

2011-13

DLCD Biennial Report



State of Oregon - DLCD

February 2013

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## **Message from Director Rue**

2013 marks the 40<sup>th</sup> anniversary of the state land use program (SB100). It has been a great 40 years and we are ready to retain, refine and adapt to meet the challenges of the future. I am pleased to share with you some of the accomplishments of the program, as director of our innovative department. This document briefly summarizes a larger 2011-13 Biennial Report, which informs the legislature and others of our recent work. The accomplishments mentioned on the following page reflect the important themes, which helped bring those accomplishments into reality and which the agency will enhance and carry into the next biennium: promoting vibrant, livable urban areas; protection of farm, forest and coastal lands; conservation of our natural resource legacy; and expanding urban and rural economic opportunities across the state.

The strategies which will be used to develop these themes and realize future accomplishments include: active citizen involvement; enhancing regional problem solving and community development capacity; employing partnerships—particularly enhanced partnership with sister state agencies; to improving rural economic opportunities that recognize the value of the natural resource base; and streamlining the urban growth boundary process to more efficiently allow smaller and faster growing communities to expand their land base for housing and jobs.

A handwritten signature in black ink, consisting of several overlapping loops and a final flourish.

## Contents

I. Department.....	4
II. Program Achievements by Goal and Program.....	9
Strategic Goal: Promote Sustainable Vibrant Communities.....	10
Strategic Goal: Secure Oregon’s Legacy.....	15
Strategic Goal: Engage Citizens and Stakeholders in Continued Improvements of Oregon’s Land Use Planning Program.....	25
Strategic Goal: Provide Timely and Dynamic Leadership.....	27
Strategic Goal: Deliver Resources and Services that are Efficient, Outcome-based and Professional...	29
Key Performance Measures.....	32
III. Looking to the Future.....	34
DLCDC Divisions and Offices.....	36
Summary of Oregon’s Statewide Planning Goals.....	38
Jurisdictions Receiving DLCDC Grants, 2011-13.....	41

## I. Department

### *Who we are*

The Oregon Department of Land Conservation and Development (DLCD) is a small state agency. We work in close partnership with local governments, state development agencies (Transportation and Business Oregon) and natural resource agencies (Agriculture, Forestry, Water Resources, State Lands, Environmental Quality, State Parks and Fish and Wildlife). The Land Conservation and Development Commission (LCDC) provides the policy direction for the statewide land use system and reviews certain major local land use decisions (other land use decisions are reviewed by a separate agency – the Land Use Board of Appeals (LUBA)). We are organized into four divisions:

- **Ocean and Coastal Services** – oversees Oregon’s federally designated coastal program, providing grants and technical assistance to coastal communities.
- **Planning Services** – provides technical expertise in transportation/growth management, natural hazards, climate change and property rights areas.
- **Community Services** – reviews hundreds of local plan amendments per year, administers grants programs to local governments, and provides technical assistance from eight regional offices around the state.
- **Administrative Services** – Director’s Office and Administrative Services Division-provides support for LCDC, policy development and operations.

“The program’s success is due to the working partnership between state and local governments and to citizen participation”. – *Renew America (National Conservation Program)*

### *What we do*

We help communities across the state plan for their future. Cities, counties and special districts are the “front line” of the statewide program. We recognize that each city and county has unique values and aspirations and that it is our job to help them, within the broad direction provided by state policy. The core functions of the program are management of urban growth and conservation of rural lands, which are carried out throughout the statewide planning goals and city and county comprehensive plans. Helping cities and counties address these functions in the context of a wide range of state and local interests, requires that we be problem solvers. The department’s mission reflects this active role for our department.

*“To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.”*

## *Land Conservation and Development Commission (LCDC)*



Marilyn Worrix, Chair



Jerry Lidz



Bart Eberwein



Catherine Morrow



Greg Macpherson



Sherman Lamb



Tim Josi

The Land Conservation and Development Commission is the policy-making arm of the state land use program. Made up of seven citizens from different geographic areas of the state and includes a current or former elected official of a city and county as required by statute. The Commissioners are unpaid volunteers, appointed by the Governor and confirmed by the Senate. Commissioners are appointed to four-year terms and may not serve for more than two terms.

The Commission meets every other month. In the 2011-13 biennium, LCDC held meetings in Grants Pass, The Dalles, Newport, Lakeview and McMinnville, as well as in Salem. When the Commission meets “on the road,” it usually tours the local area and hosts roundtable meetings for local, state and tribal officials.

The Commission approves a biennial policy agenda, which sets both the policy and much of the programmatic agenda for the agency. Portions of this agenda are reflected throughout this report with regard to rulemaking, major policy or program initiatives, such as climate change and the Territorial Sea Plan, and relations with local governments and key constituencies.

## Local Governments

Oregon's land use program is designed to serve all citizens of the state and supports the work of the 242 cities and 36 counties in the state. It does this by creating a framework that allows each city and county to engage its residents in planning for their particular aspirations. A staff of regional representatives and program specialists provide technical and financial assistance programs to assist local planning efforts. While the program focuses some of its resources on larger cities (generally those over 10,000 in population) based on legislative direction, technical assistance is available for all cities and counties.

Organizational links with cities and counties, like the Commission's Local Official's Advisory Committee (LOAC) for example, also assist the state and local relationship and. Services, grants and communications with local governments are described in more detail throughout this report.

### Summary of 2011-13 DLCD Grants to Local Governments

Grant assistance to local governments, in addition to technical assistance, has been a key operating arm of the program since the inception of the statewide planning program.

General Fund Grants (budgeted)	TGM Grants (co-awarded but not budgeted or managed by DLCD)	Oregon Coastal Management Program (budgeted federal funds)
\$1,599,341 (150 cities, counties, special districts)	\$5,000,000	\$730,000 (37 cities, counties, special districts)

## Government to Government

The department's working relationship with Oregon's nine federally recognized tribes is guided by statute and executive orders. The department has an active relationship with the Legislative Commission on Indian Services (LCIS) which includes serving on several regularly scheduled working groups. The department also issues an annual report to the LCIS, which can be accessed through the department's web page. Activity for the 2011-13 biennium has included partially funding a study related to identification of cultural resource sites near The Dalles and participation with tribal representatives on important coastal issues.

### Major Policy Initiatives and Results (2011-13)

**Jackson County Regional Planning:** Jackson County and the cities in the Bear Creek Valley recently completed a regional effort to identify where urban areas will grow, together with protections for the agricultural industry in that part of the state. DLCD provided significant funding and staff support for this effort, which was approved by LCDC in 2012.

**Economic Development Planning:** DLCD works with state and local partners to ensure that local governments have an adequate land supply, infrastructure and services to meet a variety of economic opportunities. Accomplishments for this biennium include implementation of SB 766, with rulemaking

completed by Business Oregon, and identification of regional industrial sites in Lane and Douglas counties.

**Ocean Alternative Energy Planning:** The department, through the Ocean and Coastal Services Division, has been a key facilitator in development of a coastal-wide plan for ocean alternative energy (wave) development. This initiative amends Oregon’s Territorial Sea Plan. Phase One (policies) was completed in the prior biennium.

Work has continued through the 2011-13 biennium towards completion of Phase Two (mapping and siting) of the planning process. Citizen and stakeholder involvement has been extensive, including work with the Ocean Policy Advisory Council (OPAC), Territorial Sea Plan Advisory Committee (TSPAC) coastal communities, commercial and recreational fishermen, energy interests and other agencies. Of particular interest has been concern for Oregon’s fisheries, identification of marine reserves and protection of viewsheds. The Land Conservation and Development Commission (LCDC) approved the Phase 2 amendments in January of 2013, which concludes the department’s work in this area.

**Providing Tools to Reduce Greenhouse Gas Emissions:** DLCD and Oregon Department of Transportation (ODOT) are working with metropolitan areas to identify how to reduce greenhouse gas emissions from automobiles. LCDC adopted target setting rules in 2011 and work has proceeded throughout the biennium to assist larger metropolitan areas to identify targets and strategies to meet those goals. Additional funding of to continue to achieve the joint program’s desired outcomes is the department’s proposed legislative package request.

### **Portland Metro Urban Growth Boundary**

**Amendments:** The department continued to participate in assisting the Portland metro area reach milestones called for in urban development and resource protection policies. Following urban and rural reserve and decisions, the department recently completed an Order finalizing Metro’s 2012 urban growth boundary decision.



### **Urban Growth Management Streamlining:**

A collaborative team of land use practitioners, stakeholders and public officials have been working since late 2011 on potential reforms to the system that Oregon cities use to manage growth. The Governor asked the team to work with the department to design changes to key aspects of the state’s land use program in order to achieve certain outcomes, such as:

- Continued improvement in urban efficiency and assistance to cities in creating well-functioning and desirable communities.
- Greater ease in carrying out planned development within existing urban areas.
- Reduction in time and expense needed for urban growth boundary amendments, and making the process more predictable, particularly for smaller cities.
- Focus state and local planning on areas that are growing most rapidly.
- Continue to conserve important farm, forest and other resource lands.

The department has submitted a legislative package that reflects the work of a technical design team and Urban Growth Advisory Committee, by concentrating the desired outcomes in four areas: population forecasting, residential growth, employment growth, and growth within and adjacent to existing urban areas. For the 2013-15 biennium, the department has also proposed two funding packages to support the effort of the legislative package.

It will likely take one to two years to complete both legislation and related rules in order to fully implement these changes.

**Southern Oregon Regional Pilot Program:** At the direction of the Governor's Office and the Legislature, the department is assisting the Southern Oregon region to explore alternative, regional standards for farm and forest protection. The project calls for Douglas, Jackson and Josephine counties to work in partnership with the public, the department and other state agencies, in the development of technical data and policy recommendations.

This project began operationally in January 2013 and is expected to continue into the next biennium. The result is expected to be a petition for rulemaking by the counties to the Land Conservation and Development Commission.

**Hazards Planning:** The department's Natural Hazards Program works with the Oregon Office of Emergency Management (OEM) before, during and after natural disasters (particularly floods) to ensure that recovery complies with federal and state planning goals. Three federal disasters were declared during the 2011-13 biennium. DLCD worked with OEM and local governments on recovery from winter storm events. Under agreement with OEM, DLCD will take over management of the Statewide Natural Hazard Mitigation Plan during the 2013-15 biennium. Work in preparation for the transition began in the 2011-13 biennium.

**TPR Amendments:** The Land Conservation and Development Commission approved amendments to the Transportation Planning Rule (TPR) in 2012. The amendments provide greater flexibility to local governments when planning for more intense development in urban areas, relative to existing standards for traffic congestion. They also allow local governments greater transportation mitigation opportunities when rezoning for economic development.

**Large Lot Industrial Land in Central Oregon:** LCDC also approved new rules that apply when cities determine land need relative to planning for urban growth boundary expansion. The new rules clarify how the process for regional coordination and implementation of regional employment land need should work between cities and counties.

## II. Program Achievements by Goal and Program

The remaining activities and outcomes described in this 2011-13 biennial report are arranged according to the department's five strategic goals.



- ❖ **Promote sustainable vibrant communities**

- ❖ **Secure Oregon's legacy**

- ❖ **Engage citizens and stakeholders in continued improvements of Oregon's land use planning program**

- ❖ **Provide timely and dynamic leadership**

- ❖ **Deliver resources and services that are efficient, outcome-based and professional**

## Strategic Goal: Promote Sustainable Vibrant Communities

- Encourage economic development
- Integrate land use transportation and public facilities planning
- Provide housing choices

### *Economic Development*

#### **Economic Development Accomplishments**

Oregon’s planning program supports the state’s economy by ensuring that local governments have an adequate land supply, infrastructure and services to meet a variety of economic opportunities. Statewide Planning Goal 9 (Economic Development) is at the center of the state land use program’s policy on economic development.

Goal 9 calls for local governments to provide “an adequate supply of sites of suitable sizes, types, locations and service levels for a variety of industrial and commercial uses.” The goal encourages local governments to identify urban sites needed for industrial and commercial development to meet both long-term and short-term needs.

Economic development is a priority for available Technical Assistance grants awarded by DLCD. The grant program is guided by a Grants Allocation Plan, which is recommended by a standing Grants Advisory Committee and adopted by LCDC. The allocation plan has listed “economic development” as a priority for four consecutive biennia. These grants are used by local governments to update their comprehensive land use plans to address economic development needs.

In addition, DLCD staff provides technical assistance to local governments to help them identify and analyze their economic development opportunities and develop strategies for attracting the identified industries.

Through grants and technical assistance, DLCD helps communities throughout the state become better prepared to attract jobs.

Two significant economic development planning projects are underway:

1. Cities and counties in central Oregon are in the midst of completing a large-lot industrial site Regional Economic Opportunities Analysis (REOA) project. This project is intended to



create a new way to identify, entitle and serve competitive industrial sites throughout Crook, Deschutes and Jefferson counties. Deschutes County has adopted its portion. This project is partly funded with DLCD Technical Assistance grants totaling over \$110,000.

2. Cities in Linn and Benton counties are working to resolve wetlands issues on industrial land inside UGBs. With assistance from the local Council of Governments, the region is preparing to submit a Regional General Permit application to the federal government. When complete, improved predictability will be available to site developers faced with regulatory wetlands on key industrial sites. During 2011-13, DLCD staff was critical to the

success of negotiations among regional governments and state and federal regulatory agencies. The negotiations focused on the location and size of each of the 20 sites available for development, or protected from development, and a method for overall program limits.

### **Economic Development Partnerships**

During 2011-13, DLCDC partnered with the Regional Solutions Team (RST) to bring focus when state agencies work with communities to increase economic opportunity and bring industrial sites to “shovel-ready” status. RST works with state agencies and local governments to:

- Streamline permitting for business and industry;
- Increase opportunities to link and leverage public and private investments; and
- Provide greater local access to state resources and assistance.

### *The Oregon Transportation and Growth Management Program*

Through the Transportation and Growth Management Program (TGM), DLCDC and the Oregon Department of Transportation (ODOT) work with local governments to expand transportation choices and promote compact urban development. The program promotes active transportation (bicycling, walking and mass transit), better street systems for everyone and mixed-use walkable communities. This integration of land use and transportation decisions is important so that land use decisions support transportation investments – and so that transportation projects support the revitalization and other goals that communities set for themselves in their local comprehensive plans.

TGM provides grants to local governments, which use the funds to plan transit systems, bicycle and pedestrian networks, street systems, downtown revitalization and neighborhoods. The grants are administered by ODOT with DLCDC input and guidance. In addition to the grants, DLCDC manages four community



assistance services within TGM:

- Quick Response
- Code Assistance
- Education & Outreach
- Transportation System Plan (TSP) Assessment

### **Quick Response**

The Quick Response program assists local governments who have an immediate need for design assistance with an imminent development. The program provides direct assistance by utilizing consultants with expertise in the matter that the local government is facing. Two examples of assistance during the 2011-13 biennium:

1. Through Quick Response, TGM helped the city of Sisters develop a design for an upcoming reconstruction of the city’s main street, Cascade Avenue. With construction funding in hand, the city needed assistance to develop a design that would meet the

requirements related to a major state highway. Cascade Avenue is home to many of Sisters' businesses, so the design also needed to ensure that the sidewalk environment was preserved and enhanced to maintain steady foot traffic. Quick Response made it possible for the community to consider a variety of options and choose those that worked best within the prescribed constraints.

2. Quick Response staff also worked with the Urban Renewal Agency in Lincoln City. Together they developed conceptual plans for an agency-owned site on the newly rebuilt Festival Street leading from US Highway 101 to the beach. The agency will be selling the site so that it can be developed. The plan developed by Quick Response will ensure that development is consistent with the city's vision of a mixed-use walkable urban area. The Quick Response project also identified development options for an adjacent site consistent with the vision. The agency is excited to use the plan as a template for developing similarly-situated sites elsewhere in the neighborhood.

### **Code Assistance**

Through Code Assistance, TGM helps communities align their zoning and development codes with local goals for a quality urban development with good transportation access. Too often, these old codes work at cross purposes with local goals. Among the Code Assistance projects completed during the 2011-2013 biennium are:

- An updated version of the Model Development Code for Small Cities. This 3rd edition is more user friendly, with editable graphics and an integrated user's guide.
- Transportation Demand Management (TDM) standards for new development in Portland. The city lacked a clear and consistent approach to applying TDM to new development. These clear and consistent standards will help Portland approve new development without creating excessive congestion.
- A residential code amendment in Grants Pass that promotes a more livable community and provides greater housing choices and opportunities that support multiple modes of transportation.

### **Education and Outreach**

The Education and Outreach program includes the provision of local workshops, public lectures, conferences and publications to communities across the state. Completed outreach during the 2011-13 biennium:

- Workshops included two presentations in Coos Bay. The first focused on ways to balance the city's desire for a pedestrian-friendly, vibrant Main Street, with freight and other traffic. The second identified ways to enliven the downtown with new, well-designed development. The challenge of "white elephants" – i.e., empty or underused structures that could be rehabilitated and put to new uses – received special attention.
- In Canby, the city hosted two workshops on parking management

issues with TGM assistance. The workshops addressed concerns raised by local merchants worried about a potential loss of business due to the elimination of over 100 parking spaces in the downtown. The workshops identified management strategies available to help the city balance the parking needs of customers with those of downtown employees.

- TGM partnered with the Oregon chapter of the American Planning Association (APA) to sponsor a well-attended series of lectures by Dr. Richard Jackson, author of *Designing Healthy Communities* and host of a public television series by the same name. Dr. Jackson spoke to audiences in Bend, Medford, Roseburg, Salem and Portland about the importance of designing communities – and building streets – so that people have opportunities to integrate simple exercise, like bicycling and walking, into their daily lives.
- A publication produced by TGM during the previous biennium, *Cool Planning: A Handbook on Strategies to Slow Climate Change*, won a national award for excellence in 2012 from the American Planning Association. The handbook, written for local officials, planning commissioners, community organizations and developers, outlined transportation, land use, and community design strategies for reducing transportation-related greenhouse emissions. In its award, the APA commended the publication for “present[ing] a

complex subject in an easy-to-follow format.”

Two new publications aimed at helping cities in Oregon will be completed in early 2013. The first is a primer for local governments on parking management strategies; the second, a handbook for small-city transit agencies on best practices in the design and siting of transit facilities.

### **Transportation System Plan Assessment**

Most cities and counties have prepared a transportation system plan (TSP), and many of these plans are now old enough to consider updating. However, in most cases it is not necessary to redo the entire plan. The TSP Assessment service helps local governments target their update to issues that truly need to be readdressed while avoiding updates for the sake of updating.

### **Transportation Planning Rule**

During the 2011-13 biennium LCDC adopted updates to Division 12 of Chapter 660 of the Oregon Administrative Rules, commonly known as the Transportation Planning Rules (TPR). The rulemaking was initiated by a joint subcommittee with three LCDC members and three commissioners from the Oregon Transportation Commission. Legislation in the 2011 session also required rulemaking to amend the TPR to permit more flexibility. One important change has been the introduction of Mixed-use Multimodal Areas (MMA) which may be designated by local governments in areas where they wish to promote compact urban development consistent with TGM principles. The MMA designation allows local governments to rezone land for more intense development without being blocked by potential traffic congestion. Another important addition to the TPR is a process to accept partial mitigation of transportation impacts for a rezoning supporting

economic development. Since implementation of the rule, staff has worked to educate local governments around the state on the new tools available.

### **Provide Housing Choices**

DLCD provided grants to five cities to update their comprehensive plans to assess housing and residential land needs and better accommodate needed housing. These plan updates will aid housing affordability by helping the cities tailor

their plans and zoning codes to better match the types and densities of housing that residents can afford to purchase or rent.

Additionally, the department provides technical assistance to local governments during consideration of a variety of plan amendments that affect housing and residential land supply—from urban growth boundary amendments to code updates and zoning map amendments—with the objective of promoting an affordable supply.

## Strategic Goal: Secure Oregon's Legacy

- Conserve coastal, farm, forest, riparian and other resource lands
- Promote a sense of place in the built and natural environments
- Protect unique and threatened resources by guiding development to less sensitive areas

### *Conserving Oregon's Farm and Forest Industries*

In many ways, Oregon's efforts to protect its farm and forest lands base since 1975 have comprised the heart of Oregon's innovative land use planning program. The state's accomplishments in protecting its working landscapes are unequaled among other states in the nation and even among other nations.

#### **Farm and Forest Land Vital to Economy**

Oregon's agricultural and forest industries remain two primary contributors to the state's economy, directly and indirectly generating close to 20 percent of the state's economic output and accounting for about 15 percent of all employment in the state. Commercial farming and forestry require large land bases. However, both industries are affected by the conversion of land to other uses, by the fragmentation of the resource land base and by conflicts and complaints from nearby landowners who are not engaged in farm and forest activities. That is why sustaining these valuable resource lands is so important to Oregon's economic strength and stability.

#### **Strong Farm and Forest Land Protections**

Statewide Planning Goal 3 (Agricultural Lands) and Goal 4 (Forest Lands) define agricultural and forest lands and require counties to adopt exclusive farm use (EFU) and forest zoning to protect lands for those uses. State statutes and LCDC rules establish standards for dwellings, uses and land divisions in EFU, forest and mixed farm-forest zones. These standards are designed to limit incompatible development and land fragmentation and to ensure that newly

created farm and forest parcels remain commercially viable for farm and forest use. Strong resource land protections keep farm and forest lands affordable for farmers and forest landowners and discourage conflicting uses.

About half of Oregon's non-federal land base, or 15.5 million acres, are currently zoned EFU, while over 10 million acres are zoned for forest



or mixed farm-forest use. Farm and forest property assessment is available for land in farm or forest use and is automatic in EFU zones.

The 2007 Census of Agriculture shows that between 1987 and 2007, the rate of conversion of mid-sized and large farms to other uses in Oregon was less than one-sixth the rate of loss for the nation as a whole. A 2009 U.S. Forest Service publication reported that, without Oregon's farm and forest land protection program, an estimated 1.2 million acres of forest and farmland in western Oregon alone would have been converted to more developed uses. These facts underscore the effectiveness of Oregon's farm and forestlands protection program over the last three decades.

#### **Monitoring Development on Farm and Forest Lands**

County planning departments have been required since the late 1980s to provide DLCD with annual reports on dwellings, uses and land divisions occurring in farm and forest zones. The reporting system, along with plan amendment data, provide the information needed to regularly review and evaluate existing policy and regulations and to make appropriate adjustments in the program. For complete information and tables, please refer to the 2010–2011 Farm and Forest Report.

In 2010–2011, counties approved a total of 877 new dwellings in EFU zones and 464 new dwellings in forest and mixed farm-forest zones. More than one-third of new dwellings were replacement dwellings. These numbers are lower than in previous years, most likely reflecting the current economic downturn. Just over 1,000 other uses, many of them accessory or farm-related structures, were also approved. Nearly 400 land divisions in EFU, forest and mixed farm-forest zones were approved in 2010–2011, numbers that are also down from previous years. Each year, farm and forest lands are rezoned by counties to other uses, usually through the “exceptions” process. In 2010 and 2011, more than 3,000 acres of farm and forest lands were rezoned to non-resource uses. About one-third of this acreage was added to UGBs, while two-thirds of the rezoned acreage was in rural areas.

An ongoing concern is that farm and forest lands are often viewed as prime sites for rural homes. Cumulative data show that nearly 40,000 dwellings have been approved in farm and forest zones since the acknowledgment of county comprehensive plans in 1986. Another growing problem is the sale of large timber holdings for non-forest purposes, which is threatening to fragment the commercial forest land base, create additional conflicts for forest management and increase potential fire hazard.

## **State Trends in Farm and Forest Land Conversion**

The Oregon Department of Forestry (ODF) has tracked land use change in Oregon from 1974 to 2009, in a series of periodic reports. The reports identify several farm and forest land use classes that reflect land cover and density of existing structures (mostly dwellings). The data on changes in land use represent a more accurate, timely and direct measure of land conversion from farm and forest use to other uses than do changes to zoning and greatly complement DLCD data.

ODF data shows that, in the 25-year period between 1984 and 2009, approximately 147,000 acres of farm and range land moved to more developed land classes, and 121,000 acres of forest and mixed farm-forest land was converted to more developed classes. The converted farm acreage was approximately four times the acreage rezoned out of farm use in a similar time frame, while the converted forest acreage was approximately 12 times the acreage rezoned out of forest use during this period. These data show that even greater conversion is taking place within farm and forest zones than through the rezoning of these lands for urban and rural development. Combining DLCD and ODF data and analysis is key to gaining a more accurate picture of the capacity of commercial farm and forest lands to contribute to local and state economies.

## **Technical Assistance**

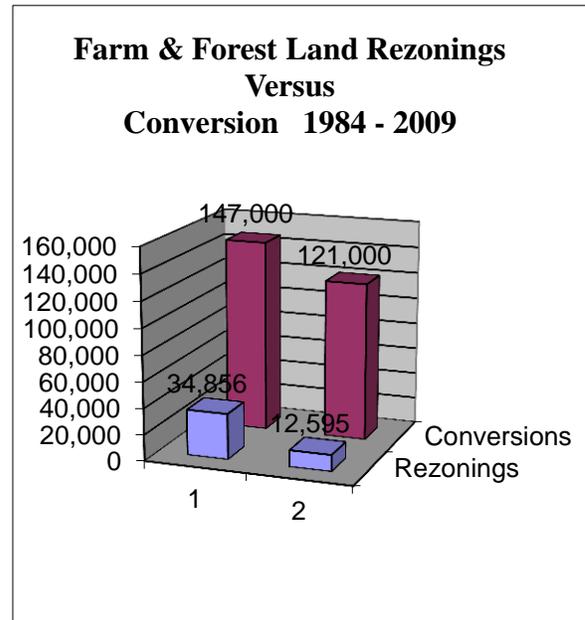
In addition to producing the biennial Farm and Forest Report, DLCD staff reviews and provides comments on post-acknowledgment plan amendments that involve rezonings out of farm or forest use, as well as amendments to EFU and forest zone provisions. Staff also provides technical assistance to counties by interpreting statute and rule requirements and keeping local

codes up-to-date. Staff also work with other state agencies to coordinate natural resource protection efforts. Finally, staff also provides public outreach through speaking engagements, participation on workgroups and responses to public requests for information and assistance.

### Looking Towards Tomorrow

Oregon’s farm and forest land protection program has steadily evolved over the years to respond to new data, changing conditions, regional differences and the needs of agriculture and forestry. DLCD sponsored a bill in the 2009 legislative session (HB 2228) that led to the adoption of a pilot transfer of development rights program that offers landowners and local jurisdictions new incentives to permanently protect forest land. A second legislative bill (SB 763) authorizes all local jurisdictions in Oregon to use transfer of development rights programs to protect a variety of working, resource and cultural landscapes.

Planning for the rural landscape has yielded unexpected benefits over the years. Farm and forest zoning have helped revitalize many of Oregon’s cities by forcing most development into urban growth boundaries. Farm zoning has supported a bounty of new vineyards world-class wineries and agri-tourism, all of which provide new streams of income for farmers. Large, open land areas uncluttered with rural residences have contributed to making Oregon a leader in alternative wind energy production. Forest zoning has supported the development of a healthy tourism and outdoor recreation industry while reducing the threat of and losses from forest fires that plague other parts of the country. Farm and forest zoning are also facilitating the development of ecosystem markets for a variety of environmental benefits in a program that is gaining national attention.



### Protecting Natural Resources

Local jurisdictions throughout the state have made modifications to their comprehensive plans and land use codes to reduce potential impacts from development on natural resources. Eleven cities—Gearhart and Newport (Coastal Program grant); Florence (EPA grant); Adair Village, Monroe, Scio, Mill City, Harrisburg, Creswell, Cottage Grove, Lowell (includes riparian inventory, EPA Grant)—are working on local wetland inventories or combined wetland and riparian inventories that are scheduled to be completed by the end of the biennium.

Several cities—Port Orford, Klamath Falls, Monmouth, Tangent and Sisters have adopted or are in the process of adopting plan and code provisions to implement local protection measures in response to pollutant load limits assigned to them by Department of Environmental Quality (DEQ), or to reduce impacts on a federally listed fish species. Some of these measures are designed to preserve the water quality functions of riparian areas while others will reduce the amount of urban stormwater entering streams.

## Meeting federal requirements

Local jurisdictions are faced with increased pressure from federal laws to avoid and mitigate the impact urban development has on surface water and endangered species. The laws have not changed, but court decisions have given new clarity to what federal agencies must do to prevent degradation. Accountability for reducing water quality impacts and eliminating impact to threatened and endangered species falls to local governments. Increased awareness of the full suite of functions provided by wetlands and the difficulty in replacing these functions through wetland mitigation projects is relevant to local natural resource programs. State and federal permits for fill and removal in wetlands are more difficult and costly to obtain than in the past. By completing the statewide planning Goal 5 wetland process, land constrained by wetlands can be factored into local buildable lands inventories and allow for more realistic predictions of future land needs.

For these reasons this biennium has seen a relatively high level of local natural resource planning efforts throughout the state. New local wetland inventories (LWI) have been completed for 14 jurisdictions and two or three more are expected to be completed by June of 2013. This marks the most LWIs in a single biennium since the 1996 rules for conducting LWIs were adopted. Several cities, including Creswell, Gearhart, Junction City and Pendleton have, or are in the process of, using these LWIs as a basis for new or updated wetland and riparian protection codes.

In the next biennium, DEQ will issue the first “implementation ready” TMDL, which will include specific directives to local government for reducing temperature load through riparian management. Also the ESA Section 7 consultation between Federal Emergency Management Act (FEMA) and National Marine

Fisheries Service (NMFS) on the NFIP will be completed. Both of these actions will influence how DLCD assesses compliance with the statewide land use Goals 5, 6 and 7.

## *Conserving Ocean and Coastal Resources*

The department houses the Oregon Coastal Management Program (OCMP), which works with local governments, state and federal agencies and stakeholders. The goal is to protect the treasures of the Oregon coast while helping to develop vibrant and sustainable coastal communities.

Estuaries, coastal shorelands, beaches and dunes and ocean resources are a primary focus of the OCMP. The department’s Ocean and Coastal Division staff also work closely with coastal cities and counties to plan for economic and community development and to stay safe from coastal hazards. The OCMP collaborates with other state agencies too, as network partners with legal authorities and programs for coastal resources.

Oregon’s coastal program is based on the work of the Oregon Coastal Conservation and Development Commission created by the 1971 Oregon Legislature. In 1977, the OCMP received federal approval under the federal Coastal Zone Management Act. This approval is important because:

1. Oregon, through the OCMP, has the authority to review federal agency actions and approvals that affect Oregon’s coastal zone to make sure that they are “consistent” with Oregon’s state laws, statewide planning goals and local government comprehensive plans and ordinances.
2. The department receives federal funds from the National Oceanic and Atmospheric Administration (NOAA) to support coastal

management. During the 2011-13 biennium, the department received just under \$4.5 million dollars to implement the OCMP.



### Helping Coastal Communities

Oregon's coastal communities face challenges found nowhere else in the state. In addition to land use and economic development issues common statewide, coastal local governments must also protect estuarine resources, ocean shores, dunes and other coastal resources. Many coastal communities are on the front line for ocean shoreline erosion, ocean flooding, severe storms, tsunamis and the effects of climate change. A highly seasonal economy, rugged geography, limited transportation options and reduced funding for local planning add to these challenges. During 2011-13, the OCMP assisted local governments through:

- On-Site Advice and Assistance – During 2011-13, three OCMP staff members worked from a coastal services center in Newport and a newly established Regional Solution Center in the city of Tillamook to assist cities and counties on a daily basis with overall planning advice and coastal hazards and shore lands issues. The staff were also involved in a number of Oregon Solutions projects that help resolve land use issues at the local level.

- Financial Assistance – During the 2011-13 biennium the OCMP awarded more than \$730,000 in grant awards to 37 local governments (city, county and special districts) from federal funds including:
  - \$646,000 in Coastal Zone Planning Assistance Grants: All jurisdictions receive a minimum grant of \$2,700. Grants enable local governments to maintain core planning services, review development proposals, prepare plan changes, update ordinances and do other planning work.
  - \$84,500 in Technical Assistance Grants: Grants range from about \$3,000 to as much as \$10,000. Cities and counties use these funds to conduct special projects related to economic development, coastal hazards, GIS and information technologies and wetland inventories.
  - Education and Information - The OCMP provided information and training for local planning staff, including:
    - Local planner conferences: Six local planner conferences provided information on coastal planning, coastal hazard assessments, alternative energy development, and other topics.
    - On-line training: During this biennium, the OCMP produced an on-line training program about the Oregon Coastal Management Program. <http://www.oregonlandusetraining.info/>
    - GIS technical assistance: An OCMP GIS specialist provided GIS training and trouble-shooting assistance for

- local governments. This assistance helped local staff to avoid start-up and training costs while providing a hands-on learning experience.
- Oregon Coastal Atlas: The Atlas provides a wide range of mapped data and information about the Oregon coast via the Internet: <http://www.coastalatlus.net>.

### **Addressing Emerging Coastal Issues**

The Oregon Coastal Management Program devoted staff resources and expertise to address five major issues:

1. Coastal Shoreline Hazards – A major focus of the OCMP was to assist local governments in addressing coastal erosion, ocean flooding and other hazards. OCMP staff worked closely with the City of Bandon to address ocean flooding, Lincoln County to develop a dune management plan near Waldport (Bayshore), and Tillamook County and residents in Neskowin to address problems of ocean shore erosion and storm damage. The OCMP is working with coastal local governments to improve resilience to a future tsunami.
2. Ocean Wave Energy Development – The OCMP led an unprecedented effort to develop a coast-wide plan for ocean alternative energy development in response to a Governor’s Executive Order. OCMP staff worked with several dozen stakeholders to update the state’s Territorial Sea Plan to address ocean alternative energy. The department built on the work completed in Phase 1 of the Territorial Sea Plan in November 2009, when the LCDC adopted an amendment to the Territorial Sea Plan with policies,

procedures and standards for siting energy facilities.

Phase 2, determining which areas may be appropriate for ocean energy, was adopted in January 2013. The OCMP worked closely with the Territorial Sea Plan Advisory Committee (TSPAC), Ocean Policy Advisory Council (OPAC), coastal communities, commercial and recreational fishermen, environmental and conservation groups, the energy industry, other agencies and stakeholders gathering critical information on ocean fisheries, ecological data and other uses. In addition to numerous TSPAC and OPAC meetings in 2012, the OCMP conducted dozens of community- level plan review work sessions to gather information and collect public comments on the proposed plan provisions.

3. Marine Reserves – OCMP staff played an important role in assisting the Oregon Department of Fish and Wildlife’s work with community groups to designate marine reserves. The OCMP provided data, GIS services (i.e. maps and analyses) and website expertise to enable ODFW to provide information to the public and community groups via <http://www.oregonocean.info>.

### **West Coast Governors Alliance on Ocean Health**

The OCMP worked closely with the Governor’s office to provide policy, planning and technical assistance to support the West Coast Governors Alliance (WCGA). OCMP staff are involved in several of the WCGA Action Coordination Teams, including Climate Change, Regional Data Framework and Marine Renewable

Energy. In 2011, the OCMP assisted the WCGA in submitting a successful grant application to NOAA for funds to develop the technical and administrative infrastructure necessary to support future marine spatial planning along the West Coast.

### **Conserving And Managing Coastal Resources**

The OCMP carried out several program activities to assist in conserving and managing the unique and valuable resources of the Oregon coast:

- Estuary Updates – The OCMP is working with local governments and other stakeholders to update the information and framework for managing estuaries, some of the most important natural resources on the coast. The OCMP has mapped dikes and tidegates along the coast and made the GIS information available to local governments. They also identified GIS needs of local governments and are working with them to address gaps. The OCMP has started an Estuary Project of Special Merit which will result in updated resource information for Oregon’s estuaries. The goal is to create an estuary atlas that can be used by local governments to update their estuary plans.
- ShoreZone – The OCMP has acquired ShoreZone image data of the Oregon Coast and estuaries. ShoreZone is highly detailed, oblique (from the side), aerial digital shoreline photography that allows users to navigate the coast and view images online through the Coastal Atlas. Images and associated data will be linked to LiDar data and will be useful in a variety of planning and management purposes.
- Marine Map – To support the work on the Territorial Sea Plan, the OCMP sponsored development of MarineMap, a web-based decision support tool for open and participatory spatial planning in the marine environment. MarineMap is especially useful for planning where many interests and resources need to be simultaneously evaluated. MarineMap currently has over 200 layers of mapped information available.  
<http://oregonmarinemap.org>.
- LiDAR Acquisition – The OCMP provided federal funds to the Oregon Department of Geology and Mineral Industries to help acquire detailed LiDar (a remote-sensing technology used to accurately measure elevation) data for the Oregon coast. The OCMP is now providing this extremely accurate data as maps to local governments to aid planning for coastal hazards, landslides and flooding.
- Regional Sediment Management – The OCMP has been a strong participant and coordinator for efforts to develop a regional sediment management plan for the Columbia River. During this biennium, years of effort culminated in the selection and test disposal of sediment at a new nearshore dredge material disposal site just south of the mouth of the Columbia River. Significant amounts of sediment need to be removed from the mouth of the Columbia River to keep the river navigable. The new site will keep the sediment in the nearshore sand system to help replenish eroding shorelines.

Located at the mouth of Tillamook Bay, the City of Garibaldi is a community focused around its harbor. The city's waterfront district has historically supported many of the area's important economic enterprises, including seafood processing, sport and commercial fishing activities, wood products manufacturing, and tourism and recreation uses. Following larger regional trends over the past two decades, the city's economy has transitioned from its historical resource base to include larger components of service and tourism based activities. In response to these trends, in 2011 the city initiated a process to evaluate comprehensive plan and zoning designations for the waterfront area, seeking to capitalize on potential redevelopment opportunities while preserving critical water dependent development acreage for port and maritime uses.

Supported by a coastal technical assistance grant from the department, the city worked closely with the Port of Garibaldi and landowners in the affected area to analyze the overall need for and locational suitability of water dependent development sites in the city. This examination was completed in early 2012, and was followed by a package of comprehensive plan and zoning amendments designed to implement the recommendations identified in the analysis. These amendments include revisions to the city's two principal waterfront zoning districts, and changes to the comprehensive plan and zoning map for the waterfront area. The result of these amendments is a higher level of protection and certainty for identified critical water dependent development sites, and enhanced opportunities for water oriented and other mixed use development in the waterfront area. These plan updates will greatly improve the ability of the city and the port to encourage and facilitate appropriate development of this major community asset.

### *Natural Hazards Program*

DLCD's Natural Hazards Program coordinates the state's participation in the National Flood Insurance Program (NFIP), through an agreement with the Federal Emergency Management Agency (FEMA). Two hundred sixty Oregon cities and counties participate in the NFIP. All but two flood prone cities participate in the NFIP, making flood insurance available to nearly all residents and businesses located in state of Oregon.

The NFIP has three basic components: 1) flood hazard mapping; 2) flood insurance; and 3) regulation of areas of special flood hazard (areas

with a 1 percent annual chance of flooding). The Natural Hazards Program contributes to each of these components.

### **Flood Hazard Mapping**

From 2005 through 2011, the Natural Hazards Program received federal grants to support FEMA's Map Modernization Program. One hundred sixty eight Oregon cities and counties, mostly in western Oregon, received digital flood insurance rate maps during FEMA's Map Modernization Initiative. FEMA's mapping program transitioned to the Risk Mapping and Analysis Program (RiskMAP) in 2011.

Federal funding to DLCD continues under the RiskMap Program, with grants awarded to

DLCD totaling \$443,170, over the 2011-13 biennium. RiskMap aims to develop tools to better assess and communicate exposure to natural hazards, as well as to provide more accurate Flood Insurance Rate Maps. DLCD assisted FEMA with eight RiskMAP “Discovery” projects during this biennium, which is a multi-jurisdictional data collection and natural hazards needs assessment. The Natural Hazards Program works closely with the Department of Mining and Mineral Industries and the University of Oregon Partnership for Disaster Resilience to achieve RiskMap objectives.

### **Local Government Technical Assistance**

The Natural Hazards Program receives funding from FEMA to provide technical assistance and resources to Oregon’s NFIP-participating communities. Grant awards totaled \$443,107 for the biennium. The Natural Hazard Program helps with Oregon’s NFIP communities to ensure they understand and comply with NFIP minimum requirements. The program also trains and answers technical questions from local planners, surveyors, building officials, real estate agents, and others on NFIP regulations and insurance requirements. DLCD also uses grant funds to review local government flood hazard permitting programs to ensure their continued compliance with and eligibility for the NFIP.

### **Endangered Species Act**

In late 2011, the Natural Hazards Program initiated the Endangered Species Work Group. The workgroup advised FEMA and the National Marine Fisheries Service during consultation to settle a lawsuit claiming that FEMA development standards harm endangered fish. The State is not party to the lawsuit but would play a key role in implementing any new standards negotiated during consultation. This

work was funded by the FEMA NFIP Technical Assistance grant.

### **Disaster Recovery**

The Natural Hazards Program works with the Oregon Office of Emergency Management (OEM) before, during and after natural disasters (particularly floods) to ensure that recovery complies with both the NFIP and the state of Oregon planning goals. Three Federal disasters were declared during the 2011-13 biennium, two for winter storm damage and one for tsunami damage. DLCD worked with OEM and local government on recovery from both of the winter storm events. Recovery activities relate to assisting local government with NFIP compliance during repair of homes and business buildings. The Natural Hazards Program continues to work with the City of Vernonia to recover and rebuild from devastating floods of 2007.

### **Natural Hazards Mitigation**

Under agreement with OEM and with approval of the legislature, DLCD will take over management of the Statewide Natural Hazard Mitigation Plan during the 2013-15 biennium. This work was previously contracted to the University of Oregon, Partnership for Disaster Resilience. Work in preparation for the transition began in the 2011-13 biennium, with development of a regional-scale risk analysis methodology to be used during the Statewide Natural Hazard Mitigation Plan update. DLCD partnered with the Partnership for Disaster Resilience to complete this work. DLCD hired a Natural Hazards Planner 2 in February to assist with this work and NFIP technical assistance.

The Natural Hazards Program coordinates with the Coastal Program and the Department of Geology and Mineral Industries to develop assessments, tools, and literature related to

identification and mitigation of existing and climate change induced coastal natural hazards.

### *Oregon Sustainable Transportation Initiative (OSTI)*

The Oregon Sustainable Transportation Initiative (OSTI) is an interdepartmental effort to reduce greenhouse gas (GHG) emissions from transportation while creating healthier, more livable communities and greater economic opportunity. OSTI includes DLCD, the Oregon Department of Transportation (ODOT), the Department of Environmental Quality (DEQ) and the Department of Energy (DOE). OSTI was created to respond to the goal set by the

legislature to reduce GHG emissions: “By 2050 ... at least 75 percent below 1990 levels” (Oregon Revised Statutes 468A.205). Subsequently House Bill 2001 (2009) and Senate Bill 1059 (2010), were enacted giving specific guidance to DLCD and ODOT to work together on tasks to reduce GHG emissions in the transportation sector, with particular emphasis on passenger vehicle travel within metropolitan areas.

This program effort is reflected in this section, rather than in development of vibrant communities, because of the goal of improving air quality and impacting the rate of climate change.

## Strategic Goal: Engage Citizens and Stakeholders in Continued Improvements of Oregon's Land Use Planning Program

- Support regional perspectives and strengths
- Ensure equitable application of regulatory programs
- Develop strong, collaborative partnerships with citizens and communities



### *Citizen Involvement Advisory Committee (CIAC)*

Oregon Revised Statute Chapter 197 established the Citizen Involvement Advisory Committee (CIAC) to advise LCDC and local governments on matters pertaining to citizen involvement in land use planning. CIAC is an advisory body only; it has no authority over any local government or state agency. The committee does not set policy or review local land use plans (except for Citizen Involvement Programs) or make decisions. The CIAC has eight members, one from each of Oregon's five congressional districts and three chosen at large. CIAC members are unpaid volunteers and are appointed to four-year terms by LCDC. The committee meets bi-monthly in Salem.

During the 2011-13 biennium, the CIAC:

- Assisted a number of communities in developing and improving Citizen Involvement Programs;
- Surveyed local web sites regarding citizen involvement;

- Continued the "Star Awards" program to recognize outstanding programs to involve citizens in local land use decisions;
- Participated in LCDC policy workgroups; and
- Began development of Citizen Involvement training programs for local citizens and officials.

Citizen participation is a hallmark of Oregon's planning program. Each city and county plan describes how the public can participate in each phase of the planning process. Local governments must periodically evaluate their efforts to involve citizens, and, if necessary, update their programs. These requirements are established in Statewide Planning Goal 1: Citizen Involvement.

Committee members:

- Ann Glaze, (Dallas)
- Don Green, (Ashland)
- Mollie Eder, Chair (Powell Butte)
- Pat Zimmerman, (Scappoose)
- Chris White, (Portland)
- Gregory McLaren, Vice Chair (N. Bend)
- Debra Martzahn, (Lincoln City)
- Sadie Carney, (Portland)

### *Local Officials Advisory Committee (LOAC)*

Oregon Revised Statute Chapter 197 established the Local Officials Advisory Committee (LOAC) to advise LCDC and the department on matters involving local governments.

The LOAC is made up of seven members representing cities, counties and Metro. They are appointed by LCDC in consultation with the League of Oregon Cities and the Association of Oregon Counties.

LOAC is specifically charged by statute with the responsibility to review and advise LCDC on proposed goal amendments. After a period of dormancy, the LOAC reinitiated its work in 2010.

Committee members:

- George Endicott, Mayor, City of Redmond
- Dick Gordon, City Councilor, Medford
- Larry Givens, County Commissioner, Umatilla County
- Kathryn Harrington, Metro Councilor
- Faye Stewart, County Commissioner, Lane County.

## Strategic Goal: Provide Timely and Dynamic Leadership

- Develop and coordinate strategic initiatives with other state agencies and local governments
- Seek solutions that address immediate and long-range challenges including climate change, in collaboration with local governments, community and academic partners



### 2011-13 LCDC Policy Agenda

Each biennium the Land Conservation and Development Commission (LCDC) adopts a policy agenda upon recommendation from the department and with input from the public. This policy agenda drives much of the work of the department and sets the scope, direction and tenor of the department's work plan. Several items from the 2011-13 agenda have been listed earlier in this report under "Major Policy Items." Other items include:

#### A. Policy projects underway from the previous (2009-11) biennium

1. Amendments to Transportation Planning Rules (the TPR): Required by 2011 legislation (Adopted at the December 2011 LCDC meeting).
2. Forum regarding population forecasting: A work group with League of Cities (LOC) and Association of Oregon Counties (AOC) is developing a legislative concept to amend statutes regarding population forecasting.
3. Greenhouse gas reduction goals: Required by 2009 legislation, new

administrative rules for Portland Metro Area "scenario planning" to establish the process for determining land use patterns to meet the greenhouse gas reduction goals. (Adopted November, 2012)

4. EFU soils analysis: Adopt rules to implement 2010 legislation regarding a new process to contract for alternative soils information (Adopted December, 2011).
5. Transfer of Development Rights (TDR) pilot program: Implement and report on pilot program enacted in 2009. Minor rule revisions are required by 2011 legislation (see Section B, below)
6. Territorial Sea Plan amendments: Revise the Oregon Territorial Sea Plan to address alternative energy resources in the territorial sea as per Governor's Executive Order (Text amendments were adopted in 2009; map amendments were adopted, January 2013).
7. Update Federal Consistency rules, OAR 660, division 35, implementing the consistency requirements of the Federal Coastal Zone Management Act: Proposed updates will address changes to NOAA federal consistency rules and other changes since the last (1988) update of LCDC consistency rules. (Adopted May, 2012)

#### B. Policy Projects required to respond to new state laws

1. Economic Recovery Review Council: Several work tasks are required by SB 766 (enacted in 2011 session), including expedited review of up to 10 industrial

development projects and designate 5 to 15 regionally significant industrial areas.

2. Ballot Measure 49: Update department work tasks in response to HB 3620 (enacted in 2011 session). No rulemaking required.

### **C. Adjustments to existing rules needed to implement new legislation**

The following rules must be changed to implement legislation enacted in 2011:

1. Post Acknowledgement Plan Amendment (PAPA) Notice Rules: OAR 660, division 18, in response to statutes amended by House Bill 2129. (Adopted January, 2012)
2. Rules for Periodic Review and UGB Review: OAR 660, division 25, in response to statutes amended by House Bill 2130. (Adopted January, 2012)
3. Metro urban reserve rules: Regarding allowed roads (in response to HB 3225).
4. Transfer of Development Rights (TDR) Pilot Project rules: OAR 660, division 28, in response to laws amended by HB 2132. (Adopted January, 2012 )
5. EFU rules: Regarding Farmworker Housing (in response to HB 2154. (Adopted January 2012).
6. EFU rules: Regarding farm income standards in response to HB 3290.
7. Rules for needed housing: OAR 660, divisions 7 and 8, in response to HB 2131.

### **D. High Priority Policy and Rulemaking Projects**

1. Urban Forum: to consider issues concerning the UGB and urban reserves

requirements, in response to recent holdings by the Court of Appeals. The Forum would convene a group of stakeholders to consider several urban policy issues and seek a consensus toward a legislative concept for the 2013 legislative session to address these issues.

2. HB 2229 Pilot: Beginning in the Fall of 2011, engage one or two (as yet undetermined) counties in a farm and forest land remapping project under the procedures established by HB 2229 (2009 legislation). Staff recommends this project be initiated without associated administrative rules, although later rulemaking may be recommended based on experience gained in the pilot.

### **E. Projects to be pursued if resources are available**

1. Natural Hazards: Study and make recommendations regarding natural hazards requirements as they relate to climate change adaptation. DLCD will work with other agencies in response to the Governor's climate change adaptation plan. This project may or may not result in rules to clarify Goal 7 requirements.
2. Public parks in farm zones: The department will participate in the Oregon Parks and Recreation Department's (OPRD's) planned "Parks Forum" with other stakeholders, and report back to the commission as to whether rulemaking is recommended in response to parks issues, especially issues concerning local government parks outside UGBs.

## Strategic Goal: Deliver Resources and Services that are Efficient, Outcome-based and Professional

- Provide local governments with services and resources to support their comprehensive planning process
- Communicate with the public in a timely and transparent manner
- Focus on communications, staff training and administrative systems to ensure continued improvement of customer service



### *Working with Oregon Communities*

Oregon's statewide planning program is most effective when communities, regions and state agencies work cooperatively to plan and invest in successful, sustainable futures. The fate of Oregon's future rests in large part on the successful implementation of thoughtful local planning. In order to help Oregon communities make the best possible decisions about their futures, DLCDC works to make real-time information and state-of-the-art planning practices available in the regions of the state and from its Salem office.

#### **Communications and Technical Assistance**

DLCDC staff provides technical assistance to local governments through formal and informal communication.

During the past biennium, the department the following: conducted six planners network meetings around the state (Medford, Springfield, Monmouth, Hillsboro, Bend and Baker City), and four coastal planners network meetings (Yachats, Rockaway, Bandon and Florence).

Planners network meetings serve as a forum for local governments to exchange information and develop stronger working relationships. The department will continue to host network meetings during the 20011-13 biennium.

**Grants to Local Governments** In addition to technical expertise, DLCDC offers several grant programs to provide targeted grants to local governments. The Transportation and Growth Management program is dedicated to improving the integration of land use and transportation planning across the state (please see "Integrating Land Use and Transportation planning," page xx). The Coastal Zone Management Program offers resources to coastal communities.

The general fund Technical Assistance grant program provides resources to help local governments with comprehensive planning activities, with regional planning analysis, and with Periodic Review. During this biennium:

- Oregon communities have utilized about \$1.6 million in technical assistance grant funds on comprehensive plan update projects ranging from regional wetlands identification to housing needs analyses to regional planning for large-scale industrial development;
- Nearly \$1 million went to cities and counties for Periodic Review programs, providing opportunities for large scale plan updates; and
- An additional \$135,000 was awarded to cities under 2,500

population and to counties under 15,000 population. Those funds are typically used to support general planning and permitting activities in Oregon's smaller communities. Thanks in part to DLCDC's partners, including the League of Oregon Cities and the Association of Oregon Counties, the department significantly stepped up its efforts to alert local governments to the opportunity. As a result DLCDC provided assistance to 107 small communities this biennium a 22 percent increase from the previous biennium.

In total, the Technical Assistance grant program was able to fund in whole or in part 44 planning projects statewide. Adding the 135 Planning Assistance grants to small communities, DLCDC was able to provide assistance to 179 communities – nearly two thirds of our local partners across the state.

### **Keeping Plans Up to Date**

In order for the statewide planning program to function effectively, local comprehensive plans must be updated in keeping with changing markets and developing landscapes. Local governments typically identify needed updates and amend their plans through the Post-Acknowledgment Plan Amendment (PAPA) process.

### **Periodic Review**

Urban development, population growth, economic and market forces and other changes in the landscape can render comprehensive plans obsolete over time. As community visions are realized, plans must be updated to continue to meet the needs of the local government, its citizens, and its property owners. Oregon statutes require many cities to periodically

review their plans to ensure they continue to accommodate needed land and infrastructure for economic development and housing. Certain statutory and rule provisions are implemented through Periodic Review as well. During this biennium, the department worked with 11 cities to complete portions of periodic review work programs.

### **Plan Amendment Review**

A local government can amend its comprehensive plan to address local needs outside the Periodic Review process through the Post-Acknowledgment Plan Amendment (PAPA) process. These typically smaller amendments may be initiated by a city or county, or by a property owner who wishes to change the allowed use(s) of land.

DLCDC's role in the PAPA process includes reviewing and advising local governments on proposals and providing notice of the proposal to the public. Department staff is frequently asked to provide technical assistance as well. Oregon's larger communities, including cities with populations greater than 10,000, are also required to review and update their plans through the process of Periodic Review.

For any proposed PAPA, the appropriate local government is required to send notice of proposed amendments to DLCDC. As previously stated, DLCDC's primary role is to review the proposal and provide guidance where appropriate. During the first 18 months of the biennium, DLCDC received just fewer than 1,000

### **PAPA Notices**

The department expects to receive over 1,350 plan amendments before the end of the biennium. Of these plan amendments, the department will have responded to approximately one-third of them, providing

assistance and feedback to the communities making changes.

### **Appeals of Land Use Decisions**

The department works closely with local communities throughout the planning and ordinance adoption process. Staff provides guidance on local land use proposals and, in the overwhelming majority of cases, the local government and the department work together to address any legal and technical challenges. In cases where the local government makes a decision the department believes violates a statewide planning goal, the department, with LCDC approval, may choose to appeal that local decision to the Land Use Board of Appeals (LUBA) for clarification of the decision or to confirm state policy.

### **Continuous Process Improvement**

The Department of Land Conservation and Development management and staff regularly engage in actions to update, streamline and improve department and program policies, rules and procedures. In 2009, the department began to implement a formal and department wide effort to review department activities. The department used a 5 day event featuring a powerful set of process improvement tools. The 5 day event called Kaizen which was first applied to periodic review and urban growth boundary decisions. Kaizen is Japanese for “take apart and make good” includes tools designed to:

- Empower staff to design and implement better, smarter, faster processes advancing the mission of the department;
- Eliminate redundancies between programs and streamline processes in a relatively short timeframe;
- Create a culture of continual improvement freeing staff to develop solutions focusing on high-value work products;
- Minimize waste and save dollars through streamlined processes and procedures;
- Increase transparency;
- Enable staff to spend quality time on value added activities and eliminate non-value added activities.

The department’s first application of Kaizen related to periodic review and urban growth boundary decisions. Some outcomes from the event included:

- Increased process transparency
- Increased efficiency through digitizing of submittals.

The department continues its process improvement efforts through its transformation initiative called Information Management Modernization Initiative.

## Key Performance Measures

The department's key performance measures for 2012 are submitted to the legislature with the Annual Performance Progress Report (APPR). The measures are legislatively approved, and reflect a wide range of activity performed by the department and local governments. KPMs are one method of capturing the direction, energy and outcomes of the land use program. Seen in the context of this Biennial Report and the full APPR report these numbers take on a richer meaning.

KPM #	Performance Measure	Target	Results
1	Employment Land - Percent of cities that have updated their local plan to assure an adequate supply of employment land for industrial and other employment uses	75	49
2	Housing Land Supply - Percent of cities that have updated their local plan to assure an adequate supply of buildable residential land to meet housing needs	90	65
3	Public Facilities Plan - percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems	70	46
4	Certified Industrial Sites - Number of sites certified as project-ready added each year	6	2
5	Transit Supportive Land Use - Percent of urban areas with a population of greater than 25,000 that have adopted transit supportive land use regulations	89	88
6	Transportation Facilities - Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities	89	88
7	ERT - Percent of local participants who rank DLCD involvement in the ERT process as good-to-excellent	NA	NA
8	Coastal Development Zoning - Percent of estuarine areas designated as "development management units" in 2000, that retain that designation	100	100
9	Natural Resource Areas - Percent of urban areas that have updated buildable lands inventories to account for natural resource and hazardous areas	6	1
10	Farm Land - Percent of farm land outside UGBs zoned for EFU in 1987 that retain that zoning	99.92	99.87
11	Forest Land - Percent of forest land outside UGBs zoned in 1987 for forest use that remains zoned for those uses	99.94	99.92
12	UGB Expansion - Percent of land added to UGBs that is not farm or forest land	55	37
13	Periodic Review Remands - Percent of periodic review work tasks that are returned to local jurisdictions for further action	<15	0

14	Timely Comments - Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadline for such comments	100	100
15	Grant Awards - Percent of local grants awarded to local governments within two months of receiving an application	90	100
16	Land Use Appeals - Percent of agency appeal of local land use decisions that were upheld by LUBA and the courts	100	100
17	Customer Service - Percent of customers rating their satisfaction with the agency's services as good or excellent	83	73
18	Task Review - Percent of periodic review work tasks under review at DLCD for no longer than four months	95	100
19	Best Practices - percent of Best Practices met by the board (LCDC)	100	100

### III. Looking to the Future

The following list of short-term and long-term issues, some mentioned previously in this report, are among those the department believes merit consideration and discussion:

#### **Land Supply and Sustainable Economic Development**

Improve the capacity of local and state government to evaluate the infrastructure required for future development, along with methods for financing public facilities and infrastructure. Develop new tools for managing urban growth to promote timely, orderly and efficient development. Promote area-wide approaches to planning for employment lands. Ensure that planning for economic development is a top priority for planning grants to local governments.

#### **Streamline the Land Use Program**

LCDC made major strides in this regard with two rounds of rulemaking concerning the standards and process for review of UGBs in the past five years. However it has been 20 years since the fundamental statutory and goal provisions for UGB management were adopted. At present, UGB amendments often take too long to complete, and are too expensive for the system to be clearly understood by citizens and sustainable for the long term. After consultation with diverse stakeholders, the department is introducing a legislative package to the 2013 session that will improve population forecasting for cities and counties, streamline urban growth boundary procedures and encourage UGB infrastructure efficiency.

#### **Continue to Work with Communities to Adapt to the Effects of Climate Change**

Through the Oregon Climate Change Research Institute (OCCRI), we obtained data that indicated how temperature and precipitation are projected to affect particular areas of the state. These climatic changes may drive effects to our

natural and human environments in terms of water supply, energy use, fire, flooding, landslides, crops, timber and crop management, road location and public health.

#### **Reduction of Greenhouse Gas Emissions from Autos**

The 2009 and 2010 legislatures gave the department and ODOT important responsibilities to begin planning to reduce greenhouse gas emissions from automobiles. The department has met the directive from HB 2001 (2009)—setting a target for the Portland Metropolitan area for the reduction of greenhouse gas emissions from light vehicles for the year 2035. The department continues to work with the Portland Metro area to develop at least two land use scenarios that portray how the Metro region could meet these targets. In the coming biennium work will continue with other large metropolitan areas in the state to develop greenhouse reduction scenarios.

#### **Farm and Forest Lands**

Protection of farm and forest lands especially for commercial production is an ongoing long-term strategic goal for the program. Short-term objective seeks improvement of the monitoring and evaluation of how areas of the state are performing in terms of conversion of farm and forest uses to non-resource uses. Actions that support this objective include significant improvement in data gathering and analysis internally through the IMMI program, increasing partnerships with sister state agencies, particularly the Department of Forestry, and participation in a pilot program in southern Oregon that investigates a regionally-specific

alternative to protect farm and forest land and potentially designate new non-resource lands.

**Implement Information Management Modernization Initiative (IMMI) and Improve Services to Local Governments and Stakeholders**

The department will continue this major initiative which intends to increase the department's capacity to create, store, analyze and distribute key data for local and state land use policy development. This implementation will include collaboration with local governments, other state agencies and university partners in the sharing of data and tools for distribution of information.

**Coordinate Hazard Mitigation Planning**

The department has been awarded a Continuing Technical Partner grant by the Federal Emergency Management Agency (FEMA) to develop the state strategy for identifying, assessing and communicating information about natural hazards. The five-year project is called RiskMap (mapping assessment and planning). It combines floodplain hazard mapping, risk assessment tools and mitigation planning into one seamless program. Mapping hazards and sharing information with agencies and local jurisdictions will be of increasing importance in relation to the pace of climate change.

## DLCD Divisions and Offices

### Organization

DLCD is organized into four divisions:

**The Community Services Division**, Rob Hallyburton, Manager – is composed of regional representatives who assist local governments in the implementation of the statewide land use planning program by providing technical and educational assistance to local government planners and officials, the general public and interest groups. The division also provides financial assistance to urban and rural communities.

**The Planning Services Division**, Matt Crall, Manager – provides specialized technical assistance and policy consultation to DLCD’s regional representatives serving local governments and citizens. The division includes the Transportation and Growth Management (TGM) Program and specialists in urban development, farm and forest land protection, mineral and aggregate resources, economic development, natural resource management and floodplain management.

**The Ocean and Coastal Services Division**, Patty Snow, Manager – works with coastal cities, counties and state and federal agencies to administer Oregon’s federally approved Coastal Management Program, which emphasizes conservation of estuaries, shorelands, beaches and dunes and ocean resources. The division provides financial and planning assistance to local governments, implements a coastal hazards and assessment program, supports the Oregon Ocean Policy Advisory Council (OPAC), maintains an online Oregon Coastal Atlas and has authority under federal law to review federal programs and activities for consistency with Oregon’s federally approved coastal program standards.

**The Administrative Services Division**, Teddy Leland, Manager – provides services in the following areas: budget, accounting, purchasing, payroll, safety, space and facility management, mail distribution, information systems, landowner notification, agency policy and procedure development, inventory and property control and reception. The Director's Office, Jim Rue, Director and Carrie MacLaren, Deputy Director, provide support for the Land Conservation and Development Commission (LCDC), overall direction for the department, human resource and budget and policy development.

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### Location

The department is based in Salem but has field staff in other areas of the state:

#### Salem (Main Office)

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#### Portland Regional Solutions Center

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## Summary of Oregon’s Statewide Planning Goals

**CITIZEN INVOLVEMENT, Goal 1** calls for “the opportunity for citizens to be involved in all phases of the planning process.” It requires each city and county to have a citizen involvement program containing six components specified in the goal. It also requires local governments to have a committee for citizen involvement (CCI) to monitor and encourage public participation in planning.

**LAND USE PLANNING, Goal 2** outlines the basic procedures of Oregon’s statewide planning program. It says that land use decisions are to be made in accordance with a comprehensive plan, and that suitable “implementation ordinances” to put the plan’s policies into effect must be adopted. It requires that plans be based on “factual information”; that local plans and ordinances be coordinated with those of other jurisdictions and agencies; and that plans be reviewed periodically and amended as needed. Goal 2 also contains standards for taking exceptions to statewide goals. An exception may be taken when a statewide goal cannot or should not be applied to a particular area or situation.

**AGRICULTURAL LANDS, Goal 3** defines “agricultural lands.” It then requires counties to inventory such lands and to “preserve and maintain” them through farm zoning. Details on the uses allowed in farm zones are found in ORS Chapter 215 and in Oregon Administrative Rules, Chapter 660, division 33.

**FOREST LANDS, Goal 4** this goal defines forest lands and requires counties to inventory them and adopt policies and ordinances that will “conserve forest lands for forest uses.”

**OPEN SPACES, SCENIC AND HISTORIC AREAS AND NATURAL RESOURCES, Goal 5** covers more than a dozen natural and cultural resources such as wildlife habitats and

wetlands. It establishes a process for each resource to be inventoried and evaluated. If a resource or site is found to be significant, a local government has three policy choices: preserve the resource; allow proposed uses that conflict with it; or strike some sort of a balance between the resource and the uses that would conflict with it.

**AIR, WATER AND LAND RESOURCES QUALITY, Goal 6** This goal requires local comprehensive plans and implementing measures to be consistent with state and federal regulations on matters such as groundwater pollution.

**AREAS SUBJECT TO NATURAL DISASTERS AND HAZARDS, Goal 7** deals with development in places subject to natural hazards such as floods or landslides. It requires that jurisdictions apply “appropriate safeguards” (floodplain zoning, for example) when planning for development.

**RECREATION NEEDS Goal, 8** calls for each community to evaluate its areas and facilities for recreation and develop plans to deal with the projected demand for them. It also sets forth detailed standards for expedited siting of destination resorts.

**ECONOMY OF THE STATE, Goal 9,** calls for diversification and improvement of the economy. It asks communities to inventory commercial and industrial lands, project future needs for such lands and plan and zone enough land to meet those needs.

**HOUSING, Goal 10,** specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs

for such lands and plan and zone enough buildable land to meet those needs. It also prohibits local plans from discriminating against needed housing types.

**PUBLIC FACILITIES AND SERVICES,**

**Goal 11**, calls for efficient planning of public services such as sewers, water, law enforcement and fire protection. The goal’s central concept is that public services should be planned in accordance with a community’s needs and capacities rather than be forced to respond to development as it occurs.

**TRANSPORTATION, Goal 12**, aims to provide “a safe, convenient and economic transportation system.” It asks for communities to address the needs of the “transportation disadvantaged.”

**ENERGY, Goal 13**, declares that “land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles.”

**URBANIZATION, Goal 14**, requires cities to estimate future growth and needs for land and then plan and zone enough land to meet those needs. It calls for each city to establish an “urban growth boundary” (UGB) to “identify and separate urbanizable land from rural land.” It specifies seven factors that must be considered in drawing up a UGB. It also lists four criteria to be applied when undeveloped land within a UGB is to be converted to urban uses.

**WILLAMETTE GREENWAY, Goal 15**, sets procedures for administering the 300 miles of greenway that protects the Willamette River.

**ESTUARINE RESOURCES, Goal 16**, requires local governments to classify Oregon’s 22 major estuaries in four categories: natural; conservation; shallow-draft development; and deep-draft development. It then describes types of land uses and activities that are permissible in those “management units.”

**COASTAL SHORELANDS, Goal 17**, defines a planning area bounded by the ocean beaches on the west and the coast highway (State Route 101) on the east. It specifies how certain types of land and resources there are to be managed (major marshes, for example) are to be protected. Sites best suited for unique coastal land uses (port facilities, for example) are reserved for “water-dependent” or “water related” uses.

**BEACHES AND DUNES, Goal 18**, sets planning standards for development on various types of dunes. It prohibits residential development on beaches and active foredunes, but allows some other types of development if they meet key criteria. The goal also deals with dune grading, groundwater drawdown in dunal aquifers and the breaching of foredunes.

**OCEAN RESOURCES, Goal 19**, aims “to conserve the long-term values, benefits and natural resources of the nearshore ocean and the continental shelf.” It deals with matters such as dumping of dredge spoils and discharging of waste products into the open sea. Goal 19’s main requirements are for state agencies rather than cities and counties.

## Jurisdictions Receiving DLCD Grants, 2011-13

Grant distribution and technical assistance

