



REGIONAL SOLUTIONS OFFICE
GOVERNOR KATE BROWN

Central Oregon Regional Solutions Advisory Committee

Representing Crook, Deschutes, and Jefferson Counties

AGENDA

Thursday February 16th, 2017

9:00 am – noon

Wille Hall
Central Oregon Community College
2600 NW College Way
Bend, OR

Call in: 1-888-557-8511

Participant code: 9470233

- I. Introductions
- II. Welcome new members, Mike Hollern, Governor's Convener
- III. Regional Solutions overview, Annette Liebe, Regional Solutions Director/Coordinator
- IV. Overview of Governor Brown's Recommended Budget for Economic Development, Regional Solutions Priority Project Funding– Annette Liebe, Regional Solutions Director/Coordinator
- V. Creative Economy Action Plan – stakeholder feedback and recommended next steps – Mike Hollern, Convener and Annette Liebe (attachment)
- VI. Forestry Panel: Forest land management trends, opportunities and challenges.
 - Damon Runburg, Oregon Employment Department
 - Chad Davis, Oregon Department of Forestry (via conference call)
 - John Allen, Deschutes National Forest
 - Bruce Daucsavage, Ochoco Lumber
 - Craig Bienz, the Nature Conservancy
 - Alan Unger, former Deschutes County Commissioner

- VII. Southern Oregon regional land use pilot project and resource lands work in Deschutes County
- Jim Rue, Director Department of Land Conservation and Development, Jon Jinings, Resource Lands Specialist (DLCD)
 - Nick Lelack, Planning Director Deschutes County
- VIII. Public Comment
- IX. 2017 meeting schedule
Proposed dates:
April 24, 10:00 am – noon
August 10, 10:00 am – noon
October 19, 10:00 am - noon

Adjourn

The meeting location is accessible to persons with disabilities. To request an interpreter for the hearing impaired or for other accommodations for persons with disabilities, please make requests at least 48 hours before the meeting to Lisa Howard at 503-378-6502; at Lisa.Howard@Oregon.gov; or by TTY: Oregon Relay Services at 1-800-735-2900

REGIONAL SOLUTIONS: AN OVERVIEW

STATE OF OREGON

REGIONAL SOLUTIONS PROGRAM

WWW.REGIONALSOLUTIONS.OREGON.GOV



Governor Kate Brown

Key Priorities:

- Expand opportunities for all Oregonians to thrive
- Support sustained economic growth statewide



Regional Solutions Program: *Purpose*

Align state resources (capacity, info and funding) to support economic and community development that:

- Promotes, expands or prevents the decline of industries and businesses;
- Creates jobs or prevents the loss of jobs; and
- Improves the economy

Coordinate State Action

Solve Problems

Regional Solutions Program:

Regions – Committees – Teams – Centers

Regions are strategically aligned with the 11 federally designated economic development districts in Oregon

Valley North Coast

- North Coast Region
- Mid-Valley Region
- South Valley/Mid Coast Region

Southern Oregon

- South Coast Region
- Southern Oregon Region

Metro

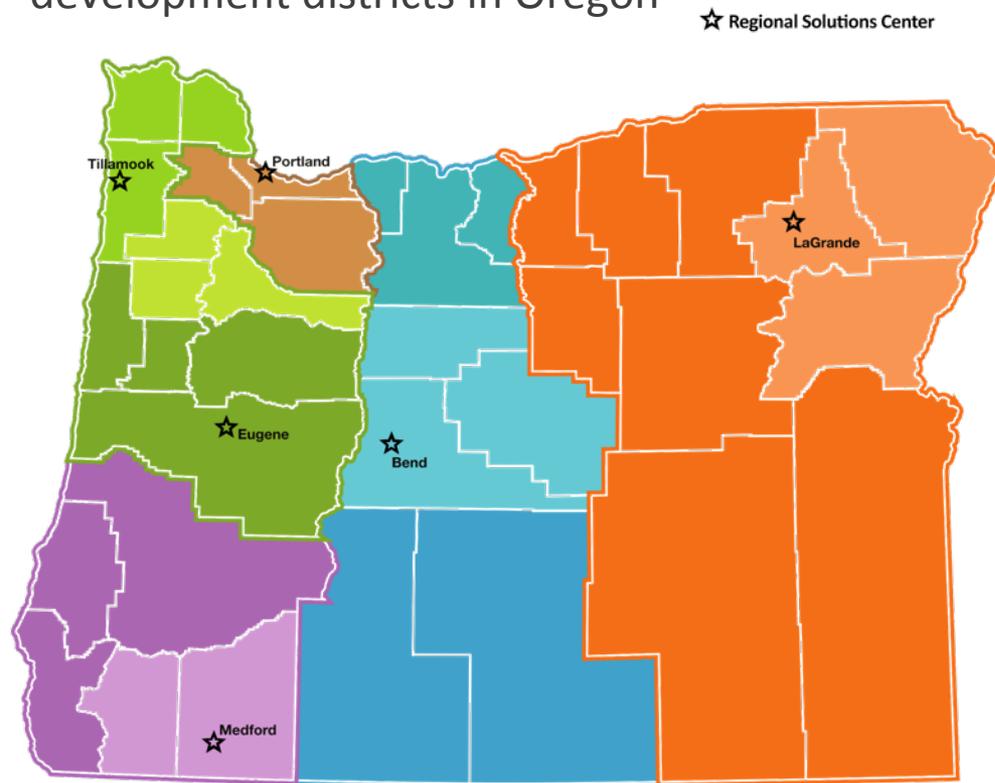
- Metro Region

Central Oregon

- Central Region
- North Central Region
- South Central Region

Eastern Oregon

- Greater Eastern Oregon Region
- Northeast Oregon Region



Regional Solutions Program:

*Regions – **Committees** – Teams – Centers*

Five key members appointed by the governor:

1. Convener
2. Private Sector Representative
3. Philanthropic Representative
4. A member recommended by AOC
5. A member recommended by LOC

Additional members added by these appointees.

Regional Solutions Program:

*Regions – **Committees** - Teams – Centers*

The role of the committees is to...

1. Establish Regional priorities for community and economic development in the region;
2. Assist Regional Solutions coordinators and teams with connecting to local resources; and
3. Consider, review, and recommend regional implementation project proposals.

Central Oregon Priorities

HIGH FOCUS PRIORITIES:

The committee, coordinator and team will actively engage in seeking solutions and projects that contribute to successful outcomes for the priority.

Establish a four year university (OSU Cascades)

Retain and Grow Jobs

Ensure the region has land and infrastructure available to retain/attract employers

Enhance Transit in Central Oregon (COIC led priority)

Support the Regional Creative Economy

Increase Work Force Housing:

Encourage Water conservation and restoration. Improve Water Availability

Central Oregon priorities

The committee, coordinator and team will monitor, engage and support as needed and requested. The coordinator/team will continue working with communities opportunistically to address these priorities and to serve as a catalyst for their successful accomplishment.

Improve Sewer Infrastructure

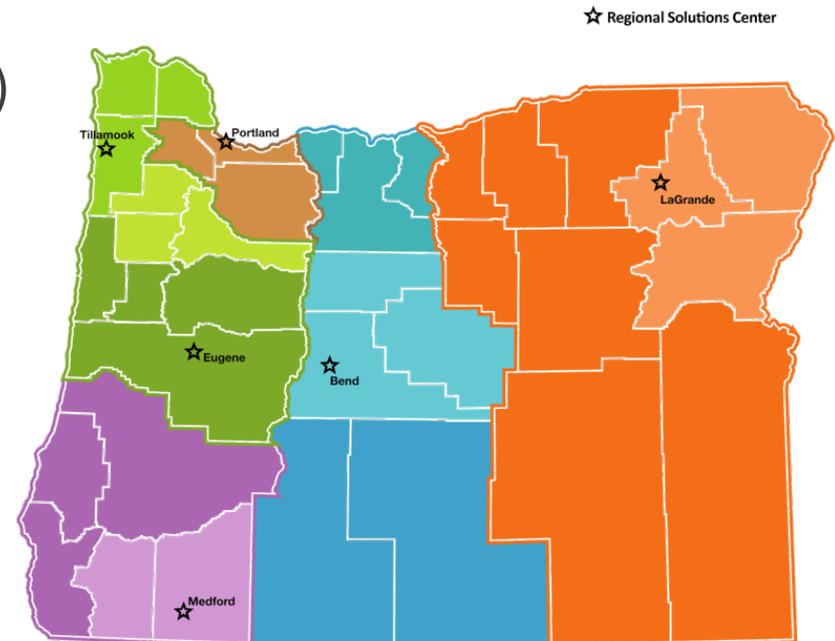
Support Regional Agriculture (COIC led priority)

Improve forest health

Regional Solutions Program:

*Regions – Committees - **Teams** – Centers*

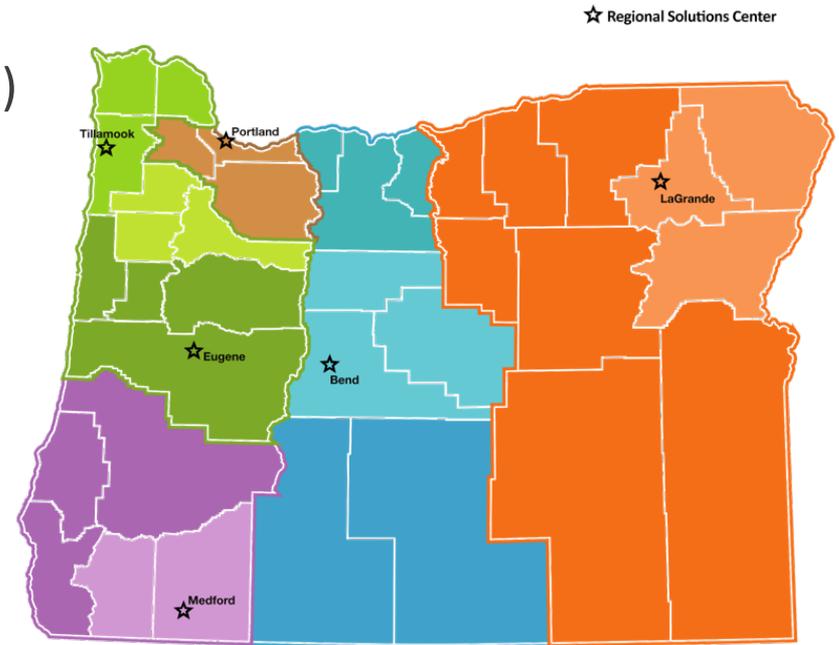
- 11 Regional Solutions Teams (RSTs)
- Each RST: Includes five core state agencies and a coordinator
- The **role** of the team is to make things happen!



Regional Solutions Program:

Regions – Committees - Teams – Centers

- 6 Regional Solutions Centers (RSCs)
- Home base for Regional Solutions Teams
- Co-location enhances ability to work together on projects
- One-stop shop for the public



Regional Solutions Program: *How can we help?*

- Elevate a project and involve the proper state agency staff
- Point of access for communities and project proponents in region
- Seek creative ways to make projects more efficient

Need more info?

www.regionalsolutions.oregon.gov



Key agency budget components that support economic and community development

A. Business Oregon

1. Regional Infrastructure Fund (\$11 M, HB 5025 & SB 5530)
 - Support Regional Solutions projects recommended by Regional Solutions Advisory Committees
2. Special Public Works Fund (\$50 M)
 - \$10 M dedicated to levees
3. Seismic Rehabilitation (\$200 M)
 - \$160 M – Schools
 - \$40 M – Emergency Services Buildings
4. Support for Innovation & Entrepreneurship
 - Rural Economic Development Initiative (\$1 M)
 - Regional Accelerator & Innovation Network – RAIN (\$500 K)
5. Oregon Inc. (\$17.5 M)
6. Portland Harbor Cleanup (\$10 M)
7. Small-Scale Energy Loan Program (\$2.7 M)

B. Department of Transportation

1. Connect Oregon (\$71 M), Lottery Backed Bonds
2. Immediate Opportunity Fund (\$7 M)

C. Water Resources Department

1. Grants for Water Conservation & Supply Projects and Feasibility Studies (\$32 M)
2. Increasing Capacity for Groundwater Studies (\$1.8 M)
3. Helping Communities Plan for Water Needs (\$204 K)

D. Other Agency Funds

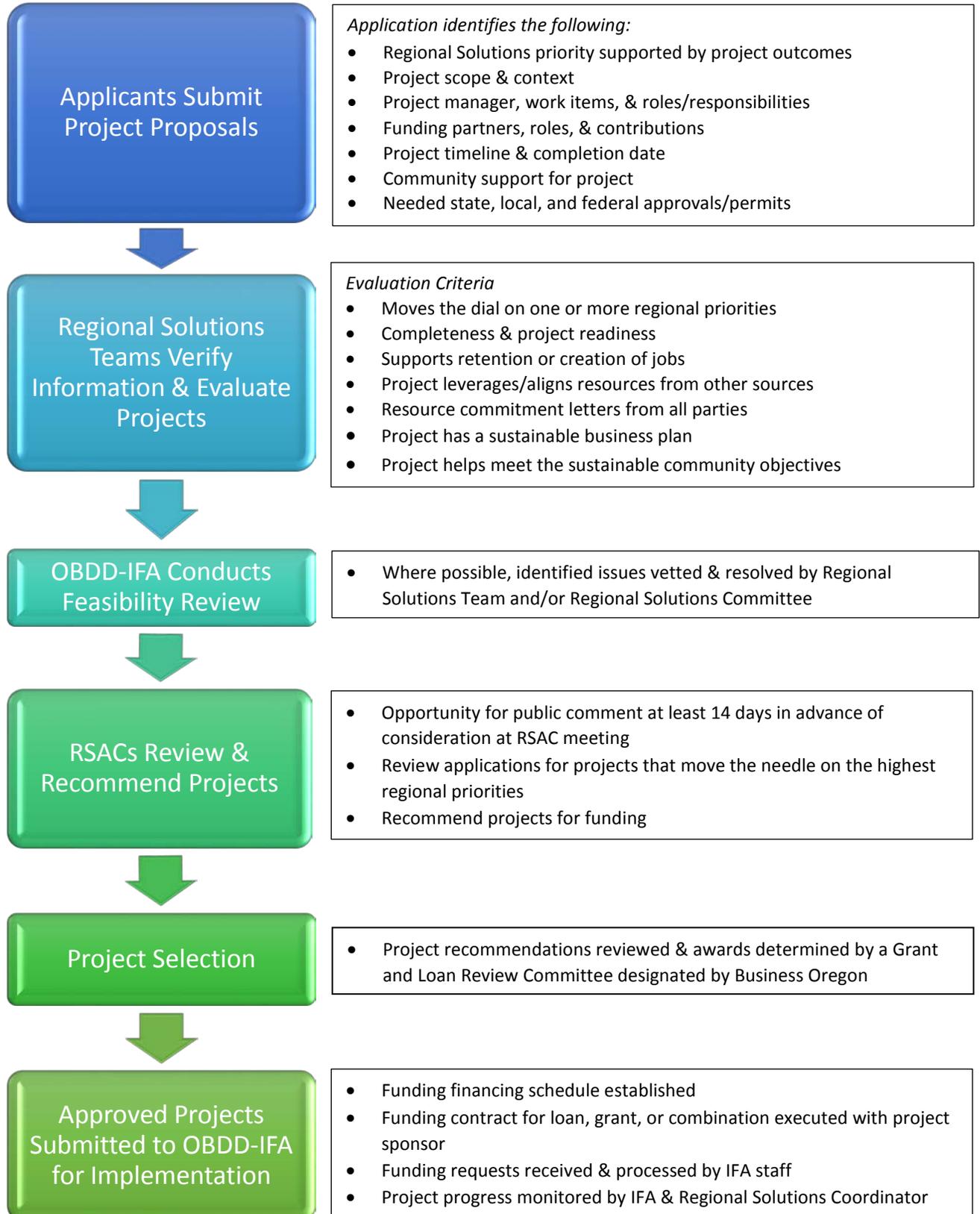
1. Oregon Department of Forestry - Restoring Federal Forest Lands, Creating Jobs (\$4.4 M)
2. Department of Environmental Quality - Clean Water State Revolving Fund (\$10 M)
3. Department of Land Conservation & Development - \$250 K to help communities plan for a Cascadia earthquake and tsunamis, and \$250 K for local grants for 5 community hazard mitigation plans.

REGIONAL SOLUTIONS PROGRAM

Regional Infrastructure Fund | 2017-19

Regional Implementation Projects Review Process

Minimum of 5% of funds assigned per each of 11 regions; remaining 45% competitively awarded based on designated criteria



MEMORANDUM

TO: Central Oregon Regional Solutions Committee

FROM: Annette Liebe

DATE: December 2, 2017

RE: Next Steps Creative Economy Action plan

I. Background

The Central Oregon Regional Solutions Advisory Committee identified supporting regional arts and culture as a priority because of the direct and indirect economic development benefits. Direct benefits are the number of people employed in the sector (artists, designers, musicians, actors, etc.). Indirect benefits include both the attraction of visitors from outside the region that spend money while they are in Central Oregon thereby supporting employment and, the value of a thriving arts and culture scene in retaining and attracting employers.

On October 25, 2016 Paul Nicholson presented nine recommendations for retaining and increasing jobs in the Central Oregon Creative Economy. The recommendations are:

1. Engage a top level firm to brand the region's arts and cultural vibrancy
2. Create a Region-wide Cultural Marketing Plan
3. Create and Fund a Central Oregon "Arts Guru"
4. Fund the creation of a centralized on-line system to give potential visitors one place to go to get information on all arts and culture events in the region
5. Set up and fund a Board Training Program for Nonprofits, focused on building capacity
6. Provide the seed money to allow the exploration of The Big Art Event
7. Invest in a video to promote the region's beauty and talent as a filming destination
8. Provide seed money to seriously explore the implications of a region-wide mural extravaganza
9. Support the creation of a Regional Arts and Culture Council

II. Summary of Feedback Received

Subsequent to the October 25th Committee meeting the report was sent to all those who were interviewed by Paul Nicholson, the Arts and Culture Alliance, Visit Bend, the Central Oregon Visitors Association and the funders. We asked these stakeholders to review the report and provide feedback on the recommendations including, who the most appropriate parties are to implement priority recommendations.

Here's what we heard:

- The Arts and Culture Alliance is the appropriate entity to serve as the regional arts organization.
- Branding and marketing are important and are part of the vision/mission of the Arts and Culture Alliance in partnership with others.
- The Arts and Culture Alliance leaders serve as the Arts "Guru"....or in other words, "we don't need an arts guru."

- A centralized on-line system that gives potential visitors one place to go to get information on all arts and culture events in the region is a good idea but is expensive to maintain. This could be integrated to the existing data base at Central Oregon Visitors Association.
- The “Big Art Event” or a region wide mural extravaganza need to be vetted better and will occur organically through a strong regional organization.
- Board training is already provided by the Non Profit Association of Oregon.
- Recommendations should speak to creating space for artists to work/live.
- Some provided feedback that there were key components of the “sector” missing (e.g. culinary, literary arts, etc.) or that the data was incomplete.
- State video office is already responsible for marketing filming destinations and should be low priority.

III. Recommended priorities/next steps:

- Strengthening the Arts and Culture Alliance is the critical next step. To that end, the funders of the Creative Economy Action Plan project have agreed to contribute remaining project funds (approx. \$3300) to help with the ACA’s strategic planning process. Ideally the ACA will be able to update their existing strategic plan and develop a business plan. This could lay the foundation for the ACA to hire staff. They currently have part time administrative staff.
- Branding and marketing are priorities for the ACA; we will work to find resources to assist.
- Support greater collaboration among the tourism and arts and culture leaders.
- Work with the ACA to explore funding and partnerships for the online tool.

Chad Davis

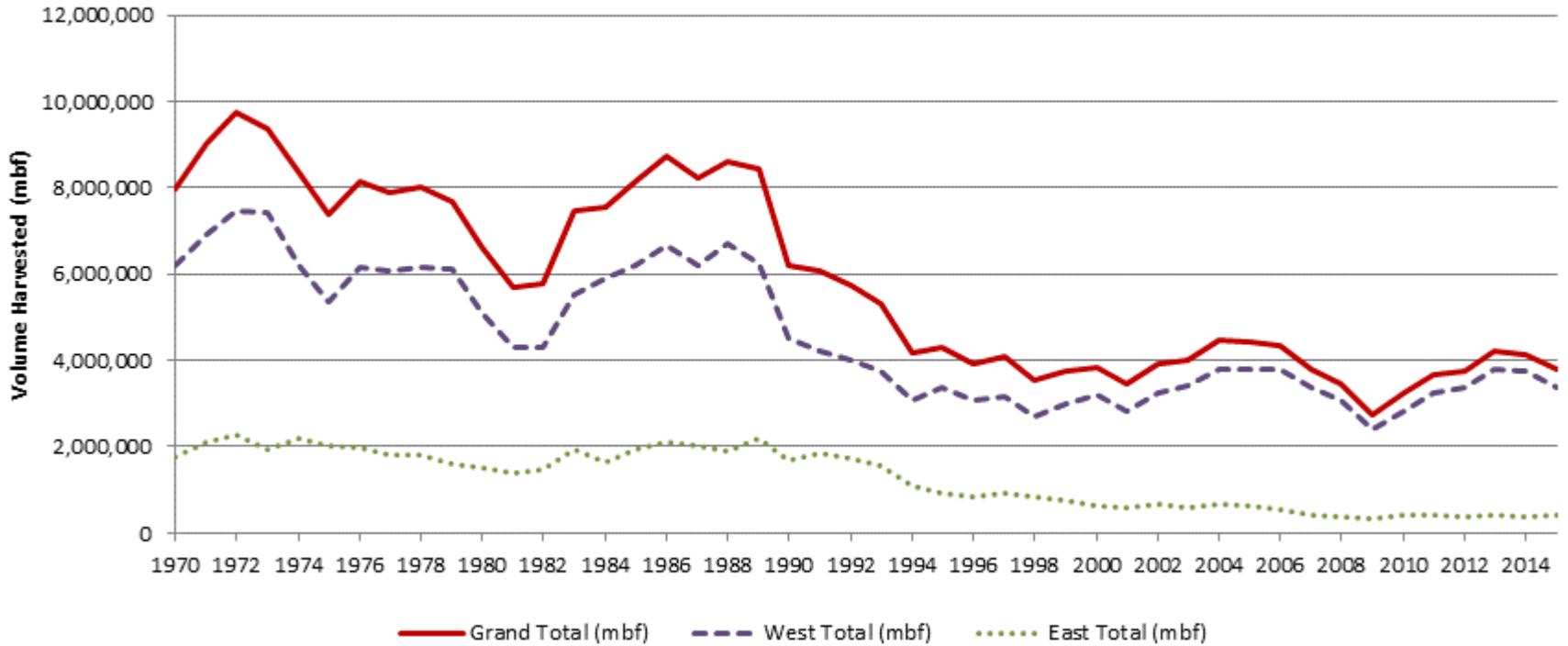
OREGON DEPARTMENT OF FORESTRY

PARTNERSHIP & PLANNING PROGRAM DIRECTOR

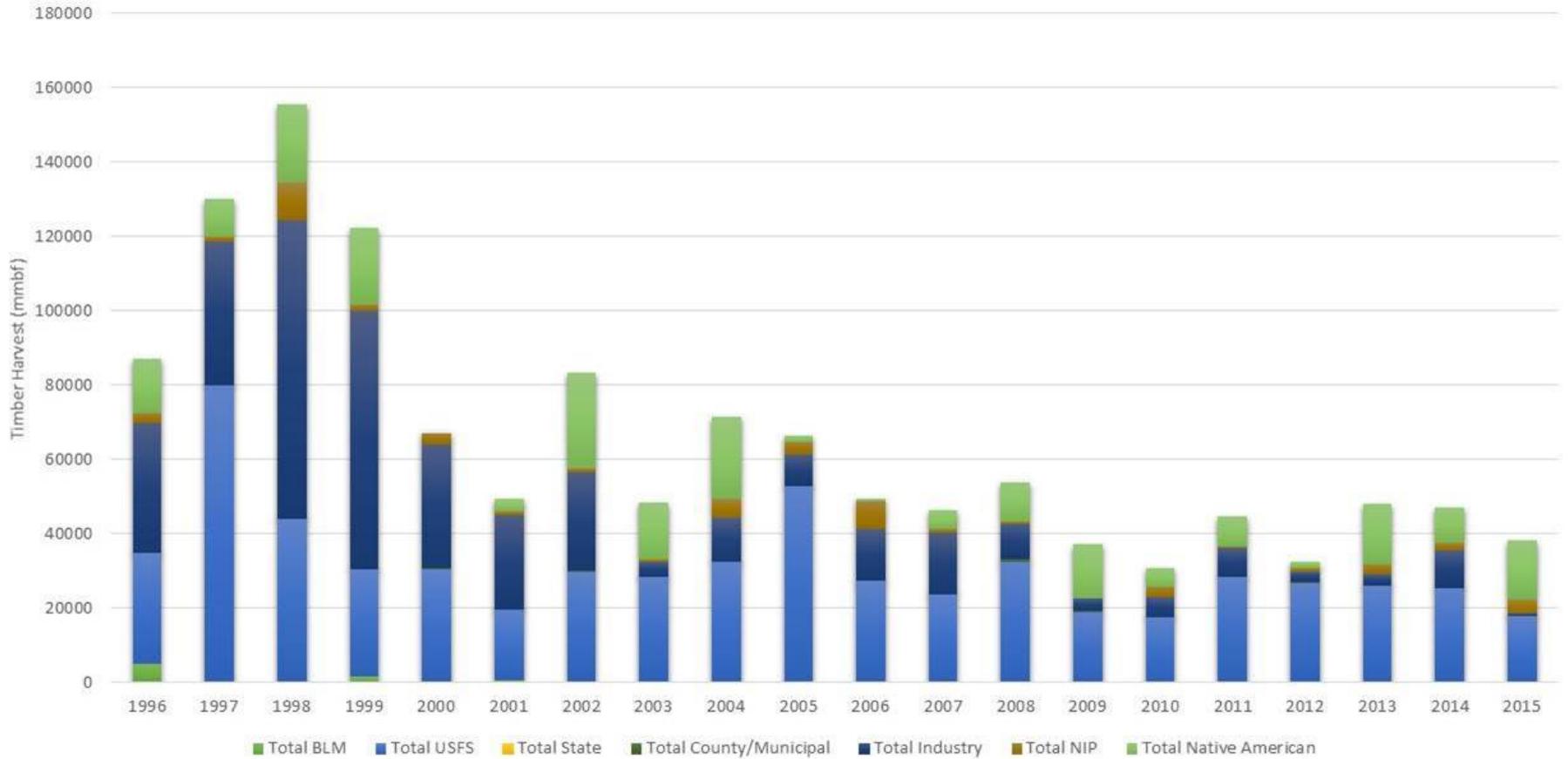


All Oregon Timber Harvest

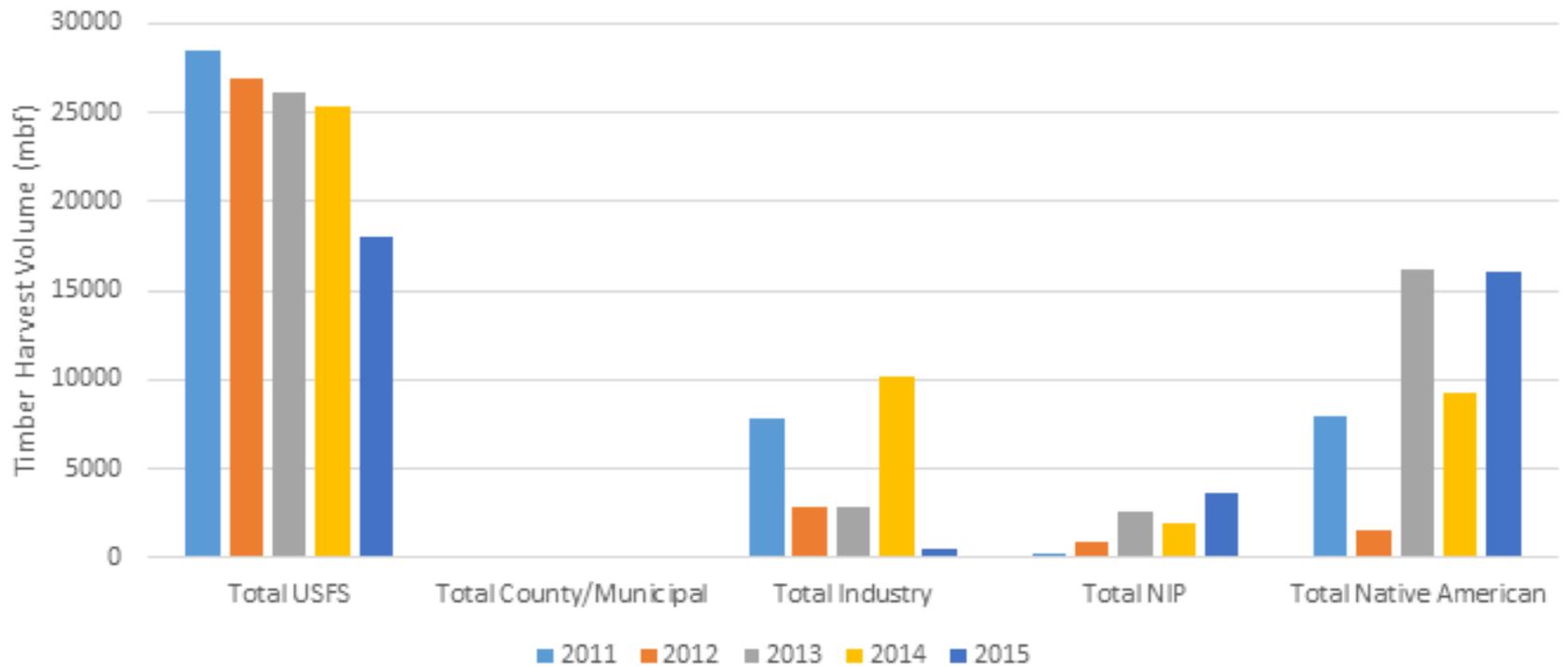
1970-2015



Timber Harvest for Crook, Deschutes, and Jefferson Counties 1996-2015



Timber Harvest for Crook, Deschutes, and Jefferson Counties by Ownership, 2011-2015



Federal Forest Restoration (FFR)

- 2009 Federal Forest Advisory Committee Report
 - Called for State action, including state funds
 - Identified collaboration as a path forward
- 2012 FFAC Subcommittee
 - Scopes out State funding package
 - Co-funded Forest Restoration Economic Analysis



FFR: Case for state investment

- Much of eastern Oregon forests & watersheds at elevated risk for uncharacteristic fire
- Unemployment in our rural communities impacts the State budget
- Every \$1 million investment in restoration returns \$5.7 million to local/state economies

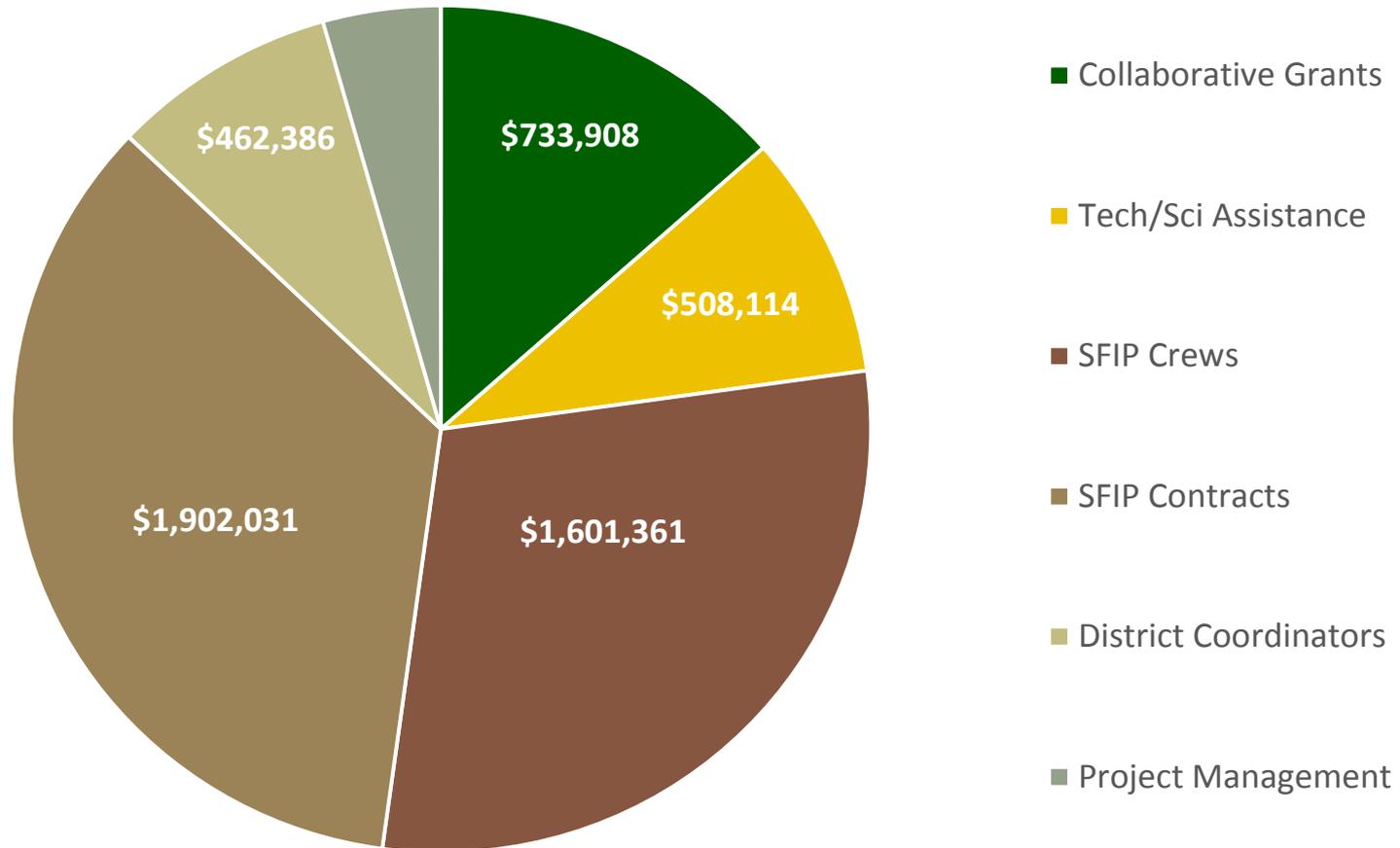


FFR: Budget history

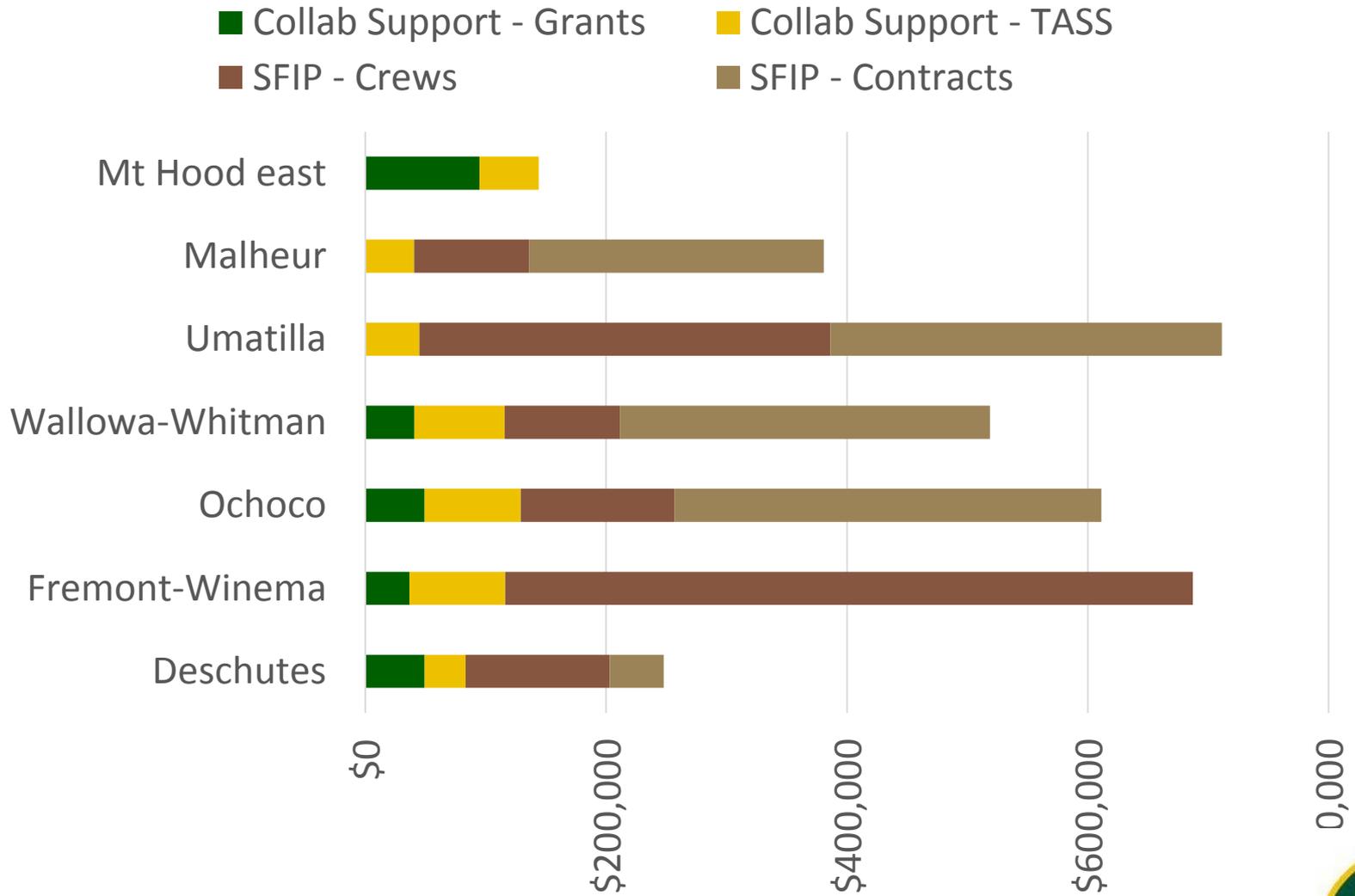
- Prioritized in Gov Kitzhaber's '13-15 budget
 - \$2.88 million in ODFs budget (one-time, LF)
- ODF “carried” in ‘15-17 and ‘17-19 budgets
 - ‘15-17 biennium: \$5.0 million
 - GRB ‘17-19: \$4.4 million
 - *Permanent into ODF base budget*
 - *Plus \$1.5 million in FF/OF limitation*



FFR Committed Funds, 2015-17



FFR Committed Funds, Eastside NFs



FFR: Results

- 14% increase in timber harvest from federal lands in eastern Oregon
- 16% increase in restoration-related jobs in eastern Oregon (2009-2011 vs. 2012-2014)
- State investments specifically supported 19 jobs and \$2.1 million in economic activity



FFR: Next phase

- Good Neighbor Authority (2014 Farm Bill)
 - Allows the State to act as an agent of the Secretary to implement work on federal forests
- Three project-level agreements signed to date
- Paddock Butte in design stage
 - ODF will implement Federal timber sale & use revenue to “finish” restoration treatments



Agricultural Lands in Deschutes County 1968-2017



CENTRAL OREGON REGIONAL SOLUTIONS

Agenda

1. EFU Tour
2. Pre-Statewide Planning
3. Compliance with Statewide Planning Goal 3 Agriculture (1979)
4. Compliance Challenge (1992)
5. Commercial Farm Study (1992)
6. Measure 37/49 (2005-2011)
7. Comprehensive Plan Update (2009-2011)
8. Big Look Bill, Pilot Project, Agricultural Lands Public Outreach
9. EFU Benefits & Challenges

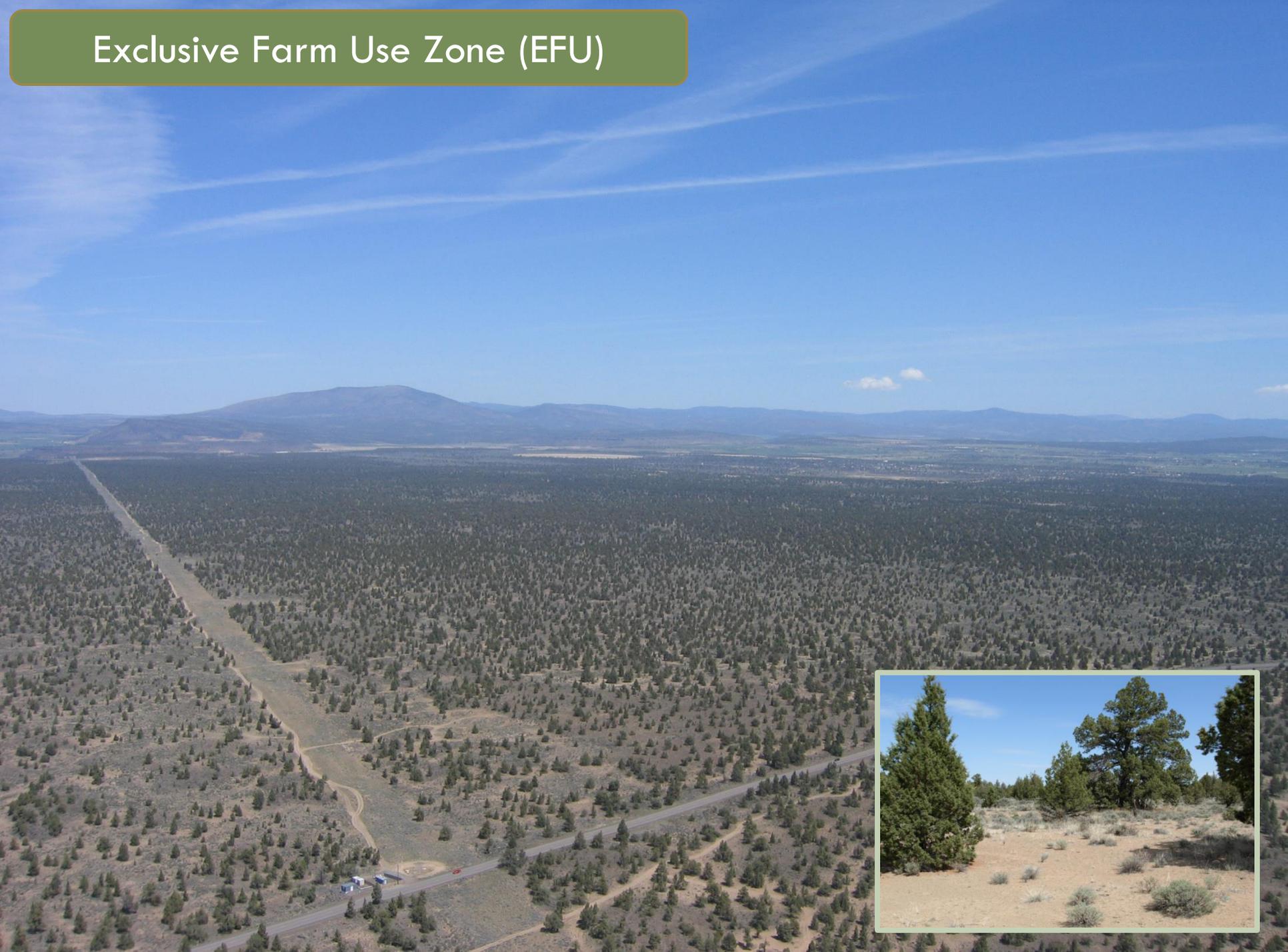


**Report of Deschutes County
Long-Range Planning Conference
for 1968**

Exclusive Farm Use Zone (EFU)



Exclusive Farm Use Zone (EFU)



Exclusive Farm Use Zone (EFU)



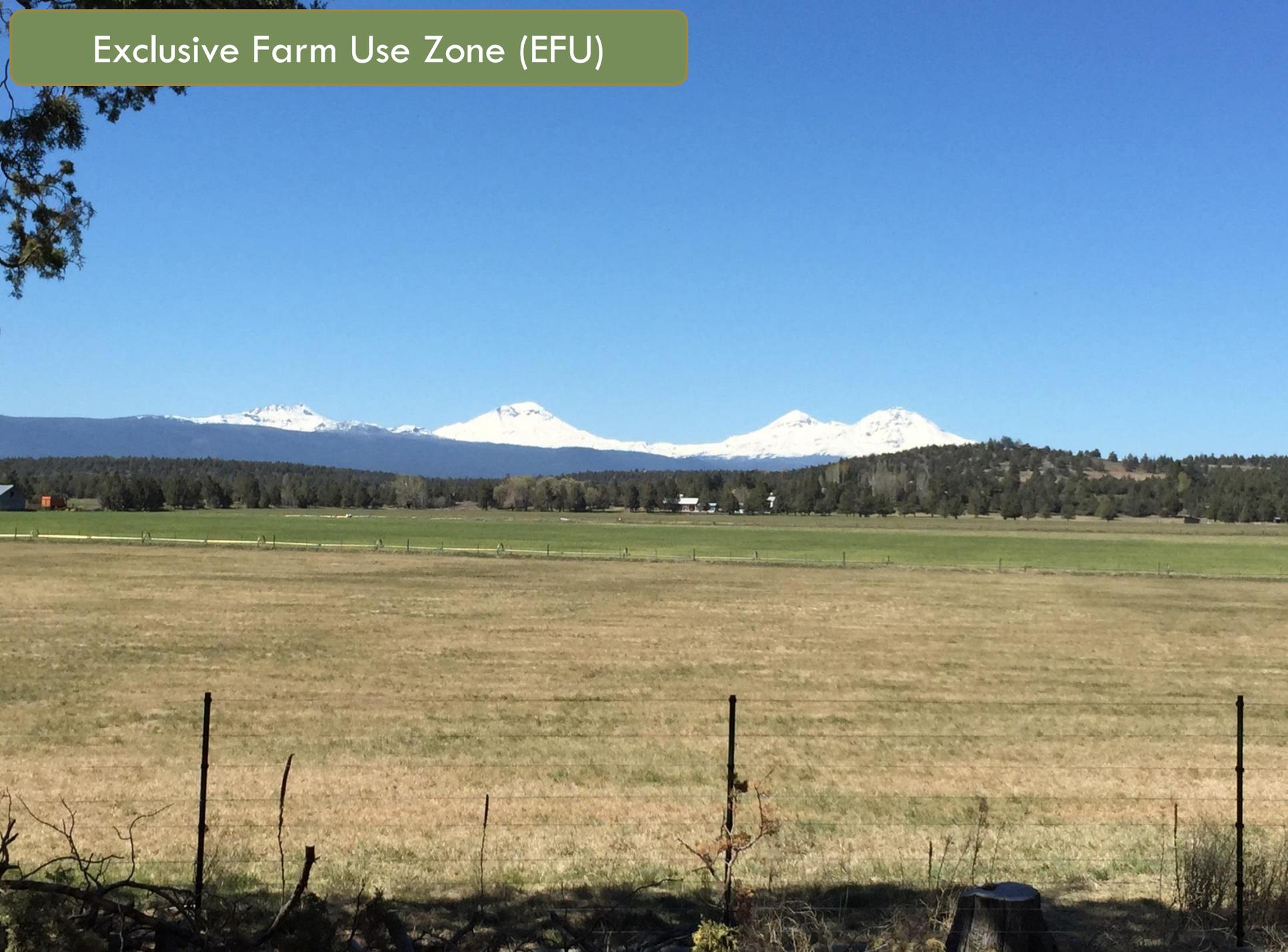
Exclusive Farm Use Zone (EFU)



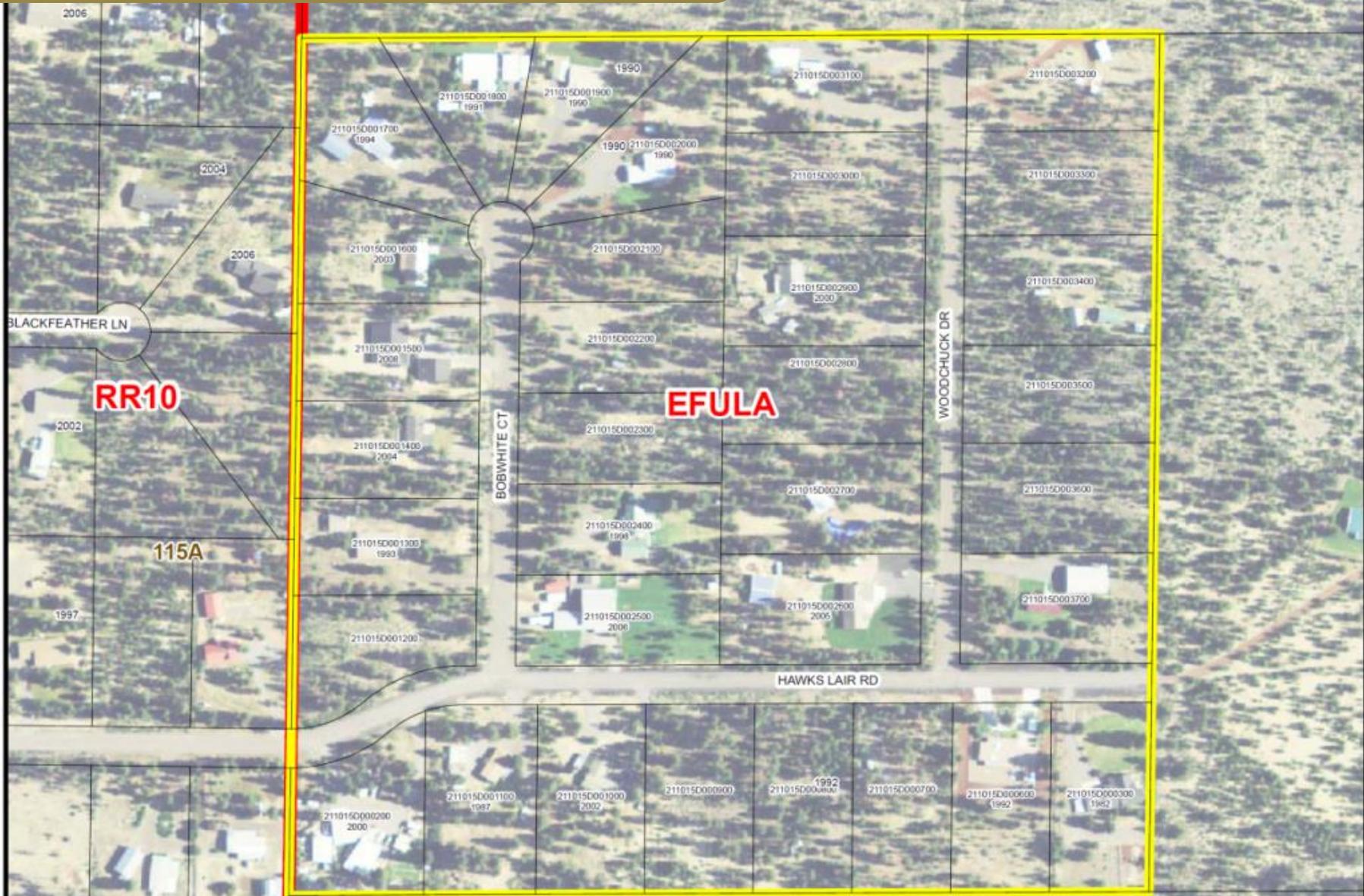
Exclusive Farm Use Zone (EFU)



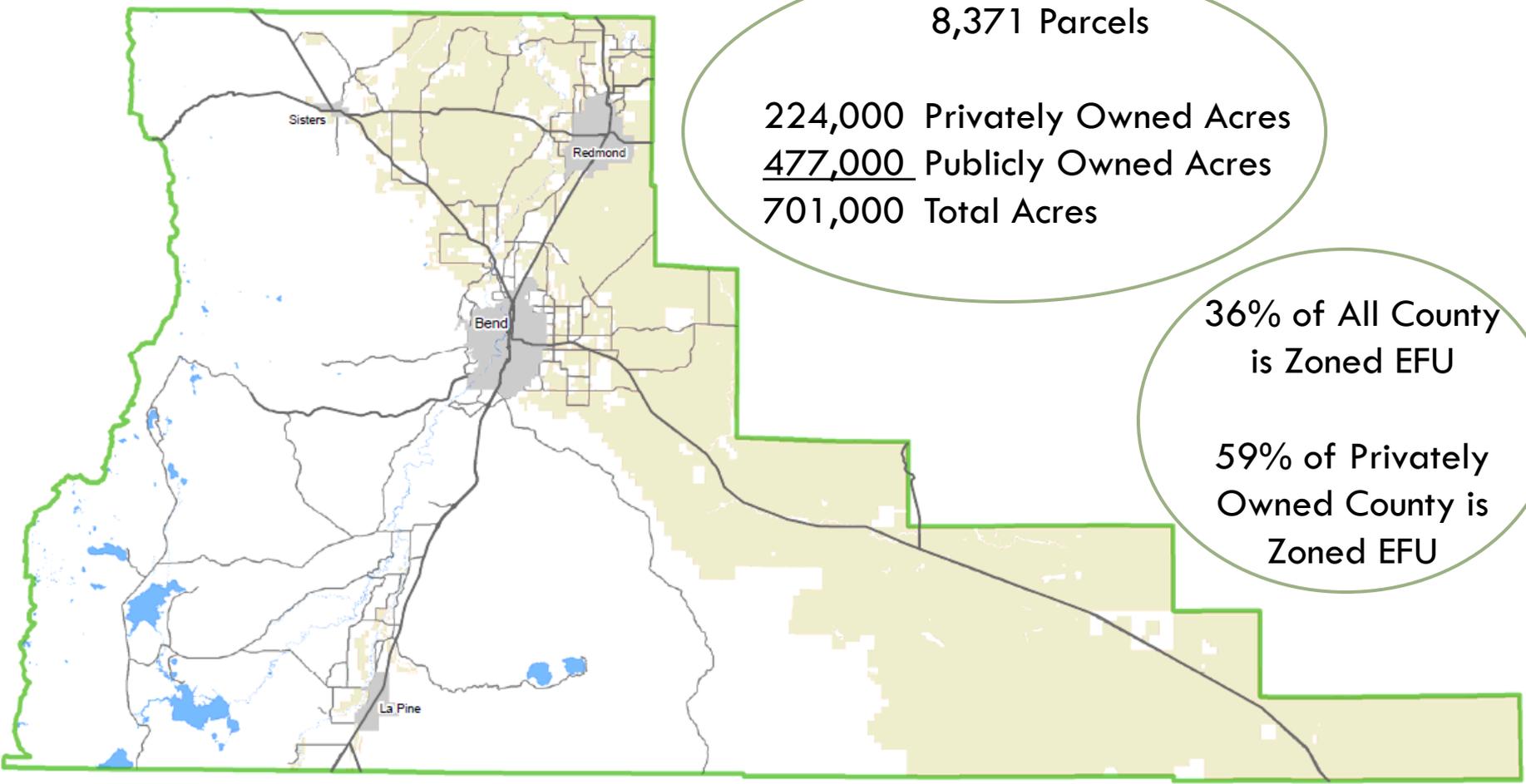
Exclusive Farm Use Zone (EFU)



Exclusive Farm Use Zone (EFU)



Deschutes County EFU



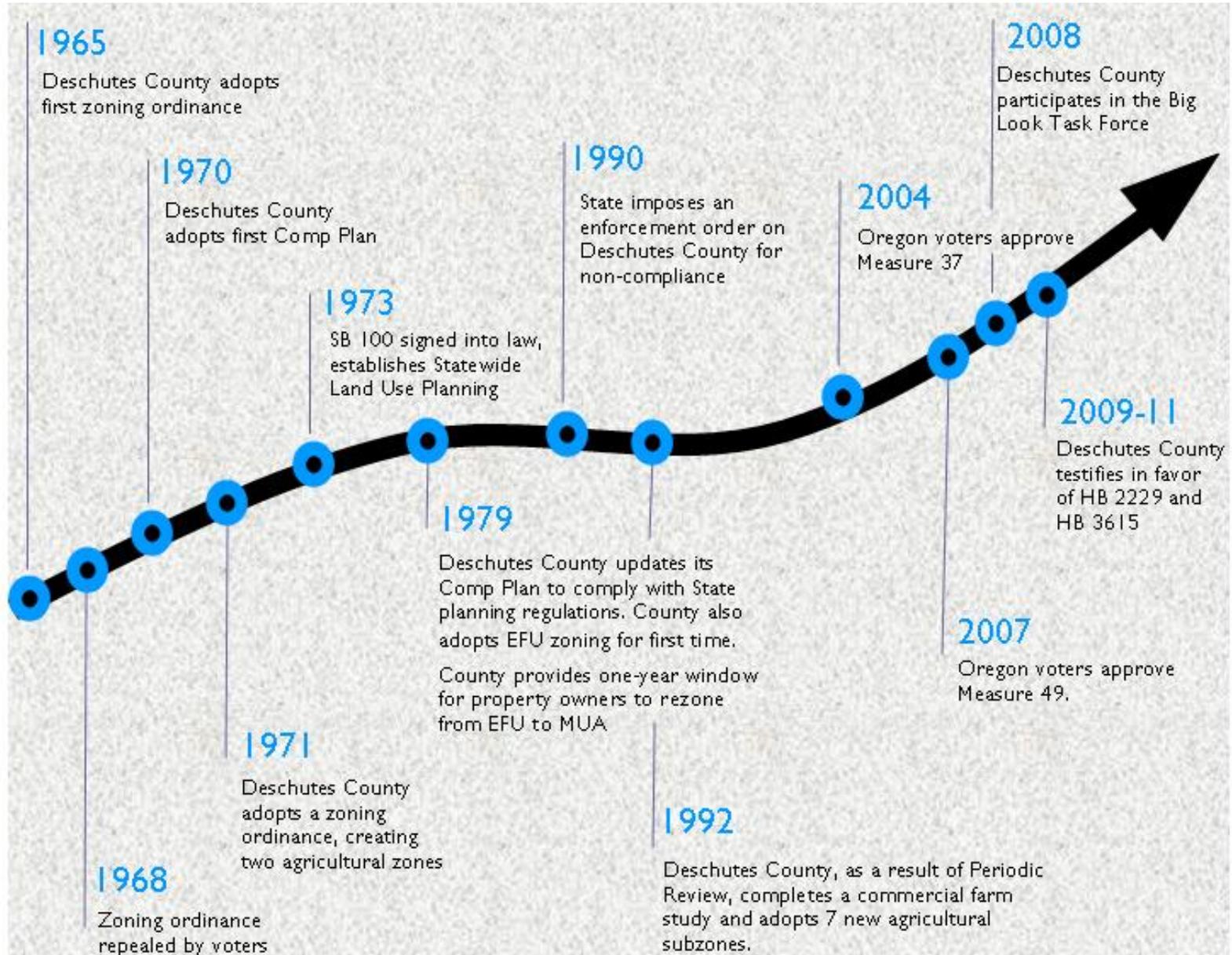
8,371 Parcels

224,000 Privately Owned Acres
477,000 Publicly Owned Acres
701,000 Total Acres

36% of All County
is Zoned EFU

59% of Privately
Owned County is
Zoned EFU

Agricultural Land Use History



Planning Goes Statewide 1974

Statewide Land Use Goals Established

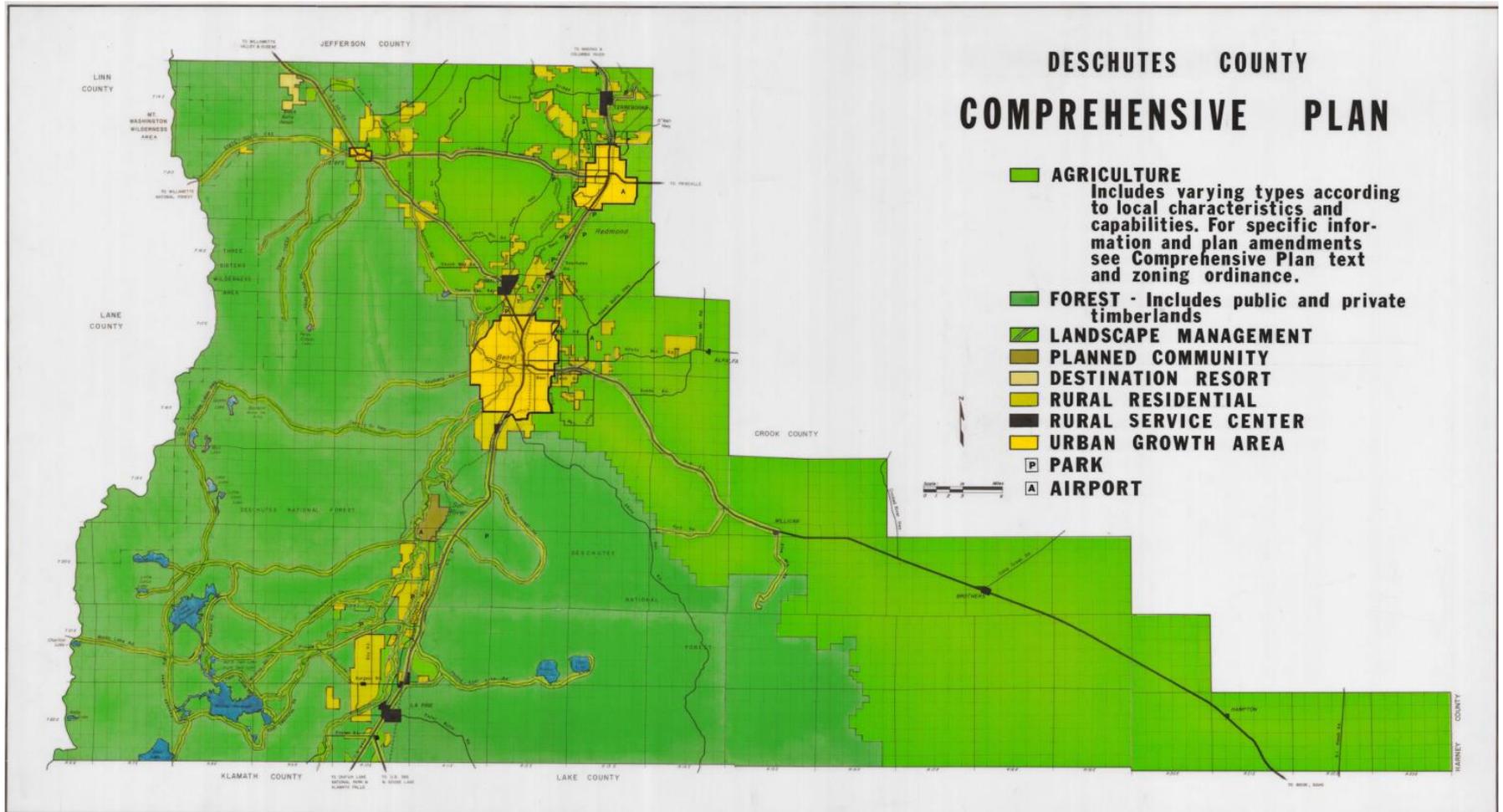
- ▣ Goal 1 - Citizen Involvement
- ▣ Goal 2 - Land Use Planning
- ▣ **Goal 3 - Agricultural Lands**
- ▣ Goal 4 - Forest Lands
- ▣ Goal 5 - Natural Resources, Scenic and Historic Areas, and Open Spaces
- ▣ Goal 6 - Air, Water and Land Resources Quality
- ▣ Goal 7 - Areas Subject to Natural Hazards
- ▣ Goal 8 - Recreational Needs
- ▣ Goal 9 - Economic Development
- ▣ Goal 10 - Housing
- ▣ Goal 11 - Public Facilities and Services
- ▣ Goal 12 - Transportation
- ▣ Goal 13 - Energy Conservation
- ▣ Goal 14 - Urbanization



(Goals 15-19 later added addressing the Willamette River and coastal resources)

Goal 3 Compliance 1979

“Year 2000” Comprehensive Plan



Compliance Challenge 1992

Enforcement Order

- ▣ County was not applying non-farm dwelling standards appropriately
- ▣ Required ALL dwellings in EFU zone be reviewed by Hearings Officer AND BOCC
- ▣ Ended after 1-year with compliance

A News Release from . . .

Oregon's Department of Land Conservation and Development (DLCD)
1175 Court Street NE, Salem OR 97310
For more information, call Mitch Rohse, Communications Manager, at 373-0064

June 15, 1992 – For Immediate Release

Successful negotiation halts enforcement action in Deschutes County

Salem -- In a telephone conference call today, Oregon's Land Conservation and Development Commission (LCDC) withdrew a motion to enter into enforcement proceedings against Deschutes County. LCDC's decision came as a result of successful negotiations between county officials and the Alliance for Responsible Land Use in Deschutes County (ARLUDeCo).

In May 1992, ARLUDeCo petitioned LCDC to adopt an enforcement order against Deschutes County. ARLUDeCo argued that county officials had been violating land use laws in approving permits for new houses on farmland.

Commercial Farm Study 1992



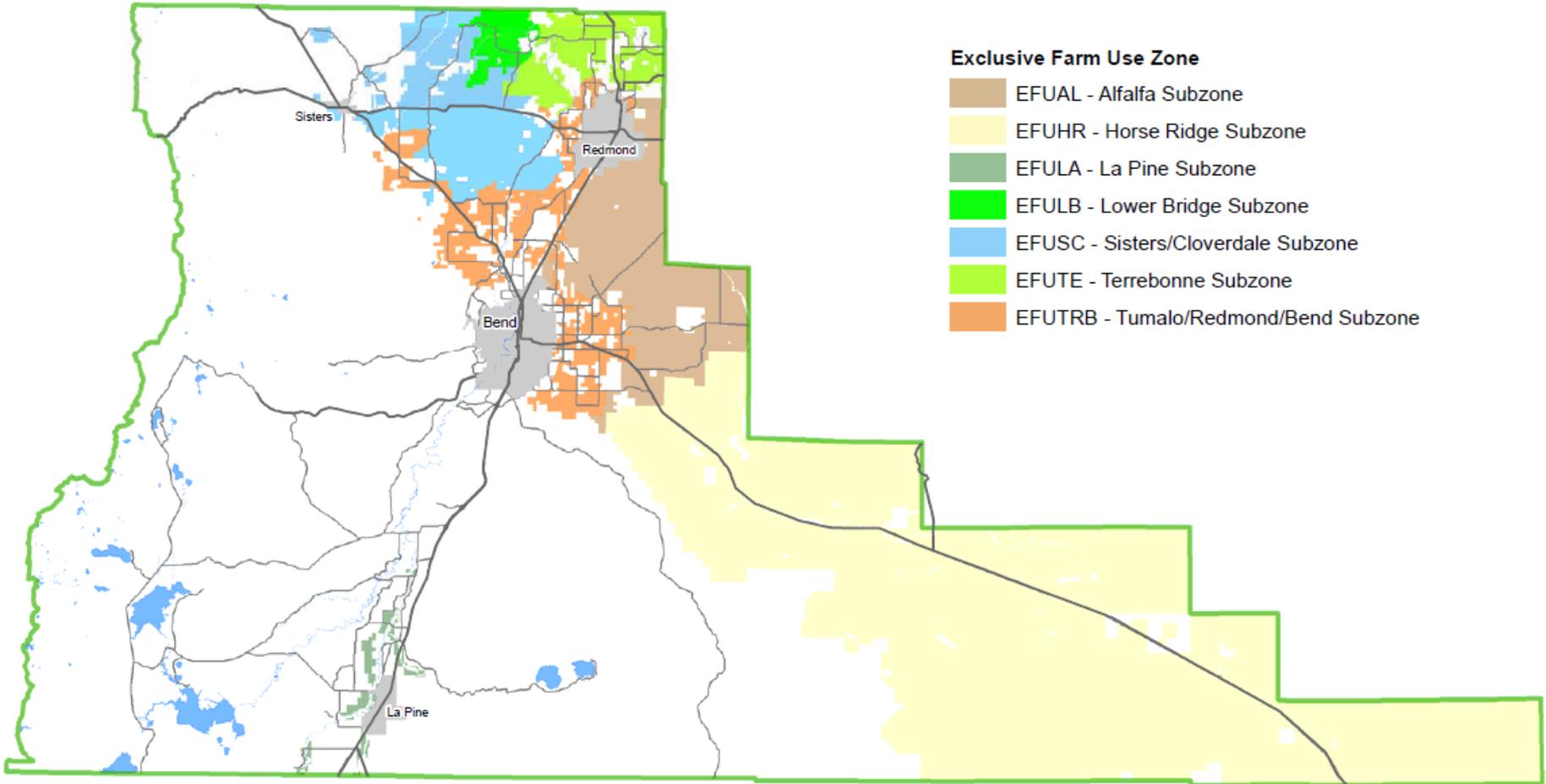
- ❑ Concluded that irrigation & irrigation districts are key factors
- ❑ Recommended 7 new agricultural subzones established to protect commercial agriculture lands while providing flexibility
- ❑ Smallest EFU lot sizes in Oregon

Subzone Name	Minimum Irrigated Acres *	Profile
Lower Bridge	130	Irrigated field crops, hay and pasture
Sisters/Cloverdale	63	Irrigated alfalfa, hay and pasture, wooded grazing and field crops
Terrebonne	35	Irrigated hay and pasture
Tumalo/Redmond/Bend	23	Irrigated pasture and some hay
Alfalfa	36	Irrigated hay and pasture
La Pine	37	Riparian meadows, grazing and meadow hay
Horse Ridge East	320 (dry)	Rangeland grazing

* Except Horse Ridge. Horse Ridge is based on dry acreage.

Source: Deschutes County 1992 Farm Study

EFU Subzones



Measure 37 & 49 – Mostly EFU 2005-11

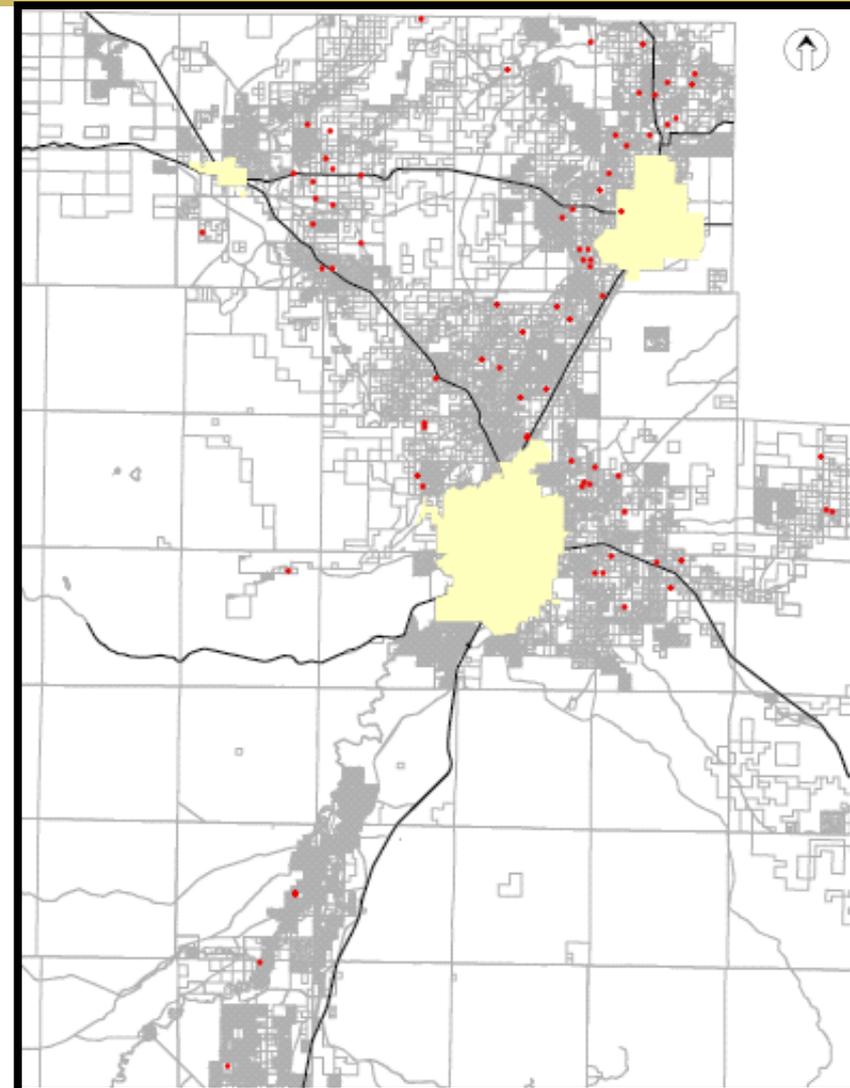
Measure 37 Claims

Measure 37

- 170 Claims
- 6,300 Acres
- 1,780 Lots
- \$500 million claimed losses

Measure 49

- 135 dwellings
- 96 new parcels



Big Look & Pilot Project

2009-12 Supported Big Look Bill to allow counties to correct mapping errors that occurred when resource (farm & forest) lands first designated

Implementation requires LCDC approval; County indicated interest; DLCD allocated resources to assist

2011-12 Served on committees & actively supported bills to establish pilot project to allow regional definitions of farm and forest lands, including Deschutes County

2012 Governor approved Southern Oregon Regional Pilot Program (SORPP)

DLCD limited resources reallocated to SORPP



Board of County Commissioners
1300 NW Wall St, Suite 200 • Bend, OR 97701-1960
(541) 388-6570 • Fax (541) 385-3202
www.co.deschutes.or.us
board@co.deschutes.or.us
Tammy Daney
Anthony DeBone
Alan Unger

April 18, 2011

Jeff Barker, Co-Chair House Judiciary Committee
Wayne Krieger, Co-Chair House Judiciary Committee
900 Court Street NE
Salem, OR 97301

The Deschutes County Board of Commissioners supports HB 3615, including the amendment.

Deschutes County supports the protection of accurately designated resource lands. Agriculture remains an important part of the Deschutes County economy, culture and landscape.

Deschutes County has implemented Statewide Planning Goal 3 twice, by adopting EFU zones and land use regulations, first in 1979, and later, during periodic review, in 1992. In both instances, several challenges were identified with local commercial farming. The challenges include:

- Poor soil quality and depth;
- Limited water due to:
 - Low rainfall (less than 12 inches per year),
 - Limited water rights for irrigation (laws of prior appropriation; surface water rights fully allocated; new groundwater uses require mitigation),
 - Increased demands of irrigated water for non-agricultural uses (urban and rural development, river);
- High elevation (2700-4000 feet) which contributes to a short growing season (88-100 days, the fewest frost free days in Oregon, and the possibility of frost every month of the year); and,
- Distance to major markets, among others.

However, Goal 3 only uses soil as the EFU determining factor. All other factors identified above need to be a part of the regional definition of agriculture.

These challenges, among others, continue to impact commercial farming today. Farm income is **negative** for Deschutes County according to the United States Department of Agriculture, National Agricultural Statistics Service 2007 Census of Agriculture.

Office of the Governor
State of Oregon

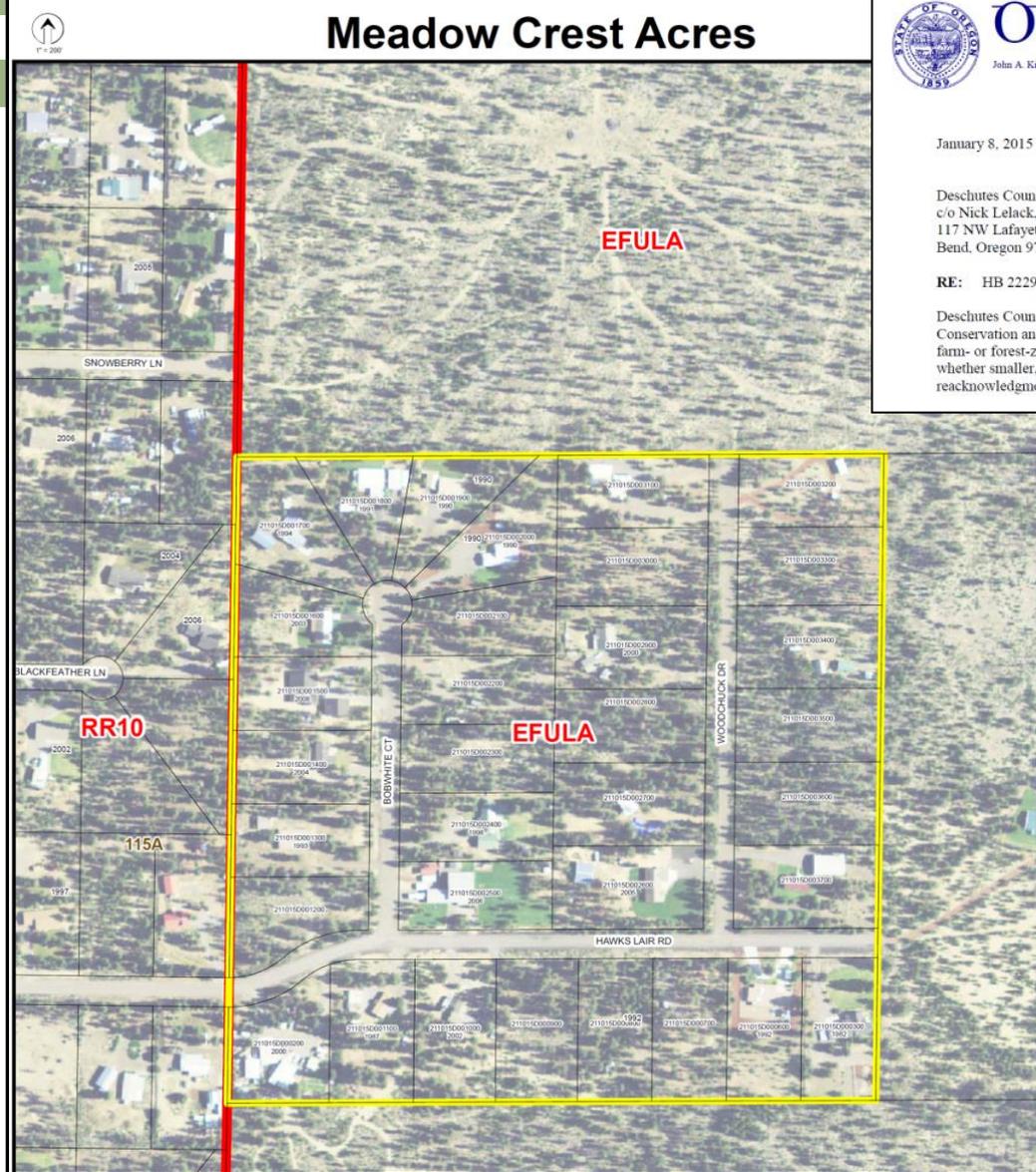


EXECUTIVE ORDER NO. 12-07

A PILOT PROGRAM FOR REGIONAL FARM AND FOREST LAND
CONSERVATION

Big Look Implementation

Meadow Crest Acres



Oregon

Department of Land Conservation and Development

635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540
Phone: (503) 373-0050
Fax: (503) 378-5518
www.oregon.gov/LCD



January 8, 2015

Deschutes County Planning Commission
c/o Nick Lelack, Community Development Director
117 NW Lafayette Avenue
Bend, Oregon 97701

SENT VIA E-MAIL

RE: HB 2229 question regarding scope of review

Deschutes County planning staff has requested the opinion of the Department of Land Conservation and Development (the department) on whether HB 2229 requires all, or most, farm- or forest-zoned lands in a county to be considered whether smaller, non-contiguous tracts could be considered in the acknowledgment process.



Board of County Commissioners

P. O. Box 6005 • Bend, OR 97708-6005
1300 NW Wall St, Suite 206 • Bend, OR 97701-1960
(541) 388-6570 • Fax (541) 385-3202
www.deschutes.org
board@deschutes.org

May 6, 2015

Mr. Jim Rue, Director
Oregon Department of Land Conservation and Development
635 Capitol St. NE, Suite 150
Salem, OR 97301

Tammy Baney
Anthony DeBona
Alan Unger

Re: HB 2229 / LCDC Rulemaking

Dear Mr. Rue:

Thank you for visiting Deschutes County on April 17, 2015 to discuss among other items, non-resource lands and the challenges with implementing House Bill (HB) 2229. The Board of County Commissioners, following a recommendation from the Planning Commission, respectfully request the Land Conservation and Development Commission (LCDC) initiate rulemaking to implement the legislation and clarify processes for:

- Changed circumstances do not warrant remapping under HB 2229 (not in error)
- County requested LCDC to initiate rulemaking to implement Big Look law and/or to define non-resource lands

Agricultural Lands Public Outreach: 2014



Introduction



Active Exercises



Questionnaire



Passive Exercises

Is Deschutes County's Agricultural Lands Program Working?

development support
does not support
agriculture

Yes, it is working because...

- Opportunities for restoring land, once agricultural, to be productive
- Technological opportunities are occurring in the region like green belts
- Preserving agricultural lands
 - life style
 - open space
 - opportunity
- Formula methodology is working
- Draws tourism
- Soil in Tulelake region can be made productive. Policy pressures will make the land more valuable
- Farm deferral makes EFD more affordable
- Farming is productive
 - 50 different crops
 - Meats (Poultry, Pork, Beef)
 - Small millings

Future food production

Certified organic farming is emerging opportunity.

emerging opportunities

No, it's not working because...

- Destination resorts are a threat
- Difficult to make a profit or recoup your costs
- County rules
 - second home dwellings are needed; overly restricted
- County susceptible to proposals that change land use for other purposes
- For properties that may lose EFD status, forgive the 10 yr. retroactive tax penalty.
- Program ~~with minimum~~ doesn't allow small parcels to be retained for EFD
- Adjacent properties who aren't farm complain about agricultural activities. Impacts farming. How do you rectify this?

Agri-tourism
restaurants
similar to wineries
private dinner



Seasonal farm dwellings are needed

It depends because...

- neighborhood capacity
 - preserving farm lifestyle at the expense of incompatible uses
- What happens to farm deferral when land use changes?
- Large farms can be threatened or EFD land is reformed, creating conflicts
- Wildlife programs could be ineffective if application capacity to process applications that set aside land for protection (deferral)
- Supplemental activities that support agricultural should be expedited
- Be careful of unintended consequences if you change land-use, incompatible uses could threaten existing farms



Predominant Themes

RETAIN

REVISE

REDO

Theme 1 - Retain:

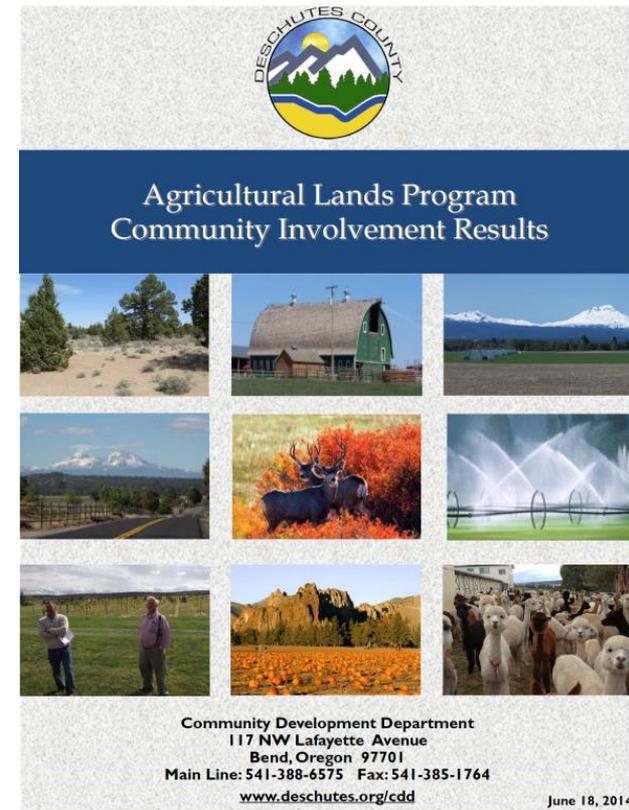
The program is working as intended and no changes are needed.

Theme 2 - Revise:

The program warrants refinement that is reflective of local conditions.

Theme 3 - Redo:

The program is ineffective and overreaching with unintended consequences.



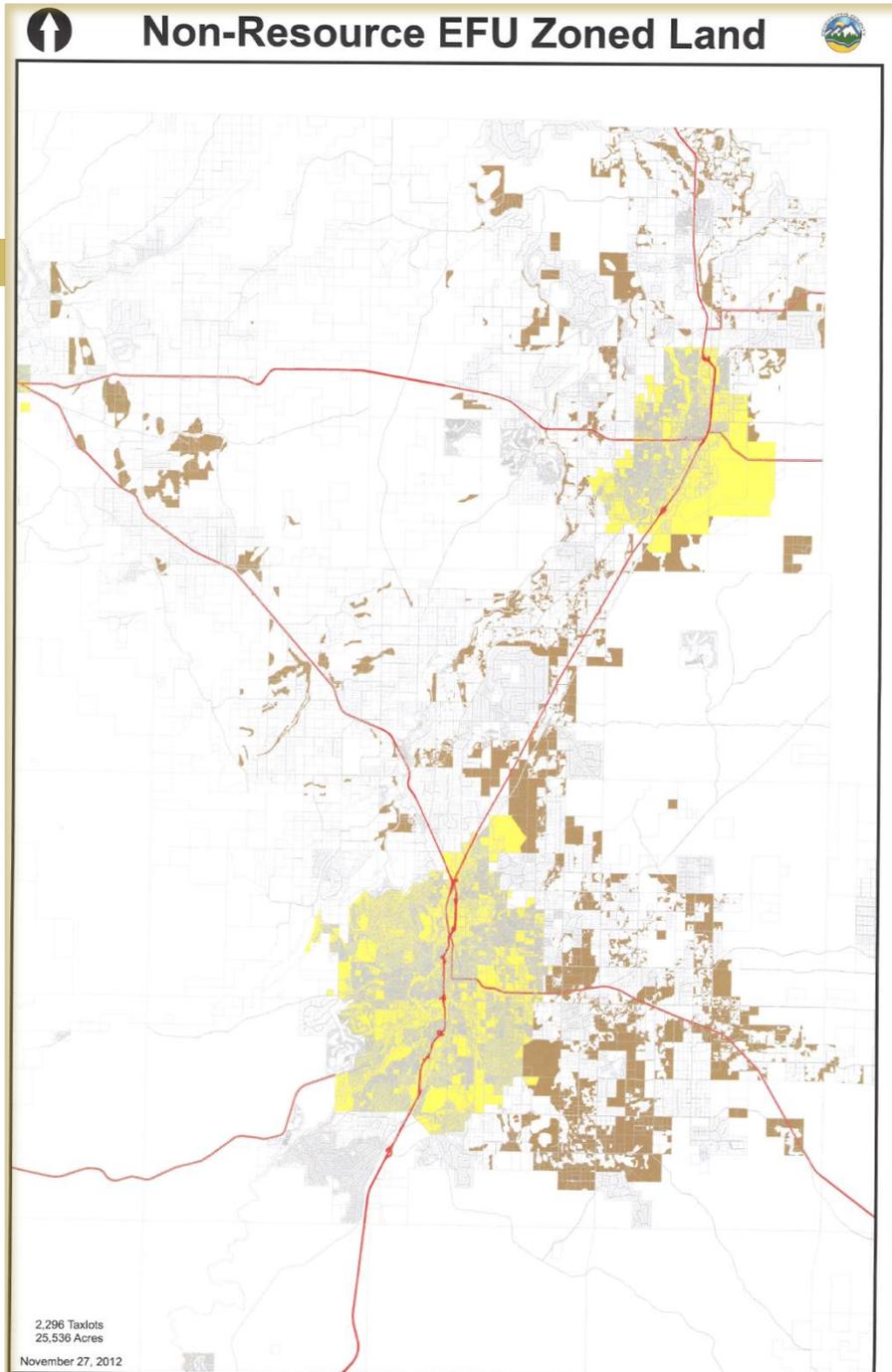
EFU “Benefits”

- Supports existing farms, provides for new agricultural opportunities such as wineries and marijuana
- Smallest EFU lot sizes in State, provides more opportunities for small farms & uses/development as allowed by EFU zone
 - Approved the most non-farm dwellings in Oregon (20 out of 85 in 2015; 19 issued in 2016)
 - County allows all statutory EFU uses – destination resorts, weddings (ag tourism), solar farms, guest ranches, distillery, etc.
- Protects natural resources – i.e., helping prevent federal listing of sage grouse
- Protects views, landscapes, recreation areas
- Provides a path for future urbanization around cities



EFU “Challenges”

- Rocky landscape & poor soil quality, depth
- Lack of water availability – low rainfall, limited water rights, increased demands
- Climate – fewest frost free days, short growing season
- Distance to markets
- Land use pattern & mixed zoning
 - Large number, small size & locations of farm & rural residential parcels
- Negative average annual farm income



Agricultural Lands in Deschutes County 1968-2017



CENTRAL OREGON REGIONAL SOLUTIONS