



Oregon

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October 1, 2009

TO: Land Conservation and Development Commission

FROM: Richard Whitman, Director
Teddy Leland, Operations Services Division Manager
Michael Morrissey, Policy Analyst

SUBJECT: **Agenda Item 7, October 1-2, 2009, LCDC Meeting**

2009 Annual Performance Progress Report (Revised)

I. AGENDA ITEM SUMMARY & RECOMMENDATION

This item includes commission review of the 2009 Annual Performance Progress Report proposed by the department. At this time only a draft of the Executive Summary to the Report is being submitted, as data and analysis for the report are being finalized. For more information about this agenda item, contact either Michael Morrissey at (503) 373-0050 ext. 320, Michael.Morrissey@state.or.us or Teddy Leland at (503) 373-0050 ext. 237, Teddy.Leland@state.or.us.

II. PROPOSED 2009 ANNUAL PERFORMANCE PROGRESS REPORT

The department is required to submit its 2009 Annual Performance Progress Report to the Department of Administrative Services, Budget and Management Division, by September 30, 2009. Presently, the report is incomplete due to incomplete data collection, which the department is working to resolve. As in past years, data collection has not been finalized for some individual key performance measures (KPMs) at the time of commission review. Rather than send an incomplete report, the department is submitting a draft of the Executive Summary to the Report, and staff will discuss progress to-date.

Staff intends to finalize the report within the next two weeks, and will send the report to the Department of Administrative Services, indicating final LCDC acceptance of the report will be requested at its November meeting.

ATTACHMENT

Draft Executive Summary to the APPR

Department of Land Conservation and Development Annual Performance Progress Report (APPR) for Fiscal Year 2008-2009

Original Submission Date:

2007-09 KPM#	2008-09 Key Performance Measures (KPMs)	Page #
1	EMPLOYMENT LAND SUPPLY – Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.	7
2	HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.	9
3	PUBLIC FACILITIES PLANS – Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.	12
4	CERTIFIED INDUSTRIAL SITES – Number of industrial sites certified as “project-ready” added each fiscal year.	14
5	TRANSIT SUPPORTIVE LAND USE – Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.	16
6	TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.	18
7	ERT – Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.	20
8	COASTAL DEVELOPMENT ZONING– Percent of estuarine areas designated as “development management units” in 2000 that retain that designation.	22
9	NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.	24
10	FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.	26
11	FOREST LAND – Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.	28
12	URBAN GROWTH BOUNDARY EXPANSION – Percent of land added to urban growth boundaries that is not farm or forest land.	30
13	PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.	32
14	TIMELY COMMENTS – Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.	34
15	GRANT AWARDS – Percent of local grants awarded to local governments within two months after receiving application.	36

2007-09 Key Performance Measures (KPMs)		
2007-09 KPM#		Page #
16	LAND USE APPEALS – Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.	38
17	CUSTOMER SERVICE: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	40
18	TASK REVIEW – Percent of periodic review work tasks under review at DLCD for no longer than four months.	42
19	MEASURE 49 – Percentage of Measure 49 claims assigned to the agency that are processed within 180 days.	43
20	BEST PRACTICES-- Percent of total best practices met by the Commission.	45

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1. SCOPE OF REPORT

This is the final report of the department's progress on performance measures for 2008-2009. Data for the majority, but not all, of the Key Performance Measures are based on the current fiscal year.

Agency programs/services addressed by key performance measures

Build Oregon's Economy:

The Department of Land Conservation and Development (DLCD) ensures that local land use plans throughout the state provide an adequate supply of developable land for housing, commerce and industry. The department assists local governments in coordination with other agencies and the Economic Revitalization Team (ERT), to: (1) identify and plan for developable industrial lands that are "project-ready" with suitable infrastructure, access, zoning and location; (2) plan and zone an adequate supply of buildable land for housing and employment in urban areas, supported by public facilities and services; (3) plan and improve transportation systems that support planned land uses; (4) revitalize and maintain vibrant downtowns and main streets; (5) encourage sustainable and livable communities; and (6) protect farm, forest, coastal and other natural and economic resources. DLCD Performance Measures 1 through 12 and 16 link to this area of focus.

Streamline the Land Use Process:

The department is streamlining statewide regulations to reduce complexity, costs to local government and the development community, and to encourage local economic development planning that supports the state's economy. The department will continue to work with the Land Conservation and Development Commission (LDC) to streamline and improve land use rules and goals to: (1) encourage local governments to increase the supply of project-ready industrial land in communities throughout the state; (2) encourage affordable housing; and (3) streamline the process for evaluating and, if necessary, amending urban growth boundaries (UGBs). The department is also continuing its effort to reduce the workload burdens for local governments regarding their efforts to periodically review and update local land use plans. DLCD Performance Measures 1, 4, 7, 9 and 15 link to this area of focus.

Provide Excellent Service to Local Governments:

The department helps local governments implement Oregon's land use system to improve local communities, solve local economic development and other development problems, and increase public awareness and civic engagement in land use planning statewide. The department also works with local governments and other key stakeholders to identify and adopt cost-effective improvements to the land use program and streamline statewide requirements and procedures. DLCD Performance Measures 7 and 13 through 19 link to this area of focus.

Continue Implementation of Ballot Measure 49:

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The department is continuing implementation of Ballot Measure 49 and will continue to evaluate and resolve, in a timely manner, all new claims submitted to the state under Measure 49, as well as property owner “elections” filed relative to existing Measure 37 claims. (NOTE: If a valid new claim, which is the subject of KPM #19, is not resolved within 180 days from the date the claim was filed, the measure provides that the claimant may bring an action against the state). House bill 3225 (2009) requires resolution of individual property owner M49 “elections” regarding Measure 37 claims, is statutorily required by June 30, 2010. HB 3225 also allows an approximately 400 M49 elections, otherwise ineligible for successful outcomes to be resolved by the department by no later than December 31, 2010. DLCD Performance Measure 19 links to this program.

Agency programs/services, if any, not addressed by key performance measures

Modernize Information Technology (IT) and Delivery:

The department is continuing to implement its plan to modernize and enhance information technology and databases in order streamline agency programs and to improve service to the public, businesses, local governments, and other agencies. The department made significant strides during 2005-2007 to build a modern and efficient IT infrastructure and will continue to focus on improving database and information management, including geospatial data, pursuant to the department’s Information Resources Management Strategic Plan. The department’s proposed policy packages for the 2009-11 budget deliberation was not successful, but did help the department identify the framework needed to create a sustainable information technology infrastructure. No external DLCD performance measures link to this program. However, the department has made strides toward developing internal key performance measures tracking the lifecycle replacement program. Continued investment by the legislature in the information technology capacity of the department will improve the agency’s ability to meet key performance measure targets and assist local jurisdictions in implementing the statewide land use program.

Land Use Program Review:

The Oregon Task Force on Land Use Planning completed its review of the state land use program in accordance with the objectives outlined by 2005 Senate Bill 82. The Task Force issued a report and recommendations to the 2009 Legislature. A key recommendation in the report is to “strategically plan for a sustainable Oregon.” This recommendation called for development of an integrated strategic plan, conducted by multiple state agencies, “which includes updated benchmarks, performance measures and monitoring systems.” The legislature did not provide funds for this recommendation, although other key aspects of the Big Look legislative recommendations were approved in HB 2229.

2. THE OREGON CONTEXT

DLCD’s strategic planning goals are indirectly linked to the following Oregon 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, and OBM 87: Native Fish and Wildlife.

Oregon’s Statewide Planning Program plays a key role in assisting local governments, citizens and the business community with development of land use decisions that encourage: job growth; affordable housing; efficient urban development and transportation systems; conservation of commercial agricultural and forest lands and protection of natural resources. In Oregon, state and local governments share responsibility for achieving these outcomes. Under Oregon’s Statewide Planning Program, the state sets broad goals and requirements for land use planning, and cities and counties adopt comprehensive land use plans that are based on these statewide goals and requirements. Local land use decisions must be consistent with local land use comprehensive plans that

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have been previously “acknowledged” by the state as meeting state goals and other land use requirements. The Statewide Planning Goals are not the same as the state’s benchmarks, but are similar in many respects.

Oregon’s Statewide Planning Program is one of many programs that contribute to state benchmarks. Other important programs not associated with the department, but that influence progress toward the benchmarks, include government and private investment programs, tax structures, and a variety of state and federal regulations. For example, progress in preserving the agricultural economy in Oregon is influenced by a supportive property tax system, investments made by the federal and state governments, and investments by certain industries that use those crops.

3. PERFORMANCE SUMMARY

This performance report provides data for fiscal year 2009. In 2008, the department requested an administrative change to key performance measure 19, reflecting passage of Measure 49 (2007). The 2009 report does reflect that four measures—Employment Land Supply, Certified Industrial Sites, Natural Resource Inventories and Grant Awards are categorized as “red”, meaning a measurement of at least 15% below the target. This is an increase in the number of measures in this category as compared to 2008. In general these results reflect structural weaknesses in data collection, or the capacity of local jurisdictions to take up certain aspects of comprehensive planning, due to reductions in staffing or fiscal resources. Information related to specific measures is provided later on in this report.

4. CHALLENGES

Oregon’s Statewide Planning Program faces many challenges. One of these is the reduced financial capacity of most local governments to maintain up-to-date and high-quality land use plans that prepare cities and counties for future growth, and that support the infrastructure necessary for land development and other land use decisions contemplated by local plans. The department also has insufficient capacity to fulfill all its mandated programs, provide adequate land use planning help to local governments through technical assistance and grants, and to track and measure the progress of all its programs.

Oregon statutes regarding the periodic review and update of local comprehensive plans focus DLCD resources largely on certain land use planning efforts in cities with a population of 10,000 or more. While there is a benefit to focusing limited state resources on certain priorities, the lack of funding and mandatory requirements to maintain and update local plans is likely to lead to long-term problems in smaller jurisdictions. Without restoring the department’s capacity including grant resources to assist local government planning, smaller cities’ and counties’ plans will likely grow more and more out-of-date, and will be less and less likely to meet local needs and state planning requirements. This, in turn, will affect the agency’s performance with respect to the measures and targets discussed in this report.

5. The department expects to realign its key performance measures with an update of the agency’s goals and objectives during the current biennium. During this time, attention will be given to articulating the desired outcomes of the planning program through more direct measure measures, such as vehicle miles traveled, urban growth boundary efficiency and costs and the results of local programs to protect natural resources

6. RESOURCES USED AND EFFICIENCY

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The department 2009-11 Legislatively Adopted Budget for its three fund types is \$24.2 million. Performance Measures 14, 15, 18, and 19 concern efficiency measures for the department with regard to DLCD programs.