1	BEFORE THE LAND USE BOARD OF APPEALS
2 3	OF THE STATE OF OREGON
4 5 6 7 8	HOLGER T. SOMMER, HAL B. ANTHONY, MIKE WALKER, RON RAY, PHYLLIS RAY, JEAN MOUNT, HERBERT NEELUND and VALERIE NEELUND, Petitioners,
9 10	vs.
11 12 13	JOSEPHINE COUNTY, Respondent.
14 15	LUBA No. 2006-150
16	ORDER ON MOTION TO DISMISS
17	The challenged decision in this appeal is Order 2006-125, which adopts a schedule of
18	increased fees to be charged by the county planning department for a variety of land use
19	applications and land use appeals. The county moves to dismiss this appeal, arguing that the
20	county's motivation in increasing fees is to recover more of the actual costs of providing
21	planning services from the users of those services, and thus Order 2006-125 falls within the
22	"fiscal exception" to LUBA's jurisdiction. The county also challenges the standing of
23	several petitioners.
24	FISCAL EXCEPTION
25	The county explains that the challenged fee increases, as well as other similar
26	increases to fees charged for other county functions, were driven by the county's concern to
27	minimize potential future loss of revenue and as part of a policy of making each county
28	department as self-supporting as possible. Because the county's motivation in raising fees is
29	purely financial, the county argues, the challenged decision falls within the "fiscal exception"
30	articulated in Housing Council v. City of Lake Oswego, 48 Or App 525, 617 P2d 655 (1980),
31	and its progeny.
32	In Housing Council, the Court of Appeals held that the Land Conservation and
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Development Commission (LCDC) did not have jurisdiction to review an ordinance adopting a system development charge for compliance with statewide planning goals, notwithstanding that such charges have impacts on land use. According to the court, the legislature did not intend LCDC to have the authority to review an ordinance that is primarily a fiscal measure designed to raise and allocate public revenue.

In several cases, LUBA has applied the reasoning in *Housing Council* to determine that certain types of decisions that might otherwise qualify as "land use decisions" subject to LUBA's jurisdiction are nonetheless excluded from the Board's jurisdiction, because they are essentially "fiscal" decisions. *Lewis v. City of Bend*, 45 Or LUBA 122, 124 (2003) (creation of local improvement district is not a land use decision); *Jesinghaus v. City of Grants Pass*, 42 Or LUBA 477, 483 (2002) (creation of reimbursement district is not a land use decision); *Baker v. City of Woodburn*, 37 Or LUBA 563, 568-69, *aff'd* 167 Or App 259, 4 P3d 775 (2000) (same); *The Petrie Company v. City of Tigard*, 28 Or LUBA 535, 540 (1995) (decision repealing a sewer reimbursement district is not a land use decision).

However, LUBA has consistently declined to apply the fiscal exception to decisions that involve local land use appeal fees or land use application fees. *Landwatch Lane County v. Lane County*, __ Or LUBA __ (LUBA No. 2006-039, June 26, 2006) (county failed to establish that appeal fee increases are consistent with ORS 215.422(1)(c)); *Doty v. City of Bandon*, 49 Or LUBA 411, 417 (2005) (resolution increasing application fees is not subject to fiscal exception); *Friends of Linn County v. City of Lebanon*, 45 Or LUBA 408, 414-16 (2003), *aff'd* 193 Or App 151, 88 P3d 322 (2004) (city established that appeal fee increases are consistent with ORS 227.180(1)(c)); *Friends of Yamhill County v. Yamhill County*, 43 Or LUBA 270, 275 (2002) (decision imposing \$700 appeal fee violated ORS 215.416(11)(b)); *Ramsey v. City of Portland*, 29 Or LUBA 139, 142 (1995) (city's application of the appeal fee section of its zoning ordinance to dismiss a local appeal that was filed without the appeal fee that the zoning ordinance required was a land use decision).

As we explained in *Friends of Linn County*,

"* * Local appeal fees implicate core land use concerns regarding access to and citizen participation in land use reviews. The legislature has adopted several statutes regulating local governments' discretion to impose appeal fees and related transcript costs, codified in city and county zoning and planning chapters. ORS 215.416(11)(b), 215.422(1)(c), 227.175(10)(b), 227.180(1)(c). In short, appeal fees are different from other types of fiscal matters. *See Housing Council*, 48 Or App at 538 (noting a possible exception to its holding, where the challenged decision involves financing of the citizen involvement program required by Statewide Planning Goal 1 (Citizen Involvement))." 45 Or LUBA at 415-16.

Here, the challenged decision is similar to the orders, ordinances or resolutions that we reviewed in *Landwatch Lane County*, *Doty*, *Friends of Linn County*, and *Friends of Yamhill County*. As in the present case, the local governments in those cases presumably chose to increase land use appeal and application fees at least in part due to fiscal or budgetary considerations. We understand the county to argue, however, that the challenged decision is different from the decisions in the above cited cases, because here the county is seeking to mitigate a potential general revenue shortfall, caused by the potential loss of future federal payments to the county, by shifting more of the costs of the planning program from the county's general fund to the recipients of planning services.

In our view, the specific motivation of the county for amending its schedule of appeal and application fees is not determinative of our jurisdiction. In many cases it will be difficult to determine the precise motivation for amending the schedule of land use appeal and application fees. Often the amendment will be driven by a combination of motivations, usually including fiscal and budgetary considerations. *See Doty*, 49 Or LUBA at 418 (describing some of the policy considerations that may motivate decisions to increase land use application fees). We see no principled way to distinguish the present circumstances from those found in the above-cited cases. The county does not argue that those cases were wrongly decided, or offer any other basis to conclude that the Board lacks jurisdiction over Order No. 2006-125. Accordingly, the county's motion to dismiss is denied.

STANDING

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2	The county also argues that several petitioners do not have standing to appeal Order
3	No. 2006-125, because the notice of intent to appeal states only that such petitioners are
4	"aggrieved" by the order and does not state that those petitioners appeared or participated in
5	the proceedings before the county board of commissioners. See ORS 197.830(2) (a person
6	may appeal to LUBA who files a notice of intent to appeal and appeared before the local
7	government orally or in writing).
8	The record has not yet been filed in this case. Petitioners respond that "[t]he record
9	will show that the Petitioners participated in public hearings and through written comments
10	opposing the proposed planning fee increases * * *." Petitioners' Response to Motion to
11	Dismiss 4. We agree with petitioners that until the record is filed it is impossible to resolve
12	the parties' dispute over whether all of the petitioners satisfied the ORS 197.830(2)
13	appearance requirement. Therefore, the county's motion to dismiss some of the named
14	petitioners is denied. The county may renew that motion after the record is filed.
15	RECORD
16	The record is due within 21 days of the date of this order.

Dated this 19th day of October, 2006.

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20 21 22 23 24 Tod A. Bassham

25 **Board Chair**