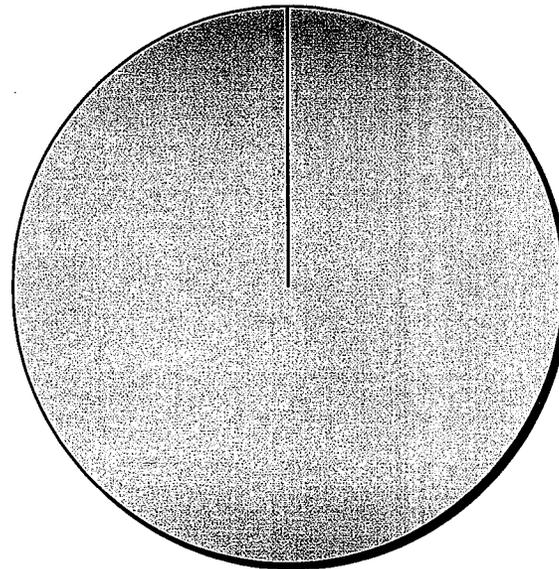


# ORBITS Budget Narrative

**Department of Land Conservation and Development  
Grant by Fund Source  
2011-13  
LEGISLATIVELY ADOPTED BUDGET**

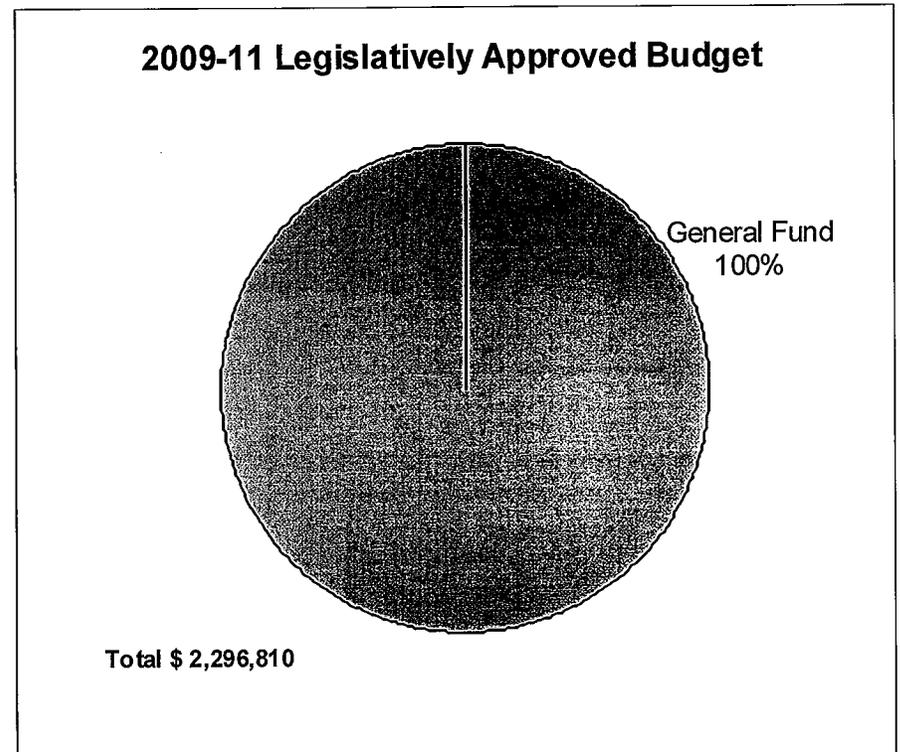
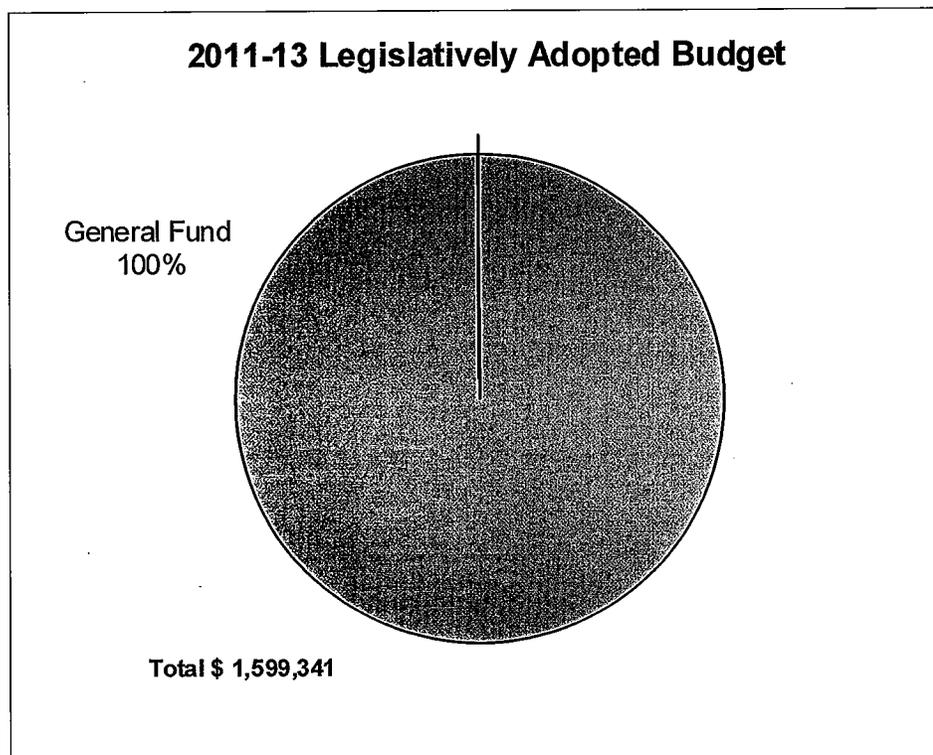


General Fund  
100%

**TOTAL FUNDS  
\$ 1,599,341**

# ORBITS Budget Narrative

## DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT GRANTS



These graphs displays total expenditures by fund type. Definition of fund types:

- General Fund: Money the legislature can decide to apply to virtually any governmental purpose, agency, or program.
- Federal Funds: Money received from a federal agency for a specific purpose.
- Note: Federal fund grants were moved in 2009-11 to Planning and Administration.

## ORBITS Budget Narrative

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**GRANTS PROGRAM DOES NOT CONTAIN POSITIONS / FTE**

# ORBITS Budget Narrative

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## GRANT PROGRAM

### Grant Description

The Grants Program Unit represents the department's budget to provide grants to local governments to adopt, update, improve, and carry out local comprehensive plans and land use regulations, and to help local governments meet the statutory obligation for periodic review of those plans and regulations. A primary purpose of the grant program is to assure that local jurisdictions update their plans to provide an adequate supply of land along with the public facilities and infrastructure needed for future housing and employment. In addition, grants are also used to help local governments comply with state legislative requirements for both urban and rural communities. The level of state support for comprehensive land use planning by cities and counties has declined in real dollars over the last ten years, and lags behind funding levels provided by most other states in the western United States. Given the active role of the state in guiding local land use planning, and the importance of the program in laying the foundation for economic sustainability in local communities, the department believes strongly that the state should provide a more significant level of funding for local implementation of the statewide planning program.

There are no positions or FTE reflected in the Grants Program Unit. Management of the grant program, including related positions and FTE, is outlined in Planning Program Unit.

The department expects to have the following elements in its 2011-13 grant program:

- Planning grants, including those earmarked for economic development, technical assistance, and other development planning.

### Planning Grants: General Fund

By the beginning of each biennium, the department works with the Grants Advisory Committee and the Land Conservation and Development Commission to outline grant program priorities within the general guidance provided by the legislature. The Grants Advisory Committee is comprised of representatives for cities and counties, special districts, Metro, and development interests. This committee is a standing committee and continues providing guidance to the department on policy, priorities and functioning of the General Fund grant program. Most grant funds are awarded on a competitive basis. However, a limited amount of funding has normally been provided for smaller cities and counties. Applications for grants in competitive categories are evaluated, ranked and awarded according to the priorities established by the Grants Advisory Committee and LCDC.

DLCD offers grants to local governments for a variety of activities, including economic development analyses, housing needs analyses, buildable lands inventories, population forecasting, natural hazards identification, and neighborhood planning. The grants help cities and counties adopt, apply, and update their plans and ordinances, meet statutory obligations, and comply with the statewide planning goals.

# ORBITS Budget Narrative

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General fund grants have in recent biennia been awarded for periodic review, technical assistance, dispute resolution, Columbia River Gorge National Scenic Area implementation, and planning assistance. The department anticipates continuing these programs in 2011-13. These grants cover the following types of projects:

## **Periodic Review**

For completion of periodic review work programs and work tasks. Following legislative direction, most work tasks focus on economic development, housing, public facilities, or transportation.

## **Technical Assistance**

Historically, about half of the grant fund is awarded for comprehensive plan and code updates that are not part of a periodic review work program. During the 2005-07 biennium, technical assistance grants were provided primarily for projects involving improvement of plans to ready communities for economic development and for streamlining of local codes. During the 2007-09 and 2009-11 biennia, technical assistance grants were prioritized for economic development, population forecasting, regulatory streamlining and infrastructure planning.

## **Dispute Resolution**

A small portion of the grant fund is used to assist in dispute resolution to keep matters out of litigation. The grants are generally used to hire a mediator.

## **Columbia River Gorge**

These grants are awarded to affected counties for implementation of the Columbia River Gorge National Scenic Area Act.

## **Planning Assistance**

Small direct grants to small cities and counties assist in the day-to-day administration of their planning programs. Planning assistance grants are used for a wide variety of purposes, from planner salaries to permit processing to updating zoning maps.

# ORBITS Budget Narrative

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## Grant Program

### 010 Non-PICS Personal Services / Vacancy Factor

#### Package Description

Not applicable.

### 021 Phase-in

#### Package Description

Not applicable.

### 022 Phase-out Program & One-time Costs

#### Package Description

Not applicable.

### 031 Standard Inflation & Price List Adjustments

#### Package Description

This package includes \$55,123 for standard inflation related to Special Payments grants.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Land Conservation & Development, Dept of  
Pkg: 031 - Standard Inflation

Cross Reference Name: Grant  
Cross Reference Number: 66000-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
General Fund Appropriation	55,123	-	-	-	-	-	55,123
<b>Total Revenues</b>	<b>\$55,123</b>	-	-	-	-	-	<b>\$55,123</b>
<b>Special Payments</b>							
Dist to Cities	26,243	-	-	-	-	-	26,243
Dist to Counties	16,499	-	-	-	-	-	16,499
Dist to Other Gov Unit	8,680	-	-	-	-	-	8,680
Dist to Individuals	260	-	-	-	-	-	260
Other Special Payments	3,441	-	-	-	-	-	3,441
<b>Total Special Payments</b>	<b>\$55,123</b>	-	-	-	-	-	<b>\$55,123</b>
<b>Total Expenditures</b>							
Total Expenditures	55,123	-	-	-	-	-	55,123
<b>Total Expenditures</b>	<b>\$55,123</b>	-	-	-	-	-	<b>\$55,123</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	-	-	-	-	-	-	-

\_\_\_\_ Agency Request  
2011-13 Biennium

\_\_\_\_ Governor's Recommended  
Page \_\_\_\_\_

\_\_\_\_ Legislatively Adopted  
Essential and Policy Package Fiscal Impact Summary - BPR013

# ORBITS Budget Narrative

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## Grant Program

### 032 Above Standard Inflation with BAM Analyst Approval

#### Package Description

Not applicable.

### 033 Exception Committee Decisions Above Analyst Approval

#### Package Description

Not applicable.

### 040 Mandated Caseload

#### Package Description

Not applicable.

### 050 Fund Shifts

#### Package Description

Not applicable.

# ORBITS Budget Narrative

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## Grant Program

### 060 Technical Adjustments

#### Package Description

This package removes an Other Funds ending balance limitation of \$95,568. There is no cash behind the OF ending balance. It is empty limitation.

### 070 Revenue Shortfalls

#### Package Description

Not applicable.

# ORBITS Budget Narrative

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## Grant Program

### 086 Inflation and Price List Adjustments

#### Package Description

This package eliminates \$55,123 in General Fund for standard inflation from essential packages in the Current Service Level budget.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Land Conservation & Development, Dept of  
Pkg: 086 - Eliminate Inflation

Cross Reference Name: Grant  
Cross Reference Number: 66000-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
General Fund Appropriation	(55,123)	-	-	-	-	-	(55,123)
<b>Total Revenues</b>	<b>(\$55,123)</b>	-	-	-	-	-	<b>(\$55,123)</b>
<b>Special Payments</b>							
Dist to Cities	(26,243)	-	-	-	-	-	(26,243)
Dist to Counties	(16,499)	-	-	-	-	-	(16,499)
Dist to Other Gov Unit	(8,680)	-	-	-	-	-	(8,680)
Dist to Individuals	(260)	-	-	-	-	-	(260)
Other Special Payments	(3,441)	-	-	-	-	-	(3,441)
<b>Total Special Payments</b>	<b>(\$55,123)</b>	-	-	-	-	-	<b>(\$55,123)</b>
<b>Total Expenditures</b>							
Total Expenditures	(55,123)	-	-	-	-	-	(55,123)
<b>Total Expenditures</b>	<b>(\$55,123)</b>	-	-	-	-	-	<b>(\$55,123)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	-	-	-	-	-	-	-

# ORBITS Budget Narrative

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## Grant Program

### 087 Personal Services Adjustments

#### Package Description

Not applicable.

### 090 Analyst Adjustments

#### Package Description

This package reduces General Fund grants to cities and counties by \$639,908. This is a 25 percent reduction from the 2009-11 biennium legislatively approved budget level through March 2011.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Land Conservation & Development, Dept of  
Pkg: 090 - Analyst Adjustments

Cross Reference Name: Grant  
Cross Reference Number: 66000-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
General Fund Appropriation	(639,908)	-	-	-	-	-	(639,908)
<b>Total Revenues</b>	<b>(\$639,908)</b>	-	-	-	-	-	<b>(\$639,908)</b>
<b>Special Payments</b>							
Dist to Cities	(319,954)	-	-	-	-	-	(319,954)
Dist to Counties	(319,954)	-	-	-	-	-	(319,954)
<b>Total Special Payments</b>	<b>(\$639,908)</b>	-	-	-	-	-	<b>(\$639,908)</b>
<b>Total Expenditures</b>							
Total Expenditures	(639,908)	-	-	-	-	-	(639,908)
<b>Total Expenditures</b>	<b>(\$639,908)</b>	-	-	-	-	-	<b>(\$639,908)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	-	-	-	-	-	-	-

# ORBITS Budget Narrative

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## Grant Program

### 819 Supplemental Statewide Ending Balance

#### Package Description

To create an increased statewide General Fund ending balance, General Fund agencies are contributing through a 3.5 percent biennial reduction. This package reduces General Fund grants to cities and counties by \$57,561. The reduction is intended to be applied against spending levels in the second year of the biennium and to not affect program delivery in the first year. To reinforce that intent the agency's budget bill includes specific language allowing the agency to expend up to 54 percent of its total biennial General Fund appropriation in the first year of the biennium.

**ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY**

Land Conservation & Development, Dept of  
Pkg: 819 - Supplemental Statewide Ending Balance

Cross Reference Name: Grant  
Cross Reference Number: 66000-003-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
<b>Revenues</b>							
General Fund Appropriation	(57,561)	-	-	-	-	-	(57,561)
<b>Total Revenues</b>	<b>(\$57,561)</b>	-	-	-	-	-	<b>(\$57,561)</b>
<b>Special Payments</b>							
Undistributed (S.P.)	(57,561)	-	-	-	-	-	(57,561)
<b>Total Special Payments</b>	<b>(\$57,561)</b>	-	-	-	-	-	<b>(\$57,561)</b>
<b>Total Expenditures</b>							
Total Expenditures	(57,561)	-	-	-	-	-	(57,561)
<b>Total Expenditures</b>	<b>(\$57,561)</b>	-	-	-	-	-	<b>(\$57,561)</b>
<b>Ending Balance</b>							
Ending Balance	-	-	-	-	-	-	-
<b>Total Ending Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# ORBITS Budget Narrative

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## Grant Program

### 104 Grants to Local Governments

#### Package Description

#### Purpose

This package proposes increasing state planning grant funding for cities and counties. The proposed increase in support to cities and counties includes three targeted aspects: (a) local public facilities plans – to assure that local governments know how they will serve new development over time; (b) local land use planning in response to increasing risks from wildfires, floods and threats to local water supplies; and (c) assuring that larger communities successfully complete periodic review of their local comprehensive plans and other local and regional planning projects. These focus areas are directly related to the department's key performance measures. (KPM 1 – supply of land for commercial and industrial development; KPMs 3 and 8 – cost estimates and funding for sewer and water and transportation infrastructure; KPM 14 – periodic review; KPM 10 – planning for hazard areas.

At the current funding level, Oregon is investing about \$3,800 per year for each city and county to help Oregon communities prepare for the future – roughly 33 cents a year for each Oregonian. In an increasingly complex and global world, this level of investment is not sufficient to help Oregonians prepare for the future of their communities. The proposed increase in grants would: (1) confirm Oregon's commitment to building quality communities by investing in more and better preparation for the future of our communities and our state; and 2) help Oregon communities compete in the national and global market for sustainable jobs and housing, and quality living space.

DLCD's General Fund grants program enables the department to work with Oregon communities to achieve local aspirations within the context of broader state interests. In 2009, Oregon communities submitted more than 100 planning grant applications requesting roughly \$5.5 million. Through its 2009 general fund grants budget of roughly \$2.3 million, the department has been able to help with only 44 of those needed local projects.

Looking ahead, DLCD believes this investment in Oregon communities will help to:

- Secure Oregon's legacy;
- Promote sustainable and vibrant communities;
- Engage citizens and stakeholders in the development of their successful future; and
- Provide timely and dynamic leadership in securing that future.

# ORBITS Budget Narrative

## How Accomplished

The department's Community Services Division Manager serves as the General Fund grant program manager. The program manager utilizes the involvement of the LCDC's Grants Advisory Committee to help identify and prioritize specific planning needs among Oregon communities. The advisory committee will begin meeting in the fall of 2010 to identify potential grant priorities for 2011-13. The priorities and allocation plan will reflect scenarios based on the available budget authorized by the 2011 Legislature.

Following the advisory committee's recommendation in late 2010, DLCD staff will present a grant funds allocation proposal to LCDC for consideration, amendment and adoption in the spring of 2011. DLCD also adjusted the timelines for 2009-11 grant projects to ensure those projects are completed before the end of the 2009-11 biennium; that adjustment will enable DLCD to complete the grant application and award process two to four months earlier in the 2011-13 biennium. DLCD staff recommends implementing a "pre-application" process for the 2011-13 biennium in order to assess and prioritize grant projects prior to the availability of funds and to give the department a better estimate of the amount and type of funds needed. A pre-application process is expected to further expedite grant awards to local governments in the 2011-13 biennium.

This package proposes providing \$2.7 million in additional grants to local jurisdictions. Total cost for this package is \$2.7 million from the state's General Fund.

## Rationale (Which strategic goal it relates to):

- Secure Oregon's Legacy,
- Promote sustainable, vibrant communities;
- Engage citizens and stake holders,
- Provide timely and dynamic leadership
- Deliver resources and services that are efficient, outcome-based and professional

Not recommended

## Staffing Impact

<u>Positions</u>	<u>FTE</u>	<u>Type</u>	<u>Effective Date</u>
0	0.0	n/a	n/a

## ORBITS Budget Narrative

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### **Total Request for Package 104**

General Fund	\$2,648,067
Other Fund	\$
Federal Fund	\$
Total Funds	\$2,648,067

Not recommended

### **2013-15 Fiscal Impact**

This package will become part of base operations for the department.

### **Major Information Technology Projects \$500,000+**

Not Applicable

### **Major Information Technology Projects \$150,000+**

Not Applicable

## ORBITS Budget Narrative

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**DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE**

Land Conservation & Development, Dept of  
2011-13 Biennium

Agency Number: 66000  
Cross Reference Number: 66000-003-00-00-00000

<i>Source</i>	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
<b>Federal Funds</b>						
Federal Funds	919,529	-	-	-	-	-
<b>Total Federal Funds</b>	<b>\$919,529</b>	-	-	-	-	-

## ORBITS Budget Narrative

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Program Unit Appropriated Fund Group and Category Summary  
 2011-13 Biennium  
 Grant

Version: Z - 01 - Leg. Adopted Budget  
 Cross Reference Number: 66000-003-00-00-00000

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
<b>LIMITED BUDGET (Excluding Packages)</b>						
<b>SERVICES &amp; SUPPLIES</b>						
General Fund	9,000	-	-	-	-	-
<b>SPECIAL PAYMENTS</b>						
General Fund	2,070,339	2,296,810	2,296,810	2,296,810	2,296,810	2,296,810
Federal Funds	919,529	-	-	-	-	-
All Funds	2,989,868	2,296,810	2,296,810	2,296,810	2,296,810	2,296,810
<b>TOTAL LIMITED BUDGET (Excluding Packages)</b>						
General Fund	2,079,339	2,296,810	2,296,810	2,296,810	2,296,810	2,296,810
Federal Funds	919,529	-	-	-	-	-
All Funds	2,998,868	2,296,810	2,296,810	2,296,810	2,296,810	2,296,810
<b>LIMITED BUDGET (Essential Packages)</b>						
<b>031 STANDARD INFLATION</b>						
<b>SPECIAL PAYMENTS</b>						
General Fund	-	-	-	55,123	55,123	55,123
<b>TOTAL LIMITED BUDGET (Essential Packages)</b>						
General Fund	-	-	-	55,123	55,123	55,123
<b>LIMITED BUDGET (Current Service Level)</b>						
General Fund	2,079,339	2,296,810	2,296,810	2,351,933	2,351,933	2,351,933
Federal Funds	919,529	-	-	-	-	-
All Funds	2,998,868	2,296,810	2,296,810	2,351,933	2,351,933	2,351,933

**Land Conservation & Development, Dept of**

**Agency Number: 66000**

**Program Unit Appropriated Fund Group and Category Summary  
2011-13 Biennium  
Grant**

**Version: Z - 01 - Leg. Adopted Budget  
Cross Reference Number: 66000-003-00-00-00000**

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
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**LIMITED BUDGET (Policy Packages)**

**PRIORITY 0**

**086 ELIMINATE INFLATION**

**SPECIAL PAYMENTS**

General Fund

- - - - (55,123) (55,123)

**090 ANALYST ADJUSTMENTS**

**SPECIAL PAYMENTS**

General Fund

- - - - (639,908) (639,908)

**819 SUPPLEMENTAL STATEWIDE ENDING BALANCE**

**SPECIAL PAYMENTS**

General Fund

- - - - - (57,561)

**PRIORITY 5**

**104 GRANTS TO LOCAL GOVERNMENTS**

**SPECIAL PAYMENTS**

General Fund

- - - 2,648,067 - -

**TOTAL LIMITED BUDGET (Policy Packages)**

General Fund

- - - 2,648,067 (695,031) (752,592)

**TOTAL LIMITED BUDGET (Including Packages)**

General Fund

2,079,339 2,296,810 2,296,810 5,000,000 1,656,902 1,599,341

Federal Funds

919,529 - - - - -

All Funds

2,998,868 2,296,810 2,296,810 5,000,000 1,656,902 1,599,341

Agency Request  
2011-13 Biennium

Governor's Recommended  
Page \_\_\_\_\_

Legislatively Adopted  
Program Unit Appropriated Fund and Category Summary- BPR007A

Program Unit Appropriated Fund Group and Category Summary  
 2011-13 Biennium  
 Grant

Version: Z - 01 - Leg. Adopted Budget  
 Cross Reference Number: 66000-003-00-00-00000

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
<b>OPERATING BUDGET</b>						
General Fund	2,079,339	2,296,810	2,296,810	5,000,000	1,656,902	1,599,341
Federal Funds	919,529	-	-	-	-	-
All Funds	2,998,868	2,296,810	2,296,810	5,000,000	1,656,902	1,599,341
<b>TOTAL BUDGET</b>						
General Fund	2,079,339	2,296,810	2,296,810	5,000,000	1,656,902	1,599,341
Federal Funds	919,529	-	-	-	-	-
All Funds	2,998,868	2,296,810	2,296,810	5,000,000	1,656,902	1,599,341