

Planning

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Oregon Department of Land Conservation and Development
◆◆◆ 2005 Budget Presentation: Planning ◆◆◆

PLANNING

A.1. Purpose, statutory basis, goals

Purpose

The Planning budget unit contains the bulk of DLCD's services to local governments and citizens. All of DLCD's staff, except one position, is in this unit.

Key Statutes

- ORS Chapter 195
- ORS Chapter 196
- ORS Chapter 197
- ORS Chapter 215
- ORS Chapter 227

Key Goals

The goals of the Planning budget unit are DLCD's long-term strategic goals:

1. Promote Economic Development and Quality Communities

Increase projects that improve economic development and enhance livability and sustainability in communities statewide.

2. Secure Oregon's Legacy

Protect farm, forest, coastal and other natural and economic resources.

3. Improve Collaboration

Establish a network of public- and private-sector partners to identify and promote shared interests.

4. Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Improve workforce excellence and deliver the highest level of customer service possible.

5. Streamlining

Strive to make the statewide land-use system less process-oriented and more outcome-oriented.

A.2. How are services delivered and to whom?

The Planning budget unit serves all of Oregon's citizens and its local and regional governments. Oregon's statewide planning program addresses a wide array of issues and interests, ranging from economic development to farmland protection, citizen involvement to certainty in development regulations, affordable housing to protection of coastal beaches.

Each community in the state has unique needs. DLCDC identifies its program functions based on services to these communities:

Citizens

Statewide planning Goal 1 empowers Oregon citizens to participate in all phases of local and state land-use planning. We provide information to help citizens participate through our website, public meetings, publications and through direct assistance. DLCDC also provides staff support for the statutory Citizen Involvement Advisory Committee.

Local Governments

Oregon's cities and counties are partners and implement the land-use program through local land-use plans, zoning ordinances, development ordinances, design review standards and other regulations. We serve them by providing direct technical assistance grants. DLCDC also provides staff support for the statutory Local Officials Advisory Committee.

The Oregon Legislature

The legislature maintains oversight authority for the land-use enterprise. We provide background material, serve on legislative committees and help inform their decisions.

Development Interests

The department's economic development team and field service staff provide technical assistance to development interests that do business in Oregon's communities.

Agriculture and Natural Resource-Based Economies

Natural resource-based industries are pillars of Oregon's economy and way of life, particularly in rural areas. We provide technical assistance to the agriculture and natural resource industries to help them address their land-use issues.

Housing and Development Economies

A key function of the land-use enterprise is to ensure that communities have a range of housing types and costs available. For example, we work directly with the Housing and Community Services Department to help local governments and others assess housing needs.

State Agencies

State agencies have responsibilities and authorities related to land use and development, including:

- Department of Agriculture
- Economic and Community Development Department
- Department of Fish and Wildlife
- Department of Forestry
- Department of Geology and Mineral Industries
- Parks and Recreation Department
- Revenue Department
- Department of State Lands
- Department of Transportation
- Office of the Governor
- Housing and Community Services Department
- Department of Human Services, Health Services Division
- State Marine Board
- Oregon Watershed Enhancement Board
- Department of Environmental Quality

Federal Agencies

Federal agencies own or manage more than 53 percent of the state's land area. Some have significant regulatory programs that influence state and local land planning, including:

- U.S. Forest Service (USFS)
- U.S. Bureau of Land Management (BLM)
- U.S. Fish and Wildlife Service (USFWS)
- U.S. Environmental Protection Agency (EPA)
- Federal Emergency Management Administration (FEMA)
- Federal Highway Administration (FHA)
- National Oceanic and Atmospheric Administration (NOAA)
- U.S. Army Corps of Engineers (USACOE)
- U.S. Bureau of Reclamation (USBOR)
- U.S. Geological Survey (USGS)

Tribal Governments

Oregon's tribal governments are increasingly assuming management responsibility for lands and resources, and are carrying out a variety of community development activities on these lands. We work with the tribes through the Government-to-Government program. Also, LCDC periodically holds roundtables with tribal officials to discuss issues affecting the tribes. DLCD's efforts in this area center on statewide planning Goal 5, dealing with local planning and zoning for natural resources and for cultural and archeological sites. (ORS 182.162 – 182.166)

Ports and Special Districts

Oregon's 23 port districts are local governments that serve both public and private purposes. Ports own land to support a variety of economic enterprises. We work with ports to address their specific land needs.

Managing Oregon's Coastal and Ocean Resources

Oregon's coast continues to attract new residents, summer travelers, weekend visitors and new businesses. Despite the recent downward economic trend, virtually all of the coastal communities experienced increasing demands for new development, especially housing, over the past two years.

Local governments from Astoria to Brookings are undertaking a wide range of planning, development and redevelopment projects to increase livability and promote economic growth.

The Oregon Coastal Management Program (OCMP) receives federal Coastal Zone Management (CZM) funding to provide a variety of services to meet the challenge of balancing growth and development with the added responsibilities of protecting coastal resources and values enjoyed by all Oregonians. These services to coastal communities include:

On-Site Advice and Assistance: The OCMP has increased local assistance through its field office in Waldport. Two community service representatives and one coastal shores specialist work from this office to assist local planners and officials. Other program staff members travel to coastal cities and counties to provide assistance and help solve planning issues. This field presence and communication helps local governments solve problems effectively.

Technical Support: Local governments use OCMP technical expertise on economic development, coastal hazards, water pollution prevention, GIS

and other information technologies. But a principal OCMP service is matching experts in other state or federal agencies, academia and the private sector to local government needs.

Financial Assistance: During the 2003-05 biennium, the OCMP directed more than \$2 million in federal CZM funds to Oregon's coastal cities, counties and port districts in several categories:

- Planning Assistance Grants that support core planning functions;
- Technical Assistance/Special Project Grants to meet emerging needs;
- Small Scale Construction or Acquisition Grants (306A) for coastal access and recreational projects;
- Storm water Management Grants to reduce or prevent water pollution caused by storm water runoff; and
- Intergovernmental Cooperative Agreements to fund special projects that contribute economic development and community livability.

Training, Education and Information: The OCMP provides information to local governments through:

- Land-Use Planning Workshops: The OCMP held about two dozen individualized evening training sessions for city and county planning commissioners, city councils, and county commissioners on Oregon's land-use system as applied in their community.
- GIS training: The OCMP sponsored accredited training sessions for local government planners in GIS technologies and techniques.

Oregon Coastal Atlas: The department is proud to host an innovative, customer-driven, 24/7 information delivery service via the Internet that was developed by the OCMP in cooperation with Oregon State University, NOAA, and other partners. On the website www.coastalatlus.net, users can find, manipulate and download a range of information, maps, training modules and analytical tools to inform decision-making, whether for permits, development, or simply to take a hike.

The Atlas website is heavily used; more than 1 million hits were counted in the first year and nearly twice that in the second year.

The Atlas serves other state agencies, too, by hosting and serving such data as tsunami inundation and landslide hazard maps from the Department of Geology and Mineral Industries, beach water quality monitoring data from the Oregon Health Division, and coastal access information for Oregon Parks and Recreation Department. These and

many other data sets and maps can be combined to create unique custom maps. Such on-line information saves time, money and effort.

NOTE: Many service improvements for the Atlas are planned for 2005-07. Program Option Package 107 is requested to enable improved Atlas service.

Federal Consistency Review

DLCD reviews proposed federal projects and permits affecting Oregon's coastal zone (west of the crest of the Coast Range) to ensure federal actions and federally permitted activities are consistent with Oregon's Coastal Management Program, including local comprehensive plans. This "federal consistency" authority is a very unique concept under federal law – it greatly limits federal preemption and preserves state rights.

Technical Assistance

Technical assistance is one of DLCD's most important services because local governments, not the department, implement the statewide goals. By providing local officials with effective planning practices – as well as giving them information about how to meet the requirements of Oregon's planning system – DLCD helps its partners in local government to implement the goals of Oregon's statewide planning program.

It provides such assistance in a variety of ways:

- The agency's regional representatives and central office staff meet frequently with local planners and elected officials to explain state laws and policies. As a result of this direct communication, many of DLCD's planners are on a first-name basis with dozens of their local counterparts.
- The agency develops handbooks and policy guides on land-use legislation, growth management, planning for aggregate resources, natural resource planning and hazards management. The development of these resources is sometimes provided through federally funded personal service contracts. The department also conducts workshops and training sessions for local planners and public officials. DLCD is currently working on a guidebook for economic development.
- DLCD uses both new technology and traditional mailings to get the latest information to local planners quickly. For example, the agency created a new website in 2004 to provide a greatly expanded and more useable resource on planning. Also, the agency routinely e-mails draft administrative rules, bulletins and notices to all city and county planning departments in Oregon.

- The agency works closely with the Oregon Chapter of the American Planning Association (OAPA), League of Oregon Cities, and Association of Oregon Counties to support and participate in conferences and training sessions for local planners.

Process Streamlining

DLCD administers regulations that require and guide local land-use planning. The department does not issue permits. We are working hard with city and county stakeholders and agency partners to guide local planning in the face of fewer state and local government resources. The department's staff is seeking ways to reduce costs and increase effectiveness and efficiency.

- **State Agency Integration:** DLCD is working with the Economic Revitalization Team (ERT) and other state agencies to integrate our efforts to provide assistance to local governments and to ensure local governments' compliance with the statewide planning goals.
- **Periodic Review:** Many cities and counties are required to update their plans on a 5-, 10-, or 15-year cycle, depending on the population size of the jurisdiction. DLCD is examining ways to accomplish the purpose of periodic review (update of plans to meet changing conditions) with fewer state and local resources, and in a shorter time frame.
- **Appeals:** Past legislatures enacted several measures to streamline the appeals process for local land-use decisions, including a 21-day deadline for filing an appeal. Only those who have testified on a local land-use matter may appeal, and only with respect to an issue they have raised in the local hearings process. All local appeals go to LUBA, which must make a decision within 90 days. In part due to these measures, only about 0.1 percent of all local land-use decisions are appealed by affected parties, and state initiated appeals have dropped to an average of 10 per year.
- **Plan Amendments:** Department staff stays in touch with local governments and become involved in significant local land-use decisions as early as possible to communicate concerns, make recommendations and seek solutions that provide a win-win for all parties.
- **Grants and Technical Assistance:** DLCD provides grants and technical assistance to help local governments prepare plan and

ordinance amendments that comply with land-use regulations. The department is examining ways to more effectively and efficiently provide these services, and to help local governments save time and money in addressing statewide planning requirements. The 2003 Legislature implemented a budget note requiring the agency to establish a Grants Advisory Committee. This committee, composed of stakeholders including local governments, provides oversight and advice on the general fund grants program.

- UGB Amendments: Requirements for amending urban growth boundaries (UGBs) have grown in complexity due to incremental statutory changes and several court interpretations about applicable requirements. The department, guided by a work group and LCDC, is currently working on a project to streamline the UGB amendment process for local governments.

Natural Hazards Planning

Oregon has a geologically active landscape. Development can be at risk from a variety of natural hazards, including floods, landslides, wildfires, earthquakes, coastal erosion and tsunamis. Oregon's basic policy addressing hazards through local land-use planning is statewide planning Goal 7: *To protect life and property from natural disasters and hazards*. Goal 7 requires local governments to identify areas subject to natural hazards and adopt policies and ordinances that will protect people and property from the identified hazards.

We work with cities and counties to help them identify and plan for all types of hazards. DLCD manages Oregon's National Flood Insurance Program through an agreement with the Federal Emergency Management Agency.

DLCD's coastal program has invested significant resources in assisting communities to identify and plan for coastal hazards such as tsunamis and erosion of beaches and bluffs. In the wake of the Indian Ocean tsunami, staff is stepping up efforts to create awareness on the Oregon coast.

DLCD offers technical assistance to cities and counties to address natural hazards. The agency:

- Distributes information through workshops, speaking engagements, community visits and publication of a periodic newsletter: *The Natural Hazards Planner*;

- Reviews local plan amendments to see that they are consistent with state and federal hazard policies and regulations;
- Provides model ordinances to help cities and counties in their planning for natural hazards. Examples include the *Oregon Model Flood Damage Prevention Ordinance* and a technical resource guide for natural hazards planning;
- Works with other state agencies (DOGAMI, ODOF, Oregon Emergency Management, Building Codes, etc.) to promote natural hazard mitigation; and
- The department's Coastal Atlas is an increasingly important tool for serving natural hazards information via the Internet.

Agency Collaboration

One of the most valuable products of services provided by the department is getting the programs and actions of cities, counties and state agencies to complement each other and work toward the same end. Coordination saves taxpayers millions of dollars by reducing conflict and waste in government.

DLCD coordinates among cities, counties, state and federal agencies in a variety of ways:

- DLCD is one of eight agencies in the Economic Revitalization Team (ERT). ERT coordinates state agencies in order to expedite grants, permits and projects for economic development in cities and counties throughout Oregon;
- Under state law (ORS 197.180) DLCD maintains agency coordination agreements with 26 state agencies with programs that affect land use. These state agency coordination agreements help DLCD staff in assisting other agency programs to be consistent with the state's planning goals and compatible with the acknowledged comprehensive plans of local governments;
- Under the federal Coastal Zone Management Act, DLCD collaborates with coastal communities and federal agencies to make sure that federal permitting actions in Oregon's coastal zone are consistent with the Oregon Coastal Management Program. DLCD coastal staff helps to ensure that coastal communities have leverage over federal permit decisions; and
- DLCD has achieved significant success in creating a problem-solving ethic that, in the past year, has helped to avert several potentially costly and contentious legal and regulatory proceedings.

Transportation and Growth Management (TGM) Program

DLCD and the Oregon Department of Transportation (ODOT) jointly operate the innovative Transportation and Growth Management Program. The program's mission is:

To enhance Oregon's livability, foster integrated land use and transportation planning and encourage development that results in compact, pedestrian-, bicycle-, and transit-friendly communities.

Oregon's rapid growth in the 1990s threatened to decrease the livability of our communities, reduce our mobility and increase transportation costs. To help address these issues, ODOT and DLCD joined forces in 1992 to integrate transportation planning with statewide land-use planning. The result was the Transportation and Growth Management (TGM) Program, approved by the Legislature in 1993.

The TGM program is supported largely by federal funds under the Federal Transportation Equity Act for the 21st Century (TEA-21). Oregon's "match" for the TEA-21 Grants comes from state general and local funds.

TGM has four main tools for fulfilling its mission:

- Grants to local governments: These grants help communities plan for streets and land use in a way that creates livable, transportation-efficient communities and makes the best use of state highway infrastructure.
- Quick-Response Team: The team works with developers and local officials to incorporate transportation-efficient design options into development proposals. It also works with local governments to integrate their transportation system plans and land-use plans and to apply urban growth management tools.
- Code Assistance: TGM planners help local governments to prepare or amend development codes for transportation system and land-use plans, and to apply urban growth management tools.
- Public Outreach: TGM uses a combination of public workshops, publications and technical assistance so local planners can increase understanding and acceptance of smart development principles.

Public Information

The department works hard to inform Oregonians about the statewide planning program and to get them involved in it. Among state agencies, DLCD has one of the most intensive programs for citizen involvement.

Among the public information services provided are:

- Bulletins, staff reports, announcements and handbooks for local officials and stakeholders who need to keep informed about planning (most of which are on the website);
- The *Land Use News* email service, a free weekly digest of news reporting – mainly in Oregon – on land-use planning issues;
- A comprehensive and up-to-date website within the new “Oregon.gov” template. Included in the site is a new section on “Public Meetings;”
- Media contacts through news releases and interviews, and director visits with editorial boards;
- Response to inquiries about planning from citizens;
- Training in communications and media relations to DLCD’s staff; and
- A public planning room at DLCD, where citizens can find publications and get access to digital information via a computer for public use.

Support to LCDC, CIAC and LOAC

DLCD supports a state commission and two permanent advisory committees, all of whom were established by the 1973 legislation that created Oregon’s planning program:

- Land Conservation and Development Commission (LCDC)
- Citizen Involvement Advisory Committee (CIAC)
- Local Officials Advisory Committee (LOAC)

Typically, LCDC meets every six weeks, while CIAC and LOAC meet less frequently. DLCD performs a variety of activities to support these meetings: mailing notices; recording minutes; preparing meeting materials and facilities; videostreaming over the Internet, etc.

Required Reporting

DLCD has significant responsibilities for collecting data and preparing statutorily mandated reports on several subjects. Some of this work involves one-time reports, such as a November 2004 report required by HB 2011 that analyzes the conversion of industrial lands to other uses. Also, ORS 197.065 requires DLCD to collect from all 36 counties data on

the division and development of farmland and forestland and to report its findings to the legislature. The resulting document contains extensive data and information on development and permitting in farm and forest zones. These reports are also found on DLCD's website.

A.3. Performance Measures

Previous Measures

The Department of Administrative Services Performance Measure Review Committee found that all the performances measures for the department meets all criteria as specified in the Performance Measure Guidelines.

The September 2004 Annual Performance Progress Report (Appendix C) provides data for 2003. In 2003, DLCD made significant changes to its goals and performance measures in response to comments from the Joint Committee on Ways and Means. The agency simplified its goals and focused them on core issues relating to development potential inside urban growth boundaries (UGBs), improving transportation systems, protecting farm and forest land outside UGBs, and streamlining DLCD programs and processes. DLCD also added specific performance measures in response to various issues and concerns raised in the budget process.

DLCD proposes deleting six existing measures and modifying seven others, and the Department of Administrative Services Performance Measure Review Committee concurs. The committee advised DLCD to organize its performance measures by agency goals. Therefore the department renumbered its performance measures.

New Measures

DLCD has 23 performance measures (Links to Oregon Benchmarks, 2005-07), all but one pertains to the Planning budget unit. See Appendix D. The department is open to continuing discussions with the legislature regarding other modifications and new performance measures, particularly those in the area of economic development.

Degree and Type of Agency Influence on Chosen Benchmarks

DLCD's strategic planning goals (See Page 3 of this section) are linked to the following benchmarks: OBM 4: Job Growth, OBM 70: Commuting, OBM 72: Road Condition, OBM 74: Affordable Housing, OBM 77: Wetlands Preservation, OBM 80: Agricultural Lands, OBM 81: Forest Land, OBM 87: Native Fish and Wildlife.

DLCD plays a key role in facilitating local land development decisions that lead to job growth, affordable housing, convenient transportation systems, protection of agricultural and forest lands for commercial production, and protection of natural resources.

In Oregon, state and local governments share the responsibility for these choices. The state – through the department, LCDC and the legislature – sets overall requirements for land-use planning and cities and counties adopt plans that meet the requirements. Local land-use decisions are made by local governments and are consistent with their state-approved plans.

The statewide land-use planning program is an essential component of state efforts to meet these benchmarks. Other important components include government and private investment, tax structures and other state and federal regulations.

Performance Accomplishments

DLCD has made significant progress in the past 18 months in reviewing and approving local jurisdiction periodic review tasks. This is reflected in measures that address local governments' progress in providing adequate residential land to satisfy growth needs inside urban growth boundaries (UGBs), measures that indicated local progress in public facilities planning and in adopting measures that support transit.

DLCD has also made significant improvements in the timeliness of its decision-making. In addition to addressing a backlog of periodic review tasks submitted to the agency for review, DLCD has provided quicker input into local decision-making and improved the content and clarity of reports to LCDC, thereby improving the quality of the Commission's decisions.

Future Challenges

Oregon's land-use planning program faces primarily three challenges:

- Lack of financial resources at all levels of government to support needed planning capacity;
- Implementing information technologies to improve program performance and accountability, and increase service to all customers; and
- Assessing and modernizing the statewide land-use program to meet new needs.

A.4. Factors Affecting Services

- Measure 37 has created a heavy workload on department staff, with budget and service implications, and has affected land-use programs at the local level;
- Diminished local revenues and correspondingly greater reliance on agency grants to support city and county plan updates, and other long-range planning activities;
- High volume of post-acknowledgment plan amendments submitted to the agency;
- Oregon Transportation Commission's reduction of funding for the department's Transportation and Growth Management Program for the 2001-03 biennium, and again for the 2003-05 biennium;
- Continuing high levels of development on the Oregon Coast and increasing risk to natural hazards, conflicts with existing land uses and harm to coastal resources;
- Vulnerability of coastal development to changing climate and weather regimes (e.g., El Niño and La Niña);
- Increasing "urbanism" on the Oregon Coast that generates need for more urban planning and redevelopment expertise;
- Inadequate information system and continuing low level of IT capacity create operational inefficiencies, prevent efficient and meaningful program assessments and inhibit customer service (See IRM Strategic Plan, Appendix K); and
- Increasing demands on staff to coordinate frequently with local governments and other state agencies on a variety of planning and community development issues.

A.5. Involvement in Interagency and Intergovernmental Programs

- Economic Revitalization Team (ERT)
- Regional Partnerships
- ODOT/DLCD Mineral and Aggregate Agreement
- National Floodplain Management Program
- Government-to-Government
- DLCD/ODOT Transportation and Growth Management Program
- National Coastal Zone Management Program
- Governor's Coastal Coordinating Council
- Governor's Willamette River Initiative Committee
- Oregon Plan for Salmon and Watersheds
- Northwest Area Network of Ocean Observing Systems (NANOOS)
- Lower Columbia Solutions Group
- Coastal States Organization
- Department of State Lands Wetlands Mitigation Bank Review Teams
- Local government technical advisory committees
- Regional problem solving project agency teams
- Metro Technical Advisory Committee

A.6. Revenue Sources

GENERAL FUND

FEDERAL FUNDS:

- **Federal Emergency Management Act (FEMA)**
Floodplain Program
- **Coastal Zone Management Act (CZMA)**
Coastal Program

OTHER FUNDS:

- **ODOT Federal Transportation Funds**
Transportation and Growth Management Program
- **Higher Education**
Coastal Atlas in Coastal Program

DLCD proposes no changes in fees or charges in 2005-07.

A.7. Historical Expenditures and the Governor's Recommended Budget

	General Fund	Federal Funds	Other Funds	All Funds
2001-2003 Actuals	6,552,618	2,875,215	1,456,897	10,884,730
2003-20053 Estimates	6,364,358	3,950,145	873,425	11,187,928
2005-2007 GRB	8,024,097	4,754,650	905,290	13,684,037

A.8. Program Growth or Reduction

State Funds vs. Federal Funds

Core program growth and reduction is primarily dependent on the availability of state general funds. The agency's floodplain management and coastal programs are dependent on availability of federal funds from the Federal Emergency Management Administration and the National Oceanic and Atmospheric Administration. These funds are expected to stay at current levels pending congressional action. The Transportation and Growth Management Program is dependent on federal transportation funds passed through the Oregon Department of Transportation.

Factors that drive program costs:

- Limits on local revenues;
- Increase in planning services to urban areas, requiring more detailed planning;
- Population and employment growth;
- ORS 197.299 (requires Metro to update its urban growth boundary at least every five years);
- Increasing cost of natural hazard avoidance and habitat protection
- Travel expenses;
- Increases in personnel cost due to competition for salaries and increasing benefits costs; and
- Need to maintain and constantly upgrade IT resources due to industry advances and internal state lifecycle requirements.

A.9. Essential Packages

Essential packages maintain department services at the present level.

Package 010, Non-PICS Personal Services Adjustments

A standard inflationary increase is applied for temporary appointments, overtime, unemployment insurance and other costs. The package also includes an increase for the pension bond contribution. The package also includes vacancy savings and a reduction for mass transit because of changes to positions. Package 010 amounts are \$231,958 General Fund, \$100,310 Federal Funds and an increase of \$30,900 Other Funds for a total of \$363,168.

Package 030, Inflation/Price List Adjustments

Includes 2.4 percent inflation for professional services contracts, 7.7 percent inflation for state office building rent and no inflation for non-state building rent, and 16 percent inflation for Attorney General costs. Decreases for State Government Service Charges are based on the Department of Administrative Services price list and is within 2.4 percent inflation for all services and supplies. Decreases for package 030 are \$47,741 General Fund, \$22,066 Federal Funds and \$5,820 Other Funds for a total decrease of \$77,627.

A.10. Proposed 10% Reduction of Governor's Recommended Budget

None.

A.11. Governor's Proposed Budget Reductions

None.

A.12. Reductions Submitted to the Legislative Fiscal Office, but Not in the Governor's Recommended Budget

Prioritization list

\$1,579,348 total funds proposed reduction as follows:

- Eliminate GRB Policy Package 101 and 103
- Decrease GRB Policy Package 104 by \$33,871 expendable property
- Decrease Coastal Zone Management Program Federal Fund personal service contract dollars by \$406,165
- Decrease Federal Emergency Management Act Program Federal Fund dollars by \$29,579
- Decrease Coastal Atlas Other Fund S/S by \$90,529

A.13. Policy Packages

Package 101: Management Accountability

This package establishes a permanent full-time deputy director position (without additional supplies and services). The addition is intended to increase the department's responsiveness to operational, management, staff and budget issues while allowing the director to focus more extensively on the needs of external stakeholders, such as local government officials, the legislature and the governor's office.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Percent of staff reports that include discussion of legal requirements and policy choices, clear and unambiguous findings, discussion of alternatives, and are written in "plain English"
- Customer satisfaction measure placeholder pending DAS guidance.



Package 103: 30-Year Land-Use Review

This package adds three full time positions (with standard supplies and services) and funds the establishment of an intensive and thorough review of the state's land-use planning laws and regulations. This project would involve the department, the Commission, legislators, local government officials, state agencies and stakeholder groups.

DLCD Strategic Goal 2: Secure Oregon's Legacy

Performance Measures

- Percent of farmland outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.
- Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.
- Percent of land added to urban growth boundaries that is not farm or forest land.



Package 104: Information Technology/GIS Capability

This package adds two permanent full-time information technology positions and related supplies and services.

DLCD Strategic Goal 1: Promote Economic Development and Quality Communities

Performance Measures

- Percent of urban areas with a population over 2,500 that have a sufficient supply of commercial and industrial land to implement their local economic development strategy
- Percent of urban areas that have a sufficient supply of buildable residential lands to meet housing needs.
- Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water.
- Percentage of local jurisdictions that have a sufficient supply of shovel-ready commercial zoned land to implement their local development strategy.
- Number of new industrial sites certified as "project-ready" added each fiscal year.
- Percentage of local jurisdictions that have a sufficient supply of shovel-ready residential zoned land to implement their local development strategy.
- Percent of urban areas with a population greater than 25,000 that have adopted transit-supportive land use regulations.
- Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.

DLCD Strategic Goal 2: Secure Oregon's Legacy

Performance Measures

- Percent of estuarine areas designated as "development management units" in 2000 that retain that designation.
- Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.
- Percent of farmland outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.
- Percent of forestland outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.
- Percent of land added to urban growth boundaries that is not farm or forest land.

DLCD Strategic Goal 3: Improve Collaboration

Performance Measures

- Percent of periodic review work tasks that are returned to local jurisdictions for further action.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.
- Percent of staff reports that include discussion of legal requirements and policy choices, clear and unambiguous findings, discussion of alternatives, and are written in “plain English”
- Percent of decisions to appeal a local land use decision or to file an agency brief in land use cases that are reviewed and approved by the LCDC prior to filing.
- Percentage of non-mandatory periodic review tasks under Senate Bill 920 retained on a work program by the Commission without agreement of the local jurisdiction.
- Percent of local grants awarded to local governments within two months after receiving application.
- Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.
- Customer satisfaction measure placeholder pending DAS guidance.

DLCD Strategic Goal 5: Streamlining

Performance Measures

- Number of local new periodic review work programs approved between July 1, 2003 and June 30, 2005.
- Percent of periodic review work tasks under review at DLCD for no longer than four months.
- Percentage of periodic review work tasks submitted between July 1, 2003 and December 31, 2003 that are reviewed by the Department in 120 days or less.



Package 107: Digital Coastal Atlas

This package reallocates current budgeted professional service contract dollars to fund a permanent full-time Information Technology Specialist 6. This position would continue the development and implementation of the Coastal Atlas Geographic Information System.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Customer satisfaction measure placeholder pending DAS guidance.



Package 108: Coastal Projects Coordinator

This package reallocates federal coastal zone management professional services contract funds to fully fund the Coastal Projects Coordinator with federal funds and eliminating 50 percent General Fund funding currently in place for this position. This package reflects a General Fund savings of \$85,911 and has been approved in concept by the federal granting authority, the National Oceanic and Atmospheric Administration.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Customer satisfaction measure placeholder pending DAS guidance.



Package 109: TGM Reconciliation

This package increases Other Funds limitation for in-state travel by \$25,723 to allow for increased reimbursement by the Department of Transportation for Transportation Growth Management Program activities. The Department of Transportation concurs with this request.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Customer satisfaction measure placeholder pending DAS guidance.



Package 110: Flood Hazard Map Modernization

This package as proposed in Governor's Recommended Budget adds four permanent full-time information technology and support service positions, and related services and supplies. As a result of recent information received by the department from the Federal Emergency Management Program, the department is requesting to decrease the

number of positions and expenditure limitation authorized under this package.

DLCD Strategic Goal 4: Improve Collaboration and Deliver the Highest Level of Customer Service Possible

Performance Measures

- Customer satisfaction measure placeholder pending DAS guidance.

Adjustment Packages

In addition to the packages above, DLCD will present technical adjustment packages:

- 084: November Emergency Board
- 110: Flood Hazard Map Modernization
- Reduce Coastal Zone Management Program base Federal Fund expenditure

A.14. Facilities

DLCD does not own or manage facilities.

A.15. Budget Notes from 2003

The department shall submit a report to the Emergency Board by January 2004 showing reasonable progress toward implementing the June 30, 2003 work plan (entitled “Goals, Actions, Timelines, Assignments”) that was submitted to the Natural Resources Subcommittee of Ways and Means, as amended by the Subcommittee. If reasonable progress can be demonstrated, the Emergency Board shall allocate \$187,500 of the special purpose appropriation.

The department shall submit a report to the Emergency Board by November 2004 showing additional reasonable progress toward implementing the amended work plan. If reasonable progress can be demonstrated, the Emergency Board shall allocate the remaining \$187,500 balance of the special purpose appropriation to the department. This report shall be made available to the Joint Committee on Ways and Means of the 2005 regular legislative session for purposes of developing the agency’s 2005-07 budget.

The department shall make the following amendments to the original work plan:

1. Under –

**GOAL: IMPROVE DLCD BUDGET AND MANAGEMENT
ACCOUNTABILITY**

For item #6 relating to consultation with local governments, prioritized grant allocation plan for General Fund technical assistance and periodic review grants, substitute the following language under “Timeline and Status” –

The Land Conservation and Development Commission shall establish a grants advisory committee composed of representatives from the League of Oregon Cities, the Association of Oregon Counties, metropolitan service districts, the Special Districts Association of Oregon, land-use planning public interest groups, land development interest groups, and local government planning officials. The membership of the advisory group shall balance urban and rural interests and the perspectives of large and small cities and counties.

The members of the advisory committee shall not be entitled to reimbursement from any agency for any expenses incurred relating to the activities of the advisory committee.

The committee shall advise the Commission in development of a plan for the allocation and distribution of local government technical assistance and periodic review grants funded by the General Fund. The plan shall include policies and guidelines to ensure that the expenditures of the General Fund grants address the issues and projects of the highest priority. The plan also shall indicate how the department will leverage grant funds from other sources and programs. The department shall submit the allocation plan to the Emergency Board no later than January 2004.

To minimize hardships on local government planning programs, the department may approve grants, prior to submittal of the allocation plan, for those projects that are continuations of projects or activities approved during the 2001-03 biennium. However, the department shall not commit more than 25% of the total General Fund grants authorized by the 2003 Legislature until the allocation plan has been submitted and approved.

Response

In January 2004, the department submitted its report to the Emergency Board. However, this item was removed from the January Emergency Board agenda and rescheduled to the April Emergency Board agenda. At its meeting on April 8-9, 2004, the Emergency Board found the department made reasonable progress. The Emergency Board approved the first allocation of the Grants and Landowner Notification Special Purpose Appropriations. Rather than approve the Planning budget unit, the Emergency Board noted that DLCD had significant vacancy savings and directed the department to use vacancy savings for service and supplies expenditures in the Planning budget unit.

On Oct. 25, 2004, DLCD submitted its November 2004 report to the Emergency Board according to DAS/BAM deadlines. The Emergency Board acknowledged reasonable progress on the action plan and approved a second allocation of the special purpose appropriation as follows:

- An allocation of \$54,979 from the Operations Program special purpose appropriation. Partial allocation of the special purpose appropriation is requested because the agency has effectively conserved its budget and only requires \$54,979 to complete its General Fund biennial activities.
- The remaining allocation of \$43,377 Grants Program special purpose appropriation. This allocation of the special purpose

appropriation will provide additional grants to local jurisdictions.

- The remaining allocation of the \$6,317 Landowner Notification special purpose appropriation. This allocation will assist the Landowner Notification program efforts for the rest of the biennia.

2. Under –

GOAL: STREAMLINE PROCESSES AND EXAMINE REFORM OPTIONS

For item #2 relating to reform of periodic review, substitute the following language under “Timelines and Status” –

The Land Conservation and Development Commission shall establish a periodic review advisory committee composed of representatives from the League of Oregon Cities, the Association of Oregon Counties, metropolitan service districts, the Special Districts Association of Oregon, land-use planning public interest groups, land development interest groups, and local government planning officials. The membership of the advisory group shall balance urban and rural interests and the perspectives of large and small cities and counties.

The members of the advisory committee shall not be entitled to reimbursement from any agency for any expenses incurred relating to the activities of the advisory committee.

The committee shall advise the Commission in the development of a plan to accomplish the goals of the periodic review program in a more timely and cost-effective manner. The plan also shall include an evaluation of jurisdictions in periodic review, outlining unresolved issues as well as strategies and timelines to resolve these issues.

Response

Regarding the budget note requirement to establish a grants advisory committee, LCDDC appointed a Grants Allocation Planning Advisory Committee in September 2003. The committee was comprised of membership required in the budget note. The committee developed a Grants Allocation Plan (a summary is in Appendix N), which was subsequently adopted by the Commission. The plan included priorities for technical assistance and periodic review grants as well as guidance on other, smaller grant programs. The plan includes guidance on leveraging other sources of funds.

Regarding the budget note requirement to establish a periodic review advisory committee, the Commission appointed the Interim Committee on Periodic Review Reform in January 2004. The Commission appointed 13 members, including local government planners, tribes, the League of Oregon Cities, the Association of Oregon Counties, Metro, the special districts association, land development interests, land-use planning public interests, the Oregon Chapter of the American Planning Association, the governor's office and LCDC. The committee met monthly starting in April 2004 to develop a report outlining its findings regarding the effectiveness and efficiency of periodic review, and recommendations for reform.

A.16. Audits

The Secretary of State's Audits Division regularly performs an audit or review when the executive head of a state agency leaves that position for any reason. Paul Curcio was appointed director of the DLCDC on Feb. 1, 2002, and resigned from that position effective Feb. 21, 2003. The Secretary of State performed an audit subsequent to Mr. Curcio's separation.

The purpose of this audit (Appendix O) was to assure that appropriate actions were taken to cancel the above director's access to state systems, return any state assets in the director's possession, and assure that recent transactions authorized by him were reasonable and complied with appropriate laws and regulations.

In addition, the Audits Division reviewed phone records for the former director, reviewed all travel and payroll transactions, and reviewed contracts authorized by the former director to determine if actions were made in accordance with laws and regulations.