



Oregon

Theodore R. Kulongoski, Governor

Oregon Task Force on Land Use Planning

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

FAX (503) 378-5518

Web Address: <http://www.oregon.gov/LCD>

APPROVED MEETING MINUTES

OREGON TASK FORCE ON LAND USE PLANNING

August 18, 2006

Agriculture Building

635 Capitol St. NE

Hearing Room

Salem, OR 97301

(track 1)

Chair Thorne calls the meeting to order at 9:11 a.m. on August 18, 2006.

Members present:

Chair Mike Thorne

Vice-Chair Nikki Whitty

Director Lane Shetterly

Ken Bailey

David Bragdon

Steve Clark

Jill Gelineau

Judie Hammerstad

Cameron Krauss

Gretchen Palmer

Excused: Wes Hare

Agenda Item 1 – Review and approval of August 18, 2006, Task Force minutes

Chair Thorne – Asks the Task Force if there are any comments or suggestions for the July 23 and 24, 2006, minutes (**Exhibit A**).

Motion – Task Force Member Bragdon moves to adopt the minutes.

Clark seconds.

Vote – 9-0, no objection, Wes Hare is excused.

(track 2)

Steckler – Shares the accomplishments of Task Force intern, Benjamin Wicker, and that this is his last day. Introduces Tyler Smith, the new Task Force extern.

Task Force discusses the accomplishments that they want for the work group sessions.

(track 3)

Agenda Item 2 – Work group meetings

Economy

Members present:

Ken Bailey
Steve Clark
Cameron Krauss
Nikki Whitty

Clark – Discusses the submitted work plan (**Exhibit B**). Suggests that the work group identify experts that could provide a forecast of Oregon’s economic future.

Whitty – Suggests using the Department of Revenue and the Employment Department to do presentations regarding Oregon’s economy.

Clark – Discusses how tax laws affect land use pattern.

Bragdon – Shares how Metro looks at property taxes.

Bailey – States the need for communication between the work groups.

Clark – Asks the work group members if they have any experts that they know of to call on for information regarding Oregon’s economy.

Steckler – Shares that there are a lot of data resource groups available to assist the work group.

Work group discusses various consultants that could be used, such as the Oregon Department of Agriculture and the Oregon Farm Bureau.

Clark – Suggests that he, Becky Steckler and Nikki Whitty work on gathering names of individuals who could provide information regarding Oregon’s economy. States that if the state doesn’t have a strong agricultural economy that there will be a break in the transportation system.

Work group discusses transportation issues and how they affect Oregon’s economy.

Clark – Asks if land use enables varying communities or regions of the state to achieve their goals and if land use should shape economic outcomes? Shares the idea of meeting with John

Fregonese to discuss scenario based land use planning.

Bailey – Discusses using land use plans or proposals already prepared by outside sources.

Clark – States that Oregon is a manufacturing state and asks if it will be in the future.

Work group discusses private property rights regarding forest land and the difficulties of harvesting the land when it is allowed.

Krauss – Suggests obtaining a report that indicates the amount of acreage in Oregon that is allowed for agriculture/forest land in order to see how much land is needed in certain areas.

Clark – States that it doesn't just depend on the amount of acreage but the value of the land.

Bailey – Discusses the issues a farm has in processing and transporting their products.

Clark – Discusses the balance of jobs and housing. Discusses the issue of commuting between cities due to the cost of living.

Work group discusses Oregon's open space and livability.

Clark – Asks if there should be different housing considerations done by regions and if housing issues are becoming predominant throughout Oregon?

Palmer – Suggests that housing issues have more to do with higher growth areas.

Clark – States that he will send out an e-mail regarding experts and staff that the work group would utilize.

(track 4)

Citizen Involvement

Members present:

Jill Gelineau
Judie Hammerstad
Gretchen Palmer

Work group reviews submitted draft outline for citizen involvement (**Exhibit C**). Discuss what questions they would like to ask regarding citizen involvement and how to frame them.

Hammerstad – Shares the struggles of getting relevant information from citizen involvement.

Work group discusses the public testimony time limit of three minutes at the Task Force meetings.

Gelineau – Asks if the Task Force were to only allow written testimony, would that make it difficult for the decision makers?

Hammerstad – States that the public would not be satisfied by written testimony alone. Suggests asking various organizations the question of verbal vs. written testimony.

Work group discusses the relevancy of Goal 1 (history and purpose), if the citizen involvement process is fair, the level of citizen involvement and, the appeals process for citizens.

Palmer – Asks how to balance the input from the public vs. the private property owner.

Hammerstad – States that anyone in the state should have standing in a land use issue since the outcome could affect them.

Work group discusses the questions outlined in the submitted draft outline for citizen involvement, how the citizen involvement process can be more efficient, and how to make public testimony more relevant.

Hammerstad – Shares that she would like to know if local governments are happy with the citizen involvement process.

Work group discuss the citizen involvement process for legislative issues and the procedural difference between city and county.

Palmer – Shares the list of organizations that the work group could use to obtain citizen involvement information from.

Gelineau – Asks if the work group will send out a questionnaire.

Hammerstad – States that the work group should have a focus group meeting with some of the mentioned organizations.

Gelineau – Shares that focus group meetings are planned for the next year and that right now the work group is trying to identify the questions regarding citizen involvement that should be focused on.

Palmer – Suggests that the question of how to make citizen involvement more effective and efficient should include asking for recommendations.

Work group discuss if the citizen involvement process is too complex and how to frame the questions to the public.

Gelineau – States that she will work with Becky Steckler to organize a list of recipients for the work group questions.

Palmer – States that she will draft the letter of the work group questions.

Hammerstad – Suggests having a hearing to discuss responses to the work group questions once they are received.

Work group discuss timelines for responses to the citizen involvement questions and the question of long term planning.

(end track 4)

Infrastructure, Finance, and Governance

Members present:

David Bragdon
Mike Thorne

Wes Hare is excused.

Discusses the information in the handout submitted by David Bragdon (**Exhibit D**).

Bragdon – States that he and Wes Hare focused on urban areas, because that is their area of expertise.

Whitty – States that unincorporated communities have special needs regarding infrastructure and governance issues.

Bragdon – States that Kelly Ross with the Special Districts Association is interested in providing information and resources on this topic. The League of Oregon Cities, Association of Oregon Counties, and the Oregon Chapter of the American Planning Association may also be interested.

Whitty – Asked about the possibility of hosting a forum around these issues.

Work Group discussed how political boundaries shape issues related to infrastructure, finance, and governance.

Thorne – Discussed that zoning boundaries also impact these issues.

Bragdon – States that urban renewal boundaries influence infrastructure and financing.

Andy Cotugno, Metro – Asked how the work group's work in Phase 2 will inform Phase 3. He suggests they clarify how the issues raised in the handout can be explored through public outreach.

Becky Steckler – Mentions that the work group should coordinate with the other work groups when conducting outreach to organizations as most work groups are reaching out to some of the same organizations.

Tyler Smith – Suggests that the work group consider issues that are raised when people outside of the service boundary use urban services.

Bill Moshofsky, Oregonians in Action – Discusses the possibility of on-site treatment of water, instead of burdening the existing system.

John Charles, Cascade Policy Institute – States that the current system stifles the private sector and it is designed to deny projects. He suggests that the private sector can provide public services, such as road tolls to pay for roads.

Work group discusses issues related to private provision of infrastructure.

Whitty – Suggests that the work group identify barriers to the private sector providing infrastructure.

John Charles – States that some zoning overlays no longer make economic sense.

Bailey – Asks if local governments have the will or resources to rezone lands based on existing needs.

Bill Moshofsky – States that the state doesn't allow that to happen.

Bailey – Suggests that a lot could probably be done at the local level.

Bragdon – Discusses the timing of infrastructure and how to accommodate for future demand.

Ann Gardner, Schnitzer Steel Industries – States that the provision of infrastructure and local land use decisions force companies away from areas that are currently served. She mentions the conversion of industrial lands to other uses as an issue.

Bragdon - Describes conflicts between state investment (in freeway interchanges) and local decisions (that rezoned land).

Linda Ludwig, League of Oregon Cities – States she had comments that she would submit in written form to the work group.

Chair Thorne – Asks where the work group should go for help. What resources does the work group need?

(track 5)

Agenda Item 2 – Work group meetings continued

Growth Management

Members present:

Ken Bailey
David Bragdon
Steve Clark
Gretchen Palmer

Bailey – Discusses the issues overlapping from various work groups and shares the need for communication and coordination between the groups when requesting expert assistance. States the need to identify issues in which the work group wants expert assistance.

Clark – Asks the work group to look to the future when determining how Oregon will manage growth.

Bailey – Discusses UGBs and how Oregon could/should apply them.

Clark – Discusses the difference between state and regional land use planning.

Bailey – Asks if regional planning is a question the growth management work group should review or if another of the work groups should.

Bragdon – States that reviewing regional planning should be coordinated between the work groups.

Bailey – Discusses the options for controlling regional growth.

Bragdon – Asks if high growth areas should be treated differently in the system?

Bailey – Discusses regulations that could be instituted to treat high growth areas differently.

Clark – Discusses the other areas in which population impacts land use and how growth management decisions made in one community affect other communities.

Bailey – Discusses regional issues pertaining to growth management and who, local or state, should have the power to make decisions.

Work group decides that regionalization should be one of the top priorities that they should review and they discuss how the UGBs affect different regions and if UGBs are accomplishing what they were set out to accomplish.

Clark – Asks if a starting point for the work group would be to look at a forecast of Oregon's future population and then look at UGBs and regionalization.

Bragdon – Suggests starting by looking at urban reform.

Work group discusses how best to manage growth; if the communities should have input, how to allow for flexibility once a decision is made, and accommodating population growth.

Work group discuss the 20 year land supply goal and whether they should support it and its process.

Bailey – Discusses the schedule listed on the e-mail he submitted (**Exhibit E**).

Clark – Shares some of the organizations that the work group could hear from regarding some of the identified growth management issues.

Work group decides to identify questions for review regarding growth management individually and then share their questions with the rest of the work group.

(end track 5)

Benefits & Burdens

Members present:

Jill Gelineau
Cameron Krauss

Wes Hare is excused.

Work group discusses the three sets of questions that the work group came up with regarding the Benefits and Burdens of Oregon's land use system (**Exhibit F**). Discusses the state requirement for using the services of EcoNorthwest, adding Dean Huffman to the list of requested services and having Oregonians in Action respond to the questions from the work group.

Work group discusses questions that Jill Gelineau had for Wes Hare's questions (**Exhibit G**). Question 1, "Does Oregon's Public Finance System adequately address land use regulation?", and question 2, "what can government do through land use regulation to prevent the tragedy of the commons." The work group didn't feel that those two questions were relevant to their charge.

Work group discusses Question 8 and decide to look at it later.

Work group discusses Question 10 – work group didn't feel as though they should look at condemnation issues.

Work group reviews the Benefits and Burdens work group charge regarding "Burdens." Discusses Question 1A and how to quantify the extent of regulatory takings in Oregon and how to identify the severity of the problem. Discussion of Question 3 – regulations to be identified where it appears more appropriate to compensate than others, and that all regulations need to be looked at because Oregonians feel that every regulation has some impact on their property. Discussion of 3A – how the role government should play in determining the value of land? Question 3B is similar to 4 and could be taken out. Both Task Force members Gelineau and Krauss have some questions as to if Question 3B should remain in their charge. Discussion of

Question 4 – and how well the exception process is working. May need to add a question of what types of relief are available today besides compensation under Measure 37. Rewording Question 4 – “The current system has these options available for relief, are there other options available?” (Maybe added to Question 2). Take out sub Question 4 and make new question.

Work group discussion of the “benefits” questions of the work group’s charge. Question 1 – evaluation of the current system and whether it creates “windfalls” and can those be quantified? Question 2 being broke down into two parts – how could compensation occur – taxes, development fees, land values staying low for farmers. Question 3 – is it an issue that needs to be looked at? Work group looks at Cameron Krauss’s questions to the charge. That benefits to the public can look very different depending on “what side of the fence they are on.”

Work group discussion that the whole land use system was created to benefit the public.

Jill Gelineau will refine the work group’s charge including the questions that they need clarified by Wes Hare, and then they will submit them to the whole Task Force.

Role of State & Local Government

Members present:

Judie Hammerstad
Mike Thorne
Nikki Whitty

Hammerstad distributes a summary of issues that have been identified regarding state and local differences, including some questions for discussion. Hammerstad discusses the Regional Differences handout, including the different requirements for periodic review. **(Exhibit H)**.

Hammerstad said that DLCD has not been requiring periodic review due to lack of funds. She also discusses regional differences and the possibility for regional problem solving. Some of the regional differences, that lead to current different provisions are based on population, employment trends, soil types, and geographical features. She referred to a handout on regional differences from the March 20 meeting (Exhibit C from March 20, 2006 meeting).

Commissioner Whitty raises issues related to soil types, specific farm products, and farm tax assessment. She is interested in the viability of certain farm products and said that she would like to hear testimony from planners.

In response to an inquiry about the historical premise of the program, Hammerstad states that, with the work load of the committee, she prefers to examine the current program as it has evolved and to concentrate on addressing the current issues and directions for the future. Becky Steckler provides an example of how studying the past helps to illustrate policy issues. Members discuss how some policy decisions evolved.

Thorne discusses the 80-acre/\$80,000 rule for housing on farm land.

The work group discusses regional and local differences:

- How should they be identified?
- Should we allow for regional differences?
- Which jurisdictions should have the power to make decisions?
- What changes should be considered at the regional and local level?

Hammerstad discusses the Metro government and how it allows regional differences through the Regional Framework Plan. The plan provides for a required set of actions that are implemented at the local level. It requires local governments to make policy decisions their citizens might not otherwise approve, such as higher densities close to urban centers. She relates this as having a positive effect on the regionally-adopted policies.

Thorne asks what some of the biggest conflicts are between state requirements and local governments. Hammerstad responds that it is the requirement of a 20-year land supply in the UGB. Whitty reminds the group that many cities haven't updated their land supply.

The work group discusses the factors that should affect regional or local differences, such as population size and growth, location, physical differences (climate, geography, natural resources, etc), and international, national, and regional trends in the economy.

Whitty suggests that political differences should be reflected in regional differences. (Measure 37 passed with 71% of the vote in Coos County)

Linda Ludwig from the League of Oregon Cities (LOC) states that local governments would like more flexibility. She suggests that there are other differences at the state, regional, and local level the group should consider.

Thorne said the group should identify the issues first, and prioritize them later.

Rob Zako from 1000 Friends of Oregon suggests that the work group consider not just regional differences, but policies where there is an overriding state interest. Discuss state interests, including the 19 statewide goals, as well as infrastructure, air and water quality, and economic development.

The need to talk to local governments about these issues is discussed.

David Bragdon states that they should consider implementation issues as well. The members discuss the role of the state (DLCD) and local governments in implementation.

Questions to be researched:

- Are there compelling state-wide interests that should have precedence over local difference? If so, what are they?
- If there is a statewide program, should it allow for regional or local flexibility?

- What are the factors that are appropriate for local/regional flexibility? How can those factors be identified?
- Need to address what areas of flexibility would benefit a locality or region

The work group discusses the necessary resources to complete its work. Members discuss the need to work with planners, local governments, the LCDC Citizen Involvement Advisory Committee, and other interested parties.

The members discuss consultant characteristics, such as an independent project manager with strategic thinking skills, though not necessarily an expert in land use.

Lane, Becky and Mike will outline a work plan for the consultant. It will include the gathering and synthesizing of information, report- writing, public engagement, and linking to our newly designed website.

The work group requests an update on the task force budget that Becky will provide to the Task Force at the September 18 meeting.

Next work group meeting: Conference call, to be arranged by Becky, on Friday, August 25 at 9 am

Work group – Recesses the meeting at 12:05 p.m.

(track 6)

Chair Thorne – Reconvenes the meeting at 12:25 p.m.

Agenda Item 5 – Next Steps and future meetings

Task Force discusses submitted 2007 schedule memo (**Exhibit I**). Decide on January 12, 2007, and February 20, 2007, for future meeting dates.

Agenda Item 3 – Review and approve work group work programs, resources, and schedule

Clark – Discusses what the economy work group accomplished. Shares what the work group will be working on such as using an expert to forecast Oregon's economy for the next 30 years, review economic strategies that have already been provided by various organizations, review Oregon's tax system (income vs. sales tax) and review transportation, manufacturing, and housing issues.

Chair Thorne – States the need for the Task Force to identify issues that are being discussed in various work groups repeatedly.

Hammerstad – Discusses submitted handout which lists the questions decided on by the state and local work group to identify the issues such as should the statewide program allow for local and regional differences, how would regional or local differences be identified, are there statewide

interest that should take precedence over local differences and if so, what are they and are there areas the land use program should be decided on regionally or locally (**Exhibit H**). Talks about the resources the work group will be using.

Gelineau – Discusses the overlap between the growth management and the state and local work groups regarding regionalization.

Palmer – Shares the questions that the citizen involvement work group identified and will refine such as, what is the purpose of Goal 1 and is it still relevant today, what have been the intended and unintended consequences of Goal 1 and should there be a different process for legislative decisions. Discusses the resources the work group will use.

Bragdon – Discusses the issues that were reviewed in the infrastructure/finance/government work group meeting such as how government activities affect land use, what services the government provides for land use and how they are paid for, annexation, funding for projects, transportation issues, investment projects, how property tax affects land use and system development charges. Shares resources the work group will use.

Chair Thorne – States how the Task Force will come up with land use recommendations.

Hammerstad – Discusses infrastructure and talks about urban service providers.

Bailey – Discusses Oregon's tax use system and how it affects land use.

Chair Thorne – Discusses some of the tools the work groups may use.

Bailey – Shares what the growth management work group discussed such as, a need to view Oregon's population forecast, whether the 20 year plan for UGBs is working, regionalization issues and the protection of agricultural land.

Gelineau – Shares the following identified questions that the benefits and burdens work group will request parties to evaluate in the current system: *Burdens* – How the system presently addresses or compensates land use owners for losses in value of land from the application of land use planning? Do Oregonians believe that the public should compensate or otherwise address the issue of loss in land value from application of the land use planning system and if so, are there categories or regulations that can be identified to compensate for others? If Oregonians believe it's appropriate to address this issue, what mechanisms are there out there that could address this problem besides compensation? What are the trade offs involved in any of the opinions or ideas that we receive? If there were a compensation, who would fund it and what would it look like? *Benefits* – Evaluating the current system to determine whether it currently creates windfalls from the application of the current land use system and is there a way that we can quantify this disproportionate increase? Do Oregonians believe that the cost incurred by the public, that create an increase in value, should be compensated? Do Oregonians believe that there are categories of zoning or land use regulations that are more appropriate to force land owners to some how contribute their costs or some mechanism for the public to capture the increase in value? What additional tools should the government use to recapture or recover for

these costs?

Chair Thorne – Discusses the significance of how other states affect Oregon in transportation and agricultural use issues. Shares some of the resources available to the work groups. Asks staff if the Task Force could hire a project manager/lead worker to assist the work groups.

Whitty – Asks if the Task Force hired a project manager/lead worker, would they be then paying for two full time staff persons?

Shetterly – Shares the options for the Task Force, enter into a contract and use either a consultant or a consortium to provide the expert services needed.

Clark – Discusses the need for strategy and using resources from a variety of areas and then evaluating them.

Hammerstad – Shares that organizations are volunteering to share their expertise in assisting the Task Force. States that a project manager would be able to identify which organizations could assist the Task Force.

Task Force discussion on contracting a consultant or consortium and the Task Force budget.

Clark – Suggests that the chair of each of the work groups work together in creating the scope of work for the consultant or consortium contract.

Task Force discussion regarding the request for proposal needed for the consultant or consortium contract and who will write it.

Chair Thorne – States that Nikki Whitty and himself will review job descriptions for a project manager and report back to the Task Force at the September 18, 2006, meeting.

Whitty – Asks if future Task Force meetings will allow time for the work groups to meet?

Chair Thorne – States that the work groups should plan on meeting at the upcoming Task Force meetings and then reporting back their accomplishments to the Task Force.

Task Force discussion on timelines and gathering information for the work groups.

Palmer – Submits a report showing various land use issues for other states (**Exhibit J**).

Task Force discusses the logistics for the September 18, 2006, meeting.

(track 7)

Agenda Item 4 –Time management

Chair Thorne – Shares the demands being made on the Task Force members for time. Discusses upcoming meetings that the Task Force members may attend.

Whitty – Asks if there will be many resource people available to attend the next meeting?

Chair Thorne – States that the work groups should invite the resource people available for the next meeting. Discusses contracting a project manager.

Task Force discusses the Big Look website; how it is designed, the costs involved and the uses - communicating with the public, answering the public's questions and e-mail notification. Steve Clark, Judy Hammerstad and Becky Steckler will research companies that could provide a website for Big Look and report back to the Task Force.

Agenda Item 5 – Next Steps and future meetings continued

Task Force discusses invited speakers for future meetings.

Chair Thorne – Adjourns the meeting at 2:34 p.m.

Submitted By:

Jody Haury,
Department of Land Conservation and Development

Exhibit List:

- A. **Agenda Item 1, Draft Meeting Minutes – DLCD Staff, 8 pgs.**
- B. **Agenda Item 2, Economy Work Plan – Steve Clark, 3 pgs.**
- C. **Agenda Item 2, Citizen Involvement Draft Outline – DLCD Staff, 3 pgs.**
- D. **Agenda Item 2, Infrastructure/Finance/Governance Questions – David Bragdon, 6 pgs.**
- E. **Agenda Item 2, Growth Management E-mail – Ken Bailey, 3 pgs.**
- F. **Agenda Item 2, Benefits & Burdens Issues – Work Group, 2 pgs.**
- G. **Agenda Item 2, Benefits & Burdens Questions – Jill Gelineau, 1 pg.**
- H. **Agenda Item 2, State & Local Governments Questions – Judie Hammerstad, 1 pg.**
- I. **Agenda Item 5, 2007 Meeting Dates Memo – DLCD Staff, 1 pg.**
- J. **Agenda Item 3, States at a Glance Report – Gretchen Palmer, 42 pgs.**