A-Engrossed
House Bill 3458
Ordered by the House April 12
Including House Amendments dated April 12
Sponsored by Representative MCLAIN; Representative GAMBA (at the request of City of Portland)

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.

Limits issues that may be basis for appeal of land use decisions where local government amends comprehensive plan or land use regulations.

[Requires Land Use Board of Appeals to approve land use regulations not in strict conformance with comprehensive plan if they further plan.]

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT
Relating to the Land Use Board of Appeals; creating new provisions; amending ORS 197.835; and prescribing an effective date.

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

SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS 197.610 to 197.625.

SECTION 2. When a local government adopts a change to an acknowledged comprehensive plan or land use regulation, and the Land Use Board of Appeals remands all or a portion of that decision based solely on inadequate findings or evidence, if the local government adopts the same changes following remand with revised findings and additional evidence responding to the remand, then a party may not raise new issues that could have been but were not previously raised before the board, but may only challenge the revised findings or additional evidence.

SECTION 3. ORS 197.835 is amended to read:

197.835. (1)(a) The Land Use Board of Appeals shall review the land use decision or limited land use decision and prepare a final order affirming, reversing or remanding the land use decision or limited land use decision.

(b) If a local government demonstrates that a land use decision adopting a change to an acknowledged comprehensive plan or land use regulation contains a severability clause and specifically challenged portions of the changes may be reasonably severable from the remainder of the changes, the board may affirm in part. Reasonably severable means the remaining parts, standing alone, are complete and capable of being executed with the legislative intent. The affirmed parts are not affected by the reversal or remand, continue in effect and are considered acknowledged as described in ORS 197.625.

(c) The board shall adopt rules defining the circumstances in which it will reverse rather than remand a land use decision or limited land use decision or part of a decision that is not affirmed.

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

(b) In the case of disputed allegations of standing, unconstitutionality of the decision, ex parte contacts, actions described in subsection (10)(a)(B) of this section or other procedural irregularities not shown in the record that, if proved, would warrant reversal or remand, the board may take evidence and make findings of fact on those allegations. The board shall be bound by any finding of fact of the local government, special district or state agency for which there is substantial evidence in the whole record.

(3) The board may only review issues [shall be limited to those] raised by any participant before the local hearings body as provided by ORS 197.195 or 197.797 or section 2 of this 2023 Act, whichever is applicable.

(4) A petitioner may raise new issues to the board regarding a quasi-judicial decision made under ORS 197.195 or 197.797 only if:

(a) The local government failed to list the applicable criteria for a decision under ORS 197.195 (3)(c) or 197.797 (3)(b), in which case a petitioner may raise new issues based upon applicable criteria that were omitted from the notice. However, the board may refuse to allow new issues to be raised if it finds that the issue could have been raised before the local government; or

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

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

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

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

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

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

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

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

(a) The local government or special district:

(A) Exceeded its jurisdiction;

(B) Failed to follow the procedures applicable to the matter before it in a manner that prejudiced the substantial rights of the petitioner;

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

(D) Improperly construed the applicable law; or
(E) Made an unconstitutional decision; or
(b) The state agency made a decision that violated the goals.

(10)(a) The board shall reverse a local government decision and order the local government to
grant approval of an application for development denied by the local government if the board finds:
(A) Based on the evidence in the record, that the local government decision is outside the range
of discretion allowed the local government under its comprehensive plan and implementing ordi-
nances; or
(B) That the local government’s action was for the purpose of avoiding the requirements of ORS
215.427 or 227.178.
(b) If the board does reverse the decision and orders the local government to grant approval of
the application, the board shall award attorney fees to the applicant and against the local govern-
ment.

(11)(a) Whenever the findings, order and record are sufficient to allow review, and to the extent
possible consistent with the time requirements of ORS 197.830 (14), the board shall decide all issues
presented to it when reversing or remanding a land use decision described in subsections (2) to (9)
of this section or limited land use decision described in ORS 197.828 and 197.195.
(b) Whenever the findings are defective because of failure to recite adequate facts or legal
conclusions or failure to adequately identify the standards or their relation to the facts, but the
parties identify relevant evidence in the record which clearly supports the decision or a part of the
decision, the board shall affirm the decision or the part of the decision supported by the record and
remand the remainder to the local government, with direction indicating appropriate remedial
action.

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

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

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

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

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

SECTION 4. Section 2 of this 2023 Act and the amendments to ORS 197.835 by section 3
of this 2023 Act apply to land use decisions made, and petitions filed with the Land Use Board
of Appeals, on or after the effective date of this 2023 Act.

SECTION 5. This 2023 Act takes effect on the 91st day after the date on which the 2023
regular session of the Eighty-second Legislative Assembly adjourns sine die.