

NOTE: The Sustainability Board approved the Department of Land Conservation and Development's Sustainability Plan at the Board's April 2, 2004 meeting. The plan describes the actions the department will take to comply with the Governor's Executive Order on sustainability – including support for planning to help Oregon communities become more sustainable and effort to improve the sustainability of department operations. For more information, contact the department's sustainability coordinator, Ann Beier, at 503-373-0050, ext. 255 or ann.beier@state.or.us

DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT'S SUSTAINABILITY PLAN

FEBRUARY 2004

INTRODUCTION

The Oregon Legislature defines sustainability as “...using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives.” (ORS 184.421)

DLCD’s purpose is to “guide land use policy to protect farm and forest lands and other natural resources, foster livable, sustainable development in urban and rural communities, conserve coastal and ocean resources, and improve the well-being and prosperity of citizens, businesses and communities throughout Oregon.” (2002 Strategic Plan).

Oregon’s land use system, based on nineteen statewide planning goals developed with the support of citizens across the state and implemented through local programs, embodies the principles of sustainability. The state land use goals are the program’s foundation and they reflect Oregonians’ desire to both protect natural resources and develop and maintain stable economies and livable communities. The Department of Land Conservation and Development’s (DLCD’s) Sustainability Plan is based on the core elements of the statewide land use program.

DLCD’s Sustainability Plan identifies on-going department activities to support the state’s sustainability program. It also identifies new actions that the department will undertake in the upcoming year. Many of the new programs were identified in a 2003 letter from Governor Kulongoski to Bill Bradbury, Chair of the Oregon Sustainability Board as being possible actions for the department and the Land Conservation and Development Commission.

The focus of this plan is on external efforts rather than internal activities. The department has already implemented many internal policies that are consistent with the Sustainability Act and Governor’s Executive Order. We will continue to work with the Department of Administrative Services to identify other practices to enhance sustainability within the department.

SUSTAINABILITY GOALS

The Department of Land Conservation and Development takes pride in its ongoing efforts to protect the state's farm and forest lands and the contribution these industries make to Oregon's economy. The department also has been successful in working with local governments to help promote quality development through the Transportation Growth Management program, programs to protect ocean and coastal resources and efforts to identify and protect natural resources. However, in response to concerns about Oregon's economy, the department is shifting its focus to better respond to issues related to the availability of land for industrial and other job-related development. Building on the department's historic programs and reflecting the increased focus on economic development, the department has four sustainability goals for the 2003-2005 biennium:

◆ Promote Sustainable Development

Enhance the sustainability of Oregon communities by supporting local planning for economic and community development.

◆ Streamline the State Land Use Planning Process

Streamline processes, increase the predictability and clarity of the land use program, and decrease costs to government and the development community.

◆ Secure Oregon's Natural Resource Legacy

Protect farm, forest, coastal and other natural resources for the present and for future generations.

◆ Employ Sustainable Practices in Daily Operations

Work with the Department of Administrative Services to develop internal policies to make agency operations more sustainable.

For each of the goals, the plan identifies both ongoing activities and new actions that will be initiated over the next year. These actions are grouped based on the department's main responsibilities:

- program development and implementation,
- grants to local governments.
- technical assistance and public outreach.

For each new action, or set of actions, the plan identifies partners to help DLCD, measures to assess performance and completion dates.

GOAL 1 - Promote Sustainable Development

The department works in partnership with local governments to implement the nineteen statewide planning goals and to promote land use programs that result in economically sustainable and livable communities. The focus in the current biennium is to support development that helps revitalize Oregon's economy. The new actions listed for the department reflect this shift in emphasis. Specifically, the department will focus on ensuring that communities have an adequate supply of industrial and other employment lands to help sustain local economies. In addition, the department will continue to work with the Oregon Department of Transportation to implement the Transportation Growth Management program and improve transportation systems, revitalize downtowns, and help communities develop and maintain livable neighborhoods.

Ongoing Activities to Promote Sustainable Development

Program Development and Implementation

The Transportation Growth Management Program is one of DLCD's main tools to support sustainable communities. The program was formed in 1990 as a partnership between DLCD and the Oregon Department of Transportation (ODOT) to promote the integration of local land use planning and transportation. DLCD will continue to fund local planning activities that result in sound land use decisions, compact urban development and community development that support the use of mass transit and alternative transportation modes. The program has been nationally recognized for its success in bringing the two agencies together to help communities meet their development and livability goals within a broader statewide vision for land use and transportation systems.

Grants

DLCD provides several types of grants to local governments to help them plan for sustainable development.

State general funds support updates of local comprehensive land use plans and provide technical assistance to communities on complex planning issues.

The Coastal Zone Management program uses federal funds to help address unique resource protection needs and development pressures in coastal communities.

Transportation Growth Management program funds help local governments integrate land use planning with transportation system planning.

On-going grant activities that support sustainability include:

- Targeting both general fund grants and Transportation Growth Management funds to help local governments plan for industrial and other employment lands development.
- Using Transportation Growth Management program code assistance funds to help local governments develop and adopt policies to support compact, urban development that promotes mixed uses including retail, housing, office space, and provide residents with transportation options.
- Using the Transportation Growth Management program “quick response” program grants to help local governments address transportation and design issues associated with new development.

Technical Assistance and Public Outreach

The department has eleven regional field representatives responsible for providing direct assistance to local governments on land use issues. Assistance includes reviewing plan updates and working on complex land use including industrial land supply, transportation and infrastructure needs. Ongoing activities include:

Participation in the **Governor’s Economic Revitalization Team** (formerly the Community Solutions Team) to help local governments find solutions to complicated issues related to land use, natural resource protection and infrastructure funding in collaboration with other state agencies.

The Transportation Growth Management program has a variety of technical assistance and public outreach materials available in printed form and on the department’s website. These materials, including the **Main Street Handbook** and model code language are valuable tools for local governments to support livable communities and vital downtowns.

New Actions to Promote Sustainable Development

Program Development and Implementation

Action 1: Certification Program for Sustainable Communities.

DLCD will work with public and private sector partners to develop a program to certify sustainable communities. Certification would be awarded to local governments meeting specified sustainability criteria. These criteria could include measures indicating that communities:

- have employment lands available for development in both the long and short term,
- have adopted transportation plans that provide alternatives to reduce reliance on automobiles,
- have adopted programs that identify and protect important natural resources,
- have programs to protect open space for both active and passive recreational uses, and
- have programs to minimize impacts of new development on water and other natural resources.

Although many communities have addressed these criteria in general terms in their comprehensive land use plans, certification would be based on more specific criteria. Ultimately, incentives could be developed to encourage communities to seek certification such as giving higher priority to “certified communities” for grants and other funding.

The department is working with the U.S. Environmental Protection Agency’s Office of Policy, Economics and Innovation. EPA awarded a grant to the Green Building Council, Natural Resources Defense Council and the Congress for New Urbanism to establish criteria for “smart growth” communities. The smart growth principles are consistent with Oregon’s definition of “sustainability.” DLCD is working with EPA and the grantees to use information gathered through the national project to develop Oregon-specific criteria. DLCD is also working with EPA to determine if there are Oregon communities that could pilot the criteria. It is expected that initial criteria will be available through this project in 2004.

Partners in this project will include Portland State University’s College of Urban and Public Affairs and Oregon Solutions. DLCD will also work with US EPA and EPA’s grantees on the project. This effort will also include several Oregon communities that might be interested in piloting the use of the criteria.

Targets include developing a set of criteria that could then be applied to a pilot project(s) and incorporated into grant funding principles. Ultimately, the

department would like to assess how many communities meet the certification criteria.

The department's expected **completion date** for development of draft criteria is June 2005. The criteria will be implemented and revised in the 2005-2007 biennium.

Action 2: Administrative Rule Review.

DLCD will review current administrative rules to determine if they are a barrier to sustainable local economic development.

- Examine Goal 9 and the administrative rule related to economic development to make sure that local government plans provide for both short term and long term land supplies for industrial and other employment land development to support current community residents and future generations.
- Revise the Goal 14 administrative rules relating to urban growth boundaries. The intent is to eliminate unnecessary steps in the process, and to revise the process to save time, costs and reduce litigation.

Partners will include local governments, members of the development community, interest groups, and interested citizens. The department will recommend policies to the Land Conservation and Development Commission. The Commission will make the final policy decision.

Targets include the review and adoption of amendments to administrative rules by the end of the 2003-2005 biennium. The outcome will be regulations that are streamlined and remove disincentives to sustainable development in Oregon.

The departments' expected **completion date** for revisions to the Goal 9 and Goal 14 administrative rules is January 2005.

Grants

The Governor's letter to the Sustainability Board directed the department to allocate grants to local governments with a priority on planning activities that directly assist in promoting economic development and sustainable communities.

Action 1: Transportation Growth Management Program (TGM) grants.

DLCD will work with the Oregon Department of Transportation ODOT to modify the grant application process for the 2005-2007 biennium to ensure that the sustainability principles are clearly articulated and that a higher priority will be placed on funding projects that meet sustainability principles.

Action 2: Economic Development

DLCD will allocate funds provided by 2003 HB 2011 to local planning for sites identified as “opportunity sites” for industrial development. Plans will address transportation and other infrastructure needs and the relationship of proposed development to the current community.

Partners include the Oregon Department of Transportation (ODOT) in managing the TGM program. Both agencies will continue to rely on direction provided by the Transportation Growth Management Advisory Committee, a panel of state, local and private sector representatives. Finally, each project funded by the TGM program will have a unique group of local partners.

The economic development grants will be administered with the Governor’s Economic Revitalization Team, the Oregon Economic and Community Development Department, local governments and the development community.

Targets include:

1. Development of sustainability principles that can be used as criteria in scoring grant applications for TGM funds in the 2005-2007 biennium.
2. Development of a baseline of (1) the number of grant applications that meet sustainability criteria and (2) the number of grant awards that are made for projects that attain sustainability principles. In future years, targets will be established for the percent of grant applications that meet the sustainability criteria. It is suggested that DLCD monitor the implementation of the sustainability projects and assess their success in meeting sustainability principles as the projects are implemented.
3. DLCD will work with the other state agencies to develop targets for HB 2011 funds used to support economic development activity.

The **completion date** for awarding grants and completing projects is June 2005, the end of the current biennium.

Technical Assistance and Public Outreach to Support Sustainable Development

Technical assistance activities will occur throughout the 2003-2005 biennium. Specific **completion dates** are listed as “targets” for some of the individual technical assistance projects.

Action 1: Economic Development Planning

DLCD's new Economic Development Planning team will provide direct technical assistance to local governments to ensure that lands are available for economic development. This team, initiated in January 2004, will help local governments plan for sustainable economic and community development.

Partners include local governments, the Governor's Economic Revitalization Team, the Oregon Economic and Community Development Department and the development community.

Targets include an assessment of the assistance provided by team members (e.g., number of community visits, assistance to developers,...). It is expected that the team will develop additional performance measures by the end of the 2003-2005 biennium.

Action 2: Renewable Energy

DLCD will work with the Oregon Department of Energy and local governments to plan for and site renewable energy projects such as wind facilities as directed in the Governor's letter to the Sustainability Board.

Partners on this project include the Department of Energy, local governments and renewable energy producers.

Targets include completion of products identified by DLCD and local and state partners. For example, one product could include a model ordinance for local governments to help clarify requirements for siting a renewable energy facility.

Action 3: Infrastructure Improvements

DLCD will work with local governments to develop capitol improvement and infrastructure plans that support sustainable development.

Partners will include local governments, other state agencies (e.g., Oregon Department of Environmental Quality and Oregon Economic and Community Development Department) and infrastructure providers including the Oregon Department of Transportation.

Targets include completed products identified by DLCD, local governments and other partners. It could include an assessment of the number of local governments with updated capital facilities plan or a guidance document for local governments on financing tools for infrastructure.

Action 4: Industrial Lands Guidebooks

DLCD will develop guidebooks and provide direct training to local governments to help them identify and analyze potential industrial and commercial development sites.

Partners include stakeholders from the development and consulting communities, local governments and other state agencies (particularly the Governor's Economic Revitalization Team and Oregon Economic and Community Development).

Targets include the production of a guidebook for local governments by fall 2004 and training on use of the guidebook through spring 2005.

GOAL 2 – Streamline the State Land Use Planning Program

Regulatory streamlining is critical to sustainable economic and community development. DLCD is working to streamline regulations and program requirements. Perhaps the highest priority for the department is streamlining periodic review, the process used by local governments to conduct a comprehensive update of local plans.

Ongoing Streamlining Activities

Program and Policy Implementation

Periodic Review. Local governments are required to periodically update their comprehensive land use plans through "periodic review." This process has been viewed as expensive and time consuming. During the 2003 legislative session, the department worked extensively with legislators to draft Senate Bill 920, expediting the periodic review process and requiring the department to appoint an advisory committee to further streamline the process. This work will be ongoing in the 2003-2005 biennium. An expedited periodic review process should allow local governments to update their comprehensive plans in a timely, less expensive manner and that will foster a better, more "customer friendly," land use program.

Grants

The department issues general fund grants to local governments each biennium. The department, with the approval of the Land Conservation and Development Commission, has just completed a grant allocation plan for 2003-2005 funds.

Technical Assistance and Public Outreach

Since April 2003, the department has been reducing the backlog of local plan reviews. This has resulted in approvals of plan updates in 6 counties and 33 cities. An additional 3 counties and 14 cities ended periodic review by the end of 2003.

New Actions for Streamlining

Program Development and Implementation to Streamline

Action 1: Periodic Review

DLCD is working with the Land Conservation and Development Commission and an advisory committee to recommend changes to the periodic review process. The work of the advisory committee may lead to rulemaking or additional legislative proposals to streamline periodic review.

Partners include the Department's periodic review advisory committee composed of local government representatives and other interested parties. The Land Conservation and Development Commission appointed the committee in January, 2004.

Targets include proposed administrative rule changes or legislative concepts, depending on the recommendations of the periodic review advisory committee.

The department anticipates June 2005 **completion dates** for initial streamlining activities related to periodic review.

Grants

Action 1: General Fund Grant Priorities

The Land Conservation and Development Commission, with the assistance of a grant's advisory committee, has recently adopted a Grants Allocation Plan for the 2003-2005 biennium. One of the highest priorities for grants will be local requests for funds to complete periodic review work tasks. Funding these tasks will allow local governments to complete updates of their land use plans to reflect current and future community needs and will further reduce the backlog of outstanding periodic review tasks. Funds will be distributed and grants products produced by June 2005.

Goal 3 – Secure Oregon’s Natural Resource Legacy

Ongoing Activities to Secure Oregon’s Natural Resource Legacy

Program Development and Implementation

Farm and Forest Land. DLCD has worked with other state agencies, local governments and other interested parties to ensure that Oregon’s most productive farm and forest lands are kept in production to help sustain the state’s farm and forest product industries. The department measures success at protecting these lands through annual reports to the legislature. The department will continue work with local governments to protect farm and forest land as directed in Governor Kulongoski’s 2003 letter to the sustainability board.

The Transportation Planning Rule (TPR) is designed, in part, to help communities reduce reliance on the automobile. The compact urban development promoted by the TPR directly supports sustainability goals by improving air quality, reducing energy consumption, and reducing urban sprawl and the costs of providing services to non-urban areas.

Coastal and Ocean Programs. DLCD will continue to maintain strong stewardship of coastal and ocean resources by fully implementing Oregon’s federally approved Coastal Zone Management Program.

Grants

The department has not earmarked general fund grants this biennium for natural resource planning. However, the Transportation Growth Management program awarded grants of more than \$5 million for the 2003-2005 biennium for local projects for transportation system planning and planning for integrated land use and transportation. DLCD’s Coastal Zone Management program provides grants to support local planning associated with Oregon’s estuaries, coastal and ocean shorelands, and beaches and dunes. The department revised the popular “306A” program in 2002 for small scale construction and acquisition projects to: a) provide public recreational access to the ocean shore, estuarine shore, coastal lakes and coastal rivers; b) redevelop deteriorating urban waterfronts or ports; or c) preserve or restore historic, cultural or aesthetic coastal resources or coastal resources of national significance.

Technical Assistance and Public Outreach

The department will continue to work with other agencies to protect Oregon’s natural resources and the environment. The department has just issued a new handbook for local governments on wetland planning that was developed in partnership with the Division of State Lands. Identification of significant wetlands helps to protect those areas but also provides information to the development community about these potentially constrained lands.

New Actions to Secure Oregon's Natural Resource Legacy

Program Development and Implementation

Action 1: Sustaining coastal resources

Governor Kulongoski's letter to the Sustainability Board recommended that the DLCD continue to work with the Ocean Policy Advisory Council to evaluate and plan for a limited system of marine reserves to address the economic concerns of the commercial and recreational fishing industry and coastal communities while meeting the conservation objectives of Statewide Planning Goal 19.

Partners include the Ocean Policy Advisory Council, coastal communities and others interested in sustaining Oregon's coastal resources.

Targets and completion dates will be established as the Council's evaluation process is more fully defined.

Grants to Secure Natural Resource Legacy

No new grants are allocated for this Sustainability Goal. However, on-going programs will continue to support the department's efforts to work with communities to protect valuable natural resources.

Technical Assistance and Public Outreach to Secure Natural Resource Legacy

No new technical assistance efforts are being planned at this time specific to implementing this sustainability goal. The department's regional representatives and technical experts will continue to help local governments address planning issues related to natural resources when assistance is requested.

Goal 4 – Internal Sustainability Practices

Action 1: Integrating sustainability practices into DLCD's day-to-day operations.

The department will work with the Department of Administrative Services (DAS) to make sure that day-to-day operations are consistent with statewide policies. DLCD is a relatively small agency with less than fifty-five employees and has limited discretion in purchasing. DLCD has already implemented policies to reduce expenditures on supplies and to encourage re-use of materials. We are exploring the lease of more efficient cars when leases on the current agency vehicles expire. The department will appoint a representative to work with DAS and other agencies on internal practices.

Sustainability Plan Communication and Responsibility

The department's Planning Services Division Manager is the Agency's Sustainability Coordinator. She will work with the Director and other Division Managers to ensure that Department policies, programs and grants promote sustainability. The agency will also identify a contact to work on developing internal operations and practices to support state sustainability goals. The Sustainability Coordinator will provide the department's plan to the Land Conservation and Development Commission and department staff and will work with them to implement the plan's actions.

Information about the department's sustainability efforts will be communicated to local governments and other interested parties via the agency's website, the department's regional representatives and with the assistance of the department's Communication Coordinator and Outreach Coordinator for the Transportation Growth Management Program.