Oregon
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October 1, 2009

TO: Land Conservation and Development Commission

FROM: Richard Whitman, Director

SUBJECT: **Agenda Item 9, October 1-2, 2009, LCDC Meeting**

DIRECTOR'S REPORT

I. INFORMATION UPDATES

A. PARTICIPATION IN APPEALS, AND RECENT LUBA AND APPELLATE COURT OPINIONS

ORS 197.090(2) requires the Director to report to the commission on each appellate case in which the Department participates, and on the position taken in each such case.

ORS 197.040(1)(c)(C) requires the Land Conservation and Development Commission to determine whether recent Land Use Board of Appeals (LUBA) and appellate court decisions require goal or rule amendments.

1. Department participation in appeals

Between June 12, 2009 and August 19, 2009, the department received notice of 40 appeals filed with LUBA. The department filed none of these notices, however the department has filed a notice of intent to appeal a decision of Jefferson County to LUBA (since that time). See Agenda Item 2 for more detail.

2. LUBA opinions

Between June 12, 2009 and August 19, 2009, the Department received copies of 43 recently issued LUBA opinions. Of these, LUBA dismissed 13, remanded 16, reversed 1, affirmed 13, invalidated 0 local decisions, and transferred 0 petitions to circuit court.

Seven of these decisions concern the application or interpretation of a statewide planning goal or LCDC administrative rule:

- **Goal 10, OAR 660-008-0025, needed housing statutes, Goal 12, OAR 660-012-0035 through -0045, Goal 6 –** *Homebuilders Association of Lane County and Dan Neal v. City of Eugene,* LUBA Nos. 2008-148 & 2008-149, filed June 12: Challenge to code amendments that lower building height and increase parking space requirements for multi-family housing near the University of Oregon; affirmed in part, remanded in part.
    - No evidence that these amendments reduce zoned density inconsistent with the MetroPlan.
    - The amendments are not a barrier to higher density inconsistent with MetroPlan housing policies.
    - Tying the number of parking spaces to the number of bedrooms is a performance standard, not an "approval standard" that must be clear and objective under ORS 197.307(6).
    - Decision to *increase* off-street parking is inconsistent with West University Refinement Plan policy to *reduce* required parking spaces (basis for remand).
    - Amendments will not affect the city's ability to meet its nodal development policies and performance standard.
    - City's findings adequately establish that transportation facilities will not be significantly affected.
    - City has not addressed whether the code provisions being replaced were adopted as part of the city's TPR compliance (basis for remand).
    - No evidence that parking standards will violate air quality standards.
- **Goal 2, Goal 14, ORS 195.034, ORS 195.036 --** *Sane Orderly Development, et al. v. City of Roseburg,* LUBA No. 2008-226, remanded August 6: LUBA found that the city erred in relying on the ORS 195.034(1) safe harbor for its 2008-2028 population forecast, because Douglas County's 2000-2020 coordinated forecast does not provide a 2020 forecast for the Roseburg urban area from which to extend an annual growth rate to the year 2028.
- **Goal 2 Part II(c), OAR 660-004-0018(4) & -0020(2), OAR 660-013-0040(6)** – *Patty Brockman, et al. v. Columbia County,* LUBA Nos. 2009-044 & 2009-045, filed August 3: LUBA remanded Goal 4 exception and plan and zone change for a 71-acre-parcel to develop a campground, runway expansion, and airport-related industrial buildings adjacent to the Vernonia Airport, because the county failed to establish that air traffic impacts will be compatible with adjoining development.
- **OAR 660-012-0060** – *Willamette Oaks, LLC v. City of Eugene,* LUBA No. 2008-173, affirmed May 20: LUBA allowed city to approve a zone change but defer the showing of TPR compliance. It is permissible to defer the TPR showing to a subsequent review process so long as that process ensures that the intent of the ORS 197.610 (45-day PAPA notice to DLCD) is met. The city does not meet this intent with its PUD application review process, but the petitioner failed to challenge this on appeal.
- **Goal 5, OAR 660-023-0090** – *Oregon Dept. of Fish and Wildlife v. Josephine County,* LUBA No. 2008-222, remanded June 18: LUBA remanded county approval to construct improvements within a 50-foot riparian setback along the Rogue River. The county development code implements the "safe harbor" provision of OAR 660-023-0090(8)(e),

which limits alterations to a riparian corridor to "no more than 50% of the width of the area," and the proposed development clearly intruded more than halfway.

- **Goal 5, OAR 660-023-0250(3), Goal 8, ORS 197.445, Goal 11, Goal 14, OAR 660-004-0010, -0020, -0022, & -0040, OAR 660-014-0040(3) –** *Friends of Marion County, et al v. Marion County*, LUBA No. 2008-225, filed August 6: Approval of a preliminary subdivision plan and Goal 11 and 14 exceptions for the Elkhorn resort on both sides of the Little North Fork of the Santiam River with a golf course, 10,000 square foot single-family lots, and an on-site community sewer system. Remanded because of inconsistency with county plan.
    - The Goal 8 and ORS 197.445 standards are not the only ones under which a county may approve a destination resort. They are essentially a safe harbor to avoid taking goal 3, 4, 11 or 14 exceptions. A county may also approve a destination resort that relies on goal exceptions.
    - It was reasonable for the county to rely on the 1982 and 1984 planned development subdivision approval, re-zoning to Acreage Residential, and the reasons that justified the Goal 4 exception for a "substantially similar" proposal, to justify the current Goal 11 and 14 exceptions and approve the resort in the absence of compliance with Goal 8 and its statutory standards.
    - Because the 1982 and 1984 conditions of approval required most or all of the dwellings to be available for overnight lodging, the county did not err in concluding that the proposal "cannot be reasonably accommodated in or through expansion of existing urban growth or by intensification of development in existing rural communities."
    - Because the 1982 and 1984 approvals and Goal 4 exception required a community sewer system, the county did not err in concluding that alternate locations in urban areas cannot reasonably accommodate the proposal.
    - At the time that it approved the previous concept, the county found no Goal 5 resources on the subject property. The current application merely implements the previous approval and doesn't allow any "new conflicting uses." Therefore, Goal 5 is met regardless of current knowledge of critical wildlife habitat.
- **OAR 660-033-0130(24)(a)(B) –** *James Just v. Linn County*, LUBA No. 2009-036, affirmed July 23: Condition of approval for accessory farm dwelling in EFU zone is OK.

None of these decisions requires a goal or rule amendment.

3. Appellate court opinions

Between June 12, 2009 and August 19, 2009 the department received 22 copies of recently issued opinions from the Court of Appeals. The Court dismissed 3 and affirmed 19 of LUBA's decisions.

4. Other decisions of interest

<u>Department appeals</u>

- *DLCD v. Clatsop County*, LUBA No. 2008-178, filed May 13: Appeal of preliminary subdivision plat approval suspended pending final resolution of Measure 49 writ of review proceeding in circuit court challenging county vested rights decision.

Measure 37/49

- *DLCD v. Jackson County*, LUBA No. 2009-027, filed June 4: LUBA reversed county approval of a 12-lot subdivision and a dwelling on each lot on land zoned exclusive farm use (EFU) that was conditioned on receiving a vested rights determination.. LUBA agreed with the department that the county had no legal basis under Measure 49 to approve the application when the owners didn't have vested rights.
- *DLCD v. Clatsop County*, LUBA No. 2008-178, filed May 13: Appeal of preliminary subdivision plat approval suspended pending final resolution of Ballot Measure 49 writ of review proceeding in circuit court challenging county vested rights decision.
- *Karol Susan Welch, et al. v. Yamhill County* (John Kroo Living Trust), LUBA No. 2008-129, Court of Appeals No. A140952, filed June 24: LUBA decision affirmed.

Others

- **Bend UGB amendment --**
  - On July 1, LUBA suspended appeals of the Bend General Plan Public Facilities Element amendments, pending final LCDC review of the UGB amendment: *Rose & Associates, et al v. City of Bend*, LUBA No. 2009-010, *Swalley Irrigation District v. City of Bend*, LUBA No. 2009-011, *Swalley Irrigation District v. City of Bend*, LUBA No 2009-012 & 2009-013, and *Central Oregon Landwatch v. City of Bend*, LUBA No. 2009-020.
  - On July 1, LUBA also dismissed *Swalley Irrigation District v. Deschutes County*, LUBA Nos. 2009-033 and 2009-034: LUBA lacks jurisdiction because the county ordinances adopted in conjunction with Bend's UGB expansion have been submitted to DLCD in the manner of periodic review.
- **Medford Wal-Mart store –** *Wendy Siporen, et al v. City of Medford*, LUBA No. 2008-185: On June 1, LUBA remanded site plan approval because the city did not comply with its own code by failing to require (1) a traffic impact analysis, and (2) a demonstration that the proposal would not violate the applicable level of service standard, consistent with the city's code and TSP.
- **Destination resorts --** *Remington Ranch, LLC v. Crook County*, LUBA No. 2008-198, remanded August 7: In 2008, the county repealed most of its Destination Resort Overlay Map, which shows lands eligible for destination resorts, through the post-acknowledgment plan amendment process. This violated ORS 197.455(2) because it occurred less than 30 months after a 2006 amendment that corrected an error.
- **RLUIPA –** *Scott Young and Robin James v. Jackson County*, LUBA No. 2008-076, Court of Appeals No. A141027, filed May 22: LUBA decision affirmed without opinion.

5. **Appeal notices of interest**

Measure 37/49: None.

Others:

- **RLUIPA –** *Catholic Diocese of Baker v. Crook County,* LUBA No. 2009-071, filed June 12 (denial of site plan review for pastoral office building in EFU-3 zone).

B. GRANTS, INTERGOVERNMENTAL AGREEMENTS AND CONTRACTS

The department completed closeouts for the majority of 2007-2009 grant projects and released application forms for 2009-2011 projects. Several communities have already submitted draft and final applications well in advance of the November 1, 2009 application deadline. The department expects to receive several additional applications during the next four weeks.

Following the November 1 deadline for all grant applications, the commission's Grants Advisory Committee will meet to discuss the quantity and nature of grant applications. At that meeting, the committee will decide, if necessary, whether to amend its recommendation for allocating funds during the remainder of the biennium.

In the meantime, committee members and department staff are working closely with local governments to solicit participation in the periodic review, technical assistance and planning assistance grant programs. That combined effort has helped to secure timely closeout forms from a number of local governments; the department expects that continued coordination between the committee and staff will also help with the grant application and award process.

C. PERIODIC REVIEW WORK TASKS/PROGRAMS

The department approved periodic review work programs for the City of Portland, the City of The Dalles, and the City of Forest Grove. Those work programs are in addition to a work program approved previously for the City of Keizer. Eligible cities also continue to apply for grant funds and the department expects strong demand for funds allocated to assist with periodic review tasks.

II. DEPARTMENT PROGRAM ACTIVITIES AND INITIATIVES

A. COASTAL MANAGEMENT PROGRAM

Ocean Alternative Energy Planning:

The Territorial Sea Plan Advisory Committee (TSPAC) met on September 11, 2009, in Newport and approved a draft of the Ocean Alternative Energy Plan for public review and subsequent submittal to the commission at its November meeting. DLCD staff has submitted the required notices with the Secretary of State and Legislature and have scheduled the required public hearings on the draft. Paul Klarin has worked very effectively and efficiently with the TSPAC as well as the prior committee of the Ocean Policy Advisory Council to meet a very tight timeline for completing this work that was directed by the Governor in his March 2008 Executive Order.

The commission had previously authorized appointment of the TSPAC that has now completed this phase of work.

In addition, Paul is monitoring work being done via a contract with the Oregon Coastal Zone Management Association and subcontract with Ecotrust to work with fishermen in Coos Bay, Newport, and Tillamook to map ocean fisheries. Mapping with fishermen in Coos Bay is largely complete and attention is now turning to Newport and north.

NOAA Coastal Fellow

The Department welcomed a new NOAA Coastal Fellow on September 1. Laura Mattison, a recent Masters graduate from Brown University in Providence, Rhode Island, will be housed in the Portland office for the next two years. She will be compiling an inventory of dikes, levees, and tidegates in coastal estuaries along with associated information on ownership, management status, and adjacent land uses. She will be using GIS mapping with a wide variety of data sets and will be conferring with local planners, soil water conservation districts, and local watershed councils. The inventory and associated information will be valuable in helping land owners, local governments, state and federal agencies, and non-governmental organizations to plan for the consequences of rising tidal elevations in estuaries caused by sea level rise associated with climate change. Because coastal communities and economies are, literally, founded on lands created and protected by dikes, levees, and tidegates, it is important to begin to know the status of these structures in order to plan for eventual reinforcement, removal, or other actions as appropriate.

CELCP

Coastal Program recently staff toured a site on Beaver Creek in Lincoln County south of Newport now owned by State Parks through a purchase with funds from the Coastal and Estuarine Lands Conservation Program (CELCP) which, for Oregon, is administered by the Department. Jeff Weber is the CELCP Coordinator. The site will be managed by OPRD for a mix of conservation, habitat, and recreational uses. OPRD received $3 million from NOAA in 2006 for purchase of this property. OPRD intends to submit additional CELCP grant applications to NOAA via DLCD for another $10 million to acquire other properties in the lower Beaver Creek watershed. Acquisitions must meet a state CELCP plan, which DLCD administers, that is based on federal criteria. Proposals are ranked nationally against those criteria and funded through Congressional appropriation.

The Coastal Program Manager, Bob Bailey, will be attending the annual meeting of the Coastal States Organization in Charleston, SC, October 18-22. He is the Governor's designee to represent Oregon and is a member of the CSO Executive Committee. He recently worked closely with CSO staff to prepare a letter of comment to the White House Office of Environmental Quality as a result of a Presidential Memorandum of June 12, 2009 creating an Interagency Policy Task Force to make recommendations for a National Policy for the Oceans, Our Coasts, and Great Lakes. (Attachment A)

B. COMMUNITY SERVICES

Community Services staff continue to implement DLCD's general fund grants program, periodic review, and plan amendment review coordination. Regional representatives also continue to provide technical assistance to local governments around the state.

Regional Representatives Jennifer Donnelly and Gary Fish worked closely with the City of Hillsboro, Washington County, Metro, and with Lisa Howard and the director's office to coordinate the LCDC meeting in Hillsboro. Regional Representative Ed Moore is also working closely with Lane County jurisdictions to coordinate LCDC's November meeting in Springfield.

Staff from the Planning Services Division and Community Services Division continued to work closely to coordinate the review of small- and large-scale land use proposals, including the City of Bend's UGB amendment proposal.

At the Oregon Tourism Commission's request, the department prepared a white paper addressing current land use issues facing the state's tourism industry. Jon Jinings and Darren Nichols were scheduled to present an overview of Oregon's statewide planning program to the Tourism Commission at its September 22 Tourism Summit in Sunriver, however that meeting has been postponed.

The division manager, director, and selected staff also participated with Metro staff in a series of meetings related to the Metro region's consideration of designating urban and rural reserves.

C. DIRECTOR'S OFFICE

The management team, led by the director's office, has embarked on an effort to better integrate various functions of the department, and to examine and update (as needed) the agency's strategic plan. These functions encompass elements such as the agency's mission statement and strategic goals, budget development and execution, key performance measurement, and staffing decisions. The process will include future involvement by the commission as well as engagement with the public and interested parties on the appropriate strategic direction for the department and the land use program. Staff input was received at a session on September 10th, and the department's management team met for most of the day on September 28th to begin refining ideas internally before broadening the discussion.

A major focus for the director for the past two months has been the urban and rural reserves process in the Portland Metro area. The director has convened a continuing work group of state agencies participating in that process – to coordinate state agency input to the region, and has provided high level strategic advice to the Reserves Steering Committee on the question of how much land to designate as urban and rural reserves. The director, with help from several staff, is

now preparing the consolidated state comments on reserves, for delivery to Metro and the counties in early October.

The Director, Acting Deputy, Operations Division Manager, and Budget Officer have met as a group and with staff from the Department of Administrative Services, to discuss budget execution for this biennium. That work was presented to department managers at the all-day managers' retreat on the 28th of this month. Further meetings with BAM and Legislative Fiscal are planned in the near future (we have a new BAM analyst – Lisa Pearson).

The director held several meetings with legislators and constituents to discuss the agency's policy and rulemaking agenda, review the 2009 legislative session, and to begin to prepare for the 2010 interim session. At present, it appears that the Senate Environment Committee may sponsor a workgroup to take a fresh look at how to make destination resorts a more effective economic development tool, particularly for areas of the state that have not seen much resort development, and to examine how to address impacts of resorts based on the experience the state has gained from areas that have been successful.

The Director participated in several internal and external meetings on climate change (see related information later in this report), including a meeting of the Land Use and Transportation subcommittee of the Global Warming Commission.

Other activities in the director's office during August and September include:

- Director's recurring meetings with state agency heads, natural resources cabinet, Metro Reserves Steering Committee, Metro Policy Advisory Committee, Measure 37 post-waiver group (litigation), Measure 49 implementation group, and senior staff from the Oregon Department of Transportation (ODOT) and the Oregon Business Development Department (OBDD).
- Met with Jeanne Lawson regarding the Statewide Transportation Improvement Program process (July 28) and attended Stakeholder Committee meetings (August 11 and September 22).
- Met with Metro regarding the urban growth report (August 18).
- Discussed CIAC and the policy agenda with Peggy Lynch, League of Women Voters and attended the CIAC meeting (August 20).
- Met with officials from the City of Bend regarding UGB/PFP submittals (August 24).
- Discussed resorts and forest land conversion with Marvin Brown, Department of Forestry (August 24).
- Met with Todd Davidson regarding the Fall 2009 Oregon Tourism and Hospitality Consortium Summit, destination resort issues, and scenic resources issues and opportunities (August 25).
- Attended a work session of the Damascus City Council and discussed how to move toward submission of elements of the city's comprehensive plan to the agency for acknowledgment (August 27).
- Discussed Measure 49 implementation issues with Senator Prozanski and Dave Hunicutt (September 2).

- Met with facilitators for the House Bill 2186 MPO Greenhouse Gas Emissions Task Force (September 4) and met with some of the task force members (September 10).
- Initiated meetings with an initial set of stakeholders to discuss RLUIPA rulemaking (September 8).
- Participated in mediation regarding litigation of a Measure 37 claim in Clackamas County (September 8).
- Met with attorneys representing the Rogue Valley Manor regarding Medford's proposed UGB expansion (September 21).
- Participated in a panel on Goal 10 at the Housing Land Alliance Conference (September 25).
- Met with ODOT, DEQ and ODE to discuss House Bill 2001 implementation (September 29).

D. OPERATIONS SERVICES

The Operations Services team is concluding its biennium year end activities—including establishment of a new accounting structure aligning to the department's 2009-11 budget structure; 2007-09 federal and statewide financial reporting; and finalization of 2009-11 budget development activities.

The payroll staff, Operations Services Manager, and Human Resources Manager are evaluating payroll processes. The department has recently established a policy regarding leave without pay and cancellation of electronic deposit (DLCD Policy 09-01). This policy continues department financial accountability efforts.

The Budget Officer is working with the director's office and the operations services manager in continuing to ensure financial reporting accountability. As a part of this effort, the Budget Officer is beginning revision of 2009-11 financial models. Division managers will continue their critical roles in ensuring timely expenditure projections. The Budget Officer is also beginning to evaluate and revise the LCDC BAM Subcommittee report to ensure better comparisons of actual expenditures against budgetary amounts.

The Information Technology unit and reception are working with department management in evaluating and determining technological needs (copiers and printers) for the Salem and field offices.

The Director's office and the Landowner Notification Coordinator recently coordinated and mailed a statutorily required landowner notification notice to affected local jurisdictions and local legal counsel regarding recent passage of House Bill 3298. HB 3298 designates the Metolius Basin and an adjoining area to be the Metolius Area of Critical State Concern (Metolius ACSC). Notification of affected landowners is then the responsibility of the local jurisdiction.

The Operations Services Manager and Network Administrator have prepared several Enterprise Security Office policies and procedures including: an Incident Response Plan; a revised Business

Continuity Plan including an emergency and disaster recovery plan; an Information Asset Classification Plan; Information Security Plan; and Information Technology Asset Management Report.

The Operations Services Manager and Human Resources Manager are coordinating department efforts to address H1N1 business continuity needs. The department will be evaluating and implementing information received from the August 21, 2009, Oregon Summit on Pandemic H1N1 Preparedness.

E. PLANNING SERVICES

The division manager was a member of a panel at the Association of Oregon Counties summer summit on August 11. The summit was devoted to issues related to water resources. The panel consisted of representatives from the Water Resources Congress, USDA Farm Services Agency, the Oregon Water Resources Department, and DLCD. The topic was tools for addressing water resource issues, and Rob Hallyburton addressed consideration of water supply in land use plans and permitting decisions.

III. DEPARTMENT ORGANIZATIONAL AND MANAGEMENT INFORMATION

A. NEW STAFF AND PROMOTIONS

Jim (James) Rue is the new Deputy Director for DLCD. Jim is a former Deputy Director of the Pennsylvania Department of Environmental Protection, and a former two-term member of the Oregon Board of Agriculture. He currently serves as co-chair of the Oregon Global Warming Commission (a position he will have to give up now in taking the Deputy position). Jim has worked as an environmental consultant in Oregon and Colorado. In his spare time, Jim helps manage the family farm near Silverton, where he grew up. Jim has a master's degree in Forest Science from Yale, and a BA in Biology from Pacific Lutheran. Jim starts on October 5th.

Casaria Tuttle accepted an offer for the Rules, Records and Policy Coordinator position in the director's office. This position also serves as the deputy director's assistant. She began on September 17. Casaria came to the department from Oregon State Police where she was an executive support specialist, and she formerly served as the executive assistant to the director of the Oregon Department of Fish and Wildlife.

Jon Jinings accepted new responsibilities as the department's Community Services Specialist position formerly filled by Doug White. Jon will continue to work from the department's Bend office, but will provide service to local governments and to Salem and regional staff across the state. Jon brings 12 years of experience with the department, including experience as the Farm & Forest specialist and as the Central and Eastern Oregon regional representative. In his new role, Jon will act as the department's specialist on Goals 2 (exceptions), 8 (destination resorts), 11 (rural facilities), and 14 (rural communities). Jon will also provide support to regional representatives and other staff on regional issues in these goal areas.

Matt Spangler joined the Department as North Regional Representative on September 8. Matt joins the department after serving 23 years as the Lincoln County Planning Director. Matt brings a wealth of experience to the position. He lives in Newport and will work from the department's Newport office along with Dave Perry, the South Coast representative, and Laren Woolley, the Coastal Shorelands Specialist. Matt is a terrific addition to the Department and will be able to share his experience through his interactions with local governments from Astoria to Newport.

Andy Lanier, who had been a NOAA Coastal Fellow working in the Salem office, began his new duties as Coastal Natural Resource Specialist on August 31. Andy has a Masters in Marine Resource Management from Oregon State University and brings a high degree of technical capability in coastal and marine spatial data management and strong personal interest in policy and program development. He will be assisting Paul Klarin in developing the mapping component of the Ocean Alternative Energy Plan, developing an intergovernmental project to create a digital visual inventory of coastal shorelands and their habitats, and will staff the Ocean Policy Advisory Council. Andy lives in Corvallis.

B. DEPARTING EMPLOYEES

John Evans has taken a job with the Lane Transit District. John did a great job staffing the Big Look Task Force during its last year of operation, and will be sorely missed. Similarly, Jody Haury has moved across the street to the Oregon State Housing and Community Services Department. Her energy and enthusiasm also will be missed.

C. RECRUITMENTS

The Community Services Division opened recruitment for a regional representative position in the Portland Metro regional office. That recruitment closed on September 24th, with a large number of applications. We are in the final stages of completing an interview panel to review applications for this important position.

IV. LCDC POLICY AND RULEMAKING UPDATES

A. SUMMARY OF APPROVED LCDC POLICY AGENDA

A copy of the summary sheet for the LCDC Policy Agenda that the commission adopted at its July 2009 meeting in Brookings is attached. We are bringing a "draft final" version back to the commission to assure that staff have correctly summarized the commission's decisions.

B. RULEMAKING

In addition to the RLUIPA-related rulemaking (see agenda item 5), the department is asking for commission approval to initiate the rulemaking to adopt the management plan for the Metolius Area of Critical State Concern (ACSC), as directed by the Oregon legislature in HB 3298. That

legislation requires the agency to adopt the management plan "without change" except for three specified changes. At the same time, other state law requires the commission to hold a public hearing on its adoption of the management plan by rule. As there is no discretion for the commission to exercise, the department is recommending that the commission delegate the conduct of the public hearing to a hearings officer. At the recommendation of Jefferson County, the department also suggests that the hearing be held in Camp Sherman. The hearing is scheduled for December 3, 2009.

The department also requests that the commission hold a public hearing at its November 2009 hearing to adopt amendments to its Division 33 (agricultural lands) rules to conform them to HB 3099. This is a housekeeping rulemaking, and was approved by the commission as part of its policy agenda at the July 2009 meeting.

C. CLIMATE CHANGE

1. A Framework for Statewide Adaptation Planning

The director met with Governor Kulongoski in August to discuss the commission's interim climate change strategy. A follow-up meeting including the Governor and other state agencies will be held on October 6th to discuss the agency's work and coordination among the efforts of state agencies on this subject. In the meantime, federal climate change legislation continues to be developed (following House passage). Substantial information about other state efforts, and other agency efforts relating to adaptation has been gathered in preparation for this work.

2. Local Adaptation Planning

Department staff has discussed several potential local pilot efforts to develop community climate adaptation plans. We expect to have several grant proposals for consideration in the next month.

3. Greenhouse Gas Reduction

Implementation of HB 2186 is a major part of the "mitigation" element of the Climate Change Strategy adopted by the commission at its July meeting in Brookings. Work on implementation of HB 2186 is now underway. The 16-member MPO Greenhouse Gas Emissions Task Force has been appointed and task force meetings have been scheduled (see below). The task force will recommend draft legislation for consideration by the 2010 legislature that would direct Oregon's five smaller metropolitan areas (Salem-Keizer, Eugene-Springfield, Medford, Bend and Corvallis) to undertake land use and transportation scenario planning to help meet state targets for greenhouse gas emission reductions. The task force will be expected to explore barriers to accomplishing scenario planning, identify resource needs and recommend legislation and a schedule for development of scenario plans by metropolitan areas.

The task force is co-chaired by the President of the Senate and the Speaker of the House and includes two other legislators (Senator Jackie Dingfelder and Representative Nick Kahl). Oregon Transportation Commission Chair Gail Achterman and LCDC Chair John VanLandingham serve

as vice-chairs of the task force. The other members of the task force include one representative from each of the state's six metropolitan areas and four members representing land use and transportation interests.

The work of the task force is funded by ODOT and is staffed jointly by ODOT and DLCD. ODOT has hired a facilitator to assist with the task force process and has commissioned two consultants to provide background information for the task force on scenario planning in general and to review and summarize scenario planning efforts from smaller metropolitan areas around the country.

The task force is scheduled to meet four times:

- October 15, 1:30 pm to 5:00 pm, Salem PUC Building, Main Hearing Room
- October 29, 8:30 am to 12:00 noon, Salem Transportation Building Room 122
- November 12, 8:30 am to 12:00 noon, Salem Transportation Building Room 122
- December 4, 8:30 am to 12:00 noon, Salem (location to be announced)

Another effort with implications for greenhouse gas reduction is the work of ODOT/OTC to update that agency's criteria for the State Transportation Improvement Project (STIP) process. ODOT has formed a STIP Stakeholder Committee. The committee met on August 11 and on September 25th.

Finally, ODOT, DEQ, ODOE and DLCD directors and staff met on September 29th to coordinate work on a variety of efforts resulting from legislation related to greenhouse gas reduction. The agencies will continue to coordinate their work through quarterly meetings of directors, along with shared participation in multiple workgroups on low carbon fuels, modeling and other inputs into rulemaking required by HB 2001 for greenhouse gas reduction in the Portland Metro area.

D. OTHER POLICY WORK

The Oregon Transportation Commission has invited members of the commission (Worrix and VanLandingham) to attend an OTC meeting later this month where the commissions (along with the economic development commission) will discuss transportation and land use issues and their relation to economic development. Both the TPR and alternate mobility standards will be discussed, in the context of a series of case studies being prepared by agency staff.

E. 2010 LEGISLATIVE SESSION

The department is not seeking any particular substantive legislation in the planned supplemental session in February 2010. However, the department has been contacted by several legislators who are interested in advancing land use legislation in certain subject areas. The department is serving in a technical capacity to provide assistance to legislators on these issues.

V. ATTACHMENTS

A. Coastal States Organization Recommendations

B. Revised Policy and Rulemaking Agenda