



Oregon

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TO: Ways and Means Subcommittee on Natural Resources

FROM: Richard Whitman, Director
Cora R. Parker, Deputy Director

CC: Laurie Byerly, Legislative Fiscal Office
Satish Upadhyay, DAS Budget and Management Division

RE: Co-Chair Questions/Inquiries

Please accept this memorandum in response to the questions posed by Co-Chair Walker and other subcommittee members relative to agency performance and operations. We plan to address many of the questions and areas of interest in our agency presentation. This memorandum is, therefore, intended to complement and augment the areas covered in the presentation, and highlight some additional specific examples. Please note that it is not intended to be all-inclusive regarding the questions posed.

How has your agency saved money in the past two years, either by leveraging private partnerships, working with other agencies, eliminating or streamlining programs, or other efficiencies?

The department strives to provide consistent quality service within its limited budget. We depend largely on General Fund for core activities, including grants and technical assistance to local governments. As the state and the department have faced resource challenges over the last several biennia, local governments have faced similar, often more severe, restrictions on resources. With that in mind, we have tried to find a resource balance that will maintain the highest level of services to local governments and other stakeholders, and we approach all levels of operational decision-making with the aim of making the most of the department's and our partners' limited resources.

Over the course of the 2007-09 biennium, the department has initiated and implemented a number of activities focused on operational efficiency and streamlining. In fact, a key focus of both our long-term strategic goals and short-term strategic initiatives is *streamlining*. That focus on streamlining relates to both internal and external programs and is aimed at making the statewide land use system less process-oriented and more outcome-oriented, as well as at wisely spending resources. It is important to note that with a "to do" list that is, arguably, beyond the

current resource capacity of the department, being “efficient” often means the ability to work further down that list versus not spending funds.

The following items are illustrative of efficiency initiatives and streamlining activities the department undertook during the 2007-09 biennium:

- Throughout the biennium, we have encouraged a number of local governments to combine or coordinate grant projects in order to get a “bigger bang for the buck.” Examples of local governments that have coordinated in this way include Wallowa County, Union County, Hermiston, Pendleton, and Baker City. We also have asked the Economic Revitalization Teams to provide input on grant projects in order to give other agencies an opportunity to collaborate in planning and development projects, essentially encouraging other agencies to leverage their resources by following behind department planning investments.
- During the course of the biennium, the department found itself facing the vacancy of two positions established in connection with the passage of House Bill 2011. The simultaneous vacancy of both of these positions provided the department the opportunity to reassess needs, with the concurrence of stakeholders, and redeploy the resources in a way that will bolster agency policy and urban planning capacity, with a continued focus on economic development activities.
- The department was able to creatively leverage both public and private partnerships relative to staffing, and support for the Big Look Task Force. The efficiencies gained in the Task Force’s work plan itself included all of the volunteer time of the ten Task Force members, significant paring down of effort on the part of the hired consultant (with a substantial amount of their professional and travel time provided pro bono) and the hosting by stakeholder groups of the over 30 stakeholder meetings with Task Force members. The Task Force was also able to benefit from substantially reduced rate “at cost” printing by a private publisher of over 500,000 newspaper inserts. These tabloids were also inserted and distributed at reduced cost by most major newspapers throughout the state.

In addition, the use of “meetings in a box” provided additional opportunities for participating in the “home version” of the town hall meetings hosted throughout the state. Approximately 60 meeting kits were distributed at the request of groups and individuals throughout the state, allowing approximately 350 people to participate in the process without the need to attend a regional meeting. This provided savings in the cost of at least four additional town hall meetings that would have otherwise been needed to reach the same number of citizens. The “meeting in a box” kit included the documentary film, a press release, Task Force member biographies, frequently asked questions, a briefing on the main topic areas, a newspaper insert, copies of the statewide public opinion survey with return envelopes, and an instruction sheet that provided guidance for soliciting group discussion.

- With respect to internal operation of the department, the department continues efforts in financial restructure and alignment to improve financial and budgetary reporting for division managers and agency leadership. These improvements provide the information

to better evaluate individual budgets and determine where additional cost-cutting and efficiency measures can be implemented.

- With the acknowledgement that we will continue to be asked to do more with less, the department has recently formally chartered two internal work groups to better focus efforts in two key areas. These groups, one focused on information management and geospatial information needs and the other on climate change mitigation and adaptation, are aimed at drawing together and capitalizing on existing resources to the greatest extent possible, with the recognition that the department is unlikely to receive specific additional funding related to these issues.
- Finally, it is important to note that working with other agencies is often a part of every day business for many of our department staff. Business partners include, but are not limited to, the Oregon Department of Transportation, the Oregon Economic and Community Development Department, the Oregon Department of Fish and Wildlife, the Oregon Parks and Recreation Department, the Oregon Department of Geology and Mineral Industries, the Oregon Department of State Lands, the Oregon Water Resources Department, and the Oregon Watershed Enhancement Board.

How are you preparing for the federal stimulus package?

While the department is not directly impacted by the federal stimulus package, we will continue to work closely with the Oregon Department of Transportation, the Oregon Economic and Community Development Department, and others in ensuring that the infrastructure and public works portions of the federal stimulus package are implemented in alignment with Oregon's land use program and the intent of the federal stimulus package.

Are there capital expenditures that can wait in favor of spending dollars on programs that put more people to work?

The department has no capital expenditures planned for the current or 2009-11 biennia.

Provide a detailed breakdown of your inflation rate and what other agencies, like DAS, BAM and the AG, are charging you.

Please see Appendix G for detail regarding charges by other agencies.

Have you had a conversation with your front line employees about how they might be able to do their jobs more efficiently and at less cost to the agency?

Department employees are always encouraged to be creative, to build and strengthen local government relationships and to look for partners to help in our efforts. As an example, in the face of frequently changing fuel and other travel-related costs, department employees, particularly regional staff, have been asked to carefully evaluate whether travel is necessary and

to consider other options for attending meetings in the region. The department is also currently engaged in an analysis of travel costs relative to permanently assigned vehicles and mileage reimbursement costs. This effort, not specific to the economic downturn, reflects an example of the type of good business practices that the department continues to encourage and implement.

With respect to the deepening budget gap facing the state and our partners, we recognize that local governments, in particular, will continue to need our assistance to prepare for their future and eventual economic recovery. In many ways, that means that our technical assistance and support in the region is more important than ever. Our job over the coming months is to encourage, assist, and support good planning in spite of the fact that we do not have a full complement of resources. This will mean continuing to be as creative as possible in identifying efficiencies.

What are your high points and your low points? i.e. What have you done well, and what have you done poorly in terms of agency operations and performance?

The department plans to cover this area thoroughly during the Agency Performance Overview portion of its presentation to the subcommittee. The following excerpt from the Director's Message in the department's 2007-09 Biennial Report outlines the context for agency performance during the biennium.

The 2007-09 biennium has also been a time to focus on completing the work required by a series of recent initiatives from the legislature and the voters, including: Oregon ballot measures 37 and 49, as well as the Oregon Task Force on Land Use Planning, and the Portland Metro Urban and Rural Reserves effort directed by SB 1011. At the same time, the department has begun to work on several major newly-emerging challenges including climate change and adjustment in land markets that threaten our working forests.

Work on these major initiatives has been carried out even as the core work of the department has continued, with an emphasis on coordinating the land use system with the Governor's economic development agenda, and renewing periodic review of the comprehensive plans of larger communities.

As we head into more difficult economic conditions, we will be challenged to complete the work the legislature has set out for us while also continuing to meet the evolving needs of communities to plan for sustainable futures. With challenge comes opportunity, and the agency is committed to playing an active role in helping to build the foundation for long-term improvement in our economy, while preserving the quality of life that makes Oregon such a special place to live.

Do you have ending fund balances in any programs that are not constitutionally directed?

No; the department does not maintain fund balances of any consequence other than that related to operation of the Transportation and Growth Management Program. Balances there are only

sufficient to maintain the program on a monthly/quarterly basis as the interagency agreement with the Oregon Department of Transportation provides funding on a reimbursement basis.

It is important to note that as a result of the Other Funds balance evaluation exercise, the department was able to identify approximately \$96,000 in empty limitation related to prior biennia Other Funds activity. The department will work closely with the Legislative Fiscal Office and the subcommittee to confirm adjustment of this limitation.

Please list all of your regional offices, if any, and what services you provide.

The department's headquarters offices are in Salem. Local and regional governments receive technical and educational assistance through six field offices: Portland, La Grande, Bend, Springfield, Newport, and Central Point. Offices in La Grande, Springfield, and Central Point house regional representatives for local governments in the adjacent communities. The Portland office houses two regional representatives for the greater Metro area, as well as the department's natural resources and aggregate specialist and a number of staff related to the Ocean and Coastal Services Division. In addition to two regional representatives, the Bend office houses the department's community services specialist. Finally, the Newport office houses two regional representatives, in addition to the department's coastal shores specialist.