# CITY OF CREEDMOOR
# BOARD OF ADJUSTMENT
# BOA - REGULAR SESSION
# MAY 1, 2023
# 7:00 PM

1. Call to Order
2. Recognition of Quorum
3. Approval of Agenda
4. Review And Approval Of Minutes

   Minutes from November 7, 2022
5. Training

   Coates' Canons NC Local Government Law

   Making Quasi-Judicial Decisions
6. Report on Recent Department Activity
7. Reports from Chairperson and Members
8. Adjourn

# CITY OF CREEDMOOR

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111 MASONIC STREET
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(919) 528-3332

**BOARD OF ADJUSTMENT**
**AGENDA REPORT**

| | |
|---|---|
| **MEETING DATE:** | May 1, 2023 |
| **PREPARED BY:** | Mike Frangos, Community Development Director<br>Community Development |
| **ISSUE CONSIDERED:** | Minutes from November 7, 2022 |
| **SUMMARY OF ISSUE:** | |
| **REQUESTED MOTION:** | Motion to approve the minutes of the November 7, 2022 Board of Adjustment Meeting |
| **ATTACHMENT(S)** | Minutes_BOAMeeting_20221107.pdf |
| **REVIEWED BY CITY MANAGER:** | |

MINUTES OF
CITY OF CREEDMOOR
**BOARD OF ADJUSTMENT**
NOVEMBER 7, 2022
7 P.M.

**Present in Person at City Hall Boardroom**
In attendance were Chair Dennis Daniel, Kevin Brown, David Melhado and Archer Wilkins. Also present were Community Development Director Michael Frangos AICP, CZO, and Kevin Hornik City Attorney

**Absent**
Nicole Martin

**Call to Order**
Chair Daniel called the meeting to order and recognized a quorum at 7:00 p.m..

**Adopt Agenda**
Archer Wilkins moved to approve the agenda as written; seconded by Kevin Brown. The motion was approved by a vote of 4-0.

**May 2, 2022 Meeting Minutes**
Kevin Brown moved to approve the May 2, 2022 meeting minutes; seconded by Archer Wilkins. The motion was approved by a vote of 4-0.

**Presentation**
City Attorney Kevin Hornik presented "facts" on a mock legal case for Board training regarding appeals and the legal standing to appeal. Discussion and questions ensued thereafter.

**Adjourn**
Kevin Brown moved to adjourn the meeting at 8:37 p.m.; seconded by Archer Wilkins. The motion was approved by a vote of 4-0.

_____
Dennis Daniel, Chair

Submitted by Michael S. Frangos AICP, CZO.

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**BOARD OF ADJUSTMENT**
**AGENDA REPORT**

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|---|---|
| **MEETING DATE:** | May 1, 2023 |
| **PREPARED BY:** | Mike Frangos, Community Development Director<br>Community Development |
| **ISSUE CONSIDERED:** | Coates' Canons NC Local Government Law<br><br>Making Quasi-Judicial Decisions |
| **SUMMARY OF ISSUE:** | |
| **REQUESTED MOTION:** | Please read the attached Coates' Canons blog entry entitled *Making Quasi-Judicial Decisions* and come to meeting with your questions. |
| **ATTACHMENT(S)** | Making Quasi-Judicial Decisions - Coatesâ€™ Canons NC Local Government Law.pdf |
| **REVIEWED BY CITY MANAGER:** | |

https://canons.sog.unc.edu/2023/04/making-quasi-judicial-decisions/

# Coates' Canons NC Local Government Law

## Making Quasi-Judicial Decisions

**Published: 04/04/23**

**Author Name: Jim Joyce**

Imagine, if you will: A long, contentious hearing over a controversial variance request has finally come to a close. The Board took careful steps to follow appropriate procedures related to notice, impartiality, and communication between board members and the public. Now it is time for the Board to deliberate, weigh its evidence, and reach a decision. This post addresses how they do so.

Quasi-judicial decisions (including the controversial variance request mentioned above) center around two things: the standards the Board* must apply and the evidence in the record that relates to those standards.

> *I will refer to a board of adjustment in the rest of this post as "the Board" for ease of reference. The body making a quasi-judicial decision in any given jurisdiction could be a board of adjustment or it could be a planning board or governing board that serves as the board of adjustment. Regardless of the form of the Board, these rules are the same.

Readers familiar with legislative decisions will recognize that these standards make quasi-judicial decisions quite different from legislative ones. Readers not familiar with the types of development regulatory decisions are encouraged to check out THIS post by Adam Lovelady. Governing boards do not make legislative decisions based on statutory or ordinance standards (in fact, they often set those standards). Instead, governing boards make legislative decisions based on policy reasoning and their

political perspectives. On the other hand, quasi-judicial decisions *do* have guiding standards that the local or state government has set through the legislative process. The Board must apply those standards regardless of policy preferences or political pressures.

Oxford Languages defines "quasi-" as "being partly or almost" and defines "judicial" as "of, by, or appropriate to a court or judge." So a decision that is "quasi-judicial" is one that is partly like a court's decision. As a result, any Board making a quasi-judicial decision must follow certain procedural rules that protect the rights of the parties, a bit like a court might do. Some of those rules refer to the hearing process. Others refer to the way the Board decides the case once the evidence is in. Below are the key

rules about how deliberation should take place, what evidence should be the basis of the Board's decision, what decisions the Board can make, how they take action to reach their decision, and how the final decision gets formalized.

**Deliberations must happen in public.**

Once the presentation of evidence is complete, it is time for the Board to review the evidence and discuss how they will decide the matter. A Board is a public body making a public decision about an individual's property rights. Consequently, North Carolina open meetings laws apply to their deliberations. A bit more on open meetings laws can be found in THIS blog by Kristina Wilson, and much more can be found in THIS book by Frayda Bluestein.

Because open meetings laws apply to the Board acting in a quasi-judicial capacity, all of the Board's debate must happen during open session. There are very limited exceptions for boards to go into closed session and most do not apply to quasi-judicial proceedings. For this reason, the Board may not go into closed session to discuss the case privately.

A Board may continue the quasi-judicial item until a subsequent meeting, but this path is fraught with peril and should only be undertaken very carefully. Specifically, Board members must not engage in any discussion, deliberation, or fact-gathering between meetings. Such activity could violate the due process rights that must be afforded to an applicant or property owner in a quasi-judicial matter.

Another danger with continuance is whether additional evidence can be taken at the next meeting. Here, whether the hearing is closed or not becomes a significant factor. If the Board holds the hearing open from one meeting to the next, it can accept new evidence at the continued hearing. If the Board closes the hearing, on the other hand, it has moved on to the deliberation phase and can accept no new evidence.

**The decision must be based on competent, material, and substantial evidence in the record.**

"Every quasi-judicial decision shall be based upon competent, material, and substantial evidence in the record." G.S. 160D-406(j). This concept is included in the statutory rules regarding quasi-judicial procedures and is repeated in just about every case concerning quasi-judicial decision-making. So what counts as "competent, material, and substantial evidence in the record"? What *can* serve as the basis for answering a quasi-judicial question? Let us look at each term in that phrase:

First, **competent evidence** is trustworthy, reliable evidence. For documents, the rules are much looser than they would be in a court of law, but a Facebook post from an unknown source or the neighborhood conspiracy theorist might not be competent. When it comes to testimony, the witness should have first-hand knowledge of the matter about which they are speaking. For instance, I know what my

neighborhood looks like and in a general sense how often people and cars come by. On the other hand, can I talk about traffic in Waxhaw if I only have heard about it from my cousin's roommate's best friend? Probably not.

Another key point relates to opinion testimony. Much like in an actual court hearing, opinions about what might happen in the future should be given by experts. This is particularly true—and most commonly encountered—when the issue is impact on traffic or property values. Evidence about what a given quasi-judicial proposal *would* have on traffic in the future is a matter of opinion, and that opinion must come from a traffic engineer or similar expert who has analyzed the project. Likewise, evidence about what could happen to property values must come in the form of testimony and a report from an appraiser or similar expert who has appraised the property. For a deeper discussion of who can provide evidence at a quasi-judicial hearing, see THIS POST by David Owens.

Second, **material evidence** is that which relates to the questions the board has to answer. Regardless of whether the matter is a special use permit, variance, or other quasi-judicial approval, there are certain standards that apply to the decision. Material evidence should relate to those standards or to the land use impacts of the proposal.

This is one place where the process can be challenging for boards that also have to make other types of land use decisions. With quasi-judicial decisions, a Board must leave the politics aside. In special use permit cases, a political decision has already been made that a certain use should be allowed under certain conditions. For variance cases, this decision has been made at the state level. A quasi-judicial hearing is not the time to revisit these policy questions. Even if dozens of people are at the meeting with matching t-shirts and signs, their presence is probably not material evidence. Public opinion can be divided or even firmly against a quasi-judicial proposal, but it is not material to the core decision of whether the evidence matches the applicable standards.

Next, **sufficient evidence** is any evidence that tends to support a finding that the relevant standard is met. What evidence is sufficient, as discussed in more detail in THIS blog post, depends on the context. Generally, evidence is sufficient if it tends to help a side meet their burden of proof.

The burden of proof in a quasi-judicial matter is a bit like a seesaw. The burden is first on the applicant. Imagine the seesaw board tipped toward away from the applicant. If nothing happens, the seesaw will remain pointing in the other direction and the applicant does not get the approval they seek. However, if the applicant provides enough evidence to make its "*prima facie*" case – if they provide enough evidence that a board *could* find in their favor on *each* of the applicable criteria – the burden shifts to opponents of the proposal. In the seesaw analogy, imagine the applicant piling enough evidence on their end of the seesaw that it tips in their direction. Once the applicant has made this *prima facie* case

and the burden shifts, any opponents of the proposal must pile up some evidence on their side of the seesaw. If they do not provide competent, material, and substantial evidence in response, the Board lacks authority to deny the application. It is only when there is evidence on both ends of this metaphorical seesaw that the Board is called upon to weigh the evidence.

Finally, the evidence needs to be **on the record**. The Board should not be gathering or receiving evidence outside of the public evidentiary hearing. The applicant has a legal right (due process again) to respond to evidence presented in their case, so any evidence that might be the basis for the board's decision should be in the documentary record or presented at the evidentiary hearing.

One topic that comes up from time to time regarding evidence on the record is the question of site visits. Some Board members like to see a site for themselves to understand its particular conditions. These are generally permissible, but since they happen outside of the hearing, they must be disclosed to the rest of the Board and to the public. Further, any key findings should be identified so that they can be discussed in the hearing.

Keeping evidence on the record can also be tricky when it comes to *ex parte* communications. These occur when a Board member speaks with someone about the substance of the hearing outside of the hearing. These communications are to be avoided where possible, and disclosed where they cannot be avoided. The decision still must be made on the evidence in the hearing and on the record, but this disclosure allows an applicant to be aware of and to respond to all evidence in the case.

When reviewing evidence and reaching its decision, the board needs to focus on the competent, material, and substantial evidence that was presented to it during the evidentiary hearing and in any earlier documentation provided in the record (e.g., application materials and responses to requests for additional information).

**The Board has a few options for how to act.**

Once the Board has heard and weighed all of the evidence, what can they do with it? The answer depends on whether the quasi-judicial matter is an appeal of an administrative action or a development approval (such as a special use permit, variance, or certificate of appropriateness). In either situation, however, the Board has a few options available to it.

For **appeals of administrative decisions**, the board deciding an administrative appeal has a great deal of flexibility. In addition to simply affirming or reversing the challenged administrative decision, they can choose to affirm part of the decision but reverse another part, modify the decision appealed from, and make whatever other orders, determinations, etc. that the original decision-maker could make. In

other words, the Board can mold the administrative outcome into what the board thought it should have been, at least within the bounds of the original decision-maker's discretion. See N.C. Gen. Stat. § 160D-406(j).

For **development approvals**, the board has three choices: it can approve the application, deny it, or approve it subject to certain conditions. The range of conditions is limited, however – N.C. Gen. Stat. § 160D-705(d) allows "[a]ppropriate conditions" to be placed on a variance approval if those conditions are reasonably related to the variance, and N.C. Gen. Stat. § 160D-705(c) allows a board of adjustment to put "[r]easonable and appropriate conditions and safeguards" on special use permit approvals. Conditions that are reasonable and appropriate tend to be those that relate to the standards the ordinance provides for making the decision or to the land use impacts of the proposed project. For special use permits, N.C. Gen. Stat. § 160D-705(c) specifically prohibits any conditions that are outside the scope of the local government's authority, including taxes, impact fees, regulation of certain residential building design elements, and driveway improvements in excess of NC DOT limitations. When a condition is not related to the ordinance standards that apply to the application or to the land use impacts of the proposed project, that condition is at risk of being challenged and even reversed by a court. Conditions also must not be out of proportion with the project's impact or outside the scope of the government's authority to impose.

**Most quasi-judicial decisions require a simple majority vote; variances require a 4/5 supermajority.**

N.C. General Statute 160D-406(i) requires the vote of four-fifths (that is, 80%) of the board to grant a variance, but states that a simple majority is required to decide other quasi-judicial matters. In making these calculations, one does not count members of the board who have conflicts of interest or vacant board positions.

To provide an example, if Boroville has a nine-member board, eight members must vote to approve a variance petition in order to grant it (seven of nine is about 78%, which is just under 4/5, so we need that eighth vote to get over the four-fifths threshold). For other quasi-judicial matters, five votes (five is just over half of nine) are required to decide the question. But what if there is an open seat, and one of the board members has a conflict of interest? Since G.S. 160D-406(i) requires us not to count the board

member who is conflicted out or the vacant position, we calculate the number of votes we need out of the (9-2=7) seven remaining. Six out of seven (roughly 85%) would be enough to approve a variance and four would be enough to make any other quasi-judicial decision.

**There must be a written decision that explains how the board reached their decision.**

Once the requisite proportion of the board has agreed on a result, their decision must be put into writing and finalized. The decision is not final and effective until it has been reduced to writing, approved by the board, and filed with the clerk to the board. Only then does it become effective, and only then does the clock for the timeline to challenge the decision begin to run.

When it comes to drafting the decision document, one of the first questions that might arise is how much detail must be in the written decision. Of course, there is no hard-and-fast rule, but here are a few points to keep in mind:

- One, General Statute 160D-406(j) requires that the decision "reflect the board's determination of contested facts and their application to the applicable standards."
- Second, North Carolina courts have maintained, at least since 1974's *Humble Oil & Refining Co. v. Board of Aldermen*, 284 N.C. 458, 202 S.E.2d 129 (1974), that the parties have a right to know the basis of the board's decision.
- Third, any appeal of the decision will be based on the Board's record. A reviewing court will look to the decision document and recording of the hearing rather than call Board members to testify. For this reason, it is essential to explain the Board's reasoning in the decision document. On the other hand, if the document makes clear what the Board decided and why, it should be sufficient in most cases.

Because this document often takes some significant time and energy to assemble, many boards ask the applicant, staff, or their attorney to prepare a draft decision in the form of proposed findings of fact and conclusions of law. In some cases, boards might allow the prevailing party in the matter to draft the decision document. If there is no proposed set of findings and conclusions in advance, the board's staff or attorney can prepare the document after the meeting. Regardless of how or by whom the decision is drafted, it must accurately reflect the action the board took and its general reasoning. A simple checklist of whether each standard has been met is not sufficient. The decision must include some explanation of *how* each standard is met or not met, whether the decision is to approve, to approve with conditions, or to deny the application.

Once the decision document is complete, the statutes require that it "be approved by the board and signed by the chair or other duly authorized member of the board." G.S. 160D-406(j). Exactly *how* the board must approve the decision is not specified. Some boards may circulate the decision by email for each member's approval, while others might vote to approve a final draft of the decision at its next meeting following the vote. While the latter procedure assures that the written decision is approved in a public meeting, it also has the effect of delaying the effective date of the approval – recall that the

decision is not effective before it has been finalized and filed. Once the document is approved, it is signed by the board chair (or another authorized member), can be filed with the clerk, and becomes effective.

These points and more related to the requirements for the final decision document are discussed in THIS David Owens blog post.

**Distribution and final steps**

Once the written decision has been finalized and filed, the Board must provide copies of the decision to the applicant, landowner, and anyone who has submitted a written (including e-mail) request for a copy. Whoever is providing the notice "shall certify to the local government that proper notice has been made, and the certificate shall be deemed conclusive in the absence of fraud." This certification can be important, as it serves as the beginning of the time to file any appeals.

**Concluding comments**

Although there are several steps to making a quasi-judicial decision and reducing it to a final written document, the operation can be straightforward if taken one step at a time. The vote must happen in a public meeting; the result must be based on competent, material, and substantial evidence in the record; a written document must memorialize the board's decision; and that decision must be appropriately filed and distributed. Following these general principles will help assure a legal, defensible, and appropriate quasi-judicial decision.