



# Oregon

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TO: Land Conservation and Development Commission  
FROM: Teddy Leland, Operations Services Division Manager  
SUBJECT: **Agenda Item 11, April 21-23, 2010, LCDC Meeting**

## **PRELIMINARY INFORMATION CONCERNING 2011-13 POLICY OPTION PACKAGES**

### **I. AGENDA ITEM SUMMARY**

By June 30, 2010, the department must submit to the Governor's Office and the state Department of Administrative Services proposed 2011-13 proposed Policy Option Packages (POPS). POPS are requests for additional funding or expenditure authority to carry out new or revised programs. Agencies develop policy packages for a variety of reasons, including: formation of new, or expansion of existing programs; and implementation of federal or other new sources of funds for programs.

This item is intended to begin the discussion of policy option packages and includes preliminary opportunity for commission review of the 2011-13 proposed POPS. Based on this preliminary discussion, the department will prepare more detailed descriptions of each proposal for commission review and approval at the June meeting.

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

### **II. BRIEF DESCRIPTION OF PROPOSED POLICY OPTION PACKAGES**

State agency policy package final numbers must be prepared, along with a budgetary audit due to the Department of Administrative Services (DAS) Budget and Management Division by June 30, 2010. If proposed legislative concepts have fiscal implications, DAS also requires a companion package in the department's budget request to address the legislative concepts.

#### **A. Sustainable Communities Initiative**

The department is proposing four related policy option packages under the single umbrella of the Sustainability Initiatives. These policy option packages are designed to position the department

to play an active role in carrying out several policy objectives that are linked by the common theme of working with cities and counties to create sustainable communities. The concept of sustainability encompasses a variety of facets, many of which are addressed or influenced by the statewide land use planning program. Each of the packages is described in more detail below.

***Policy Package: Risk MAP.*** The former, fixed-duration Federal Emergency Management Agency (FEMA) “Map Modernization” program has been replaced by FEMA with an ongoing program called “Risk Mapping and Assessment (Risk MAP).” This policy package proposes converting the department’s limited-duration Map Modernization position to a permanent position to implement to the Risk MAP program. This program is intended to complete and expand upon the work started under Map Modernization by combining flood hazard mapping, risk assessment, and mitigation planning into one seamless program.

Total cost for this package is indeterminate, pending additional information. It is anticipated that this program will be funded with Federal Funds.

***Policy Package: Natural Hazards Planning.*** This package addresses the need for providing a sustained level of funding for administration of the National Flood Insurance Program (NFIP) and broader implementation of Goal 7, “Areas Subject to Natural Hazards.” The ongoing Community Assistance Program grants from FEMA have not kept up with inflation and no longer adequately cover the cost of implementing the NFIP. Since funding for the existing natural hazards planning specialist position is for NFIP administration only, there has been little hazards planning effort beyond NFIP administration. This policy package proposes adding additional capacity for hazard planning within the department.

Total cost and funding type for this package is indeterminate pending additional information.

***Policy Package: Public Facilities Planning Specialist.*** This request is for one new position to be the department’s specialist on planning for and financing of public facility infrastructure. Effective planning for and adequate financing of public facilities and services has proven to be a significant issue relative to the ability for cities to manage growth. The principal duties of the requested position would involve being: (1) the state’s expert on public facility planning policy and practice under Statewide Planning Goal 11, (2) the department’s expert on infrastructure financing, (3) the department’s liaison with the Infrastructure Financing Authority Board, and (4) a technical resource to local governments on public facility planning and financing strategies.

Total cost and funding type for this package is indeterminate pending additional information.

***Policy Package: Grants.*** This package addresses Oregon’s need for a significant increase in its investment in land use planning by cities and counties. Local governments

recognize that up-to-date comprehensive plans and land use regulations are essential to prepare for and realize emerging development opportunities. Grant resources currently meet less than half of the demand for land use planning assistance. As the state seeks to partner with local governments in planning for sustainability in terms of our collective economic, environmental and social futures, it needs to match its interests with a willingness to invest resources along with complimentary local support.

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

The likely amount of this policy package is: \$3 million, General Fund.

#### **B. Other Agency and State Priorities**

The remaining policy packages stem from specific direction from the February 2010 Legislative Session or are related to legislative concepts that the department is pursuing.

***Policy Package: Greenhouse Gas Emissions.*** The 2010 Legislature through Senate Bill 1059 (2010) has charged the department and the Oregon Transportation Commission (OTC) to adopt a statewide transportation strategy on greenhouse gas emissions to aid in achieving emission reduction goals in ORS 468A.205. The measure also requires the Department of Transportation and the department to develop a toolkit to assist local governments in developing and executing actions to reduce greenhouse gas emissions; educate the public about this need; and directs certain local governments to consider whether immediate action can be taken to reduce greenhouse gas emissions.

This policy package continues the outreach efforts outlined in Senate Bill 1059. The revenue source for the \$307,151 identified in the fiscal impact for 2011-13 will need to be identified.

***Policy Package: Soils Analyses.*** The 2010 Legislature through House Bill 3647 (2010) has charged the department to arrange for soil assessments by professional soil classifiers when requested by property owners or others, in certain land use actions. The measure requires the department to review the assessment, and charge and collect a fee from the person requesting the assessment in an amount intended to recover costs of obtaining the assessment and administering the program. The soils assessment process becomes operative on October 1, 2011. The measure requires the department to prepare a policy package to request funding to implement HB 3647.

Total cost for this package is indeterminate pending additional information. Sources of funds will be Other Funds.

***Policy Package: Climate Change.*** This policy package is a companion package to a legislative concept discussed and approved at the March 17-19, 2010, LCDC meeting.

The department is discussing climate change adaptation with a large group of agencies. The governor has suggested that agencies coordinate climate adaptation budget and legislative requests for the 2011 legislative session. Agencies are continuing to meet, and one possible outcome is a coordinated budget and/or legislative request from agencies advancing a statewide Climate Change Adaptation Framework. At the time of this report, it is unknown whether the coordinated request would include DLCD, to carry or participate in proposed legislation. Given this uncertainty, the department may propose a “placeholder” for such legislative concepts, in the event agencies in this workgroup propose concepts that concern DLCD.

This package supports the legislative concept described above. Total cost for this package is indeterminate pending additional information. It is anticipated that this program will be General Fund.

In summary, the department proposes further refinement of the policy packages described above. Fiscal impacts and clarifications on purpose may occur as a result of the conversation with the commission. Final dollar amounts and position classifications/FTE will be determined in the next phase of policy package development and be presented at the June 2010 LCDC meeting.

### **III. RECOMMENDATION**

The department asks that the commission provide advice to the department on these proposals. The department will report on the proposals again at the June commission meeting, prior to submission of the proposals to the state Department of Administrative Services and the Governor's office.