1	BEFORE THE LAND USE BOARD OF APPEALS
2	OF THE STATE OF OREGON
3	
4	KAREN DOBSON,
5	Petitioner,
6	
7	and
8	
9	DAVID REEVES BAKER
10	and CHARLOTTE GALLAGHER,
11	Intervenors-Petitioner,
12	
13	vs.
14	
15	CITY OF NEWPORT,
16	Respondent,
17	
18	and
19	
20	RAYMOND J. BRADLEY,
21	Intervenor-Respondent.
22	
23	LUBA No. 2003-212
24	
25	FINAL OPINION
26	AND ORDER
27	
28	Appeal from City of Newport.
29	
30	Karen Dobson, Renton, Washington, filed a petition for review and argued on her own
31	behalf.
32 33	David Reeves Baker, Newport, filed a petition for review and argued on his own behalf
34	Charlotte Gallagher, Portland, represented herself.
3 4 35	Charlotte Ganagher, Fortiand, represented hersen.
36	Robert W. Connell, Newport, filed the response brief and argued on behalf of respondent
30 37	With him on the brief was Minor Bandonis & Connell, PC.
38	With fifth off the orier was without Bandonis & Connen, i C.
39	Raymond J. Bradley, Newport, represented himself.
40	Raymond J. Diadicy, Newport, represented minisch.
41	HOLSTUN, Board Chair; BASSHAM, Board Member, participated in the decision.
42	110Lb 1014, Bourd Chair, Brissin 114, Bourd Wellioof, participated in the decision.
43	AFFIRMED 07/26/2004
44	7.1.2.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.
45	You are entitled to judicial review of this Order. Judicial review is governed by the
46	provisions of ORS 197.850.

NATURE OF THE DECISION

Petitioner appeals an ordinance that adopts new city design review guidelines and standards.

5 MOTION TO INTERVENE

David Reeves Baker and Charlotte Gallagher move to intervene on the side of petitioner in this appeal. Raymond J. Bradley moves to intervene on the side of respondent in this appeal. There is no opposition to the motions, and they are allowed.

FACTS

The city adopted the Historic Nye Beach Overlay District and implementing regulations in 1997. Ordinance 1865, which is the subject of this appeal, repeals the Historic Nye Beach Overlay District and replaces it with the Newport Design Review Guidelines and Standards.

Ordinance 1865 was produced in a series of planning commission noon meetings and work sessions. The first document in the record that the city filed in this appeal is the planning commission agenda for November 12, 2002. At that meeting, the planning commission considered a "draft ordinance for City of Newport Design Review and Nye Beach Design Review Criteria." Record 613. The draft ordinance that the planning commission considered at its November 12, 2002 meeting apparently was the product of a number of other meetings and work sessions that preceded the November 12, 2002 meeting, but the record submitted by the city does not include any documentation of those meetings.

The draft ordinance was considered at additional planning commission meetings and work sessions on December 9, 2002, January 13, 2003, January 27, 2003 and February 10, 2003. On February 26, 2003, the city provided notice to the Department of Land Conservation and Development that it proposed to adopt the disputed ordinance. Record 555-56. On March 21, 2003, the city provided notice to affected property owners that the planning commission would hold a public hearing on the proposed ordinance on April 14, 2003. After the April 14, 2003 public

hearing, the planning commission provided notice to affected property owners and persons who appeared at the April 14, 2003 public hearing that it would "hold work sessions with the public for informational and general discussion purposes" on May 14, 2003 and on May 21, 2003 and hold a second public hearing on June 9, 2003. Record 331. At the May 21, 2003 work session, the planning commission decided to hold another work session on June 4, 2003. A second planning commission public hearing was held on June 9, 2003. At the conclusion of the June 9, 2003 public hearing the planning commission directed that a number of changes be made to the proposed ordinance and that the amended ordinance be brought back to the planning commission on June 23, 2003. At petitioner's request, the planning commission left the record open for seven days to receive additional written testimony. Record 292. At its June 23, 2003 meeting, the planning commission forwarded the proposed ordinance and the planning commission's recommended changes to the city council.

The proposed ordinance was considered by the city council at an August 4, 2003 work session and notice of an August 18, 2003 city council public hearing on the proposed ordinance was provided. At the August 18, 2003 city council public hearing, petitioner appeared and opposed the ordinance. The city council held the record open for written comments. At its September 2, 2003 meeting, the city council passed a motion "to refer the proposal back to staff to address issues concerning parking, commercial frontage, the mandatory review process, and the C-2 reconstruction." Record 152. The city council considered several changes at its October 6, 2003 meeting. Following a first reading at its November 17, 2003 meeting, the city council adopted Ordinance 1865 on December 1, 2003. This appeal followed.

JURISDICTION

The city earlier moved to dismiss this appeal, and we denied that motion to dismiss. Dobson v. City of Newport, ____ Or LUBA ____ (LUBA No. 2003-212, Order on Motion to Dismiss, May 3, 2004). The city renews its motion to dismiss and repeats its argument that petitioner failed to file a timely notice of intent to appeal. The city contends that petitioner never requested in writing that the city provide her with notice of its decision in this matter. Therefore, the city argues, it was not required to provide petitioner with written notice of its December 1, 2003 decision. Because the city was not legally required to provide petitioner notice of its December 1, 2003 decision, the city reasons that the 21-day deadline for petitioner to file her appeal with LUBA began on December 1, 2003, when the ordinance was adopted. The city views the December 10, 2003 notice that it provided to petitioner and other participants in the local proceedings that led to city adoption of Ordinance 1865 as a "courtesy" notice of its decision, rather than notice that the city was required to provide under ORS 197.615(2). In our May 3, 2004 order, we denied the city's motion to dismiss. We concluded that because the city did not clearly state that the notice it provided to petitioner on December 10, 2003 was a "courtesy" notice, rather than notice the city was required to provide to petitioner under ORS 197.615(2), petitioner was entitled to treat that notice as notice provided under ORS 196.615(2). If the ORS 197.830(9) 21-day deadline for filing a notice of intent to appeal is measured from December 10, 2003, petitioner's December 31, 2003 notice of intent to appeal was timely filed.\frac{1}{2}

The city contends our earlier order is inconsistent with our decision in *Knodel v. City of Gaston*, __ Or LUBA __ (LUBA No. 2004-023, April 13, 2004), where we found that a city's erroneous statement in its notice of a variance decision that the petitioner in that appeal had 21 *working* days to appeal to LUBA did not enlarge the 21 *calendar* day deadline set out in ORS 197.830(9). We do not see any inconsistency. The question in this appeal is what kind of notice the city gave on December 10, 2003, not whether the city provided erroneous information about the appeal deadline. Based on the city's failure to state that its December 10, 2003 notice was simply a "courtesy notice," we concluded that the December 10, 2003 notice that the city provided to

¹ As relevant, under ORS 197.830(9), the deadline for filing a notice of intent to appeal a post-acknowledgment land use regulation amendment is 21 days after the local government provides notice of the amendment to those persons who are entitled to notice under ORS 197.615.

- participants in this post-acknowledgment land use amendment proceeding constituted the notice required under ORS 197.615(2).
- The city's renewed motion to dismiss this appeal is denied.

PETITIONER'S STANDING

Under ORS 197.830(2), the requirements for standing to appeal to LUBA are (1) that the petitioner have appeared before the local government, orally or in writing, and (2) that petitioner file a timely notice of intent to appeal with LUBA. The city argues that petitioner neither alleges that she filed a timely notice of intent to appeal nor alleges that she appeared during the local proceedings.

The city is correct. Petitioner's failure to allege facts in her petition for review that establish her standing to bring this appeal and her failure to respond to the city's argument that she has failed to allege sufficient facts to establish her standing would normally require that we dismiss this appeal. However, we have already rejected the city's arguments that petitioner failed to file a timely notice of intent to appeal. It is clear from the minutes of the August 18, 2003 city council meeting that petitioner did appear before the city council and oppose the proposal. In fact, the city alleges facts in its response brief that establish that petitioner appeared during the local proceedings. Respondent's Brief in Response to Petitioner Karen Dobson's Petition for Review 10. Because the city alleges facts that establish that petitioner has standing to bring this appeal under ORS 197.830(2), we will overlook petitioner's failure to do so.

ASSIGNMENTS OF ERROR

A. The Record

As we noted in our discussion of the facts, the earliest document in the record that the city filed in this matter is the agenda for the November 12, 2002 planning commission meeting. There were a number of earlier meetings of both the planning commission and the design review commission. The draft ordinance that was considered by the planning commission at that November 12, 2002 planning commission meeting was prepared as a result of these earlier meetings. In responding to petitioners' record objections that audiotapes and minutes of these

earlier meetings should be included in the record that the city filed with LUBA, the city took the position that the record of the city council's decision in this matter is the record that the city council itself compiled through its hearing and deliberations. The city took the position that no record of the planning commission or design review committee deliberations prior to November 12, 2003 was placed before the city council. Based on that contention by the city, we rejected petitioners' argument that the city should be required to supplement the record it filed with LUBA with the record of the planning commission and design review commission deliberations that occurred before November 12, 2002, during which the draft ordinance was prepared.

It can be difficult to identify precisely when a legislative land use proceeding begins. The city's choice to view this proceeding as beginning with the consideration of the draft ordinance on November 12, 2002, rather than with the work sessions that produced that ordinance, is somewhat questionable. As petitioners argue below, it is certainly possible to read the city comprehensive plan citizen participation goal to require earlier citizen involvement. If early citizen participation is required under the city's plan, that abbreviated record may leave the city in a position where it cannot demonstrate that required opportunities for early citizen participation were provided. However, petitioners have not established that the city's decision to limit the record it provided to the city council, in and of its self, provides a basis for reversal or remand.²

B. Failure to Appoint a Citizens' Advisory Committee

Statewide Planning Goal 1 (Citizen Involvement) requires that the city "develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process." The city has done so. City of Newport Comprehensive Plan Goal 1 provides, in part:

² Although petitioner and intervenor-petitioner suggest in several places in their briefs that it was error for the city not to include a record of these early proceedings, they do not include a specific assignment of error to that effect. For the reasons stated in the text, we reject the suggestions.

1 <u>Goal 1</u>: To involve citizens in the development and implementation of the city's Comprehensive Plan and its implementing ordinances.

"Policy 1: The city shall develop methods of community outreach that encourage participation in the planning process.

Implementation Measure #1: The Planning Commission shall serve as the official citizens' advisory committee to the city council. Whenever a major change (as determined by the Commission) to the Comprehensive Plan or an implementing ordinance is under consideration, three persons from the community at large shall be designated by the Planning Commission as a Citizens' Advisory Committee.

<u>Implementation Measure #2</u>: The city may promote or assist neighborhood organizations to assist in decision making. When appropriate, the Planning Commission and/or City Council may hold meetings in neighborhoods affected by the issues under consideration.

<u>Implementation Measure #3</u>: If an important issue needs study, then the Planning Commission or the City Council may call for the formation of an ad hoc committee. The Committee shall be appointed by the Mayor and confirmed by the City Council. Effort shall be made to select persons from different sides of the issue."

Notwithstanding Implementation Measure #1, it is undisputed that the planning commission did not (1) determine that adopting the disputed design review guidelines and standards is a "major change" to the city's land use regulations or (2) "appoint three persons from the community at large * * * as a Citizens' Advisory Committee." Petitioners allege it was error for the planning commission not to make the "major change" finding or appoint the three person citizens' advisory committee. Petitioner and intervenor-petitioner argue that Ordinance 1865 is a "major change" and that the city therefore erred by failing to appoint a special three-person citizen advisory committee.

The city takes the position that it is within the planning commission's discretion whether to declare a proposal a "major change." We understand the city to contend that it is entirely up to the planning commission whether to make the finding or not and that a "major change" is whatever the planning commission says it is.

We reject the city's extreme interpretation of Implementation Measure #1. That interpretation is presented in the city's brief, but there is no interpretation of Implementation Measure #1 in the challenged decision. Reading the Implementation Measures as a whole, some directives are mandatory and expressed as "shalls" and some are discretionary and expressed as "mays." The directive in Implementation Measure #1 to appoint a citizens' advisory committee when considering a "major change" in the city's land use regulations is mandatory. However, the Newport Comprehensive Plan does not define or provide guidelines for the planning commission to apply in determining whether a proposal constitutes a "major change." Given the lack of definition or guidelines, an admittedly subjective inquiry is necessary to determine if a proposed change is a "major change." In that circumstance, the planning commission, as the body Implementation Measure #1 designates to decide whether a change is a "major change," likely would have a fair amount of discretion in deciding whether a proposed land use regulation amendment constitutes a "major change." But that discretion would not be without limits.

Turning to the land use regulation amendments at issue in this appeal, we are inclined to agree with petitioners that the changes adopted by the city here at least could be considered a major change, for the reasons set out in intervenor-petitioner Baker's petition for review. If it is a major change, the planning commission should have addressed that question and appointed a three-person citizens advisory committee. However, we need not and do not decide here whether the adopted change is properly viewed as a major change. Even if it is a major change and even if the planning commission should have appointed a three-person citizens' advisory committee, petitioners did not object to the planning commission's failure to do so and petitioners have not demonstrated that the citizen input the planning commission actually sought and received in this case prejudiced their substantial rights, or the substantial rights of any other resident of the city for that matter.

Implementation Measure #1 makes the *planning commission* the "official citizens' advisory committee to the city council." The Implementation Measure #1 requirement for a special three-person citizens' advisory committee to assist the planning commission is a procedural requirement.

If the challenged ordinance is a major change and the planning commission should have appointed a special three-person citizens advisory committee, the planning commission's error in failing to do so is a procedural error. To assert a procedural error as a basis for remand at LUBA, petitioners must establish that they objected below and that the error prejudiced their substantial rights. ORS 197.835(9)(a)(B); *Mason v. Linn County*, 13 Or LUBA 1, 4 (1984), *aff'd in part, rev'd and rem'd on other grounds sub nom, Mason v. Mountain River Estates*, 73 Or App 334, 698 P2d 529 (1985).

The city contends that no one argued before the planning commission or the city council that the challenged ordinance constitutes a "major change" under Implementation Measure #1, and no one raised any issue concerning whether the city should appoint a special three-person citizens advisory committee in this matter. Although petitioners suggest that someone might have raised the issue during one of the work sessions before November 12, 2002 or during one of the work sessions after November 12, 2002 or during the planning commission hearing, for which the city has not submitted audiotapes, they do not affirmatively assert that anyone did so. At one point during oral argument petitioner conceded that no one raised any issue concerning Imlementation Measure #1, but took the position that it was the city's responsibility to know about Implementation Measure #1 and follow its requirements.³

Even if someone had asserted below that Implementation Measure #1 mandates appointment of a citizens' advisory committee to assist the planning commission, it is undisputed that four members of the design review committee that was responsible for implementing the old Nye Beach Design Review Ordinance provided input to the planning commission and played a significant role in preparing the draft ordinance. Neither Implementation Measure #1 nor any other part of the City of Newport Comprehensive Plan cited to us (1) dictates any particular role for the special

³ It is our understanding from statements petitioner made at oral argument that she obtained copies of all available tapes of the many work sessions the planning commission held and the planning commission public hearing. Petitioner has not argued that any of those tapes show that any issue was raised at any time below that appointment of a special citizens' advisory committee was required under Implementation Measure #1.

citizens advisory committee that the implementation measure calls for or (2) provides guidelines for who can be or must be appointed to such a citizens advisory committee, other than the requirements that there be three members and that they be from the community at large.

Petitioners dismiss the design review committee members' role in developing the draft ordinance and suggest that the design review committee members do not represent a true cross-section of the community because, petitioners argue, the design review committee from the beginning favored the much more extensive and comprehensive set of regulations that were adopted by Ordinance 1865.

Implementation Measure #1 does not require that the special citizens' advisory committee be made up of any particular "cross section" of the community, only that the members be from the "community at large." We do not understand petitioners to allege that the four design review committee members who assisted the planning commission in this matter are not members of the community at large. We agree with the city that the planning commission's utilization of four design review committee members to assist it in preparing the first draft of the ordinance either rendered its failure to formally name a special citizens' advisory committee harmless error or constituted *de facto* compliance with Implementation Measure #1. In either event, petitioners' arguments provide no basis for reversal or remand.

Petitioner's assignment of error B and intervenor-petitioner's assignments of error A through D are denied.

C. Petitioner's Constitutional Arguments

Petitioner's petition for review includes the following argument:

⁴ Petitioners do point out that while *four* design review committee members participated in preparing the draft ordinance, Implementation Measure #1 calls for a special citizens' advisory committee of *three* members. Given the nature of the role that a citizens' advisory committee typically performs, it is hard to see how appointing one extra member could constitute reversible error. Because Implementation Measure #1 does not expressly state that no more than three members can be appointed to a special citizens' advisory committee, we do not agree that appointing four members to a special citizens' advisory committee is inconsistent with Implementation Measure #1.

"The City Council has imposed these requirements in a manner that discriminates against petitioner and a certain group of Newport citizens, and not others, and the legislation as written is not rationally related to a legitimate government purpose nor does it fulfill the stated goals stated in the legislation itself. Thus it violates the Equal Protection clause of the US Constitution, 14th Amendment, and the Privileges and Immunities Clause of the Oregon State Constitution, Art. I, Sec. 20. The issue of the taking of a cognizable property interest was raised at the public hearings by many citizens, as was limiting the beneficial use of the property. * * * No other district of Newport will have these regulations imposed on them (that is, the neighborhoods where the officials and decisionmaker live will not be burdened by this restrictive, expensive, time consuming, and political process)." Petition for Review 3-4.

We reject petitioner's apparent argument that it is inherently impermissible under both the U.S. Constitution and the Oregon Constitution to impose different land use regulations in different parts of the city. Petitioner makes no attempt to explain why she believes the city's decision to limit the geographic scope of the new design review ordinance to the Nye Beach area of the city constitutes improper discrimination. Similarly, petitioner's assertions that the challenged design review guidelines and standards are not rationally related to any legitimate governmental purpose and that they could result in a taking of property that requires compensation are simply undeveloped assertions. Petitioners' undeveloped arguments provide no basis for reversal or remand.

Petitioner's assignment of error A is denied.

1 2

D. Petitioner's Disagreement With the Terms of the Ordinance

Petitioner expresses disagreement with a number of provisions of the new design review guidelines and standards. Specifically, petitioner objects to eliminating scale as a consideration under the new design guidelines and standards, allowing commercial development without off-street parking under certain conditions, and eliminating regulation of signage. Petition contends that the design review guidelines and standards are inadequate to further the stated goals in the design review guidelines and standards.

Petitioner makes no attempt to explain why the identified changes in the design review ordinance are inconsistent with or otherwise violate any applicable legal standard. Petitioner's disagreement with the substance of the design review guidelines is, in and of itself, insufficient to Page 11

- provide a basis for reversal or remand. *Marine Street LLC v. City of Astoria*, 37 Or LUBA 587,
- 2 606 (2000); Dougherty v. Tillamook County, 12 Or LUBA 20, 33 (1984).
- 3 Petitioner's assignment of error C is denied.

E. Failure to Respond to Requests to be Excluded from the Design Review Overlay District

Intervenor-petitioner Baker argues the city committed reversible error by failing to respond specifically to numerous requests from persons to have their property excluded from the Nye Beach design review overlay district. Intervenor cites no legal requirement that the city provide a specific response to such requests, and we are aware of none.

Intervenor petitioner's assignment of error E is denied.

F. Defective Notice

Finally, petitioner argues the city erred because the notice that preceded the planning commission and city council hearings in this matter did not specifically point out that a 50-foot height limit under the prior ordinance could be reduced to 35 feet in the new ordinance and that other new limitations and burdens were proposed in the new regulations. Petitioner also contends the city erred by making changes to Ordinance 1865 after the conclusion of the final public hearing in this matter.

Petitioner cites no legal authority that notice of a post-acknowledgment land use regulation amendment must separately specify or list every proposed change. We are aware of no such requirement. The amendments adopted by Ordinance 1865 were subject to three public hearings and a great deal of testimony was presented at those hearings. Given the length of time over which the amendments adopted by Ordinance 1865 were available to the public and subject to public hearings, any lack of detail in the initial notice of hearing did not deny the public an opportunity to know the substance of the proposed amendments or the amendments that were ultimately adopted by Ordinance 1865.

Petitioner's final argument is that the city erred by changing the proposed amendments following the close of the final public hearing. We are aware of no general prohibition against amending a proposed land use regulation amendment after the close of the final evidentiary hearing. In fact, it is not unusual for proposed land use regulation amendments to be revised during the post-hearing deliberative stage to respond to public testimony. While it may be that a proposal could be so radically changed following the conclusion of the final public hearing on proposed land use legislation that an additional public hearing would be necessary, petitioner does not argue that the changes in this case were significant. In fact, petitioner does not even identify or discuss the changes that were made following the final evidentiary hearing.

- Petitioner's assignment of error D is denied.
- The city's decision is affirmed.