Appeals under ORS 197.850 8 and 197.855. The Court of Appeals shall review decisions of the referee in the 9 same manner as provided for review of final orders of the Land Use Board 10 of Appeals in those statutes. However, notwithstanding ORS 197.850 (9) or 11 any other provision of law, the court shall reverse or remand the decision 12 only if the court finds: 13

"(a) That the decision does not concern an expedited land division as described in ORS 197.360 or middle housing land division as defined in
section 2 of this 2021 Act and the appellant raised this issue in proceedings
before the referee;

"(b) That there is a basis to vacate the decision as described in ORS
36.705 (1)(a) to (d), or a basis for modification or correction of an award as
described in ORS 36.710; or

21 "(c) That the decision is unconstitutional.

²² "SECTION 9. ORS 197.380 is amended to read:

"197.380. Each city and county shall establish [an application fee] appli-23cation fees for an expedited land division and a middle housing land di-24vision, as defined in section 2 of this 2021 Act. The [fee shall] fees must 25be set at a level calculated to recover the estimated full cost of processing 26an application, including the cost of appeals to the referee under ORS 27197.375, based on the estimated average cost of such applications. Within one 28year of establishing [the fee required] a fee under this section, the city or 29 county shall review and revise the fee, if necessary, to reflect actual experi-30

1 ence in processing applications under ORS 197.360 to 197.380 and section 2

2 of this 2021 Act.".

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