



Oregon

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Land Conservation and Development Commission

2017-2019 GENERAL FUND GRANTS ALLOCATION PLAN

INTRODUCTION

This plan provides guidance to the Department of Land Conservation and Development (DLCD) for the department's grant allocation decisions within the General Fund grant program. The plan was developed by the commission's Grants Advisory Committee with assistance from DLCD staff and approved by the Land Conservation and Development Commission on July 20, 2017.

THE GENERAL FUND GRANT PROGRAM

DLCD's General Fund grants are used primarily for Oregon communities' comprehensive planning and plan updates. The fund is divided into functional categories and made available for specific types of projects. During 2015-2017, the categories included Population Forecasting, Periodic Review, Technical Assistance, Columbia River Gorge National Scenic Area, Planning Assistance, and a Dispute Resolution grant to the Oregon Consensus Program.

Grant categories have from time to time been designated in department budget notes. For instance, the Columbia River Gorge grants were originally created in response to legislative direction. The department's 2017-2019 budget does not contain any grant-related notes.

[ORS 195.033](#) requires the Portland State University Population Research Center to coordinate and develop population forecasts for jurisdictions statewide. [ORS 197.639\(6\)](#) provides, "The population forecasting program operated by the Portland State University Population Research Center pursuant to section 2 of this 2013 Act is the highest priority for the allocation of grant funding..."

[Oregon Laws 2014, Ch. 82, Sec. 2](#) requires certain state agencies to include considerations when exercising their grant-making authority. The law states:

In awarding grants, loans or incentive funds for projects undertaken in connection with grant, loan or incentive programs, state agencies listed in section 3 (3)(a)(A) to (E) of this 2014 Act [which includes DLCD] shall, consistent with the programs' enabling legislation, rules and regulations, use regional priorities for

community and economic development ... in the consideration of project funding decisions and base decisions of which projects to undertake upon whether the project will:

- (1) Use regional and community-based problem solving.
- (2) Support regional and community-based means of integrating state and local resources and services.
- (3) Create jobs in relation to the economy and population of the region directly impacted by the project.
- (4) Involve investment of capital in relation to the economy and population of the region directly impacted by the project.
- (5) Have community support, as indicated by the support of the governing body of the local government.
- (6) Have obtained appropriate land use and environmental reviews and authorizations prior to utilization of funds.

These two laws affect the Grants Allocation Plan.

GRANTS ALLOCATION

The provisions of the plan are explained below and summarized in Exhibit B. In order to encourage early participation, the department will set an application deadline for the competitive categories of grant applications, and the deadline will give local governments ample time to prepare an application while still affording the department time to review the submittals and make awards early in the biennium. Applications received by the department will compete for funding according to the directions described below.

GRANT CATEGORIES

Population Forecast Grant. The Population Forecast grant category fully funds PSU's work in development of county and city population forecasts statewide. DLCD will keep the grant as small as possible to conserve funds for other grants categories.

Grant Young Memorial Planning Assistance (GY) Grants. Grants of \$1,000 have been provided to cities under 2,500 population and grants of \$3,500 provided to counties smaller than 15,000 population. The county grant amount was raised to \$4,000 for the 2015-2017 biennium. In addition, beginning with the 2017-2019 biennium, all coastal counties will be provided with the \$4,000 grant to assist with implementation of the Coastal Zone Management Program.

These grants to smaller communities have been awarded since 1991. DLCD has few requirements for these grants, leaving the use of the funds as flexible as possible to support planning functions and contribute to the economic development in eligible communities.

This category is renamed beginning with the 2017-2019 biennium from “Planning Assistance” to “Grant Young Memorial Planning Assistance” in honor of the department’s Eastern Oregon regional representative who passed away in 2017. Mr. Young was a strong advocate for smaller jurisdictions in the Eastern Oregon region and a proponent for creative use of these grants. He helped find productive uses of the grants by pooling or leveraging the funds or simply suggesting uses for the dollars in ways to advance the objectives of the jurisdiction. Mr. Young put a considerable amount of effort into helping small cities and counties in his region address local needs.

DLCD will continue to offer these grants to eligible cities and counties at the same level as the previous biennium. Any funds not utilized by eligible cities and counties will be used to fund Technical Assistance grants.

Columbia River Gorge (CG) National Scenic Area Grants. LCDC recognizes that counties within the Columbia River Gorge National Scenic Area are responsible to coordinate and implement federal planning requirements in addition to state and local laws. To assist those counties (Hood River, Multnomah, and Wasco), the commission has provided grants to cover a portion of the cost of implementing the Columbia River Gorge National Scenic Area Plan.

The Columbia River Gorge counties’ National Scenic Area grants are continued for 2017-2019 at the same levels as the 2015-2017 biennium.

Dispute Resolution (DR) Grant. The Oregon Consensus (OC) program at Portland State University received grants from DLCD during the past six biennia as part of the commission’s commitment to help provide dispute resolution services related to land use and planning. An important aspect of OC’s service includes assisting the parties to LUBA appeals to settle disputes before beginning formal arguments. OC assesses these cases and cases DLCD participates in to determine whether they are appropriate for mediation and in some cases assists with mediation services.

The dispute resolution grant is funded for 2017-2019 at the same level as 2015-2017.

Periodic Review (PR) Grants. These grants assist communities with the completion of periodic review work tasks and are awarded non-competitively. Periodic review must be carefully administered to maximize the overall success of Oregon’s statewide planning program and to help Oregon’s most populated communities successfully prepare for future development. The successful implementation of periodic review requires careful management of the periodic review schedule and the department’s ability to offer sufficient grant resources. It is important for the department to help jurisdictions successfully complete periodic review programs quickly and efficiently – meeting statutory deadlines and making efficient use of scarce resources.

PR grants will be used only for the completion of work tasks on existing periodic review work programs, and these grants will be allotted prior to awarding general fund grant dollars for Technical Assistance grants. This is not expected to exceed \$20,000.

Technical Assistance (TA) Grants. These grants are used for significant planning projects and related planning activities outside periodic review and for periodic review work tasks authorized by the commission prior to 2007. Oregon Laws Ch. 82, Sec. 2 (House Bill 4015) affects TA grant allocations (see pp. 1–2 for a quote of the relevant section).

TA grants will be focused on the following topics in the listed order of priority. The priorities are for projects that:

1. Promote economic development. This priority is for planning or implementation projects that establish or further a community's economic or community development objectives. This may include completing an economic opportunities analysis or a main street plan, establishing an urban renewal district, completing public facilities plans for employment lands, or a variety of other projects that directly increase economic development opportunities or benefit economic and community development efforts.
2. Promote provision of affordable and workforce housing. This priority includes comprehensive plan or development code amendments or other provisions that are expected to result in an enhanced supply of housing for low- and moderate-income residents. This may include permitting additional housing types, increasing efficiency of land use, codifying systems development charge waivers in conjunction with affordable housing measures, or other actions.
3. Plan for resilience to natural hazards. This priority is for grants that provide assistance with creating local natural hazard mitigation plans and for incorporating new hazards data, and the response to the data, into comprehensive plans and zoning regulations.
4. Provide infrastructure financing plans for urbanizing areas. This priority is for projects that help a local government complete an infrastructure financing plan to prepare for and fund local infrastructure to support growth and development.
5. Update comprehensive plans and implementing codes to respond to changes in state law or regulatory streamlining. Many local codes have not been updated in years, and this is an opportunity for assistance in modernizing local regulations.

Including promotion of economic development as the highest priority is consistent with the economic development focus in [Oregon Laws Ch. 82, Sec. 2](#). Adding promotion of affordable and workforce housing recognizes that many communities are facing a deficit of affordable housing for a wide spectrum of their residents. Regional priorities, which often include consideration of affordable and workforce housing, will be considered in making TA grant awards, as instructed by the law.

Regarding scoring criteria for TA grants, in addition to the priorities above and other considerations customarily employed by the department, the department will give extra consideration for (1) proposals from multiple jurisdictions to address regional issues, and (2) projects that result in a product that will benefit other jurisdictions such as a guidebook, model procedure, or template.

TA requests outside these priorities should be funded only after all applications of higher priority are considered.

LEVERAGING RESOURCES

A local cash or in-kind match is not required for individual grants. Typically for a local government to provide a cash match, the match must be budgeted ahead of time, which increases the lead time for project planning. Cash matches may also be particularly difficult for small jurisdictions. The required lead time and the uncertainty of grant awards present barriers to participation for some communities and may result in missed opportunities for the program. Regardless of any hard match requirement, however, a local government must provide in-kind resources for grant administration and must facilitate the local decision-making process.

The department recognizes that matching funds provide a more fully funded project and increase the likelihood that a project will be successfully completed. Matching funds also demonstrate local or regional commitment to a project. All funding sources that will contribute to the successful completion of a project will be considered, including cash and in-kind, local and non-local, and public and private investments. However, within the Technical Assistance priorities above, greater consideration should be given to projects that offer hard matching funds.

DLCD will partner with other agencies and programs, such as the Transportation Growth Management Program and the Regional Solutions Teams as the primary approach for leveraging DLCD grant funds. Consideration of regional priorities in grant award decisions will promote leveraging state agency assistance, as other departments are also required to employ the same priorities in their investment decisions. (See the description of Oregon Laws Ch. 82, Sec. 2, regarding funding considerations under “Technical Assistance Grants,” pp. 4–5 above.)

The department will continue to seek opportunities for local, state, and federal investment partnership. Under current budget circumstances, projects that demonstrate regional coordination and cost sharing opportunities will be strongly considered in an effort to maximize the impact of planning grants in Oregon communities.

IMPLEMENTATION

The department is responsible to implement this plan and to seek any necessary oversight, monitoring or further refinement by the Grants Advisory Committee. The department reports periodically on the types and amounts of grant applications received from local governments and the specific applications approved for funding.

Exhibit A

GRANTS ADVISORY COMMITTEE MEMBERSHIP

Melissa Anderson, vice-chair
City of Albany

Jon Chandler
Oregon Home Builders Association

Keith Cubic, chair
Douglas County

Erin Doyle
League of Oregon Cities

Mary Kyle McCurdy
1000 Friends of Oregon

Mark Nystrom
Association of Oregon Counties

Kelly Ross
Western Advocates, Inc.

Vacant
Metro

Exhibit B

SUMMARY

Grant funds for 2017-2019 should be allocated based on the following recommendations:

Grant Program Categories recommended for funding

Population Forecast (POP)
Grant Young Memorial Small Community Assistance (GY)
Columbia River Gorge (CG)
Dispute Resolution (DR)
Periodic Review (PR)
Technical Assistance (TA)

Grant Priorities

- The Population Forecast grant will be awarded at a level to sufficiently complete the Oregon Population Forecast Program for the biennium.
- Grant Young Memorial Planning Assistance grants of \$1,000 offered to cities with a population less than 2,500 and of \$4,000 to counties with a population less than 15,000 and to coastal counties.
- Columbia Gorge grants funded at the same level as 2015-2017:
 - Wasco County \$90,000
 - Hood River County \$80,000
 - Multnomah County \$70,000
- Dispute Resolution grant funded at the same level as 2015-2017: \$20,000.
- Remaining funds will be allocated to local jurisdictions to assist with the timely completion of current periodic review work tasks. This is not expected to exceed \$20,000.
- Remaining funds will be prioritized for Technical Assistance projects for promoting economic development planning, planning for affordable housing, natural hazards planning, public facilities financing plans, and plan and code updates to address changes in state law or provide regulatory streamlining. Projects outside these priorities are also encouraged and will be evaluated on the merits of the application.

Leverage of Grant Funds

The department should continue to coordinate with federal and state agency programs to achieve maximum results from general fund grants. Consideration of regional priorities adopted by Regional Solutions advisory committees will result in coordinated state investments.

The department should continue to track data on “other funds used” in conjunction with DLCD grant funds to complete local projects, including local in-kind and cash match, other state funds, federal funds and private funds. The allocation plan does not require a local match as condition of grant approval, but gives priority to grant applications from local jurisdictions that demonstrate local commitment through cash or in-kind match and/or local partnerships.