



Oregon

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TO: Land Conservation and Development Commission

FROM: Richard Whitman, Director
Jim Rue, Deputy Director
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SUBJECT: **Agenda Item 10, June 2-4, 2010 LCDC Meeting**

COMMISSION REVIEW OF PROPOSED 2009-11 AGENCY REQUEST POLICY PACKAGES

I. AGENDA ITEM SUMMARY

This item includes a final opportunity for commission review of the department's proposed 2011-13 policy packages. Policy packages are requests for additional funding or expenditure authority to carry out new or revised programs. Agencies develop policy packages for a variety of reasons, including: formation of new, or expansion of existing, programs; and implementation of federal or other new sources of funds for programs.

Policy packages described in May have been revised to reflect more accurate costs for each package. The total number and type of policy packages have changed as a result of review by department management to consolidate requests where possible.

In some cases, particular packages may undergo further minor refinements as they are prepared for submission to the state Department of Administrative Services (DAS). Refinements may include data entry into the budget systems driving actual Other Payroll Expenses for each position.

Final policy package positions and dollar amounts are due to the DAS, Budget and Management Division, by June 30, 2010.

The department requests commission concurrence in the department's proposed policy packages.

For more information about this agenda item, contact Teddy Leland at (503) 373-0050, ext. 237, or e-mail Teddy.Leland@state.or.us.

II. RECOMMENDATION

The department recommends that the commission deliberate on the proposed policy packages and provide advice to the department, and consent to the department's submission of policy packages. In some cases, particular packages may undergo further minor refinements as they are prepared for submission to DAS.

III. PROPOSED POLICY PACKAGES

State agency policy package final numbers, along with a budgetary audit, are due to the DAS Budget and Management Division by June 30, 2010. If proposed legislative concepts have fiscal implications, DAS also requires that the department's budget request for policy packages address the legislative concepts.

A. Implementation of 2010 Legislation

The department is proposing two related policy option packages under the single umbrella of implementing prior legislative direction. These policy option packages enable the department to complete work directed in the 2009 regular session (HB 2001) and the 2010 supplemental legislative session (HB 3647).

The first package requests funding for: one additional position (1.00 FTE) to continue greenhouse gas emissions work required under HB 2001 (2009). The second package requests funding for an additional 0.36 FTE to implement soils analyses work required under HB 3647 (February 2010). Each of these policy packages is described in further detail below.

Policy Package 101: Greenhouse Gas Emissions. This package addresses a task adopted by the 2009 Legislature for the department and the Land Conservation and Development Commission (LCDC) working together with Metro and the cities and counties in the Metro area to: (1) adopt a target for the Portland metropolitan area for reduction of greenhouse gas emissions from light vehicles for 2035; (2) develop at least two land use and transportation scenarios that portray how the Metro region could meet those targets; and (3) develop a process for Metro and other local governments in the Metro area to select which scenario they wish to implement, and adopt local measures to implement that scenario. The first element of this work (the target) will be complete in this biennium under HB 2001. However, the subsequent steps in this work will occur in the 2011-2013 biennium.

This policy package continues the efforts begun under HB 2001 by developing how land use and transportation scenarios will be developed and selected by Metro and other local governments, and how the selected scenario will be implemented. This package proposes limited duration funding for continuing one of five 2009-11 limited duration professional positions and related supplies and services in the Planning Services Division. Full funding for this one position is anticipated through the establishment of an interagency

agreement with the Oregon Department of Transportation upon approval of this policy package.

Total cost for this package is approximately \$182,000 Other Fund with associated position related supplies and services.

Policy Package 102: Soils Analyses. This package addresses a task adopted by the 2010 Legislature (HB 3647) for the department to manage a process ensuring objective third party reviews and assure accuracy of soils reports. This policy package is entirely fee based. The department anticipates approximately 75 soils analyses requests per biennium. This package proposes funding for no additional positions and increase in one FTE for a procurement specialist.

Total cost for this package is approximately \$429,001 Other Fund with associated position related supplies and services.

B. Sustainability Initiatives

The department is proposing three related policy option packages under the single umbrella of its Sustainability Initiative. These policy option packages are designed to position the department to play an active role in carrying out several policy objectives that are linked by the common theme of working with cities and counties. The concept of sustainability encompasses a variety of facets, many of which are addressed or influenced by the statewide land use planning program.

The first package requests funding for one additional professional staff person to assist local government and to work with the Federal Emergency Management Act (FEMA) program. The second package requests additional funding for grant assistance to local communities related to planning for sustainable communities. The third package requests funding for one professional staff person to assist communities' infrastructure planning and financing efforts. Each of these option packages is described in more detail below.

Policy Package 103: FEMA. This package addresses the need for providing a sustained level of funding for administration of the National Flood Insurance Program (NFIP) and broader inventorying and assessment of development risks and hazards. The ongoing community assistance program grants from FEMA have not kept up with inflation and no longer adequately cover the cost of implementing the NFIP. In addition, because federal funding for the existing natural hazards program is for NFIP administration only, hazards planning efforts have been limited primarily to flood-related risks. This policy package proposes funding for one professional position in the Planning Services Division.

Total cost for this package is approximately \$167,000 General Fund with associated position related supplies and services.

Policy Package 104: Grants to local governments. This package proposes increasing state planning grant funding for cities and counties. The proposed increase in support to cities and counties includes two targeted aspects: (a) local land use planning in response

to increasing risks from wildfires, floods, and curtailment of water supplies; and (b) assuring that larger communities successfully complete periodic review of their local comprehensive plans and other local and regional planning projects. At the current funding level, Oregon is investing about \$3,800 per year per each city and county to help Oregon communities prepare for the future. That is about 33 cents a year for each Oregonian. In an increasingly complex and global world, this amount is not sufficient to help Oregonians prepare for the future of their communities. The proposed increase in grants would: (1) Confirm Oregon's commitment to building quality communities by investing in more and better preparation for the future of our communities and our state; and 2) Help Oregon communities compete in the national and global market for jobs, housing, and quality living space.

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

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

Policy Package 105: Infrastructure Specialist. This package addresses local government needs for technical assistance from the state for the planning and financing of infrastructure. Effective planning for and adequate financing of public facilities and services has proven to be a significant issue for cities and counties, particularly smaller jurisdictions. The requested position would provide technical assistance to local government on infrastructure financing tools and local public facility planning. In addition, this position would be the department's liaison with the Infrastructure Financing Authority. This package proposes funding for one professional position in the Planning Services Division.

Total cost for this package is approximately \$167,000 General Fund with associated position related supplies and services.

C. Other Agency and State Priorities

The remaining policy package stems from continuation of limited duration efforts.

Policy Package 106: Risk Map. This package proposes making permanent a limited duration position established by the department's 2009-11 Legislatively Approved Budget for the Federal Emergency Management Agency Map Modernization Program.

The department sought and received authorization for three biennia for this limited duration position to carry out the state's responsibilities under the Federal Emergency Management Agency (FEMA) program called Map Modernization. The purpose of this

program was to convert Flood Insurance Rate Maps from paper to digital format nationwide. Map Modernization was a fixed duration program that has nearly concluded. FEMA has instituted a new ongoing program: Risk Mapping and Assessment (Risk MAP). This program is intended to complete and expand upon the work started under Map Modernization by combining flood hazard map planning, risk assessment, and mitigation planning into one seamless program. The focus will broaden to include all natural hazards, not just floods. The department is currently working with the Department of Geology and Mineral Industries in developing the 2010-2015 plan for the Oregon Risk MAP program.

This package proposes establishing one position; providing limited personal services contracts; and position related supplies and services. Total cost for this package is approximately \$273,000 Federal Fund.

In summary, the department proposes the policy packages and approximate dollar amounts and FTE outlined in Attachment A. These figures are subject to revision as the packages are refined. Additional refinement may also occur as the state budgeting cycle continues.

IV. COMMISSION OPTIONS

The commission may:

1. Concur with the department's concepts for policy packages as described; or
2. Provide advice to the department to revise or modify particular policy packages; or
3. Provide direction to the department to add or delete particular policy packages.

ATTACHMENTS

- A. 2011-13 Agency Request Budget Proposed Policy Packages

Attachment A

**2011-13 Agency Request Budget
 Proposed Policy Packages**

Policy Package #	Title	Funding	Dollar Amount Approximation	Pos/FTE Approximation
Implementation of Legislation				
101	HB 2001 Implementation	Other Fund	\$182,000	1/1.00
102	HB 3647 Implementation	Other Fund	429,001	0/0.36
Sustainability Initiatives				
103	FEMA	General Fund	167,000	1/1.00
104	Grants to local governments	General Fund	2.7 M	0/0.00
105	Infrastructure Specialists	General Fund	167,000	1/1.00
Establishment of Programs				
106	Risk Map	Federal Fund	273,000	1/1.00
	Grand Total		\$ 3.9 M	4/4.36