



Oregon

Kate Brown, Governor

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

November 5, 2020

TO: Land Conservation and Development Commission

FROM: Jim Rue, Director
Palmer Mason, Senior Policy Advisor

SUBJECT: **Agenda Item 10, November 12-13, 2020, LCDC Meeting**



REVISED 2019-2021 POLICY AGENDA

I. AGENDA ITEM SUMMARY

Purpose: To receive final LCDC direction on the Revised 2019-21 Policy Agenda.

The Department of Land Conservation and Development (DLCD or department) will present the Revised 2019-21 Policy Agenda to the Land Conservation and Development Commission (LCDC or commission) for their approval at the November 2020 meeting.

The Revised 2019-2021 Policy Agenda includes the latest information on DLCD's efforts to implement the 2019-21 Policy Agenda adopted by the commission in September 2019. This policy agenda covers relevant legislation from the 2019 legislative session, policy items carried over from the 2017-19 biennium ([2017-19 Policy Agenda](#)), and newly defined policy projects for the 2019-21 biennium. Both completed and deferred policy projects are noted. DLCD considers Attachment A to constitute the final Revised 2019-21 Policy Agenda as a recommendation to LCDC for adoption.

For further information about this report, please contact Palmer Mason, Senior Policy Advisor, at 503-934-0020 or palmer.mason@state.or.us.

II. BACKGROUND

Policy agendas are developed between the odd-year regular legislative sessions when the state's biennial budget is set. They are updated after even-year short sessions. Policy agenda items build on the agency's core work of delivering guidance and technical assistance associated with Oregon's 19 land use planning goals to cities, counties and special districts in Oregon. In addition to the department's core work, the policy agendas focus on DLCD's work to implement new legislation, develop and adopt new rules, provide updated interpretation of

existing statutes and rules, or research concepts for new policy development. Recognizing that policy and rulemaking priorities, along with workload, change over time, DLCD and commissioners typically revisit the policy agenda halfway through the biennium, in September-November of even-numbered years.

ORS 197.040 requires the commission to:

- Adopt, amend and revise goals consistent with regional, county and city concerns;
- Adopt and amend policies that the commission considers necessary to carry out state land use laws;
- Prepare, collect, or provide land use inventories (or cause to be provided);
- Appoint advisory committees to aid the commission in carrying out ORS chapters 195, 196, and 197, and to provide technical and other assistance, as the commission considers necessary to each such committee; and
- Review the land use planning responsibilities and authorities given to the state, regions, counties and cities, review the resources available to each level of government and make recommendations to the Legislative Assembly to improve the administration of the statewide land use program.

While LCDC approval of a policy agenda is not required, it does provide a way to fulfill the requirements in law described above. While this agenda is intended to help LCDC and DLCD identify, prioritize, schedule, and manage policy work, the approval of a policy agenda is not binding nor does it prevent the pursuit of other projects not listed. Generally, the most significant constraint is limited staff and resources due to competing priorities or budgetary realities.

III. REVISED 2019-2021 POLICY AGENDA

This revised policy agenda represents an update to the 2019-21 Final Policy Agenda adopted by the commission at its September 2019 meeting. It outlines DLCD's policy work for the 2019-2021 biennium, including projects extending beyond this time frame as well as projects that are recommended to be deferred beyond this time. Each policy project described briefly below.

Along with this staff report, DLCD staff prepared other supporting documents for this agenda item. Attachment A presents the Revised 2019-21 Policy Agenda in table form, including such key details as staffing, scheduling, key deliverables and major deadlines. **Attachment A depicts the official final Revised 2019-21 Policy Agenda.** Attachment B provides a visual representation of the start and anticipated end dates for each item.

Completed 2019-2021 Policy Projects

The policy projects below were included in the 2019-21 Final Policy Agenda adopted in September 2020 and have been completed. No further action is required by the commission or DLCD staff.

1. **Conforming Rulemakings Required by 2019 Legislation**

a. HB 2106 – Permit Expiration and Dog Training

DLCD rules conform legislation allowing dog training classes to be conducted in farm buildings existing on January 1, 2019 within counties that adopted marginal lands provisions (Lane and Washington counties).

b. HB 2225 – Forest Template Dwellings

DLCD rules conform legislation clarifying the method used for determining “center of tract” when establishing a forest template dwelling, prohibiting the use of property line adjustments to qualify a parcel for a template dwelling and prohibiting the use of deed transfer to qualify parcels for template dwellings.

c. HB 2435 – Removing Sunset on Guest Ranches

DLCD rules conform legislation that repeals the sunset on law allowing guest ranches to be established on lands zoned for exclusive farm use in eastern Oregon.

d. HB 2469 – Forest Relative Dwellings

DLCD rules conform legislation allowing a second dwelling on forestlands within the rural fire protection district near an existing dwelling for the owner or relative who supports the owner’s forestry practices.

e. HB 2573 – Cranberry Farms

DLCD rules conform legislation reducing the income test for adding a dwelling on a cranberry farm provided the farm owner or operator agrees to a deed restriction preventing the use of the dwelling for rentals.

f. HB 2790 – Outdoor Mass Gatherings

DLCD rules conform legislation allowing counties to require mass outdoor gathering of more than 3,000 people, except for agri-tourism events, to obtain land use permit.

g. HB 3024 – Farm Replacement Dwelling

DLCD rules conform legislation that prohibits a county from considering property tax classification of dwellings that were previously removed, destroyed, demolished or converted to nonresidential uses when reviewing application for replacement dwelling on lands zoned for exclusive farm use.

h. HB 2844 – On-site Farm Processing

DLCD rules conform to legislation allowing facilities for processing farm products under 2,500 sq. feet on lands zoned for exclusive farm use without regard to siting standards.

i. HB 3384 – Non-Conforming Schools

DLCD rules conform to legislation allowing for property expansion of non-conforming secondary schools as long as the school was established on or before January 1, 2009 and the additional property is contiguous and on the same tax lot on which the school was established.

j. SB 287 – Farm Breweries

DLCD rules conform to legislation allowing a farm brewery on lands zoned for exclusive farm use or mixed farm and forest use provided the brewery produces less than 150,000 barrels annually, less than 15,000 barrels on the farm brewery site and either owns an on-site hop farm of 15 acres or obtains hops from contiguous properties.

k. SB 408 – Minimum Lot Size for Utilities on EFU Lands

DLCD rules conform to legislation allowing partitions smaller than the minimum parcel size in EFU lands for utility facilities necessary for public service.

2. Goal 18: Pre-1977 Development Focus Group

Large Effort, Research, Possible Policy/Rule Development

The Department of Land Conservation & Development led a focus group to review the usage of Statewide Planning Goal 18: Beaches and Dunes, Implementation Requirement #5. This Goal relates specifically to what type of development is eligible to apply for beachfront protective structure (e.g. riprap) permits. The Focus Group reviewed the provisions of Goal 18, Implementation Requirement #5, relating to shoreline armoring rather than other provisions of the Goal. The principal issues are the protection of Highway 101 and other public assets developed prior to 1977, private property not currently eligible for shoreline armoring, impacts of armoring on public beach access and the management of oceanfront development. A final report was published in October 2019 recommending that the department consider a limited exception to Goal 18 for public facilities.

While this policy project has concluded, staff recommends including a related project that would define a limited exception to Goal 18 for public facilities in the Revised 2019-21 Policy Agenda.

3. Governor’s Council on Wildfire Response

Major Effort, Complex Budget & Policy Recommendations

The Governor’s Council on Wildfire Response delivered its final report in November 2019. Since that time, the 2020 Legislature considered but did not enact legislation related to the Council’s wildfire risk mapping and land use recommendations. Similar legislation is expected for the 2021 Session. The commission also has approved a budget request in the department’s 2021-23 Agency Recommended Budget which requests funding to support a stakeholder process, in conjunction with the Department of Forestry, to develop budgetary and statutory recommendations regarding wildfire risk mapping and appropriate zoning standards (Policy Option Package 113).

4. Green Energy Corridor Pilot (NE Oregon)

Medium Effort, Standard Rulemaking

This rulemaking authorized Morrow and Umatilla counties to designate corridors for siting electrical transmission lines on lands designated for exclusive farm use. The proposed revisions do not have statewide application and do not, in of themselves, designate the location of any corridor. LCDC approved this rule in May, 2020.

Ongoing 2019-2021 Policy Projects

With the exception of the Measure 49 rulemaking, the policy projects below were included in the 2019-21 Final Policy Agenda and are not yet completed. The Measure 49 rulemaking project was added by the commission during the July 2020 meeting in order to receive fees to help offset costs associated with potential and expected claims. DLCD staff recommends that these projects continue to be included in the Revised 2019-21 Policy Agenda.

1. Mariculture Geospatial Database – HB 2574

Medium Effort, Agency Action Only

HB 2574 required the department to develop an online, electronic, geospatial information system to collect, consolidate, and organize public record information about shellfish mariculture in Oregon waters. The bill appropriated \$200,000 for the biennium to support the work. DLCD hired one limited-duration position to undertake this work and, at the present time, the information system is planned to be operational by the spring of 2021.

2. Measure 49 Processing Fee

Medium Effort, Standard Rulemaking

Landowners may file claims for compensation based on an administrative rule or a state statute under the commission's jurisdiction that is adopted after January 2007. Valid claims are those that would restrict residential, farm or forest uses and reduce the fair market value of the property. While the department must review the claims for completeness and legal sufficiency, at present, the department has no source of project-related funding to pay for staff review, retain property appraisers or cover legal fees. To date, this cost and analysis has relied upon sufficient general fund resources.

Based on HB 2225 relating to forest template dwellings in the 2019 Session, DLCD is expecting a potentially significant number of Measure 49 claims as of January 2021. As result, the commission approved initiation of a rulemaking to establish a processing fee at the July 2020 meeting. If adopted, this fee would apply to all state Measure 49 claims, not just those relating to forest template dwellings.

LCDC is considering this rule at its November 2020 meeting.

3. HB 2329 – Energy Facility Siting Council Changes

Major Effort, Complex Political Discussions

Passed in the 2019 session, HB 2329 raised acreage thresholds for the review and approval of solar energy facilities by the Energy Facility Siting Council resulting in more review and approval of these facilities by local governments. However, contrary to legislative intent, the legislation was inadvertently drafted to require new local siting standards for mid-tier renewable energy facilities, including solar, wind, geothermal and biomass operations. Under the Measure 56 statute, DLCD is required to notify counties of new statutory restrictions and then reimburse counties for the notices mailed to affected property owners.

Because no funding was appropriated for this purpose, DLCDC staff had hoped to work with the Governor's Office and key legislators to amend the statute during a special session or, should that prove unsuccessful, request the needed funding from the legislative Emergency Board. As time passes, due to the legislative focus on the overwhelming issues of the COVID-19 pandemic and wildfires, it appears that this issue will likely need to be addressed in the 2021 Session.

4. Climate Change Adaptation Framework Update

X-Large Effort, Research & Policy Recommendations

In 2018, by virtue of federal funds, DLCDC Oregon Coastal Management Program (OCMP) staff started a project to update the Climate Change Adaptation Framework originally published in December 2010. The framework will identify the major climate risks in Oregon and suggest key objectives and actions to address these risks along with an appropriate governance structure to ensure renewed focus and leadership from state agencies on climate change adaptation. Staff lead Christine Shirley coordinates a 25-agency work group comprised of state agency staff who provide specific content. The work group draws on the expertise of a multi-agency technical advisory team to ensure that best available data are used to develop climate change adaptation actions.

The draft report on the Framework Update and key recommendations is out for public comment from August – November 15 2020 and should be published by December 2020.

DLCDC has also made a 2021-23 budget request to continue the current position leading this work along with funding for a vulnerability assessment of communities, infrastructure, natural resources and state programs at greater risk from climate change, including of historically disadvantaged populations (Policy Option Package 111).

5. 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, DLCDC 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). Additional interested and affected agencies include the Oregon Health Authority, Oregon Housing and Community Services and Business Oregon.

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 have completed a draft STS Multi-Agency Implementation Work Plan that covers a two year period from June 2020-June 2022. This multiagency effort is known as the Every Mile Counts initiative. Within the initial work plan, DLCDC 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 some rulemaking resources contributed by ODOE. Rule initiation is planned for November 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) including Housing Production Strategies. 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

Staff recommends further analysis 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 local governments and 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.

DLCD and ODOT continue to discuss funding and adequate support for this program. In its Agency Requested Budget, DLCD has made a 2021-23 budget request for one position and approximately \$2.25 million in local technical assistance funding (Policy Option Package 112).

6. Missing Middle Housing – HB 2001

X-Large Effort, Research, Rulemaking, Grant Program

HB 2001 is intended to address the statewide deficit of housing by adjusting allowable development standards in areas zoned for single family residential development. The 2019 Legislature appropriated funding to support DLCD's adoption of a model ordinance and enforcement of middle housing requirements (HB 5050). HB 2001 appropriates \$3.5M to provide technical assistance to local governments. This legislation will require complex rulemaking to develop a model ordinance, establishing of a grant program, and secondary rulemaking related to the review and approval of extensions based on infrastructure deficiencies.

Rulemaking includes a model ordinance for medium cities (populations between 10,000 and 25,000). A model ordinance also must be developed for larger cities (populations greater than 25,000) and cities in the Metro region with a population greater than 1000. DLCD will request LCDC approval to initiate rulemaking during the September 2019 meeting. Staff expects to begin rulemaking, including an initial RAC meeting, in late 2019 and to present the separate model ordinances for rule adoption to LCDC in the second and third quarters of 2020. HB 2001 requires final action by LCDC on the model ordinances no later than December 31, 2020.

After months of work and many meetings, major pieces necessary to implement HB 2001 have been adopted or are nearing adoption. Technical assistance grants are ready for distribution to aid local governments in adopting local middle housing ordinances or addressing infrastructure constraints. The model code and minimum criteria rules for allowing duplexes on every lot or parcel have been formally adopted. Finally, staff is working with stakeholders and preparing to present draft rules on the model code and minimum criteria to address triplexes and other dense types of middle housing in larger and Metro cities during the November 2020 LCDC meeting.

Finally, DLCD has made a 2021-23 budget request to continue the current housing positions leading this work and the effort to implement HB 2003 along with approximately \$1 million in local technical assistance funding for middle housing (Policy Option Package 110).

7. Regional Housing Methodology/Housing Production Strategies – HB 2003

X-Large Effort, Research, Rulemaking, Grant Program

HB 2003 directs Oregon Housing and Community Services (OHCS), in consultation with DLCD and the Department of Administrative Services (DAS), to develop a regional housing needs methodology and then apply the methodology to defined regions of the state on or before July 1, 2020. It also directs OHCS and DLCD to report to an interim legislative committee on this analysis by September 1, 2020 and to provide final legislative reports by March 31, 2021. Specifically, DLCD is directed in consultation with OHCS and DAS to evaluate the regional housing needs methodology.

OHCS is finishing its sample regional housing needs analysis required under HB 2003. DLCD will prepare a report to the 2021 Legislature on how we propose to integrate the regional housing needs analysis into Oregon's statewide planning program. Over the next few months, staff will host a series of meetings with stakeholders and public, including meetings targeted to the different regions of Oregon, to gather input on whether and how this regional methodology should be incorporated into local analyses of needed housing. Ultimately, during the 2021 Session, the Legislature will decide whether to require a regional housing needs methodology.

In addition, HB 2003 requires cities with populations over 10,000 to develop and adopt a housing production strategy (HPS) based on a schedule for housing needs analyses (HNAs) to be adopted by LCDC. Delegating authority to the Director, the HNAs schedule was adopted as statutorily required by December 31, 2019. It is included also in the November 2020 packet to also be adopted by rule.

Future work on Housing Production Strategies will center on finalizing minimum compliance and guidance requirements for the Housing Production Strategy report, finalizing annual and mid-reporting requirements for cities, and defining a methodology for a progression of enforcement measures. Adoption will be contemplated at the November LCDC meeting.

Finally, DLCD has made a 2021-23 budget request to continue the current housing positions leading this work and the effort to implement HB 2001 along with approximately \$1.5 million in local technical assistance funding to support HNAs and HPS (Policy Option Package 110).

8. City of Bend Pilot / Housing in Areas Zoned for Employment – HB 3450

Medium Effort, Approval of Amendments/Regulations

HB 3450 authorizes a city with a population over 75,000 not located within a metropolitan service district (i.e. City of Bend) to adopt land use regulations authorizing mixed-use housing within areas zoned for employment uses under certain conditions. The bill also allows the city to use “alternate means” to comply with several statewide land use planning goals (i.e., Goal 9 – Economy, Goal 10 – Housing, Goal 11 – Public Facilities & Services, and Goal 12 – Transportation). Both the land use regulations and “alternate means” of compliance, as well as any related comprehensive plan amendments, are subject to LCDC review and approval.

The City of Bend is scheduled to take final action in October, 2020. Once Bend submits, Commission action on the comprehensive plan amendment and land development regulations must occur within 120 days (January, 2021 expected).

9. Affordable Housing Pilot Project – HB 2336

Medium Effort, Approval of Program Application

In 2016, the Legislative Assembly enacted House Bill 4079, creating an affordable housing pilot program to be implemented by the Land Conservation and Development Commission (LCDC). The measure specified that two projects would be selected from sites nominated by local governments: a city with a population less than 25,000, and a city with a population more than

25,000. Bend and Redmond were the only two applicants and both have populations over 25,000, so they were in competition with one another, and Bend was selected. Bend's population is over 90,000 and Redmond is just under 30,000. House Bill 2336 allows Redmond to participate in the pilot program since no cities with populations less than 25,000 were nominated.

There are no DLCD deliverables for this policy project and the department is waiting for an application. City of Redmond's work was delayed by COVID-19 and is expected to resume later this year.

10. Rocky Habitat Update to Territorial Sea Plan Part III

X-Large Effort, Research and Rulemaking

The update to the Territorial Sea Plan Part Three was organized into a phased approach to manage the diverse needs of the plan. The development of updated language for Part Three follows a Community Based Proposal Process. The intent of this process is to create a transparent update mechanism and a user friendly final product for managing Oregon's rocky habitat resources. The final product of this process is an updated Territorial Sea Plan Part Three for incorporation by reference into a single administrative rule. After a new rule has been adopted, enforceable policies will be extracted and submitted to the National Oceanic and Atmospheric Administration for federal consistency purposes. This work is anticipated to continue through the fall of 2021.

New Policy Projects for 2019-21

This list includes newly defined policy projects for the 2019-2021 biennium. At present time, DLCD staff recommends that Projects 1, 2, 3 and 4 be included in the Revised 2019-2021 Policy Agenda.

1. Undersea Cable Policy

Medium Effort, Standard Rulemaking

Ocean Policy Advisory Committee and LCDC will generate rule amendments to update Subsea Cables chapter IV of the Territorial Sea Plan. The OPAC recommendation on appropriate rule language occurred May 6, 2020. OCMP staff would begin an amendment process in 2021, concluding by late 2021 to mid-2022.

2. Goal 18 Limited Exception for Public Facilities

Medium Effort, Standard Rulemaking

This proposed rulemaking stems from the research and policy discussions conducted under the Goal 18: Pre-1977 Development Focus policy project. An update to the rule would refine the existing exception process to allow shoreline armoring for limited public facilities. Initial work would commence in the summer or fall of 2021, led by DLCD OCMP staff.

3. Carbon Storage & Sequestration Goals (Exec. Order 20-04)

Low Effort, Research & Policy Discussions

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.

4. Wildfire & Natural Hazards Recovery Rulemaking

Medium Effort, Standard Rulemaking

On October 22, 2020, LCDC adopted a temporary rule valid for 6 months that relaxes or removes existing limitations to housing and related infrastructure in rural lands outside of urban growth boundaries for declared wildfires emergencies. In first quarter of 2020, DLCD expects to undertake permanent rulemaking that would allow other natural hazards to trigger these same policies

Deferred Policy Projects

Due to budgetary effects from the COVID-19 effect on state employment and revenue, DLCD staff recommends that projects 1, 2, 3 and 4 be deferred beyond the 2019-21 biennium. We recommend project 5 be included in the Climate Friendly & Equitable Communities rulemaking.

1. Rural-Resource Lands

Complex Effort, Research and Possible Rulemaking

The commission received an informational report on rural resources lands at its May 2019 meeting, which concluded the work of Hatfield Fellow, Stephanie Campbell. There are currently no standards to guide counties in identifying and zoning non-resource lands. Due to limited staff capacity in the 2019-2021 biennium, and the anticipated workload during that time, this policy project is recommended for deferment.

2. Farmland Protection Improvements

Complex Effort, Research and Rulemaking

Originally proposed in the 2015-2017 biennium, this project was structured to research, define and potentially develop review criteria for commercial activities in conjunction with farm use and private parks, to consider potential new agri-tourism related uses, to perform revisions and specify intent of some definitions, and to seek to create a firm understanding and quantifiable measures for the cumulative impacts of non-farm uses on long term preservation of exclusive farm use land in Oregon. Some progress was realized in the 2015-2017 and 2017-2019 biennia on this project. Specifically, DLCD’s research was focused on analyzing available agricultural data at the state and county level and conducting GIS analyses to determine correlations

between land use decisions and impacts to agriculture. However, due to limited staff capacity in the 2019-2021 biennium, the department recommends deferment of this work.

3. Review of Statewide Planning Goals & Climate Change

Medium Effort, Initial Policy Discussion, White Paper

Starting in September 2020, DLCD planned to 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 intended to 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?

However, due to rebalancing budget reductions enacted during the August 2020 Special Session, DLCD no longer has the staff capacity to support this project. For this reason, DLCD staff recommends deferring this project during the 2019-21 biennium.

4. Statewide Planning Goal 10 & Federal Fair Housing Act

Medium Effort, Update of Guidance

Given the current housing shortage, including the effects of pricing and displacement of disadvantaged communities, DLCD staff recognizes the 1997 Planning for Housing Guidebook should be updated to reflect best current practices and information relating to the federal Fair Housing Act. While fair housing issues will be considered within the scope of the HB 2003 rulemaking, particularly under the rules related to Housing Production Strategies, DLCD staff recommends that this project be deferred in the 2019-21 biennium as a part of subsequent outreach and implementation.

5. Metropolitan Transportation Rulemaking

X-Large Effort, Intensive Rulemaking

In 2018, DLCD staff began to identify potential ways to amend the Transportation Planning Rule (TPR) to “integrate” the GHG emissions reduction targets into regional and local planning. The goal was to clarify that state TPR requirements apply directly to cities and counties, not MPOs. Local governments are required to increase “transportation choices” with broad latitude for how

to measure local compliance. Local actions to increase “transportation choices” would have included infrastructure investments, development strategies and transportation policies such as the following:

- Providing more infrastructure for transit, biking and walking;
- Increasing development densities, particularly residential, near transit corridors;
- Reducing parking requirements
- Establishing pricing strategies for parking and driving; and
- Increasing transportation demand management (e.g., policies that encourage a shift from driving to other transportation options).

While this rulemaking was initially deferred in 2019, work on these changes will proceed under the Climate Friendly and Equitable Communities rulemaking.

IV. **COMMENTS RECEIVED**

DLCD received three public comments on the Revised 2019-2012 Policy Agenda. Each comment is summarized below along with the staff response.

A. General Comment

DLCD received a comment requesting that DLCD policies and reports be written more clearly, allowing the public to better gauge progress and effectively comment on department actions.

DLCD recognizes the technical nature of our work can serve as a barrier to effective public engagement. For that reason, staff remain available to assist anyone in understanding what we do.

B. Rural Resource Lands

DLCD received a comment from the Deschutes County Commission requesting initiation of this policy project in the 2019-2021 biennium. The County Commission expressed frustration over the repeated deferrals of this project and believes that the DLCD 2019 study concluded that state rules do not exist to guide counties on how to appropriately identify and zone these lands.

With limited staff and resources, DLCD cannot undertake a rulemaking to develop statewide criteria to guide counties on how to identify and zone rural resource lands. While DLCD recommends deferral of the policy project at this time, staff is committed to meeting with Deschutes County for further discussions on this issue.

C. Goal 5 – Cultural & Natural Resources

DLCD received a Government-to-Government comment from the Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians (CTCLUSI). Specifically, CTCLUSI staff expressed concerns that cultural and natural resources of significance to Tribal Nations are not being adequately protected under this statewide planning goal.

While with limited staff and resources, DLCD cannot undertake any significant review of Goal 5, much less undertake an update to the goal this biennium, staff is committed to further conversations Tribal

Nations on near and long strategies to improve the implementation of Goal 5 with respect to Tribal cultural and natural resource protection.

V. **ATTACHMENTS**

A. **REVISED 2019-21 POLICY AGENDA**

B. **REVISED 2019-21 POLICY AGENDA WORKFLOW SCHEDULE**

C. **COMMENTS RECEIVED**