



Oregon

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TO: Land Conservation and Development Commission
FROM: Rob Hallyburton, Planning Services Division Manager
SUBJECT: **Agenda Item 8, June 14, 2007 LCDC Meeting**

PERIODIC REVIEW SCHEDULE

I. AGENDA ITEM SUMMARY

A. Type of Action and Commission Role

The Commission will be asked to approve a schedule for bringing cities into periodic review during the 2007-09 biennium, based on statutory considerations and a recommendation from staff.

B. Staff Contact Information

For additional information on this agenda item, contact Rob Hallyburton, Planning Services Division Manager, at (503) 373-0050, ext. 239, or rob.hallyburton@state.or.us.

II. SUMMARY OF RECOMMENDED ACTION

Staff recommends the Commission approve a periodic review schedule at this time for only the first group of cities, to receive notice in 2007.

III. BACKGROUND

The Commission received briefings from department staff at its March and April 2007 meetings regarding the law and proposed considerations for bringing cities into periodic review. The Commission provided feedback to staff at those meetings concerning appropriate considerations for how many and which cities to include. (Staff reports from these briefings are available from the department.) Staff also received additional input from within the department since the April briefing.

IV. PERIODIC REVIEW SCHEDULE

As stated in earlier staff reports, ORS 197.629(1) provides which jurisdictions are required to complete periodic review and how often. The statute also states: “The Land Conservation and Development Commission shall establish and maintain a schedule for periodic review of comprehensive plans and land use regulations. Except as necessary to coordinate approved periodic review work programs and to account for special circumstances that from time to time arise, the schedule shall reflect the following timelines. . .”

The timelines include a seven-year cycle for cities over 2,500 population inside Metro or a metropolitan planning organization (MPO), a ten-year cycle for cities over 10,000 population outside Metro and MPOs, and the same for counties for those areas inside urban growth boundaries subject to city periodic review. Because of the moratorium on new work programs, a number of cities that would have been required to begin the process over the last four years have accumulated. These include the 21 jurisdictions listed in Table 1.

Table 1. Jurisdictions required to enter periodic review

Jurisdiction	Region
Forest Grove	Metro
Gladstone	Metro
Happy Valley	Metro
Lake Oswego	Metro
Milwaukie	Metro
Portland	Metro
Sherwood	Metro
Tigard	Metro
Troutdale	Metro
Tualatin	Metro
West Linn	Metro
Wood Village	Metro
Redmond	Central
The Dalles	Central
Newport	Coast
Baker City	Northeast
Hermiston	Northeast
Pendleton	Northeast
Roseburg	Southwest
Keizer	Willamette Valley
Newberg	Willamette Valley

The Commission needs to approve a schedule to instruct the department when to send each of these jurisdictions notice to initiate periodic review. The Commission is authorized to deviate from the prescribed cycle in order to coordinate work programs or to “account for special circumstances.” Staff suggests that the four-year moratorium combined with changes to the required duration between periodic reviews (shortened in some cases), resulting in a large number of jurisdictions scheduled to enter periodic review at once, constitute “special circumstances” that could warrant delaying some of the jurisdictions for a year or more.

With respect to how many cities to bring in during the 2007-09 biennium, the department and Commission have discussed issues related to workload, local capacity and willingness (whether a

city has staff and budget capacity and support of elected officials), grant availability, and regional clustering. These considerations have been used in developing the recommended schedule.

A. Workload

The department is concerned that sending periodic review notice to all 21 jurisdictions at once will result in an unmanageable flow of tasks in the Salem office and in the Metro region. The department has less than one position available for administrative support and 21 evaluations and work programs being submitted at about the same time would likely result in delays in DLCDC's response to city requests for approval. Additionally, 12 of the listed cities are in the Metro region, where the department has two regional representatives, who are the staff normally most engaged in local periodic review matters. Additional assignments of this scope would likely result in insufficient attention to cities in periodic review and reduced levels of service to other jurisdictions in the region. Consideration of workload is not by itself justification to alter the periodic review schedule, but staff believes it is a valid consideration.

B. Local Capacity and Willingness

The department surveyed the affected cities regarding their ability and desire to complete periodic review during the 2007-09 biennium (full survey results were provided with earlier staff reports). While capacity and willingness are not criteria for *whether* a city is required to complete periodic review, it may be a reasonable consideration for deciding *when*. In an effort to use state and local resources efficiently and effectively, the readiness of a jurisdiction to enter into and complete the process is related to how successful the program will be implemented.

The department has not yet conducted the level of communication with local governments necessary to complete a recommended schedule for the full biennium. The various considerations outlined in this section have led to some amendments to the proposed schedule since the draft presented to the Commission in April (Attachment A), and those changes have not yet been adequately discussed with affected cities.

C. Grant Availability

The department's budget is not yet through the legislative approval process, but there is reasonable certainty regarding the level of grant fund availability. Similarly, the 2007-09 Grants Allocation Plan is not yet final, but it has also progressed enough that reasonable conclusions can be drawn.

As it pertains to periodic review, the 2007-09 grant fund will essentially be the same as it is in 2005-07. During the current biennium, available grant funds were used as shown in Table 2.

Table 2. 2005-07 General Fund Grant Summary

TOTAL 05-07 G.F. GRANT FUND	\$2,153,863
Planning Assistance	\$119,500
Columbia River Gorge	\$240,000
Periodic Review	\$219,800
Technical Assistance	\$1,754,563

In the 2005-07 allocation plan, Periodic Review grants were the highest use of funds after the Planning Assistance and Columbia River Gorge grants were subtracted. This is not expected to change. Since few jurisdictions were actively engaged in periodic review during this biennium, there were relatively few requests for Periodic Review grants.

In an effort to estimate the expected demand on periodic review grants for the upcoming biennium, the survey results and past grants were reviewed. Most periodic review tasks will be related to one of six topics: economic development, housing, public facilities and services, transportation, urbanization and natural resources. Grants for transportation planning are generally made by the Transportation and Growth Management program, not the general fund program. Public facilities plan and urbanization tasks are generally conducted later in periodic review, after the economic development and housing land needs have been established, so grant applications for these tasks would more likely come next biennium.

This leaves grants for tasks related to economic development (economic opportunities analyses under Goal 9), housing (housing and residential land needs analyses under Goal 10), and natural resources (wetland, riparian and wildlife habitat protection under Goal 5). Most of the affected cities are in the 10-20,000 population range, so the cost of completing these tasks should be similar. Those cities that are larger usually have greater local capacity and therefore often don't require a proportionally larger grant.

The department's analysis indicates a reasonable estimated median grant for tasks related to economic development and housing is \$35,000. The department has less experience with grants for natural resource protection because those tasks have formerly been funded through another source that is no longer available. The department awarded two grants for Goal 5 compliance during 2005-07 (Damascus and Prineville) and they were each for \$75,000. If a jurisdiction plans to complete two tasks with grant funds during the biennium, they would need approximately \$70,000 or \$110,000, depending on whether they city needed to address Goal 5.

The Commission should determine, perhaps through the Grants Allocation Plan, how much funding to dedicate to periodic reserve, and thereby how much to reserve for Technical Assistance grants.

The grant *cycle* also factors into when a city should be sent periodic review notice. In the April draft, the schedule would start cities biannually, each October and April. However, sending notice to a city in October 2008 would result in the city completing its work program in the winter or early spring of 2009—quite late into the 2007-09 grant cycle and too early to apply for an award in 2009-11. The grant managers advised that those cities should receive notice either earlier or later than formerly proposed.

D. Regional Clustering

The April draft of the periodic review schedule was prepared with regional affinities in mind. There are limited opportunities for synergies related to clustering, and this objective can conflict with the workload management criterion. While a number of the 21 jurisdictions are within Metro, there are relatively few opportunities for coordination due to the cities' locations around the region and because other cities that would be needed for logical coordination are not scheduled to enter periodic review. Nevertheless, staff reviewed the list of affected cities again to determine whether adjustments to further this aim were available, and found none.

V. CONCLUSION AND RECOMMENDATION

The department recommends the Commission approve a periodic review schedule that includes only those jurisdictions to receive notice in October 2007. The department further recommends that the schedule include the cities of Forest Grove, Hermiston, Keizer, Portland, and The Dalles.

Attachment A

2007-09 PERIODIC REVIEW SCHEDULE APRIL 9, 2007 DRAFT

Notice sent on (or around):

October 1, 2007	Forest Grove Keizer Portland Hermiston The Dalles
April 1, 2008	Baker City Lake Oswego Roseburg Troutdale
October 1, 2008	Happy Valley Milwaukie Tigard
April 1, 2009	Newberg Pendleton Sherwood Tualatin
2009-11	Gladstone* Newport Oregon City** Redmond* West Linn Wood Village

* This city has not returned a periodic review questionnaire, so the placement on the draft schedule is based on DLCD staff's knowledge of local circumstances.

** Oregon City is not in the initial group of cities considered for notice, so it was not requested to complete a questionnaire.