

DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT GRANT ALLOCATION PLAN

April 21, 2025

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 Planning Grant program, appropriated by the Legislature for each two-year budgetary period.

THE GENERAL FUND PLANNING GRANT PROGRAM

DLCD's General Fund Planning 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 2023-2025, the categories included Population Forecasting, Technical Assistance, Columbia River Gorge National Scenic Area, Grant Young Memorial 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, in which the Legislature gives direction on how monies should be spent that is applicable only for that particular biennium.

Oregon Revised Statutes (ORS) 195.033 requires the Portland State University Population Research Center to coordinate and develop population forecasts for cities and counties statewide. ORS 197.639(6) provides that, "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"

ORS 284.753 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 department's planning grants and have been considered in formulating this Grants Allocation Plan.

Additionally, the department continues to implement our work based on the principles of meeting the needs of historically marginalized, underserved, and rural populations. DLCD also has new products to help communities identify underserved communities. These include the [Equitable Engagement Toolkit](#) and the [Community Explorer mapping tool](#).

GRANTS ALLOCATION

The provisions of the plan are explained below. In order to encourage early participation, the department will set an application deadline for the competitive categories of grant applications. The deadline will give applicants 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 funds one-half of the work of Portland State University in development of county and city population forecasts statewide. The housing grant program, separately administered by DLCD, funds the other half. This additional funding allows the Population Research Center to disaggregate population data by race, ethnicity, and projected income. DLCD will continue to carefully scope the work of this grant to conserve funds for other grants categories. The total grant to Portland State University in 2023-2025 was \$832,000, of which \$416,000 came from the technical assistance grant fund. The grant for 2025-2027 will likely be similar.

Grant Young Memorial Planning Assistance (GY) Grants. Grants of \$2,000 have been provided to cities under 2,500 population and grants of \$5,000 provided to counties smaller than 15,000 population and coastal counties. 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 was renamed in 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.

The department does not project that it will be able to provide an increase in this funding for this biennium above current levels.

Columbia River Gorge (CG) National Scenic Area Grants. DLCD 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 were a total of \$270,000 for the 2023-2025 biennium (\$80,000 for Multnomah County, \$90,000 for Hood River County, and \$100,000 for Wasco County). The total amount for these grants increased by \$30,000 for 2021-2023, which was the first increase in the total for more than a decade. It is projected that these amounts would stay the same for 2025-2027.

Dispute Resolution (DR) Grant. The Oregon Consensus (OC) program at Portland State University received grants from DLCD during the past nine 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 the Oregon Land Use Board of Appeals (LUBA) cases to settle disputes before beginning formal arguments. OC assesses these cases, and also 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 2025-2027 at \$20,000, the same level as 2023-2025.

Periodic Review (PR) Grants. The Legislature originally conceived of periodic review as a regular process by which both cities and counties would be able to periodically update their originally adopted comprehensive plans and implement land use ordinances on an approximately seven-to-ten-year timetable. The Legislature also provided technical assistance funding to the department sufficient to provide the financial resources to local governments that they needed to successfully complete

periodic review.

However, over time the Legislature first exempted most counties and smaller cities from completing regular periodic review, and then in 2009 cut funding to the technical assistance program to a level that did not allow the department to provide funding to help local governments complete this work. As a result, in 2010 the Land Conservation and Development Commission suspended mandatory periodic review until the Legislature restored the funding. While the Legislature has not restored the funding, the Legislature has provided millions of dollars per biennium for housing element updates.

The department does not want to let this important tool for comprehensive planning in Oregon become forgotten. While periodic review is not, at this time, required, cities and counties can voluntarily enter into periodic review programs, and the department encourages them to consider this method of updating their comprehensive plans and implementing land use ordinances. In 2020 Wasco County successfully completed a voluntary periodic review without any state technical assistance funding. In 2023 the County, with state technical assistance grant funds, completed a guidebook for voluntary periodic review that other cities and counties in Oregon could use. In the 2023-2025 biennium the department was able to approve small grants to both the City of Amity and to Benton County for initiation of voluntary periodic review programs. The department intends to solicit and encourage other jurisdictions to voluntarily undertake periodic review of their comprehensive plans and will try to provide a small amount of technical assistance funding for such efforts.

Technical Assistance (TA) Planning Grants. These grants are used for significant planning projects and related planning activities outside periodic review. ORS 284.753, described above, affects TA planning grant allocations.

Local and regional equity and inclusion considerations are a priority for all TA planning grant awards. Beginning in 2021-2023, applicants in all TA grant categories were required to propose outreach and community participation plans that reflect inclusion of priority populations identified in the State of Oregon Diversity, Equity, and Inclusion Action Plan and the agency's 2023-2031 Strategic Plan.¹ While local conditions vary greatly around the state, grant applications should describe the applicant's consideration of the following agency priority populations.

- Black or African American community members
- Indigenous Native American or Native Alaskan community members
- Persons of Color
- Community Members with Limited English Proficiency
- People with disabilities
- Extremely low income and/or homeless community members

¹ https://www.oregon.gov/das/Docs/DEI_Action_Plan_2021.pdf
https://www.oregon.gov/lcd/Commission/Documents/2023-07_Item_17_%20Strategic_PlanLCDC.pdf

The department also encourages applicants to customize their own priority populations, using the populations listed in these two plans for reference, who would benefit from the grant investment and to develop engagement strategies to reach those populations. Use of the [Equitable Engagement Toolkit](#) and the [Community Explorer mapping tool](#) will be critical in doing so.

Additionally, in 2025-2027, the department proposes to better reach out to Oregon's tribal governments, soliciting them to submit technical assistance grant requests for planning projects on tribal lands. While tribal governments have been eligible for grants in previous biennia, and the department has awarded such grants in past biennia, no tribal governments have submitted applications since 2019. The department acknowledges that tribal governments also prepare their own land use plans for lands under their authority and would similarly benefit from financial and technical resources to prepare those plan

All TA grants are expected to include deliverables related to inclusive outreach and engagement strategies. The department will be available to work with applicants during the application process on how to integrate these considerations into their applications using the resources identified above.

TA grants will be focused on the following topics. While Economic Development remains the top priority, the remaining priorities #2 through # 7 are equally weighted. 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 employment and economic development opportunities or benefit economic and community development efforts. Of note: the 2023-2031 DLCD Strategic Plan recommends focusing on economic opportunities analyses that focus on reduction of greenhouse gas emissions.
2. Plan for resilience to natural hazards and climate change. This priority is for grants that assist with: (a) creating or updating local natural hazards mitigation, climate adaptation, pre-disaster recovery, and planning to reduce climate pollution; (b) other studies and activities supporting local resilience to natural hazards, climate adaptation, pre-disaster recovery, and climate mitigation; (c) incorporating new natural hazards, climate adaptation, climate pollution reduction, and pre-disaster recovery data and policies, and related state goals, policies, and regulations, into comprehensive plans, land use and zoning regulations – many local government comprehensive plans have natural hazards information and policies that have not been updated in several decades.
3. Plan for resolution of a local planning issue, challenges in resolving divergent priorities reflected in the statewide planning goals, or a problem of statewide

concern that can provide a framework, solutions, or guidance for similar programs to be implemented by other local governments around the state. Examples include but are not limited to: plans for designation of non-resource lands under the provisions of ORS 215.788 to 215.794; zoning code revisions providing clear and objective standards for housing development applications on lands that are identified as being protected by Statewide Planning Goals 5, 6, 7, 15, 16, 17, and 18; implementation of climate-friendly areas rulemaking required by OAR 660-012-0310 to 0920; or utilization of the Collaborative Regional Problem Solving process of ORS 197.652 to 197.659.

4. Update a local government plan for public facilities needed to serve existing development and future projected growth. Provide infrastructure financing plans for urbanizing areas and areas with redevelopment or infill potential. This priority is for projects that help a local government plan for necessary public facilities or 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, regulatory streamlining, or local conditions since the last plan update. Many local codes have not been updated in years. Technical assistance grants are often an opportunity to help modernize local regulations.
6. Planning for cultural resources under the new Goal 5 Cultural Areas rules. This category could include grants to tribal governments as well as joint efforts between tribal and local governments to plan for cultural resources on areas under the land use jurisdiction of local governments.
7. Planning for identification and protection of environmental resources, particularly wetlands and riparian areas. Such planning is important not only to protect these areas, but also to streamline the development process in areas without such resources by eliminating regulatory uncertainty.

The department removed housing grant projects from these priorities in 2023 because the Legislature's generous funding of housing technical assistance through a separate fund administered by the department.

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

Scoring Criteria. 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 that build upon past work funded by the department in a TA or other grant, or proposals that set up a jurisdiction for subsequent work, either of which will lead to a tangible long-term positive result for that jurisdiction;
- (2) Proposals that aim to address local and regional inequities related to recurring local or regional land use planning issues across the state through inclusive planning processes;
- (3) Joint proposals from multiple jurisdictions to address regional issues;

- (4) Proposals that result in a product that will benefit other jurisdictions such as a guidebook, model procedure, or template.
- (5) Projects that address the needs of underrepresented and underserved populations in Oregon.
- (6) Proposals that seek to address significantly outdated sections in local comprehensive plans or ordinances.

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 and community engagement.

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, the department will not give greater consideration to applications that include matching funds, for the reasons stated above.

DLCD will partner with other agencies and programs, such as the Transportation Growth Management Program, the Regional Solutions Teams, and Business Oregon 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.

The department will continue to seek opportunities for local, state, federal, and tribal 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. In addition, the department will prioritize applications that leverage community partnerships to maximize equitable outcomes.

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.

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