



Oregon

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TO: Land Conservation and Development Commission

FROM: Jim Rue, Director
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SUBJECT: **Agenda Item 10, July 23-24, 2020, LCDC Meeting**

EXECUTIVE ORDER 20-04: OVERVIEW OF AGENCY ACTIONS ON CLIMATE CHANGE

I. AGENDA ITEM SUMMARY

Purpose

This agenda item updates the Land Conservation & Development Commission (LCDC) on the work outlined in the Department of Land Conservation & Development's (DLCD) response to Section 3D of Executive Order 20-04 (known as the May 15 report). As a part of this agenda item, staff will present a summary of stakeholder and public comments about this report that were received at the June 11 forum.

Objective

The intent of this agenda item is to keep LCDC informed of current efforts to undertake policy projects and initiatives described in Section 1 of the May 15 report. Additionally, the goal is to share stakeholder and public input on this report with LCDC.

For further information about this staff report, please contact Palmer Mason, Senior Policy Advisor, at 503-934-0020 or palmer.mason@state.or.us, or Emma Land, Legislative Coordinator, at 503-934-0627 or emma.land@state.or.us.

II. BACKGROUND

Governor Brown's Executive Order 20-04 directed the Department of Land Conservation and Development (DLCD) to identify current and potential actions within its authority that reduce greenhouse gas emissions and mitigate climate change impacts (Section 3D). Based on the 2019-21 Policy Agenda and input from policy and technical staff, DLCD prepared a response memorandum known as the May 15 report.

The report consisted of three separate sections. Each section described either current or potential actions that reduce greenhouse gas emissions or address the effects of climate change. The first section outlined current work approved by LCDC in the 2019-21 Policy Agenda or that is called out in Executive Order 20-04. The second section described budget requests, which are also known as policy option packages (POPs) that DLCD will consider for the 2021-23 biennium¹. The third and final section outlined potential actions within DLCD's statutory authority that could be undertaken in the future provided sufficient staffing and resources are available.

For the purpose of this agenda item, the staff report and presentation will focus on the work described in the approved 2019-21 Policy Agenda and Executive Order 20-04.

A. OVERVIEW & UPDATE OF CURRENT CLIMATE RELATED WORK

Review of Statewide Planning Goals & Climate Change

Starting in September 2020, DLCD will invite government to government consultation with Oregon's nine recognized Tribal Nations. Staff also will host a series of meetings with stakeholders to ask whether and how the Statewide Planning Goals and other implementing rules can be revised to incorporate climate mitigation, adaptation, and sequestration. The 19 Statewide Planning Goals set the foundation for Oregon's planning program, addressing a wide range of issues from community involvement, housing, natural resources, coastal resources, and infrastructure. Local comprehensive plans must be consistent with these goals and any related administrative rules.

Staff will seek to consult a broad group of citizen, local government, business and environmental stakeholders, including members of the Environmental Justice Task Force as well as community serving organizations that represent Black, Indigenous, Communities of Color, and other historically disadvantaged groups. The policy discussions are intended to collect comments and suggestions on key questions such as:

- Whether any or all of Oregon's planning goals should be revised to reflect climate issues
- Whether a new planning goal specifically addressing climate change should be adopted
- What public process would be appropriate for revising goals to address climate change issues
- What types of data or research would be useful
- How to fund potential work on goal revisions

¹ At the July 2020 LCDC meeting, staff will present 2021-23 POPs that are substantially similar to those budget requests described in the May 15th report with the exception of the Natural Hazards / Resiliency POP, which has been deferred to future budgets. This revised list reflects the changed budget forecast, stakeholder input, and additional staff review.

Several stakeholders want DLCD to pursue immediate goal revisions or at least request support from the Governor's Office for that effort. However, without dedicated legislative resources, DLCD is unable at this time to develop a detailed implementation plan for any potential goal revisions identified during this project. Instead, staff intends to summarize findings from the discussions and, based on stakeholder input and the current budgetary and legal framework for goal revisions, outline potential next steps in a white paper. Staff plan to present the final white paper at the commission's January 2021 meeting.

2020 Climate Change Adaptation Framework Update

DLCD continues to work with staff from 25 state agencies to update the 2010 Oregon Climate Change Adaptation Framework and, more importantly, recommend how best to implement programmatic and policy changes that will prepare our environment, economy, local governments, and people for the effects of climate change. The update will address how to collect information on current adaptation efforts, identify gaps in resources and efforts, address impacts to marginalized communities, and renew state government's focus on climate change adaptation. A diversity, equity, and inclusion toolkit is being developed as part of this effort. Staff expect to finalize the product this calendar year.

Staff has reviewed public and stakeholder comments received from the June 11 forum and incorporated into the draft Framework as appropriate.

Every Mile Counts and Climate Friendly & Equitable Communities Rulemaking

As directed by Governor Brown's September 2019 letter and pursuant to Section 9 of Executive Order 20-04, DLCD continues to work with the Oregon Department of Transportation (ODOT), Oregon Department of Energy (ODOE), and the Oregon Department of Environmental Quality (DEQ) to implement the Statewide Transportation Strategy (STS).

The Statewide Transportation Strategy: A 2050 Vision for Greenhouse Gas Reduction was completed in 2013, following legislative direction to identify ways to reduce transportation-related greenhouse gas emissions. The four agencies expect to share a draft STS Multi-Agency Implementation Work Plan that covers a two year period from June 2020-June 2022 with the Governor's Office on May 15, 2020 and, after a public comment period, deliver a final work plan no later than June 30, 2020. This multi-agency effort is known as the *Every Mile Counts* initiative.

Within the initial work plan, DLCD will lead on three primary actions that are more fully described below:

Parking Management

Parking management is a multi-faceted action that supports limiting costly parking mandates, more pay-to-park locations, more market-based parking rates, and encourages other strategies that internalize the costs of driving and provide benefits

from choosing a different mode of travel. It also provides important co-benefits such as reducing the number of mandated parking spaces and allowing for more housing units to be built on the same amount of land. Parking management strategies need to be carefully managed so as not to disadvantage certain populations, and therefore; the work will include mitigation strategies to support equity concerns. This action will be primarily led by DLCD, with support from ODOT and DEQ, and engagement of other entities as needed. The most direct implementation mechanism for parking management is through the update of the Division 12 Transportation Planning Rules (TPR).

Transportation and Land Use Rules

One of the largest rulemaking efforts within the Multi-Agency Implementation Work Plan will be the update of the TPR and other planning rules. DLCD will lead this effort known as the Climate Friendly and Equitable Communities rulemaking with the involvement of ODOT and potentially, some rulemaking resources from ODOE. Rule initiation is planned for September 2020, with rule adoption planned for approximately 12 months later.

The TPR directs most cities and counties to have coordinated land use and transportation plans. Rule amendments will require local governments to plan for transportation systems and land uses to reduce greenhouse gas emissions, including requiring plans in metropolitan areas to meet greenhouse gas reduction goals.

Among the needed amendments, staff have identified the opportunity to strengthen parking management regulations within the TPR, which is described above under the “Parking Management” action. There may also be opportunities within the TPR and in administrative rules implementing Statewide Planning Goal 10 (Housing) to address the state’s housing crisis by increasing residential units in climate friendly investment areas.

The Climate Friendly and Equitable Communities rulemaking effort will include broad stakeholder engagement and may apply to rule updates for Division 12 (Transportation Planning Rules), Division 44 (Greenhouse Gas Reduction Targets), Division 7 (Metropolitan Housing Rule), Division 8 (Interpretation of Goal 10, Housing) and a new rule associated with Housing Production Strategies (Division 46).

In addition to addressing land use patterns and transportation planning, DLCD will need to examine how to monitor and enforce local plans to ensure compliance with the greenhouse gas reduction goals. This evaluation will require working with ODOT to examine how state transportation plans, policies, and investments might change to enable implementation.

Scenario and Greenhouse Gas Reduction Planning

Further analysis is needed to identify the best approaches for local and regional greenhouse gas reduction planning and for associated costs and technical support needs. ODOT and DLCD will engage stakeholders to understand their needs and

constraints and rely on lessons learned from the last ten years of scenario planning to complete this work. These efforts will be done prior to or in the early stages of the TPR rulemaking in order to appropriately scope the effort, including how to engage the perspectives of historically marginalized communities and to identify policy options that can reasonably be implemented.

Once the rulemaking is complete, ODOT and DLCD will need to provide technical and financial support to Metropolitan Planning Organizations (MPOs) and local governments in metropolitan areas. ODOT and DLCD could potentially support scenario planning for up to one metropolitan area at a time within existing resources. However, each effort may take around two years to complete, and there are seven metropolitan areas in the state that will require new work. Thus the demand will likely exceed capacity, requiring additional staff and funding.

After reviewing public comment, the initial two year STS Multi-Agency Implementation Work Plan has been delivered to Governor Brown as required in Executive Order 20-04. Agencies continue to coordinate on rolling out the individual actions described in the work plan. Specifically at DLCD, staff is preparing for a September 2020 initiation of the Climate Friendly and Equitable Communities rulemaking, which will encompass changes to the TPR, parking management, and scenario planning. Finally, DLCD and ODOT are discussing how to reprioritize grant funding from the Transportation Growth Management program and other sources to support this rulemaking and ultimate program implementation.

Carbon Storage & Sequestration Goals

At the direction of the Oregon Global Warming Commission (OGWC), DLCD is working to support implementation of Section 12 of Executive Order 20-04. This section directs the OGWC to submit a proposal that considers the “adoption of state goals for carbon sequestration and storage by Oregon’s natural and working landscapes, including forest, wetland, and agricultural lands ...” By protecting the state’s farm and forests through urban growth boundaries, Oregon’s planning program already incorporates a fundamental policy of carbon sequestration. Also, knowing that Oregon’s coastal resources sequester large amounts of carbon, DLCD intends to work with OGWC on how the proposal might account for the state’s estuaries and other coastal resources. This proposal is due to the Governor’s Office no later than June 30, 2021.

DLCD staff from the Director’s Office, Community Services Division, and the Coastal Management Program joined two meetings organized by OGWC to discuss how to develop potential goals and to engage agency commissions and stakeholders in this process.

Interagency Workgroup on Climate Impacts to Impacted Communities

Section 3E of Executive Order 20-04 creates this interagency workgroup to ensure impacted communities, such as tribal communities, communities of color, rural communities, coastal communities, lower-income households, and other communities

traditionally underrepresented in public processes are considered in state policies, programs, and grant criteria. The efforts of the workgroup will be focused on improving internal state agency organization and practices rather than extensive outreach to stakeholders and the public.

At the request of the Governor's Office, DLCD has selected staff to participate in this workgroup, which has not yet met at this time.

B. SUMMARY OF STAKEHOLDER INPUT ON MAY 15 REPORT – JUNE 11 FORUM

On June 11, DLCD facilitated a webinar to discuss the department's response to Executive Order 20-04. Staff presented on actions within the department's current statutory authority that reduce greenhouse gas emissions and mitigate climate change impacts and compiled questions and comments from interested stakeholders.

The May 15 Report, the June 11 Forum Presentation, and a report summarizing stakeholder input is available as an attachment.

Considerations and Constraints

With a heavy policy and rulemaking agenda and the limitations of working through a pandemic, the most significant constraints to staff actions are time. Staff have been very focused on the upcoming Climate Friendly and Equitable Communities rulemaking, as well as 2020 update to the adaptation framework.

Conclusion

Staff welcomes any discussion, questions, or comments on this overview.

III. ATTACHMENTS

A. MAY 15 REPORT (SECTION 3D OF EXECUTIVE ORDER 20-04)

B. JUNE 11 FORUM PRESENTATION

C. SUMMARY OF STAKEHOLDER INPUT ON DLCD'S MAY 15 REPORT RESPONSE TO EXECUTIVE ORDER 20-04