



CITY OF MOLALLA PLANNING COMMISSION MEETING AGENDA

Council Chambers | Molalla Civic Center - 315 Kennel Avenue – Molalla, OR
Wednesday | July 2, 2025 | 6:30 PM

NOTICE: Planning Commission will hold this meeting in-person and through video Live-Streaming on the City's Facebook Page and YouTube Channel. Written comments may be delivered to City Hall or emailed to communityplanner@cityofmolalla.com. Submissions must be received by 12:00 p.m. the day of the meeting.

Commission Chair Doug Eaglebear
Commissioner Connie Sharp
Commissioner David Potts
Commissioner Kristy Hodgkinson

Commission Vice-Chair Clint Ancell
Commissioner Martin Ornelas
Commissioner Brady Rickey

This institution is an equal opportunity employer.

1. **CALL TO ORDER AND FLAG SALUTE**
2. **ROLL CALL**
3. **PRESENTATIONS, PROCLAMATIONS, CEREMONIES**
4. **CONSENT AGENDA**
 - A. Planning Commission Meeting minutes – June 4, 2025
5. **PUBLIC COMMENT & WRITTEN COMMUNICATIONS**

Citizens are allowed up to 3 minutes to present information relevant to the city but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the support staff. The Planning Commission does not generally engage in dialog with those making comments but may refer the issue to the Community Development Director. Complaints shall first be addressed at the department level prior to addressing the Planning Commission.
6. **PUBLIC HEARINGS**
7. **GENERAL BUSINESS**
 - A. UGB Memo to Governor's Office (Corthell)
8. **STAFF COMMUNICATION**
9. **COMMISSION COMMUNICATION**
10. **ADJOURN**

Agenda posted at City Hall, Library, and the City Website at <http://www.cityofmolalla.com/meetings>. This meeting location is wheelchair accessible. Disabled individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the Community Development Office at 503-759-0243.



City of Molalla
Planning Commission - Regular Meeting Minutes
June 04, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla Planning Commission Meeting of June 04, 2025 was called to order by Chairman Doug Eaglebear at 6:35 pm.

COMMISSIONER ATTENDANCE

Present: Commission Chair Doug Eaglebear, Commissioner Kristy Hodgkinson, Commissioner Clint Ancell, Commissioner Martin Ornelas, Commissioner David Potts.

Absent: Commissioner Connie Sharp, & Commissioner Brady Rickey.

STAFF IN ATTENDANCE

Present: Community Development Technician, Jessica Wirth, Senior Planner, Dan Zinder and Associate Planner, Jamie Viveiros.

Absent: Assistant City Manager, Mac Corthell, Engineering Section Manager, Sam Miller, Engineer Technician, Landon Sheckard.

GUESTS IN ATTENDANCE

Present: 3J Consulting Representative, Violet Brown.

CONSENT AGENDA

A. Planning Commission Meeting Minutes – May 7, 2025

ACTION:

Commissioner Ancell moved to approve the Consent Agenda for May 7, 2025 Meeting Minutes with corrections; Commissioner Potts seconded.

AYES: Hodgkinson, Ancell, Ornelas, Potts, Eaglebear. **Motion passed 5-0-0.**

NAYS: None.

ABSENTIONS: None.

PUBLIC HEARING

None.

PUBLIC COMMENT

A public comment was received by Paige Lantz regarding the UGB, and is included at the end of these minutes.

GENERAL BUSINESS

Senior Planner, Dan Zinder gave an overview of "Goal 14" before introducing 3J Consulting Representative, Violet Brown to give the UGB presentation.

3J Consulting Representative, Violet Brown explained where we are currently at with the expansion process and let everyone know that the presentation she will be presenting is just a draft and that the City staff will have work to do with this expansion into March of 2026. Mrs. Brown stated that her work is to evaluate land to bring into the UGB based on Goal 14's efficiency measures and come up with a draft analysis on a factual basis. Once the amendment gets adopted by the city, it then needs to be adopted by the County. Once this is done, Violet says it goes to the Department of Land Conservation and Development where they can either approve or deny the plan. Mrs. Brown mentioned there is an option for a legislative override if you do get a denial by the DLCD, saying "if we apply the rules, we will get a negative outcome therefore we are asking for the legislature to allow us to not apply the rules the way that they stand." Brown states that other jurisdictions have told the DLCD that applying the rules isn't in the spirit of goal 14.

Brown states Molalla will grow 5432 people (using birth and death rates) by 2042, breaking it down to 928 new units, approximately 227 acres of land needed. Brown states this means the land need for employment is 4 sites

of 5-10 acres, 4 sites of 10-20 acres and 2 sites greater than 20 acres. Brown has drawn the boundary lines around the city maps to identify sub-areas to then study which lands can be brought in efficiently. Brown reminded everyone that to expand the UGB, all the exception land must be brought in first to consider other lands. She added that the two 20-acre lots are an exception because these sites cannot be found inside the exception lands currently. Mrs. Brown will leave the city with her report, an analysis of what could be done, and in the meantime the City staff will need to do the due diligence on the next steps required.

STAFF COMMUNICATION

- **Associate Planner, Jamie Viveiros**, nothing to add.
- **Community Development Technician, Jessica Wirth**, nothing to add.
- **Senior Planner, Dan Zinder**, noted efficiency measures (changing Additional Dwelling Units, ADU applications to a Type 1 planning application) Molalla City Council approved in March and adopted. ODOT challenged it due to the transportation planning rule, wanted more robust findings.

COMMISSION COMMUNICATION

- **Commissioner Ancell**, nothing to report.
- **Commissioner Hodgkinson**, nothing to report.
- **Commissioner Ornelas**, nothing to report.
- **Commissioner Potts**, nothing to report.
- **Chair Eaglebear**, mentioned he had been to the Middle School meeting. Adjustments were made to the plans and were well received, has been sent to the City.

ADJOURNMENT

Chair Eaglebear adjourned the meeting at 7:52pm.

**PLANNING COMMISSION MEETINGS CAN BE VIEWED IN ITS ENTIRETY ON YOUTUBE
“MOLALLA PLANNING COMMISSION – JUNE 4, 2025”**

Doug Eaglebear, Planning Commission Chair

Date

Submitted by: _____
Jessica Wirth, Community Development Technician

Date

Attest: _____
Mac Corthell, Assistant City Manager

Date

From: [Paige Lantz](#)
To: [Community Planner](#); [Dan Zinder](#); [Scott Keyser](#)
Cc: [Lee Lantz](#)
Subject: JUNE 25TH AGENDA: UGB Feedback & Population Forecast
Date: Tuesday, June 24, 2025 11:07:22 AM

ATTN: Molalla Mayor, City Council, Planning Commission, and 3J Consulting

I ask that these comments please be included in the June 25th, 2025 City Council Meeting and the next Planning Commission Meeting Agenda Packets, and to be submitted in the record.

Hello - My name is Paige Lantz and my husband, Lee Lantz, and I live at 32951 S. Wilhoit Rd. My in-laws (John and Eileen Lantz) live next door at 33061 S. Wilhoit, uncle lives next door on the other side (Lynn and Debbie Lantz) at 32845 S Wilhoit, and cousin (Mason Lantz) owns property touching all three of our properties. All four of these Lantz family properties, totaling about 160 acres, border around half of the southern edge of Sub-Area 4 of the proposed UGB expansion.

I am writing to share my concerns with the current Urban Growth Boundary planning process, specifically as it relates to the inaccurate Molalla population forecast currently being used to plan for the UGB expansion.

It has become apparent through some investigation by community members that **there is a large discrepancy between the 2020 population forecast being used for planning and the updated (decreased) 2024 population forecast.** I am very concerned that the current 20yr UGB planning cycle is using the older (outdated) population forecast from 2020 and not the updated 2024 population forecast. **I am asking for the City Council and the Planning Commission to please investigate this population forecast discrepancy further before deciding on or voting on any UGB, zoning, or planning related issues and hopefully adopt the population forecast calculated in 2024 instead of the one from 2020.**

Upon reviewing the housing needs analysis, capacity documents, and population forecasts, I saw a large difference between the forecasted population for Molalla from the 2020 estimate being used for planning and the updated 2024 forecast.

The newest **2024 population forecast** places the 2042 population estimate at 13,158, with a **growth of 2,930 residents.** The **2020 population forecast** now being used for UGB planning projects Molalla's 2042 population at 15,660, a **growth of 5,432 residents.** So, *the current UGB planning process is using a population forecast that is double the more recent, more accurate forecast.* This is a very large, and costly, difference in forecasted population given the millions of dollars of potential City and citizen costs for infrastructure and service improvements with a UGB expansion. The UGB planning process itself is not efficiently using taxpayer dollars if the planning process is using inaccurate data.

Based on rough math, the lower, more accurate population forecast produces a need for only 84 new units, not 928 for the UGB expansion. **I believe the UGB expansion plan needs to be**

updated to reflect a need for only 84 new units, not 928.

A fellow concerned citizen, Corwin DiMeo learned that the main reason for the large variation between the 2020 and 2024 population forecasts were COVID influenced statistical errors and data quality issues. Unfortunately, these variables drastically over-estimated the growth potential for Molalla within the 20 year time horizon and **the population forecast calculated in 2020 should not be used for planning.**

The Portland State University Population Research Center, Oregon Department of Administrative Services, and DLCD ALL acknowledge this "need" to accommodate the population forecasted in 2020 for Molalla's growth does not actually exist.

DLCD allows the adoption of updated data at a City's discretion. I am asking the City of Molalla and all involved in the UGB planning process to please adopt the Molalla Population Forecast calculated in 2024 immediately, and to NOT use the inaccurate and flawed Molalla Population forecast calculated erroneously in 2020.

The statistical basis for the population forecast from 2020 is inherently flawed and will not stand up in any court of law or legislative proceedings.

Adopting the population forecast calculated in 2024 would save current residents unnecessary costs tied to any UGB expansion, improve planning accuracy, and allow the City to focus on realistic, efficient, and thoughtful economic expansion better aligned with Molalla's rural roots and current community members' desire to maintain our City's character and rural legacy.

Thank you so much for considering my feedback and please do not hesitate to reach out with any questions, guidance, or feedback for me.

Paige Lantz
32951 S Wilhoit Rd., Molalla, OR 97038
503.318.6228
paige@lantz-construction.com

Paige Lantz
Lantz Construction - *Operations Manager*
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CITY OF MOLALLA

117 N. Molalla Avenue
PO Box 248
Molalla, OR 97038

Staff Report

Agenda Category: General Business

July 2, 2025

From: Mac Corthell, Assistant City Manager
Approved by: Mac Corthell, Assistant City Manager

SUBJECT: SB 974 Effective circa September 29, 2025

FISCAL IMPACT: Likely impacts in development code updates and process changes necessary to comply. Costs currently unknown, new legislation.

RECOMMENDATION/RECOMMEND MOTION: N/A

BACKGROUND: On June 16, 2025 the Governor signed SB 974 into law, it has been codified in Chapter 330, 2025 Laws in ORLAWS and is effective on or about 9/29/25.

Below you will find the key provisions impacting day to day land use and public infrastructure development. The fully engrossed bill is attached hereto for reference.

KEY PROVISIONS:

Section 1

- 30-Day Completeness Review for Residential Engineering Plans (public and private infrastructure).
- 120-Days for Final Decision from Completeness Response.
 - Tolling of timeline for corrections or supplements.
 - Extensions allowed at applicants written request, maximum 245 days.

Section 3

- Applies to the below list of applications for properties inside the UGB and zoned for primarily or mixed use residential
 - zone change application for more residential density
 - planned unit development
 - variance from a residential standard
- Does not apply to

- Final Plats
- Residential Building Permits
- Final Engineering Plans
- Type 1 applications
- Applications under this section
 - Not subject to ORS 197.797 (Type 3/Quasi-Judicial)
 - Reviewed under Development Code, except:
 - Notice to owners within 100 feet
 - Notice to neighborhood or community org whose boundaries include the subject property
 - Notice to DLCD with set of requirements
 - Affidavit of confirmation required
 - No Hearing on Initial Decision
 - Appeal may be a hearing and may be based on the record or de novo

Section 8 (sunsets 1/2/33)

- Design standards not allowed for residential development.
 - Exception 1: A **“Multifamily structure”** means a structure that contains three or more housing units sharing at least one wall, floor or ceiling surface in common with another unit within the same structure; or **Fewer than 20 residential** units
 - Exception 2: setbacks, building height, accessibility, fire ingress or egress, public health or safety, state or federal water quality standards, hazardous or contaminated site cleanup or wildlife protection or that implement statewide land use planning goals relating to natural resources, natural hazards, the Willamette River Greenway, estuarine resources, coastal shorelands, beaches and dunes or ocean resources.

Enrolled Senate Bill 974

Sponsored by Senators ANDERSON, JAMA, BROADMAN, MEEK; Senators PATTERSON, PHAM
K, SMITH DB, Representatives ANDERSEN, CHOTZEN, FAHEY, JAVADI, MARSH, TRAN

CHAPTER

AN ACT

Relating to the timeline for reviewing land use applications for housing; creating new provisions;
amending ORS 197.830 and 197.835; and prescribing an effective date.

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

SECTION 1. (1) As used in this section, “final engineering plans” means the detailed engineering plans and reports for the design or construction of public and private infrastructure improvements that require review and approval following tentative plat approval by a local government before issuing site development permits, including plans and reports for the construction of public and private infrastructure improvements such as grading, water, sewer, stormwater, transportation systems and utilities.

(2) After receiving an application for final engineering plans for residential development within an urban growth boundary, a local government shall:

(a) Within 30 days, confirm that the application was complete when submitted or specify all additional materials that must be included for the application to be considered complete.

(b) Complete the final review of the final engineering plans and, following the receipt of applicable fees, forms and bonds, approve or deny site development permits for construction of all public and private infrastructure improvements, within 120 days after the date on which:

(A) The application is deemed complete under paragraph (a) of this subsection;

(B) The applicant has provided all materials specified under paragraph (a) of this subsection; or

(C) The applicant states that no additional materials are forthcoming.

(3) The review period for a local government to complete its review under subsection (2)(b) of this section:

(a) Is tolled during the time period beginning on the date on which a local government sends a direction to the applicant to correct or supplement the application and ending on the date on which the amended application is received by the local government.

(b) May be extended one or more times for a specified period at the written request of the applicant, provided that the total of all extensions does not exceed 245 days.

(4)(a) If the local government does not take final action on the application within the deadline provided under subsection (2)(b) of this section, including any extension under this section, the applicant may file a petition for a writ of mandamus under ORS 34.130 in the circuit court of the county where the application was submitted.

(b) The local government shall retain jurisdiction to make a decision until a petition for a writ of mandamus is filed.

(c) Upon receiving a petition filed under ORS 34.130, the circuit court has jurisdiction for all decisions regarding the application, including settlement.

(d) The court shall issue a peremptory writ unless the local government or any intervenor shows that the approval of final engineering plans would violate a substantive provision of the local government's regulations.

SECTION 2. Section 3 of this 2025 Act is added to and made a part of ORS chapter 197A.

SECTION 3. (1) This section applies only to a land use decision for residential development based on an application for:

(a) A zone change to allow for a denser residential use designation;

(b) A planned unit development; or

(c) A variance from a residential approval standard.

(2) This section applies only to an application for land that is, at the time of the application:

(a) Inside the urban growth boundary; and

(b) Zoned primarily for residential use or mixed residential use or planned for residential use.

(3) This section does not apply to an application:

(a) That would reduce the minimum residential density of land.

(b) For a final subdivision or partition plat.

(c) For a residential construction permit under the state building code.

(d) For final engineering plans under section 1 of this 2025 Act.

(e) Subject to a ministerial or other expedited approval procedure, including a residential use allowed outright.

(4) An application under this section:

(a) Is not subject to the requirements of ORS 197.797.

(b) Must be reviewed under the procedures described in a local government's land use regulations, except as provided in this section.

(5)(a) The local government shall provide written notice of an application under this section to owners of property within 100 feet of the site for which the application is made and to any neighborhood or community organization recognized by the governing body and whose boundaries include the site. The list of owners must be compiled from the most recent property tax assessment roll.

(b) A local government is not required to provide a hearing, as described in ORS 197.610 to 197.625, on an application made under this section if the local government provides a copy of the notice required under this subsection to the Department of Land Conservation and Development in the manner provided by ORS 197.610 and 197.615.

(c) The notice must:

(A) Provide a 14-day period for submission of written comments prior to the decision;

(B) State that issues which may provide the basis for an appeal to the Land Use Board of Appeals must be raised in writing prior to the expiration of the comment period. Issues shall be raised with sufficient specificity to enable the decision maker to respond to the issue;

(C) List, by commonly used citation, the applicable criteria for the decision;

(D) Set forth the street address or other easily understood geographical reference to the subject property;

(E) State the place, date and time that comments are due;

(F) State that copies of all evidence relied upon by the applicant are available for review and that copies can be obtained at cost;

(G) Include the name and phone number of a local government contact person;

(H) Provide notice of the decision to the applicant and any person who submits comments under subparagraph (A) of this paragraph. The notice of decision must include an explanation of appeal rights; and

(I) Briefly summarize the local process for reaching a final decision on the application.

(d) The local government shall provide an affidavit or other certification describing the notice given under this subsection.

(6) Approval or denial of the application must be based upon and accompanied by a brief statement that explains the criteria and standards considered relevant to the decision, states the facts relied upon in rendering the decision and explains the justification for the decision based on the criteria, standards and facts set forth.

(7) The initial decision on the application must be made without a hearing. A local government may provide for a hearing on appeal of the initial decision. The hearing may be limited to the record developed for the initial decision under subsection (5) of this section or may allow for the introduction of additional testimony or evidence. A hearing on appeal that allows the introduction of additional testimony or evidence must comply with the requirements of ORS 197.797. Written notice of the local government's final decision must be given to all parties who participated in the decision and must include an explanation of a party's right to appeal the decision.

SECTION 4. ORS 197.830 is amended to read:

197.830. (1) Review of land use decisions or limited land use decisions under ORS 197.830 to 197.845 shall be commenced by filing a notice of intent to appeal with the Land Use Board of Appeals.

(2) Except as provided in ORS 197.620, a person may petition the board for review of a land use decision or limited land use decision if the person:

(a) Filed a notice of intent to appeal the decision as provided in subsection (1) of this section; and

(b) Appeared before the local government, special district or state agency orally or in writing.

(3) If a local government makes a land use decision without providing a hearing, except as provided under ORS 215.416 (11) or 227.175 (10), or the local government makes a land use decision that is different from the proposal described in the notice of hearing to such a degree that the notice of the proposed action did not reasonably describe the local government's final actions, a person adversely affected by the decision may appeal the decision to the board under this section:

(a) Within 21 days of actual notice where notice is required; or

(b) Within 21 days of the date a person knew or should have known of the decision where no notice is required.

(4) If a local government makes a land use decision without a hearing pursuant to ORS 215.416 (11) or 227.175 (10):

(a) A person who was not provided notice of the decision as required under ORS 215.416 (11)(c) or 227.175 (10)(c) may appeal the decision to the board under this section within 21 days of receiving actual notice of the decision.

(b) A person who is not entitled to notice under ORS 215.416 (11)(c) or 227.175 (10)(c) but who is adversely affected or aggrieved by the decision may appeal the decision to the board under this section within 21 days after the expiration of the period for filing a local appeal of the decision established by the local government under ORS 215.416 (11)(a) or 227.175 (10)(a).

(c) A person who receives notice of a decision made without a hearing under ORS 215.416 (11) or 227.175 (10) may appeal the decision to the board under this section within 21 days of receiving actual notice of the nature of the decision, if the notice of the decision did not reasonably describe the nature of the decision.

(d) Except as provided in paragraph (c) of this subsection, a person who receives notice of a decision made without a hearing under ORS 215.416 (11) or 227.175 (10) may not appeal the decision to the board under this section.

(5) If a local government makes a 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 actions, a person adversely affected by the decision may appeal the decision to the board under this section:

(a) Within 21 days of actual notice where notice is required; or

(b) Within 21 days of the date a person knew or should have known of the decision where no notice is required.

(6) The appeal periods described in subsections (3), (4) and (5) of this section:

(a) May not exceed three years after the date of the decision, except as provided in paragraph (b) of this subsection.

(b) May not exceed 10 years after the date of the decision if notice of a hearing or an administrative decision made pursuant to ORS 197.195 or 197.797 **or section 3 of this 2025 Act** is required but has not been provided.

(7)(a) Within 21 days after a notice of intent to appeal has been filed with the board under subsection (1) of this section, any person described in paragraph (b) of this subsection may intervene in and be made a party to the review proceeding by filing a motion to intervene and by paying a filing fee of \$100.

(b) Persons who may intervene in and be made a party to the review proceedings, as set forth in subsection (1) of this section, are:

(A) The applicant who initiated the action before the local government, special district or state agency; or

(B) Persons who appeared before the local government, special district or state agency, orally or in writing.

(c) Failure to comply with the deadline or to pay the filing fee set forth in paragraph (a) of this subsection shall result in denial of a motion to intervene.

(8) If a state agency whose order, rule, ruling, policy or other action is at issue is not a party to the proceeding, it may file a brief with the board as if it were a party. The brief shall be due on the same date the respondent's brief is due and shall be accompanied by a filing fee of \$100.

(9) A notice of intent to appeal a land use decision or limited land use decision shall be filed not later than 21 days after the date the decision sought to be reviewed becomes final. A notice of intent to appeal plan and land use regulation amendments processed pursuant to ORS 197.610 to 197.625 shall be filed not later than 21 days after notice of the decision sought to be reviewed is mailed or otherwise submitted to parties entitled to notice under ORS 197.615. Failure to include a statement identifying when, how and to whom notice was provided under ORS 197.615 does not render the notice defective. Copies of the notice of intent to appeal shall be served upon the local government, special district or state agency and the applicant of record, if any, in the local government, special district or state agency proceeding. The notice shall be served and filed in the form and manner prescribed by rule of the board and shall be accompanied by a filing fee of \$300. If a petition for review is not filed with the board as required in subsections (10) and (11) of this section, the board shall award the filing fee to the local government, special district or state agency.

(10)(a) Within 21 days after service of the notice of intent to appeal, the local government, special district or state agency shall transmit to the board the original or a certified copy of the entire record of the proceeding under review. By stipulation of all parties to the review proceeding the record may be shortened. The board may require or permit subsequent corrections to the record; however, the board shall issue an order on a motion objecting to the record within 60 days of receiving the motion. If the board denies a petitioner's objection to the record, the board may establish a new deadline for the petition for review to be filed that may not be less than 14 days from the later of the original deadline for the brief or the date of denial of the petitioner's record objection.

(b) Within 10 days after service of a notice of intent to appeal, the board shall provide notice to the petitioner and the respondent of their option to enter into mediation pursuant to ORS 197.860. Any person moving to intervene shall be provided such notice within seven days after a motion to

intervene is filed. The notice required by this paragraph shall be accompanied by a statement that mediation information or assistance may be obtained from the Department of Land Conservation and Development.

(11) A petition for review of the land use decision or limited land use decision and supporting brief shall be filed with the board as required by the board under subsection (13) of this section.

(12) The petition shall include a copy of the decision sought to be reviewed and shall state:

(a) The facts that establish that the petitioner has standing.

(b) The date of the decision.

(c) The issues the petitioner seeks to have reviewed.

(13)(a) The board shall adopt rules establishing deadlines for filing petitions and briefs and for oral argument.

(b) The local government or state agency may withdraw its decision for purposes of reconsideration at any time:

(A) Subsequent to the filing of a notice of intent; and

(B) Prior to:

(i) The date set for filing the record; or

(ii) On appeal of a decision under ORS 197.610 to 197.625 or relating to the development of a residential structure, the filing of the respondent's brief.

(c) If a local government or state agency withdraws an order for purposes of reconsideration, it shall, within such time as the board may allow, affirm, modify or reverse its decision. If the petitioner is dissatisfied with the local government or agency action after withdrawal for purposes of reconsideration, the petitioner may refile the notice of intent and the review shall proceed upon the revised order. An amended notice of intent is not required if the local government or state agency, on reconsideration, affirms the order or modifies the order with only minor changes.

(14) The board shall issue a final order within 77 days after the date of transmittal of the record. If the order is not issued within 77 days the applicant may apply in Marion County or the circuit court of the county where the application was filed for a writ of mandamus to compel the board to issue a final order.

(15) Upon entry of its final order, the board:

(a) May, in its discretion, award costs to the prevailing party including the cost of preparation of the record if the prevailing party is the local government, special district or state agency whose decision is under review.

(b) Shall award reasonable attorney fees and expenses to the prevailing party against any other party who the board finds presented a position or filed any motion without probable cause to believe the position or motion was well-founded in law or on factually supported information.

(c) Shall award costs and attorney fees to a party as provided in ORS 197.843.

(16) Orders issued under this section may be enforced in appropriate judicial proceedings.

(17)(a) The board shall provide for the publication of its orders that are of general public interest in the form it deems best adapted for public convenience. The publications shall constitute the official reports of the board.

(b) Any moneys collected or received from sales by the board shall be paid into the Board Publications Account established by ORS 197.832.

(18) Except for any sums collected for publication of board opinions, all fees collected by the board under this section that are not awarded as costs shall be paid over to the State Treasurer to be credited to the General Fund.

(19) The board shall track and report on its website:

(a) The number of reviews commenced, as described in subsection (1) of this section, the number of reviews commenced for which a petition is filed under subsection (2) of this section and, in relation to each of those numbers, the rate at which the reviews result in a decision of the board to uphold, reverse or remand the land use decision or limited land use decision. The board shall track and report reviews under this paragraph in categories established by the board.

(b) A list of petitioners, the number of reviews commenced and the rate at which the petitioner's reviews have resulted in decisions of the board to uphold, reverse or remand the land use decision or limited land use decision.

(c) A list of respondents, the number of reviews involving each respondent and the rate at which reviews involving the respondent have resulted in decisions of the board to uphold, reverse or remand the land use decision or limited land use decision. Additionally, when a respondent is the local government that made the land use decision or limited land use decision, the board shall track whether the local government appears before the board.

(d) A list of reviews, and a brief summary of the circumstances in each review, under which the board exercises its discretion to require a losing party to pay the attorney fees of the prevailing party.

SECTION 5. 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.

(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 raised by any participant before the local hearings body as provided by ORS 197.195, 197.622 or 197.797 **or section 3 of this 2025 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 **or section 3 of this 2025 Act** 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) **or section 3 (5)(c) of this 2025 Act**, 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 ordinances; 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 government.

(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 6. Sections 1 and 3 of this 2025 Act and the amendments to ORS 197.830 and 197.835 by sections 4 and 5 of this 2025 Act become operative July 1, 2026.

SECTION 7. Section 8 of this 2025 Act is added to and made a part of ORS chapter 197A.

SECTION 8. (1) A local government may not apply residential design standards to an application for the development of housing within an urban growth boundary unless the application is for the development of a multifamily structure as defined in ORS 197A.465 or fewer than 20 residential units.

(2) This section does not apply to land use regulations or requirements that are related to setbacks, building height, accessibility, fire ingress or egress, public health or safety, state or federal water quality standards, hazardous or contaminated site cleanup or wildlife protection or that implement statewide land use planning goals relating to natural resources, natural hazards, the Willamette River Greenway, estuarine resources, coastal shorelands, beaches and dunes or ocean resources.

(3) As used in this section:

(a) “Residential design standards” means standards intended to preserve the desired character, architectural expression, decoration or aesthetic quality of new homes, including standards regulating:

(A) Facade materials, colors or patterns;

(B) Roof decoration, form or materials;

(C) Accessories, materials or finishes for entry doors or garages;

(D) Window elements such as trim, shutters or grids;

(E) Fence type, design or finishes;

(F) Architectural details, such as ornaments, railings, cornices and columns;

(G) Size and design of porches or balconies;

(H) Variety of design or floorplan; or

(I) Front or back yard area landscaping materials or vegetation.

(b) “Residential units” means any new single-unit dwellings, manufactured dwellings and units of middle housing, as defined in ORS 197A.420.

SECTION 9. Section 8 of this 2025 Act is repealed January 2, 2033.

SECTION 10. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by Senate April 28, 2025

Repassed by Senate June 5, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House June 3, 2025

.....
Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

.....
Tobias Read, Secretary of State