

Oregon Department of Land Conservation and Development

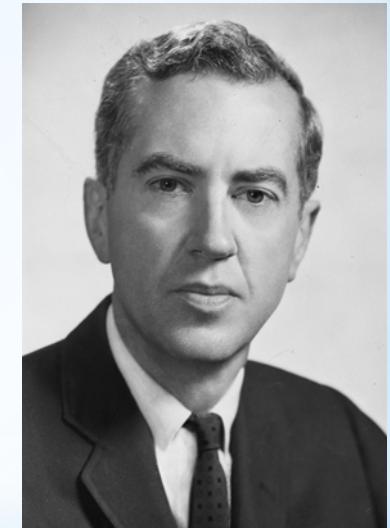
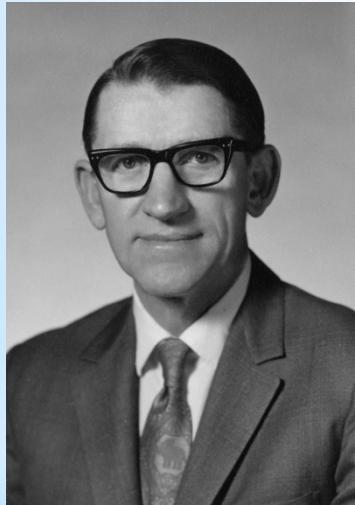
2013-15 Budget Presentation

Jim Rue, Director

Carrie MacLaren, Deputy Director



Mission, Goals and Historical Perspective



Agency Mission

To help **communities and citizens plan for**, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we **foster sustainable and vibrant communities and protect our natural resources legacy**.



Long Term Strategic Goals



Statewide Planning Goals

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

Goal 15: Willamette River Greenway

Goal 16: Estuarine Resources

Goal 17: Coastal Shorelands

Goal 18: Beaches and Dunes

Goal 19: Ocean Resources



Long-term Strategic Goals

1. Promote sustainable, vibrant communities

Integrate land use, transportation and public facilities. Ensure land for employment and housing.

2. Secure Oregon's legacy

Conserve coastal, farm forest and riparian areas. Protect unique and sensitive resources. Promote sense of place.

3. Engage citizens and stakeholders in continued improvement of Oregon's Land Use Planning Program

Goal 1-Citizen Involvement. Collaborative partnerships with citizens and communities. Support regional perspectives and strengths. Ensure equitable application of regulatory program, resources and grants.



Long-term Strategic Goals

4. Provide timely and dynamic leadership

Develop and coordinate strategic initiatives with other state agencies and local governments.

5. Deliver resources and services that are efficient, outcome-based and professional

Provide local governments with services and resources that support their comprehensive planning process.



Promote Sustainable, Vibrant Communities

Example

Oregon's land use program assures that cities provide lands for housing and employment, while avoiding sprawl and lowering the cost of growth.

According to the Brookings Institute:

- * the U.S. grew by 17% from 1982 to 1997,
- * while Oregon grew by 20%.

During the same time:

- * the amount of urbanized land in the nation increased by 47%
- * while in Oregon it expanded by only 3%.

The Costs of Growth		
	Low Density 2.1 du/ac*	Moderate Density 5.5 du/ac*
Costs of local roads per du	\$7,420	\$2,607
Other infrast. costs per du	\$10,954	\$5,206
Total costs (1999 \$)	\$18,374	\$7,813

* du/ac: dwelling units per acre



Long Term Goals

Secure Oregon's Legacy

Example

Oregon's land use program conserves farm & forest lands for agricultural and forest products industries

Most lands in farm or forest use in 1987 remain in those uses 20 years later

In contrast, recent studies show 30,000 acres of forest lands lost to conversion in Washington every year.*

Oregon is still the leading producer of timber in the lower U.S., and jobs in forest products are still the leading "traded sector" industry in much of the state.* (Washington DNR, 2007)

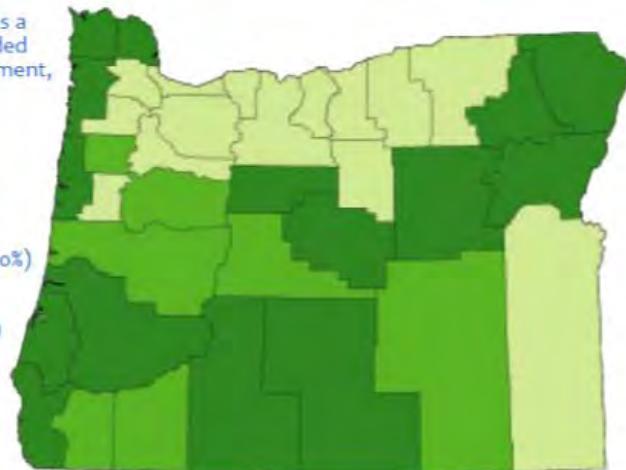
FOREST PRODUCTS TRADED SECTOR EMPLOYMENT BY COUNTY ⁽²³⁾

Forest Sector as a Percent of Traded Sector Employment, 2001

Low (0% - 25%)

Medium (26% - 50%)

High (51% - 100%)



Softwood Lumber Production

The forest industry in Oregon is the largest in the nation, accounting for 18% of total U.S. softwood lumber production.

	2003	2004	2005	2006	2007	2008	2009
OR	6,532	7,156	7,433	7,033	6,176	4,724	3,829
WA	4,898	5,455	5,729	5,130	4,763	3,885	3,241
CA	2,654	2,763	2,674	2,421	2,312	1,931	n/a
ID	1,949	1,964	1,959	2,027	1,780	1,344	1,105



2013-15 Short Term Objectives

1. Land Supply/Economic Development: Improve the capacity of local and state government to evaluate the infrastructure required for future development, along with methods for financing public facilities and infrastructure.
2. Streamline the Land Use Program: Streamline population forecasting for adoption by local governments. Streamline urban growth boundary management policies.
3. Conserve Farm/Forest lands through state agency coordination, better monitoring and analysis and identification of non-regulatory approaches.
4. Coastal Resources and Energy: Complete the planning process to amend the Territorial Sea Plan to allow for energy development in the near shore area.
5. Review 8-10 significant UGB and/or Urban Reserve proposals



What We No Longer Accomplish

1. We will prioritize review of plan amendments, and significantly reduce the number that we review and advise on (we now receive over 1,350/yr and comment on about 400)
2. We will further slow the pace of periodic review (until grant/staff resources return)
3. We will continue to limit formal enforcement actions to a *very* low level
4. We likely will curtail rulemakings addressing area-specific problems
5. We will have *very* limited resources to help counties and claimants carrying out Measure 49 authorizations



DLCD, Programs and Target Groups

Land Conservation and Development
Commission

Department of Land Conservation
and Development

Ocean and
Coastal Services
Division

Planning
Services Division

Community
Services Division

Administrative
Services Division



Land Conservation and Development Commission



- Created in 1973 with adoption of **SB 100**
- Appointed by Governor; Approved by Senate
- Policy arm of statewide land use program
- Assures consistency with **19 statewide planning goals**



Agency Program Delivery

- * **Four Divisions**

- * Community Services Division
- * Planning Services Division
- * Ocean and Coastal Services Division
- * Administrative Services Division

- * **Two Budget Units**

- * Planning and Administration (all program services)
- * Grants to Local Governments (no staffing)



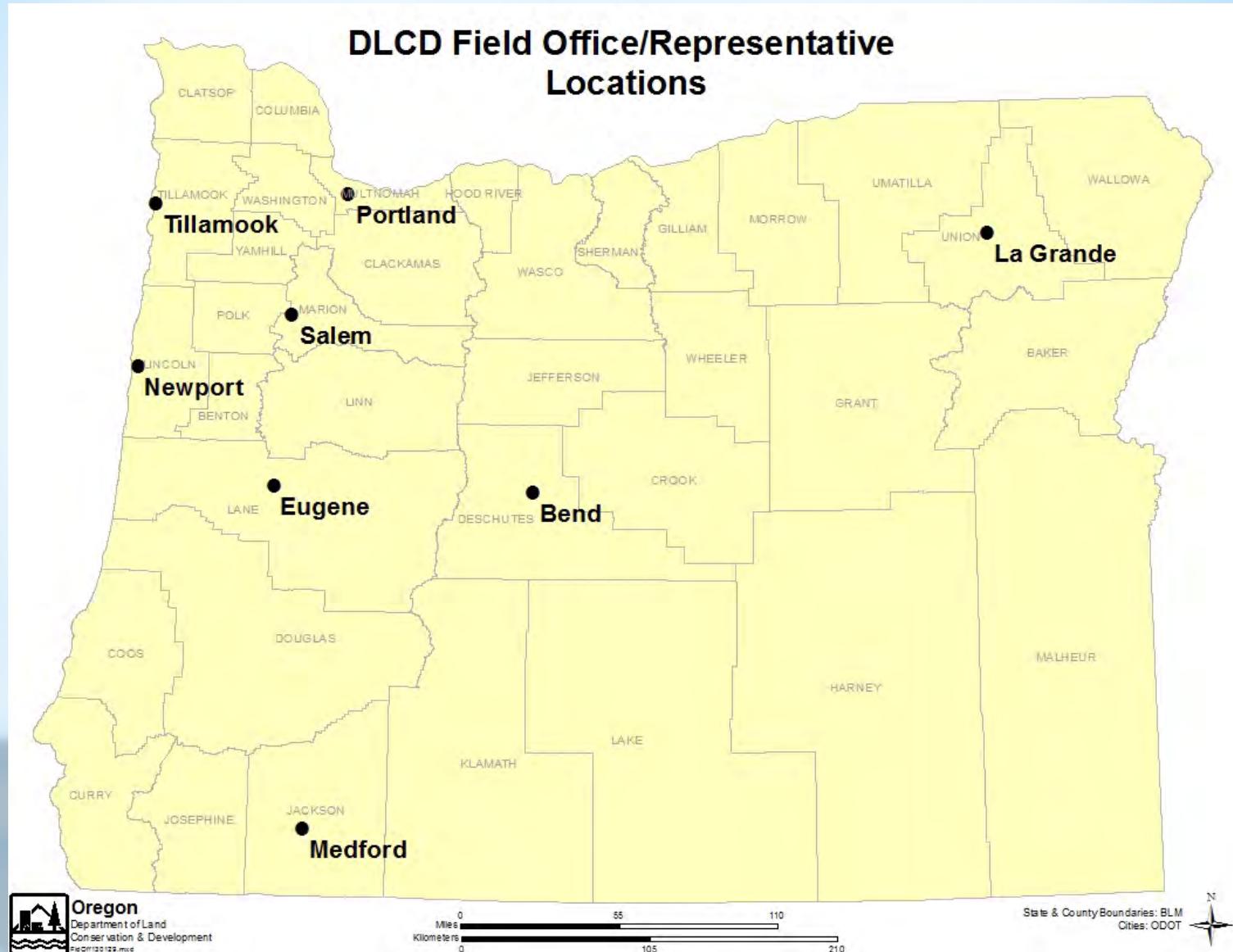
State Agency Coordination Agreements

Who We Do Business With

- * Capitol Planning Commission
- * Governor's Watershed Enhancement Board
- * Lane County Boundary Commission
- * Metro
- * Oregon Building Codes Agency
- * Oregon Department of Energy/Energy Facility Siting Council
- * Oregon Department of Environmental Quality
- * Oregon Department of Fish and Wildlife
- * Oregon Department of General Services
- * Oregon Department of Higher Education
- * Oregon Department of Agriculture
- * Oregon Department of Corrections
- * Oregon Department of Forestry
- * Oregon Department of Geology and Mineral Industries
- * Oregon Department of Revenue
- * Oregon Department of Transportation
- * Oregon Department of State Lands
- * Oregon Economic Development Department
- * Oregon Health Division
- * Oregon Housing Agency
- * Oregon Public Utility Commission
- * Oregon State Emergency Management Division
- * Oregon State Marine Board
- * Oregon State Parks and Recreation Department
- * Oregon Water Resources Department



DLCD Field Office/Representative Locations



Performance Accomplishments



Performance Overview

Key Take Home Messages

- * Outcomes reflect regional solutions with diverse partnerships
- * Programs achieve outcomes and objectives that meet statewide planning goals under the direction of the Governor and Legislature
- * The core of the mission enhances urban and rural communities, protects the resource base and promotes citizen involvement



Progress on 2011-13 Policy Initiatives and Program Objectives

- * Jackson County Regional Planning
- * Economic Development Planning
- * Ocean Alternative Energy Planning
- * Providing Tools to Reduce Greenhouse Gas Emissions
- * Portland Metro Urban Growth Boundary Amendments
- * Urban Growth Management Streamlining
- * Southern Oregon Regional Pilot Program
- * Hazards Planning
- * TPR Amendments
- * Large Lot Industrial in Central Oregon: Rulemaking and Implementation



Key Results: Oregon Grows More Efficiently than Other Western States

Percentage Change 2000-2010 (>20,000)

	Oregon	Washington	Idaho	California
Population	16.0%	16.8%	28.8%	10.7%
Land Area	7.1%	9.4%	37.8%	6.2%
Population per Square Mile	8.3%	6.7%	-6.6%	4.7%

2000-2010 Census Data for NW States



Key Results: Oregon Dept. of Forestry, Land Use Change on Non-Federal Lands 1974-2009

- * 98% of all non-federal land that was in forest, agricultural and range land uses in Oregon in 1974 remained in these uses in 2009.
- * Conversion of private land in forest, agricultural and range uses to more developed uses slowed dramatically after the 1974-1984 period. Nearly all private land designated as non-developable zones in county land use plans has remained in forest, agricultural and range uses in the years following the implementation of these plans in the mid-1980s.
- * Conversion of land in resource uses to low-density residential or urban uses has occurred mostly on other private (non-industrial private) land zoned for development in these plans.



Key Performance Summary from APPR Executive Summary

Performance Summary

- * This performance report provides data for fiscal year 2011-2012.
- * Mixed results. Thirteen of 19 measures met. Measures not met, typically reflect local government inability to update local comprehensive plans—e.g. land supply, infrastructure. Measures met typically reflect department actions.

Challenges

- * Diminished local government resources.
- * Limited department resources, including grant availability.
- * Small cities with a population of 10,000 or more (and counties) are even more constrained.



Key Performance Summary from APPR Executive Summary

- * Measures related to building vibrant communities and sustainable economic development
 - * Land supply (KPM#1,2,4,8,9)
 - * Public facilities (KPM#3,5,6)
- * Measures related to protecting our farm, forest and natural resource legacy
 - * Conservation (KPM# 10,11,12)
- * Measures related to helping communities plan for their futures
 - * Periodic review and plan amendments (KPM#13,14,16,18)
 - * Customer service (KPM#7,15,17,19,)



Key Performance Summary from APPR Executive Summary

The following key performance measures are proposed for deletion. The measures have achieved their purpose.

- * KPM #9 Natural Resource Inventories
- * KPM #13 Periodic Review Remands
- * KPM #14 Timely Comments



2011-2012 Approved Key Performance Measures (KPMs)

1. **EMPLOYMENT LAND SUPPLY** - Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.
2. **HOUSING LAND SUPPLY** - Percent of cities that have an adequate supply of buildable residential land to meet housing needs.
3. **PUBLIC FACILITIES PLANS** - Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.
- 4 **CERTIFIED INDUSTRIAL SITES** - Number of industrial sites certified as "project-ready" added each fiscal year.
5. **TRANSIT SUPPORTIVE LAND USE** - Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.
6. **TRANSPORTATION FACILITIES** - Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.
7. **Economic Revitalization Team (ERT)** - Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.
8. **COASTAL DEVELOPMENT ZONING** - Percent of estuarine areas designated as "development management units" in 2000 that retain that designation.
9. **NATURAL RESOURCE INVENTORIES** - Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.
10. **FARM LAND** - Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.
11. **FOREST LAND** - Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.
12. **URBAN GROWTH BOUNDARY EXPANSION** - Percent of land added to urban growth boundaries that is not farm or forest land.
13. **PERIODIC REVIEW REMANDS** - Percent of periodic review work tasks that are returned to local jurisdictions for further action.



Key Performance Measures Program: Land Supply

- * Five KPMs addressing adequate supply of land for growth
 - * Related to land for jobs and housing
 - * Addresses constrained lands
 - * Measures 1,2,8 and 9 reflect local plan updates, not state actions



Key Performance Measures Program: Public Facilities

- * The three KPMs addressing planning for urban public facilities and services
 - * Related to sewer and water, transit-supportive land use and transportation funding
 - * Measures local actions not state actions
- * Met all targets



Key Performance Measures Program: Protect Our Legacy



- * Three KPMs addressing conservation of farm and forest resources
 - * Met or exceeded 2:3 targets
- * Also see department's Farm/Forest Report (Appendix D)
- * Department is undertaking new data sharing with the Department of Forestry



Key Performance Measures

Agency: Periodic Review and Plan Amendments

- * Four KPMs addressing the effectiveness of professional services to local governments
 - * Local government and department coordination in periodic review
 - * Department responsiveness to local governments' plan amendment proposals
 - * The technical merit of department appeals of local planning and development decisions
 - * Department ability to respond to local government submittals of periodic review tasks
- * Met or exceeded all four targets



Key Performance Measures Agency: Customer Service

- * Five KPMs addressing the quality of services provided to customers
 - * Involvement in ERT process
 - * Overall customer service
 - * Timely processing of grants
 - * Timely processing of new Measure 49 claims
 - * LCDC best practices



Key Performance Measures

Agency: Customer Service

- * Customers

- * Oregon's Statewide Planning Program is a partnership between citizens, communities and state and local decision-makers
- * Customers also include local governments, tribes, agency partners, special interests and others



Key Performance Measures Agency: Customer Service

- * Services
- * Technical assistance
- * Planning grants
- * Data collection & reporting
- * Archival library of planning documents
- * Training and outreach for local governments
- * LCDC regional tours and discussion
- * Planners Network meetings
- * State agency coordination
- * Land use proposal review
- * Periodic Review coordination
- * Financial reporting and accountability
- * Vested rights determinations
- * Government to Government relations
- * Economic development planning
- * Natural resource protection
- * Transportation and land use coordination
- * Housing needs analyses
- * Natural hazards inventories
- * Cultural, historic and natural resource inventories
- * Citizen involvement
- * Recreational needs analysis
- * Agricultural protection
- * Forest protection
- * Strategic planning



Key Performance Measures

Agency: Customer Service

KPM No. 17: Customer Service

- * Focuses on the quality, timeliness, accuracy, helpfulness and availability of services
- * 70% of respondents rated satisfaction with overall service at DLCD as “good” or “excellent”
- * Knowledge and expertise was rated highest in 2008 at 82.1%



Key Performance Measures Agency: Customer Service

KPM No. 20: Best Practices

The Land Conservation and Development Commission (LCDC) meets 100% of its Best Practices Criteria through:

- * Regular meetings of its LCDC Budget and Management Subcommittee
- * Active participation in development of the Strategic Plan and review of the Biennial Report
- * Regular meetings with the Director during commission meetings and legislative sessions



Budget: Drivers, Actions, Issues

Consistent With Healthy Environment Policy Vision

Manage Oregon's air, water, land and wildlife resources to support a healthy environment that sustains Oregon communities, Oregon's economy and the places Oregonian's treasure.



Governor's Balanced Budget

	2009-11	2011-13 Legislatively Approved	2013-15 Governor's Balanced
General Funds	\$15,258,551	\$11,132,225	\$12,769,089
Other Funds	\$1,309,575	\$1,457,573	\$1,190,188
Federal Funds	\$4,790,276	\$5,857,281	\$6,100,788
All Funds	\$21,358,402	\$18,447,079	\$20,060,065
Positions	95	57	55
FTE	80.57	55.11	53.46



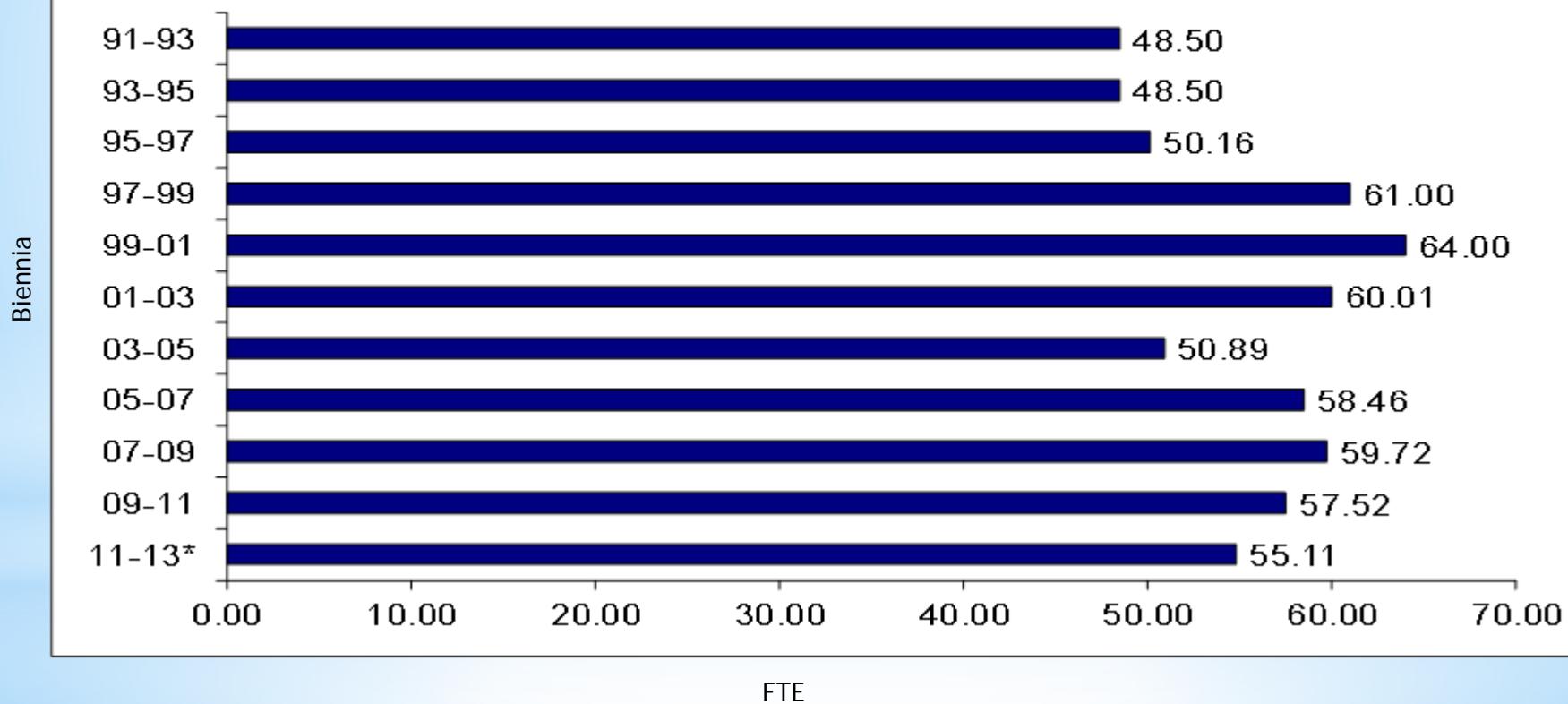
2013-15 Current Service Level

	2009-11	2011-13 Legislatively Adopted	2013-15 Current Service Level
General Funds	\$15,258,551	\$10,885,017	\$12,274,466
Other Funds	\$1,309,575	\$1,457,573	\$1,278,787
Federal Funds	\$4,790,276	\$5,857,281	\$5,897,527
All Funds	\$21,358,402	\$18,199,871	\$19,450,780
Positions	95	57	55
FTE	80.57	55.11	53.46

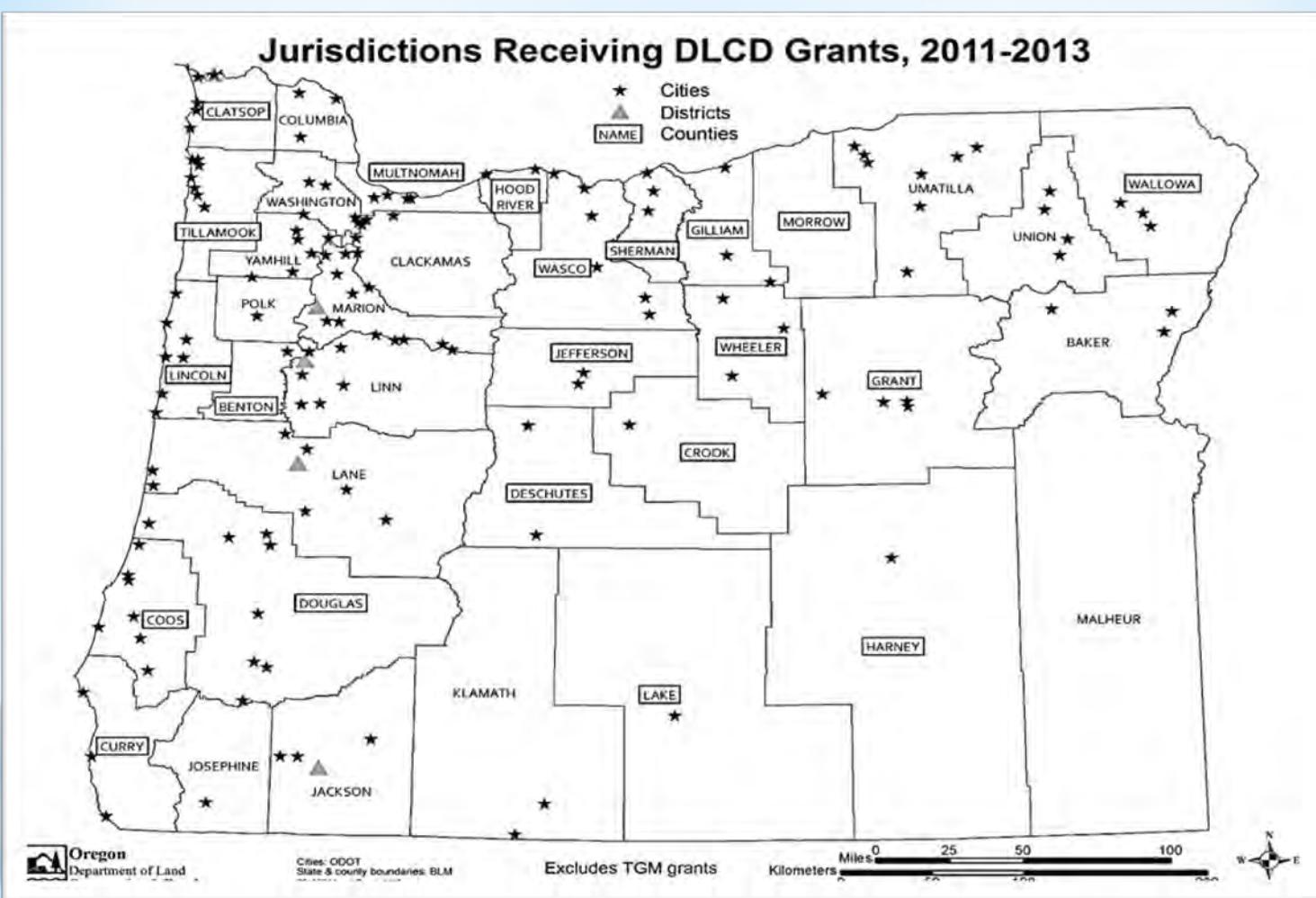


Historic Budget and Program Changes

DLCD: HISTORICAL SUMMARY OF TOTAL FTE (Excluding Measure 37/49)



Jurisdictions Receiving DLCD Grants, 2011-2013



2013-15 Objectives

What We Will Do With Our Funding

1. Land Supply/Economic Development: Improve the capacity of local and state government to evaluate the infrastructure required for future development, along with methods for financing public facilities and infrastructure.
2. Streamline the Land Use Program: Streamline population forecasting for adoption by local governments. Streamline urban growth boundary management policies.
3. Conserve Farm/Forest lands through state agency coordination, better monitoring and analysis and identification of non-regulatory approaches.
4. Review 8-10 significant UGB and/or Urban Reserve proposals



2013-15 Objectives continued

5. Continue work with communities that want to begin preparing for the effects of climate change.
6. Support local jurisdictions to update local comprehensive plans with technical assistance and grant support.
7. Implement Information Management Modernization (IMMI) and improve department services to local Governments and Stakeholders.
8. Coordinate Hazard Mitigation Planning.
9. Increase and improve education and outreach



Major Budget Issues & Changes in last 10 Years

- * Diminishing local government resources and grant funding
- * Dependence on General Fund
- * Significant system fixes and changes underway (urban growth management, population forecasting, territorial sea plan)
- * Transformation initiative (information management modernization initiative)



Major Budget Issues & Changes in last 10 Years

- * Key statutory duties (UGB and urban reserve review, periodic review) require some staffing changes (UGB review team lead)
- * Increasing demand for planning assistance for smaller communities
- * Preparing for the effects of climate change
- * Working with ODOT and Metro to reduce greenhouse gas emissions
- * Significant phase out of Measure 49



Budget Program Priorities: Details

- * See Appendix I for Program Prioritization Worksheet
- * Budget structures are fully integrated - no single core program can be disconnected without broad effect



Major Budget Issues -- 2011-13

General Fund

- * (3.9% of Total Legislatively Approved General Funds for 11-13 reduction taken)
- * Temporary Reduction taken in February 2012: \$268,991 (vacancy savings & supplies/services)
- * Permanent Reduction taken as a result of February 2012 action: \$33,801
- * Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.

Federal Funds

- * Funding sources are dependent on congressional action.
- * Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.

Other Funds

- * Federal transportation funds, via ODOT revenue shortfall
- * Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.



Agency Reduction Options

See Appendix K:

(10%) Reduction Proposals

Criteria for developing reduction proposals:

- * Preserve capacity to complete UGB and urban reserve reviews in a timely fashion
- * Maintain other statutory responsibilities at minimal levels including:
 - Plan amendment review and periodic review
 - Financial and technical assistance to local planning departments
- * Maintain critical capacity to resolve *major* land use issues (TPR and employment lands work)
- * Minimize effects on field staff and capacity to provide direct technical assistance to communities



Agency Reduction Options Summary of 10% as Proposed at Agency Request

- * Reduction in planning program, administrative staffing and services and supplies;
- * Additional reduction in grants to local jurisdictions having significant impact to local projects and capacity;
- * Proposal is for one time reduction.



Agency Reduction Options

Impacts if Full 10% Reduction is Taken

- * Local government assistance significantly impacted.
- * Legislature would have to amend statutory requirements for DLCD review or eliminate agency review of some land use decisions.
- * Significant restructure of agency operations likely required if 10% reduction proposal is implemented.



Governor's Balanced Budget

Policy Package 070: Revenue Shortfall

(0.30) FTE - Other Funds: \$(81,574)

- * This package reduces Other Funds reflecting revenue shortfall from Oregon Department of Transportation for the Joint ODOT/DLCD Transportation and Growth Management Program (TGM).
- * Current service level funding is not available. Revenue shortfall creates a permanent reduction in the Transportation and Growth Management Program.



Governor's Balanced Budget

Policy Package 090 : Analyst Adjustments

(0.00) FTE - General Funds: \$(655,090)

- * This package reflects an analyst adjustment.
- * This reduction affects the General Fund Grants Program.



Governor's Balanced Budget

Policy Package 091: Statewide Administrative Savings

(0.00) FTE - General Funds: \$(52,236)

(0.00) FTE - Federal Funds: \$(29,885)

* Package 091 was included in all agency budgets as a placeholder for administrative efficiencies to be found in Finance, IT, HR, Accounting, Payroll and Procurement activities. The Improving Government Subcommittee of the Enterprise Leadership Team will be identifying proposed efficiencies or changes in the delivery of service to meet the funding level in the Governor's budget, and will work with individual agencies on the impact to their budget, along with reinvestment opportunities.



Governor's Balanced Budget

Policy Package 101: Natural Hazards Mitigation Planning

1.00 LD FTE - Other Funds: \$179,363

1.00 FTE - Federal Funds: \$249,231

Request improves natural hazards mitigation planning in Oregon in two ways.

- * Continues and solidifies department role in reducing risks by authorizing permanent position funded by the Federal Emergency Management Act (Risk Mapping Assessment and Planning RiskMAP).
- * Authorizes limited duration funding for new department role as steward of state level hazard mitigation planning funded by the Office of Emergency Management.



Governor's Balanced Budget Policy Package 102: OSTI

1.00 LD FTE - General Funds: \$341,257

1.00 LD FTE - Other Funds: \$192,661

- * Request addresses a task adopted by the 2009 Legislature for DLCD and LCDC working together with Metro and the cities and counties in the Metro area to continue work on greenhouse gas emissions efforts.
- * Continues efforts begun under HB 2001 by developing how land use and transportation scenarios will be developed and selected by Metro and other local governments and how the selected scenarios will be implemented.
- * Package proposes limited duration funding.



Governor's Balanced Budget

Policy Package 105: Attorney General Restoration

0.00 FTE - General Fund: \$50,000

- * This package requests restoration of Attorney General funding.
- * Enables department to receive legal review of land use planning items commensurate with the need and legislative expectations of the statewide land-use planning program.



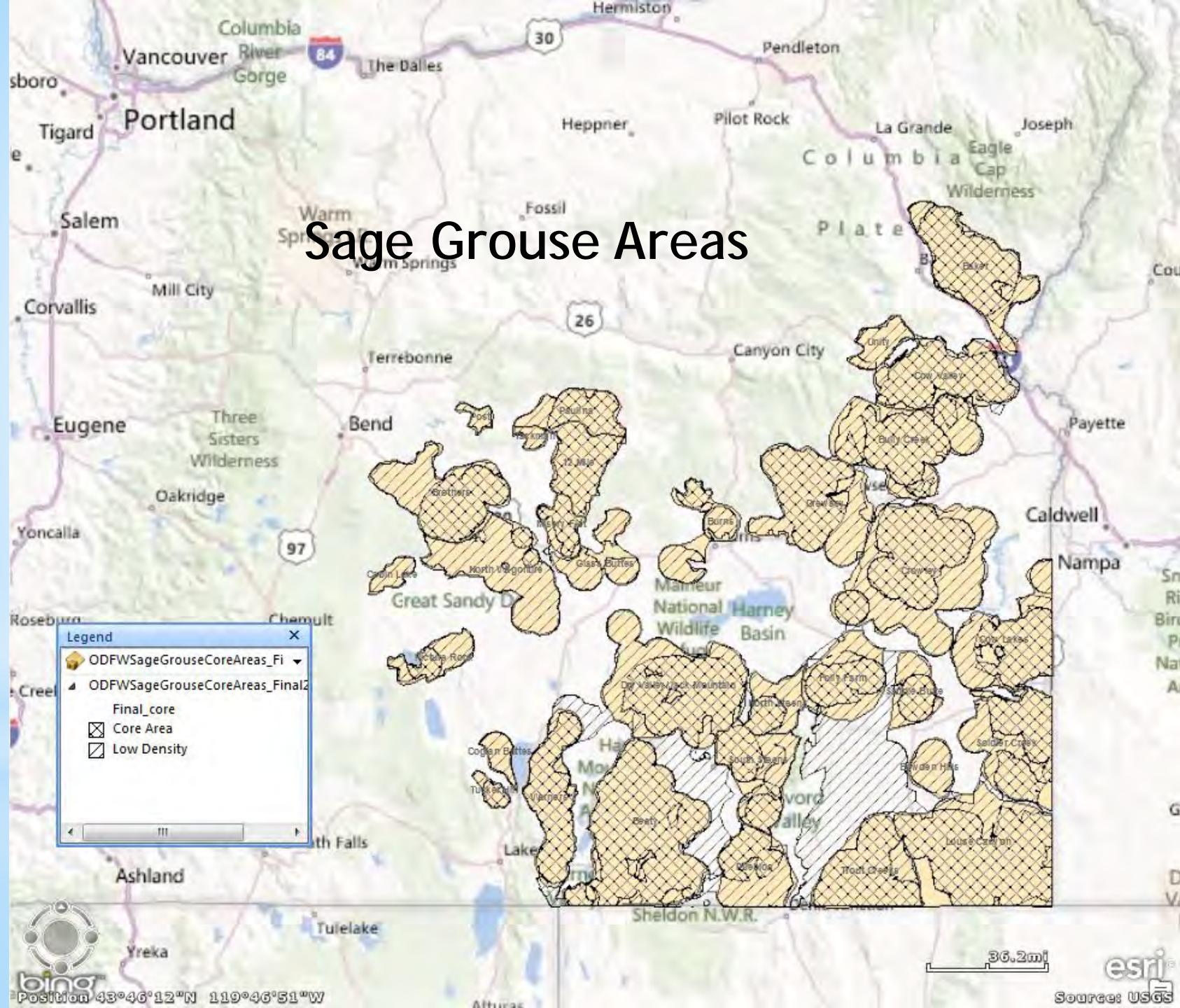
Governor's Balanced Budget

Policy Package 106: Information Management Modernization Initiative

0.50 LD FTE - General Funds: \$245,857

- * This package funds a five-year phased transformation initiative.
- * Funds interconnected projects yielding accessible, reliable information resources supporting the department's goal of fostering prosperous, sustainable and desirable places in collaboration with governments, businesses and citizens.

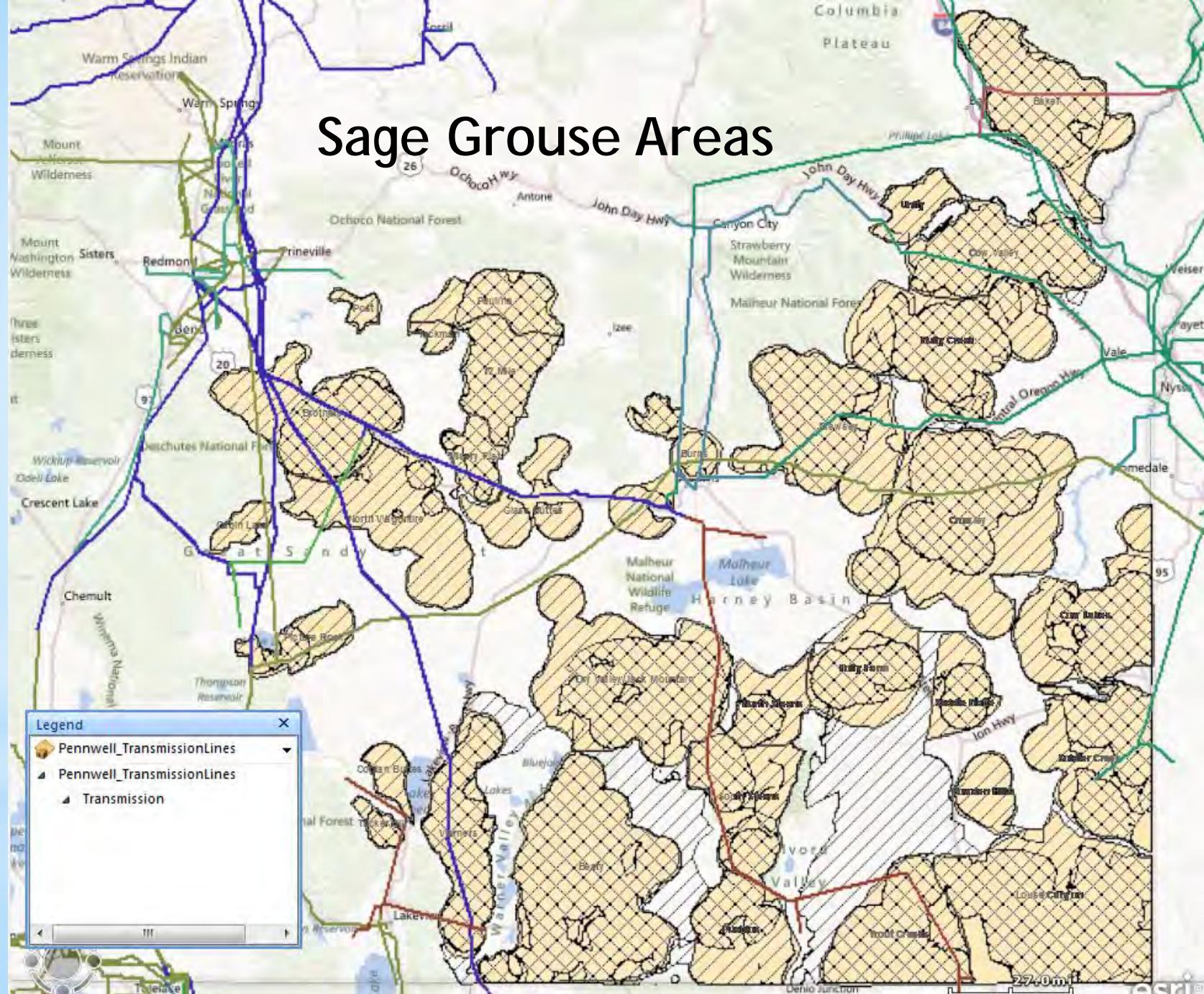


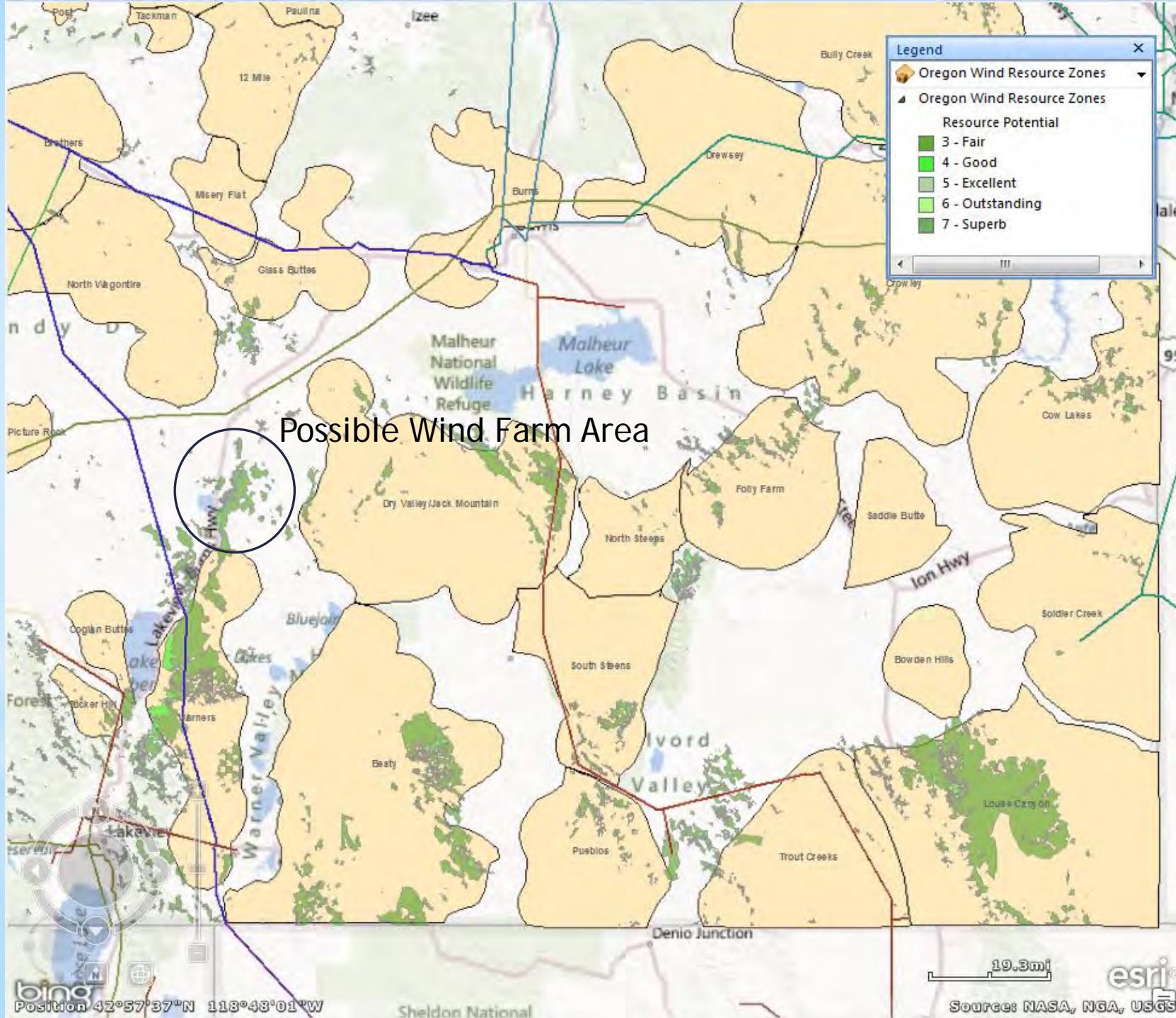


Position 43°46'12"N 119°46'51"W



Sage Grouse Areas





bing
Position 2

Position 42°57'37"N 118°48'01"W

Sheldon National

19.3m

esri
IGA, USGS

Source: NASA, NGA, USGS

IMMI - Statewide Framework



Land Use EXPLORER

Natural Resources Digital Library

Oregon Department of Land Conservation and Development

Search this site

Explore

Planning history, 19 Goals

Places

City, town, and regional information

Tools

Maps, Charts & Reports

Data

Documents, issue briefs, sites...

Planners Resources

Guidance documents, sample plans

Home :: Places :: Maps and Tools :: Hazards

Planning Documents

HAZARDS MAPS

Thematic Mapping

City County Region

Benton County



Wildfire

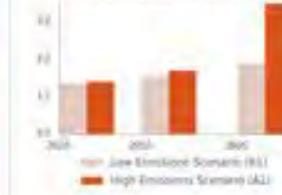
Projected increase in area burned in 2085 for the low emissions scenario



BENTON COUNTY

	2050	2060	2085
Low Emission Scenario	1.35	1.51	1.89
High Emission Scenario	1.38	1.67	3.44

Wildfire Risk Relative to 2010 Levels



Disclaimer

[View in the
Explorer Map Viewer](#)

[Download Data](#)

HAZARDS

Wildfire

Fire is an important ecosystem disturbance. It promotes vegetation and wildlife diversity, releases nutrients into the soil, and eliminates heavy accumulation of underbrush that can fuel catastrophic fires.

The area projected to be burnt by wildfire toward the end of the century will increase substantially, especially in mountainous areas.

<http://Oregon.MarineMap.org>

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Data Layers

Oregon

- Human
 - Boundaries
 - Graticules
 - [Oregon Territorial Sea \(DLCD, 2008\)](#)
 - West Coast Exclusive Economic Zone (PFMC, 2010)
 - [U.S. Maritime Zones/Boundaries \(NOAA, 2011\)](#)
 - Nautical Charts
 - Economy
 - Infrastructure
 - [Telecommunication Cables \(OFCC, 2005\)](#)
 - Ocean Observatories Initiative Cable Locations (NRI, 2011)
 - [Coastal Discharge Permitted Sites \(DEQ, 2008\)](#)
 - [Commercial Shipping Lanes \(NOAA 2011\)](#)
 - [Towlane Agreement \(WA Sea Grant, 2007\)](#)
 - [Dredge Material Disposal Site \(ACOE, 2011\)](#)
 - Airports
 - Railroads

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 - Airports
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Data SIO, NOAA, U.S. Navy, NGA, GEBCO
Data LDEO-Columbia, NSF, NOAA
Image © 2013 TerraMetrics
43°56'17.03" N 127°13'22.98" W elev 0 ft eye alt 189.71 mi

Oregon's Online interactive marine resource and use mapping tool

Governor's Balanced Budget

Policy Package 107: Regional Resource Land Protection

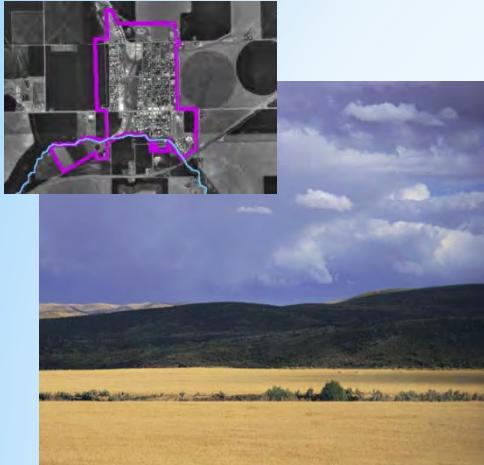
0.00 FTE - General Funds: \$100,000

- * Funds Executive Order 12-07. Provides funding in Planning Program to assist effort.
- * Directs department to work with other state agencies to collaborate with three southern Oregon counties for regional resource lands protection.
- * Three southern Oregon counties are: Jackson, Douglas and Josephine.



Proposed Legislation





Governor's Balanced Budget Legislative Proposals



- * HB 2253: Population Forecasting - Policy Package 108
- * HB 2254: Urban Growth Management Reform - Policy Package 513
- * HB 2255: Urban Growth Boundary Employment Land Supply
- * HB 2256: Urban Growth Boundary Infrastructure Efficiency



Governor's Balanced Budget

Policy Package 108: Population Forecasting

0.00 FTE - General Funds: \$250,000

- * Authorizes funding for legislative concept related to population forecasting.
- * Concept amends state laws, requires new agency rules and delegates population forecasting to Population Forecasting Center at Portland State University (PSU).
- * Specifies PSU forecast must be used by individual cities and counties for land use planning purposes.



Governor's Balanced Budget

Policy Package 513: Urban Growth Management Reform

0.00 FTE - General Funds: \$250,000

- * Funds legislative concept relating to urban growth management reform.
- * Significant changes to statutes.
- * Provides efficiencies in UGB management and population forecasting (see next page)



Supplemental Questions

1. Position Reclasses: See Appendix Q.

- Reclasses for department limited to aligning budget to position workload.

2. New Hires in 2011-13: See Appendix R.

- List shows very few positions hired above salary step 2.
- Department follows DAS recruitment policies.



Supplemental Questions

3. DLCD efficiencies and streamlining (cost containment):

- a. DLCD and the Oregon Department of Agriculture (ODA) are sharing certain administrative services. ODA is providing payroll assistance to DLCD. DLCD is providing IT & HR assistance to ODA. These services do not provide actual cost savings. They assist each department in maintaining increasing services with decreasing staffing resources in these areas.

- b. The agency asked line staff to recommend cost-saving measures. A number of suggestions from this effort were implemented, including reduced travel, increased use of telephone conferencing and Skype and elimination of subscriptions, where possible.



Supplemental Questions

4. Efficiencies and streamlining (cost containment) (continued):

- a. LEAN processes continue through the departments' Continuous Improvement Process (CIP). The department is evaluating its processes in concert with its transformation initiative: Information Modernization Initiative.
 - Activities include: review of process submittals for planning documents, and LCDC administrative processes. Actual data for cost savings are yet to be determined.
- b. The department's legislative proposals are to reduce complexity and streamline requirements for local governments.
- c. Internal auditing practices are supplemented by collaboration with other agencies and limited duration contracts, as needed.



Supplemental Questions

5. Auditing

- * DLCD is not required to have an internal auditor. DLCD collaborates with other agencies to perform these services.
- * The department continues its commitment to strong internal controls.
- * The department also continues evaluating its financial management through collaboration with other agencies. For example: DLCD participates on DAS sponsored SPOTS card workgroups evaluating the processes for purchasing with the SPOTS card.
- * The department has not received a Secretary of State audit since the implementation of HB 3291 requiring a report to the legislature of agency actions resolving audit concerns.

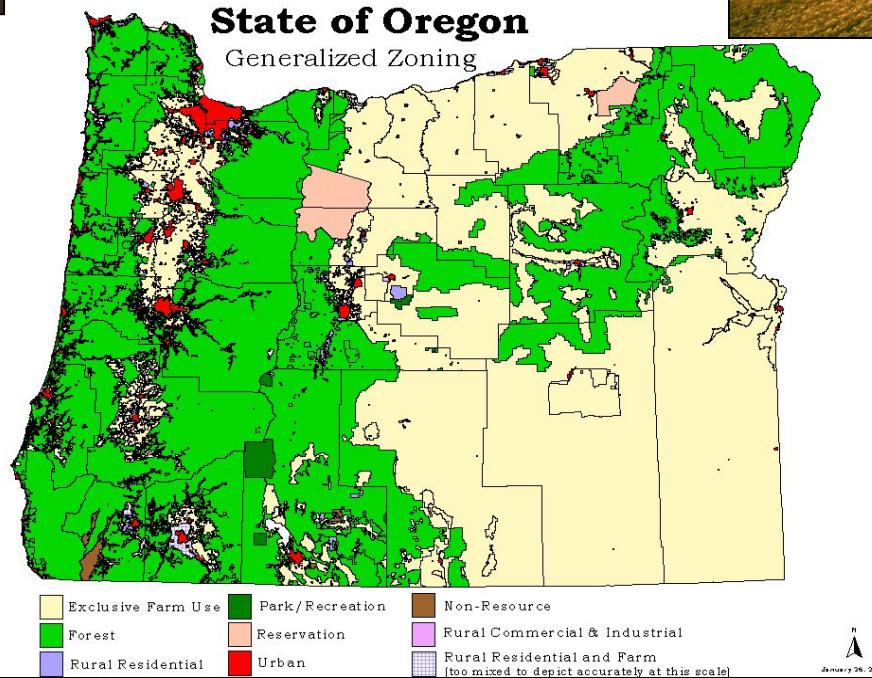


Supplemental Questions

6. IT and Capital Construction Projects: Not applicable.
7. HB 2020 and HB 4131: Not applicable.



A Diverse State



Appendices

- A. Program Overview**
- B. 2011-13 Biennial Report**
- C. Strategic Plan**
- D. Farm/Forest Report**
- E. Transportation (TGM) Report**
- F. Transfer Development Rights Report**
- G. Government to Government Report**
- H. Sustainability Plan**
- I. Prioritization List**
- J. Prior Budget Notes**
- K. Proposed 10% Reductions (HB 3182)**
- L. Local Jurisdiction Grants (General Fund)**
- M. Coastal Grants (Federal Fund)**
- N. 2012 Annual Performance Progress Report**
- O. 2012 APPR Management Report**
- P. Updated Program Funding Team documents**
- Q. Position Re-classes**
- R. New Hires**



ORGANIZATION

Who We Are

The Oregon Department of Land Conservation and Development (DLCD) is a small state agency. We work in close partnership with local governments, state development agencies (Transportation and Business Oregon), and natural resource agencies (Agriculture, Forestry, Water Resources, State Lands, Environmental Quality and Fish and Wildlife). The Land Conservation and Development Commission provides the policy direction for the statewide land use system, and reviews certain major local land use decisions (other land use decisions are reviewed by a separate agency - the Land Use Board of Appeals). We are organized into four divisions for the 2011-13 biennium:

- **Ocean and Coastal Services** - oversees Oregon's federally delegated coastal program, providing grants and technical assistance to coastal communities.
- **Planning Services** - reviews over 1,350 local plan amendments per year and provides technical expertise in urban, rural and transportation/growth management areas.
- **Community Services** - administers grants programs to local governments and provides technical assistance from four regional offices around the state.
- **Administration** - provides support for LCDC, policy development and operations.

We help communities across the state plan for their future. Cities, counties and special districts are the “front line” of the statewide program. We recognize that each city and county has unique values and aspirations, and that it is our job to help them, within the broad direction provided by state policy. The core functions of the program are management of urban growth and conservation of rural lands, which are carried out throughout the statewide planning goals and city and county comprehensive plans. Helping cities and counties address these functions in the context of a wide range of state and local interests, requires that we be problem solvers. The department's mission reflects this active role for our department.

DLCD's Mission

To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.

Oregon's Statewide Land Use Program

Oregon's land use planning program is an innovative response to the pressures of development and urban growth on the state's communities and landscape. The essential framework for the program was established by the legislature in the early 1970's under the leadership of Governor McCall. Thirty-five years later the framework remains, but with changes reflecting changing values, needs and conditions.

A Summary of Oregon's Statewide Planning Goals

1. Citizen Involvement

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

2. Land Use Planning

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

3. Agricultural Lands

To preserve and maintain agricultural lands.

4. Forest Lands

To conserve forest lands by maintaining the forestland base and to protect the state's forest economy.

5. Natural Resources, Scenic and Historic Areas, and Open Spaces

To protect natural resources and conserve scenic and historic areas and open spaces.

6. Air, Water and Land Resources Quality

To maintain and improve the quality of the air, water and land resources of the state.

7. Areas Subject to Natural Hazards

To protect life and property from natural disasters and hazards.

8. Recreational Needs

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities, including destination resorts.

9. Economic Development

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

10. Housing

To provide for the housing needs of citizens of the state.

11. Public Facilities and Services

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

12. Transportation

To provide and encourage a safe, convenient and economic transportation system.

13. Energy Conservation.

To conserve energy.

14. Urbanization

To provide for an orderly and efficient transition from rural to urban land use.

15. Willamette River Greenway

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

16. Estuarine Resources

To recognize and protect the unique environmental, economic, and social values of each estuary and associated wetlands, and to protect, maintain, where appropriate develop, and where appropriate restore the long-term environmental, economic, and social values, diversity and benefits of Oregon's estuaries.

17. Coastal Shorelands

To conserve, protect, where appropriate, develop and where appropriate restore the resources and benefits of all coastal shorelands, recognizing their value for protection and maintenance of water quality, fish and wildlife habitat, water-dependent uses, economic resources and recreation and aesthetics.

18. Beaches and Dunes

To conserve, protect, where appropriate develop, and where appropriate restore the resources and benefits of coastal beach and dune areas; and to reduce the hazard to human life and property from natural or man-induced actions associated with these areas.

19. Ocean Resources

To conserve the long-term values, benefits, and natural resources of the nearshore ocean and the continental shelf.

ORGANIZATION

The Land Conservation and Development Commission

The Commissioners are unpaid volunteers, appointed by the Governor and confirmed by the Senate. Commissioners are appointed to four-year terms and may not serve for more than two terms.

Most of LCDC's seven volunteer members are now or were formerly officials of cities or counties across Oregon.



John VanLandingham, Chair
Attorney, Eugene



Greg Macpherson,
Attorney, Lake Oswego

LCDC sets agency policy, develops regulations, and oversees the management and operations of the agency.



Marilyn Worrix
Real Estate Broker,
McMinnville



Tim Josi
County Commissioner,
Tillamook

Barton Eberwein
Construction Executive
Portland



Christine M. Pellett
Real Estate Appraiser,
Rose Grower,
Central Point



Hanley Jenkins,
County Planning Director,
Union



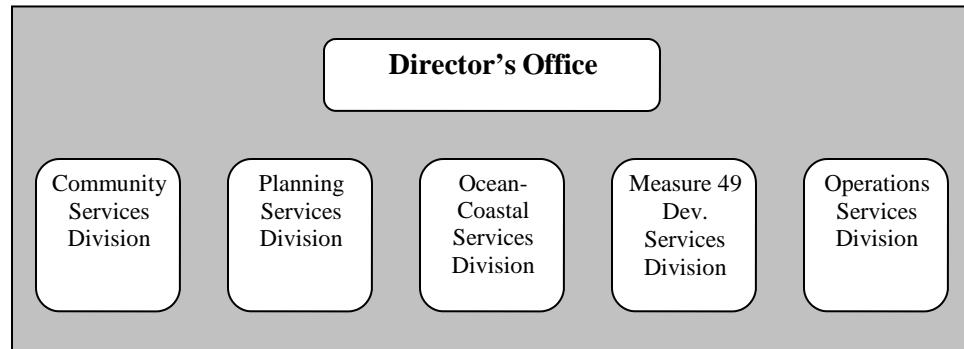
DLCD's Organization

Many department staff are based in Salem, in the north wing of the Agriculture Building. DLCD has a Portland field office with six employees. DLCD also has field offices in Newport (3 employees), Bend (3), Springfield (1), and La Grande (1).

In 2009-11, The Department of Land Conservation and Development has five divisions:

- **Community Services Division**
- **Planning Services Division**
- **Ocean-Coastal Services Division**
- **Measure 49 Development Services Division**
- **Operations Services Division**

Each division has a manager who reports to the director and deputy director. Policy analysis, legislative liaison functions, rules coordination, LCDC support and communications are in the director's office.



SERVICES

Communities of Interest We Serve

Oregon's statewide planning program addresses a wide array of issues and interests. Each community in the state is in effect a client with unique needs. DLCD implements its program responsibilities and services based on services to these communities:

Citizens

Statewide planning Goal 1 empowers Oregon citizens to participate in all phases of local and state land use planning process. We provide information to help citizens participate through our website, publications and through direct assistance. DLCD also provides staff support to the Citizen Involvement Advisory Committee (ORS 197.160), which advises local governments and LCDC on how to improve citizen participation.

Working with Oregon Communities

Oregon's statewide planning program is most effective when communities, regions and state agencies work cooperatively to plan for and invest in successful, sustainable futures. The fate of Oregon's future rests in large part on the successful implementation of thoughtful local planning. In order to help Oregon communities make the best possible decisions about their futures, DLCD works to make real-time information and state-of-the-art planning practices available in the regions of the state and from its Salem office. Assistance is provided through many forums: regular communications and technical assistance to local governments, network planners' meetings; grants; periodic review; and plan amendment review. For specifics on each of these areas, please review the department's 2009-11 Biennial Report.

The Oregon Legislature

The legislature maintains oversight authority for the land use enterprise. We provide information, serve on legislative committees and help inform the legislature's decisions.

Development Interests

The department's economic development team and field service staff provide technical assistance to development interests that do business in Oregon's communities.

Agriculture and Natural Resource-Based Economies Natural resource-based industries are pillars of Oregon's economy and way of life, particularly in rural areas. We provide technical assistance to the natural resource industries to help them address their land use issues.

Department staff also participate regularly on the following:

- Technical advisory committees for local planning projects;
- Regional Economic Revitalization Teams (ERT);
- Area Commissions on Transportation (ACT);
- Regional investment panels for economic and community development; and
- Other local government discussions.

Housing and Development Economies

A key function of the land use enterprise is to ensure that communities have a range of housing types.

State Agencies

State agencies have responsibilities and authorities related to land use and development.

Federal Agencies

Federal agencies own or manage more than 53 percent of the state's land area. Some have significant regulatory programs that influence state and local land planning.

Tribal Governments

Oregon's tribal governments are increasingly assuming management responsibility for lands and resources and are carrying out a variety of community development activities on these lands. We work with the tribes through the Government-to-Government program (SB 770, 2001).

Ports and Special Districts

Oregon's 23 port districts are local governments that serve both public and private purposes. Ports own land to support a variety of economic enterprises. We work with ports to address their specific land needs.

Services and Programs

Integrating Transportation and Growth

The Transportation and Growth Management (TGM) program supports community efforts to expand transportation choices for people. By linking land use and transportation planning, the program works in partnership with cities and counties to create vibrant, livable places in which people can walk, bike, take transit or drive where they want to go.

Managing Oregon's Coastal and Ocean Resources

The Oregon Coastal Management Program receives federal Coastal Zone Management funding to provide a variety of services to meet the challenge of balancing growth and development with the responsibilities of protecting coastal resources enjoyed by all Oregonians.

Natural Hazards Planning

Planning for natural hazards requires up-to-date maps and information. DLCD has been working with the Federal Emergency Management Agency (FEMA) since 2005 to modernize all flood hazard maps statewide so that local governments and property owners have the most accurate information via digital maps on the Internet.

Federal Consistency Review

DLCD reviews proposed federal projects and permits affecting the coastal zone (west of the crest of the Coast Range) to ensure that federal actions and permitted activities are consistent with Oregon's Coastal Management Program.

Technical Assistance

Many cities, counties and individual citizens depend on DLCD staff for vital information and advice regarding planning and development issues. This comes in the form of verbal consultation as well as development and distribution of handbooks. DLCD's regional representatives and planning specialists are the key agents for this work.

Grants to Local Governments

DLCD offers grants to local and regional governments for a variety of activities, including economic development opportunities analyses, buildable lands inventories and planning for growth. The grants help cities and counties adopt, apply, and update their plans and ordinances, meet statutory obligations and comply with the statewide goals.

Periodic Review

To be most useful, local comprehensive plans must be periodically updated. LCDC establishes a schedule for plan updates and DLCD works with local governments to complete the updates. (ORS 197.628 – 197.636)

Plan Amendment Review

Each year, DLCD reviews hundreds of amendments to local comprehensive plans and land use ordinances. DLCD staff works with local governments on most of these amendments to attain compliance with the statewide planning goals. In the 2009-11 bienniums, local governments are expected to file over 1,350 plan amendments. DLCD staff worked proactively with local governments on most of these amendments to help attain compliance with the statewide planning goals. On rare occasions, the department appeals a local government proposal; during the 2009-11 biennium, the department appealed three locally adopted plan amendments. (ORS 197.610 - 197.625)

Process Streamlining

DLCD works with local governments to make the statewide planning goals and administrative rules efficient, clear, consistent with new legislation and case law, and responsive to the needs of local governments. The agency also works with local governments to streamline their regulations and ensure that the regulations do not hinder desired development. (Executive Order 01-03)

Agency Collaboration

The agency director and key staff actively participate in the Economic Revitalization Team (ERT), working with state agencies and local governments to solve specific local problems. DLCD also has coordination agreements with 26 state agencies that have programs affecting land use (ORS 197.180).

Landowner Notification

Ballot Measure 56 (1998) requires notification to property owners when a regulation is adopted or amended that may affect the use of their property. DLCD provides written notices about changes in land use laws and reimburses local governments for their costs of mailing the notices to affected landowners.

GOVERNOR'S BALANCED BUDGET AND REVENUE SOURCES

DLCD is funded through General Fund, Federal Funds and Other Funds. Federal Funds come from the Federal Emergency Management Agency (FEMA) for floodplain management work. They also come from the National Oceanic and Atmospheric Administration (NOAA) for coastal planning and management. Other Funds, derived from federal transportation funds, come through the Oregon Department of Transportation.

The chart below shows a summary of DLCD's Legislatively Adopted Budget for the 2009-11 biennium and the Governor's Balanced Budget for 2011-13.

GOVERNOR'S BALANCED BUDGET

	2009-11 Legislatively Adopted Budget	2011-13 Governor's Balanced Budget
General Fund	\$16,793,066	\$11,440,378
Lottery Fund (Debt Service)	-0-	-0-
Other Funds	863,649	1,363,210
Federal Funds	6,598,675	5,860,289
Other Funds (non-limited)	-0-	-0-
Federal Funds (non-limited)	-0-	-0-
Total Funds	\$24,255,390	\$18,663,877
Full-Time Equivalent (FTE)	74.74	55.80

2011-13 GBB Significant Changes

Reductions in Staffing: - \$0.9 million GF (6 positions)

Reductions include:

- Director's Office – two staff
- Measure 49 Services – three staff
- Operations Services – one staff

Reductions in Grant Funds: - \$0.6 million GF

Reduces grant funding for local government technical and planning assistance by approximately 30%. The top priority for assistance grants is to help cities and counties plan for industrial and other employment uses, including how to provide the services needed for those uses to locate and grow. Decreased funding levels would continue into the 2013-15 biennium unless policy option packages were legislatively-approved.

Policy Packages

070: -\$78,983 OF (-0.35 FTE) (funding added back in Pkg 090)

Reduces Other Funds reflecting revenue shortfall from Oregon Dept. of Transportation for Transportation & Growth Management Program.

101: +\$178,702 OF (+1.00 FTE LD)

Increases Other Funds reflecting completion of HB 2001 (2009) with ODOT and Metro and local governments in the Metro area to continue work on greenhouse gas emissions reduction from transportation. Package proposes limited duration funding from the Oregon Department of Transportation.

102: +\$426,264 OF (+0.36 FTE)

Increases Other Funds reflecting implementation of HB 3647 (2010), which establishes a process for objective third-party review of soils reports used to classify land as farm or non-farm land. Program is fee-based. Landowners seeking a zoning change would pay a fee for the analysis.

106: +272,557 FF (+1.00 FTE LD)

The Federal Emergency Management Agency (FEMA) has instituted an ongoing program: Risk Mapping and Assessment (RiskMap). Program provides resources for local communities to identify natural hazards.

108: +\$50,000 GF placeholder (0 FTE) (additional \$219,000 included in GBB)

Limited duration funding of remaining Attorney General costs related to litigation under Measure 49.

2011-13

DLCD Biennial Report



40 years of vibrant
communities

State of Oregon - DLCD
February 2013

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Message from Director Rue

2013 marks the 40th anniversary of the state land use program (SB100). It has been a great 40 years and we are ready to retain, refine and adapt to meet the challenges of the future. I am pleased to share with you some of the accomplishments of the program, as director of our innovative department. This document briefly summarizes a larger 2011-13 Biennial Report, which informs the legislature and others of our recent work. The accomplishments mentioned on the following page reflect the important themes, which helped bring those accomplishments into reality and which the agency will enhance and carry into the next biennium: promoting vibrant, livable urban areas; protection of farm, forest and coastal lands; conservation of our natural resource legacy; and expanding urban and rural economic opportunities across the state.

The strategies which will be used to develop these themes and realize future accomplishments include: active citizen involvement; enhancing regional problem solving and community development capacity; employing partnerships—particularly enhanced partnership with sister state agencies; to improving rural economic opportunities that recognize the value of the natural resource base; and streamlining the urban growth boundary process to more efficiently allow smaller and faster growing communities to expand their land base for housing and jobs.

A handwritten signature in black ink, appearing to read "RUE".

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I. Department

Who we are

The Oregon Department of Land Conservation and Development (DLCD) is a small state agency. We work in close partnership with local governments, state development agencies (Transportation and Business Oregon) and natural resource agencies (Agriculture, Forestry, Water Resources, State Lands, Environmental Quality, State Parks and Fish and Wildlife). The Land Conservation and Development Commission (LCDC) provides the policy direction for the statewide land use system and reviews certain major local land use decisions (other land use decisions are reviewed by a separate agency – the Land Use Board of Appeals (LUBA)). We are organized into four divisions:

- **Ocean and Coastal Services** – oversees Oregon’s federally designated coastal program, providing grants and technical assistance to coastal communities.
- **Planning Services** –provides technical expertise in transportation/growth management, natural hazards, climate change and property rights areas.
- **Community Services** – reviews hundreds of local plan amendments per year, administers grants programs to local governments, and provides technical assistance from eight regional offices around the state.
- **Administrative Services** – Director’s Office and Administrative Services Division-provides support for LCDC, policy development and operations.

“The program’s success is due to the working partnership between state and local governments and to citizen participation” – *Renew America (National Conservation Program)*

What we do

We help communities across the state plan for their future. Cities, counties and special districts are the “front line” of the statewide program. We recognize that each city and county has unique values and aspirations and that it is our job to help them, within the broad direction provided by state policy. The core functions of the program are management of urban growth and conservation of rural lands, which are carried out throughout the statewide planning goals and city and county comprehensive plans. Helping cities and counties address these functions in the context of a wide range of state and local interests, requires that we be problem solvers. The department’s mission reflects this active role for our department.

“To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.”

Land Conservation and Development Commission (LCDC)

Marilyn Worrix, Chair



Jerry Lidz



Bart Eberwein



Catherine Morrow



Greg Macpherson



Sherman Lamb



Tim Josi

The Land Conservation and Development Commission is the policy-making arm of the state land use program. Made up of seven citizens from different geographic areas of the state and includes a current or former elected official of a city and county as required by statute. The Commissioners are unpaid volunteers, appointed by the Governor and confirmed by the Senate. Commissioners are appointed to four-year terms and may not serve for more than two terms.

The Commission meets every other month. In the 2011-13 biennium, LCDC held meetings in Grants Pass, The Dalles, Newport, Lakeview and McMinnville, as well as in Salem. When the Commission meets “on the road,” it usually tours the local area and hosts roundtable meetings for local, state and tribal officials.

The Commission approves a biennial policy agenda, which sets both the policy and much of the programmatic agenda for the agency. Portions of this agenda are reflected throughout this report with regard to rulemaking, major policy or program initiatives, such as climate change and the Territorial Sea Plan, and relations with local governments and key constituencies.

Local Governments

Oregon's land use program is designed to serve all citizens of the state and supports the work of the 242 cities and 36 counties in the state. It does this by creating a framework that allows each city and county to engage its residents in planning for their particular aspirations. A staff of regional representatives and program specialists provide technical and financial assistance programs to assist local planning efforts. While the program focuses some of its resources on larger cities (generally those over 10,000 in population) based on legislative direction, technical assistance is available for all cities and counties.

Organizational links with cities and counties, like the Commission's Local Official's Advisory Committee (LOAC) for example, also assist the state and local relationship and. Services, grants and communications with local governments are described in more detail throughout this report.

Summary of 2011-13 DLCD Grants to Local Governments

Grant assistance to local governments, in addition to technical assistance, has been a key operating arm of the program since the inception of the statewide planning program.

General Fund Grants (budgeted)	TGM Grants (co-awarded but not budgeted or managed by DLCD)	Oregon Coastal Management Program (budgeted federal funds)
\$1,599,341 (150 cities, counties, special districts)	\$5,000,000	\$730,000 (37 cities, counties, special districts)

Government to Government

The department's working relationship with Oregon's nine federally recognized tribes is guided by statute and executive orders. The department has an active relationship with the Legislative Commission on Indian Services (LCIS) which includes serving on several regularly scheduled working groups. The department also issues an annual report to the LCIS, which can be accessed through the department's web page. Activity for the 2011-13 biennium has included partially funding a study related to identification of cultural resource sites near The Dalles and participation with tribal representatives on important coastal issues.

Major Policy Initiatives and Results (2011-13)

Jackson County Regional Planning: Jackson County and the cities in the Bear Creek Valley recently completed a regional effort to identify where urban areas will grow, together with protections for the agricultural industry in that part of the state. DLCD provided significant funding and staff support for this effort, which was approved by LCDC in 2012.

Economic Development Planning: DLCD works with state and local partners to ensure that local governments have an adequate land supply, infrastructure and services to meet a variety of economic opportunities. Accomplishments for this biennium include implementation of SB 766, with rulemaking

completed by Business Oregon, and identification of regional industrial sites in Lane and Douglas counties.

Ocean Alternative Energy Planning: The department, through the Ocean and Coastal Services Division, has been a key facilitator in development of a coastal-wide plan for ocean alternative energy (wave) development. This initiative amends Oregon's Territorial Sea Plan. Phase One (policies) was completed in the prior biennium.

Work has continued through the 2011-13 biennium towards completion of Phase Two (mapping and siting) of the planning process. Citizen and stakeholder involvement has been extensive, including work with the Ocean Policy Advisory Council (OPAC), Territorial Sea Plan Advisory Committee (TSPAC) coastal communities, commercial and recreational fishermen, energy interests and other agencies. Of particular interest has been concern for Oregon's fisheries, identification of marine reserves and protection of viewsheds. The Land Conservation and Development Commission (LCDC) approved the Phase 2 amendments in January of 2013, which concludes the department's work in this area.

Providing Tools to Reduce Greenhouse Gas Emissions: DLCD and Oregon Department of Transportation (ODOT) are working with metropolitan areas to identify how to reduce greenhouse gas emissions from automobiles. LCDC adopted target setting rules in 2011 and work has proceeded throughout the biennium to assist larger metropolitan areas to identify targets and strategies to meet those goals. Additional funding of to continue to achieve the joint program's desired outcomes is the department's proposed legislative package request.

Portland Metro Urban Growth Boundary

Amendments: The department continued to participate in assisting the Portland metro area reach milestones called for in urban development and resource protection policies. Following urban and rural reserve and decisions, the department recently completed an Order finalizing Metro's 2012 urban growth boundary decision.

Urban Growth Management Streamlining: A collaborative team of land use practitioners, stakeholders and public officials have been working since late 2011 on potential reforms to the system that Oregon cities use to manage growth. The Governor asked the team to work with the department to design changes to key aspects of the state's land use program in order to achieve certain outcomes, such as:

- Continued improvement in urban efficiency and assistance to cities in creating well-functioning and desirable communities.
- Greater ease in carrying out planned development within existing urban areas.
- Reduction in time and expense needed for urban growth boundary amendments, and making the process more predictable, particularly for smaller cities.
- Focus state and local planning on areas that are growing most rapidly.
- Continue to conserve important farm, forest and other resource lands.



The department has submitted a legislative package that reflects the work of a technical design team and Urban Growth Advisory Committee, by concentrating the desired outcomes in four areas: population forecasting, residential growth, employment growth, and growth within and adjacent to existing urban areas. For the 2013-15 biennium, the department has also proposed two funding packages to support the effort of the legislative package.

It will likely take one to two years to complete both legislation and related rules in order to fully implement these changes.

Southern Oregon Regional Pilot Program: At the direction of the Governor's Office and the Legislature, the department is assisting the Southern Oregon region to explore alternative, regional standards for farm and forest protection. The project calls for Douglas, Jackson and Josephine counties to work in partnership with the public, the department and other state agencies, in the development of technical data and policy recommendations.

This project began operationally in January 2013 and is expected to continue into the next biennium. The result is expected to be a petition for rulemaking by the counties to the Land Conservation and Development Commission.

Hazards Planning: The department's Natural Hazards Program works with the Oregon Office of Emergency Management (OEM) before, during and after natural disasters (particularly floods) to ensure that recovery complies with federal and state planning goals. Three federal disasters were declared during the 2011-13 biennium. DLCD worked with OEM and local governments on recovery from winter storm events. Under agreement with OEM, DLCD will take over management of the Statewide Natural Hazard Mitigation Plan during the 2013-15 biennium. Work in preparation for the transition began in the 2011-13 biennium.

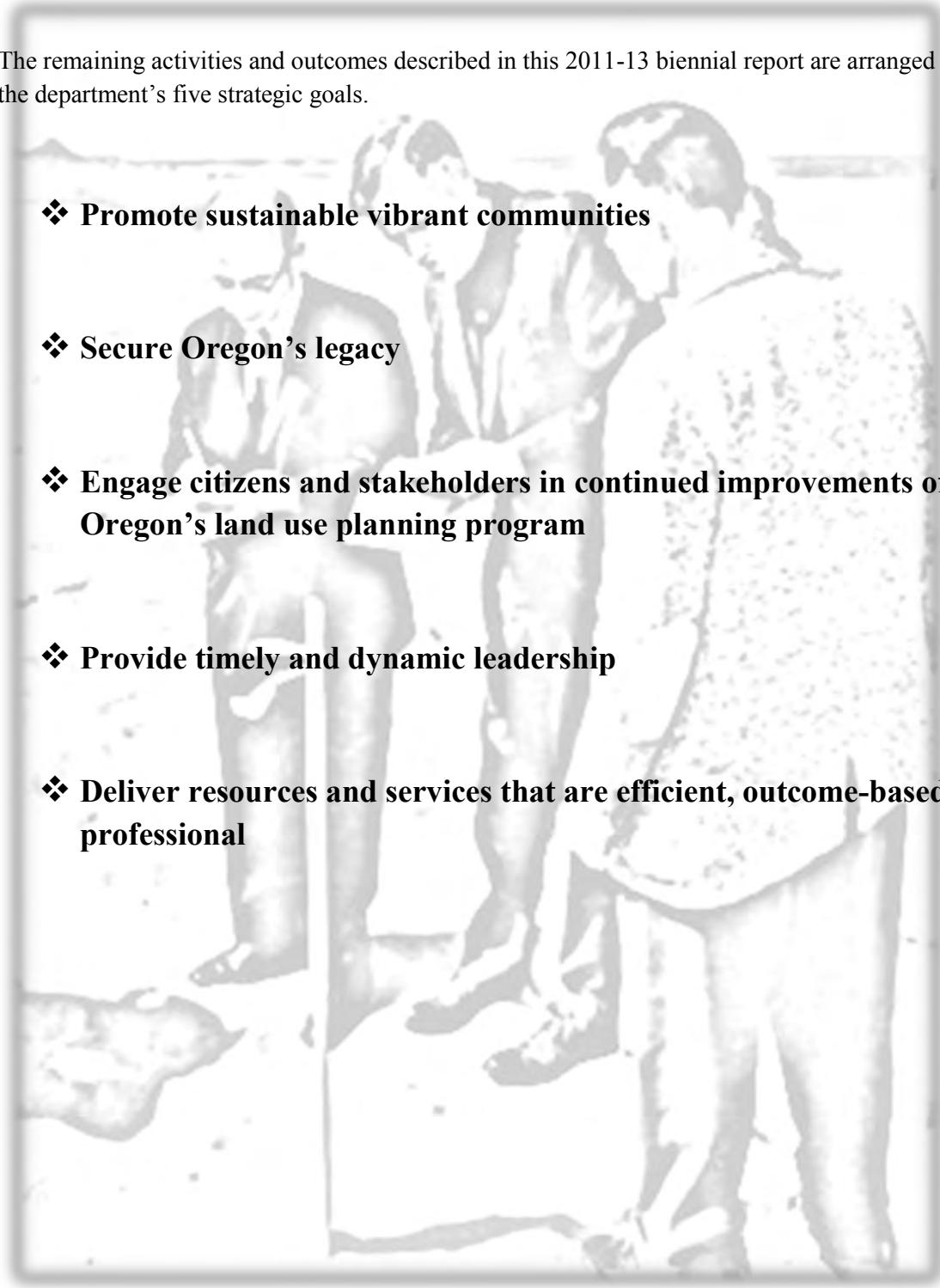
TPR Amendments: The Land Conservation and Development Commission approved amendments to the Transportation Planning Rule (TPR) in 2012. The amendments provide greater flexibility to local governments when planning for more intense development in urban areas, relative to existing standards for traffic congestion. They also allow local governments greater transportation mitigation opportunities when rezoning for economic development.

Large Lot Industrial Land in Central Oregon: LCDC also approved new rules that apply when cities determine land need relative to planning for urban growth boundary expansion. The new rules clarify how the process for regional coordination and implementation of regional employment land need should work between cities and counties.

II. Program Achievements by Goal and Program

The remaining activities and outcomes described in this 2011-13 biennial report are arranged according to the department's five strategic goals.

- ❖ Promote sustainable vibrant communities
- ❖ Secure Oregon's legacy
- ❖ Engage citizens and stakeholders in continued improvements of Oregon's land use planning program
- ❖ Provide timely and dynamic leadership
- ❖ Deliver resources and services that are efficient, outcome-based and professional



Strategic Goal: Promote Sustainable Vibrant Communities

- Encourage economic development
- Integrate land use transportation and public facilities planning
- Provide housing choices

Economic Development

Economic Development Accomplishments

Oregon's planning program supports the state's economy by ensuring that local governments have an adequate land supply, infrastructure and services to meet a variety of economic opportunities. Statewide Planning Goal 9 (Economic Development) is at the center of the state land use program's policy on economic development.

Goal 9 calls for local governments to provide "an adequate supply of sites of suitable sizes, types, locations and service levels for a variety of industrial and commercial uses." The goal encourages local governments to identify urban sites needed for industrial and commercial development to meet both long-term and short-term needs.

Economic development is a priority for available Technical Assistance grants awarded by DLCD. The grant program is guided by a Grants Allocation Plan, which is recommended by a standing Grants Advisory Committee and adopted by LCDC. The allocation plan has listed "economic development" as a priority for four consecutive biennia. These grants are used by local governments to update their comprehensive land use plans to address economic development needs.

In addition, DLCD staff provides technical assistance to local governments to help them identify and analyze their economic development opportunities and develop strategies for attracting the identified industries.

Through grants and technical assistance, DLCD helps communities throughout the state become better prepared to attract jobs.

Two significant economic development planning projects are underway:

1. Cities and counties in central Oregon are in the midst of completing a large-lot industrial site Regional Economic Opportunities Analysis (REOA) project. This project is intended to



create a new way to identify, entitle and serve competitive industrial sites throughout Crook, Deschutes and Jefferson counties. Deschutes County has adopted its portion. This project is partly funded with DLCD Technical Assistance grants totaling over \$110,000.

2. Cities in Linn and Benton counties are working to resolve wetlands issues on industrial land inside UGBs. With assistance from the local Council of Governments, the region is preparing to submit a Regional General Permit application to the federal government. When complete, improved predictability will be available to site developers faced with regulatory wetlands on key industrial sites. During 2011-13, DLCD staff was critical to the

success of negotiations among regional governments and state and federal regulatory agencies. The negotiations focused on the location and size of each of the 20 sites available for development, or protected from development, and a method for overall program limits.

Economic Development Partnerships

During 2011-13, DLCD partnered with the Regional Solutions Team (RST) to bring focus when state agencies work with communities to increase economic opportunity and bring industrial sites to “shovel-ready” status. RST works with state agencies and local governments to:

- Streamline permitting for business and industry;
- Increase opportunities to link and leverage public and private investments; and
- Provide greater local access to state resources and assistance.

The Oregon Transportation and Growth Management Program

Through the Transportation and Growth Management Program (TGM), DLCD and the Oregon Department of Transportation (ODOT) work with local governments to expand transportation choices and promote compact urban development. The program promotes active transportation (bicycling, walking and mass transit), better street systems for everyone and mixed-use walkable communities. This integration of land use and transportation decisions is important so that land use decisions support transportation investments – and so that transportation projects support the revitalization and other goals that communities set for themselves in their local comprehensive plans.

TGM provides grants to local governments, which use the funds to plan transit systems, bicycle and pedestrian networks, street systems, downtown revitalization and neighborhoods. The grants are administered by ODOT with DLCD input and guidance. In addition to the grants, DLCD manages four community



assistance services within TGM:

- Quick Response
- Code Assistance
- Education & Outreach
- Transportation System Plan (TSP) Assessment

Quick Response

The Quick Response program assists local governments who have an immediate need for design assistance with an imminent development. The program provides direct assistance by utilizing consultants with expertise in the matter that the local government is facing. Two examples of assistance during the 2011-13 biennium:

1. Through Quick Response, TGM helped the city of Sisters develop a design for an upcoming reconstruction of the city’s main street, Cascade Avenue. With construction funding in hand, the city needed assistance to develop a design that would meet the

requirements related to a major state highway. Cascade Avenue is home to many of Sisters' businesses, so the design also needed to ensure that the sidewalk environment was preserved and enhanced to maintain steady foot traffic. Quick Response made it possible for the community to consider a variety of options and choose those that worked best within the prescribed constraints.

2. Quick Response staff also worked with the Urban Renewal Agency in Lincoln City. Together they developed conceptual plans for an agency-owned site on the newly rebuilt Festival Street leading from US Highway 101 to the beach. The agency will be selling the site so that it can be developed. The plan developed by Quick Response will ensure that development is consistent with the city's vision of a mixed-use walkable urban area. The Quick Response project also identified development options for an adjacent site consistent with the vision. The agency is excited to use the plan as a template for developing similarly-situated sites elsewhere in the neighborhood.

- An updated version of the Model Development Code for Small Cities. This 3rd edition is more user friendly, with editable graphics and an integrated user's guide.
- Transportation Demand Management (TDM) standards for new development in Portland. The city lacked a clear and consistent approach to applying TDM to new development. These clear and consistent standards will help Portland approve new development without creating excessive congestion.
- A residential code amendment in Grants Pass that promotes a more livable community and provides greater housing choices and opportunities that support multiple modes of transportation.

Education and Outreach

The Education and Outreach program includes the provision of local workshops, public lectures, conferences and publications to communities across the state. Completed outreach during the 2011-13 biennium:

- Workshops included two presentations in Coos Bay. The first focused on ways to balance the city's desire for a pedestrian-friendly, vibrant Main Street, with freight and other traffic. The second identified ways to enliven the downtown with new, well-designed development. The challenge of "white elephants" – i.e., empty or underused structures that could be rehabilitated and put to new uses – received special attention.
- In Canby, the city hosted two workshops on parking management

Code Assistance

Through Code Assistance, TGM helps communities align their zoning and development codes with local goals for a quality urban development with good transportation access. Too often, these old codes work at cross purposes with local goals. Among the Code Assistance projects completed during the 2011-2013 biennium are:

- issues with TGM assistance. The workshops addressed concerns raised by local merchants worried about a potential loss of business due to the elimination of over 100 parking spaces in the downtown. The workshops identified management strategies available to help the city balance the parking needs of customers with those of downtown employees.
- TGM partnered with the Oregon chapter of the American Planning Association (APA) to sponsor a well-attended series of lectures by Dr. Richard Jackson, author of *Designing Healthy Communities* and host of a public television series by the same name. Dr. Jackson spoke to audiences in Bend, Medford, Roseburg, Salem and Portland about the importance of designing communities – and building streets – so that people have opportunities to integrate simple exercise, like bicycling and walking, into their daily lives.
- A publication produced by TGM during the previous biennium, *Cool Planning: A Handbook on Strategies to Slow Climate Change*, won a national award for excellence in 2012 from the American Planning Association. The handbook, written for local officials, planning commissioners, community organizations and developers, outlined transportation, land use, and community design strategies for reducing transportation-related greenhouse emissions. In its award, the APA commended the publication for “present[ing] a

complex subject in an easy-to-follow format.”

Two new publications aimed at helping cities in Oregon will be completed in early 2013. The first is a primer for local governments on parking management strategies; the second, a handbook for small-city transit agencies on best practices in the design and siting of transit facilities.

Transportation System Plan Assessment

Most cities and counties have prepared a transportation system plan (TSP), and many of these plans are now old enough to consider updating. However, in most cases it is not necessary to redo the entire plan. The TSP Assessment service helps local governments target their update to issues that truly need to be readdressed while avoiding updates for the sake of updating.

Transportation Planning Rule

During the 2011-13 biennium LCDC adopted updates to Division 12 of Chapter 660 of the Oregon Administrative Rules, commonly known as the Transportation Planning Rules (TPR). The rulemaking was initiated by a joint subcommittee with three LCDC members and three commissioners from the Oregon Transportation Commission. Legislation in the 2011 session also required rulemaking to amend the TPR to permit more flexibility. One important change has been the introduction of Mixed-use Multimodal Areas (MMA) which may be designated by local governments in areas where they wish to promote compact urban development consistent with TGM principles. The MMA designation allows local governments to rezone land for more intense development without being blocked by potential traffic congestion. Another important addition to the TPR is a process to accept partial mitigation of transportation impacts for a rezoning supporting

economic development. Since implementation of the rule, staff has worked to educate local governments around the state on the new tools available.

Provide Housing Choices

DLCD provided grants to five cities to update their comprehensive plans to assess housing and residential land needs and better accommodate needed housing. These plan updates will aid housing affordability by helping the cities tailor

their plans and zoning codes to better match the types and densities of housing that residents can afford to purchase or rent.

Additionally, the department provides technical assistance to local governments during consideration of a variety of plan amendments that affect housing and residential land supply—from urban growth boundary amendments to code updates and zoning map amendments—with the objective of promoting an affordable supply.

Strategic Goal: Secure Oregon's Legacy

- Conserve coastal, farm, forest, riparian and other resource lands
- Promote a sense of place in the built and natural environments
- Protect unique and threatened resources by guiding development to less sensitive areas

Conserving Oregon's Farm and Forest Industries

In many ways, Oregon's efforts to protect its farm and forest lands base since 1975 have comprised the heart of Oregon's innovative land use planning program. The state's accomplishments in protecting its working landscapes are unequaled among other states in the nation and even among other nations.

Farm and Forest Land Vital to Economy

Oregon's agricultural and forest industries remain two primary contributors to the state's economy, directly and indirectly generating close to 20 percent of the state's economic output and accounting for about 15 percent of all employment in the state. Commercial farming and forestry require large land bases. However, both industries are affected by the conversion of land to other uses, by the fragmentation of the resource land base and by conflicts and complaints from nearby landowners who are not engaged in farm and forest activities. That is why sustaining these valuable resource lands is so important to Oregon's economic strength and stability.

Strong Farm and Forest Land Protections

Statewide Planning Goal 3 (Agricultural Lands) and Goal 4 (Forest Lands) define agricultural and forest lands and require counties to adopt exclusive farm use (EFU) and forest zoning to protect lands for those uses. State statutes and LCDC rules establish standards for dwellings, uses and land divisions in EFU, forest and mixed farm-forest zones. These standards are designed to limit incompatible development and land fragmentation and to ensure that newly

created farm and forest parcels remain commercially viable for farm and forest use. Strong resource land protections keep farm and forest lands affordable for farmers and forest landowners and discourage conflicting uses.

About half of Oregon's non-federal land base, or 15.5 million acres, are currently zoned EFU, while over 10 million acres are zoned for forest



or mixed farm-forest use. Farm and forest property assessment is available for land in farm or forest use and is automatic in EFU zones.

The 2007 Census of Agriculture shows that between 1987 and 2007, the rate of conversion of mid-sized and large farms to other uses in Oregon was less than one-sixth the rate of loss for the nation as a whole. A 2009 U.S. Forest Service publication reported that, without Oregon's farm and forest land protection program, an estimated 1.2 million acres of forest and farmland in western Oregon alone would have been converted to more developed uses. These facts underscore the effectiveness of Oregon's farm and forestlands protection program over the last three decades.

Monitoring Development on Farm and Forest Lands

County planning departments have been required since the late 1980s to provide DLCD with annual reports on dwellings, uses and land divisions occurring in farm and forest zones. The reporting system, along with plan amendment data, provide the information needed to regularly review and evaluate existing policy and regulations and to make appropriate adjustments in the program. For complete information and tables, please refer to the 2010–2011 Farm and Forest Report.

In 2010–2011, counties approved a total of 877 new dwellings in EFU zones and 464 new dwellings in forest and mixed farm-forest zones. More than one-third of new dwellings were replacement dwellings. These numbers are lower than in previous years, most likely reflecting the current economic downturn. Just over 1,000 other uses, many of them accessory or farm-related structures, were also approved. Nearly 400 land divisions in EFU, forest and mixed farm-forest zones were approved in 2010–2011, numbers that are also down from previous years. Each year, farm and forest lands are rezoned by counties to other uses, usually through the “exceptions” process. In 2010 and 2011, more than 3,000 acres of farm and forest lands were rezoned to non-resource uses. About one-third of this acreage was added to UGBs, while two-thirds of the rezoned acreage was in rural areas.

An ongoing concern is that farm and forest lands are often viewed as prime sites for rural homes. Cumulative data show that nearly 40,000 dwellings have been approved in farm and forest zones since the acknowledgment of county comprehensive plans in 1986. Another growing problem is the sale of large timber holdings for non-forest purposes, which is threatening to fragment the commercial forest land base, create additional conflicts for forest management and increase potential fire hazard.

State Trends in Farm and Forest Land Conversion

The Oregon Department of Forestry (ODF) has tracked land use change in Oregon from 1974 to 2009, in a series of periodic reports. The reports identify several farm and forest land use classes that reflect land cover and density of existing structures (mostly dwellings). The data on changes in land use represent a more accurate, timely and direct measure of land conversion from farm and forest use to other uses than do changes to zoning and greatly complement DLCD data.

ODF data shows that, in the 25-year period between 1984 and 2009, approximately 147,000 acres of farm and range land moved to more developed land classes, and 121,000 acres of forest and mixed farm-forest land was converted to more developed classes. The converted farm acreage was approximately four times the acreage rezoned out of farm use in a similar time frame, while the converted forest acreage was approximately 12 times the acreage rezoned out of forest use during this period. These data show that even greater conversion is taking place within farm and forest zones than through the rezoning of these lands for urban and rural development. Combining DLCD and ODF data and analysis is key to gaining a more accurate picture of the capacity of commercial farm and forest lands to contribute to local and state economies.

Technical Assistance

In addition to producing the biennial Farm and Forest Report, DLCD staff reviews and provides comments on post-acknowledgment plan amendments that involve rezonings out of farm or forest use, as well as amendments to EFU and forest zone provisions. Staff also provides technical assistance to counties by interpreting statute and rule requirements and keeping local

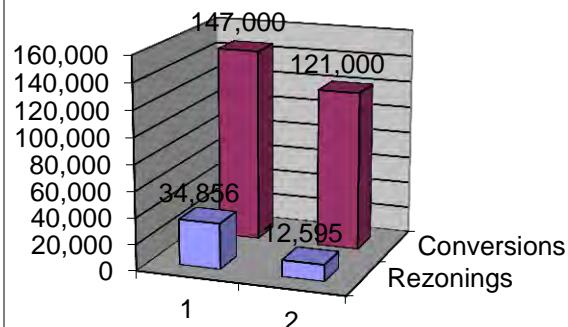
codes up-to-date. Staff also work with other state agencies to coordinate natural resource protection efforts. Finally, staff also provides public outreach through speaking engagements, participation on workgroups and responses to public requests for information and assistance.

Looking Towards Tomorrow

Oregon's farm and forest land protection program has steadily evolved over the years to respond to new data, changing conditions, regional differences and the needs of agriculture and forestry. DLCD sponsored a bill in the 2009 legislative session (HB 2228) that led to the adoption of a pilot transfer of development rights program that offers landowners and local jurisdictions new incentives to permanently protect forest land. A second legislative bill (SB 763) authorizes all local jurisdictions in Oregon to use transfer of development rights programs to protect a variety of working, resource and cultural landscapes.

Planning for the rural landscape has yielded unexpected benefits over the years. Farm and forest zoning have helped revitalize many of Oregon's cities by forcing most development into urban growth boundaries. Farm zoning has supported a bounty of new vineyards world-class wineries and agri-tourism, all of which provide new streams of income for farmers. Large, open land areas uncluttered with rural residences have contributed to making Oregon a leader in alternative wind energy production. Forest zoning has supported the development of a healthy tourism and outdoor recreation industry while reducing the threat of and losses from forest fires that plague other parts of the country. Farm and forest zoning are also facilitating the development of ecosystem markets for a variety of environmental benefits in a program that is gaining national attention.

Farm & Forest Land Rezonings Versus Conversion 1984 - 2009



Protecting Natural Resources

Local jurisdictions throughout the state have made modifications to their comprehensive plans and land use codes to reduce potential impacts from development on natural resources. Eleven cities—Gearhart and Newport (Coastal Program grant); Florence (EPA grant); Adair Village, Monroe, Scio, Mill City, Harrisburg, Creswell, Cottage Grove, Lowell (includes riparian inventory, EPA Grant)—are working on local wetland inventories or combined wetland and riparian inventories that are scheduled to be completed by the end of the biennium.

Several cities—Port Orford, Klamath Falls, Monmouth, Tangent and Sisters have adopted or are in the process of adopting plan and code provisions to implement local protection measures in response to pollutant load limits assigned to them by Department of Environmental Quality (DEQ), or to reduce impacts on a federally listed fish species. Some of these measures are designed to preserve the water quality functions of riparian areas while others will reduce the amount of urban stormwater entering streams.

Meeting federal requirements

Local jurisdictions are faced with increased pressure from federal laws to avoid and mitigate the impact urban development has on surface water and endangered species. The laws have not changed, but court decisions have given new clarity to what federal agencies must do to prevent degradation. Accountability for reducing water quality impacts and eliminating impact to threatened and endangered species falls to local governments. Increased awareness of the full suite of functions provided by wetlands and the difficulty in replacing these functions through wetland mitigation projects is relevant to local natural resource programs. State and federal permits for fill and removal in wetlands are more difficult and costly to obtain than in the past. By completing the statewide planning Goal 5 wetland process, land constrained by wetlands can be factored into local buildable lands inventories and allow for more realistic predictions of future land needs.

For these reasons this biennium has seen a relatively high level of local natural resource planning efforts throughout the state. New local wetland inventories (LWI) have been completed for 14 jurisdictions and two or three more are expected to be completed by June of 2013. This marks the most LWIs in a single biennium since the 1996 rules for conducting LWIs were adopted. Several cities, including Creswell, Gearhart, Junction City and Pendleton have, or are in the process of, using these LWIs as a basis for new or updated wetland and riparian protection codes.

In the next biennium, DEQ will issue the first “implementation ready” TMDL, which will include specific directives to local government for reducing temperature load through riparian management. Also the ESA Section 7 consultation between Federal Emergency Management Act (FEMA) and National Marine

Fisheries Service (NMFS) on the NFIP will be completed. Both of these actions will influence how DLCD assesses compliance with the statewide land use Goals 5, 6 and 7.

Conserving Ocean and Coastal Resources

The department houses the Oregon Coastal Management Program (OCMP), which works with local governments, state and federal agencies and stakeholders. The goal is to protect the treasures of the Oregon coast while helping to develop vibrant and sustainable coastal communities.

Estuaries, coastal shorelands, beaches and dunes and ocean resources are a primary focus of the OCMP. The department’s Ocean and Coastal Division staff also work closely with coastal cities and counties to plan for economic and community development and to stay safe from coastal hazards. The OCMP collaborates with other state agencies too, as network partners with legal authorities and programs for coastal resources.

Oregon’s coastal program is based on the work of the Oregon Coastal Conservation and Development Commission created by the 1971 Oregon Legislature. In 1977, the OCMP received federal approval under the federal Coastal Zone Management Act. This approval is important because:

1. Oregon, through the OCMP, has the authority to review federal agency actions and approvals that affect Oregon’s coastal zone to make sure that they are “consistent” with Oregon’s state laws, statewide planning goals and local government comprehensive plans and ordinances.
2. The department receives federal funds from the National Oceanic and Atmospheric Administration (NOAA) to support coastal

management. During the 2011-13 biennium, the department received just under \$4.5 million dollars to implement the OCMP.



Helping Coastal Communities

Oregon's coastal communities face challenges found nowhere else in the state. In addition to land use and economic development issues common statewide, coastal local governments must also protect estuarine resources, ocean shores, dunes and other coastal resources. Many coastal communities are on the front line for ocean shoreline erosion, ocean flooding, severe storms, tsunamis and the effects of climate change. A highly seasonal economy, rugged geography, limited transportation options and reduced funding for local planning add to these challenges. During 2011-13, the OCMP assisted local governments through:

- On-Site Advice and Assistance – During 2011-13, three OCMP staff members worked from a coastal services center in Newport and a newly established Regional Solution Center in the city of Tillamook to assist cities and counties on a daily basis with overall planning advice and coastal hazards and shore lands issues. The staff were also involved in a number of Oregon Solutions projects that help resolve land use issues at the local level.

- Financial Assistance – During the 2011-13 biennium the OCMP awarded more than \$730,000 in grant awards to 37 local governments (city, county and special districts) from federal funds including:
 - \$646,000 in Coastal Zone Planning Assistance Grants: All jurisdictions receive a minimum grant of \$2,700. Grants enable local governments to maintain core planning services, review development proposals, prepare plan changes, update ordinances and do other planning work.
 - \$84,500 in Technical Assistance Grants: Grants range from about \$3,000 to as much as \$10,000. Cities and counties use these funds to conduct special projects related to economic development, coastal hazards, GIS and information technologies and wetland inventories.
 - Education and Information - The OCMP provided information and training for local planning staff, including:
 - Local planner conferences: Six local planner conferences provided information on coastal planning, coastal hazard assessments, alternative energy development, and other topics.
 - On-line training: During this biennium, the OCMP produced an on-line training program about the Oregon Coastal Management Program. <http://www.oregonlandusetraining.info/>
 - GIS technical assistance: An OCMP GIS specialist provided GIS training and trouble-shooting assistance for

local governments. This assistance helped local staff to avoid start-up and training costs while providing a hands-on learning experience.

- Oregon Coastal Atlas: The Atlas provides a wide range of mapped data and information about the Oregon coast via the Internet: <http://www.coastalatlas.net>.

Addressing Emerging Coastal Issues

The Oregon Coastal Management Program devoted staff resources and expertise to address five major issues:

1. Coastal Shoreline Hazards – A major focus of the OCMP was to assist local governments in addressing coastal erosion, ocean flooding and other hazards. OCMP staff worked closely with the City of Bandon to address ocean flooding, Lincoln County to develop a dune management plan near Waldport (Bayshore), and Tillamook County and residents in Neskowin to address problems of ocean shore erosion and storm damage. The OCMP is working with coastal local governments to improve resilience to a future tsunami.
2. Ocean Wave Energy Development – The OCMP led an unprecedented effort to develop a coast-wide plan for ocean alternative energy development in response to a Governor's Executive Order. OCMP staff worked with several dozen stakeholders to update the state's Territorial Sea Plan to address ocean alternative energy. The department built on the work completed in Phase 1 of the Territorial Sea Plan in November 2009, when the LCDC adopted an amendment to the Territorial Sea Plan with policies, procedures and standards for siting energy facilities.
3. Marine Reserves – OCMP staff played an important role in assisting the Oregon Department of Fish and Wildlife's work with community groups to designate marine reserves. The OCMP provided data, GIS services (i.e. maps and analyses) and website expertise to enable ODFW to provide information to the public and community groups via <http://www.oregonocean.info>.

West Coast Governors Alliance on Ocean Health

The OCMP worked closely with the Governor's office to provide policy, planning and technical assistance to support the West Coast Governors Alliance (WCGA). OCMP staff are involved in several of the WCGA Action Coordination Teams, including Climate Change, Regional Data Framework and Marine Renewable

Energy. In 2011, the OCMP assisted the WCGA in submitting a successful grant application to NOAA for funds to develop the technical and administrative infrastructure necessary to support future marine spatial planning along the West Coast.

Conserving And Managing Coastal Resources

The OCMP carried out several program activities to assist in conserving and managing the unique and valuable resources of the Oregon coast:

- **Estuary Updates** – The OCMP is working with local governments and other stakeholders to update the information and framework for managing estuaries, some of the most important natural resources on the coast. The OCMP has mapped dikes and tidegates along the coast and made the GIS information available to local governments. They also identified GIS needs of local governments and are working with them to address gaps. The OCMP has started an Estuary Project of Special Merit which will result in updated resource information for Oregon's estuaries. The goal is to create an estuary atlas that can be used by local governments to update their estuary plans.
- **ShoreZone** – The OCMP has acquired ShoreZone image data of the Oregon Coast and estuaries. ShoreZone is highly detailed, oblique (from the side), aerial digital shoreline photography that allows users to navigate the coast and view images online through the Coastal Atlas. Images and associated data will be linked to LiDar data and will be

useful in a variety of planning and management purposes.

- **Marine Map** – To support the work on the Territorial Sea Plan, the OCMP sponsored development of MarineMap, a web-based decision support tool for open and participatory spatial planning in the marine environment. MarineMap is especially useful for planning where many interests and resources need to be simultaneously evaluated. MarineMap currently has over 200 layers of mapped information available. <http://oregonmarinemap.org>.
- **LiDAR Acquisition** – The OCMP provided federal funds to the Oregon Department of Geology and Mineral Industries to help acquire detailed LiDar (a remote-sensing technology used to accurately measure elevation) data for the Oregon coast. The OCMP is now providing this extremely accurate data as maps to local governments to aid planning for coastal hazards, landslides and flooding.
- **Regional Sediment Management** – The OCMP has been a strong participant and coordinator for efforts to develop a regional sediment management plan for the Columbia River. During this biennium, years of effort culminated in the selection and test disposal of sediment at a new nearshore dredge material disposal site just south of the mouth of the Columbia River. Significant amounts of sediment need to be removed from the mouth of the Columbia River to keep the river navigable. The new site will keep the sediment in the nearshore sand system to help replenish eroding shorelines.

Located at the mouth of Tillamook Bay, the City of Garibaldi is a community focused around its harbor. The city's waterfront district has historically supported many of the area's important economic enterprises, including seafood processing, sport and commercial fishing activities, wood products manufacturing, and tourism and recreation uses. Following larger regional trends over the past two decades, the city's economy has transitioned from its historical resource base to include larger components of service and tourism based activities. In response to these trends, in 2011 the city initiated a process to evaluate comprehensive plan and zoning designations for the waterfront area, seeking to capitalize on potential redevelopment opportunities while preserving critical water dependent development acreage for port and maritime uses.

Supported by a coastal technical assistance grant from the department, the city worked closely with the Port of Garibaldi and landowners in the affected area to analyze the overall need for and locational suitability of water dependent development sites in the city. This examination was completed in early 2012, and was followed by a package of comprehensive plan and zoning amendments designed to implement the recommendations identified in the analysis. These amendments include revisions to the city's two principal waterfront zoning districts, and changes to the comprehensive plan and zoning map for the waterfront area. The result of these amendments is a higher level of protection and certainty for identified critical water dependent development sites, and enhanced opportunities for water oriented and other mixed use development in the waterfront area. These plan updates will greatly improve the ability of the city and the port to encourage and facilitate appropriate development of this major community asset.

Natural Hazards Program

DLCD's Natural Hazards Program coordinates the state's participation in the National Flood Insurance Program (NFIP), through an agreement with the Federal Emergency Management Agency (FEMA). Two hundred sixty Oregon cities and counties participate in the NFIP. All but two flood prone cities participate in the NFIP, making flood insurance available to nearly all residents and businesses located in state of Oregon.

The NFIP has three basic components: 1) flood hazard mapping; 2) flood insurance; and 3) regulation of areas of special flood hazard (areas

with a 1 percent annual chance of flooding). The Natural Hazards Program contributes to each of these components.

Flood Hazard Mapping

From 2005 through 2011, the Natural Hazards Program received federal grants to support FEMA's Map Modernization Program. One hundred sixty eight Oregon cities and counties, mostly in western Oregon, received digital flood insurance rate maps during FEMA's Map Modernization Initiative. FEMA's mapping program transitioned to the Risk Mapping and Analysis Program (RiskMAP) in 2011.

Federal funding to DLCD continues under the RiskMap Program, with grants awarded to

DLCD totaling \$443,170, over the 2011-13 biennium. RiskMap aims to develop tools to better assess and communicate exposure to natural hazards, as well as to provide more accurate Flood Insurance Rate Maps. DLCD assisted FEMA with eight RiskMAP “Discovery” projects during this biennium, which is a multi-jurisdictional data collection and natural hazards needs assessment. The Natural Hazards Program works closely with the Department of Mining and Mineral Industries and the University of Oregon Partnership for Disaster Resilience to achieve RiskMap objectives.

Local Government Technical Assistance

The Natural Hazards Program receives funding from FEMA to provide technical assistance and resources to Oregon’s NFIP-participating communities. Grant awards totaled \$443,107 for the biennium. The Natural Hazard Program helps with Oregon’s NFIP communities to ensure they understand and comply with NFIP minimum requirements. The program also trains and answers technical questions from local planners, surveyors, building officials, real estate agents, and others on NFIP regulations and insurance requirements. DLCD also uses grant funds to review local government flood hazard permitting programs to ensure their continued compliance with and eligibility for the NFIP.

Endangered Species Act

In late 2011, the Natural Hazards Program initiated the Endangered Species Work Group. The workgroup advised FEMA and the National Marine Fisheries Service during consultation to settle a lawsuit claiming that FEMA development standards harm endangered fish. The State is not party to the lawsuit but would play a key role in implementing any new standards negotiated during consultation. This

work was funded by the FEMA NFIP Technical Assistance grant.

Disaster Recovery

The Natural Hazards Program works with the Oregon Office of Emergency Management (OEM) before, during and after natural disasters (particularly floods) to ensure that recovery complies with both the NFIP and the state of Oregon planning goals. Three Federal disasters were declared during the 2011-13 biennium, two for winter storm damage and one for tsunami damage. DLCD worked with OEM and local government on recovery from both of the winter storm events. Recovery activities relate to assisting local government with NFIP compliance during repair of homes and business buildings. The Natural Hazards Program continues to work with the City of Vernonia to recover and rebuild from devastating floods of 2007.

Natural Hazards Mitigation

Under agreement with OEM and with approval of the legislature, DLCD will take over management of the Statewide Natural Hazard Mitigation Plan during the 2013-15 biennium. This work was previously contracted to the University of Oregon, Partnership for Disaster Resilience. Work in preparation for the transition began in the 2011-13 biennium, with development of a regional-scale risk analysis methodology to be used during the Statewide Natural Hazard Mitigation Plan update. DLCD partnered with the Partnership for Disaster Resilience to complete this work. DLCD hired a Natural Hazards Planner 2 in February to assist with this work and NFIP technical assistance.

The Natural Hazards Program coordinates with the Coastal Program and the Department of Geology and Mineral Industries to develop assessments, tools, and literature related to

identification and mitigation of existing and climate change induced coastal natural hazards.

Oregon Sustainable Transportation Initiative (OSTI)

The Oregon Sustainable Transportation Initiative (OSTI) is an interdepartmental effort to reduce greenhouse gas (GHG) emissions from transportation while creating healthier, more livable communities and greater economic opportunity. OSTI includes DLCD, the Oregon Department of Transportation (ODOT), the Department of Environmental Quality (DEQ) and the Department of Energy (DOE). OSTI was created to respond to the goal set by the

legislature to reduce GHG emissions: “By 2050 ... at least 75 percent below 1990 levels” (Oregon Revised Statutes 468A.205).

Subsequently House Bill 2001 (2009) and Senate Bill 1059 (2010), were enacted giving specific guidance to DLCD and ODOT to work together on tasks to reduce GHG emissions in the transportation sector, with particular emphasis on passenger vehicle travel within metropolitan areas.

This program effort is reflected in this section, rather than in development of vibrant communities, because of the goal of improving air quality and impacting the rate of climate change.

Strategic Goal: Engage Citizens and Stakeholders in Continued Improvements of Oregon's Land Use Planning Program

- Support regional perspectives and strengths
- Ensure equitable application of regulatory programs
- Develop strong, collaborative partnerships with citizens and communities



Citizen Involvement Advisory Committee (CIAC)

Oregon Revised Statute Chapter 197 established the Citizen Involvement Advisory Committee (CIAC) to advise LCDC and local governments on matters pertaining to citizen involvement in land use planning. CIAC is an advisory body only; it has no authority over any local government or state agency. The committee does not set policy or review local land use plans (except for Citizen Involvement Programs) or make decisions. The CIAC has eight members, one from each of Oregon's five congressional districts and three chosen at large. CIAC members are unpaid volunteers and are appointed to four-year terms by LCDC. The committee meets bi-monthly in Salem.

During the 2011-13 biennium, the CIAC:

- Assisted a number of communities in developing and improving Citizen Involvement Programs;
- Surveyed local web sites regarding citizen involvement;

- Continued the "Star Awards" program to recognize outstanding programs to involve citizens in local land use decisions;
- Participated in LCDC policy workgroups; and
- Began development of Citizen Involvement training programs for local citizens and officials.

Citizen participation is a hallmark of Oregon's planning program. Each city and county plan describes how the public can participate in each phase of the planning process. Local governments must periodically evaluate their efforts to involve citizens, and, if necessary, update their programs. These requirements are established in Statewide Planning Goal 1: Citizen Involvement.

Committee members:

- Ann Glaze, (Dallas)
- Don Green, (Ashland)
- Mollie Eder, Chair (Powell Butte)
- Pat Zimmerman, (Scappoose)
- Chris White, (Portland)
- Gregory McLaren, Vice Chair (N. Bend)
- Debra Martzahn, (Lincoln City)
- Sadie Carney, (Portland)

Local Officials Advisory Committee (LOAC)

Oregon Revised Statute Chapter 197 established the Local Officials Advisory Committee (LOAC) to advise LCDC and the department on matters involving local governments.

The LOAC is made up of seven members representing cities, counties and Metro. They are appointed by LCDC in consultation with the League of Oregon Cities and the Association of Oregon Counties.

LOAC is specifically charged by statute with the responsibility to review and advise LCDC on proposed goal amendments. After a period of dormancy, the LOAC reinitiated its work in 2010.

Committee members:

- George Endicott, Mayor, City of Redmond
- Dick Gordon, City Councilor, Medford
- Larry Givens, County Commissioner, Umatilla County
- Kathryn Harrington, Metro Councilor
- Faye Stewart, County Commissioner, Lane County.

Strategic Goal: Provide Timely and Dynamic Leadership

- Develop and coordinate strategic initiatives with other state agencies and local governments
- Seek solutions that address immediate and long-range challenges including climate change, in collaboration with local governments, community and academic partners



2011-13 LCDC Policy Agenda

Each biennium the Land Conservation and Development Commission (LCDC) adopts a policy agenda upon recommendation from the department and with input from the public. This policy agenda drives much of the work of the department and sets the scope, direction and tenor of the department's work plan. Several items from the 2011-13 agenda have been listed earlier in this report under "Major Policy Items." Other items include:

A. Policy projects underway from the previous (2009-11) biennium

1. Amendments to Transportation Planning Rules (the TPR): Required by 2011 legislation (Adopted at the December 2011 LCDC meeting).
2. Forum regarding population forecasting: A work group with League of Cities (LOC) and Association of Oregon Counties (AOC) is developing a legislative concept to amend statutes regarding population forecasting.
3. Greenhouse gas reduction goals: Required by 2009 legislation, new

administrative rules for Portland Metro Area "scenario planning" to establish the process for determining land use patterns to meet the greenhouse gas reduction goals. (Adopted November, 2012)

4. EFU soils analysis: Adopt rules to implement 2010 legislation regarding a new process to contract for alternative soils information (Adopted December, 2011).
5. Transfer of Development Rights (TDR) pilot program: Implement and report on pilot program enacted in 2009. Minor rule revisions are required by 2011 legislation (see Section B, below)
6. Territorial Sea Plan amendments: Revise the Oregon Territorial Sea Plan to address alternative energy resources in the territorial sea as per Governor's Executive Order (Text amendments were adopted in 2009; map amendments were adopted, January 2013).
7. Update Federal Consistency rules, OAR 660, division 35, implementing the consistency requirements of the Federal Coastal Zone Management Act: Proposed updates will address changes to NOAA federal consistency rules and other changes since the last (1988) update of LCDC consistency rules. (Adopted May, 2012)

B. Policy Projects required to respond to new state laws

1. Economic Recovery Review Council: Several work tasks are required by SB 766 (enacted in 2011 session), including expedited review of up to 10 industrial

development projects and designate 5 to 15 regionally significant industrial areas.

2. Ballot Measure 49: Update department work tasks in response to HB 3620 (enacted in 2011 session). No rulemaking required.

C. Adjustments to existing rules needed to implement new legislation

The following rules must be changed to implement legislation enacted in 2011:

1. Post Acknowledgement Plan Amendment (PAPA) Notice Rules: OAR 660, division 18, in response to statutes amended by House Bill 2129. (Adopted January, 2012)
2. Rules for Periodic Review and UGB Review: OAR 660, division 25, in response to statutes amended by House Bill 2130. (Adopted January, 2012)
3. Metro urban reserve rules: Regarding allowed roads (in response to HB 3225).
4. Transfer of Development Rights (TDR) Pilot Project rules: OAR 660, division 28, in response to laws amended by HB 2132. (Adopted January, 2012)
5. EFU rules: Regarding Farmworker Housing (in response to HB 2154. (Adopted January 2012).
6. EFU rules: Regarding farm income standards in response to HB 3290.
7. Rules for needed housing: OAR 660, divisions 7 and 8, in response to HB 2131.

D. High Priority Policy and Rulemaking Projects

1. Urban Forum: to consider issues concerning the UGB and urban reserves

requirements, in response to recent holdings by the Court of Appeals. The Forum would convene a group of stakeholders to consider several urban policy issues and seek a consensus toward a legislative concept for the 2013 legislative session to address these issues.

2. HB 2229 Pilot: Beginning in the Fall of 2011, engage one or two (as yet undetermined) counties in a farm and forest land remapping project under the procedures established by HB 2229 (2009 legislation). Staff recommends this project be initiated without associated administrative rules, although later rulemaking may be recommended based on experience gained in the pilot.

E. Projects to be pursued if resources are available

1. Natural Hazards: Study and make recommendations regarding natural hazards requirements as they relate to climate change adaptation. DLCD will work with other agencies in response to the Governor's climate change adaptation plan. This project may or may not result in rules to clarify Goal 7 requirements.
2. Public parks in farm zones: The department will participate in the Oregon Parks and Recreation Department's (OPRD's) planned "Parks Forum" with other stakeholders, and report back to the commission as to whether rulemaking is recommended in response to parks issues, especially issues concerning local government parks outside UGBs.

Strategic Goal: Deliver Resources and Services that are Efficient, Outcome-based and Professional

- Provide local governments with services and resources to support their comprehensive planning process
- Communicate with the public in a timely and transparent manner
- Focus on communications, staff training and administrative systems to ensure continued improvement of customer service



Working with Oregon Communities

Oregon's statewide planning program is most effective when communities, regions and state agencies work cooperatively to plan and invest in successful, sustainable futures. The fate of Oregon's future rests in large part on the successful implementation of thoughtful local planning. In order to help Oregon communities make the best possible decisions about their futures, DLCD works to make real-time information and state-of-the-art planning practices available in the regions of the state and from its Salem office.

Communications and Technical Assistance

DLCD staff provides technical assistance to local governments through formal and informal communication.

During the past biennium, the department the following: conducted six planners network meetings around the state (Medford, Springfield, Monmouth, Hillsboro, Bend and Baker City), and four coastal planners network meetings (Yachats, Rockaway, Bandon and Florence).

Planners network meetings serve as a forum for local governments to exchange information and develop stronger working relationships. The department will continue to host network meetings during the 20011-13 biennium.

Grants to Local Governments In addition to technical expertise, DLCD offers several grant programs to provide targeted grants to local governments. The Transportation and Growth Management program is dedicated to improving the integration of land use and transportation planning across the state (please see "Integrating Land Use and Transportation planning," page xx). The Coastal Zone Management Program offers resources to coastal communities.

The general fund Technical Assistance grant program provides resources to help local governments with comprehensive planning activities, with regional planning analysis, and with Periodic Review. During this biennium:

- Oregon communities have utilized about \$1.6 million in technical assistance grant funds on comprehensive plan update projects ranging from regional wetlands identification to housing needs analyses to regional planning for large-scale industrial development;
- Nearly \$1 million went to cities and counties for Periodic Review programs, providing opportunities for large scale plan updates; and
- An additional \$135,000 was awarded to cities under 2,500

population and to counties under 15,000 population. Those funds are typically used to support general planning and permitting activities in Oregon's smaller communities. Thanks in part to DLCD's partners, including the League of Oregon Cities and the Association of Oregon Counties, the department significantly stepped up its efforts to alert local governments to the opportunity. As a result DLCD provided assistance to 107 small communities this biennium a 22 percent increase from the previous biennium.

In total, the Technical Assistance grant program was able to fund in whole or in part 44 planning projects statewide. Adding the 135 Planning Assistance grants to small communities, DLCD was able to provide assistance to 179 communities – nearly two thirds of our local partners across the state.

Keeping Plans Up to Date

In order for the statewide planning program to function effectively, local comprehensive plans must be updated in keeping with changing markets and developing landscapes. Local governments typically identify needed updates and amend their plans through the Post-Acknowledgment Plan Amendment (PAPA) process.

Periodic Review

Urban development, population growth, economic and market forces and other changes in the landscape can render comprehensive plans obsolete over time. As community visions are realized, plans must be updated to continue to meet the needs of the local government, its citizens, and its property owners. Oregon statutes require many cities to periodically

review their plans to ensure they continue to accommodate needed land and infrastructure for economic development and housing. Certain statutory and rule provisions are implemented through Periodic Review as well. During this biennium, the department worked with 11 cities to complete portions of periodic review work programs.

Plan Amendment Review

A local government can amend its comprehensive plan to address local needs outside the Periodic Review process through the Post-Acknowledgment Plan Amendment (PAPA) process. These typically smaller amendments may be initiated by a city or county, or by a property owner who wishes to change the allowed use(s) of land.

DLCD's role in the PAPA process includes reviewing and advising local governments on proposals and providing notice of the proposal to the public. Department staff is frequently asked to provide technical assistance as well. Oregon's larger communities, including cities with populations greater than 10,000, are also required to review and update their plans through the process of Periodic Review.

For any proposed PAPA, the appropriate local government is required to send notice of proposed amendments to DLCD. As previously stated, DLCD's primary role is to review the proposal and provide guidance where appropriate. During the first 18 months of the biennium, DLCD received just fewer than 1,000

PAPA Notices

The department expects to receive over 1,350 plan amendments before the end of the biennium. Of these plan amendments, the department will have responded to approximately one-third of them, providing

assistance and feedback to the communities making changes.

Appeals of Land Use Decisions

The department works closely with local communities throughout the planning and ordinance adoption process. Staff provides guidance on local land use proposals and, in the overwhelming majority of cases, the local government and the department work together to address any legal and technical challenges. In cases where the local government makes a decision the department believes violates a statewide planning goal, the department, with LCDC approval, may choose to appeal that local decision to the Land Use Board of Appeals (LUBA) for clarification of the decision or to confirm state policy.

Continuous Process Improvement

The Department of Land Conservation and Development management and staff regularly engage in actions to update, streamline and improve department and program policies, rules and procedures. In 2009, the department began to implement a formal and department wide effort to review department activities. The department used a 5 day event featuring a powerful set of process improvement tools. The 5 day event called Kaizen which was first applied to periodic review and urban growth boundary decisions. Kaizen is Japanese for “take apart and make good” includes tools designed to:

- Empower staff to design and implement better, smarter, faster processes advancing the mission of the department;
- Eliminate redundancies between programs and streamline processes in a relatively short timeframe;
- Create a culture of continual improvement freeing staff to develop solutions focusing on high-value work products;
- Minimize waste and save dollars through streamlined processes and procedures;
- Increase transparency;
- Enable staff to spend quality time on value added activities and eliminate non-value added activities.

The department’s first application of Kaizen related to periodic review and urban growth boundary decisions. Some outcomes from the event included:

- Increased process transparency
- Increased efficiency through digitizing of submittals.

The department continues its process improvement efforts through its transformation initiative called Information Management Modernization Initiative.

Key Performance Measures

The department's key performance measures for 2012 are submitted to the legislature with the Annual Performance Progress Report (APPR). The measures are legislatively approved, and reflect a wide range of activity performed by the department and local governments. KPMs are one method of capturing the direction, energy and outcomes of the land use program. Seen in the context of this Biennial Report and the full APPR report these numbers take on a richer meaning.

KPM #	Performance Measure	Target	Results
1	Employment Land - Percent of cities that have updated their local plan to assure an adequate supply of employment land for industrial and other employment uses	75	49
2	Housing Land Supply - Percent of cities that have updated their local plan to assure an adequate supply of buildable residential land to meet housing needs	90	65
3	Public Facilities Plan - percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems	70	46
4	Certified Industrial Sites - Number of sites certified as project-ready added each year	6	2
5	Transit Supportive Land Use - Percent of urban areas with a population of greater than 25,000 that have adopted transit supportive land use regulations	89	88
6	Transportation Facilities - Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities	89	88
7	ERT - Percent of local participants who rank DLCD involvement in the ERT process as good-to-excellent	NA	NA
8	Coastal Development Zoning - Percent of estuarine areas designated as "development management units" in 2000, that retain that designation	100	100
9	Natural Resource Areas - Percent of urban areas that have updated buildable lands inventories to account for natural resource and hazardous areas	6	1
10	Farm Land - Percent of farm land outside UGBs zoned for EFU in 1987 that retain that zoning	99.92	99.87
11	Forest Land - Percent of forest land outside UGBs zoned in 1987 for forest use that remains zoned for those uses	99.94	99.92
12	UGB Expansion - Percent of land added to UBGs that is not farm or forest land	55	37
13	Periodic Review Remands - Percent of periodic review work tasks that are returned to local jurisdictions for further action	<15	0

14	Timely Comments - Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadline for such comments	100	100
15	Grant Awards - Percent of local grants awarded to local governments within two months of receiving an application	90	100
16	Land Use Appeals - Percent of agency appeal of local land use decisions that were upheld by LUBA and the courts	100	100
17	Customer Service - Percent of customers rating their satisfaction with the agency's services as good or excellent	83	73
18	Task Review - Percent of periodic review work tasks under review at DLCD for no longer than four months	95	100
19	Best Practices - percent of Best Practices met by the board (LCD)C	100	100

III. Looking to the Future

The following list of short-term and long-term issues, some mentioned previously in this report, are among those the department believes merit consideration and discussion:

Land Supply and Sustainable Economic Development

Improve the capacity of local and state government to evaluate the infrastructure required for future development, along with methods for financing public facilities and infrastructure. Develop new tools for managing urban growth to promote timely, orderly and efficient development. Promote area-wide approaches to planning for employment lands. Ensure that planning for economic development is a top priority for planning grants to local governments.

Streamline the Land Use Program

LCDC made major strides in this regard with two rounds of rulemaking concerning the standards and process for review of UGBs in the past five years. However it has been 20 years since the fundamental statutory and goal provisions for UGB management were adopted. At present, UGB amendments often take too long to complete, and are too expensive for the system to be clearly understood by citizens and sustainable for the long term. After consultation with diverse stakeholders, the department is introducing a legislative package to the 2013 session that will improve population forecasting for cities and counties, streamline urban growth boundary procedures and encourage UGB infrastructure efficiency.

Continue to Work with Communities to Adapt to the Effects of Climate Change

Through the Oregon Climate Change Research Institute (OCCRI), we obtained data that indicated how temperature and precipitation are projected to affect particular areas of the state. These climatic changes may drive effects to our

natural and human environments in terms of water supply, energy use, fire, flooding, landslides, crops, timber and crop management, road location and public health.

Reduction of Greenhouse Gas Emissions from Autos

The 2009 and 2010 legislatures gave the department and ODOT important responsibilities to begin planning to reduce greenhouse gas emissions from automobiles. The department has met the directive from HB 2001 (2009)—setting a target for the Portland Metropolitan area for the reduction of greenhouse gas emissions from light vehicles for the year 2035. The department continues to work with the Portland Metro area to develop at least two land use scenarios that portray how the Metro region could meet these targets. In the coming biennium work will continue with other large metropolitan areas in the state to develop greenhouse reduction scenarios.

Farm and Forest Lands

Protection of farm and forest lands especially for commercial production is an ongoing long-term strategic goal for the program. Short-term objective seeks improvement of the monitoring and evaluation of how areas of the state are performing in terms of conversion of farm and forest uses to non-resource uses. Actions that support this objective include significant improvement in data gathering and analysis internally through the IMMI program, increasing partnerships with sister state agencies, particularly the Department of Forestry, and participation in a pilot program in southern Oregon that investigates a regionally-specific

alternative to protect farm and forest land and potentially designate new non-resource lands.

Implement Information Management Modernization Initiative (IMMI) and Improve Services to Local Governments and Stakeholders

The department will continue this major initiative which intends to increase the department's capacity to create, store, analyze and distribute key data for local and state land use policy development. This implementation will include collaboration with local governments, other state agencies and university partners in the sharing of data and tools for distribution of information.

Coordinate Hazard Mitigation Planning

The department has been awarded a Continuing Technical Partner grant by the Federal Emergency Management Agency (FEMA) to develop the state strategy for identifying, assessing and communicating information about natural hazards. The five-year project is called RiskMap (mapping assessment and planning). It combines floodplain hazard mapping, risk assessment tools and mitigation planning into one seamless program. Mapping hazards and sharing information with agencies and local jurisdictions will be of increasing importance in relation to the pace of climate change.

DLCD Divisions and Offices

Organization

DLCD is organized into four divisions:

The Community Services Division, Rob Hallyburton, Manager – is composed of regional representatives who assist local governments in the implementation of the statewide land use planning program by providing technical and educational assistance to local government planners and officials, the general public and interest groups. The division also provides financial assistance to urban and rural communities.

The Planning Services Division, Matt Crall, Manager – provides specialized technical assistance and policy consultation to DLCD's regional representatives serving local governments and citizens. The division includes the Transportation and Growth Management (TGM) Program and specialists in urban development, farm and forest land protection, mineral and aggregate resources, economic development, natural resource management and floodplain management.

The Ocean and Coastal Services Division, Patty Snow, Manager – works with coastal cities, counties and state and federal agencies to administer Oregon's federally approved Coastal Management Program, which emphasizes conservation of estuaries, shorelands, beaches and dunes and ocean resources. The division provides financial and planning assistance to local governments, implements a coastal hazards and assessment program, supports the Oregon Ocean Policy Advisory Council (OPAC), maintains an online Oregon Coastal Atlas and has authority under federal law to review federal programs and activities for consistency with Oregon's federally approved coastal program standards.

The Administrative Services Division, Teddy Leland, Manager – provides services in the following areas: budget, accounting, purchasing, payroll, safety, space and facility management, mail distribution, information systems, landowner notification, agency policy and procedure development, inventory and property control and reception. The Director's Office, Jim Rue, Director and Carrie MacLaren, Deputy Director, provide support for the Land Conservation and Development Commission (LCD), overall direction for the department, human resource and budget and policy development.

Location

The department is based in Salem but has field staff in other areas of the state:

Salem (Main Office)

635 Capitol St., NE, Suite 150, Salem, OR
97301-2540
(503) 373-0050

Portland Regional Solutions Center

1600 NW Fourth Ave., Suite 109
Portland, OR 97201
(503) 725-2182 anne.debbaut@state.or.us
(503) 725-2183 jennifer.donnelly@state.or.us

Portland State Office Building

800 NE Oregon St Ste 1145
Portland, OR 97232

**South Valley Regional Solutions Center
(Eugene)**
UO, 720 E 13th Ave, Suite 304
Eugene, OR 97401
(971) 239-9453 ed.w.moore@state.or.us

Newport
810 S.W. Alder Street, Unit B, Newport, OR 97365
South Coast: (541) 574-1584
dave.perry@state.or.us
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Central Regional Solutions Center (Bend)
650 SW Columbia St. Millpoint Bldg 7100
Bend, OR 97702
(541) 325-6927 karen.swirsky@state.or.us
(541) 322-2032 jon.jinings@state.or.us

**Eastern Oregon Regional Solutions Center
(La Grande)**
EOU Badgely Hall, Rm 233A
La Grande, OR 97850
(541) 325-6924 grant.s.young@state.or.us

Tillamook Regional Solutions Center
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Tillamook, OR 97141
(503) 812-5448 Patrick.wingard@state.or.us

Southern Oregon Regional Solutions Center
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VIA THE WEB:
<http://www.oregon.gov/LCD/publications.shtml>

Questions about this report can be directed to:
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Salem, OR 97301-2540
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Summary of Oregon's Statewide Planning Goals

CITIZEN INVOLVEMENT, Goal 1 calls for “the opportunity for citizens to be involved in all phases of the planning process.” It requires each city and county to have a citizen involvement program containing six components specified in the goal. It also requires local governments to have a committee for citizen involvement (CCI) to monitor and encourage public participation in planning.

LAND USE PLANNING, Goal 2 outlines the basic procedures of Oregon’s statewide planning program. It says that land use decisions are to be made in accordance with a comprehensive plan, and that suitable “implementation ordinances” to put the plan’s policies into effect must be adopted. It requires that plans be based on “factual information”; that local plans and ordinances be coordinated with those of other jurisdictions and agencies; and that plans be reviewed periodically and amended as needed. Goal 2 also contains standards for taking exceptions to statewide goals. An exception may be taken when a statewide goal cannot or should not be applied to a particular area or situation.

AGRICULTURAL LANDS, Goal 3 defines “agricultural lands.” It then requires counties to inventory such lands and to “preserve and maintain” them through farm zoning. Details on the uses allowed in farm zones are found in ORS Chapter 215 and in Oregon Administrative Rules, Chapter 660, division 33.

FOREST LANDS, Goal 4 this goal defines forest lands and requires counties to inventory them and adopt policies and ordinances that will “conserve forest lands for forest uses.”

OPEN SPACES, SCENIC AND HISTORIC AREAS AND NATURAL RESOURCES, Goal 5 covers more than a dozen natural and cultural resources such as wildlife habitats and

wetlands. It establishes a process for each resource to be inventoried and evaluated. If a resource or site is found to be significant, a local government has three policy choices: preserve the resource; allow proposed uses that conflict with it; or strike some sort of a balance between the resource and the uses that would conflict with it.

AIR, WATER AND LAND RESOURCES

QUALITY, Goal 6 This goal requires local comprehensive plans and implementing measures to be consistent with state and federal regulations on matters such as groundwater pollution.

AREAS SUBJECT TO NATURAL

DISASTERS AND HAZARDS, Goal 7 deals with development in places subject to natural hazards such as floods or landslides. It requires that jurisdictions apply “appropriate safeguards” (floodplain zoning, for example) when planning for development.

RECREATION NEEDS Goal, 8 calls for each community to evaluate its areas and facilities for recreation and develop plans to deal with the projected demand for them. It also sets forth detailed standards for expedited siting of destination resorts.

ECONOMY OF THE STATE, Goal 9, calls for diversification and improvement of the economy. It asks communities to inventory commercial and industrial lands, project future needs for such lands and plan and zone enough land to meet those needs.

HOUSING, Goal 10, specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs

for such lands and plan and zone enough buildable land to meet those needs. It also prohibits local plans from discriminating against needed housing types.

PUBLIC FACILITIES AND SERVICES, Goal 11, calls for efficient planning of public services such as sewers, water, law enforcement and fire protection. The goal's central concept is that public services should be planned in accordance with a community's needs and capacities rather than be forced to respond to development as it occurs.

TRANSPORTATION, Goal 12, aims to provide "a safe, convenient and economic transportation system." It asks for communities to address the needs of the "transportation disadvantaged."

ENERGY, Goal 13, declares that "land and uses developed on the land shall be managed and controlled so as to maximize the conservation of all forms of energy, based upon sound economic principles."

URBANIZATION, Goal 14, requires cities to estimate future growth and needs for land and then plan and zone enough land to meet those needs. It calls for each city to establish an "urban growth boundary" (UGB) to "identify and separate urbanizable land from rural land." It specifies seven factors that must be considered in drawing up a UGB. It also lists four criteria to be applied when undeveloped land within a UGB is to be converted to urban uses.

WILLAMETTE GREENWAY, Goal 15, sets procedures for administering the 300 miles of greenway that protects the Willamette River.

ESTUARINE RESOURCES, Goal 16, requires local governments to classify Oregon's 22 major estuaries in four categories: natural; conservation; shallow-draft development; and deep-draft development. It then describes types of land uses and activities that are permissible in those "management units."

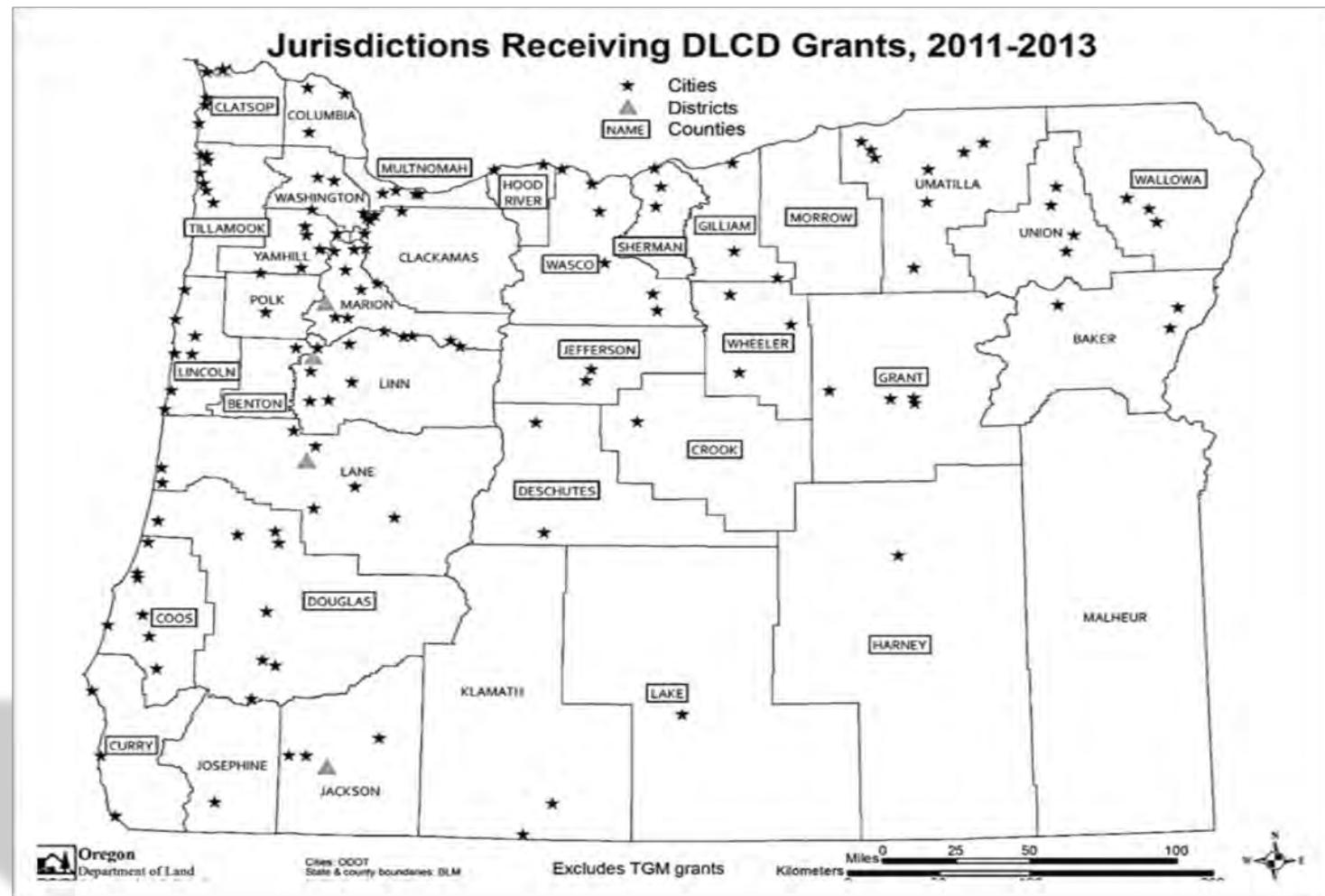
COASTAL SHORELANDS, Goal 17, defines a planning area bounded by the ocean beaches on the west and the coast highway (State Route 101) on the east. It specifies how certain types of land and resources there are to be managed (major marshes, for example) are to be protected. Sites best suited for unique coastal land uses (port facilities, for example) are reserved for "water-dependent" or "water related" uses.

BEACHES AND DUNES, Goal 18, sets planning standards for development on various types of dunes. It prohibits residential development on beaches and active foredunes, but allows some other types of development if they meet key criteria. The goal also deals with dune grading, groundwater drawdown in dunal aquifers and the breaching of foredunes.

OCEAN RESOURCES, Goal 19, aims "to conserve the long-term values, benefits and natural resources of the nearshore ocean and the continental shelf." It deals with matters such as dumping of dredge spoils and discharging of waste products into the open sea. Goal 19's main requirements are for state agencies rather than cities and counties.

Jurisdictions Receiving DLCD Grants, 2011-13

Grant distribution and technical assistance





Oregon Department of Land Conservation and Development

Mission:

To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.

Guiding Principles:

- Provide a healthy environment;
- Sustain a prosperous economy;
- Ensure a desirable quality of life; and
- Provide fairness and equity to all Oregonians.

Strategic Goals:

Secure Oregon's Legacy

- Conserve coastal, farm, forest, riparian and other resource lands.
- Promote a sense of place in the built and natural environments.
- Protect unique and threatened resources by guiding development to less sensitive areas.

Promote Sustainable, Vibrant Communities

- Integrate land use, transportation and public facilities planning.
- Provide for housing choices.
- Encourage economic development.

Engage Citizens and Stakeholders in Continued Improvements of Oregon's Land Use Planning Program

- Support regional perspectives and strengths.
- Ensure equitable application of regulatory programs.
- Develop strong, collaborative partnerships with citizens and communities.

Provide Timely and Dynamic Leadership

- Develop and coordinate strategic initiatives with other state agencies and local governments.
- Seek solutions that address immediate and long-range challenges including climate change, in collaboration with local governments, community and academic partners.

Deliver Resources and Services that are Efficient, Outcome-Based and Professional

- Provide local government with services and resources to support their comprehensive planning process.
- Communicate with the public in a timely and transparent manner.
- Focus on communications, staff training and administrative systems to ensure continued improvement of customer service.



DRAFT 2010-11 FARM & FOREST REPORT

January 1, 2010 through December 31, 2011

Introduction

State law (ORS 197.065) requires the Oregon Land Conservation and Development Commission (LCDC) to submit a report to the Legislature “analyzing applications approved and denied” for certain land uses in exclusive farm use (EFU) and forest zones and “such other matters pertaining to protection of agricultural or forest land as the commission deems appropriate.” The Department of Land Conservation and Development (DLCD) receives a description of each local land use decision and supporting information in EFU and forest zones as part of a submittal of decisions made for the reporting period from each county.

County Reporting of Land Use Decisions

This report summarizes the information provided by the counties for the two-year period from January 1, 2010 through December 31, 2011. For each of the two years, tables A through Z include information on dwelling and land division approvals as well as other approved uses on farm and forest land. In addition, these tables report on the acreage rezoned out of farm and forest uses to urban and rural uses in this time period. Two additional tables show actual land conversion, by county, of farm and forest land to other uses over a 25-year period.

The department uses the collected information to monitor the type, extent and location of development, parcelization, rezoning and land conversion occurring on farm and forest land statewide and in individual counties. This information is used to continually assess the effectiveness of

farm and forest zones to implement Statewide Planning Goals 3 and 4 and to focus staff resources to assist counties and the public where needed.

This report also includes data on county land use decisions in farm and forest zones that are based on waivers to state and local land use regulations under Ballot Measure 37, as subsequently modified by Ballot Measure 49. These waivers and approvals were based on the zone standards for dwellings and land divisions that were in effect at the time that applicants acquired their properties.

Traditionally, the Farm and Forest Reports have focused only on local land use decisions made by Oregon counties. However, this Report has been expanded to provide additional information on other matters pertaining the protection of farm and forest land, using data from the U.S. Census of Agriculture and the Oregon Department of Forestry, as well as information on growing trends affecting farm and forest land.

Oregon's Agricultural Land Protection Program

The preservation of agricultural land is one of the primary objectives of Oregon's statewide planning program. Oregon has determined that it is in the state's interest to protect the land resource foundation of one of its leading industries – agriculture.

Oregon Agriculture

Roughly 26 percent of Oregon's land base – 16.4 million acres – is in non-federal farm use, according to the 2007 USDA Census of Agriculture. This includes all places from which \$1,000 or more is earned annually from the sale of agricultural products. In 2010 the total direct and indirect contribution to Oregon's economy by the agriculture and food processing industry was nearly \$29 billion dollars. This equates to 10 percent of Oregon's gross state product and 12 percent of all employment in the state. Agriculture is a key traded sector in Oregon, ranking third in the value of exported products and contributing to the state's balance of trade.

Over 98 percent of Oregon's farm sales are generated by 'commercial' farms – those farms generating more than \$10,000 in annual gross sales. These farms comprise more than two-thirds of all Oregon farms and make up 89 percent of the state's agricultural land base.

Oregon is one of the most agriculturally diverse states in the nation, boasting the production of more than 250 different commodities, and leading in the production of 14 crops. More than 85 percent of the state's farms are family- or individual-owned farms.

Agricultural Land Use Policy

Oregon's agricultural lands protection program is based on statute and administrative rules as interpreted by the Land Use Board of Appeals (LUBA) and the courts. Statewide Planning Goal 3, "Agricultural Lands" requires the identification of agricultural land, the use of EFU zones under statute (ORS Chapter 215) and the review of farm and non-farm uses according to statute and administrative rule (OAR 660, Division 33) provisions. These provisions also incorporate statutory minimum lot sizes and standards for all land divisions.

Three policy statements set forth Oregon's "Agricultural Land Use Policy." The first was established by the legislature in 1973 and is codified at ORS 215.243. There are four basic elements to this policy:

1. Agricultural land is a vital natural and economic asset for all the people of this State;
2. Preservation of a maximum amount of agricultural land in large blocks, is necessary to maintain the agricultural economy of the State;
3. Expansion of urban development in rural areas is a public concern because of conflicts between farm and urban activities;
4. Incentives and privileges are justified to owners of land in exclusive farm use zones because such zoning substantially limits alternatives to the use of rural lands.

In 1993, the Oregon Legislature added two more important elements to this policy (ORS 215.700). These are to:

1. Provide certain owners of less productive land an opportunity to build a dwelling on their land; and
2. Limit the future division of and the siting of dwellings on the state's more productive resource land.

Goal 3 reinforces these policies as follows:

Agricultural lands shall be preserved and maintained for farm use, consistent with existing and future needs for agricultural products, forest and open space and the state's agricultural land use policy expressed in ORS 215.243 and 215.700.

These policy statements clearly set forth the state's interest in the preservation of agricultural lands and the means for their protection (EFU zoning), and establish that incentives and privileges (i.e., tax and other benefits) are justified because of the limits placed upon the use of the land.

Exclusive Farm Use Zones

In Oregon, agricultural lands are protected from conversion to rural or urban uses and other conflicting nonfarm uses through the application of EFU zones. At present, about 15.5 million acres (56%) of private land in Oregon are included in EFU zones. The EFU zone was developed by the Oregon legislature in 1961 along with the farm tax assessment program. Farm use is encouraged and protected within the zone while also allowing a variety of farm and non-farm related uses that have increased in type and number over the

years. Large minimum lot standards and rigorous dwelling approval standards limit the conversion of farmland to other uses.

EFU zoning has been instrumental in maintaining working farm landscapes in Oregon. U.S. Census of Agriculture data shows that between 1987 and 2007, the rate of loss of large (500+ acres) farms in Oregon was less than one-third that for the nation as a whole, while the rate of loss of mid-sized (50-499 acres) farms was 14 times lower than the national rate of loss. This is solid evidence of the success of exclusive farm use zoning in protecting the agricultural land base in Oregon.



The rate of loss of farms in Oregon is less than one-third that of the nation as a whole.

Recent Statutory and Rule Changes

Statutory Changes to ORS chapter 215 and Elsewhere

- HB 2132 (2011): Authorizes additional incentives for participation in DLCD TDR pilot program (chapter 144, 2011 Laws)
- HB 2753 (2011): Extends the “sunset” for guest ranches in eastern Oregon in EFU zones to 2018 (chapter 451, 2011 Laws).
- HB 3280 (2011): Expands provisions for events and activities at wineries in EFU zones and creates a new large category of wineries (ORS 215.452 and 453).
- HB 3290 (2011): Makes a minor modification to the farm income standard (ORS 215.279).
- HB 3465 (2011): Authorizes expansion of a Grant County guest ranch in an EFU zone beyond statutory limits (chapter 686, 2011 Laws).
- SB 640 (2011): Authorizes land divisions for rural fire service facilities in EFU zones (ORS 215).
- SB 960 (2011): Authorizes agri-tourism events at farms in EFU zones (ORS 215.213(11) and 215.283(4)).
- SB 4170 (2012): Authorizes dog training and testing and modifies provisions for dog kennels in EFU zones (ORS 215.213(1)(z) and (2)(k) and 215.283(1)(x) and (2)(n)).

Rule Changes to OAR 660, Division 33

- Section 0130 (2011): Creates a streamlined process for the review of commercial solar generating facilities in EFU zones.
- Section 0030 and 0045 (2012): Implements HB 3647 (2010) by creating DLCD review process for soils professionals when agricultural land capability is challenged.

Governor’s Executive Order

- Executive Order 12-07 (2012): Directs DLCD and other state agencies to work with three southern Oregon counties to develop a pilot program that allows regional variation in lands planned and zoned for farm and forest use.



Trends in Agriculture

The protection of Oregon's working farm landscape through EFU zoning over the last 30 years has created unanticipated benefits for communities and the State, as well as some challenges that need to be addressed. Besides protecting the farmland base against conversion pressures experienced by other states, farmland protection has facilitated the rise of the viticulture and winery industries, agri-tourism opportunities, local food systems and renewable energy production.

Viticulture

Over the last 40 years there has been substantial growth in the viticultural industry in Oregon. Vineyards now number 849, while there are 419 wineries in the State (*Oregon Agripedia 2011, ODA*). A significant number of vineyards have been sited on capability class III-VI soils, ratings that are particularly conducive to growing grapes. Some of this land was claimed to be non-farm land in the past. Had the Goal 3 definition of agricultural land adopted in 1975 not included "other lands suitable for" agricultural use, much of class IV-VI land would likely have been developed for other uses.



At the same time, the success of Oregon vineyards and wineries has led to a proliferation of activities, events and food service at growing numbers of these facilities located in EFU zones that raise questions about their

appropriateness, scale and impact on nearby farm operations. Counties currently have questions about how to review such uses and farmers want to have assurance that these uses will not create unreasonable conflicts for their operations.

Agri-Tourism

There has also been a growing trend and interest in recent years in a wide variety of types of agri-tourism as well as other non-farm related events and activities on farmland. Agri-tourism activities can provide an important supplementary stream of income that helps to keep farmers on the land and people connected to their food sources. However, there are questions about the degree to which such uses need to be in conjunction with and/or subordinate to farm use. A wide variety of uses are currently occurring on a regular basis in EFU zones, including weddings and ATV racing events. These uses can create conflicts for neighbors and farm operations. In addition, businesses in cities and UGBs argue that some of these uses divert existing business from urban areas and into farm areas. These issues may require legislation or rulemaking to resolve.

Local Food Systems

There is growing interest nationwide in the development of local and regional food systems that help ensure the public's access to healthy, local, sustainable food sources. Oregon's urban growth boundaries facilitate ready access to u-picks, community supported agriculture and farm stands close in to cities, while exclusive farm use zoning has kept the price of farmland more affordable to new farmers than it otherwise would be. Farmers markets and community gardens are more popular than ever, while communities are taking steps to facilitate the use of unused public spaces, schoolgrounds and sidewalk strips for edible landscapes. All these efforts help connect people to their food sources, whether inside or outside urban growth boundaries.

Some local food system proponents favor small farms, and for this reason support the creation of smaller farm minimum lot sizes than exist now. However, research shows that smaller minimum lot sizes are much more likely to result in rural residential properties or hobby farms than they are in small working farms. There are already numerous small farms in Oregon, according to the U.S. Census of Agriculture; 23,688 or 61 percent of Oregon's existing farms are between one and 49 acres in size. In addition, there are many thousands of acres of small parcels in rural residential zones that could be made available for small farm use, without the need to further parcelize land in exclusive farm use zones.

Renewable Energy

In the last decade, more than 2,000 megawatts of wind energy generation capacity have been installed in Oregon in farm zones. The State now ranks fourth in the nation in installed wind energy capability, with additional facilities in the permitting process. Part of the attraction of wind energy to the State are the large open farm landscapes free from conflicting uses that are made possible by EFU zoning. Now that Oregon is beginning to attract large commercial solar arrays, the open farm landscapes will provide similarly suitable opportunities for this renewable energy source.



The rise in renewable energy production on farmland, together with new major transmission line corridors to bring energy to market, has raised questions and concerns about potential impacts to farm operations, wildlife habitat, scenic viewsheds and tourism. Other concerns have been raised about the need for a state energy policy and more proactive state and regional roles in the siting of major transmission line corridors and energy facilities that may have regional impacts. This is an issue that should be addressed by the legislature.

Reported County Data

The data in this report are for all local land use decisions on farmland, whether in EFU or mixed farm-forest zones.

Dwellings

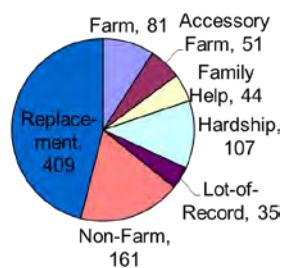
In EFU zones and agricultural portions of mixed farm-forest zones, dwellings are allowed in seven different circumstances and include primary farm dwellings, accessory farm dwellings, relative farm help dwellings, non-farm dwellings, lot-of-record dwellings, replacement dwellings and temporary hardship dwellings. Counties approved 467 dwellings in EFU zones in 2010 and 421 dwellings in 2011, numbers that are lower than for previous years. It is likely that the low numbers reflect the current economic downturn as well as the fact that qualifying parcels are being gradually built out.

Dwellings Approved in Farm Zones
1999 - 2011



As shown in the pie chart opposite, just under one-half of the dwelling approvals in the planning period were for replacement dwellings, while 18 percent were for non-farm dwellings, 12 percent were for temporary hardship dwellings, nine percent were for farm dwellings, six percent were for accessory farm dwellings, five percent were for family farm help dwellings and four percent were for lot-of-record dwellings.

Dwelling Types in Farm Zones
2010 - 2011



Primary Farm Dwellings. The total number of primary farm dwellings approved statewide was 34 in 2010 and 47 in 2011 (Table A), numbers that are well below those of previous years. There are four ways in which primary farm dwellings may be approved. On high-value farmland, an \$80,000 income standard must be met, while farm dwellings on non high-value farmland must either meet an \$40,000 income standard, or be located on a parcel of 160 acres or meet a potential gross farm sales (capability) test. This latter test involves prior approval of the department director. In 2010 and 2011, one-half of all primary farm dwelling approvals were based on the parcel size test, one-third were based on one of the income tests and the remainder were based on the capability test.

In 2010 and 2011, nearly three-quarters of all farm dwelling approvals were on parcels of 80 or more acres (Table B). If tract size were considered, this percentage would be higher as in some cases farm dwellings are approved on smaller parcels that are part of larger tracts.

Other Farm-Related Dwellings. Farm-related dwellings include accessory farm dwellings (for year-round or seasonal farm workers) approved under ORS 215.283(1)(e) and family farm help dwellings under ORS 215.283(1)(d) (Table C). Accessory farm dwellings must be sited on a farm operation that earns the same gross income required for a primary farm dwelling (\$80,000 or \$40,000). Accessory farm dwelling approvals occasionally involve more than one dwelling unit. In 2010, counties approved 29 accessory farm dwelling units, while in 2011, the figure was 22, numbers that are consistent with past years. A little over half the approvals for the two years were for parcels of 80 acres or more (Table D).

The number of dwellings approved for family members whose assistance is needed on the farm was 25 in 2010, and 19 in 2011, numbers that are down from previous years. (Table C).

Dwellings Not Related to Farming.

These include those dwellings approved under the non-farm standards of ORS 215.284, lot-of-record dwellings approved under ORS 215.705, temporary hardship dwellings allowed under ORS 215.283(2)(L) and replacement dwellings allowed under ORS 215.283(1)(p) (Table E). In 2010 and 2011, dwellings that were not related to farm use (excluding replacement dwellings) accounted for nearly three-quarters of all approved dwellings in farm zones.

Non-Farm dwellings may be approved where they are on parcels or portions of parcels that are unsuitable for farm use. There were 86 non-farm dwelling approvals in 2010 and 75 in 2011,

numbers that are significantly down from previous years. Almost one-third of all approvals in both years took place in Deschutes and Douglas Counties, with Lake and Jackson Counties also showing relatively high numbers of approvals. This distribution continues the trend begun in 1993 by HB 3661 that shifted the number of non-farm dwelling approvals away from the Willamette Valley to eastern and southern Oregon in an effort to recognize Oregon's regional differences.

Just over two-thirds of all non-farm dwelling approvals occurred on parcels of 20 acres or less in both years. Large parcel (over 40 acres) approvals of non-farm dwellings nearly always take place in eastern or southern Oregon counties (Table G). Just over one-third of all non-farm dwellings approved in the reporting period were for newly-created parcels.



Lot-of-Record dwellings may be approved on parcels that have been in the same ownership since 1985 and, with some exceptions, are not on high-value farmland. In 2010, 20 such dwellings were approved, and in 2011, 15 were approved. Nearly all of these approvals were on non-high value farmland. These numbers are lower than for previous years, as might be expected as existing

lots-of-record are slowly built out. Lot-of-record approvals are spread fairly evenly across the state and are for parcels of all sizes that reflect existing lot configurations.

A Temporary hardship dwelling is usually a manufactured home placed on a parcel temporarily for reasons of a specific hardship (usually medical) and must be removed at the end of the hardship. A temporary hardship dwelling may be sited in conjunction with any existing dwelling, regardless of whether farm or non-farm. This is one type of dwelling that occurs in the Willamette Valley as readily as it does in other parts of the State. The number of approved temporary hardship dwellings was 57 for 2010 and 50 for 2011 (Table E), numbers that are down from previous years. The department does not track the removal of these dwellings when they are no longer needed.

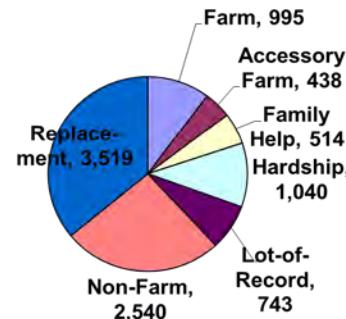
A Replacement dwelling is a new home that replaces an older dwelling on a parcel. There were 216 approvals in 2010 and 193 in 2011 (Table E). These numbers are consistent with numbers in previous years. Established dwellings that are replaced must be removed, demolished or converted within three months of completion of the replacement dwelling. The department has begun to track the removal of these dwellings.

Issue: Replacement dwellings. The high number of replacement dwelling approvals makes it important to know whether dwellings to be replaced are in fact being removed. The department will report on this in the next biennial report. This is also an issue in forest areas.

Cumulative Dwelling Approvals.

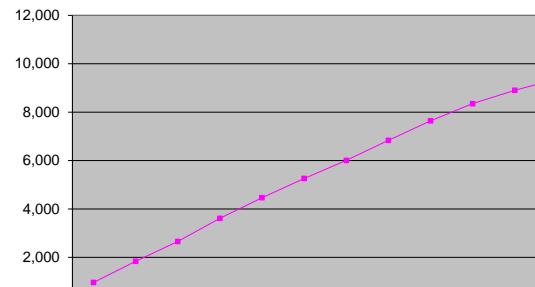
Between 1999 and 2011, a cumulative total of 9,789 dwellings of all types were approved in farm zones across the state. As shown in the pie chart opposite, more than one-third were replacement dwellings, one-quarter were non-farm dwellings, 11 percent were temporary hardship dwellings, 10 percent were farm dwellings, eight percent were lot-of-record dwellings, five percent were family farm help dwellings and four percent were accessory farm dwellings.

**Cumulative Dwelling Types
1999 - 2011**



The cumulative number of dwellings approved in farm zones in this 13-year period is shown in the following graph:

**Cumulative Growth in Dwellings
1999 - 2011**



Other Uses

The Legislature has recognized that some farm-related as well as non-farm uses are appropriate in farming areas, such as farm-related commercial activities, utilities necessary for public service, home occupations and some types of dwellings. In 1963, the first statutory EFU zone included just six non-farm uses; today over 50 uses are allowed in an EFU zone.

In this biennial report, several uses that were reported on in the past are no longer tracked as they occur infrequently, while several other more common uses are now being tracked. In 2010-11, the most commonly-approved uses other than dwellings were farm-related buildings, accessory uses, utility facilities, home occupations, wineries and mineral and aggregate operations, in that order. Total numbers of these uses were 405 in 2010 and 445 in 2011, numbers that are up over previous years, primarily because of the new reporting categories (Table L). Approved uses that are rising in number include wineries, farm stands, farm-related buildings and commercial solar energy generating facilities.

Non-farm uses are subject to local land use approval and must demonstrate that they will not force a significant change in or significantly increase the cost of accepted farm or forest practices on surrounding lands devoted to farm or forest uses (ORS 215.296). Allowing some non-farm uses and dwellings is a safety valve that recognizes that within farm zones there are small areas that can accommodate a rural use or dwelling without affecting an area's overall agricultural utility. Small lots with such non-farm uses and dwellings do not qualify for farm use tax assessment.

Issue: Events on farmland. *The department is seeing an increase in the number and approval venues for various types of events on farmland, only some of which are agri-tourism events, including through ‘commercial activities in conjunction with farmland,’ ‘home occupations,’ ‘farm stands,’ and ‘private parks.’ There is the potential here for cumulative adverse impacts from such uses on nearby agricultural operations.*

Issue: Housing stock in farm zones. *An issue worth discussion is: at what point is there enough housing stock in farm zones? When is the saturation point reached when the cumulative impacts from thousands of individual dwelling approvals becomes unacceptably high?*

Land Divisions

As is true for dwellings, the number of land divisions and new parcels in EFU zones, both farm and non-farm, is down for the two-year reporting period, most likely due to the current economy (Table H).

Farm Divisions. In 2010, 106 new farm parcels were created, while in 2011, 59 new farm parcels were created, not counting the remainders from the parent tracts. These numbers are significantly lower than in past years. Nearly all of the farm divisions were for new parcels of at least 80 acres, reflecting the statutory minimum lot size for most farmland divisions, while a few were for counties that have approved “go-below” parcel minimums (Table J). A large majority of new farm parcels occurred in eastern Oregon; the counties with the highest number of new farm parcels in the two-year period were Umatilla County, followed by Douglas, Linn, Grant, Harney and Klamath.

Non-Farm Divisions.

Up to two new non-farm parcels may be divided from a tract in existence on July 1, 2001, if predominantly comprised of non-agricultural soils. In 2010, 58 new non-farm parcels were created, while in 2011, 57 new non-farm parcels were created, not counting the remainders from the parent tracts. These numbers are down significantly from past years. The counties with the highest numbers of new non-farm parcels were Douglas, Umatilla, Deschutes and Klamath.

About half of all new non-farm parcels were five acres or smaller in size, while just under one-third were between six and 20 acres; the remainder of new parcels were 21 acres and over in size (Table K). Because in eastern Oregon the only way to create new non-farm parcels from parent tracts that are less than the minimum lot size is to find that both the new parcel and the remainder are non-farm parcels, relatively large non-farm parcels often result.

Issue: Rangeland divisions. The continuing break-up of large ranch properties into 160-acre parcels can make it increasingly difficult to generate reasonable economic returns from agriculture on these properties. While non-farm divisions from a parent parcel are limited to two, there is no limit on the number of farm divisions from a parent parcel over time.

Issue: Property Line Adjustments. The department collects data on property line adjustments but has not reported it to date in the biennial Farm Forest Reports. However, the number of these adjustments has increased significantly in recent years and have been used to permit residential development that otherwise would not be allowable. This is an issue that should be explored.

Oregon's Forest Land Protection Program

The conservation of forest land is one of the primary objectives of Oregon's statewide planning program. Oregon has determined that it is in the state's interest to protect the land resource foundation of one of its largest industries – forestry – as well as to protect other forest values, including soil, air, water and fish and wildlife resources.

Approximately 20 percent of Oregon's land use base – 12.2 million acres – is in non-federal forest use, according to the Oregon Forest Resources Institute. Oregon is the nation's #1 producer of softwood lumber and the forest products sector is Oregon's third largest industry. Forestry services and wood products manufacturing together generate almost \$13 billion annually in sales or about 11 percent of the state's economic output. Forestry products and services employ over 85,000 people directly in Oregon and are critical to Oregon's rural communities. Annual wage income adds up to \$3.5 billion.

Oregon's forest lands protection program is based on several elements composed of statutory and administrative rule provisions and the forest lands goal, as interpreted by LUBA and the courts. These elements are held together in a program by Statewide Planning Goal 4, "Forest Lands." This goal requires the identification and zoning of forest lands and requires counties to review forest and non-forest uses according to statutory (ORS 215.700 to 215.755) and administrative rule (OAR 660, division 6) provisions. The goal and administrative rule also incorporate statutory minimum lot sizes and standards for all land divisions (ORS 215.780).

Forest and Mixed Farm/Forest Zones

In Oregon, forest lands are protected from conversion to rural or urban uses by the use of forest and mixed farm/forest zoning. At present, about 8.2 million acres (30%) of non-federal land in Oregon are included in forest zones under Statewide Planning Goal 4. An additional 2.2 million acres (7.9%) of non-federal land is included in mixed farm/forest zones under OAR 660-006-0050.

Forest uses are encouraged and protected within forest and mixed farm-forest zones, while these zones also allow a variety of non-forest related uses. Large minimum lot standards and rigorous dwelling approval standards are intended

to limit the conversion of forest land to non-forest uses.

Forest zoning has been instrumental in maintaining working forests in Oregon. The Oregon Department of Forestry reports that western Washington's annual loss of wildland forest between 1994 and 2005 was 10 times that of Oregon.



Trends in Forest Use

The protection of Oregon's working forest landscape through forest zoning had unanticipated benefits for landowners, rural communities and the State, as well as some challenges that need to be addressed. Besides protecting the forest land base against conversion pressures experienced by other states, forest land protection has provided new recreation and tourism opportunities, yielded significant carbon sequestration, positioned landowners to gain credit for continued carbon sequestration and other environmental benefits forest land provides, and facilitated opportunities in harnessing energy from woody biomass.

Forest Land Conversion

Global competition, environmental controls and rising forest management costs over the past three decades are creating serious challenges to the continued economic viability of Oregon's working forests. Large areas of industrial forest land have changed hands in recent years and there is growing pressure to divide and convert forest land to other, developed land uses, as forest landowners seek current as well as long-term returns. Many mills across the State have closed.

Growing numbers of dwellings in forested areas have increased conflicts for forest management and have increased fire hazard. As less federal and industrial forest land is available to harvest, more privately-owned woodlots are being harvested, creating special challenges and impacts associated with harvesting smaller properties at lower elevations in closer proximity to settled populations.



In 2010 the Board of Forestry adopted a "no net loss" policy regarding non-federal Wildland Forest (forest land with fewer than five structures per square mile). While Oregon's large minimum lot sizes for forest land divisions and dwellings have significantly reduced the potential fragmentation and conversion of the forest land base compared to conversion rates in other states, it is not enough in itself to stem the continued loss of working forests. There will always be buyers for 160-acre lots for dwellings who do not wish to manage the land as a working forest.

For this reason, the Department has created a transfer of development rights pilot program (HB 2228 – 2009 and HB 2132 - 2011 as an incentive for forest landowners to transfer the right to develop forest land to other, more appropriate locations. Other potential streams of income that can help to maintain the forest land base are described below.

Recreation and Tourism

Both public and private forest lands have long provided a variety of recreational opportunities for the public, and interest in outdoor activities continues to grow across the State. Recreation and tourism

in and around forest areas provides personal and societal benefits as well as generates significant economic activity. A 2009 study for Travel Oregon and the Department of Fish and Wildlife found that in 2008, fishing, hunting, wildlife viewing, and shellfish harvesting participation and related expenditures generated \$2.5 billion for Oregon's regions and counties. Many locations within Oregon, including those near forests, serve as appealing day and overnight destinations for both Oregon residents and out-of-state visitors who participate in outdoor activities. Forest zones allow a variety of recreation and tourism pursuits appropriate to a forest environment. Recreation and tourism opportunities in and near forest areas can be expected to continue to grow in the future.

Carbon Sequestration and Ecosystem Markets

Oregon's forests make an enormous contribution to carbon sequestration that will likely be increasingly tapped for ecosystem crediting purposes, providing a small stream of revenue for forest landowners. In 2009, the Pacific Northwest Research Station reported that, without Oregon's farm and forest land protection program, an estimated 1.2 million acres of forest and agricultural land in western Oregon would have been converted to more developed uses and that by maintaining these lands, the gains in carbon storage are equivalent to avoiding 1.7 million tons of carbon dioxide emissions annually.

As ecosystem markets develop for other environmental benefits, such as

Without the program, 1.2 million acres of farm & forest land in western Oregon would have been converted & 1.7 million tons of carbon storage lost.

restoration or enhancement of riparian, in-stream or other habitats, wetlands, and so on, landowners should be able to realize small streams of income for these benefits.



Renewable Energy

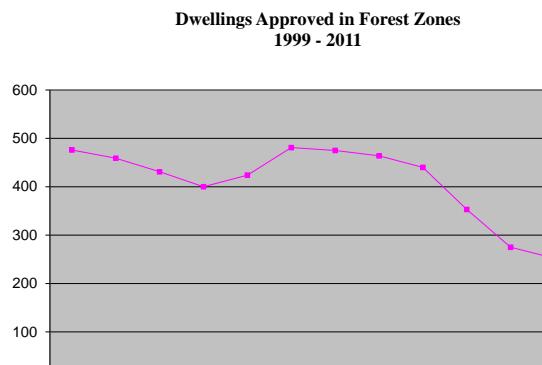
Currently, much of the slash remaining from forest harvests is burned at the site and any potential energy lost. There is growing interest in capturing energy from forest biomass both through on-site pyrolysis and from the development of biofuel processing facilities. In addition, according to the Oregon Forest Resources Institute, about 15 percent of Oregon's forest land has the potential to provide useful woody biomass through thinning. All of these sources of renewable energy represent potential opportunities for forest landowners to realize a supplemental stream of income while harnessing a new renewable energy source.

Reported County Data

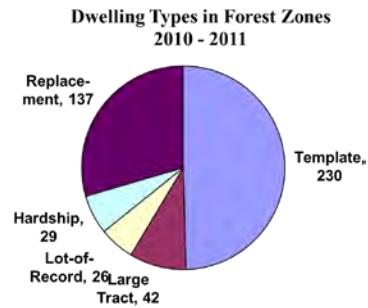
The data in this report are for all local land use decisions on forest land, either in forest zones or mixed farm-forest zones.

Dwellings

In forest and forested portions of mixed farm-forest zones, dwellings are allowed in five different circumstances and include large tract forest dwellings, lot-of record dwellings, template dwellings, replacement dwellings and temporary hardship dwellings. The total number of dwellings approved in 2010 was 252 and in 2011 it was 212, numbers that are lower than for previous years. It is likely that the low numbers reflect the current economic downturn as well as the fact that qualifying parcels are being gradually built out.



As shown in the pie chart opposite, one-half of the 2010-11 dwelling approvals were for template dwellings, while more than one-quarter were for replacement dwellings, nine percent were for large tract forest dwellings and six percent each were for lot-of-record dwellings and temporary hardship dwellings.



Large Tract Dwellings – In western Oregon, large-tract dwellings must be on ownerships of at least 160 contiguous or 200 non-contiguous acres. In eastern Oregon, they must be on ownerships of 240 or more contiguous or 320 or more non-contiguous acres. In 2010 and 2011, 21 large-tract forest dwellings were approved in each year, numbers that are consistent with previous years (Table M). The approvals are spread fairly evenly among the counties.

Lot-of-record Dwellings – “Lot-of-record” dwellings may be approved on parcels that have been in the same ownership since 1985 and have a low capability for growing merchantable tree species. In 2010, 16 such dwellings were approved and in 2011, 10 were approved (Table M). These numbers are significantly lower than for previous years, as might be expected as existing lots-of-record are slowly built out. Lot-of-record approvals are spread fairly evenly across the state and are for parcels of all sizes that reflect existing lot configurations (Table O).

Template Dwellings – “Template” dwellings may be approved where there is a certain amount of existing development and parcelization within a 160-acre “template” centered on the parcel. In 2010, 144 template dwellings were approved, while in 2011 the number of approvals was 86 (Table M). As with lots-of-record, the number of template dwelling approvals is expected to slowly drop as qualifying parcels are slowly built out. About 88 percent of the dwellings that were approved for both years were on the most productive forest soils. Just over one-half of the template approvals were for parcels smaller than 21 acres (Table N). The highest level of activity was in the Willamette Valley and the county with the highest number of approvals for both years (as well as for the last reporting period) was Lane County, with 72 template approvals.

Adjacent Land Ownership – The department has reviewed template and lot-of-record dwelling approvals to learn whether they are adjacent to public or private industrial timber ownerships,

where they could have the potential to pose conflicts with adjacent forest operations (Table P). About 15 percent of template and lot-of-record dwellings approved in both years were adjacent to U.S. Forest Service, BLM, State or private industrial forest land.

Temporary Hardship Dwellings – A temporary hardship dwelling is usually a manufactured home placed on a parcel temporarily for reasons of a specific hardship (usually medical) and must be removed at the end of the hardship. A temporary hardship dwelling may be sited in conjunction with any existing dwelling, regardless of whether it is farm or non-farm related. In 2010, 13 temporary hardship dwellings were approved, while in 2011 the number was 16, numbers that are down from previous years (Table Q). These approvals are occurring primarily in western Oregon. The department does not track the removal of hardship dwellings when they are no longer needed.

Issue: Multiple template dwellings per tract. *Statutory language permits one template dwelling per qualifying “tract.” Because “tract” is not tied to a specific date of creation, multiple parcels that comprise single tracts are being sold or otherwise conveyed to others and approved for template dwellings. This issue could be resolved by tying “tract” to a specific date of creation.*

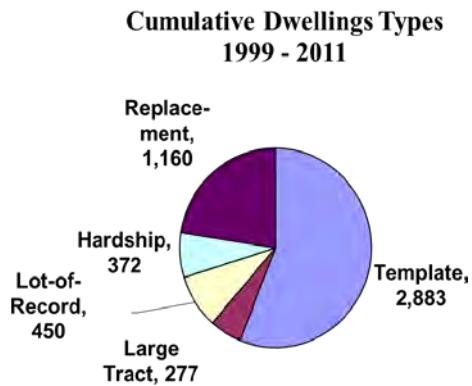
Issue: Rezonings for template dwellings. *It can be easier to gain template dwelling approval than non-farm dwelling approval in the Valley, leading to the rezoning of land from farm zones to forest zones with sometimes inadequate justification. This effectively permits the expansion of the original footprint of land areas that potentially qualify for template dwellings. These expanded footprints expose growing areas of designated Wildland Forest to unanticipated template dwelling development. For this reason, department staff has recommended that designated Rural Reserves not be permitted to be subject to zone change while in reserve status. Department staff is also carefully reviewing proposed rezonings in the Valley from farm to forest for adequate justification.*

Replacement Dwellings – A

replacement dwelling is a new home that replaces an older dwelling on a parcel. In 2010, 58 replacement dwellings were approved, while in 2011 the number was 79, figures that are lower than for previous years (Table Q). Established dwellings that are being replaced must be removed, demolished or converted within three months of completion of the replacement dwelling. The department has begun to track the removal of dwellings that have been replaced.

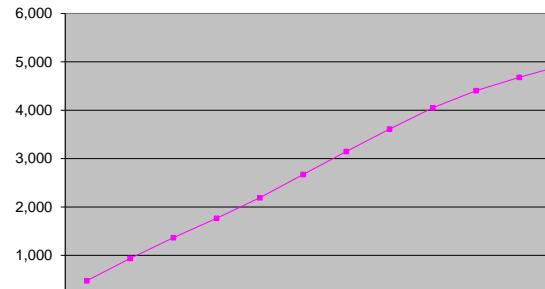
Cumulative Dwelling Approvals.

Between 1999 and 2011, 5,142 dwellings of all types were approved in forest zones across the state. As shown in the chart below, a little over one-half were template dwellings, while just under one-quarter were replacement dwellings, nine percent were lot-of-record dwellings, seven percent were temporary hardship dwellings and five percent were large tract forest dwellings.



The cumulative number of dwelling approvals in forest zones in this 13-year period is reflected in the opposite graph:

**Cumulative Growth in Dwellings
1999 - 2011**



Other Uses

In addition to a range of traditional forest-related uses, the commission has recognized that some non-forest uses are acceptable in forest areas. These uses are set forth in OAR 660-006-0025 and number nearly 50. In this biennial report, several uses that were reported on in the past are no longer tracked as they occur infrequently, while several other more common uses are now being tracked. The most commonly-approved uses in 2010 and 2011, other than dwellings, were accessory uses, telecommunication facilities and farm-related buildings, in that order. Total numbers of these uses were 85 in 2010 and 101 in 2011, numbers that are up over previous reporting years, primarily because of the new reporting categories (Table U).

Non-farm uses are subject to local land use approval and must demonstrate that they will not force a significant change in or significantly increase the cost of accepted farm or forest practices on farm or forest land. Allowing some non-forest uses is a safety valve that recognizes that there are small areas that can accommodate a rural use or dwelling without affecting an area's overall agricultural utility.

Land Divisions

Forest Land Divisions. In 2010, 25 new forest parcels were created, while 34 new forest parcels were created in 2011, numbers that are lower than for previous years (Table R). Forest land divisions occurred fairly evenly across the state, with the highest numbers in Clackamas, Douglas and Linn Counties. The great majority of new forest land divisions were for new parcels of at least 80 acres, reflecting the statutory minimum lot size for forest land divisions (Table U).

Non-forest Land Divisions. Non-forest land divisions are allowed in only a few circumstances, including the creation of a parcel or parcels to separate one or more existing dwellings on a property (ORS 215.780 (2)(b) and (e)). In 2010, 16 new non-forest parcels were created,

and in 2011, eight new non-forest parcels were created, numbers that are down over previous years. The great majority of these parcels are 10 acres or smaller in size, consistent with statutory requirements (Table T).



Issue: Forest land fragmentation. Because subdivisions are not specifically prohibited in forest zones as they are in farm zones, large forest properties may potentially be subdivided into multiple large lots at a time with no upper limit on the number of new lots that may be subdivided off a parent tract in a calendar year. While the large minimum parcel size in forest zones reduces the potential for such land fragmentation, the ability to subdivide without limit facilitates the continued break-up and sell-off of forest land for non-forest purposes. This issue could be resolved through statutory changes that prohibit subdivisions on forest-zoned lands.

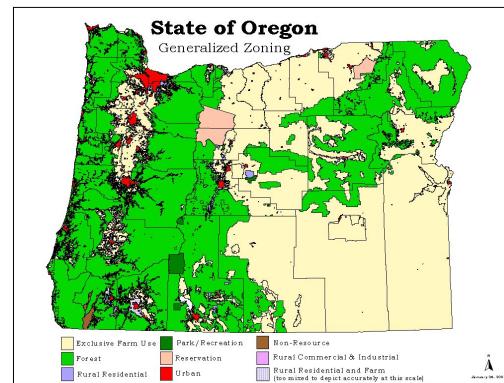
Changes in Designation & Land Use

There are several ways in which designated agricultural and forest lands can be 1) re-inventoried as higher- or lower-quality land, 2) replanned and/or rezoned for other uses or 3) identified as qualified for waivers of resource zone requirements. Each option involves a specific process for identification of appropriate lands as described below.

High-Value Farmland Mapping

Oregon Administrative Rule (OAR) 660-033-0080(2) requires counties to submit maps of high-value farmland along with any other amendments necessary to implement the requirements of Goal 3 and Division 33. High-value farmland maps were required to be submitted no later than the time of the first periodic review after December 31, 1994. All counties received a free copy of the Rural Lands Database in 2001, which includes digital Geographic Information (GIS) data for high-value farmland soils. Thus, counties with GIS systems can easily print maps of their high-value farmland based on soil type, but not the lands “growing specified perennials” in counties outside the Willamette Valley or those lands in coastal counties used in conjunction with a dairy operation on January 1, 1993 (see ORS 215.710(2) and (4)).

At this time, the department is only aware that five counties have identified their high-value farmland. Hood River, Linn, Umatilla and Yamhill Counties have identified and mapped their high-value farmland. Marion County has designated all the land within its EFU zone as high-value farmland and does not make such determinations case-by-case as part of land use decisions.



Marginal Lands

Only Lane and Washington counties have designated marginal land and continue to have the authority to do so. ORS 215.307 allows the siting of dwellings on existing lots on land designated as marginal, and requires these two counties to use the EFU requirements of ORS 215.213 on non high-value farmland rather than those in ORS 215.283 for approving farm dwellings and other uses in their EFU zones. The use lists for the two sections are almost the same. Data for actions on EFU-zoned land in counties with marginal lands are tallied and summarized with that for all other counties in this report; marginal lands dwelling approvals are counted as non-farm dwellings.

Ballot Measures 37 and 49 Claims

37 claims submitted to the state on or before June 28, 2007. Claims received after this date were treated as new Measure 49 claims. DLCD received approximately 4,600 Measure 49 Election Returns and completed review of these elections by the June 30, 2010 statutory deadline.

House Bill 3225 (2009) modified Measure 49, allowing previously ineligible claimants to pursue relief under Measure 49. The department received approximately 225 additional elections as a result of House Bill 3225, which must be finalized by December 31, 2010. Finally, Senate Bill 1049 (2010) further modified the requirements of Measure 49 to allow approximately 600 additional claims to become eligible for supplemental review under Measure 49. The department finished processing these claims in 2011. Once DLCD has authorized a specific number of homesites, the property owner may then obtain necessary local permits.

Table Z shows the number of Measure 49 authorizations to date by county for new dwellings and new parcels. A total of 6,224 new dwellings and 3,940 new parcels have been authorized. While the great majority of approvals were for land

In November 2007, Oregon voters approved Measure 49, which modified Measure 37 and authorized the department to evaluate existing Measure in farm and forest zones, a small number were for land in rural residential zones.

Rezonings

Rezonings to Urban Uses. Tables V, W and X summarize adopted plan and zone amendments to EFU, forest and mixed farm-forest zones for the two-year planning period. These data provide an important historic picture of rezonings to accommodate planned development in urban and rural areas. Table V provides information on urban growth boundary (UGB) amendments adopted during this time period. During 2010 and 2011, there were 10 UGB amendments that brought 779 acres into UGBs. Of this, 491 acres, or 63 percent, were zoned for farm use and two acres, or less than one percent, was zoned for forest use.

Over the 23-year period from 1988 through 2011, 47,459 acres of land were added to UGBs statewide, 36 percent (16,958 acres) originating from farm zones and one percent (3,142 acres) from forest zones. As UGBs continue to expand, particularly onto high-value farmland and productive forest land in the Willamette Valley, fewer non-resources lands will be available to bring into the boundaries, and more farm and forest land will come under pressure to include in UGBs.

Issue: Measure 49 dwelling authorizations. The introduction of thousands of new non-farm and non-forest parcels and dwellings into working farm and forest landscapes is of significant concern. Counties that are interested in doing so may develop local transfer of development rights programs that enable willing landowners to transfer their rights to develop to other, more appropriate locations.

Rezonings to Rural and Resource

Uses. Table W provides data on changes from farm and forest plan designations and/or zoning to rural land uses. In 2010, 1,417 acres of EFU land were rezoned for rural development, while 908 acres of forest land were rezoned for rural development. In 2011, 558 acres of EFU land were rezoned for rural development, while 55 acres of forest land were rezoned for rural development. Rezonings are required to be supported by an exception to Goal 3 or 4, except where lands can be demonstrated to be “non-resource” lands not subject to Goals 3 or 4.

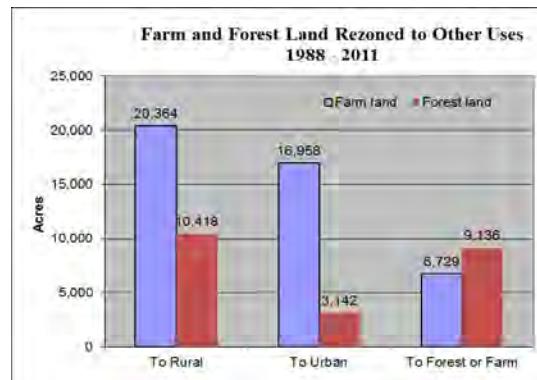
In 2010 and 2011, 745 acres of EFU land were rezoned to forest, while 172 acres of forest land were rezoned to EFU. In many cases, these rezonings are intended to facilitate development that is allowed in one resource zone, but not another. For instance, it is easier to get template dwelling approval than non farm dwelling approval in the Valley, prompting rezonings to forest use in this area, while it can be easier to get non-farm dwelling approvals over template dwelling approvals outside the Valley.

Table X identifies rezonings by county. As there are only four years of data

available, it is not yet clear if there is a pattern to rezonings among counties.

Cumulative Rezonings. Between 1989 and 2011, a cumulative total of 20,364 acres of EFU land and 10,418 acres of forest land have been rezoned for rural development, totaling 30,782 acres. Add the 20,100 acres of farm and forest land included in UGBs over a similar time period, and the total is 50,882 acres. While about 40 percent of this acreage was incorporated into UGBs, 60 percent of it was designated for rural development uses.

Issue: Long-term resource land protection. In the long run, the continued inclusion of productive farm and forest land in UGBs in the Willamette Valley is not sustainable and risks undermining the State’s agricultural and forest economies. Alternative growth solutions should be explored, including the more efficient use of land within UGBs, directing more growth into unincorporated communities and creating new towns.



Non-resource Lands. Non-resource land designations are a subset of lands zoned for rural development. In 2010 and 2011, **about half** of all such farm and forest land rezonings were based on claims that the land involved was not “agricultural” or “forest” land as defined by Statewide Goals 3 and 4.

The table to the right identifies nine counties that have identified “non-resource” lands over the years that have been planned and zoned for other rural uses and are no longer subject the provisions of Goals 3 and 4. The table probably underestimates the acreage actually rezoned to non-resource uses.

Lands that are identified as non-resource lands are not required to be supported by an exception to either of these goals. However, counties must have appropriate comprehensive plan and zoning provisions in place that specify how non-resource lands are to be identified and zoned. Only a handful of counties have done this. Appropriate data documenting the non-resource nature of the land must be provided as part of a post-acknowledgment plan amendment.

Typically, soils professionals contracted by landowners provide counties with more detailed soils data than that provided by the USDA Natural Resources Conservation Service. However, counties often do not know which sources of data to rely on. For this reason, the legislature passed HB 3647 in 2010 that authorizes the department to arrange for professional soils classifiers

experienced in field work to evaluate farmland that is claimed to be “non-resource.” LCDC adopted rule amendments in 2012 to implement this bill and the new program is now in effect and working smoothly.

County	Acres Designated Non-Resource
Clatsop	2,351
Crook	23,261
Douglas	3,297
Jackson	484
Josephine	15,465
Klamath	34,718
Linn	99
Lane	495
Wasco	7,047
Total	86,674

While there is no comparable DLCD role in overseeing challenges to forest land productivity, such challenges must utilize a Department of Forestry guidance document “Updated Land Use Planning Notes – 2010”, as referenced in OAR 660-006-0010.

Non-resource lands were also addressed by the legislature in 2009, when it adopted House Bill 2229, outlining a clearer path for counties to take in designating non-resource lands based on prior mapping errors. Finally, in 2012, the Governor issued Executive Order 12-07, which directs DLCD and other state agencies to work with three southern Oregon counties to develop a pilot program that allows regional variation in the designation of farm and forest lands.

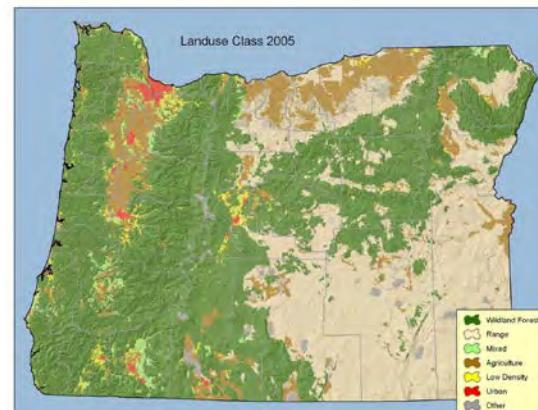
Issue: Identifying non-resource lands. Concerns have been raised about how non-resource lands are identified by counties, their location and extent and about the appropriate level of rural development.

Changes in Land Use

Every few years, the Oregon Department of Forestry (ODF) publishes *Forest, Farms & People: Land Use Change on Non-Federal Land in Oregon*, which uses digital imagery based on 37,003 points across the State to calculate changes in land cover over time of a variety of land use classes. This data is valuable because it measures actual changes in land use, not just changes to plan or zone designations. Changes to plan and zone designations are not always followed by changes to land use, or changes to land use may follow only years later. For this reason, data on changes in land use represent a more accurate, timely and direct measure of land conversion from farm and forest uses to other uses than do changes to planning or zoning. This data provides another means to evaluate the effectiveness of Oregon's farm and forest land protection efforts.

The ODF has tracked land use change in Oregon from 1974 to 2009 in a series of periodic reports. The reports identify several land use classes, among them: wildland forest, wildland range, intensive agriculture, mixed forest/agriculture and mixed range/agriculture. These land use classes reflect both land cover and density of existing structures, which consist primarily of dwellings. Wildland forest and wildland range are those forest and range lands with densities of fewer than five structures per square mile, while the

other three resource categories reflect resource land with densities of fewer than nine structures per square mile. These densities roughly reflect the densities of permitted farm dwellings and large track forest dwellings in exclusive farm use and forest zones, standards that were intended by ODF to reflect those used by DLCD.



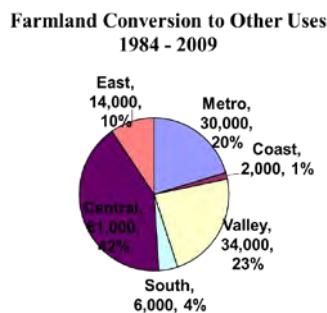
For instance, when the density of development in wildland forest and wildrange areas increases to more than one dwelling per 160 acres, the land is reclassified to another land use class that reflects its new density. Usually, this will be one of the other three resource zones. When the density of development in the other three resource zones exceeds one dwelling per 80 acres, the land is reclassified as low-density residential, urban or other.

ODF data on land use change captures not only converted farm and forest land that may have followed rezonings, but

also the land that is converted within farm and forest zones. While DLCD data reports the number of approvals of dwellings, other uses and land divisions in farm and forest zones, this data does not capture acreage converted within the zones.

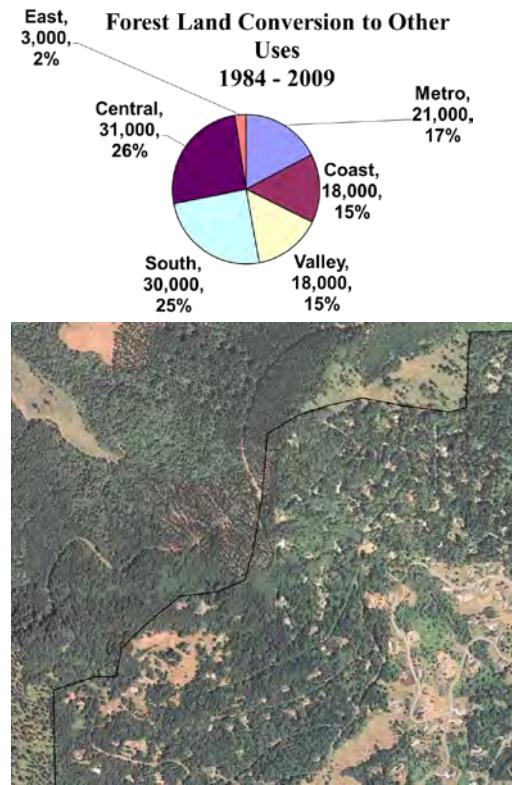
Table Y identifies changes in farm and forest land cover between 1984 and 2009, using ODF data. This data reflects values for non-Federal lands only. The 1984 date was used because it compares closely to the 1988 and 1989 dates that were first used by DLCD to track plan and zone changes out of farm and forest zones, and because all county comprehensive plans were acknowledged by the end of 1984. Data is rounded to the nearest 500 acres.

State Trends in Farm and Forest Land Conversion. ODF data shows that, in the 25-year period between 1984 and 2009, approximately 147,000 acres of farm and range land moved to more developed land classes. Almost half of all farmland conversion occurred in Central Oregon, while nearly one-quarter took place in the Metro area and one-quarter in the Willamette Valley.



Similarly, in this time frame, 121,000 acres of forest and farm-forest land was converted to more developed classes, about one-quarter of this conversion occurring in Southern Oregon and one-

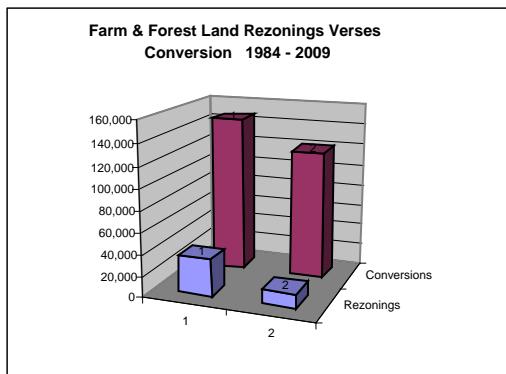
quarter in Central Oregon, with the remainder of conversion split fairly evenly among the Metro area, Valley and Coast.



The 147,000 acres of farmland that fell out of farm classifications during the study period is approximately *four times* the acreage (34,856) that was rezoned from farm to other rural and urban zones in a similar time frame. In short, a significant amount of land is experiencing low-density residential development without being rezoned.

The 121,000 acres of forest land that fell out of farm classifications during the study period is approximately *twelve times* the acreage (12,000) that was rezoned from forest to other rural and urban zones in a similar time frame. This means that an even greater proportion of forest land is being lost to forest use

within forest zones than is true for farmland loss within farm zones.



There is an important caveat to these comparisons, and that is that the ODF definitions of conversion of farm and forest land reflect lower development densities than typically follow rezonings to rural or urban uses. Land is no longer considered in forest use by ODF when development densities exceed one dwelling per 80 acres, while rezonings from farm or forest zones typically result in development densities of one dwelling per 10 acres.

On the other hand, there is significant farm and forest land within the Low-density residential land use class, which applies to land with nine or more structures per square mile and the loss of this land to development is not included in the foregoing conversion figures.

The ODF data suggest two conclusions: (a) that there continues to be significant flexibility within resource zones to accommodate dwellings, and (b) that the cumulative increase in numbers of dwellings and other development within resource zones raises concerns about de facto conversion of these lands to low density residential use – particularly for forest lands where low density residential uses signal an end to active timber management.

County Trends in Farm and Forest Land Conversion. Several counties stand out as experiencing particularly high levels of conversion from farm and forest land classes to more developed land classes. These include Deschutes County, which lost 10 percent of its farmland base and 11 percent of its forest land base in the 25-year time period. The Portland Metro counties were similarly affected, Multnomah, Washington and Clackamas Counties losing 28, 11 and seven percent, respectively, of their farmland bases, and between three and four percent of each of their forest land bases. Other counties experiencing significant conversion trends include Jackson, which lost seven percent of its farmland base and Coos and Lane Counties, which each lost five percent of their farmland bases.

Conclusion

In conclusion, Oregon's farm and forest land protection program has provided a significant level of protection to the state's working landscapes over the last three decades, generating important support for state and local economies and providing additional recreational, environmental and cultural benefits for Oregonians. Over the years, and in response to changing conditions, new trends and regional variation, the department and legislature have continued to fine-tuned the program to make it as

effective as possible, while being sensitive to landowner interests and county resources. In this spirit, this report identifies several areas of concern that the department would like to pursue in the next biennium, through legislation, rulemaking and technical assistance to counties.

New Dwellings Approved in Farm Zones

TYPE OF DWELLING	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	TOTALS (% of Net)
Primary Farm ORS 215.283(1)(f)	88	77	81	76	93	88	84	105	89	74	59	34	47	995 (10%)
Accessory Farm ORS 215.283(1)(f)	53	36	29	27	30	20	23	24	55	59	31	29	22	438 (4%)
Family Farm Help ORS 215.283(1)(e)	59	43	38	48	34	53	49	35	55	36	20	25	19	514 (5%)
Temporary Hardship ORS 215.283(2)(L)	105	105	115	104	80	73	89	74	70	57	61	57	50	1,040 (11%)
Lot-of-Record ORS 215.705	94	80	78	89	53	64	51	53	64	50	32	20	15	743 (8%)
Non-Farm ORS 215.284	208	227	203	279	258	202	218	236	246	184	118	86	75	2,540 (26%)
Net New Dwellings	607	568	544	623	548	500	514	527	579	460	321	251	228	6,270
Replacement ORS 215.283(1)(s)	354	307	276	333	305	294	233	301	227	251	229	216	193	3,519 (36%)
TOTAL DWELLINGS APPROVED IN FARM ZONES	961	875	820	956	853	794	747	828	806	711	550	467	421	9,789 (100%)

Prepared by the Department of Land Conservation and Development (DLCD)
Using data submitted by Oregon's 36 counties.

NOTE: For 2001 only, the numbers shown are a 12 month average (16 month total ÷ 16 x 12 = 2001)

New Dwellings Approved in Forest Zones

TYPE OF DWELLING	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	TOTALS (% of Net)
Forest Template ORS 215.750	277	281	237	218	232	278	275	273	250	197	135	144	86	2,883 (56%)
Large Tract ORS 215.740	16	19	21	15	28	31	16	16	22	19	32	21	21	277 (5%)
Lot-of-Record ORS 215.720	46	41	47	33	43	55	41	34	46	27	11	16	10	450 (9%)
Temporary Hardship ORS 215.755(2)	52	37	35	41	24	19	29	20	32	22	32	13	16	372 (7%)
Net New Dwellings	391	378	340	307	327	383	361	343	350	265	210	194	133	3,982
Replacement ORS 215.755(1)	85	81	91	93	97	98	114	121	90	88	65	58	79	1,160 (23%)
TOTAL DWELLINGS APPROVED IN FOREST ZONES	476	459	431	400	424	481	475	464	440	353	275	252	212	5,142 (100%)

Prepared by the Department of Land Conservation and Development (DLCD)
Using data submitted by Oregon's 36 counties.

NOTES: For 2001 only, the numbers shown are a 12 month average (16 month total ÷ 16 x 12 = 2001)

OREGON TRANSPORTATION & GROWTH MANAGEMENT

2009-2011
BIENNIAL REPORT

TGM: BETTER WAYS TO
BETTER PLACES

TGM MISSION

The Oregon Transportation and Growth Management Program (TGM) supports community efforts to expand transportation choices for people. Linking land use and transportation planning, TGM works in partnership with local governments to create vibrant, livable places in which people can walk, bike, take transit or drive where they want to go.

A PARTNERSHIP

TGM is a partnership between the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development. TGM is funded primarily by federal funds provided by the Federal Highway Administration of the U.S. Department of Transportation.

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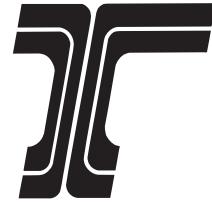
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Salem, Oregon 97301

www.oregon.gov/LCD/TGM



MESSAGE FROM TGM PROGRAM AGENCY DIRECTORS



As we mark the 18th anniversary of Oregon's innovative Transportation and Growth Management Program (TGM), we find much to celebrate.

For example:

- A plan facilitated by TGM will help Newport take advantage of economic and job opportunities made available by the National Oceanic and Atmospheric Administration's decision to locate its new Marine Operations Center in that city. The plan sets forth a long-term vision for a transportation network that will connect major destinations on Newport's South Beach Peninsula. The city has already begun construction on Phase One improvements, which include a roundabout and pedestrian path.
- New sidewalks and bike lanes leading to schools, as often recommended in TGM-funded plans, were built in Roseburg, Heppner, and Marion County, making it safer for students in those communities to walk and bike to school.
- Several cities found that TGM-funded plans put them in a stronger position to secure construction grants that will enable them to build priority projects. For example, Columbia County is now moving forward with the development of a new transit center in St. Helens.

In these and other communities, TGM continues to help Oregonians improve their transportation options and enjoy the economic benefits that go with well-planned, well-balanced transportation systems.

In this biennial report, we provide an update on TGM and discuss ways in which Oregon's cities and towns are using this program to advance important local objectives.

Richard Whitman, Director,
*Oregon Department of Land Conservation
and Development*

Matthew Garrett, Director,
Oregon Department of Transportation

WHAT DOES TGM DO?

TGM was created in 1993 to support local efforts to improve transportation options, boost economic vitality, and enhance the livability of communities throughout Oregon. As a non-regulatory program in which participation is voluntary, TGM collaborates with local governments.

The TGM Approach

Around the country, transportation and land use decisions are often made in isolation from each other. TGM takes a different approach. The program recognizes that land use decisions affect transportation options – and that transportation decisions influence land-use patterns. Thus TGM promotes the integration of transportation and land use planning.

TGM also supports compact, cohesive, and well-designed development that enables people to get around easily and improves their quality of life. The program encourages local governments to take advantage of assets they already have, such as walkable downtowns, main streets, and existing urban infrastructure.

TGM supports sustainable transportation systems as key to the wise use of public investments. Given the economic pressures facing state and local governments today, it seems more important than ever to wring every possible efficiency out of our land

use patterns and transportation networks. Through planning grants and technical assistance, TGM works with local governments to do exactly that.

Planning Grants

The lion's share of TGM's budget – \$5 million per biennium, or about 80 percent of the total – goes into planning grants for local governments. While all TGM grants promote transportation objectives, most grants support other community goals as well. Some popular ones:

Economic growth and development

- Safe routes to school
- Access to jobs, education, and services
- Main street and downtown revitalization

Many TGM grants involve the updating of Transportation System Plans (TSPs), through which communities identify key elements of local transportation networks and establish priorities for funding specific projects. Other plans supported by TGM include those for:

- multi-modal street systems – i.e., systems that improve mobility for bicyclists and pedestrians as well as for motorists
- bicycle and pedestrian networks
- transit services and transit-oriented development around transit stations



Transit in Eugene

(Credit: Lane Transit District)

- infrastructure to accommodate planned growth and development
- commercial corridors and gateways

As a rule, TGM grants require outreach to the public as well as to individuals with limited transportation options.

Direct Community Assistance

TGM also offers four technical assistance services:

- Quick Response: TGM works with communities to improve the design, quality, and transportation efficiency of imminent local development projects.
- Code Assistance: TGM helps communities promote smart development through code updates and the removal of regulatory barriers to better transportation choices.
- Outreach: TGM supports local workshops, lectures, conferences and publications to educate public officials and the general public about creative, but practical, transportation and community design concepts.
- Transportation System Plan Assessments: TGM helps local governments improve their TSPs so they can take advantage of economic development opportunities and compete successfully for construction funds to get desired projects built.

About 20 percent – or \$1.25 million per biennium – of TGM's budget goes into community assistance services for local governments.



A streetscape amenity in Canby

PROJECT HIGHLIGHTS AROUND OREGON

During the 2009-2011 biennium, TGM provided support for 83 projects throughout the state. A complete list of 2009-2011 TGM projects appears on page 10, but examples of projects are described below along with the context in which they are being carried out.

Economic Development

Many TGM projects take place in the context of local efforts to create new jobs and stimulate economic growth. McMinnville and Canby, for example, are both using TGM to plan for new infill development.

TGM is supporting McMinnville's effort to redevelop an underused 60-acre site near downtown. Through the Northeast Gateway

Plan, the city hopes to coordinate transit and infrastructure improvements for this area and create an attractive, inviting environment for people. The city also aims to capitalize on economic and residential development opportunities in and around this neighborhood.

Meanwhile, Canby has implemented a number of recommendations in TGM plans, including:

- installation of new street trees and streetscape amenities designed to make the downtown more inviting and pedestrian-friendly;
- renovation of building facades; and
- downtown location of a new cinema, which is expected to strengthen the city center's economic vitality and stimulate new investment in nearby properties.

Canby now plans to build on these actions by improving the gateway leading into its downtown.

"TGM has been an amazing building block for our community," says Mathilda Deas, AICP, Canby's long-range planner. Deas believes the TGM-supported plans have helped the city obtain funds to build or otherwise carry out a number of projects. "If you don't have a good, well thought through plan, people won't be comfortable giving you grants. TGM has enabled us to demonstrate that we have considered things carefully, and the program has helped us to get things done that we couldn't have accomplished in-house."

Economic Savings, More Transportation Choices

In today's weak economy, many Oregon families are struggling to pay for gasoline, car insurance, and other transportation costs, which often consume 20 percent or more of a household's entire budget.

To alleviate transportation-related financial pressures on Oregonians, TGM helps local governments plan street, bicycle, and pedestrian networks that accommodate such no-cost/low-cost travel options as walking and bicycling. By promoting compact communities and multi-modal streets that yield more direct routes to everyday destinations – e.g., schools, stores, and parks – TGM and its local government partners

enable people to drive less and take shorter trips. This means people can use the money they save on gasoline to meet other needs. Providing transportation options also:

- removes short local trips from major arterials and highways, thereby enabling freight and longer-distance auto trips to move more efficiently; and
- means dollars can remain in the local economy instead of being sent to out-of-state oil companies or foreign countries.

Local street networks in need of construction or improvements are typically identified in Transportation System Plans or TSP updates. Streets thus identified stand a better chance of being funded and built. Cities that launched such updates with TGM assistance during the 2009-2011 biennium include Ashland, Hubbard, Medford, Nyssa, and Vernonia.

Bicycle and pedestrian plans are important elements of TSPs. Eugene and Madras began work on such plans during this biennium, while the Roseburg City Council unanimously adopted its bicycle plan.

Since many trips are short trips – 41 percent of all person trips in the U.S. are three miles or less, according to the Federal Highway Administration – improvements to bicycle and pedestrian networks hold great potential for reducing traffic on congested state highways.



Bike commuters

This point came across at the Walk + Bike Summit held in Medford. The Fall 2010 Summit was co-sponsored by the Rogue Valley Transit District (RVTD) and Jackson County with TGM support. “Thank you for making our summit possible,” writes Nathan Broom, transportation options planner with the RVTD. “It was a strong event that drew officials from ten jurisdictions as well as business, nonprofit, and tourism representatives from Southern Oregon.”

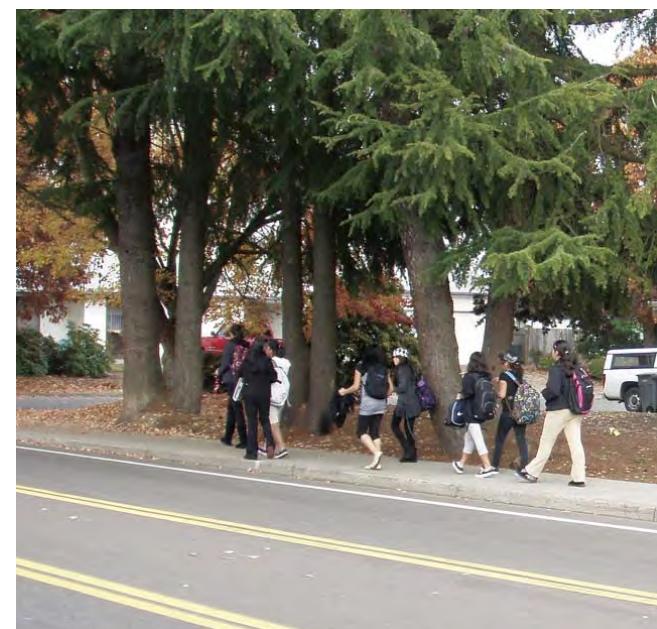
Safer Routes for People with Limited Transportation Options

Many Oregon communities remain plagued by missing sidewalks, dangerous road crossings, and other safety hazards. Addressing these problems is critical to the independence of those who cannot drive, such as young people, the disabled, many senior citizens, and lower-income persons who cannot afford cars.

To the benefit of children and younger teenagers, this biennium saw the implementation of recommendations made in several TGM-funded plans for safe routes to school. For example:

- Roseburg completed new bike lanes and sidewalks near Joseph Lane Middle School;
- Heppner built new sidewalks leading to Heppner Elementary School; and
- Marion County finished new sidewalks around Scott Elementary School and Houck Middle School.

Other steps taken by Marion County pursuant to a TGM-funded plan included the construction of ramps and sidewalks that meet Americans with Disabilities Act standards near Yoshikai and Haysville Elementary Schools. Philomath and Salem, meanwhile, initiated bicycle-pedestrian plans that will include safe-routes-to-school components.



Walking to school on new sidewalks in Marion County

In Vernonia, TGM’s Quick Response service worked with the city to identify an appropriate site for a new high school after the severe 2007 flood destroyed the old high school. TGM helped the city balance the need to find a site on higher ground with the importance of giving students the opportunity to walk and bike to school. The city recently broke ground on the new school at the site selected.



Student transportation costs the state \$174 million annually

When one considers the high cost of student transportation – the State of Oregon spent \$174 million for this purpose during the 2008-2009 school year alone – these steps to enable

more students to walk and bike to school offer potentially significant financial dividends as well as more transportation options. They help young people develop more active lifestyles that can ward off such health problems as obesity and Type 2 diabetes. And they can relieve morning traffic congestion – an important goal, given that parents driving their children to school account for as much as 25 percent of morning traffic, according to several studies.

These and similar planning efforts around the state will also benefit senior citizens who cannot drive, or who would prefer not to do so, and lower-income people who struggle to pay for transportation.

Codes That Support Community Goals

One challenge facing many local governments is a mismatch between community goals and local zoning and development codes. Simply put, many codes inadvertently prohibit what residents say they want. TGM works with local governments to bring codes into harmony with the community's vision for its future.

Walkability, for example, is an asset many communities seek to create, but which codes often impede through outdated parking requirements, inappropriate block sizes, and other provisions.

In Pendleton, a TGM-funded plan prompted the city to amend its subdivision regulations so people would not be forced to travel far out of their way to carry out what should be quick, simple errands, like buying a quart of milk or picking up a newspaper.

Canby, too, amended its code to bring about more walkable block sizes, while also requiring coordination between the school district and the city to ensure better pedestrian and bicycle connections in new subdivisions.

Transit for Small Towns and Metropolitan Areas

Transit services that provide access to jobs, education, and services are critical to small towns and larger cities alike.

Completion of a Community-Wide Transit Plan has enabled Columbia County to move forward with the development of a multi-modal transit center in St. Helens. The new center will include a park-and-ride facility and transit administration office. The TGM-funded plan was instrumental in the county's success in obtaining a \$2 million grant from Oregon's ConnectOregon II program. Columbia County's award-winning planning project also helped local stakeholders identify transit schedule and route improvements to better serve the residents of Scappoose, St. Helens, Columbia City, Rainier, and Clatskanie.



Sketch for new Columbia County transit center

In the Lane County and Salem-Keizer transit service areas, TGM is supporting the development of transit master plans intended to improve bus connections in these regions. In Eugene, the city adopted a form-based code to allow higher-density development around Walnut Station, a transit stop on the Bus Rapid Transit line connecting Eugene and Springfield. Such development is expected to encourage greater transit use and more efficient transit services.

Cool Planning Handbook

As the state legislature and other state bodies consider Oregon's efforts to reduce greenhouse gas emissions associated with climate change, TGM completed a new publication, *Cool Planning: Local Strategies to Slow Climate Change*. The handbook is intended to help communities reduce transportation-related greenhouse gas emissions through land use and transportation planning. Among other things, the handbook:

- describes school siting practices that reduce students' need to be driven or bused to school;
- explains the impact of zoning, parking, and other land use policies on travel behavior; and
- identifies community design concepts that shorten distances between local destinations and thereby help to cut carbon emissions.

An Easier, More Streamlined Process

Besides supporting local planning efforts during the 2009-2011 biennium, TGM made several administrative improvements aimed at making it easier for local governments to apply for and obtain grant funds. Among these improvements:

- annual, instead of biennial, grant rounds;
- more help to local governments in preparing grant applications,
- assistance in identifying issues to be analyzed through planning grants, and
- a faster timeline for launching grant projects.

TGM anticipates awarding new transportation planning grants to local governments in June 2011.

Summing Up

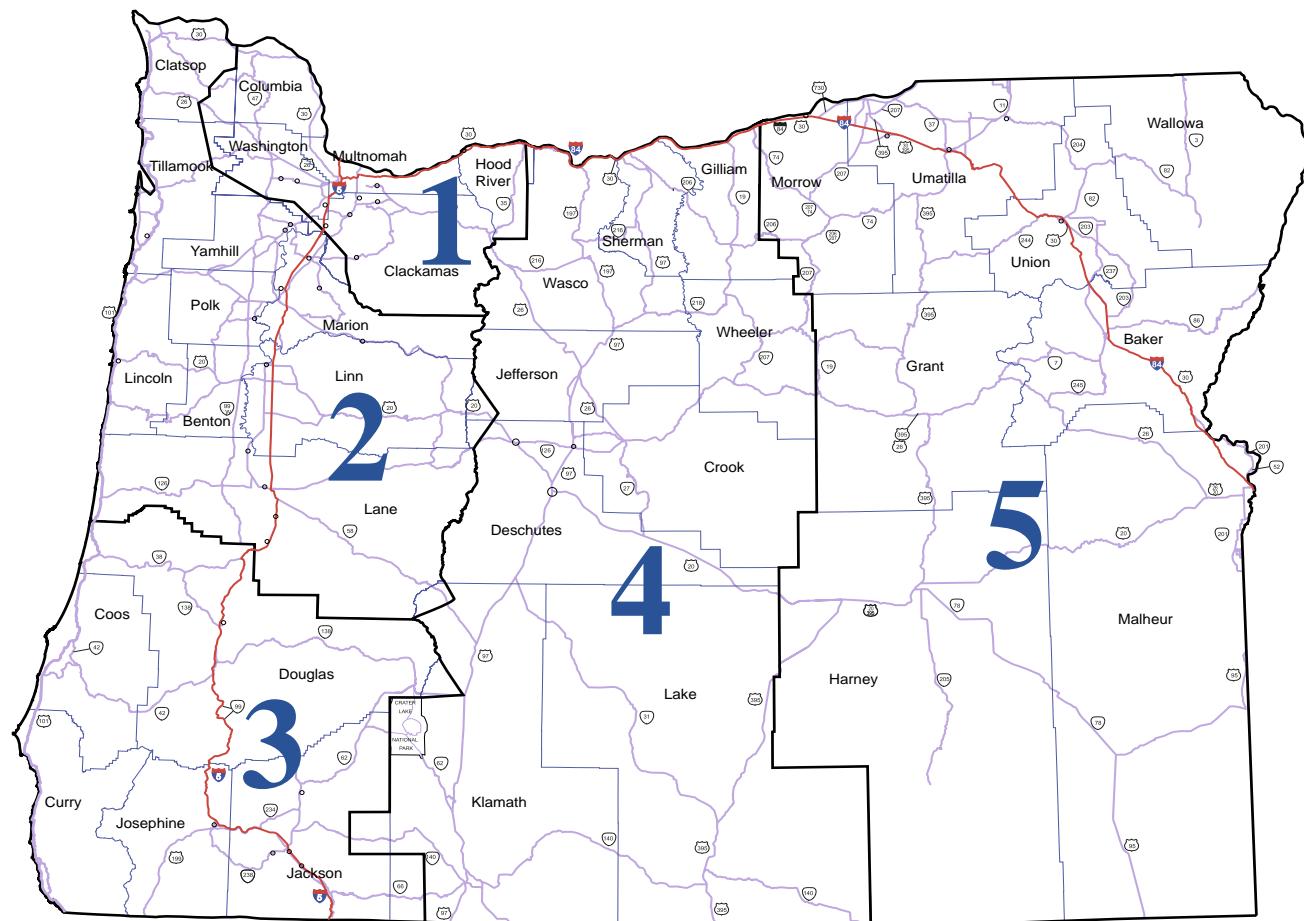
In short, TGM continues to work with Oregon's cities, towns and counties to make it easier for people to get around. In the process of doing so, the program helps local governments accommodate economic growth and leverage other funds, maximizes taxpayer investments in transportation facilities, and enhances the quality of life for Oregonians.



A pedestrian friendly streetscape

2009-2011 GRANTS AND COMMUNITY ASSISTANCE

PROJECTS TO LOCAL JURISDICTIONS BY ODOT REGION



2009 Grant Projects – Region One

Clackamas County	Estacada Downtown Revitalization Plan	\$137,896
Clackamas County	Park Avenue Light Rail Station Area	\$199,068
Forest Grove	Transit-Oriented Development Plan	\$117,000
Gresham	Safe Routes to School Project.....	\$32,040
Hillsboro	Tualatin Valley Highway Corridor	\$245,714
Hood River	Transportation System Plan Update.....	\$149,100
Metro & Tigard	Tigard High Capacity Transit Corridor.....	\$233,947
Portland	Outer Powell Blvd. Right-of Way Corridor.....	\$337,045
St. Helens	Transportation System Plan Update.....	\$95,100
Tigard	Greenway Trail Master Plan	\$99,700
Vernonia	Transportation System Plan Update.....	\$103,100
Washington County	Implementation of Transportation Plan	\$110,000
Total Region One 2009 grants		\$1,859,710

2010 Grant Projects (Individual Award amounts under negotiation) – Region One

Canby	Corridor Gateway Plan
Clackamas County	Regional Center Area Pedestrian/Bicycle Connection
Happy Valley	Rock Creek Comprehensive Plan Update/Town Center
Metro	Southwest Corridor Refinement Plan
Oregon City	Transportation System Plan Update
Portland	Cully Boulevard Main Street Planning
Wilsonville	Transportation System Plan Update
Wood Village	Transportation System Plan Update and Assessment
Total Region One 2010 grant allocation	
	\$1,042,200

2009-2011 Community Assistance Projects – Region One

Canby	Code Assistance, Subdivision Code Update	\$44,588
Canby	Quick Response, Railroad Properties	\$44,200
Clackamas County	Code Assistance, Station Area Form-Based Code.....	\$37,200
Gaston	Quick Response, Cottonwood Corridor	\$51,900
Gresham	Outreach, Workshops.....	\$15,948
Hillsboro	Code Assistance, Downtown Code Revisions	\$7,100
Milwaukie	Code Assistance, Code Assessment.....	\$11,020
Milwaukie	Code Assistance, Code Update	\$50,000
Molalla	Quick Response, Rezone	\$42,300
Oregon City	Quick Response, Downtown Circulation.....	\$12,813
Portland	Quick Response, Springwater Station Area Concept	\$30,700
Tigard	Code Assistance, Downtown Code Revisions	\$3,200
Troutdale	Outreach, Main Street Revitalization Workshop	\$7,716
Troutdale	Outreach, Density & Design Workshop	\$6,272
Total Community Assistance 2009-2011.....		\$364,957

2009 Grant Projects – Region Two

Dundee	Southeast Dundee Riverfront Master.....	\$147,530
Eugene	Bicycle and Pedestrian Plan.....	\$143,000
Florence	TSP, Transit Plan and CIP Updates	\$143,200
Lane Transit District	Develop Long Range Transit Plan.....	\$138,500
Philomath	Transportation System Plan Updates	\$67,056
Salem Public Works	Updates of the TSP Bicycle & Pedestrian Elements	\$242,000
Woodburn	Highway 99E Corridor Plan.....	\$223,855
Total Region Two 2009 grants		\$1,105,141

2010 Grant Projects (Individual Award amounts under negotiation) – Region Two

Albany	South Albany Area Plan
Hubbard	Transportation System Plan Update
Independence	UGB Concept Plan
Lincoln City	Bike and Pedestrian Plan
McMinnville	Northeast Gateway Project
Salem Area Mass Transit District	Transportation System Plan
Salem Community Development	Parking Management Plan
Silverton	West-Side Land Use and Transportation Plan
Waldport	Yaquina John Point Land Use and Transportation Plan
Total Region Two 2010 grant allocation.....\$812,800	

2009-2011 Community Assistance Projects – Region Two

Carlton	Code Assistance, Code Assessment.....	\$1,570
Carlton	Code Assistance, Code Update	\$59,760
Dallas	Code Assistance, Code Update	\$8,450
Eugene	Code Assistance, Station Area Form-Based Code.....	\$21,800
Eugene & Lane Transit District	Quick Response, West Eugene EmX Extension Design Options.....	\$28,600
Junction City	Outreach, Workshop	\$27,261
Lowell	Code Assistance, Downtown Code Assessment.....	\$5,200
Newport	Quick Response, South Beach Peninsula.....	\$51,850
Tillamook County	Quick Response, Pacific Ave & Cape Kiwanda Drive	\$49,900
Veneta	Code Assistance, Code Update Phase 2.....	\$4,230
Total Community Assistance 2009-2011.....\$258,621		

2009 Grant Projects – Region Three

Ashland	Transportation System Plan Update.....	\$175,000
Medford	UGB Expansion and Transportation System Plan Update	\$172,490
Rogue Valley Transit District	RVTD District Boundary Assessment	\$75,936
Total Region Three 2009 grants		\$ 423,426

2010 Grant Projects (Individual Award amounts under negotiation) – Region Three

Central Point	Pine Street Four-Lane to Three-Lane Conversion
Grants Pass	Neighborhood Centers
	Total Region Three 2010 grant allocation\$307,400

2009-2011 Community Assistance Projects – Region Three

Myrtle Point	Code Assistance, Code Assessment.....	\$13,300
	Total Community Assistance 2009-2011..... \$13,300	

2009 Grant Projects – Region Four

Central Oregon	Public Transportation & Infrastructure
Intergovernmental	Investment Strategic Plan
	\$191,000
	Total Region Four 2009 Grants.....\$191,000

2010 Grant Projects (Individual Award amounts under negotiation) – Region Four

Bend MPO	Transit Corridor Plan & Transit Oriented Development
Madras	Transportation System Plan Bicycle & Pedestrian Update
	Total Region Four 2010 grant allocation\$172,200

2009-2011 Community Assistance Projects – Region Four

Metolius	Outreach, Workshop	\$17,582
Sisters	Quick Response, Forest Service Property.....	\$62,600
	Total Community Assistance 2009-2011..... \$80,182	

2009 Grant Projects – Region Five

Nyssa	Transportation System Plan Update.....	\$74,200
Pendleton	Downtown Plan.....	\$167,799
Vale	Transportation System Plan Update.....	\$78,400
	Total Region Five 2009 grants\$320,399	

2010 Grant Projects (Individual Award amounts under negotiation) – Region Five

La Grande	Transportation System Plan Amendment
Pendleton	Transportation Impact Analysis Pilot Project
	Total Region Five 2010 grant allocation\$165,400

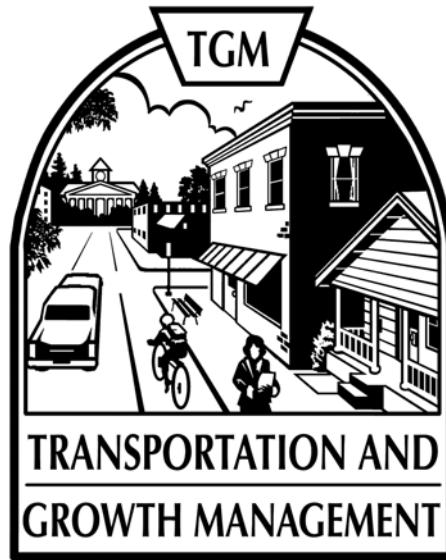
2009-2011 Community Assistance Projects – Region 5

Boardman	Code Assistance, IAMP Implementation.....	\$8,400
Nyssa	Code Assistance, Code Assessment Phase 1	\$9,200
Ukiah	Code Assistance, Code Update	\$49,850
Weston	Outreach, Workshop	\$18,446
Total Community Assistance 2009-2011.....		\$85,896

2009-2011 Community Assistance Projects – Statewide

Statewide	Outreach: Cool Planning Handbook	\$35,089
	Code Assistance: Model Code Update	\$45,742
Total Community Assistance Statewide.....		\$80,831





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www.oregon.gov/LCD/TGM

January 2011

TGM: Better Ways to Better Places



Oregon

John A. Kitzhaber, M.D., Governor

Department of Land Conservation and Development

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January 31, 2013

TO: Oregon Legislative Assembly

FROM: Jim Rue, Director
Department of Land Conservation and Development

SUBJECT: Report to Legislature on the
Oregon Transfer of Development Rights Pilot Program

Overview

SB 763 and HB 2228, enacted in 2009, provide authorization and standards for the transfer of development rights (TDRs), a voluntary market-based land use planning tool. Senate Bill 763 provides general enabling authority for TDR programs. House Bill 2228 (Chapter 636, Oregon Laws 2009) established the Oregon Transfer of Development Rights Pilot Program in the Department of Land Conservation and Development, and required the department to implement the program “Working with the State Forestry Department, the State Department of Agriculture and local governments.” The program allows for the approval of up to three pilot projects to test use of TDRs to conserve forest land. Section 10 of the bill requires the Department of Land Conservation and Development (DLCD) to provide a report to the Legislature, on or before February 1, 2013:

- (1) Evaluating the Oregon Transfer of Development Rights Pilot Program established in sections 6 to 8 of this 2009 Act; and
- (2) Recommending whether the pilot program should be continued, modified, expanded or terminated.

The purpose of the pilot program is to test TDRs as a potential method to discourage residential development on forest land and encourage the continued management of commercial forest lands for timber production and other forest uses – thus slowing the conversion of forest lands for non-forest purposes. To achieve this outcome, the TDR pilot program provides incentives for land owners to transfer development rights from forest land to land within urban growth boundaries or some types of unincorporated communities.

Department Actions to Promote the Pilot Program

Following the passage of HB 2228, the Land Conservation and Development Commission (LCDC) adopted rules at OAR chapter 660, division 28, to implement the program. These rules included an initial pilot program application deadline of June 1, 2010, and notice of the pilot

program opportunity to all Oregon local governments, commercial forest landowners and land trusts.

In addition, DLCD staff took the following actions to promote interest in the pilot program:

- Created a TDR webpage with a description of transfer of development rights, a description of the TDR Pilot Program and its benefits, links to HB 2228 and related materials and an application form;
- Presented the TDR Pilot Program to a large group of commercial forest land representatives, the Association of Oregon County Planning Directors and the Oregon Bar;
- Presented information about the TDR Pilot Program in sessions at the Oregon American Planning Association (APA) conference in May 2010 and again at the Oregon Planning Institute conference in September 2010;
- Wrote articles on the TDR Pilot Program for the Oregon APA magazine (March-April 2010 issue), the Coalition of Oregon Land Trusts magazine (April 2010 issue) and the League of Oregon Cities monthly newsletter (July 2010 issue);
- Initiated contact with and responded to inquiries from several cities, counties, land trusts and commercial forest land representatives who expressed potential interest in participating in a pilot project;
- Researched several potential TDR pilot projects by examining applicable zoning and public infrastructure availability, and created maps of numerous potential sending and receiving areas in several counties; and
- Met with representatives of several commercial forest landowners to discuss the potential for a pilot project at specific locations.

Mid-term Program Modifications

Although there was significant initial interest in the pilot program among commercial forest landowners, there was little interest from cities and counties that would need to adjust local land use plans in order for local landowners to receive transferred development rights. DLCD staff concluded that the lack of interest was, in part, connected to a slow real estate and development economy generally and, in part, due to a sharp corresponding reduction in land use planning staff and funding in many city and county planning offices. Planning departments have been reluctant to take on special new programs while struggling to maintain local planning and development functions.

When no successful projects materialized in the first biennium of the program, and taking into account feedback from local planners, DLCD proposed that additional incentives could increase city, county and commercial forest landowner interest in the TDR pilot program. The department worked with county and forest industry representatives to recommend additional incentives for the pilot program. Those recommendations were proposed as House Bill 2132, enacted in 2011, which included the following new incentives:

- Authorization for receiving areas in more types of unincorporated communities;

- Allowance for a wider variety of receiving area zones (e.g. residential, commercial and industrial);
- Authorization for lower densities for transferred rights in receiving areas;
- Increased ratios allowed for transferred development rights;
- Deletion of the requirement for public access to conserved forest lands;
- and
- Authorization for revenue sharing when rights are transferred to a different jurisdiction.

There was broad support for these additional incentives among local governments and commercial forest land representatives. This legislation was enacted, and in January 2012, LCDC amended administrative rules to incorporate the new incentives and to leave the application period open-ended. DLCD staff provided notice of the changes in the program to commercial forest landowners, local governments and land trusts, along with a description of the new incentives and an invitation to participate in the program.

Conclusions

Despite these changes and additional incentives, to date the department has received no proposals for pilot projects under this program. The department received several inquiries, and worked with landowners and local governments in exploring ideas for pilot projects and continues to receive inquiries. However, to date there has been no viable project proposed.

A possible and indeed likely reason for the lack of successful projects is the continuation of the real estate and land development downturn that began in 2008. This program was initially formulated prior to that downturn, and at that time it was reasonably assumed that there would be a market for transferred development rights, especially due to the trending increase in real estate and development values. As it turned out, there is currently not sufficient interest in transferring development rights from forest land properties to urban areas or rural communities. It is reasonable to assume that development rights on forest land properties continue to be perceived as more valuable than a forest land development right transferred to receiving areas identified in the legislation under the conditions for such transfer included in the legislation.

TDR programs will not be successful unless there is a market for the transferred rights. Potential landowners in the urban areas and communities eligible to receive dwelling rights under this program may not believe there is sufficient value in acquiring such rights. In part, this may be due to the fact that there is a surplus of dwelling rights currently within many urban areas and communities. There are few or no state imposed restrictions to dwelling density in urban areas and communities, and the restrictions that exist under current local land use plans were typically imposed by local governments due to service or other limits to development intensity in an area, or due to local preferences. As such, it may not be reasonable to expect that local governments will “upzone” property to provide for a place to transfer a dwelling or other development right from forest land.

However, communities interested in encouraging the use of TDR could make future upzones contingent upon the use of TDR, particularly when there are plans for public utility or road upgrades that would allow increased development densities. That is to say, the program would be

more likely to attract potential developers if the option to upzone is only available or preferentially available to developers who utilize transferred development rights. This option would have to involve a willing local government, probably one that is interested in conserving nearby forest land. Needless to say, this option would be controversial.

We note that the use of transferred residential development rights into urban areas is not the only option under the updated TDR Pilot Program. The new incentives enacted in 2011 identify opportunities for residential as well as other types of development that could ONLY, or at least more readily, be obtained through the TDR Pilot Program. These opportunities include:

- The ability to transfer more development rights off of forest land than may be utilized on-site under forest zoning;
- The allowance for residential development at a higher density than is allowed in the underlying zone;
- The allowance for commercial development with a higher floor area ratio than is allowed in the underlying zone;
- The allowance for commercial or industrial development with greater lot coverage than is allowed in the underlying zone;
- The allowance for uses that are not currently permitted in the underlying zone;
- The allowance for uses, densities or other provisions that are not currently allowed in unincorporated communities;
- The ability to waive certain requirements or streamline the review process for development proposals involving development rights transfer; and
- The ability to add existing exceptions areas to UGBs for development rights transfer without going through the UGB amendment process.

Another likely reason why there have been no applicants for a pilot project to date is that the program and its potential benefits are still largely unknown to many cities and potential developers. There is a significant learning curve for communities in becoming familiar with and knowledgeable about TDR as a land use planning option, not only in Oregon but across the nation. Some commercial forest land representatives have stated that, while they are interested in Oregon's TDR pilot program, they don't know how to go about locating a city or prospective receiving area landowner to work with, and do not know how to promote city or county interest in a pilot project. The department currently lacks the staff and funding to provide this "middle man" role. However, experience with TDR in other states has shown that once one or two communities are successful in using TDR, other communities will follow. Further, Oregon's land trust community is growing more interested in the potential use of TDR to advance the protection of working farms and forests.

A couple of counties have expressed an interest in using TDR to provide the voluntary option to Measure 49 landowners to transfer their Measure 49 development rights into UGBs or unincorporated communities. Unfortunately, HB 2228 does not allow this and M49 properties are not eligible for participation under this program. While Measure 49 itself authorizes the use of TDR to transfer such rights, there is not enough detail in statute currently to give potential participants the confidence to use this provision and enable such transfer to occur.

Recommendations

The department continues to believe that viable applications for one or more pilot projects under this program could be forthcoming and would be beneficial for Oregon's forest land protection efforts. However, it will require additional time for potential participants to become familiar with and feel comfortable participating in this new and still untested program. The department continues to receive inquiries that indicate that there is interest in TDR as a planning tool. **For this reason, the department recommends that the pilot program be continued and that Chapter 636, Oregon Laws 2009 remain unchanged.**

Additionally, the department sees potential in TDR as a voluntary tool that could allow Measure 49 authorizations to be transferred from farm and forest land to more appropriate urban or rural locations. This could be an option for interested landowners who do not necessarily want to build on-site even though they have received authorization to do so under Measure 49. Use of TDRs could greatly reduce the potential for conflict that residential development in farm and forest zones can generate. **For this reason, the department recommends further study of ideas to make the transfer of development rights from Measure 49 properties easier to accomplish, for interested owners of Measure 49 rights, and for willing local governments.**

Attachments



Oregon

John A. Kitzhaber, MD
Governor

Department of Land Conservation and Development

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October 15, 2012



TO: Karen Quigley, Director, Legislative Commission on Indian Services

FROM: Jim Rue, Director
Michael Morrissey, Rural Policy Analyst

SUBJECT: **2012 Government-to-Government Report**

We are pleased to transmit this report in response to legislative direction ORS 182.162-182.168 (SB 770). The report describes activities and tribal contacts of the Department of Land Conservation and Development (DLCD) for 2012, as required by statute.

Major Highlights for 2012

- ✓ The department's reorganized Government-to-Government team continues to function as planned and is fully participating in cluster group meetings and other tribal related activities.
- ✓ The Land Conservation and Development Commission (LCDC) held roundtable discussions during regularly scheduled meetings in Newport, Lakeview and McMinnville (November, 2012). This venue provided an opportunity to hear from local and tribal governments.
- ✓ DLCD approved a grant in 2010 to the city of The Dalles to conduct a cultural resource study on lands adjacent to the city, and within the Columbia River Gorge National Scenic Area (NSA). The Dalles is considering expansion of its urban growth boundary (UGB), and this study follows up on a draft UGB Alternatives Analysis performed by the city. The results of the study will help decision makers determine how best to integrate cultural resource protection into the evaluation process for possible urban area boundary amendments to the NSA. Four tribes are being consulted as part of the study, The Confederated Tribes of Warm Springs, The Confederated Tribes of the Umatilla Indian Reservation, The Nez Perce, and the Confederated Tribes and Bands of the Yakima Nation.

The initial stage of the study progressed throughout late 2010, and the survey was completed in June, 2011. Work was done in 2011 and continued into 2012, to identify mitigation strategies when cultural sites are implicated in UGB expansion. DLCD continues to support this phase, which is likely to continue into 2013.

Department Relations with Indian Tribes

Oregon statutes (*ORS 182.162-182.168, SB 770*) require that state agencies that work with tribal governments submit annual reports describing their relationship in response to six factors. Each of the factors is listed below, along with DLCD's response:

(a) The policy the state agency adopted under ORS 182.164.

ORS 182.164 directs DLCD to develop and implement a policy that:

- Identifies agency staff responsible for developing and implementing agency programs that affect the Tribes;
- Establishes a process to identify agency programs that affect Tribes;
- Promotes communication between DLCD and Tribes;
- Promotes positive government-to-government relations; and
- Establishes a method of notifying agency staff of the statutory provisions and agency policy.

DLCD Response to Subsection (a)

The department's policy has evolved since Executive Order EO-96-30 directing that state agency heads "shall be accountable to the Governor's office for adopting a departmental State/Tribal Government statement..." The Executive Order directed departments to develop an "interest statement," and present it to tribal governments and state agencies at the September 23, 1997, conference on Government-to-Government relations. After several interim steps, in 2007 the department formally established agency "Policy on Government-to-Government Relations with Oregon Tribes 07-02". The purpose section of that policy states:

"The purpose of this policy is to establish, improve and maintain partnerships with Oregon's Indian Tribal governments, while seeking to better understand each other, and work cooperatively to identify and address mutual goals and concerns arising from state land use policy that affects Tribal interests. To the extent possible, work to have the growth management and resource conservation objectives of both the State and the Tribes compatible with one another. Improve upon or design solutions and programs to help reach these objectives."

The policy section of the 07-02 document reads:

It is the policy of the Oregon Department of Land Conservation and Development to:

- *Facilitate better relations between the Tribes and state and local government.*
- *Establish a notification process to better coordinate and inform tribes, and state and local governments about development projects under consideration, and about long-term economic and community land use objectives. Determine what projects and land use policy issues are of interest to the Tribes and keep them informed.*

- Continue "Government-to-Government" relations on land use matters at the regional level between state agency contacts in the field (or region), local government planning department staff and Tribal administrators within the region, including Regional Partnerships and Regional Economic Revitalization Teams.
- Work with tribal governments to share information that supports development and maintenance of resource management plans, development policies and tribal zoning ordinances applicable to lands held in trust. In the interests of state, local and tribal governments, encourage tribal land use policies and zoning to be similar and compatible with Oregon's land use planning system, including policies for preserving Oregon's best agricultural lands.
- Continue to assist local governments and the Tribes in natural and cultural resource site protection programs under the statewide planning goals.
- Be accountable for a land use program that is coordinated and consistent with the efforts under the Governor's Coastal Salmon Restoration Initiative, and keep the Tribes informed of such actions that may affect tribal interests.
- Work with tribal governments and stakeholders to find ways to continue government-to-government relations with fewer resources.
- In conjunction with the work plans of the Natural Resources Work Group and Cultural Resources Cluster Group, continue to work with tribal governments to assess what implications state and local waivers issued under ORS 197.352 will have on tribal interests, particularly with respect to natural and cultural resources and sites.
- Involve tribal governments, through a Working Group and Economic Development Cluster, in the development of a work plan to address the process by which sewer service may be extended to tribal lands located adjacent to urban growth boundaries or unincorporated communities.

In addition to the provisions of this policy aimed specifically at relations with Oregon's Tribal governments, the Department has reflected its overall communication policy with local governments, to include the Tribes, within DLCD Policy No. 06-01, Local and Tribal Government Communication Policy.

Accomplishments made by the Department in response to this policy, and since the Executive Order (EO-96-30) was established in 1996, are found in the Annual Reports presented each year to the Governor and Legislative Commission on Indian Services.

Please refer to the agency's Annual Reports, located on our website, under *Relations with Tribes* to learn more about the establishment of the agency's policy under government-to-government

relations that was formed under Executive Order 96-30 and ORS 182.164.

(b) The name of individuals in the state agency who are responsible for development and implementing programs of the state agency that affect Tribes.

DLCD Response to Subsection (b)

DLCD's Director Jim Rue is the primary (key) contact responsible for overall relations, and for development and implementing of agency programs that affect Tribes. Gary Fish, a transportation/land use planner in the Planning Division, is the alternate contact for the director. The primary and alternate contacts along, with four others assigned to the clusters or working groups, form the agency team on government-to-government relations.

Primary Contact on Government-to-Government Relations:

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E-mail: amanda.punton@state.or.us
Web Address: <http://www.lcd.state.or.us>

Primary Contact to Cultural Resources Cluster Group:

Gary Fish, Land Use/Transportation Planner
635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540
Phone: (503) 373-0050, ext. 254
FAX: (503) 378-5518
E-mail: gary.fish@state.or.us
Web Address: <http://www.lcd.state.or.us>

Primary Contact to Economic and Community Development Cluster Group:

Thomas Hogue, Economic Development Planning Specialist
635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540
Phone: (503) 373-0050, ext. 323
FAX: (503) 378-5518
E-mail: thomas.hogue@state.or.us
Web Address: <http://www.lcd.state.or.us>

Alternate Contact to Economic and Community Development Cluster Group:

Jon Jinings, Community Services Specialist
888 NW Hill Street, Suite 2
Bend, Oregon 97701
Phone: (541) 318-2890
FAX: (541) 318-8361
E-mail: jon.jinings@state.or.us
Web Address: <http://www.lcd.state.or.us>

Additional DLCD staff members responsible for developing and implementing programs that may be of interest to the Tribes are listed below. They are available by dialing (503) 373-0050, then the extension, or the number indicated.

Bob Rindy, Sr. Policy Analyst and Legislative Liaison, extension 229
Bob Cortright, Transportation & Growth Management, extension 241
Chris Shirley, Natural Hazards & Floodplains, extension 250
Steve Lucker, Floodplain Map Modernization, extension 295
Juna Hickner, Coastal Program and Federal Consistency, extension 253
Gordon Howard, Urban Growth Management, extension 259
Leslie Roth, Executive Assistant to Director and LCDC, extension 271
Regional Representatives: See agency website for regional assignments.

The agency's primary and alternate contacts are responsible for assuring that the agency is kept apprised of activities that may be of interest to the Tribes, to provide appropriate tribal contacts, and ensure that the Tribes are informed of agency activities. The agency recognizes that maintaining good communication is a benefit to the Tribes and to the State of Oregon.

Oregon local governments (cities and counties) are responsible for carrying out the statewide land use planning program through locally-adopted comprehensive plans and zoning codes that are approved by the state. Tribal reservations and trust lands are not subject to state and local land use laws, but these laws occasionally affect the use of Tribal lands. Under ORS 182.162-

182.168, DLCD promotes government-to-government relations between the Tribes and Oregon's local governments.

(c) The process the state agency established to identify the programs of the state agency that affect Tribes.

DLCD Response to Subsection (c)

DLCD informs the Tribes of agency programs that affect the Tribes, primarily through agency participation in three of the cluster or working groups established in 1996 under Executive Order 96-30. The agency actively participates in the Natural Resources Working Group, Cultural Resources Cluster Group, and Economic and Community Development Cluster Group, each of which contains representatives from other state agencies, and from the several Tribes. These groups provide a forum for two-way communication and government-to-government relations. As directed by the agency's primary and alternate contacts, the contacts assigned to the clusters provide periodic updates to the Tribes on agency program activities, while the Tribes inform contacts of relevant tribal programs, and agency programs affecting the Tribes.

DLCD may also meet with individual tribes to address specific issues as they arise in regions around the state. These department efforts have proven very successful, given the diverse interests of the Tribes, and the complexity of land use issues that affect the Tribes' unique interests. DLCD also maintains an agency web site, which includes a section on government-to-government relations. That site is available to keep tribal governments and other Oregonians informed of agency activities.

DLCD participation in the cluster and working group meetings is reflected in the following list of meetings:

Natural Resources Working Group: The agency participated in the February and July 2012 meetings in Salem.

Cultural Resources Cluster Group: The agency participated in the August 28, 2012 meeting in Salem.

Economic and Community Development Cluster Group: The agency participated in the September, 2012 meeting.

Other Government-to-Government Meetings:

Agency staff attended a staff training event on Monday, May 10 at the State Capitol.

Agency key contact Michael Morrissey met with Governor's staff on June 10, 2012, to clarify how Oregon processes fee-to-trust applications by the nine federally recognized tribes in the state.

On November 29, 2012, several agency staff, including the agency director, attended the Government to Government Annual Summit at the Mill Casino in North Bend.

(d) The effort of the state agency to promote communication between the state agency and the Tribes, and government-to-government relations between the state and Tribes.

DLCD Response to Subsection (d)

Including the Tribes in stakeholder meetings and activities, and moving towards written agreements with Tribes when possible, is a significant step for promoting two-way communication and government-to-government relations. As explained in greater detail below, the agency's designated contacts and others have participated in three of the cluster groups or working groups, as well as with the Tribes directly. Previous land use discussions with the Legislative Commission on Indian Services have also promoted good communications and government-to-government relations between DLCD and tribal governments. DLCD is committed to continue those efforts.

Roundtables: Contributing to meeting its government to government policy objectives, DLCD schedules a roundtable discussion with local and tribal governments each time the Land Conservation and Development Commission (LCDC) conducts a meeting outside of Salem. Tribal participation is also welcomed at the Commission's regular meetings in Salem, although those meetings typically do not include a roundtable discussion. The purpose of the roundtable is to provide an opportunity for local and tribal governments to hear and participate in discussions on issues of mutual importance. In 2012, three out-of-town LCDC meetings included roundtables that allowed for local and tribal government participation. Although the Commission welcomes participation from all the Tribes, advance notice of a roundtable is mailed to the Tribes located in or near the region where each LCDC meeting is held.

Development challenges and opportunities, local planning issues, economic development, and statewide planning for climate change were frequent topics of discussion at the following 2010 roundtables:

The agency is committed to conducting its regular meetings around the state as often as possible, and will continue to invite tribal governments to participate in the roundtables, as well as the meetings themselves.

Web-based communication: DLCD's web site (<http://www.oregon.gov/LCD/>), under the link "Relations with Tribes," continues to provide information on the agency Government-to-Government program, contacts, DLCD's interest statement, annual reports, and links with other tribal web sites. When notified, DLCD updates its contact list to reflect changes in Tribal administration and tribal councils. Contact lists are also improved through the state/Tribal cluster groups.

(e) A description of the training required by statute. (ORS 182.166(1) pertains to

training(s) offered by the Department of Administrative Services at least once a year.)

DLCD Response to Subsection (e)

On November 15, 2011, several agency staff, including the agency acting director, attended the Government to Government Annual Summit at the Chinook Winds in Lincoln City.

Throughout this report, agency participation in clusters and working groups is described. These meetings are an important source of training for department staff in a wide range of subjects of concern to the tribes. Frequently, information gained in this manner is shared with other members of the department, as appropriate.

(f) The method the state agency established for notifying employees of the state agency of the provisions of ORS 182.162 to 182.168 and the policy the state agency adopts under ORS 182.164.

DLCD Response to Subsection (f)

The agency policy under these statutes is Number 07-02, Policy on Government-to-Government Relations with Oregon Tribes, and the strategic plan. The policy, effective on May 14, 2007, is based largely on the existing government-to-government program and on the policy “interest statement” established on September 23, 1997 under Executive Order 96-30. Policy 07-02 is stated below under “*Department Statement*.”

When new staff that may work with a Tribe is hired, the agency’s primary and alternate contacts arrange for staff’s attendance at annual training, brief them on cluster activities, and provide an overview of the statutory requirements for working with tribal governments on agency activities. In 2008, the agency’s Operation Services Division began to include the key contact in their staff meetings to inform the division of their responsibilities under the agency’s government-to-government policy and statutes. This effort has continued with the primary and alternate contacts.

Programmatic Issues of Ongoing Interest

The department continues to offer growth management and natural resource conservation services to all the Tribes, and is working with some of the Tribes in several areas. These include the Oregon Coastal Management Program (OCMP), Oregon Ocean Policy Advisory Council (OPAC), flood plain management services, rulemaking, local government plan amendments, and periodic review. All of these activities are in addition to the work the department’s primary and alternate contacts do with three of the cluster groups formed by state agencies under ORS 182.162-182.168.

Goal 5: A key issue identified by the Tribes is the need for the Land Conservation and Development Commission (LCDC) to better protect cultural resources during the land development process. See DLCD's 2003 Report for further discussion of Goal 5.

DLCD approved a grant to the City of The Dalles in 2010 to conduct a cultural resource study on lands adjacent to the city, and within the Columbia River Gorge National Scenic Area (NSA). The Dalles is considering expansion of its urban growth boundary (UGB), and this study follows up on a draft UGB Alternatives Analysis performed by the city. The results of the study will help decision makers determine how best to integrate cultural resource protection into the evaluation process for possible urban area boundary amendments to the NSA. Four tribes are being consulted as part of the study, The Confederated Tribes of Warm Springs, the Confederated Tribes of the Umatilla Indian Reservation, the Nez Perce Tribe and the Confederated Tribes and Bands of the Yakima Nation.

The initial stage of the study progressed throughout late 2010, and the survey was completed in June of 2011. Work continued through 2011 and 2012, focused on identification of mitigation strategies when cultural sites are implicated in a UGB expansion. This second phase is expected to be complete in 2013.

Re-use of the Umatilla Army Depot: The department has participated in a multi-party study group investigating options and opportunities for re-use of the Umatilla Depot. Tribal members are also participating in this group and options being explored include those that would directly or indirectly support tribal interests.

Fee-to-Trust: The department and its Ocean and Coastal Service Division are active participants in the Bureau of Indian Affairs (BIA) fee-to-trust process. BIA routinely sends the Governor notification of pending fee-to-trust transfers, and the Governor's office coordinates responses from several departments back to the BIA. When coastal sites are being considered, BIA's notice of the consistency of these transfers with the Oregon Coastal Zone Management Program is sent directly to the department. In coordination with the Governor's office, DLCD works cooperatively with tribal governments, BIA, and affected local governments in addressing the state's interests in these transfers. DLCD also works with "coastal" tribes (Confederated Tribes of Siletz Indians, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, and the Coquille Indian Tribe) to assure coastal program consistency, including the proper coordination of land use issues. The department's coordination with the Tribes usually occurs through a combination of meetings, phone calls, e-mails, and written correspondence.

Coastal: Our Ocean and Coastal Services Division invites tribal government representatives from the three coastal Tribes to participate in periodic meetings held at the coast with local jurisdictions and other coastal program partners. Several of these meetings have occurred since the submittal of DLCD's last Government-to-Government Annual Report. The division also reviews federal energy projects on the coast to ensure consistency with Oregon's Coastal Zone Management Program. These projects often involve the Tribes, including the Columbia River Inter-Tribal Fisheries Commission (CRITFC). Our Ocean and Coastal Division developed an

inventory of dikes and levees in the coastal zone. The Coquille Indian Tribe assisted with this work, and other coastal tribes were contacted to help complete the inventory. A second phase, includes inventorying estuarine areas, continues into 2012.

The department also serves as staff to the Oregon Ocean Policy Advisory Council (OPAC). The membership of OPAC is defined by Legislation and includes one seat for the “coastal” Indian Tribes. For 2012, a member of the Coquille has filled that position. In addition, the department, through the Coastal Division, is conducting rulemaking related to Oregon’s Territorial Sea Plan. The rulemaking targets wave energy production in a manner that protects coastal resources, including and especially fisheries resources. The Coquille Indian Tribe is also represented on the Territorial Sea Plan Advisory Committee.

Issues and Concerns

DLCD’s involvement to date in tribal affairs has resulted in many questions and discussions about ways to address various issues and concerns.

- Difficulties with trying to fit tribal projects and planning into the state-local planning framework which does not include a clearly defined role for tribal governments;
- Limited ability to address local-tribal coordination problems in general and certain issues important to local interests such as loss of property taxes, payments for local services, fear of loss of control over trust properties, and impacts on local land use planning; and
- Limited financial and/or other resources to support tribal land use planning and natural resource identification and planning efforts.
- It is not clear whether counties, especially county planning directors, have a clear understanding of the nature and scope of tribal sovereignty for Oregon’s nine federally recognized tribes, or the department’s Government to Government program. The department will make it a priority during the next year to seek opportunities to discuss this with counties.

As noted, some issues and concerns regarding the department’s government-to-government coordination and relations remain to be fully addressed. With the formation of a new agency team on government-to-government relations, concerns are being addressed. The department will strive to address these issues and concerns, and improve service once again in the coming year.

Conclusion

DLCD’s ability to meet with the Tribes and follow-up in a timely manner has increased with the establishment of a team of seven staff members to work on government-to-government relations, including the agency director as the primary contact. Training of staff remains an important activity. The department looks forward to cooperation with tribal governments in the coming year, and to a positive working relationship with the Commission on Indian Services.

2013-2015 Sustainability Plan

Oregon Department of Land Conservation and Development



February 28, 2013

Introduction

The Oregon Legislature defines 'sustainability' as: "...using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives." (ORS 184.421)

The Oregon Sustainability Board (OSB) approved DLCD's original Sustainability plan in April, 2004. The plan described actions the department would take to comply with the Governor's Executive Order on Sustainability. Specifically, the plan identified on-going department activities to support the State's sustainability program.

In January of 2013, the OSB indicated that, following direction from the Governor's Office, it was revising the method that state agencies would use to report progress towards meeting sustainability objectives. That revision is still in process. Therefore, this report blends past, and expected future, format and content. This report may be revised when OSB finalizes its process, probably this spring.

Sustainability Plan Components

1. Internal Practices:

The department implements DAS directives to identify and implement sustainable operational practices. The department integrates best practices with regard to recycling of paper and other office materials, upgrading of electronic equipment and end-of-life disposal, promoting car-pooling and bicycling, encouraging employees to use public transit for commuting, supporting employee telecommuting and teleconferencing, and reducing operational energy demands by acquiring energy efficient equipment. Examples of this practice include using Skype for all staff meetings and changing a lease on a state owned gas operated vehicle to a hybrid model.

Building is managed jointly with the Department of Agriculture, and we share building related sustainability practices with the agency, including receipt of the Marion County EarthWise Certification for the building.

2. External Practices:

Sustainability and Oregon's Statewide Land Use Program

The Oregon Legislature intended Oregon's land use planning program "...to assure the highest possible level of livability in Oregon..." The statewide planning program is one of Oregon's signature commitments to livability and sustainability. As a framework for land use planning, it has the potential to be a national, if not global, model for sustaining Oregon's economy, environment, and communities by conserving Oregon's natural resources for future generations while enabling communities to develop to meet the needs of a growing population.

The statewide planning program does not define or set standards for sustainable development. Yet the overarching stewardship principles of the program provide the template for Oregon and its communities to plan for and approve sustainable development. The mission of the department is: "To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy."

3. Connections to Governor's Priorities: Education, Jobs, Healthcare

The department's policies and practices strengthen Oregon's natural resource employment base related to commercial agricultural, forest, and to some degree fishing industries. The policies are contained in statute, and also in the statewide planning goals related to protection of resource lands: Goal 3, Agricultural Lands; Goal 4, Forest Lands; and Goals 16-19, Coastal goals.

The department also enhances urban employment by ensuring availability of employment lands, the linkage of urban development and transportation and the efficient use of lands for infrastructure, livability, and residential and employment uses.

4. Connections to Ten-Year Budget and Energy Plans

The department operations and budget are oriented to the Governor's Healthy Environment Outcome and 10-year Vision Statement. These policy directives overlap and are integral with the Ten-Budget and Energy Plans. Addressing those documents in the Program Funding Team Process, the department stated:

In response to legislative direction..., and guided by the nineteen statewide planning goals and commission policy direction, the department provides technical assistance for, and reviews the continuous updating of, city and county comprehensive plans. Those plans advance the core functions of the Planning

Program: conservation of rural resource lands and management of urban growth and development of sustainable communities. In carrying out these objectives, DLCD's Planning Program aligns directly with the Healthy Environment Outcome, and its Policy Vision, and Strategies, (particularly Strategies 2-watersheds, fish and wildlife, forests and rangeland, 4-build great communities for a growing population, and 5-new non-regulatory methods to protect environments.

5. Long-Term and Short-Term Goals:

Long-Term Goals:

- Support Sustainable Development
Carry out program activities that support local and state efforts to plan for sustainable economic and community development.
- Secure Oregon's Natural Resource Legacy:
Work with local, state, tribal and federal partners to sustain farm, forest, coastal and other natural resources for the present and for future generations.
- Employ Sustainable Practices in Daily Operations:
Work with the DAS to develop internal policies to make agency operations more sustainable.

Short-Term Goals:

(The following 2-year objectives are a subset of items contained in the department's 2013-15 budget request)

- Conserve farm and forest lands through state agency coordination, better monitoring and analysis and identification of non-regulatory approaches—97% of lands zoned for farm and forest uses in 1987 retain that zoning today. The department will focus on increased data-sharing and coordination with the Department of Forestry particularly, to guard against the conversion of forestland to other uses.
- Improve the availability of employment lands and improve the capacity of local and state government to evaluate, plan for and fund public facilities and infrastructure.
- Continue efforts to reduce greenhouse gas emissions in the state due to automobile emissions. The department is engaged in a multi-year effort Oregon Sustainable Transportation Initiative (OSTI), at the direction of the Governor and the Legislature to assist the larger metropolitan areas in the state to model and reduce transportation related greenhouse gas initiatives.

- Streamline urban growth aspects of the land use program. The department is sponsoring a 2013 legislative package to address this objective. By making the process of urban growth boundary amendment less time-consuming and more efficient, the land use program will continue to protect farmland, forestland and other rural resources including wetland and riparian areas.

Conclusion:

The 2013-15 Sustainability Plan of the department continues to translate the basic mission of the statewide planning program created by the 1973 Legislature into the context of the Governor's Executive Orders on Sustainability (2003, 2006). And, with a new focus on issues of climate change, the plan more fully addresses the priorities of the Oregon Sustainability Board.

The plan focuses on external program functions that can create conditions for sustainable development and resource protection throughout Oregon. In addition, the department previously adopted internal policies consistent with the Sustainability Act and Governor's Executive Order and will continue to work with the DAS to enhance internal practices.

PROGRAM PRIORITIZATION FOR 2013-15

Appendix I

Program/Division Priorities for 2013-15 Biennium																			20	21	22	
2013-15 Biennium																			Agency Number: 66000			
DEPARTMENT-WIDE PROGRAM at GRB																						
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request		
Agcy	Prgm/ Div																					
1	0	DLCD	001-60 Admin	Departmentwide Planning & Administration	660-01 through 660-20	6	4,372,400	0	473,774	0	470,916	\$ 5,317,090	16	15.88	Y	Y	S	ORS Chapter 197 and 215.503	POP 106: Information Mgt Modernization Initiative (IMMI) \$245,857 GF 1Pos/0.50 FTE Request is a transformative innovation for the land use planning program. Request addresses long standing information management needs of the department, local communities, and the citizens of the state.	POP 105: Attorney General Restoration \$ 50,000 GF Request proposes additional funding for Attorney General costs related to legal review of urban growth boundary reviews, appeals, and other land use planning actions.	Pkg 513: Urban Growth Management Reform \$250,000 GF Request proposes funding for urban growth management reform tied to legislative concept.	POP 070: Revenue shortfall \$ (380,297) OF Request removes empty limitation for Soils Analyses fee based program. Limitation needs are less as a result of 2011-13 department rulemaking effort streamlining the program and its limitation needs.
1	1	DLCD	001-62 CSD	Community Services Division	660-01 through 660-20	6	3,625,304					\$ 3,625,304	15	14.50		Y	S	197.274, 197.319 et seq., 197.610 et seq., 197.626 et seq., 197.652 et seq., 197.717				
1	2	DLCD	001-61 PSD	Planning Services Division	660-01 through 660-20	6	1,631,483	0	805,013	0	372,168	\$ 2,808,664	9	8.50		Y	S, FO	44 CFR 60.25; ORS Chapters 195, 197 and 215	States are encouraged to appoint an agency to be the coordinator of the National Flood Insurance Program (NFIP).	POP 101: Natural Hazards Mitigation \$179,363 OF 1Pos/1 FTE; \$249,231 FF 1Pos/1 FTE Request proposes making permanent a limited duration federal position established in the 2011-13 Legislatively Adopted Budget. The Federal Emergency Management Agency (FEMA) program has instituted ongoing Risk Mapping and Assessment (RiskMap) program that maps threats to critical infrastructure in floodplains. Request also recognizes collaborative effort between department and Office of Emergency Management by proposing a limited duration other fund professional position to coordinate state-wide hazard mitigation planning.	POP 102: OSTI \$341,257 GF 1.50 FTE; \$192,661 OF 1.00 FTE Request proposes 2.50 FTE established for continuance of the joint DLCD and ODOT OSTI (nas	

																	POP 103: TGM Restoration--Not approved at GRB \$68,083 GF 0.30 FTE Request is companion package to POP 070. Request continues Transportation and Growth Management Program (TGM) at its current service level and restores funding and FTE reduced in POP 070.	
																	POP 070: Revenue shortfall \$(10) GF \$(67,778) OF 0.30 FTE Request reflects an Other Fund revenue shortfall and small adjustment to General Fund driven by prorated other payroll expenses. Portions of a DLCD Transportation and Growth Management (TGM) Program position is reduced to respond to insufficient funds transferred from ODOT to continue current service level funding of DLCD TGM position. Companion Package 103 requests establishment of funds to restore FTE and funding.	
1	3	DLCD	001-63 OCSD	Ocean/Coastal Services Division	660-01 through 660-20	171,041		5,054,443	\$ 5,225,484	14	13.58		Y	S, FO	ORS Chapter 197, 196.405 to 196.485., 15 CFR Parts 923 and 930; 16 USC Sec 1451 et seq. & Contractual agreements with federal government.	States choosing to participate in the NOAA program are required to submit grant applications on an annual basis.		
1	4	DLCD	001-64 M49	Measure 49 Development Services	660-01 through 660-20	836,513			\$ 836,513	1	1.00		Y	S	ORS Chapter 197		POP 108: Population Forecasting \$250,000 GF Request is companion package to a legislative concept that streamlines urban growth boundary processes. Provides funding to support Portland State University's (PSU) proposed new population forecasting responsibilities by designating a portion of DLCD local planning grant funds to PSU for this purpose.	
2	1	DLCD	003-02 Grant	General Fund Grants	660-01 through 660-20	6	1,637,725		\$ 1,637,725	0	0.00		Y	S	ORS Chapter 197		POP 107: Regional Resource Land Protection \$100,000 GF Request provides additional funding to support **This program affected by technical adjustment.	
									\$ -									
									\$									
						12,274,466	-	1,278,787	-	5,897,527	-	\$ 19,450,780	55	53.46				

7. Primary Purpose Program/Activity Exists

- 1 Civil Justice
- 2 Community Development
- 3 Consumer Protection
- 4 Administrative Function
- 5 Criminal Justice
- 6 Economic Development
- 7 Education & Skill Development
- 8 Emergency Services
- 9 Environmental Protection
- 10 Public Health
- 11 Recreation, Heritage, or Cultural
- 12 Social Support

Within each Program/Division area, prioritize each Budget Program Unit (Activities)
by detail budget level in ORBITS

19. Legal Requirement Code

- C Constitutional
- D Debt Service
- FM Federal - Mandatory
- FO Federal - Optional (once you choose to participate, certain requirements exist)
- S Statutory

Document criteria used to prioritize activities:

The department cannot truly remove one piece of its detail cross reference structure without impacting the rest of the agency mission and vision. The department's budget structure is interconnected. However, in order to meet the requirements of this project, the department has established the following criteria in prioritizing its detail cross references in the planning budget unit. They are:

- Activities providing direct service to the core program.
- Coastal Zone Management Program is a federally mandated program.
- Transportation and Growth Management (TGM) and Federal Emergency Management Agency (FEMA) programs are federally mandated and provide support for regional representatives in the field.
- Coastal grant funds in the Ocean and Coastal Services Division support economic development and other land use planning activities of local communities.



Oregon

John A. Kitzhaber, M.D., Governor

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March 4, 2013

TO: Senator Chris Edwards, Co-Chair
Representative Ben Unger, Co-Chair
Joint Ways and Means Subcommittee on Natural Resources

FROM: Jim Rue, Director
Department of Land Conservation and Development

RE: DLCD Report in Response to 2012 Budget Note

This is a report to the Joint Committee on Ways and Means required by a budget note adopted during the 2012 legislative session by the Joint Ways and Means Committee.

Nature of the Request

In 2012, a subcommittee of the Joint Ways and Means committee requested that:

“The Department of Land Conservation and Development shall prepare a report that identifies which counties and cities with a population over 10,000 people have completed or not completed the following:

- *The requirement of urban service agreements contained in ORS 195*
- *Approved facilities plans*

The report shall include the date the county and city’s comprehensive plan was approved by the Land Conservation and Development Commission. The report shall include options to bring counties and cities into compliance with the ORS.

Summary of Response

This note requires three things of the department: (1) a survey of urban service agreements for cities over 10,000; (2) a determination of public facilities plan approval dates for such cities; and, (3) a description of options to bring about compliance with ORS 195.065.

Based on a preliminary¹ survey of 150 districts serving UGBs over 10,000 in population, only 29 (approximately 19%) confirmed that they have signed an urban service agreement with the city for the UGB area served. Approximate 41 districts indicated that they have not entered into such agreement. However, since approximately 51% of the districts did not respond to the survey,

¹ This survey was mailed to districts on January 2, 2013. Responses were still being received as late as February 24, 2013, and more may be expected. The department and SDAO intend to finalize results in consultation, but at the time of this report, have not agreed to a final survey presentation. As such, these are preliminary results.

this only gives some preliminary indication of the overall state of compliance. It may be reasonably concluded that indeed, many districts and cities comply with ORS 195 regarding service area agreements, but it also appears that a larger percentage do not comply.

With regard to approved public facilities plans, all cities had state-approved (“acknowledged”) comprehensive plans by 1985, including plan elements that met public facilities planning requirements in effect at that time.²

With regard to the budget note request for “options to bring cities and districts into compliance with ORS 195,” the department and the Governor’s Office are proposing new legislation for consideration by the 2013 legislature session, described in this report. This legislative concept will provide a time frame and a process to ensure agreements are adopted by certain cities. The department will be proposing the most recent version of this legislative concept, which has broad agreement among stakeholders, as an amendment to HB 2254, the department’s bill referred to the 2013 House Land Use Committee.³

This budget note that is the subject of this report was drafted in the aftermath of debate concerning House Bill 4090 by the 2012 legislature.⁴ The bill passed the House but did not advance in the Senate. Discussion of the bill highlighted a number of longstanding concerns about planning for public facilities by cities and districts. Under the Oregon land use program, land in urban growth boundaries (UGBs) is intended to provide for urban growth and development, and cities are required to plan facilities and services for such development. One of the reasons that some areas in some UGBs cannot develop as planned is the lack of agreement among cities, special districts, and citizens regarding which entities will provide public services to particular areas.

Legislation enacted in 1993, now codified in ORS 195.065, was intended to address this concern by requiring that all local governments and special districts that provide urban services in UGBs over 2500 in population shall enter into an “urban service agreement.” Under the law, such agreements must specify which entity (district, city, county or other) will provide urban services to land in the UGB and must indicate the future service area for each provider of the urban service.

² Many cities have updated their public facilities plans since 1985. Information about plan updates was not requested. The department did consider whether it could obtain such information, but concluded that accurate information on updates is not reasonably obtainable. Moreover, information is not available as to whether public facilities plan updates meet ORS 195, since some essential elements of public facilities plans are not land use decisions, and as such, the department does not receive notice of adoption of or changes to such elements. We note that, for land use decisions, updates since 1985 that were received by DLCD are in the form of “paper” notices; records for these notices in these intervening 25 years would not be searchable without a large (unfunded) commitment of DLCD staff resources.

³ The current version of HB 2256 was drafted by Legislative Counsel well before the group reached agreement; as such, the department intended to advance the subcommittee’s recommend concepts as a proposed set of amendment to HB 2256, but some members of the subcommittee prefer it to be amended into HB 2254.

⁴ The department followed discussion of HB 4090, but did not participate in hearings and did not take a position either for or against passage of the bill.

This law was based on the assumption that disputes over service extension and/or annexation of territory within UGBs could be eliminated or ameliorated by requiring cities and districts to sit down together and reach agreement concerning long term service plans, including agreement as to which entities (city, district, county or other) will provide services to the land in the UGB, including particular areas. When this law was enacted by the 1993 Oregon Legislature, a few districts and cities had already entered into such agreements but most had not. As a result of a survey described in this report, DLCD concludes that, despite this law, many districts and cities have still not entered into such agreements.

The services agreement requirement described above is a subset of many broader “public facilities planning” requirements for cities and districts in both state laws and in Land Conservation and Development Commission (LCDC) land use planning goals and rules. All cities and counties have at one time or another adopted a public facilities plan. By 1985 every city and county comprehensive land use plan had been approved (“acknowledged”) by LCDC and these plans included “public facilities plans” that were “approved” by virtue of that overall comprehensive plan approval.

The legislative issue that led to this budget note derives from a concern that, within some UGBs, the lack of key public facilities is a major obstacle to the “urbanization” of certain areas intended for development under the acknowledged comprehensive plan. As a result, the actual amount of land available for development inside such UGBs is less than the expected 20-year supply intended by the adopted land use plans. Such obstacles to urbanization include:

- multiple service providers
- the lack of clarity and common agreement as to which entities are responsible for public facility planning and development within some urban fringe areas
- unpredictable outcomes for areas where annexation is problematic
- resistance to urbanization by some residents and landowners who are outside of existing municipal boundaries
- resistance of some governing bodies and/or their citizenry to urbanization of areas outside current boundaries
- potential financial impacts on special districts resulting from withdrawal of assessed value as part of city annexation
- The high cost of providing urban services and the need to find new methods for efficient and coordinated public facility construction and operation

These concerns have been discussed at length by the Governor’s appointed committee to consider new UGB expansion methods, the Urban Growth Advisory Committee. Generally, it is agreed that any new methods for expanding UGB’s need to be crafted with consideration of obstacles to actual urbanization described above. Any new UGB planning method should provide greater certainty that lands added to UGB’s are reasonably capable of service provision and are likely to be urbanized with the array of public facilities necessary within urban areas. In order to accomplish this, there is a need for new tools to ensure agreement among the urban service providers identified in UGB expansion planning.

Budget Note Interpretation

The budget note requires interpretation in the following respects. First, the terms “*completed*” or “*approved facilities plans*” are not terms used in statute or department rules – the department presumed the note means “acknowledged” public facilities plans, including amendments of acknowledged plans. Even when public facilities plans are “completed,” “approved” or “adopted” locally, such plans are still not considered final for land use purposes until they are “acknowledged” in accordance with Oregon land use laws at ORS 197.250 and 197.625 – local approval alone without acknowledgement is not legally sufficient to put such plans into effect for land use purposes.

All local governments had an acknowledged comprehensive plan, with a public facilities element, by 1985. In most cases “updates” of such plans, including new elements, are technically “amendments” to an acknowledged plan. Amendments to previously acknowledged plans are not formally approved by LCDC unless the amendment is part of periodic review, as discussed below. Rather, while amendments are provided to DLCD when proposed, amendments are deemed by law to be approved (“acknowledged”) provided only that certain legally required notices are issued (including notice to DLCD) and (importantly) if no appeal is filed at LUBA within 21 days of such notice. In addition, it is important to mention that certain elements of public facilities plans are not “land use decisions” (such as capital facilities plans). As such, land use planning requirements, including requirements for notice and “acknowledgment,” do not apply to such elements. Moreover, DLCD does not receive notice of these elements, and as such, the department cannot track or evaluate these types of local updates.

Second, the note includes a citation to the broad collection of Oregon laws in ORS 195 rather than to any specific laws under that statute. ORS 195 contains statutes and requirements for general agreements and for more than one specific type of agreement. However, one type of agreement, in ORS 195.065, is called an “*urban service agreement*,” and since this term appears in the budget note, the department has concluded that only the statutes pertaining to this term, especially ORS 195.065, are intended to be the focus of this note, rather than other types of agreements described elsewhere in ORS 195.

Finally, the note refers to “*counties and cities with a population over 10,000 people*.” The conjunctive “*and*” is problematic since some counties are over that amount regardless of whether there are any cities in the county that exceed the 10,000 limit. Does the note intend to apply to such counties anyway, and to all cities in the county? The department has concluded that was not the intent. Any county that includes a city over 10,000 is automatically a county with a population over that amount. There are many smaller cities in counties over 10,000, but it would not seem that the note is intended to inquire about all cities of any size in such counties.⁵ The department has also concluded the conjunction “*or*” was not instead intended by the note writers. Since urban service agreements concern urban areas associated with a city, the department interprets the intent of this note to seek information only about cities over 10,000 people,

⁵ Especially since ORS 195.065 only pertains to urban growth boundaries over 2,500.

including districts and service providers in the county that serve the UGB of cities of that size.

Pertinent Requirements of Law

There are two types of requirements of law that are subjects of this budget note: (1) statutes requiring urban service agreements, (2) statutes and rules pertaining to public facilities plans. These requirements are detailed below. In addition, since Periodic Review is the method intended to ensure that service agreements are entered into by cities and districts, and since for a number of jurisdictions such agreements have not occurred, this report also describes (3) statutes and rules pertaining to periodic review in order to indicate reasons why this process has not ensured that cities and districts reach such agreements.

1. Urban Service Agreements

ORS 190.003 to 190.130 requires units of local government to enter into a written agreement with any other unit of local government to perform functions that a party to the agreement has the authority to perform. These statutes are generally known as Oregon's Intergovernmental Cooperation Statutes. **Urban service agreements**, including those to provide water and sewer service, are one type of an intergovernmental agreement.

Statutes at ORS 195.060 – 195.095 are attachment 1 to this report. ORS 195.065 requires that “*(1) ... [U]nits of local government and special districts that provide an urban service to an area within an urban growth boundary that has a population greater than 2,500 persons, and that are identified as appropriate parties by a cooperative agreement under ORS 195.020, shall enter into urban service agreements that:*

- (a) Specify whether the urban service will be provided in the future by a city, county, district, authority or a combination of one or more cities, counties, districts or authorities.*
- (b) Set forth the functional role of each service provider in the future provision of the urban service.*
- (c) Determine the future service area for each provider of the urban service.*
- (d) Assign responsibilities for:*
 - (A) Planning and coordinating provision of the urban service with other urban services;*
 - (B) Planning, constructing and maintaining service facilities; and*
 - (C) Managing and administering provision of services to urban users.*
- (e) Define the terms of necessary transitions in provision of urban services, ownership of facilities, annexation of service territory, transfer of moneys or project responsibility for projects proposed on a plan of the city or district prepared pursuant to ORS 223.309 and merger of service providers or other measures for enhancing the cost efficiency of providing urban services.*
- (f) Establish a process for review and modification of the urban service agreement.*

Related to this, ORS 195.065(2)(a) requires that:

“Each county shall have responsibility for convening representatives of all cities and special districts that provide or declare an interest in providing an urban service inside an urban growth

boundary within the county, for the purpose of negotiating an urban service agreement. A county may establish two or more subareas inside an urban growth boundary for the purpose of such agreements. If an urban service is to be provided within the boundaries of a Metropolitan Service District, a county shall notify the Metropolitan Service District in advance of the time for cities and special districts to meet for the purpose of negotiating an urban service agreement, and the Metropolitan Service District shall exercise its review, advisory and coordination functions under ORS 195.025.

(b) When negotiating for an urban service agreement, a county shall consult with recognized community planning organizations within the area affected by the urban service agreement.

(3) Decisions on a local government structure to be used to deliver an urban service under ORS 195.070 are not land use decisions under ORS 197.015.

....” [1993 c.804 §3]

2. Public Facilities Plans

For “urban services agreements”, ORS 195.065 indicates:

“(4) ... “urban services” means:

- (a) Sanitary sewers;*
- (b) Water;*
- (c) Fire protection;*
- (d) Parks;*
- (e) Open space;*
- (f) Recreation; and*
- (g) Streets, roads and mass transit.”*

It is important to note that the statewide land use program has, since its inception, required local plans to address (to some extent) most, but not all of these services.⁶ Statewide Planning Goal 11 (OAR 660-015-0000(11)) requires local governments to “*plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development*” and further states that “*cities or counties shall develop and adopt a public facility plan for areas within an urban growth boundary containing a population greater than 2,500 persons.*” The goal indicates that “*A Timely, Orderly, and Efficient Arrangement – refers to a system or plan that coordinates the type, locations and delivery of public facilities and services in a manner that best supports the existing and proposed land uses.*”

Importantly, an administrative rule at OAR 660-011-0005 clarifies that: “*The facility plan describes the water, sewer and transportation facilities which are to support the land uses designated in the appropriate acknowledged comprehensive plans within an urban growth boundary containing a population greater than 2,500.*” In other words, Goal 11 requirements for

⁶ However, comprehensive plans are “authorized” but not “required” to address fire protection, parks, open space and recreation.

local government facilities plans focus on water, sewer and transportation facilities, and do not seem to mandate the adoption of additional types of local facilities plans referenced in ORS 195.

This highlights that there is some disconnect between the laws that on the one hand require urban service agreements for a range of services, but on the other hand do not include mandatory requirements for land use plans for all the “services” subject to such agreements.⁷

As summarized above, public facilities plans for all jurisdictions were acknowledged by 1985. However, the requirements for public facilities planning are different now than they were in 1985, and most likely will continue to change over time. The very nature of such plans implies that they need to be updated periodically if they are to be effective. The role of LCDC and the department have changed since 1985, such that for many updates to plans, the department is simply notified and thus provided only an opportunity to review the update, not an opportunity to approve the update unless the update is a “work task” performed as part of a formal Periodic Review of the local land use plan, as discussed below.

Information about amended public facilities plans could theoretically be obtained by searching through stored DLCD records of notices about plan updates (and, where incomplete individual city and county plan records). However, certain essential elements of public facilities plans (e.g., capital facilities plans) are not land use decisions, and as such, DLCD does not receive notice of adoption or changes to such elements. Even more problematic, updates since 1985 that were received by DLCD are “paper” notices that are stored in a manner that is not easily searchable. A detailed inventory of each amendment to such plans would require extensive review of a large number of local plan records, including records no longer stored at DLCD if retained at all, and would be a large, unfunded commitment of DLCD staff resources. The department concluded that the budget note did not intend for DLCD to commit resources for such a research project, especially since resolution of the problem underlying the budget note does not require information about many years of such updates.

3. Periodic Review

Statutes at **ORS 190.003 to 190.130** provide requirements for the “periodic review” of local comprehensive land use plans. Specifically, **ORS 197.628** states:

“(1) It is the policy of the State of Oregon to require the periodic review of comprehensive plans and land use regulations in order to respond to changes in local, regional and state conditions to ensure that the plans and regulations remain in compliance with the statewide planning goals adopted pursuant to ORS 197.230, and to ensure that the plans and regulations make adequate provision for economic development, needed housing, transportation, public facilities and services and urbanization.

(2) The Land Conservation and Development Commission shall concentrate periodic review assistance to local governments on achieving compliance with those statewide land use planning

⁷ The department’s recommended legislation described later in this report would narrow the types of urban facilities plans that must be considered in service agreements henceforth.

laws and goals that address economic development, needed housing, transportation, public facilities and services and urbanization.

(3) The following conditions indicate the need for periodic review of comprehensive plans and land use regulations:

(a) There has been a substantial change in circumstances including but not limited to the conditions, findings or assumptions upon which the comprehensive plan or land use regulations were based, so that the comprehensive plan or land use regulations do not comply with the statewide planning goals relating to economic development, needed housing, transportation, public facilities and services and urbanization;

(b) Decisions implementing acknowledged comprehensive plan and land use regulations are inconsistent with the goals relating to economic development, needed housing, transportation, public facilities and services and urbanization;

(c) There are issues of regional or statewide significance, intergovernmental coordination or state agency plans or programs affecting land use which must be addressed in order to bring comprehensive plans and land use regulations into compliance with the goals relating to economic development, needed housing, transportation, public facilities and services and urbanization; or

(d) The local government, commission or Department of Land Conservation and Development determines that the existing comprehensive plan and land use regulations are not achieving the statewide planning goals relating to economic development, needed housing, transportation, public facilities and services and urbanization. [1991 c.612 §2; 1999 c.622 §2; 2005 c.829 §1]

With regard to implementation of the requirements described above, ORS 195.085 provides “Compliance deadlines” for urban service agreements, specifically:

(1) No later than the first periodic review that begins after November 4, 1993, local governments and special districts shall demonstrate compliance with ORS 195.020 and 195.065.

(2) The Land Conservation and Development Commission may adjust the deadline for compliance under this section when cities and counties that are parties to an agreement under ORS 195.020 and 195.065 are scheduled for periodic review at different times.

(3) Local governments and special districts that are parties to an agreement in effect on November 4, 1993, which provides for the future provision of an urban service shall demonstrate compliance with ORS 195.065 no later than the date such agreement expires or the second periodic review that begins after November 4, 1993, whichever comes first. [1993 c.804 §§7,8]

With respect to Urban Service Agreements, ORS 195.085 requires local adoption of such agreements “no later than the first periodic review that begins after November 4, 1993,” unless an agreement already existed, in which case the deadline is the second periodic review. This is a deadline under which local governments and special districts *shall demonstrate compliance with* the law. It is important to note that this law does not specify who must be the recipient of a *demonstration*, does not indicate how any such demonstration must be evaluated, and does not indicate what consequences, if any, would result if cities, counties and districts fail to demonstrate compliance with the law.

Nevertheless, it is reasonable to assume that the intent of this law was to rely on Periodic Review of local land use plans (see ORS 197.628 – 197.651) to provide a process and a context for local demonstration that agreements were reached. LCDC reviews final work products of local government's periodic reviews, and thus could reasonably determine whether or not any final agreements met the requirements of law. Finally, periodic review statutes provide some potential remedies for non-compliance.

However, if indeed this statute intended that periodic review was the primary method to ensure such agreements, the department believes that expectation was not reasonable given the structure of periodic review at the time, and especially since. In 1991 the periodic review process had recently been substantially changed from its initial form conceived in the 1980's. Legislation enacted in 1991 greatly reduced the scope of periodic review. Additional legislative changes were made to periodic review statutes in 1999, 2001, 2005 and 2011, and many related conforming changes were made by LCDC, including changes to procedures and schedules for periodic review.

Periodic review prior to 1991 required all jurisdictions to update land use plans periodically, in order to address any statute or land use rule that took effect after local land use plans were initially acknowledged by LCDC. As such, while that original program (prior to 1991) would have reasonably allowed LCDC a periodic opportunity to require jurisdictions to demonstrate compliance with laws such as ORS 195.085 concerning agreements, the periodic review program for most of the 1990's and in subsequent decades has not provided that opportunity.

Related, a multi-year schedule for individual city periodic reviews was already in effect in 1993, and that schedule stretched the process out over quite a long time period extending at least a decade. As such, many jurisdictions would not have entered periodic review for some time after ORS 195.085 took effect in 1993. Even at that time, jurisdictions generally took many years to complete periodic review once entering it, and the means and expectations for getting local governments to “the end” of periodic review was even then becoming a serious problem. By 1993 quite a large number of laws and requirements had been enacted subsequent to the initial state approval of local land use plans. It was becoming increasingly clear that the time and expense to amend local land use plans to provide a response to each statute change was unreasonable and would vastly exceed state assistance grants to local governments to complete periodic review.

As such, beginning in 1991, the requirements for periodic review were amended such that local governments were no longer required to demonstrate compliance with all laws enacted since the city's plan was acknowledged. Instead, the amended periodic review program provided that a city propose a “work program” when it entered into periodic review, with the final work program determined by the city through negotiation with the department and other interests. Only items on the final work program needed to be addressed, and typically many potential issues – including new laws for service agreements – did not end up on the work program. Subsequent amendments to periodic review law in the late 1990s and early 2000's further limited allowable topics, toward a goal that each local periodic review can be completed in two years. Meanwhile,

funding for periodic review continued to shrink since the early 1990's. As a result, in practice, a periodic review will only address a few issues determined to be high priority by the local government, in negotiation with the state and with local interests. It is therefore not entirely surprising that urban service agreements have not been considered a high enough city priority to end up on periodic review work programs.⁸

Survey of city and district agreements

As previously noted, ORS 195 concerning agreements does not itself require notice to the department of such agreement when and if a district and a city adopt one. It is by no means clear whether such agreements are "land use decisions" requiring notice, but clearly some elements of public facilities plans are not land use decisions (see ORS 195.065(3)). While ORS 195.020, regarding general agreements allows that LCDC "... *may* provide by rule for periodic submission and review of cooperative agreements to insure that they are consistent with acknowledged comprehensive plans," LCDC has not been asked, nor has it chosen to adopt such rules. The department has no record of receiving such notices and has no records regarding service agreements. Furthermore, the requirement for counties to convene cities and districts in order to adopt such agreements also does not require notice to DLCD; the department has no record as to which counties, if any, convened local efforts toward reaching agreements.

Therefore, DLCD records were no help in determining which cities and districts have agreements. In response to the budget note, and because this note was promulgated by the Special Districts Association of Oregon (SDAO), the department worked with the SDAO to survey districts to determine which districts have adopted such an agreement. SDAO surveyed all districts in the state that are in the vicinity of cities over 10,000 in population. The survey requested districts to voluntarily provide information as to which districts have, or do not have, an active Urban Service Agreement with a city in the area that they serve. The results of the survey are Attachment 1 to this report.

The department does not know whether the budget note that is the subject of this report was based on an assumption that DLCD should have received, evaluated and/or approved such agreements. We note that, if read literally, this budget note seeks to identify particular cities that have not entered into such agreements. In discussions with the League of Cities (LOC) regarding a corresponding survey of cities, the department was informed that LOC and cities were very concerned about responding to any survey wherein particular cities would provide information that may itself lead to litigation about failure to complete agreements required by law under ORS 195. Due to this concern DLCD decided to rely only on the survey of districts undertaken by SDAO.

The SDAO survey went to all districts that serve cities over 10,000 and (for a survey) had a reasonably high response rate. The survey was sent to 150 districts and 72 responses were received. Although all districts did not respond to the survey, it may be reasonably concluded

⁸ The department is not aware of examples where districts, citizens or other interests have urged that the agreement requirement be included in a city's periodic review work program.

that ORS 195 has not resulted in completed service agreements for a substantial number of cities and districts.

Only 29 (approximately 19%) out of the 150 surveyed districts confirmed that they have signed an urban service agreement with the city for the UGB area served. Approximate 41 districts indicated that they have not entered into such agreement. However, since approximately 51% of the districts did not respond to the survey, this only gives some preliminary indication of the overall state of compliance. It may be reasonably concluded that indeed, many districts and cities comply with ORS 195 regarding service area agreements, but it also appears that a larger percentage do not comply.

Recommended options to achieve compliance

The budget note requires that this report “*shall include options to bring counties and cities into compliance with the ORS.*” The department is recommending legislation to provide a new method to ensure compliance with ORS 195.065. This legislation is a product of a work group led by the department and facilitated by Oregon Consensus. The group reached agreement on specific wording for the legislation. This product is in draft form at the time of this report, but will be submitted to Legislative Counsel to be drafted into HB 2256 or (preferably) HB 2254, bills proposed by the Department and the Governor’s office,⁹ intended to ensure that land added to urban growth boundaries is serviceable or can be made serviceable within a seven year time frame.¹⁰

The department began working in January 2012 with stakeholders on several issues related to urban growth and urban services concerns. More recently, and specifically in order to design options regarding ORS 195, the department convened a subcommittee made up of the stakeholders concerned about services agreements. This group was convened as a subcommittee of a broader committee appointed by Richard Whitman (the Governor’s Natural Resource Advisor) tasked with proposing new methods to streamline the urban growth boundary process. Membership of the “urban services agreement subcommittee” is provided as an attachment to this report. At the time of this report, that subcommittee has discussed and reached tentative agreement on principles for a legislative concept intended to ensure completion of the required urban services agreements. This concept is provided in Attachment 5 to this report.

Conclusion

The department is providing this report to the Ways and Means Committee as part of the proposed DLCD budget request. Thank you for your consideration. If there are any additional questions concerning this report, we will be happy to respond.

⁹ We note that the bill includes placeholder language at the time of this report, which the department proposes to remove and replace with the agreed legislative concept proposed by the department’s work group.

¹⁰ These bills were proposed by the department in 2012 as LC 654 and 656, introduced in the 2013 session as HB 2254 and HB 2256.

Attachments:

1. Survey and preliminary results
2. Acknowledgement dates for local comprehensive plans
3. ORS 195.060 to 195.085
4. Public Facilities Subcommittee Members
5. Proposed new legislation regarding urban service agreements

Attachment A – Survey

The following survey was sent by email from the Special Districts Association of Oregon to 150 districts. This survey was mailed to districts on January 2, 2013. Responses were still being received as late as February 24, 2013, and more may be expected. The department and SDAO intend to finalize results in consultation, but at the time of this report, have not agreed to a final survey presentation. As such, these are preliminary results.

SDAO in cooperation with the Department of Land Conservation and Development (DLCD) is surveying selected special service districts to gain information about the use of urban service agreements between districts and cities. The information could form the basis of legislation during the next session, so it is important for the survey to be returned as soon as possible.

Q1. Does your district have any written agreements with the city or cities that are within the urban growth boundary or within your district boundaries?

- a. Yes
- b. No (If no, please go to question 5)
- c. Don't Know

Q2. If yes, please indicate which most closely matches the type of agreements you have (check all that apply):

- a. Urban service agreement
- b. Emergency response agreement
- c. Shared equipment or services agreement
- d. Contract for providing services within the city
- e. Contract for the city to provide services within or to the district
- d. Other _____

Q3. Was the agreement(s) you adopted part of the comprehensive planning process or periodic review process?

- a. Yes
- b. No
- c. Don't Know

Q4. If you have an urban service agreement, please highlight the issues covered in the agreement:

- a. Service territories
- b. Annexation of territory within the district by the city
- c. Roles and responsibilities for providing services within the urban growth boundary
- d. Ownership of facilities
- e. Process for amendments to the agreement
- f. Transfer payments
- g. Other _____

Q5. Has your district and the city(s) discussed the potential for forming a regional agency for providing services?

- a. Yes
- b. No
- c. Already have a regional agency
- d. Don't know
- e.

Other _____

Please respond to Bob Rindy at DLCD and Mark Landauer at SDAO at the following email addresses:

bob.rindy@state.or.us and mlandauer@sdao.com

If you have an urban services agreement please provide a copy of that agreement as an attachment to your response.

Thank you for assisting SDAO and DLCD. If you have any other comments concerning urban service agreements please add them below.

DISTRICT	AGREEMENT?	CITY	COUNTY
Dumbeck Lane Domestic Water Supply	Yes	Albany	Benton
Grand Prairie Water Control District		Albany	Linn
North Albany R.F.P.D.		Albany	Linn
Coletin Rural Fire District		Ashland	Jackson
Corp Ranch Road Water Improvement	No	Ashland	Jackson
Greensprings Rural Fire District	No	Ashland	Jackson
Pompadour Water Improvement District	No	Ashland	Jackson
Tualatin Hills Park & Recreation District	Unclear	Beaverton	Washington
Tualatin Valley Water District		Beaverton	Washington
Bend Metro Park & Recreation District	Yes	Bend	Deschutes
Cascade View Estates Track 2		Bend	Deschutes
Deschutes County R.F.P.D. #2		Bend	Deschutes
DRRH Special Road District #6		Bend	Deschutes
Fall River Estates Special Road District	No	Bend	Deschutes
Highlands Estates Water District		Bend	Deschutes
Laidlaw Water District		Bend	Deschutes
Lazy River Special Road District		Bend	Deschutes
OWW Unit #2 Sanitary District	No	Bend	Deschutes
Pinewood Country Estates Special Road District		Bend	Deschutes
River Forest Acres Special Road District	No	Bend	Deschutes
River Meadows Improvement District		Bend	Deschutes
Starwood Sanitary District		Bend	Deschutes
Vandevent Acres Special Road District		Bend	Deschutes
Water Wonderland Improvement District	No	Bend	Deschutes
Canby R.F.P.D. #62		Canby	Clackamas
Charlotte Ann Water District	No	Central Point	Jackson
Elk City Water District		Central Point	Jackson
Rogue Valley Sewer Services	Yes	Central Point	Jackson
Westwood Subdivision Water District	No	Central Point	Jackson
Bunker Hill R.F.P.D. #1	No	Coos Bay	Coos
Bunker Hill Sanitary District		Coos Bay	Coos
Charleston Fire District		Coos Bay	Coos
Cops County Area Transit Service District	No	Coos Bay	Coos
Greenacres R.F.P.D.		Coos Bay	Coos
Millington R.F.P.D. #5		Coos Bay	Coos
Summer R.F.P.D.		Coos Bay	Coos
Cornelius R.F.P.D.		Cornelius	Washington
Adair R.F.P.D.		Corvallis	Benton
Chinook Drive Special Road District	No	Corvallis	Benton
Corvallis R.F.P.D.	No	Corvallis	Benton
Country Estates Road District		Corvallis	Benton
McDonald Forest Estates Special Road District		Corvallis	Benton
Oakwood Heights Road District	No	Corvallis	Benton
Ridgewood District Improvement Company		Corvallis	Benton
Ridgewood Road District		Corvallis	Benton
Vineyard Mountain Park & Recreation District	No	Corvallis	Benton
Vineyard Mountain Special Road District		Corvallis	Benton
Westwood Hills Road District	No	Corvallis	Benton
Grand Ronde Sanitary District		Dallas	Polk
Southwestern-Polk County R.F.P.D.	Yes	Dallas	Polk
Bailey-Spencer R.F.P.D.		Eugene	Lane
Eugene R.F.P.D. # 1	Yes	Eugene	Lane
Goshen R.F.P.D.		Eugene	Lane
Lorane R.F.P.D.		Eugene	Lane
River Road Park & Recreation District	No	Eugene	Lane
River Road Water District		Eugene	Lane
Santa Clara R.F.P.D.	Yes	Eugene	Lane
Zumwalt R.F.P.D.		Eugene	Lane
Forest Grove R.F.P.D.	Yes	Forest Grove	Washington
Apple Rogue District Improvement Company		Grants Pass	Josephine
Merlin-North Valley Sanitary District		Grants Pass	Josephine
South Sherman Fire District		Grass Valley	Sherman
Pleasant Home Water District		Gresham	Multnomah
Lusted Water District		Gresham	Washington
Sunrise Water Authority	Yes	Happy Valley	Clackamas
Hermiston Fire and Emergency Services	No	Hermiston	Umatilla
Clean Water Services		Hillsboro	Washington
Keizer R.F.P.D.	No	Keizer	Marion
Basin Transit Service Transportation District	Yes	Klamath Falls	Klamath
Falcon Heights Water and Sewer	Yes	Klamath Falls	Klamath
Klamath Basin Improvement District		Klamath Falls	Klamath
Klamath County Fire District #1		Klamath Falls	Klamath
Klamath County Fire District #4	Yes	Klamath Falls	Klamath
Merrill Park District	Yes	Klamath Falls	Klamath
Pine Grove Water District-Klamath Falls	No	Klamath Falls	Klamath
Pioneer District Improvement Company	No	Klamath Falls	Klamath
Poe Valley Park & Recreation District	No	Klamath Falls	Klamath
Rocky Point Fire & EMS		Klamath Falls	Klamath
Skyline View District Improvement Company		Klamath Falls	Klamath
South Suburban Sanitary District	Yes	Klamath Falls	Klamath
Ward Memorial Park District		Klamath Falls	Klamath
Island City Area Sanitation District	Yes	La Grande	Union
La Grande R.F.P.D.		La Grande	Union
Lake Grove R.F.P.D. No. 57	No	Lake Oswego	Clackamas
Lake Grove Water District		Lake Oswego	Clackamas
Palatine Hill Water District		Lake Oswego	Clackamas
Riverbend Riverbank Water Improvement District	No	Lake Oswego	Clackamas
Rivergrove Water District	Yes	Lake Oswego	Clackamas
McMinnville R.F.P.D.	Yes	McMinnville	Yamhill
Fern Valley Estates Improvement District	No	Medford	Jackson
Jacksonville Highway Water District		Medford	Jackson
Medford R.F.P.D. #2		Medford	Jackson
Roque Valley Transportation District	No	Medford	Jackson
Table Rock District Improvement Company		Medford	Jackson
Clackamas County Fire District #1		Milwaukie	Clackamas
North Clackamas County Water Commission		Milwaukie	Clackamas
Oak Lodge Sanitary District	No	Milwaukie	Clackamas
Oak Lodge Water District	No	Milwaukie	Clackamas
Chehalum Park & Recreation District		Newberg	Yamhill
Newberg R.F.P.D.	Yes	Newberg	Yamhill
Ontario R.F.P.D.	Yes	Ontario	Malheur
Clackamas River Water Providers		Oregon City	Clackamas
South Fork Water Board		Oregon City	Clackamas
Marion Jack Improvement District	No	Pendleton	Umatilla
Mckay Acres Improvement District		Pendleton	Umatilla

An urban service agreement has never been completed between THPRD, the City of Beaverton and Washington County but both the County and the City recognize THPRD as the provider of park and recreation services for the Beaverton area in their comprehensive plans

In negotiation w Eugene

They have Mutual aid agreement, does that count?

Emergency response agreement

Outside UGB?

McKav Dam R.F.P.D. # 7-410		Pendleton	Umatilla
Rieth Sanitary District	No	Pendleton	Umatilla
Rieth Water District	No	Pendleton	Umatilla
Riverside Mission Water Control District		Pendleton	Umatilla
Raleigh Water District		Portland	Multnomah
Riverdale R.F.P.D. 11-JT	Yes	Portland	Multnomah "contract w city of LO to provide services to Riverdale district"
Sauvie Island Volunteer Fire District #30J	Yes	Portland	Multnomah
Valley View Water District	Yes	Portland	Multnomah
West Slope Water District	No	Portland	Multnomah
Willamette River Water Coalition		Portland	Washington
Chaparral Water Control District		Redmond	Deschutes
Hidden Valley Mobile Estates Improvement District	No	Redmond	Deschutes
Redmond Area Park & Recreation District		Redmond	Deschutes
Redmond Fire And Rescue		Redmond	Deschutes
Rimrock West Improvement District	No	Redmond	Deschutes
Douglas County Fire District #2	No	Roseburg	Douglas
Green Sanitary District	No	Roseburg	Douglas
Lookingglass Olalla Water Control District		Roseburg	Douglas
Robert Creek Water District		Roseburg	Douglas
Roseburg Urban Sanitary Authority		Roseburg	Douglas
Umpqua Basin Water Association, Inc.	Yes	Roseburg	Douglas
Upper Cleveland Rapid Road District		Roseburg	Douglas
Lake Labish Water Control District		Salem	Marion
Marion County Fire District #1		Salem	Marion
Salem Area Mass Transit District	Yes	Salem	Marion
Salem Suburban R.F.P.D.		Salem	Marion
Suburban East Salem Water District	Yes	Salem	Marion
Glenwood Water District		Springfield	Lane
Lane Transit District		Springfield	Lane
Marcola Water District		Springfield	Lane
Rainbow Water District	Yes	Springfield	Lane
Santa Clara Water District	No	Springfield	Lane
Willakenzie R.F.P.D.	Yes?	Springfield	Lane
Willamalane Park & Recreation District	Yes	Springfield	Lane
Columbia River Fire & Rescue		St. Helens	Columbia
Greater St. Helens Park & Recreation District	No	St. Helens	Columbia
Burlington Water District	Yes	St. Helens	Multnomah
Mid-Columbia Fire and Rescue		The Dalles	Wasco
Northern Wasco County Park & Recreation District		The Dalles	Wasco
Tooley Water District		The Dalles	Wasco
Tidard Tushahn Aquatic District	Yes	Tidard	Washington As agreement when district was formed
Tufts Valley Fire & Rescue		Tidard	Washington
Multnomah County R.F.P.D. #10	Yes	Troutdale	Multnomah
Monitor R.F.P.D.		Woodburn	Marion

150 Cities

72 responses
29 Yes
2 ambiguous
41 No

Jurisdiction	Acknowledgment Date
Adair Village	4/16/1982
Adams	12/6/1979
Adrian	10/6/1983
Albany	11/19/1982
Amity	3/6/1980
Antelope	10/6/1978
Arlington	9/15/1978
Ashland	10/7/1983*
Astoria	3/11/1983
Athena	12/6/1979
Aumsville	5/3/1979
Aurora	1/27/1983
Baker City	1/30/1980
BAKER COUNTY	4/24/1986
Bandon	5/31/1984*
Banks	12/11/1981
Barlow	9/6/1979
Bay City	1/30/1980
Beaverton	3/20/1981
Bend	6/25/1981
BENTON COUNTY	12/16/1983*
Boardman	2/10/1978
Bonanza	3/11/1983
Brookings	1/27/1983*
Brownsville	2/4/1982
Burns	7/14/1983
Butte Falls	11/16/1983
Canby	4/26/1984
Cannon Beach	6/5/1980
Canyon City	12/14/1984*
Canyonville	11/19/1982
Carlton	3/6/1980
Cascade Locks	10/6/1978
Cave Junction	11/15/1984
Central Point	10/8/1976
Chiloquin	6/1/1984
CLACKAMAS COUNTY	12/21/1982*
CLACKAMAS COUNTY	10/30/1981*
Clatskanie	9/13/1984
CLATSOP COUNTY	5/31/1984*
Coburg	12/9/1982
Columbia City	4/26/1984
COLUMBIA COUNTY	7/25/1985

Condon	7/8/1977
Coos Bay	10/6/1983*
<u>COOS COUNTY</u>	<u>9/12/1985*</u>
Coquille	8/19/1982
Cornelius	7/10/1980
Corvallis	3/15/1984
Cottage Grove	1/29/1981
Cove	7/19/1984
Creswell	12/9/1982
<u>CROOK COUNTY</u>	<u>2/9/1979</u>
Culver	9/15/1978
<u>CURRY COUNTY</u>	<u>2/3/1984*</u>
Dallas	7/12/1979
Damascus	
Dayton	11/9/1979
Dayville	4/18/1985
Depoe Bay	7/8/1982
<u>DESCHUTES COUNTY</u>	<u>4/30/81*</u>
Detroit	7/12/1979
Donald	10/20/1978
<u>DOUGLAS COUNTY</u>	
<u>DOUGLAS COUNTY</u>	<u>12/10/82*</u>
Drain	4/2/1982
Dufur	10/6/1978
Dundee	5/5/1978
Dunes City	10/12/1979
Durham	12/14/1979
Eagle Point	11/19/1982
Echo	1/30/1980
Elgin	3/15/1984
Elkton	2/5/1982
Enterprise	8/25/1983*
Estacada	2/3/1984
Eugene	2/11/1977*
Eugene/Springfield	
Fairview	7/10/1980
Falls City	1/30/1980
Florence	6/2/1983
Forest Grove	11/16/1983
Fossil	4/2/1982
Garibaldi	11/15/1984*
Gaston	12/11/1981
Gates	10/20/1978
Gearhart	8/25/1983
Gervais	5/8/1980

GILLIAM COUNTY	7/8/1977
Gladstone	1/29/1981
Glendale	4/26/1984
Gold Beach	1/27/1983*
Gold Hill	12/13/1984
Granite	8/7/1986
GRANT COUNTY	8/7/1986
Grants Pass	1/31/1985*
Grass Valley	10/6/1978
Greenhorn	1/30/1986
Gresham	10/30/1980
Haines	9/4/1980
Halfway	6/25/1981
Halsey	11/19/1982
Happy Valley	9/12/1985
HARNEY COUNTY	4/27/1984*
Harrisburg	10/1/1982
Helix	12/6/1979
Heppner	7/10/1980
Hermiston	7/20/1984
Hillsboro	3/16/1984
Hines	3/6/1980
Hood River (City)	2/3/1984*
HOOD RIVER COUNTY	12/14/1984
Hubbard	2/23/1978
Huntington	10/30/1980
Idanha	7/12/1979
Imbler	6/25/1981
Independence	7/10/1980
Ione	7/10/1980
Irrigon	2/9/1979
Island City	9/13/1984
JACKSON COUNTY	4/22/1983
Jacksonville	7/20/1984
Jefferson (City)	1/12/1979
JEFFERSON COUNTY	6/2/1983*
John Day	3/7/1985
Johnson City	9/4/1980
Jordan Valley	10/29/1981
Joseph	7/12/1979
JOSEPHINE COUNTY	11/22/1985
Junction City	11/19/1982
Keizer	5/20/1982*
King City	12/10/1976
KLAMATH COUNTY	6/1/1984*

Klamath Falls	6/1/1984*
La Grande	3/15/1984
La Pine	1/1/2007
Lafayette	11/9/1979
<u>LAKE COUNTY</u>	<u>7/8/1982</u>
Lake Oswego	9/13/1984*
Lakeside	1/29/1981
Lakeview	10/1/1982
<u>LANE COUNTY</u>	
<u>LANE COUNTY</u>	<u>9/13/1984*</u>
Lebanon	2/4/1982
Lexington	10/11/1979
Lincoln City	7/19/1984
<u>LINCOLN COUNTY</u>	<u>12/10/1982*</u>
<u>LINN COUNTY</u>	<u>6/20/1985*</u>
Lonrock	9/15/1978
Long Creek	6/20/1985
Lostine	11/4/1977
Lowell	3/12/1982
Lyons	12/10/1981
Madras	1/30/1980
<u>MALHEUR COUNTY</u>	<u>6/14/1984*</u>
Malin	6/2/1983
Manzanita	7/10/1980
<u>MARION COUNTY</u>	<u>5/20/1982*</u>
Maupin	8/7/1980
Maywood Park	1/12/1979
McMinnville	6/3/1983
Medford	10/8/1976*
Merrill	6/2/1983
Metolius	7/12/1979
<u>Metro</u>	<u>12/14/1979*</u>
Mill City	2/4/1982
Millersburg	10/7/1983
Milton-Freewater	3/6/1980
Milwaukie	1/29/1981
Mitchell	4/2/1982
Molalla	10/30/1981
Monmouth	9/6/1979
Monroe	5/8/1980
Monument	4/18/1985
Moro	10/6/1978
<u>MORROW COUNTY</u>	<u>1/30/1986*</u>
Mosier	12/1/1978
Mt. Angel	10/20/1978

Mt. Vernon	6/20/1985
<u>MULTNOMAH COUNTY</u>	<u>10/30/1980</u>
<u>MULTNOMAH COUNTY</u>	
Myrtle Creek	3/15/1984
Myrtle Point	12/10/1981
Nehalem	3/16/1984
Newberg	8/6/1981
Newport	6/1/1984
North Bend	11/16/1983*
North Plains	12/11/1981
North Powder	10/6/1983
Nyssa	11/22/1985
Oakland	12/10/1981
Oakridge	10/1/1982
Ontario	5/22/1985
Oregon City	4/16/1982
Paisley	5/8/1980
Pendleton	11/17/1983
Philomath	7/14/1983
Phoenix	11/15/1984
Pilot Rock	10/11/1979
<u>POLK COUNTY</u>	<u>3/19/1981*</u>
Port Orford	11/4/1977
Portland	5/1/1981
Powers	4/15/1982
Prairie City	1/31/1985
Prescott	9/4/1980
Prineville	2/9/1979
Rainier	8/25/1983
Redmond	3/20/1981
Reedsport	4/26/1984
Richland	4/30/1981
Riddle	11/19/1982
Rivergrove	12/9/1982
Rockaway Beach	4/21/1983
Rogue River	10/11/1984*
Roseburg	12/13/1984
Rufus	10/6/1978
Salem	5/20/1982*
Sandy	2/5/1982
Scappoose	11/17/1983*
Scio	9/24/1981
Scotts Mills	10/20/1978

Seaside	7/19/1984*
Seneca	12/14/1984
Shady Cove	9/15/1978
Shaniko	10/6/1978
Sheridan	7/10/1980
SHERMAN COUNTY	6/8/1979
Sherwood	5/1/1981
Siletz	5/21/1982
Silverton	9/4/1980
Sisters	2/5/1982
Sodaville	10/30/1980
Spray	4/2/1982
Springfield	8/19/1982*
St. Helens	11/16/1984*
St. Paul	10/20/1978
Stanfield	11/15/1984
Stayton	4/10/1980
Sublimity	9/6/1979
Summerville	9/24/1981
Sumpter	4/26/1984
Sutherlin	5/31/1984
Sweet Home	4/15/1982
Talent	4/15/1982
Tangent	5/23/1985
The Dalles	8/25/1983
Tigard	10/11/1984
Tillamook (City)	6/1/1984
TILLAMOOK COUNTY	3/16/1984
Toledo	4/21/1983*
Troutdale	8/25/1983
Tualatin	9/24/1981
Turner	1/27/1983
Ukiah	6/8/1979
Umatilla (City)	2/10/1978
UMATILLA COUNTY	10/24/1985*
Union (City)	9/13/1984
UNION COUNTY	6/20/1985
Unity	12/10/1981
Vale	7/25/1985
Veneta	4/10/1980
Vernonia	8/19/1982
Waldport	1/27/1983*
Wallowa (City)	8/25/1983
WALLOWA COUNTY	7/7/1978
Warrenton	7/14/1983

Wasco (City)	10/6/1978
<u>WASCO COUNTY</u>	<u>8/25/1983*</u>
<u>WASHINGTON COUNTY</u>	<u>10/7/1983*</u>
<u>WASHINGTON COUNTY</u>	
Waterloo	3/19/1981
West Linn	5/31/1984
Westfir	10/31/1980
Weston	12/6/1979
Wheeler (City)	12/5/1980
<u>WHEELER COUNTY</u>	<u>6/14/1984</u>
Willamina	3/6/1980
Wilsonville	8/19/1982
Winston	4/21/1983
Wood Village	12/11/1981
Woodburn	3/12/1981
Yachats	10/11/1984*
Yamhill (City)	11/9/1979
<u>YAMHILL COUNTY</u>	<u>6/5/1980</u>
Yoncalla	12/9/1982
Total	

195.060 Definitions. As used in ORS 195.020, 195.065 to 195.085 and 197.005, unless the context requires otherwise:

(1) "District" has the meaning given that term in ORS 198.010. In addition, the term includes a county service district organized under ORS chapter 451.

(2) "Urban growth boundary" means an acknowledged urban growth boundary contained in a city or county comprehensive plan or an acknowledged urban growth boundary that has been adopted by a metropolitan service district council under ORS 268.390 (3).

(3) "Urban service" has the meaning given that term in ORS 195.065. [1993 c.804 §12]

195.065 Agreements required; contents; county responsibilities. (1) Under ORS 190.003 to 190.130, units of local government and special districts that provide an urban service to an area within an urban growth boundary that has a population greater than 2,500 persons, and that are identified as appropriate parties by a cooperative agreement under ORS 195.020, shall enter into urban service agreements that:

(a) Specify whether the urban service will be provided in the future by a city, county, district, authority or a combination of one or more cities, counties, districts or authorities.

(b) Set forth the functional role of each service provider in the future provision of the urban service.

(c) Determine the future service area for each provider of the urban service.

(d) Assign responsibilities for:

(A) Planning and coordinating provision of the urban service with other urban services;

(B) Planning, constructing and maintaining service facilities; and

(C) Managing and administering provision of services to urban users.

(e) Define the terms of necessary transitions in provision of urban services, ownership of facilities, annexation of service territory, transfer of moneys or project responsibility for projects proposed on a plan of the city or district prepared pursuant to ORS 223.309 and merger of service providers or other measures for enhancing the cost efficiency of providing urban services.

(f) Establish a process for review and modification of the urban service agreement.

(2)(a) Each county shall have responsibility for convening representatives of all cities and special districts that provide or declare an interest in providing an urban service inside an urban growth boundary within the county, for the purpose of negotiating an urban service agreement. A county may establish two or more subareas inside an urban growth boundary for the purpose of such agreements. If

an urban service is to be provided within the boundaries of a Metropolitan Service District, a county shall notify the Metropolitan Service District in advance of the time for cities and special districts to meet for the purpose of negotiating an urban service agreement, and the Metropolitan Service District shall exercise its review, advisory and coordination functions under ORS 195.025.

(b) When negotiating for an urban service agreement, a county shall consult with recognized community planning organizations within the area affected by the urban service agreement.

(3) Decisions on a local government structure to be used to deliver an urban service under ORS 195.070 are not land use decisions under ORS 197.015.

(4) For purposes of ORS 195.020, 195.070, 195.075, 197.005 and this section, "urban services" means:

- (a) Sanitary sewers;
- (b) Water;
- (c) Fire protection;
- (d) Parks;
- (e) Open space;
- (f) Recreation; and
- (g) Streets, roads and mass transit.

(5) Whether the requirement of subsection (1) of this section is met by a single urban service agreement among multiple providers of a service, by a series of agreements with individual providers or by a combination of multiprovider and single-provider agreements shall be a matter of local discretion.
[1993 c.804 §3]

195.070 Agreement factors. (1) The following factors shall be considered in establishing urban service agreements under ORS 195.065:

- (a) Financial, operational and managerial capacity to provide the service;
- (b) The effect on the cost of the urban service to the users of the service, the quality and quantity of the service provided and the ability of urban service users to identify and contact service providers, and to determine their accountability, with ease;
- (c) Physical factors related to the provision of the urban service;
- (d) The feasibility of creating a new entity for the provision of the urban service;

- (e) The elimination or avoidance of unnecessary duplication of facilities;
- (f) Economic, demographic and sociological trends and projections relevant to the provision of the urban service;
- (g) The allocation of charges among urban service users in a manner that reflects differences in the costs of providing services to the users;
- (h) Matching the recipients of tax supported urban services with the payers of the tax;
- (i) The equitable allocation of costs between new development and prior development; and
- (j) Economies of scale.

(2) The extent of consideration of the factors set forth in subsection (1) of this section is a matter of local government and special district discretion. [1993 c.804 §4]

195.075 Agreement provisions and considerations. (1) Urban service agreements entered into under ORS 195.065 shall provide for the continuation of an adequate level of urban services to the entire area that each provider serves. If an urban service agreement calls for significant reductions in the territory of a special service district, the urban service agreement shall specify how the remaining portion of the district is to receive services in an affordable manner.

(2) Units of local government and special districts that enter into an urban service agreement shall consider the agreement's effect on the financial integrity and operational ability of each service provider and its protection of the solvency and commitments of affected service providers. When an urban service agreement provides for the elimination, consolidation or reduction in size of a service provider, the urban service agreement shall address:

- (a) The capital debt of the provider and short- and long-term finances;
- (b) Rates;
- (c) Employee compensation, benefits and job security; and
- (d) Equality of service. [1993 c.804 §5]

195.080 Application of comprehensive plans and land use regulations. Nothing in ORS 195.020, 195.060 to 195.085, 195.205 to 195.235, 197.005, 197.319, 197.320, 197.335 and 223.304 shall be construed to prevent planning for, installation of or connection to public facilities or services consistent with acknowledged comprehensive plans and land use regulations. [1993 c.804 §6]

195.085 Compliance deadlines. (1) No later than the first periodic review that begins after November 4, 1993, local governments and special districts shall demonstrate compliance with ORS 195.020 and 195.065.

(2) The Land Conservation and Development Commission may adjust the deadline for compliance under this section when cities and counties that are parties to an agreement under ORS 195.020 and 195.065 are scheduled for periodic review at different times.

(3) Local governments and special districts that are parties to an agreement in effect on November 4, 1993, which provides for the future provision of an urban service shall demonstrate compliance with ORS 195.065 no later than the date such agreement expires or the second periodic review that begins after November 4, 1993, whichever comes first. [1993 c.804 §§7,8]

Members of urban services agreement subcommittee:

Steve Bryant – Consensus Oregon facilitator

Erin Doyle – League of Oregon Cities

Mark Landauer – Special Districts Association

Burton Weast – Special Districts Association

Mark Yeager – City of Albany

Jon Chandler – Home Builder's Association

David Hunnicutt – Oregonians in Action

Glenn Klein – League of Oregon Cities

Michael Eliason –Association of Oregon Counties

Bob Rindy – DLCD

Gordon Howard – DLCD

Urban Services Subcommittee Proposed Legislative Concept Regarding Urban Service Agreements

February 21, 2013

The following process would be in addition to, not in lieu of the USA provisions in ORS chapter 195 (except that if a city completed the following process, then the city no longer would be subject to the chapter 195 provisions):

1. Each time a city undertakes its locational analysis under the new "large city expedited UGB process", a city must notify each district that (a) has territory that may potentially be in the UGB expansion area, and (b) is either a domestic water district, sanitary district, fire district or parks and recreation district. Should such a district conclude that it does not need or want a USA with the city it must so inform the city within 60 days of notification in writing, then the city may complete the expedited UGB process without having an agreement with that district. Notification shall include information necessary to inform the district of the lands under consideration for UGB expansion, the requirements for the USA, and other notice as to the process for reaching the USA as determined by rule.
2. The USA must address the following factors:
 - a. Financial, operational and managerial capacity to provide the service;
 - b. The effect on the cost of the urban service to the users of the service, the quality and quantity of the service provided and the ability of urban service users to identify and contact service providers, and to determine their accountability, with ease;
 - c. The feasibility of creating a new entity for the provision of the urban service;
 - d. The elimination or avoidance of unnecessary duplication of facilities; and
 - e. Economies of scale.
3. After notification, the following process must occur:
 - a. Following notification of the potential UGB expansion, city and district must meet to develop agreement within sixty days. If a district informed the city in writing within sixty day that the district did not need an urban service agreement, a written USA would state that the city and the district agree that there is no USA, which would be deemed by rule a final USA that meets the requirements of this section. Such an agreement must be reviewed and reaffirmed whenever a city seeks to expand its UGB within the special district's territory.
 - b. If the city and district were unable to reach agreement on a USA after 6 months from the time of the first meeting, then either city or district could move the process to the "mediation" phase. The city and district would each designate someone (or ideally, would ask LOC and SDAO to each designate someone) to work with the parties to develop a USA. The objective would be to have 2 individuals who are generally familiar with city and district issues and also have experience in working with USAs, and could help the city and district develop an agreement that makes sense. The city would be responsible

for costs of the city/LOC appointee, and the district would be responsible for the costs of the district/SDAO appointee.

c. If the 2 "mediators" were unable to assist the city and district in reaching an agreement after 6 months, then either the city or district could move the process to the "arbitration" phase. The 2 mediators would jointly select a 3rd individual, and then the 3 individuals would form an arbitration panel and come up with an agreement that would become the USA. If the 2 mediators were unable to agree on the 3rd person, then a 3rd person would be selected from a list of qualified arbitrators provided by the DLCD. The DLCD will establish rules determining the process for selecting the third person if the city and districts cannot agree on an individual. The cost of the 3rd person would be borne equally by the city and the district.

d. The arbitration panel could not require either party to

(1) pay the other party as part of the agreement, unless the agreement involved the transfer of physical assets, in which case the agreement could require the payment of the fair market value of those assets, or if a party offered payment as part of prior negotiation, in which case the agreement could require a portion or all of that payment;

(2) prevent a city from including property inside its UGB,

(3) prohibit a city from annexing property inside the UGB, or

(4) require the city to take some other action that violated a state law or city charter.

e. The arbitration panel must consider provisions located at ORS 222.460 through 222.580, including ORS 222.510.

f. There would be no appeal of the arbitration panel, except if the arbitration panel included a requirement prohibited by paragraph (d).

4. Until an agreement is finalized, either through negotiations or through final arbitration, the city cannot withdraw territory from a district's service territory.

10% REDUCTIONS OPTIONS (ORS 291.216)

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2013-15 AND 2015-17)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
5% Reduction in General Fund			
1. Hire no state temporary services & potential 2-3 vacancy savings in 2013-15.	<p>Proposal requests one time action to meet 2013-15 budgetary needs. Decreases capacity of department to hire personnel for limited, short term projects.</p> <p>No effect on Position/FTE.</p>	\$100,922 GF	1
2. Reduce funding for Measure 49 attorney general.	<p>Proposal requests one time action to meet 2013-15 budgetary needs. Decreases funding for attorney general costs related to litigation under Measure 49 program. DLCD and DOJ continue to refine budgetary needs. Department may need to seek additional funding levels from future Emergency Board if litigation expenses rise above adjusted 2013-15 authorized budget.</p> <p>No effect on Position/FTE.</p>	\$147,929 GF	2
3. Temporarily reduce FTE in Administrative Services Division.	<p>Proposal requests one time action to meet 2013-15 budgetary needs.</p> <p>Administrative Services: Temporarily reduce 0.80 FTE administrative staff. 0.20 Federal Fund portion of position would be reallocated within federal grant. Reassignment of duties to already overburdened professional and administrative staff occurs.</p>	\$102,076 GF	3

10% REDUCTIONS OPTIONS (ORS 291.216)

4. Reduce General Fund grants to local governments.	Request proposes a one-time action to meet 2013-15 budgetary needs. Decrease in funding impacts department ability to provide technical assistance and outreach. At this funding level, department would likely not fund two to four additional local planning projects that would have otherwise been funded. Most grants provide funds for economic development, streamlining and infrastructure projects.	\$263,027 GF	4
10% Reduction in General Fund			
5. Reduce funding for Measure 49 attorney general.	Decreases funding for attorney general costs related to litigation under Measure 49 program. DLCD and DOJ continue to refine budgetary needs. Department may need to seek additional funding levels from future Emergency Board if litigation expenses rise above adjusted 2013-15 authorized budget.	\$15,659 GF	5
6. Temporarily reduce FTE in Planning Services Division, Community Services Division, and Director's Office.	Request proposes one-time action to meet 2013-15 budgetary needs. **Planning Services: Reduce 0.50 FTE of professional position. Reduce 0.50 FTE of an additional professional position. **Community Services: Reduce 0.50 FTE of administrative position. **Director's Office: Reduce 0.38 FTE of administrative position. Reduction at this level will significantly impact the department's ability to assist local governments in their planning efforts and ability of department to carry out	\$302,059	6

10% REDUCTIONS OPTIONS (ORS 291.216)

	policy-making directed by the Land Conservation and Development Commission. Statutory requirements likely would have to be amended to lengthen timelines for DLCD review or eliminate agency review of some land use decisions. Significant restructuring of agency operations also likely to be required.		
7. Temporarily reduce additional General Fund grants to local governments.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduce General Fund Grant Program by an additional 5%. Decrease in funding impacts department ability to provide technical assistance and outreach. At this funding level, department would likely not fund an additional two to four local planning projects that would have otherwise been funded. Most grants provide funds for economic development, streamlining and infrastructure projects.	\$295,776	7
5% Reduction in Other Funds			
8. Temporarily reduce FTE of Planning Services Division.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduce approximately 0.33 FTE of a 0.70 Other Funded professional position. Reduction significantly impacts timely responses and ability of department to participate in the joint ODOT/DLCD Transportation and Growth Management program. Position at this level would not be hired. Any remaining Other Funded FTE for the position would be available for later reduction in revenue shortfall scenarios.	\$41,535 OF	1

10% REDUCTIONS OPTIONS (ORS 291.216)

10% Reduction in Other Funds			
9. Temporarily reduce FTE of Planning Services Division.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduce an additional 0.33 FTE of a 0.70 Other Funded professional position.	\$41,535 OF	2
5% Reduction in Federal Funds			
10. Reduce Federal Fund grants to local coastal communities.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduction of special payments to coastal communities at this funding level is approximately 36% of 2011-13 funding levels. Reduction significantly impacts department ability to provide technical assistance and outreach. Funding at this level will impact local jurisdiction capacity to accomplish land use planning activities.	\$294,877 FF	1
10% Reduction in Federal Funds			
11. Temporarily reduce Federal Fund grants to local coastal communities.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduction of special payments to coastal communities at this funding level is an additional 30% of 2011-13 funding levels. Reduction significantly impacts department ability to provide technical assistance and outreach. Funding at this level will impact local jurisdiction capacity to accomplish land use planning activities.	\$245,952 FF	2
12. Temporarily reduce professional services.	Request proposes a one-time action to meet 2013-15 budgetary needs. Reduction significantly reduces capacity of FEMA program to contract for services related to natural hazards planning and mitigation.	\$48,924 FF	3

10% REDUCTIONS OPTIONS (ORS 291.216)

CRITERIA FOR REDUCTIONS ARE AS FOLLOWS:

1. Preserve capacity to complete UGB and urban reserve reviews in a timely fashion.
2. Maintain other statutory responsibilities at minimal levels including:
 - * Plan amendment review and periodic review; and
 - * Financial and technical assistance to local planning departments
3. Maintain critical capacity to resolve *major* land use issues (TPR and employment lands work).
4. Minimize effects on field staff and capacity to provide direct technical assistance to communities.

Planning Assistance offered to all cities smaller than 2,500 population, and counties smaller than 15,000 for every day planning support.

City	Amount	City	Amount	City	Amount
Adams	\$1,000	Hines	\$1,000	Shaniko	\$1,000
Amity	\$1,000	Idanha	\$1,000	Siltez	\$1,000
Arlington	\$1,000	Imbler	\$1,000	Sisters	\$1,000
Athena	\$1,000	Ione	\$1,000	Sodaville	\$1,000
Aurora	\$1,000	Irrigon	\$1,000	Spray	\$1,000
Banks	\$1,000	John Day	\$1,000	St. Paul	\$1,000
Bay City	\$1,000	Joseph	\$1,000	Stanfield	\$1,000
Bonanza	\$1,000	Lakeside	\$1,000	Summerville	\$1,000
Brownsville	\$1,000	Lakeview	\$1,000	Sumpter	\$1,000
Butte Falls	\$1,000	La Pine	\$1,000	Tangent	\$1,000
Cannon Beach	\$1,000	Lexington	\$1,000	Turner	\$1,000
Canyon City	\$1,000	Lonerock	\$1,000	Ukiah	\$1,000
Canyonville	\$1,000	Long Creek	\$1,000	Union (City)	\$1,000
Carlton	\$1,000	Lostine	\$1,000	Unity	\$1,000
Cascade Locks	\$1,000	Lowell	\$1,000	Vale	\$1,000
Cave Junction	\$1,000	Lyons	\$1,000	Vernonia	\$1,000
Columbia City	\$1,000	Malin	\$1,000	Waldport	\$1,000
Condon	\$1,000	Manzanita	\$1,000	Wallowa (City)	\$1,000
Cove	\$1,000	Maupin	\$1,000	Wasco (City)	\$1,000
Culver	\$1,000	Merrill	\$1,000	Waterloo	\$1,000
Dayville	\$1,000	Metolius	\$1,000	Westfir	\$1,000
Depoe Bay	\$1,000	Mill City	\$1,000	Weston	\$1,000
Detroit	\$1,000	Millersburg	\$1,000	Wheeler (City)	\$1,000
Drain	\$1,000	Mitchell	\$1,000	Willamina	\$1,000
Dufur	\$1,000	Monroe	\$1,000	Yachats	\$1,000
Dunes City	\$1,000	Moro	\$1,000	Yamhill (City)	\$1,000
Durham	\$1,000	Mosier	\$1,000	Yoncalla	\$1,000
Echo	\$1,000	Mount Vernon	\$1,000		
Elgin	\$1,000	Nehalem	\$1,000		
Elkton	\$1,000	North Plains	\$1,000	County	Amount
Enterprise	\$1,000	North Powder	\$1,000	Gilliam County	\$3,500
Falls City	\$1,000	Oakland	\$1,000	Grant County	\$3,500
Fossil	\$1,000	Paisley	\$1,000	Harney County	\$3,500
Garibaldi	\$1,000	Pilot Rock	\$1,000	Lake County	\$3,500
Gaston	\$1,000	Port Orford	\$1,000	Morrow County	\$3,500
Gates	\$1,000	Powers	\$1,000	Sherman County	\$3,500
Gearhart	\$1,000	Prairie City	\$1,000	Wallowa County	\$3,500
Gervais	\$1,000	Rainier	\$1,000	Wheeler County	\$3,500

Columbia River Gorge Scenic Area: To assist Hood River, Multnomah and Wasco counties in their responsibilities in planning and implementing the requirements of the National Scenic Area Act.

The Counties received the follow: **Hood River - \$80,000, Multnomah - \$70,000, Wasco - \$90,000**

Periodic Review assists local governments in startup and completion of periodic review tasks.

City/ County	Amount	City/ County	Amount
Benton County	\$11,500	City of Pendleton	\$130,000
City of Forest Grove	\$70,000	Portland	\$100,000
City of Hermiston	\$125,000	The Dalles	\$150,000
City of Lake Oswego	\$30,000	Tigard	\$45,000
City of Keizer	\$70,000	Troutdale	\$80,000

Dispute Resolution assists local governments in providing collaborative dispute resolution services related to land use disputes.

The local governments receiving funds:

PSU-Oregon Census Program – Land Use Dispute Mediation Services - \$8,000
PSU-Oregon Census Program – Land Use Dispute Training Development-\$12,000

Technical Assistance assists local governments in the update or planning, ordinances, and/or conducts other needed planning projects outside periodic review. Also used for Dispute Resolution.

City/ County	Description	Amount
City of Adams	Comprehensive Plan Update	\$1,500
Clackamas County	Population Coordination	\$42,000
City of Columbia City	Wastewater System Facilities Plan	\$20,000
City of Coquille	Economic Opportunity Analysis	\$18,000
Central Oregon Intergovernmental Council	Regional Economic Opportunity Analysis	\$35,841
Harney County	Goal 5 Sage Grouse	\$60,000
Lane Council of Governments	Water Assessment Project Phase III	\$52,500
Mid-Willamette Valley-COG-Hubbard	Public Facilities Plan and UGB	\$40,000
Rogue Valley-COG	Regional Problem Solving Implement	\$20,000
City of Tillamook	Economic Opportunity Analysis	\$25,000
City of Vernonia	Goal 9 Update and Zoning Reallocation	\$6,000
Wasco County	Streamlining Review	\$15,000
RVCOG	Executive Order 12-07 - Douglas, Jackson, Josephine Counties Pilot Program	\$350,000
Yamhill County	Population Coordination Study to 2032	\$45,000

ALLOCATION OF COASTAL GRANTS (2011-2013)

Description	Technical Assistance		Total
	Basic Planning Grants	Grants	
Astoria	\$19,000	\$8,000	\$27,000
Bandon	\$9,500	\$0	\$9,500
Bay City	\$5,700	\$0	\$5,700
Brookings	\$11,400	\$0	\$11,400
Cannon Beach	\$5,700	\$0	\$5,700
Clatsop County	\$32,300	\$0	\$32,300
CREST	\$66,500	\$0	\$66,500
Coos Bay	\$30,400	\$1,983	\$32,383
Coos County	\$68,400	\$0	\$68,400
Coquille	\$9,500	\$0	\$9,500
Curry County	\$56,300	\$5,000	\$61,300
Depoe Bay	\$5,700	\$0	\$5,700
Douglas County	\$19,000	\$0	\$19,000
Dunes City	\$5,700	\$0	\$5,700
Florence	\$15,200	\$0	\$15,200
Garibaldi	\$5,700	\$4,000	\$9,700
Gearhart	\$7,600	\$0	\$7,600
Gold Beach	\$9,500	\$0	\$9,500
Lakeside	\$5,700	\$6,000	\$11,700
Lincoln City	\$15,200	\$0	\$15,200
Lincoln County	\$57,000	\$0	\$57,000
Manzanita	\$5,700	\$0	\$5,700
Myrtle Point	\$5,700	\$0	\$5,700
Nehalem	\$5,700	\$0	\$5,700
Newport	\$19,000	\$8,000	\$27,000
North Bend	\$19,000	\$2,500	\$21,500
Port Orford	\$7,600	\$6,500	\$14,100
Reedsport	\$9,500	\$2,250	\$11,750
Rockaway Beach	\$5,700	\$0	\$5,700
Seaside	\$11,400	\$0	\$11,400
Tillamook	\$9,500	\$0	\$9,500
Tillamook County	\$53,200	\$0	\$53,200
Toledo	\$7,600	\$0	\$7,600
Waldport	\$7,600	\$0	\$7,600
Warrenton	\$11,400	\$0	\$11,400
Wheeler	\$5,700	\$0	\$5,700
Yachats	\$5,700	\$0	\$5,700
Total	\$651,000	\$44,233	\$695,233

ALLOCATION OF COASTAL CONTRACTS (2011-2013)

Cogan Owens Cogan (Online Trng)	\$53,825
Cogan Owens Cogan (Estuary)	\$25,000
Cogan Owens Cogan (Tsunami)	\$30,000
DOGAMI (Alsea Bay Erosion)	\$10,739
DOGAMI (Beach Morphology)	\$30,000
DOGAMI (Landslide Mapping)	\$15,000
Eco-Adapt (Coquille Est Study)	\$35,000
Ecotrust (MarineMap Cont Dev)	\$19,975
Ecotrust (Expanded Fishmaps)	\$18,890
Ecotrust (Fishmap Modification)	\$3,700
Green Point Consulting (Habitat Atlas)	\$29,982
Jane Barth (TSPAC Facilitation)	\$4,800
OPRD (Parks Master Plans)	\$23,000

OSU-INR (Coquille Est Wkshp)	\$4,775
OSU-OCCRI (Coquille Estuary)	\$21,047
OSU-Sea Grant (Resilience)	\$15,000
OSU - INR (Intern on FGDC Grant)	\$14,954
PSU-NPCC (MCR RSMP)	\$5,000
UofO-OPDR (Resilience)	\$40,000
Local RPC Contract yet to be awarded	\$25,800
Total	\$426,487

LAND CONSERVATION and DEVELOPMENT DEPARTMENT

Annual Performance Progress Report (APPR) for Fiscal Year (2011-2012)

Original Submission Date: 2012

Finalize Date: 01/01/2013

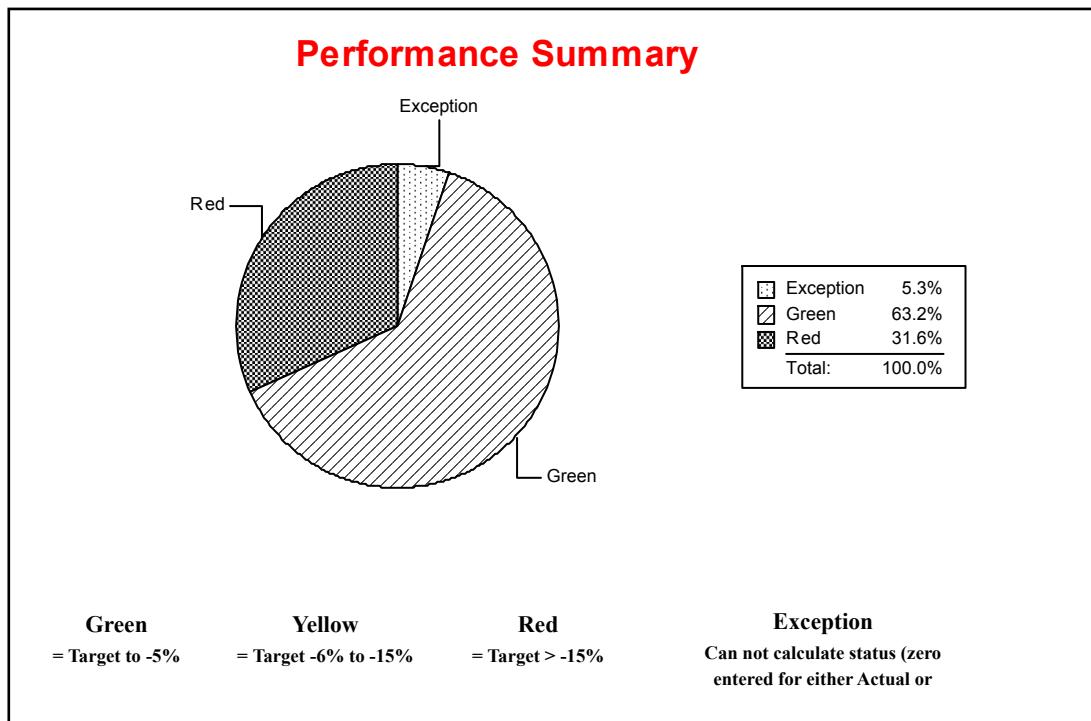
2011-2012 KPM #	2011-2012 Approved Key Performance Measures (KPMs)
1	EMPLOYMENT LAND SUPPLY – Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.
2	HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.
3	PUBLIC FACILITIES PLANS – Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.
4	CERTIFIED INDUSTRIAL SITES – Number of industrial sites certified as “project-ready” added each fiscal year.
5	TRANSIT SUPPORTIVE LAND USE – Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.
6	TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.
7	ERT – Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.
8	COASTAL DEVELOPMENT ZONING – Percent of estuarine areas designated as “development management units” in 2000 that retain that designation.
9	NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.
10	FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.
11	FOREST LAND – Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.
12	URBAN GROWTH BOUNDARY EXPANSION – Percent of land added to urban growth boundaries that is not farm or forest land.
13	PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.

2011-2012 KPM #	2011-2012 Approved Key Performance Measures (KPMs)
14	TIMELY COMMENTS – Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.
15	GRANT AWARDS – Percent of local grants awarded to local governments within two months after receiving application.
16	LAND USE APPEALS – Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.
17	CUSTOMER SERVICE: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.
18	TASK REVIEW – Percent of periodic review work tasks under review at DLCD for no longer than four months.
19	BEST PRACTICES – Percent of total best practices met by the Board.

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2013-2015
DELETE	<p>Title: NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.</p> <p>Rationale: This KPM is confusing in conception and difficult to measure. It appears to relate to resource protection and natural hazards identification, but was really <u>intended</u> as an indicator of the adequacy of land supply in cities available for residential development. Much of what is intended for this KPM is also tracked in KPM # 2, Housing Land Supply. Additionally, the target for this KPM is confusing due to measuring local jurisdiction activities that pertain to two different state land use planning goals--Goal 5 Natural Resources, Scenic and Historic Areas, and Open Spaces; and Goal 7 Areas Subject to Natural Hazards. The department does assist local jurisdictions with natural hazards planning and mapping, but this KPM is not the best or most accurate way to measure this activity.</p>
DELETE	<p>Title: PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.</p> <p>Rationale: This goal has been consistently met in recent years. Additionally, it is not clear that the target reflects a rational standard--whether less than 15% (the current target) of local jurisdiction work tasks are appropriate to return in any given year. That is dependent on many variables, including those solely in the hands of local jurisdictions. As the department has not received negative feedback regarding this area of activity, it is felt that this KPM is not doing a good job of reflecting the department's priority objectives.</p>
DELETE	<p>Title: TIMELY COMMENTS – Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.</p> <p>Rationale: This KPM measures an activity that is already statutorily required (response to local plan amendments within a certain period of time), and outcomes have met the target at 100% for six of the last 7 years.</p>

Proposed Key Performance Measures Targets for Biennium 2011-2013		2012	2013
Title:	EMPLOYMENT LAND SUPPLY – Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.	75.00	75.00
Title:	HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.	90.00	90.00
Title:	PUBLIC FACILITIES PLANS – Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.	70.00	70.00
Title:	TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.	88.00	91.00
Title:	FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.	99.88	99.87
Title:	FOREST LAND – Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.	99.93	99.93

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	I. EXECUTIVE SUMMARY
<p>Agency Mission: To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.</p>	
Contact: Michael Morrissey	Contact Phone: 503-373-0050
Alternate: Teddy Leland	Alternate Phone: 503-373-0050



1. SCOPE OF REPORT

This is the final report of the department's progress on performance measures for 2011-2012. Data for the majority, but not all, of the Key Performance Measures are based on the 2011-2012 fiscal year. **Agency Programs/Services Addressed By Key Performance Measures**. The department helps communities around the state plan for their future to assure a high quality of life. Department programs are: Planning Services Division, Ocean and Coastal Services Division, Community Services Division, Transportation and Growth Management Program, Administrative Services Division and policy development in

the Director's Office. Department services are: technical assistance and grants assistance to local governments; regulatory review of plan amendments; urban growth boundary decisions and periodic reviews; outreach, education and public information; policy planning; hazards planning and agency collaboration. Together, programs and services address multiple goals and objectives. One way to link programs and services with key performance measures is through the framework of the department's five strategic goals: Promote Sustainable, Vibrant Communities: A major responsibility of the department is to assist cities and counties through technical and grants assistance. This is accomplished, for example, when local jurisdictions plan their land uses and public services to support economic development and the provision of needed housing. The department assists local governments, in coordination with OBDD, ODOT and the Regional Solutions Teams, to: o identify and plan for developable industrial lands that are project-ready with suitable infrastructure, access, zoning and location (KPM #4); o plan and zone an adequate supply of buildable land for housing and employment in urban areas, supported by public facilities and services. (KPMs 1, 2 and 3);o plan and improve transportation systems that support planned land uses, revitalize and maintain vibrant downtowns and main streets; (KPMs 5 and 6);o retain important coastal-water dependent industrial and commercial sites (KPM #8). Secure Oregon's Legacy: Preservation of coastal, farm, forest and riparian resource lands is a core goal of the statewide land use program. It helps support rural economies, as well as protect environmental values and unique and threatened sites. (KPMs 10, 11 and 12).Deliver Services that are Efficient, Outcome-based and Professional: Oregon's local governments are the department's partners in implementing the state wide land use program. The department's services assist local communities foresee and prepare for growth, development and resource protection, while balancing community values generated through public participation, with state policy. The department seeks to streamline and simplify services in line with the objectives just mentioned. To accomplish these objectives, services must be timely (KPMs 14 and 15), efficient (KPMs #13 and 18), professional (KPM 19) and open to customer review (KPMs 7 and 17). Provide Timely and Dynamic Leadership: The department helps set and adjust state policy over time, so that it works from both a statewide perspective and a local perspective. This involves critical communication with policy makers, and requires judgment and problem solving skills when engaging community interests at all levels. (KPM # 16).Engage Citizens and Stakeholders in Continued Improvements of Oregon's Land Use Planning Program: Citizen participation is a hallmark of Oregon's planning program. Opportunities for outreach, communication and engagement with individuals, organizations and communities exist through participation of department field staff, public hearings, advisory committees and active collaboration and feedback. (KPMs 7, 17 and 19)

Agency Programs/Services, If Any, Not Addressed by Key Performance Measures

Modernize Information Technology (IT) and Delivery: The department continues to implement its Information Management Modernization Initiative (IMMI) in order to enhance and modernize information technology databases and delivery of information to its customers. In 2012 the department has embarked on the Information Management Modernization Initiative (IMMI). This five-year plan will provide a quantum leap in the department's ability to gather, analyze and disseminate information for a variety of customers and audiences. One objective is to gain a higher level of accuracy by having local jurisdictions able to enter certain data directly from their locations, rather than send us their information on paper, which we then enter into data bases. This initiative directly affects several of our KPMs that measure outcomes at the city and county level. This change in operation has begun with identified, but limited, resources and will depend on future budget decisions for its success. No DAS Key Performance Measure applies to the department's IT services. However, the department has made strides toward developing internal key performance measures that track the lifecycle replacement program. Continued investment by the legislature in the information technology capacity of the department will improve the agency's ability to meet key performance measure targets and assist local jurisdictions in implementing the statewide land use program.

2. THE OREGON CONTEXT

The agency works closely with local governments to carry out Oregon's Statewide Planning Program. DLCD plays a key role in assisting local governments, citizens and the business community with development of land use decisions that encourage: job growth; affordable housing, efficient urban development linked to transportation systems, conservation of commercial agricultural and forest lands and protection of natural resources. In Oregon, state and local governments share responsibility for achieving these outcomes. DLCD's strategic planning goals are indirectly linked to the following Oregon benchmarks: OBM 4: Job Growth, OBM 70: Commuting, OBM 72: Road Condition, OBM 74: Affordable Housing, OBM 77: Wetlands Preservation, OBM 80: Agricultural Lands, OBM 81: Forest Land, and OBM 87: Native Fish and Wildlife. Under Oregon's Statewide Planning Program, the state sets broad goals and requirements for land use planning, and cities and counties (278) adopt comprehensive land use plans that are based on these statewide goals and requirements. The 19 Statewide Planning Goals are not the same as the state's benchmarks, but are strongly linked in many respects. Oregon's Statewide Planning Program is one of many programs that contribute to the state benchmarks. Other important programs not associated with the department, but that influence progress toward the benchmarks, include government and private investment programs, tax structures, and a variety of state and federal regulations. For example, progress in preserving the agricultural economy in Oregon is influenced by a supportive property tax system, investments made by the federal and state governments, and investments by certain industries that use those crops.

3. PERFORMANCE SUMMARY

This performance report provides data for fiscal year 2011/2012. In general, DLCD's performance measures indicate mixed outcomes for the program. Thirteen of the nineteen measures effectively meet or exceed the goal. In the six instances where this is not the case, #1 Employment Land Supply, #2 Residential Land Supply, #3 Public Facilities Plans, #4 Certified Industrial Sites, #9 Natural Resource Inventories and #12 UGB Expansion, the contexts for performance are widely divergent, and each needs to be considered according to its own factors. A common theme underlying these results is the continued lack of resources at the city and county level, including diminishing planning grants from the department, to help local communities amend their plans in a timely manner. The department's management team regularly considers methods to increase the effectiveness of performance measures as a package, and improvements that could be made to individual measures.

4. CHALLENGES

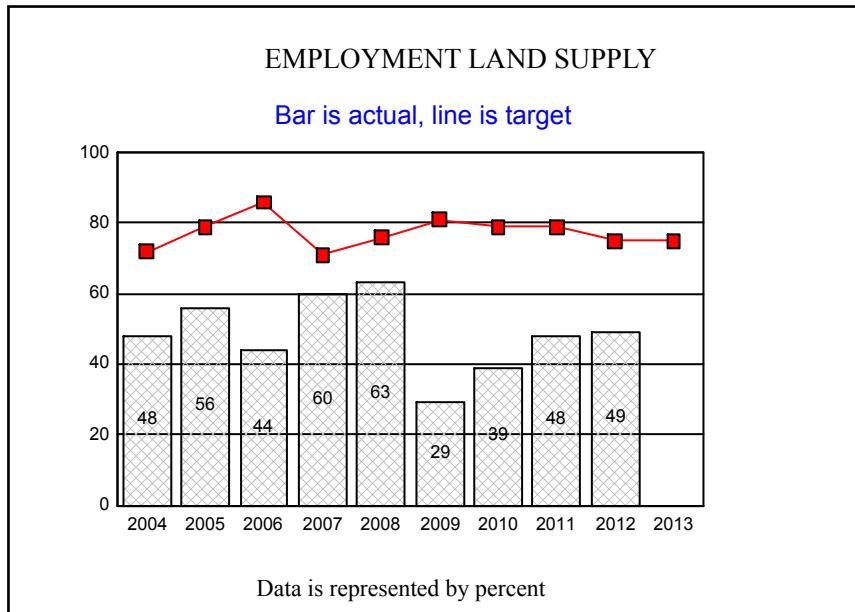
Oregon's Statewide Planning Program continues to face challenges. As mentioned previously, a key to ongoing challenges is the reduced financial capacity of most local governments to maintain up-to-date and high-quality land use plans. These plans prepare cities and counties for the future, and identify the infrastructure necessary for land development and other land use decisions. The department also has insufficient capacity to fulfill all its mandated programs, provide adequate land use planning help to local governments through technical assistance and grants, and to track and measure the progress of all its programs. Oregon statutes regarding the periodic review and update of local comprehensive plans, require DLCD to focus resources largely on certain land use planning efforts in cities with a population of 10,000 or more. While there is a benefit to focusing limited state resources on certain priorities, the lack of funding combined with mandatory requirements to maintain and update local plans is likely to lead to long-term problems for smaller jurisdictions. Without adequate capacity (including grant resources) to assist local government planning, the plans of smaller cities and counties will likely grow more and more out-of-date, and will be less and less likely to meet local needs and state planning requirements. This, in turn, will affect the agency's performance with respect to the measures and

targets discussed in this report. In 2010, the department realigned its key performance measures with an update of the agency's goals and objectives. The agency clearly desires to better articulate the desired outcomes of the planning program through more direct measures, such as vehicle miles traveled, urban growth boundary efficiency and costs and the results of local programs to protect natural resources. The Governor's 10-Year Healthy Environment Policy Vision may prove to be a path to creating better outcome data, both within the department and across other state natural resource agencies.

5. RESOURCES AND EFFICIENCY

The department's 2011-13 Legislatively Adopted Budget for its three fund types is \$18.6 million. Performance Measures 14, 15 and 18 concern efficiency measures for the department with regard to DLCD programs.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #1	EMPLOYMENT LAND SUPPLY – Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.	2002
Goal	Economic development: Promote sustainable, vibrant communities.	
Oregon Context	OBM 4: Job Growth	
Data Source	DLCD tracking of periodic review approval orders and post-acknowledgment plan amendments.	
Owner	Planning Services Division, Rob Hallyburton, 503-373-0050 ext 239.	



1. OUR STRATEGY

This measure tracks the percentage of cities with a population over 2,500 that completed an update to their land use plans in order to provide a 20-year supply of land for employment-related uses. This measure was adopted when all cities over 2,500 population were required to periodically review and update

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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their plans. In 2007, the legislature removed this requirement for cities with a population of less than 10,000. Planning and zoning a sufficient amount of land, based on up-to-date economic opportunities analyses helps ensure that enough land is available for development to new employment uses in a community. The department provides technical and financial assistance to local governments for evaluations of the supply of industrial and other employment lands.

2. ABOUT THE TARGETS

The higher the percentage reported under this measure, the better the performance. This measure tracks the number of cities with a population greater than 2,500 that evaluated and updated their employment land supply during the last ten years. There could be other cities with an adequate employment land supply that haven't recently updated their plans, but this number cannot be extracted from known data sources. Under the statewide land use planning program, cities are expected to provide an adequate supply of suitable sites for employment purposes. The target is based on the number of cities with a population over 2,500 (104 cities as of (2009) because, when the target was set, cities under that size were not required to periodically update their plans. Now, generally, only cities over 10,000 population have that requirement, so many smaller cities have not updated their plans as expected.

3. HOW WE ARE DOING

The target has not been met for this reporting period, though results have improved somewhat since the 2011 reporting period. In addition, the fact that a legislative moratorium was applied to periodic review for all cities, between years 2003 and 2007, continues to influence results.

4. HOW WE COMPARE

There is no other equivalent public or private industry standard to evaluate the sufficiency of employment lands within urban growth boundaries.

5. FACTORS AFFECTING RESULTS

Legislation in 2007 eliminated the requirement for cities with a population less than 10,000 outside Metropolitan Planning Organization boundaries to periodically review and update the comprehensive plan. The planning grant programs were reduced during the second half of the biennium, due to state budget constraints. The results also reflect the drop in local government revenue and resources available to evaluate and adjust local land supplies.

6. WHAT NEEDS TO BE DONE

For the 184 cities no longer subject to periodic review, DLCD needs better methods to track local efforts to provide an adequate supply of employment lands.

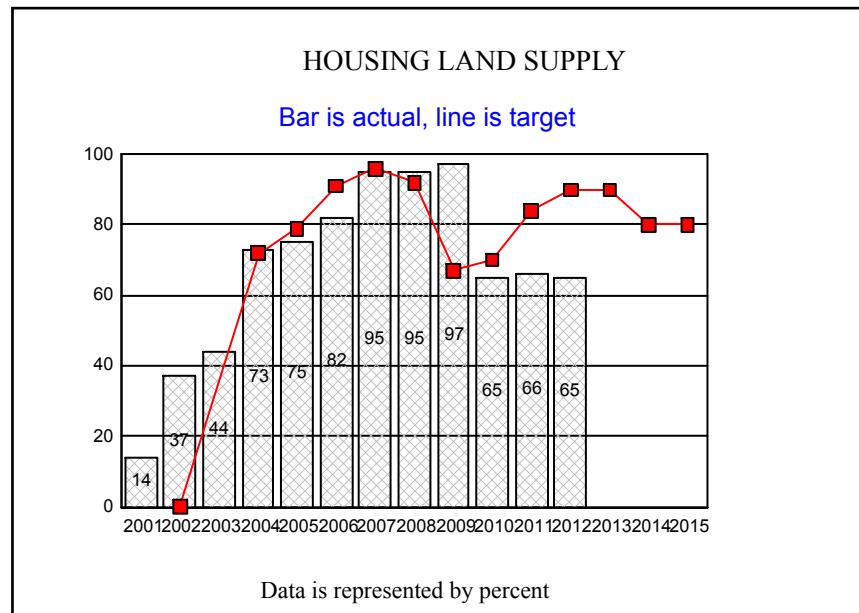
LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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Also, adequate funding of the department's technical assistance and grant programs will be necessary for the agency to achieve the targets.

7. ABOUT THE DATA

The reporting cycle is Oregon's fiscal year. Progress under this measure is counted if, during the past 10 years, a city completes, and the department approves, a periodic review task evaluate the adequacy of its industrial and other employment lands and add such lands to its UGB, if needed. Progress is also counted if, during the past ten years, a city amends its comprehensive plan to provide a 20-year supply of employment land in accordance with Statewide Planning Goal 9.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #2	HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.	2002
Goal	Economic development: Promote sustainable vibrant communities.	
Oregon Context	OBM 74: Affordable housing	
Data Source	DLCD tracking of periodic review approval orders.	
Owner	Planning Services Division, Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

This measure tracks the percentage of cities with a population over 2,500 that have completed a major update of their local land use plans, in order to provide a 20-year supply of buildable residential land within the city's urban growth boundary (UGB). This measure was adopted when all cities over 2,500 population

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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were required to periodically review and update their plans. In 2007 the legislature removed this requirement for cities with a population of less than 10,000. Planning and zoning a sufficient amount of land, based on an up-to-date housing needs analysis, helps assure that enough land is available for construction of new housing at various price ranges and rent levels in these communities. An increasing percentage of lower- and middle- income households pay more for housing costs than is considered reasonable. This emphasizes the importance of the department's work with state agencies and local governments to assure an adequate supply of residential land in UGBs. Residential land supply is one factor that directly affects a city's ability to provide for affordable housing needs. The department provides technical and financial assistance to local governments for evaluation of the supply of residential lands.

2. ABOUT THE TARGETS

The higher the percentage reported under this measure, the better the performance. The targets include estimates of the number of cities that will update their plans each year outside of periodic review, the number of cities that will enter periodic review with a relevant work task, and the years required for cities in periodic review to complete the relevant work tasks. The target is based on the number of cities with a population over 2,500 because, when the target was set, cities under that size were not required to periodically update their comprehensive plans. Now, generally only cities over 10,000 population have that requirement, so many smaller cities have not updated their plans as expected. The targets generally assume that local plans are valid for ten years. Cities within the Portland Metropolitan Service District boundaries are exceptions to this framework. State statute requires Metro to review and update the residential land supply within its UGB every five years. At the beginning of the year Metro completed a capacity analysis for the region through an Urban Growth Report that identifies their buildable land inventory and housing needs. It is now in the midst of a UGB analysis. All Metro jurisdictions are assumed to provide an adequate supply of buildable residential land.

3. HOW WE ARE DOING

The target has not been met for this reporting period. The result at 65% is about 25 percent below the target. This is due, in large measure, to the lack of planning resources required for cities to perform the necessary tasks related to buildable land supply. In addition, the target had been set higher, based on 2008 estimates of local jurisdiction work tasks that would be performed during and after 2011. This key performance measure has been in effect since 2002. During that time the number of cities providing evidence of having adopted plans for an adequate supply of buildable residential land has increased, even surpassing targets set for this measure during recent years. As some cities reach the end of the 10-year time period for which the plans are assumed to be viable, the target for this measure is beginning to decrease in recognition that many cities will begin to revise analyses of their buildable land supply. Metro's completion of work to update the urban growth boundary for the Portland metropolitan area during the reporting period has prevented a significant deterioration in meeting this target.

4. HOW WE COMPARE

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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The department's performance measure of residential land supply is more long-term than most relevant private industry standards. Most land supply measurements concern the two-to-five year or near-term supply, while DLCD measures the 20-year long-term supply. Either due to this difference, or due to other differences, public and private studies have tended to reach varying conclusions on the effects of the residential land supply within a UGB on housing costs and affordability.

5. FACTORS AFFECTING RESULTS

Factors supporting a positive outcome include: 1) A city is in periodic review (required for cities with populations over 10,000), and its periodic review work program includes a task to complete or update a residential land needs analysis, and/or a UGB evaluation; 2) State grant funds are available for local buildable land inventories, residential land needs analyses, and UGB evaluations, either during periodic review or otherwise; 3) A city in periodic review is on schedule to complete its work program; 4) A city updates its buildable land inventory and residential land needs analysis at least every 10 years; and 5) Department staff resources are available to provide local governments with technical assistance. Barriers to a positive outcome include: 1) The department has little influence over whether cities that are not subject to periodic review (i.e., generally those with populations less than 10,000) undertake the planning necessary to provide an adequate supply of residential land; and 2) Historically, state grant funds have not covered all qualified and needed land supply planning projects, and the department's ability to provide financial assistance to cities decreases each biennium.

6. WHAT NEEDS TO BE DONE

1) Continue tracking this measure using the current data source and methodology. 2) In order to encourage more local governments to update their land supply, the department will need additional funds for grants to local governments that would support residential buildable land inventories, land need analyses, and urban growth boundary land supply evaluations.

7. ABOUT THE DATA

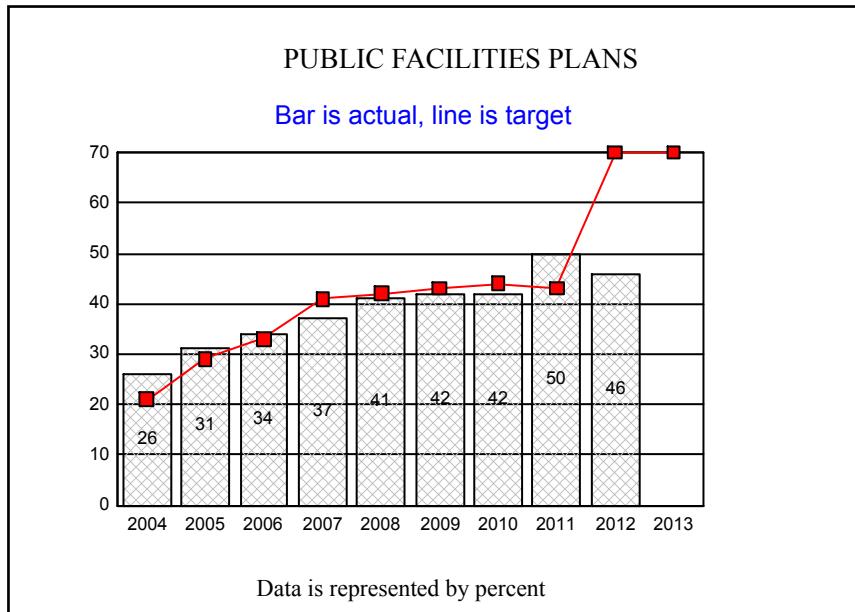
The reporting cycle is Oregon's fiscal year. The data have two sources: periodic review work program products, and post-acknowledgment plan amendments for cities with populations over 2,500. For periodic reviews, the department counts approved city findings of adequacy of residential land, approved residential land needs tasks, approved work program completions, and approved urban growth boundary (UGB) evaluation or amendment tasks.

Post-acknowledgement plan amendments need not be acknowledged to be counted as qualifying for KPM#2; the city need only provide a written adoption notice to the department. Strengths of the data: It includes the larger urban areas in Oregon, where most of the state's population resides. Weaknesses of the data: 1) With the present database, which was designed for a different purpose, it is difficult to extract the specific data needed for this KPM. Searches are overbroad, and the reporter must review a large amount of data to cull out a small percentage of relevant data. 2) The data omits the 139 incorporated cities in

LAND CONSERVATION and DEVELOPMENT DEPARTMENT**II. KEY MEASURE ANALYSIS**

Oregon with populations less than 2,500, a number of which are within the orbit of the larger metropolitan areas.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #3	PUBLIC FACILITIES PLANS – Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.	2002
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	OBM: 4 Job Growth and OBM 74: Affordable Housing	
Data Source	DLCD tracking of periodic review approval orders.	
Owner	Planning Services Division, Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

Planning for the timely provision of public facilities is a prerequisite for urban development, affordable housing, and market-ready industrial sites. This measure tracks the percentage of cities with a population over 2,500 that have completed an update of their local plans for water and sewer system facilities needed to

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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serve future land development within the urban growth boundary (UGB), including cost estimates and funding plans.

2. ABOUT THE TARGETS

The higher the percentage reported under this measure, the better the performance. The targets include estimates of the number of cities that will update their plans each year outside of periodic review, the number of cities that will enter periodic review with a relevant work task, and the years in which cities in periodic review will complete the relevant work tasks. The targets assume that local plans are good for 10 years. A legislative moratorium on periodic review began July 1, 2003 and ended June 30, 2007. Completions of periodic review work tasks started after July 1, 2007 are included in the yearly targets since that time.

3. HOW WE ARE DOING

Performance was 24 percentage points below the FY 2011/2012 target. The target increased from 45% to 70% of all jurisdictions, while performance dipped from 50% to 46% of all jurisdictions.

4. HOW WE COMPARE

The department is not aware of other public or private industry standards that evaluate progress toward updating comprehensive plans for urban sewer and water facilities.

5. FACTORS AFFECTING RESULTS

Factors leading to a positive outcome include: 1) A city is in periodic review (required for cities with populations over 10,000), and its periodic review work program includes a task to do or update a public facilities plan; 2) State grant funds are available for public facilities plans, either during periodic review or otherwise; 3) A city in periodic review is on schedule to complete its work program; 4) A city updates its public facilities plan at least every 10 years; and 5) Department staff resources are available to provide local governments with technical assistance in preparing public facilities plans. Barriers to a positive outcome include: 1) The legislative moratorium on periodic reviews from July 1, 2003 through June 30, 2007; 2) The department has little influence over whether cities that are not subject to periodic review (i.e., with populations less than 10,000) undertake the preparation or updating of public facilities plans; and 3) Historically, state grant funds have not covered all qualified and needed local projects, and the department's ability to provide financial assistance to cities decreases each biennium. Additionally, the negative outcome for 2011-12 was the result of a significant increase in the target. This increase was based on an assumption that, by changing the measurement methodology to encompass individual sewer, water or storm drainage master plans, the number of

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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jurisdictions meeting the standard would increase. This approach has not panned out, perhaps due to a slow down in actual development across the state, and/or a lack of funds to update local plans.

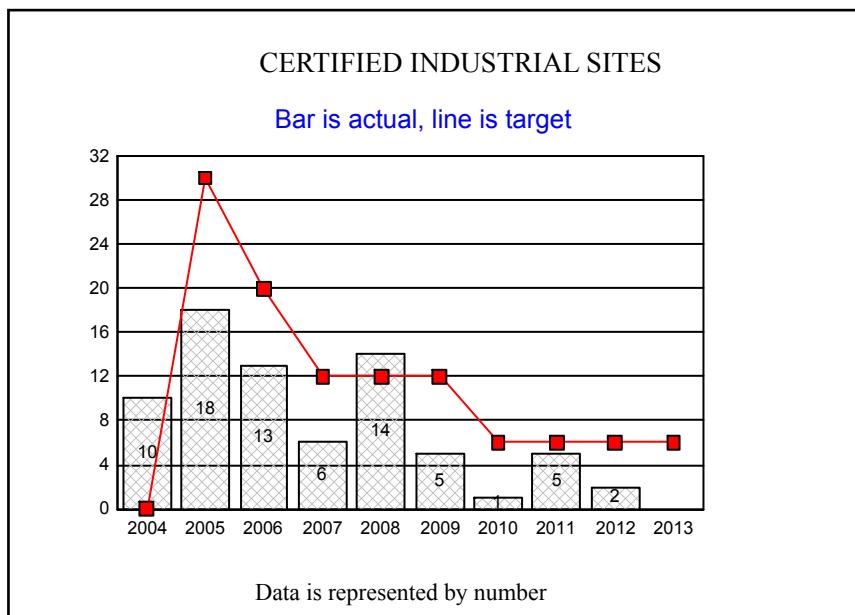
6. WHAT NEEDS TO BE DONE

Pursue additional funds for department grants to local governments to prepare or update public facilities plans.

7. ABOUT THE DATA

The reporting cycle is Oregon's fiscal year. The data have two sources: periodic review work programs, and post-acknowledgment plan amendments for cities with populations over 2,500. For periodic reviews, the department counts approved public facility plan tasks. For post-acknowledgment plan amendments, the department counts notices received for adopted public facilities plans. Cities are counted as having met this performance measure if they complete both water and sewer plans with the previous 10-year period. In addition to relying on periodic review and post-acknowledgement plan amendment information in the department's data base, for FY 2010 we surveyed cities directly about the completeness of their public facilities plans and effective dates. City website comprehensive plan information and other relevant planning documents were also checked against our information in our database. Strengths of the data: It includes the larger urban areas in Oregon where most of the state's population resides. Weaknesses of the data: 1) With the present database, which was designed for a different purpose, it is difficult to extract the specific data needed for a KPM. Searches are overbroad, and the reporter then must review a large amount of data to cull out a small percentage of relevant data. 2) The data omit 139 incorporated cities in Oregon with populations less than 2,500, a number of which are within the orbit of larger metropolitan areas and are experiencing growth.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #4	CERTIFIED INDUSTRIAL SITES – Number of industrial sites certified as “project-ready” added each fiscal year.	2003
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	OBM: 4 Job Growth	
Data Source	Department records.	
Owner	Planning Services Division, Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

Industrial site certification prepares land for development into industrial and other employment uses, helping communities attract new employers and retain or expand existing Oregon businesses. Industrial site certification has benefited Oregon in two major areas: as a proven recruitment tool for business development,

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and as an effective program that assists communities to plan for future development. Site certification is attractive to companies that are looking to develop quickly on sites with minimal, or at least well documented, barriers to development. Site certification helps inform participants about the rigorous demands of land entitlement and development, and serves as a planning tool, helping communities better understand the quantity and the quality of their current stock of industrial/employment land. The industrial site certification program is administered by the Oregon Business Development Department (OBDD), and readying industrial sites for "project ready" certification is a collaborative multi-agency process with state and local contributions. The Department's state partners include Oregon Department of Transportation (ODOT), State Historic Preservation Office (SHPO), Department of Land Conservation and Development (DLCD), the Department of Environmental Quality (DEQ) and the Regional Solutions Teams program in the Governor's Office. These partner agencies gain important policy guidance by participating in the certification process as they become more informed of how current policies impact the state's economic development efforts. Private property owners, local tribes, and non-profit organizations are also key partners in the Department's certification efforts.

2. ABOUT THE TARGETS

As a result of initial targets for this measure being set relatively high, without a measurable track record to assess the program, an adjustment to the target from 20 to 12 sites per year was approved by the Joint Legislative Audit Committee (JLAC) for FY 07. Twelve sites per year remained the target in the 2007-09 biennium. The target was changed to 6 sites per year during the 2009-2010 fiscal year, recognizing that a significant number of sites that have already been certified under the program and increasing shortage of available, usable sites.

3. HOW WE ARE DOING

Results improved significantly since last year, but fell short of the target. For the purposes of the KPM, two sites totaling 112 acres have been certified for FY 2011-2012: 1. A total of 17 acres was certified at the Inserstate Crossroads Distribution Center in April 2012. This site is part of a larger master planned business park, and is the first site to be certified in the City of Portland since 2004. 2. A total of 95 acres was certified in Redmond in May 2012. This site is owned by the City of Redmond and is the second phase of a successful business park that was originally certified in 2005. As a job creator, certification has experienced significant sucess since its inception, as well as in Fiscal Year 2010. A total of 73 sites have been certified since 2004, with 30 of those sites experiencing some development and job creation since being certified. Business activity on certified sites in FY 2011 includes: • construction of a new facility by Subaru on the Rivergate site in Portland; • expansion by MEMC and the location of Solopower on the Ledbetter site in Portland; • construction of a second phase at the Facebook datacenter in Prineville; and • completion of the Home Depot logistics center at Mill Creek in Salem. A new "decision-ready" program designation was also implemented in fiscal year 2010. This designation is intended to work as a stepping stone toward certification as well as a policy tool for assessing industrial land. The decision-ready criteria are being used to evaluate industrial readiness across the state. In the Metro Area a consortium of non-profits, local government and Business Oregon are evaluating the readiness of the region's large lot supply. In Central Oregon, the decision-ready criteria is expected to be used as a tool for determining which sites to include within growth boundaries as part of a Regional Economic Opportunities Analysis. Finally,

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as many as twenty sites are expected to be designated as decision-ready in Linn and Benton counties as part of state funded project to compliment wetlands permitting on large industrial sites in this region.

4. HOW WE COMPARE

The Oregon Industrial Site Certification program is one of more than twenty programs nationwide that have some level of state involvement. Program requirements and state involvement vary widely by state. Many of the programs were previously sponsored by electric utilities, and are more focused on niche categories (i.e. megasites). Oregon has the highest certification standards in the country, giving the program a greater amount of credibility in comparison to others. Industry standards for developable industrial land are very high, with many companies demanding "shovel-ready" sites, where they can break ground within 90 days or less. In Oregon, sites are certified as "project-ready," meaning they can be developed within 180 days of lease or purchase.

5. FACTORS AFFECTING RESULTS

Many of the 41 sites certified over the first years of the program (ending in fiscal year 2006) were simple to certify. A total of 24 sites qualified for certification over the next three years ending in fiscal year 2009. These sites also went through a relatively straightforward certification process. The remaining sites enrolled in the program are considerably more constrained by physical, transportation, land use and market factors making them more difficult to certify.

Limited opportunities for funding and financing public infrastructure improvements remains a challenge for many of these sites, and have delayed certification. Almost half of the sites considered for certification have not qualified due to a number of factors, including infrastructure deficiencies, brownfields, wetlands, zoning, cultural resources or concerns surrounding easements and clear title. Efforts are being made to work through challenges on these sites. Over time, the program's requirements have become better defined and more aligned to market-driven standards, which has resulted in longer process time and fewer certifications. The fact that some of these sites may not be certified is a direct reflection of the program's high standards that signal unique competitive qualities (speed to market, certainty) that are not found in all sites.

6. WHAT NEEDS TO BE DONE

DLCD will continue to work with OBDD to streamline and improve certification without compromising the integrity of the process, and along with new guidelines relating to certification in FY2011. These guidelines reflect the state-of-the-art practices as they relate to certification and also broaden the program to embrace a more comprehensive measurement of site preparedness called Industrial Readiness. The Industrial Readiness Initiative includes a new designation called decision-ready that the department implemented as a stepping stone to the existing shovel-ready designation as well as a policy tool that can be used to assess sites for public assistance and investment, help guide policy choices around land use and transportation, and work as a significant enhancement to the marketability of the site. The certification effort was also given another tool during the legislative session with the passage of SB 56. The bill allows the OBDD

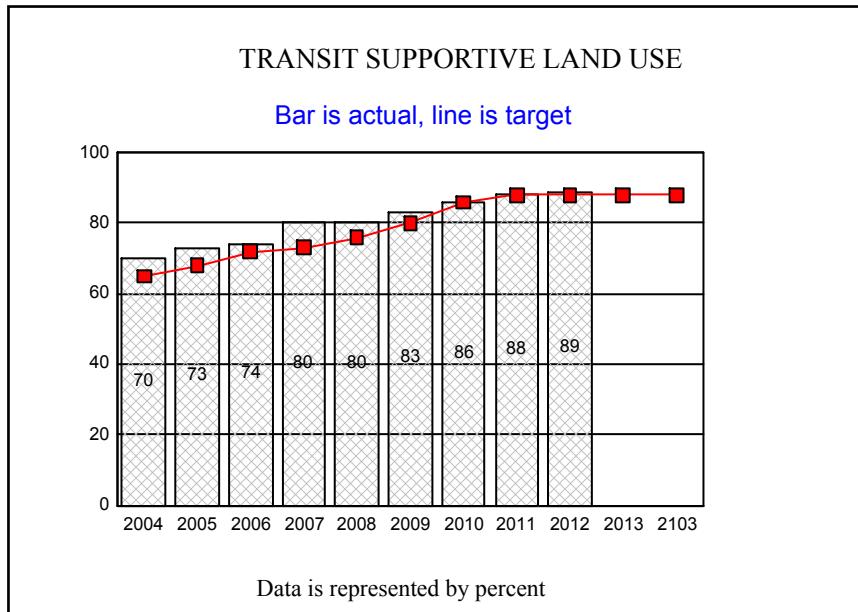
LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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to recover state costs of certification. This cost recovery will contribute to sustaining the certification program for the future.

7. ABOUT THE DATA

Results represent sites certified within the fiscal year. The date of the certification corresponds to the date on the certification letter under the director's signature. For certification, each site needs to document that it is ready for development within 180 days of lease or purchase. The Department maintains notebooks, as well as compact discs, with all the documentation, and also works toward periodic recertification of the sites. Documentation and the site itself is reviewed by an independent consultant who recommends certification.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #5	TRANSIT SUPPORTIVE LAND USE – Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.	2002
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	OBM 4: Job Growth and OBM 70: Commuting	
Data Source	Periodic review work task orders and post acknowledgment plan amendments.	
Owner	Planning Services Division, Matt Crall, 503-373-0050 ext 272	



1. OUR STRATEGY

This performance measure demonstrates whether local communities are adopting land development regulations that assure land use and public transit systems are integrated and mutually supportive. Transit-supportive land use regulations are necessary to allow development at densities adequate to support transit

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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service, and to ensure that pedestrian and transit facilities are provided as part of new developments. The combination of adequate intensity of uses along a transit line with safe and convenient access for pedestrians is important to enable transit systems to operate efficiently. The department assists local governments in adopting land development regulations intended to improve local transportation options and enhance the efficiency of public transportation systems. Government partners include local governments, transit districts and the Oregon Department of Transportation (ODOT) through the Transportation and Growth Management program. Other partners include property owners, developers, and realtors who participate in planning and outreach efforts to promote transportation-efficient land use patterns.

2. ABOUT THE TARGETS

The targets were established based on the rate that local government comprehensive plans and transportation system plans have been adopted by local government, and acknowledged by DLCD within the past ten years. Accomplishment of higher percentages is desirable.

3. HOW WE ARE DOING

The targets have been achieved because local governments continue to adopt transit-supportive land development regulations. The general trend shows gradual improvement, as many local jurisdictions adopt transit supportive standards. The department has been focusing effort on the remaining jurisdictions, especially in areas designated for a Metropolitan Planning Organization (MPO), such as Salem-Keizer, Eugene-Springfield and Medford.

4. HOW WE COMPARE

There are no directly comparable public or private industry standards for this measure.

5. FACTORS AFFECTING RESULTS

Factors that have improved results in recent years include increased concerns about greenhouse gas emissions, and increased concern about “peak oil” that could lead to higher fuel prices. Factors that continue to make progress difficult include the complexity and controversy often associated with planning for transit supportive land uses, limited public understanding and support for transit and related development regulations, and concern from some local elected officials that transit supportive regulations may be inconsistent with real estate market trends.

6. WHAT NEEDS TO BE DONE

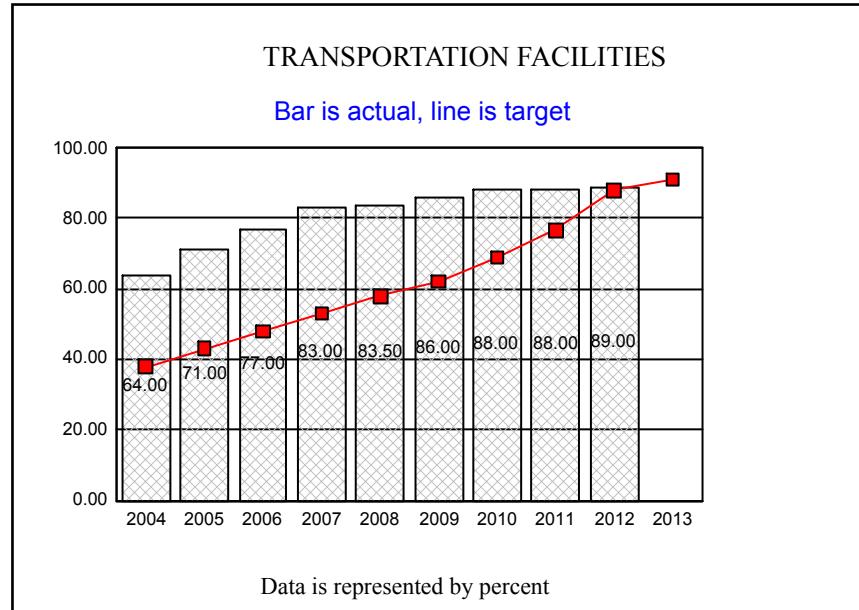
LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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The department, including the joint ODOT-DLCD Transportation and Growth Management (TGM) Program, will continue providing technical assistance and grants to assist local governments. As the compliance rate approaches 100%, the remaining cities often provide the most difficult challenge. The department will continue to focus effort on these remaining jurisdictions, especially cities that have made only partial progress to date. The TGM program will provide general planning grants and targeted technical assistance for code updates.

7. ABOUT THE DATA

Data are reported as of June 30, 2012. Data are based on the numbers of Transportation System Plans and implementing ordinances that have been adopted by cities and counties and acknowledged by DLC (through periodic review or the plan amendment process).

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #6	TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.	2002
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	OBM 4: Job Growth and OBM 72: Road Condition	
Data Source	Periodic review approval orders.	
Owner	Planning Services Division, Matt Crall, 503-373-0050 ext 272	



1. OUR STRATEGY

This measure indicates the percentage of cities with a population over 2,500 that have completed a Transportation System Plan (TSP), as required by LCDC's Transportation Planning Rule (OAR 660, division 12) and Statewide Planning Goal 12. These TSPs address streets and highways, mass transit for large cities,

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and air and rail facilities, and are intended to assist local and state efforts to improve transportation facilities. These plans are coordinated at the city, county and state level. They contain lists of major transportation projects which are needed to support compact urban development for the next 20 years. The department assists local governments in adopting TSPs and related land developments regulations. Government partners include local governments, transit districts and the Oregon Department of Transportation (ODOT) through the Transportation and Growth Management (TGM) program. Other partners include property owners, developers, and realtors who participate in planning and outreach efforts to promote efficient transportation systems and supportive land use patterns.

2. ABOUT THE TARGETS

The targets were established based upon the rate that comprehensive plans and transportation system plans have been adopted and acknowledged. A higher number is desirable indicating that more cities have meet the requirement.

3. HOW WE ARE DOING

The targets have been achieved, reflecting continued progress in local government adoption of Transportation System Plans that include cost estimates and funding plans. The general trend shows continued progress, although the adoption rate has slowed since 2007. This slowing in local TSP adoption occurred because there are fewer cities that have not already completed their TSP. Most cities tracked by this KPM have completed their first TSP, and TSP updates will be more common in the near future.

4. HOW WE COMPARE

There are no directly comparable public or private industry standards.

5. FACTORS AFFECTING RESULTS

The slower rate of completion since 2007 is to be expected since there are fewer cities that have not already adopted their TSP. Factors affecting the results include the complexity associated with planning for transportation systems and supportive land uses, the availability of grants and technical assistance funds to help local governments prepare TSPs, and the difficulty encountered in preparing reliable projections on the availability of federal, state, and local transportation funding..

6. WHAT NEEDS TO BE DONE

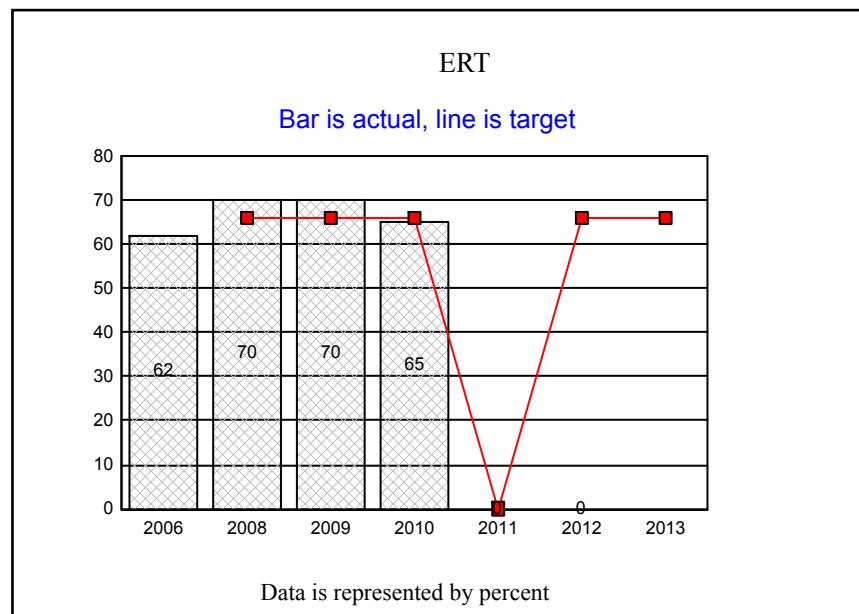
LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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Periodic review, plan amendment review, TGM grants, and technical assistance grants are the major activities that support of this measure. Cities with a population under 10,000 are no longer required to undergo periodic review. For these cities, more emphasis needs to be placed on grant programs, especially the TGM program. The department will also work to increase the awareness of the projected shortfall in available federal, state, and local transportation funds to construct the planned transportation facilities and services identified in TSPs.

7. ABOUT THE DATA

Data are reported as of June 30, 2012 and are based on analysis of periodic review, and plan amendments outside periodic review. In some cases a city may have adopted a TSP without notifying the department, or the adoption may not have been coded properly, so it is possible that additional cities have meet the requirement to prepare a TSP.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #7	ERT – Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.	2006
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	DLCD Mission.	
Data Source	Customer service survey results provided by economic revitalization team (ERT).	
Owner	Richard Whitman, 503-373-0050 ext 271	



1. OUR STRATEGY

This KPM was measured and analyzed once per biennium. For FY 2010-11, the survey that was the basis for our response was conducted and reported in 2010. At this point the Governor's Economic Revitalization Team (ERT) which included four partner agencies (DLCD, PUC, ERT, WRD) no longer exists

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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and no survey data is being gathered or reported.

2. ABOUT THE TARGETS

ERT no longer exists and no survey data is being gathered.

3. HOW WE ARE DOING

ERT no longer exists and no survey data is being gathered.

4. HOW WE COMPARE

ERT no longer exists and no survey data is being gathered.

5. FACTORS AFFECTING RESULTS

ERT no longer exists and no survey data is being gathered.

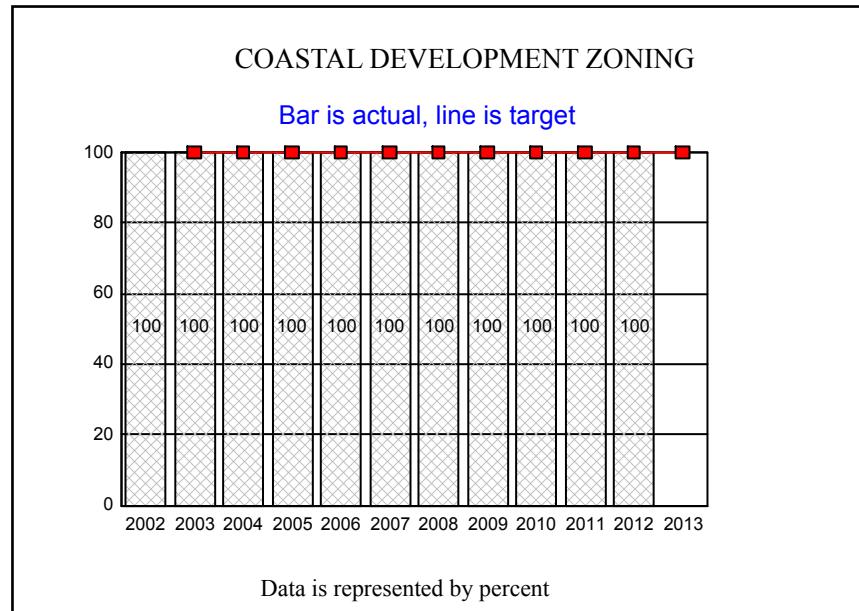
6. WHAT NEEDS TO BE DONE

ERT no longer exists and no survey data is being gathered.

7. ABOUT THE DATA

ERT no longer exists and no survey data is being gathered.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #8	COASTAL DEVELOPMENT ZONING— Percent of estuarine areas designated as “development management units” in 2000 that retain that designation.	2002
Goal	Promote sustainable, vibrant communities	
Oregon Context	OBM 4: Job Growth	
Data Source	DLCD databases on periodic review, post acknowledgement plan amendments and permit consistency review.	
Owner	Patty Snow, 503-373-0050 ext 281	



1. OUR STRATEGY

The agency strategy for this goal is to retain the total number and distribution of estuary management units zoned for development. These areas constitute a relatively small percentage of the total estuarine areas within shallow-draft and deep-draft development estuaries. They are generally associated with, and

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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intended for, water-dependent or water-related industrial and commercial uses, including supporting navigational areas, port facilities and other navigation infrastructure. These areas, and the investments made within them, are limited and can not easily be recreated or relocated. There are no substitute or alternative areas that can easily be developed for these purposes if the current areas are converted to other uses. A recent example of a new water dependent uses requiring location in development management unit is the navigation terminal and supporting infrastructure for the NOAA Marine Operations Center--Pacific facility developed on Yaquina Bay in Newport.

2. ABOUT THE TARGETS

The target is 100 percent. There should be no net loss in the amount of acreage or location of estuarine development management units. There is some potential for increased acreage due to plan amendments to authorize unanticipated navigational areas, and increased economic development activities in new locations that support water-dependent uses.

3. HOW WE ARE DOING

The acreage of estuarine areas designated for development has been stable over the monitoring period for this performance measure. The foundation for estuary planning together with the locally recognized importance of development management unit designations, creates an incentive to retain the economic development potential provided through these management units.

4. HOW WE COMPARE

Oregon performs extremely well in comparison to other coastal states in the manner that we manage and protect the limited estuarine areas that are available for water-dependent and water-related development. In many states, there is not a land use/estuarine management component that is equivalent. The balance between conservation and development that maintains diversity among Oregon's estuaries is relatively unique, as is the partnership between the state and local government.

5. FACTORS AFFECTING RESULTS

There are no external factors affecting the results of this measure. The data are confirmed by department records and ongoing monitoring of actions affecting Oregon estuaries.

6. WHAT NEEDS TO BE DONE

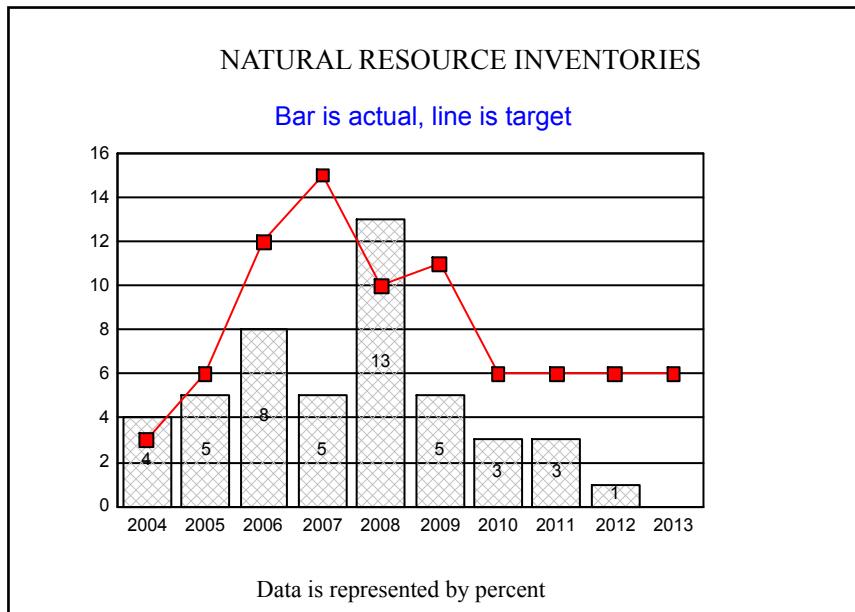
LAND CONSERVATION and DEVELOPMENT DEPARTMENT**II. KEY MEASURE ANALYSIS**

No change is recommended in response to the data. The department will continue to work with local government and the ports to ensure a stable inventory of estuarine areas designated for development in order to assure a sufficient supply of water-dependent and water-related commercial and industrial land, including areas required for supporting navigation infrastructure.

7. ABOUT THE DATA

This reporting cycle is from July 1, 2011 through June 30, 2012. Zone changes for these areas require either a major plan amendment or a goal exception. The data are derived from our review of the statutorily required plan amendment and goal exception submittals from local governments. Specific uses within estuaries also require local, state and federal permits. The department routinely reviews those types of permitted activities. The department must review and issue a federal consistency determination for activities that require a federal permit or actions conducted by a federal agency.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #9	NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.	2002
Goal	Secure Oregons Legacy	
Oregon Context	OBM 4:Job Growth, OBM 67:Emergency Preparedness, OBM 74:Affordable Housing, OBM 77:Wetlands Preservation, OBM 87: Native Fish and Wildlife	
Data Source	DLCD tracking of periodic review approval orders.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

This measure counts the number of cities (with population over 2,500) that update their buildable land inventory (BLI) in the last year to account for land that is

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not buildable because of natural resources (Goal 5) or natural hazards (Goal 7). The strategy for this performance measure includes limited grant support to cities to fund the planning work, technical assistance, and encouragement. The department also plays a role verifying the adequacy of natural resource and hazards inventories during the periodic review and post-acknowledgement processes. Partners include the Oregon Department of State Lands (reviewing wetland inventories) and the Oregon Department of Fish and Wildlife (reviewing wildlife habitat maps).

2. ABOUT THE TARGETS

The target assumes that roughly six cities (out of 104 cities) will update their BLI each year. Higher values are desirable, indicating that more cities have recently updated their BLI.

3. HOW WE ARE DOING

Performance did not meet the target. The target was 6 percent and the result was 1 percent. This result indicates that cities are making progress more slowly than desired in comprehensively assessing the impact of natural resource and hazard constraints on their urban land supplies, and may also indicate that many cities have already accounted for hazards and natural resources during an earlier residential buildable lands inventory, and thus do not see a need to update their BLI. This measure counts annual updates; it does not represent the total number of cities that have adequately inventoried their land supply. If the measure assessed and reported on a rolling 10-year basis, like many of the other KPMs, the results would be that 66 percent of such cities (with population over 2,500) have an up-to-date-BLI.

4. HOW WE COMPARE

The department is not aware of any related public or private measurement standards regarding the effects of natural resource or hazards constraints on the long-term supply of buildable lands.

5. FACTORS AFFECTING RESULTS

This measure is not tracked cumulatively, but rather on an individual fiscal year basis. This measure was originally crafted when periodic review was required of all cities and was the primary method for updating buildable lands inventories. In that situation it was reasonable to predict that a significant number of cities would update their BLI each year. Subsequent legislative changes to periodic review substantially reduced the number of cities subject to periodic review, and placed a higher priority on topics other than natural resources or hazards for cities still subject to periodic review. Also, state grant funding for natural resource

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inventories has been substantially reduced as a result of budget shortfalls and the legislation rolling back periodic review. Natural hazards inventories are more likely to be up-to-date than natural resource inventories because they are eligible for funding from the Federal Emergency Management Agency, but this measure does not separate hazard inventories from natural resource inventories. This measure omits 139 incorporated cities in Oregon with populations less than 2,500.

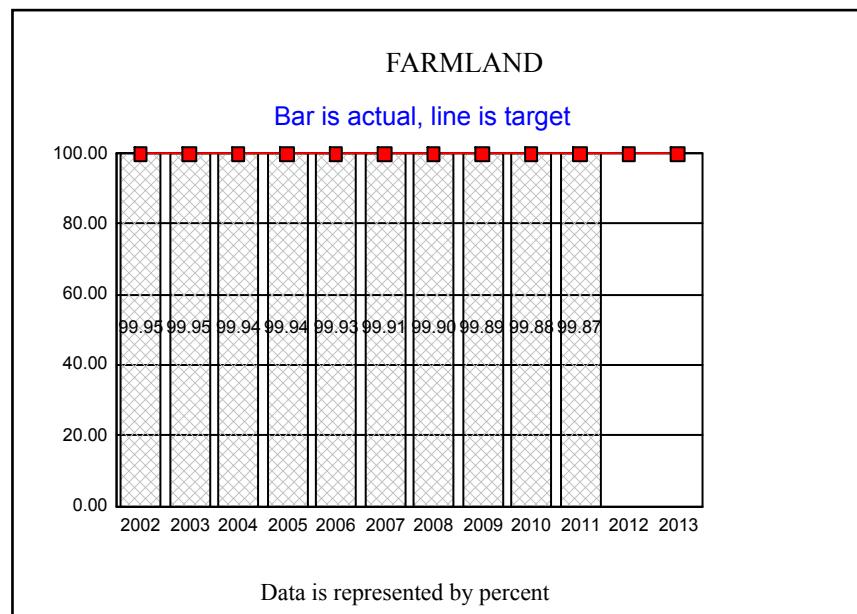
6. WHAT NEEDS TO BE DONE

Pursue additional funds for grants to local governments to encourage them to update buildable land inventories and to account for constraints due to the presence of natural resources and natural hazards. Account for measures on a total 10-year period as is done for buildable land inventories, rather than on a single year basis.

7. ABOUT THE DATA

The reporting period is Oregon's fiscal year. Data sources are the departments periodic review approvals checklist and the plan amendment database. The database does not track whether an updated BLI includes adequate up-to-date information about natural resources and natural hazards, so it is possible that some of the BLIs that have been counted did not adequately include that information.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #10	FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.	2002
Goal	Secure Oregons Legacy.	
Oregon Context	OBM 4: Job Growth, OBM 81: Agricultural Lands	
Data Source	DLCDs rural lands GIS database, plan amendment, and farm/forest databases.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

One of the goals of Oregon's planning program (Statewide Planning Goal 3) is to conserve agricultural land for farm uses, consistent with legislative policies in ORS 215.243 and 215.700. The Department of Land Conservation and Development seeks to achieve this goal through acknowledgment of local

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comprehensive land use plans and exclusive farm use zoning. This Key Performance Measure tracks, on a statewide basis, the percentage of agricultural land outside urban growth boundaries (UGBs) that remains zoned exclusive farm use (EFU) over time, as compared to the acreage zoned EFU in 1987. The less farmland rezoned for rural or urban development, relative to the total amount zoned EFU in 1987, the greater the indication that local plans and ordinances are working to protect farmland for agriculture.

2. ABOUT THE TARGETS

The targets acknowledge that while the land use program is intended to protect agricultural land from conversion to other uses, there nevertheless will be a small amount of land rezoned for urban and rural development as cities grow, and where rural exceptions or non- resource land designations can be justified. This factor is built into the target, which provides for a small amount of yearly rezoning of agricultural land.

3. HOW WE ARE DOING

The results for calendar year 2011 show that the state's land use planning program continues to work well to maintain agricultural lands for commercial farm use. In 2011, 1,211 acres of EFU land were rezoned: 558 acres for rural development, 454 acres for urban uses, and 199 acres for other (mixed farm-forest) resource use. Because of a high level of rezonings from EFU to non-farm uses in 2007, the percent of acreage in EFU zones in 2007 and subsequent years is slightly short of the target for these years. From a base of 16.1 million acres of EFU-zoned land in 1987, a total of 21,074 acres have been rezoned to other urban and rural uses in the 24-year period through 2011. This means that 99.87% of land zoned EFU in 1987 was still zoned EFU in 2011. The 2011 target is 99.92%.

4. HOW WE COMPARE

To our knowledge, there are no public or private standards for farmland zoning to compare with Oregon's land use program. However, there is indirect evidence of the effectiveness of Oregon's extensive EFU zoning. The most recent US Census of Agriculture figures show that Oregon is holding onto its large and mid-sized farms at a significantly higher rate than the rest of the nation. Between 1978 and 2007, the rate of loss of large (500+ acres) and mid-sized (50-499 acres) farms in Oregon was less than one-third that of the rate for the nation as a whole, while the rate of loss of mid-sized farms (50-499 acres) was 14 times lower than the national rate of loss.

5. FACTORS AFFECTING RESULTS

Rezoning of farmland occurs through local government decisions in response to applications to change EFU zoning, or expansion of urban growth boundaries.

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Such applications are subject to land use goals, rules and state statutes. While this performance measure provides a good overall assessment of the longevity of EFU zoning over time, the modest amount of land rezoned out of EFU compared to the very large base of current EFU zoning is so small as to not register on the farmland performance graph. This measure offers only a partial assessment of the type or level of development and land division activity that occurs within EFU zones. It also does not measure the type or level of development and land division activity that occurs within EFU zones, including that projected to occur through Measure 49 claims. It does not measure land conversion based on permitted development and land divisions that take place within EFU zones.

Estimates are that several times as much acreage is converted within EFU zones as is rezoned out of EFU zones each year.

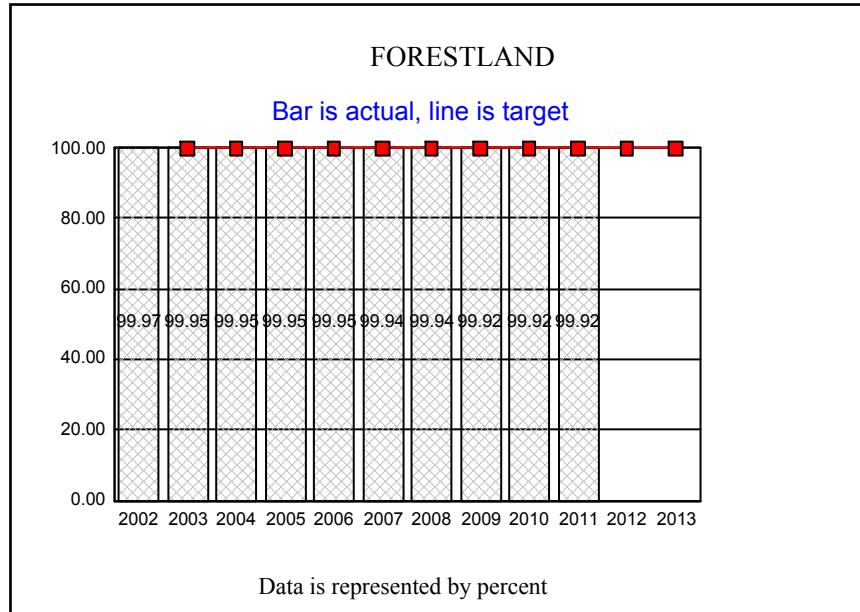
6. WHAT NEEDS TO BE DONE

Continue current efforts toward meeting the target. Consider refining the performance measure, or adding new measures, that result in more detailed evaluation of Goal 3 farmland protections, and of the effects of Measure 49 development.

7. ABOUT THE DATA

The data come from information submitted by local governments to the Department for each calendar year, as required by ORS 197.065 and 197.610. Local governments have the opportunity to review and respond to draft compiled data in the annual Farm Report before it is finalized.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #11	FOREST LAND – Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.	2002
Goal	Secure Oregons Legacy.	
Oregon Context	OBM 4: Job Growth, OBM 81: Forest Land	
Data Source	DLCDs rural lands GIS database and plan amendment database.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

This Key Performance Measure tracks the percentage of forestland that remains zoned for forest or mixed farm-forest use over time, as compared to the acreage zoned for forest or farm-forest uses in 1987. The less forest land is rezoned for urban and rural development, relative to the amount zoned forest or

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mixed farm-forest in 1987, the greater the indication that local plans and ordinances are working to protect forestland for commercial and other forest uses.

2. ABOUT THE TARGETS

The targets acknowledge that while the land use program is intended to protect forest land from conversion to other uses, there nevertheless will be a small amount of land rezoned for urban and rural development, as cities grow and when rural exceptions or non-resource land designations can be justified. These factors are built into the target, which provides for a small amount of yearly rezoning of forest and mixed farm-forest land.

3. HOW WE ARE DOING

The results for calendar year 2011 show that the state's land use program continues to work well to maintain forestlands for commercial and other forest uses. In 2011, 217 acres of forest and mixed farm-forest lands were rezoned: 55 acres to rural development, and 162 acres to mixed farm-forest use (the 162 acres is not considered to have been rezoned out of forest use). This generates a net rezoned figure of 55 acres. At the same time, 199 acres of EFU-zoned land were rezoned to mixed farm-forest use; this yields a net gain of 144 acres of mixed farm-forest zoned land for 2011. However, because a high level of rezonings from forest to non-forest uses in 2007 and 2009, the percent acreage in forest zones in 2007 and 2008, the percentage acreage in forest zones in 2007 and subsequent years is slightly short of the targets for these years. From a 1987 base of nearly 11.8 million acres of forest and mixed farm-forest zoned land, a net total of 9,254 acres have been rezoned from forest and farm-forest to other rural and urban uses in the 24-year period through 2011. This means that 99.92% of land zoned forest in 1987 was still zoned forest or mixed farm-forest in 2011. The 2011 target is 99.94.

4. HOW WE COMPARE

To our knowledge, there are no public or private standards for forestland zoning to compare with Oregon's land use program.

5. FACTORS AFFECTING RESULTS

Rezoning of forestland occurs through local government decisions that respond to applications by property owners to change forest or farm-forest zoning. The approval of such applications is governed by LCDC goals, rules and state land use statutes. While this performance measure provides a good overall assessment of the longevity of forest and farm-forest zoning over time, the modest amount of land rezoned out of forest use compared to the very large base of current forest and farm-forest zoning is so small as to not register on the Forest Land KPM graph. This measure offers only a partial assessment of the type or level of development and land division activity that occurs within forest and farm-forest zones, including that projected to occur through Measure 49 authorizations.

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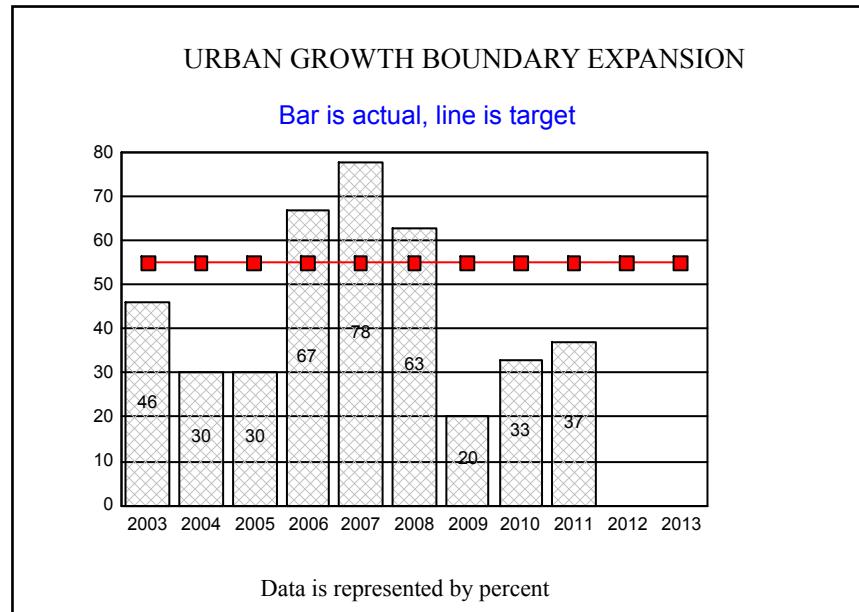
6. WHAT NEEDS TO BE DONE

Continue current efforts toward meeting this target, but consider refining the performance measure or adding new measures to allow more detailed evaluation of Goal 4.

7. ABOUT THE DATA

The data come from information submitted by local governments to the department for each calendar year, as required by ORS 197.065 and 197.610. Local governments have the opportunity to review and respond to draft compiled data in the biennial Forest Report before it is finalized.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #12	URBAN GROWTH BOUNDARY EXPANSION – Percent of land added to urban growth boundaries that is not farm or forest land.	2002
Goal	Secure Oregon's Legacy.	
Oregon Context	OBM 81: Agricultural Lands, OBM 82: Forest Land	
Data Source	Plan amendment and periodic review database.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

Statewide Planning Goal 14 requires establishment of an urban growth boundary (UGB) around each urban area, to separate urban land from rural farm and forest land. It ensures that urban areas have sufficient land for long-term growth, while providing for an orderly and efficient transition from rural to urban land

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use. Land included in a UGB must be selected to comply with priorities set forth in ORS 197.298 and Goal 14, which conserve farm and forest land. Those priorities require that farm or forest land are the lowest priority for UGB expansions.

2. ABOUT THE TARGETS

The target for this Key Performance Measure was set based on historic trends, and the state's goal to limit the amount of land that is zoned for EFU or forest use that are added annually to UGBs and rezoned for development. While the department cannot directly control the amount or types of land added to UGBs, a desirable target is that a minimum of 55 percent of the lands added to UGBs each year be land currently zoned for non-resource uses, rather than land currently zoned for farm or forest use.

3. HOW WE ARE DOING

In 2011, 721 acres were added to UGBs statewide. Of this, 454 acres (63%) were previously zoned for EFU uses and 267 acres (37%) were previously zoned for non-resource uses. Therefore, the target of 55 percent non-resource land was not met.

4. HOW WE COMPARE

To our knowledge, there are no public or private standards for UGB expansions to compare with Oregon's land use program.

5. FACTORS AFFECTING RESULTS

The total number of UGB amendments, and the acreage involved, is highly variable from year to year. Many UGB amendments occur in areas surrounded by farm or forest-zoned lands. In some areas, non-resource zoned lands are unavailable, so cities have no choice but to include farm or forest land as the urban area expands. Local governments select the type of land added to urban growth boundaries through plan amendments approved at the city and county level. LCDC has some authority to disallow UGB amendments that do not follow statutory priorities regarding farm land, but this ability will not improve performance where local governments have no other options for urban expansion.

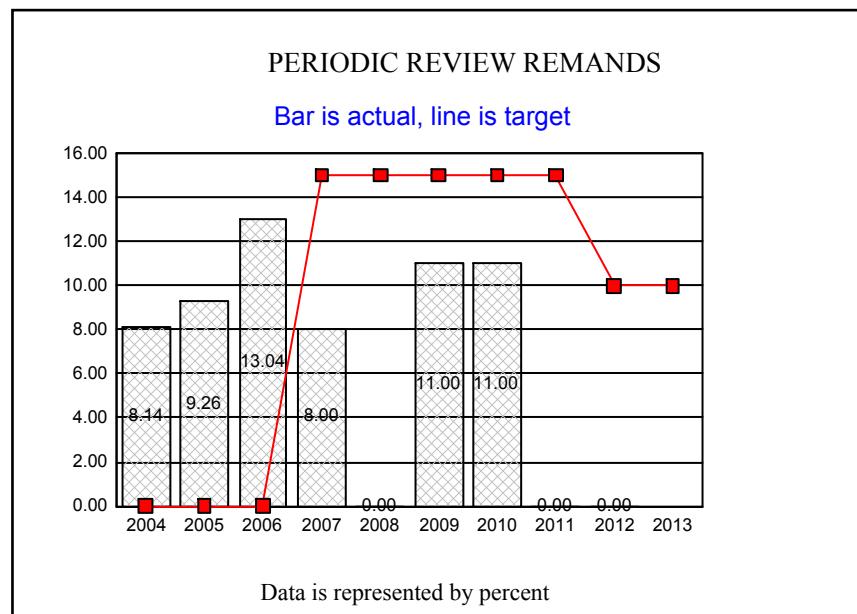
6. WHAT NEEDS TO BE DONE

Continue current efforts, but reevaluate or refine the target based on the relative availability of non-resource zoned lands available for inclusion in UGBs. Continue to encourage cities to consider all surrounding rural residential land for UGB expansion, even where difficulties exist.

7. ABOUT THE DATA

The data come from information submitted by local governments to the department for each calendar year, as required by ORS 197.065 and 197.610. Local governments have the opportunity to review and respond to draft compiled data in the biannual Farm and Forest Reports before they are finalized.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #13	PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.	2003
Goal	Improve Collaboration.	
Oregon Context	DLCD Mission	
Data Source	Department records.	
Owner	Rob Hallyburton, 503-373-0050 ext 255	



1. OUR STRATEGY

DLCD works with a limited number of cities and counties to periodically update local land use plans. The purpose of periodic review is to ensure that comprehensive plans are consistent with statewide land use goals and reflect the current vision and priorities of communities. This measure relies on DLCD and

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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the LCDC's authority to review and decide whether proposed land use plan changes are consistent with statutes, statewide planning goals and administrative rules.

2. ABOUT THE TARGETS

The target is premised on and assumption that some percentate of periodic review work task submittals from local jurisdictions will not satisfy applicable requirements. The target is for DLCD to remand 10% or less of total submittals.

3. HOW WE ARE DOING

The department met the target. The target for 2011-12 is for the department tp return less than 10% of submitted work tasks to local jurisdictions. Jurisdictions submitted six work tasks and none of those tasks were returned. The result for this KPM is that 0% of submitted tasks were remanded.

4. HOW WE COMPARE

There are no public or private standards to compare with this measure.

5. FACTORS AFFECTING RESULTS

Because of the department's concerted efforts to work closely with local communities by providing excellent technical assistance, the target predicts few remands. That is the case again this year, with no remands issued by the department or commission. Each periodic review is different, and the nature of the various periodic review tasks undertaken by local government has a bearing on the likelihood that it may be returned for further action. The more complex or controversial a work task is, the more likely it may be sent back for more work.

6. WHAT NEEDS TO BE DONE

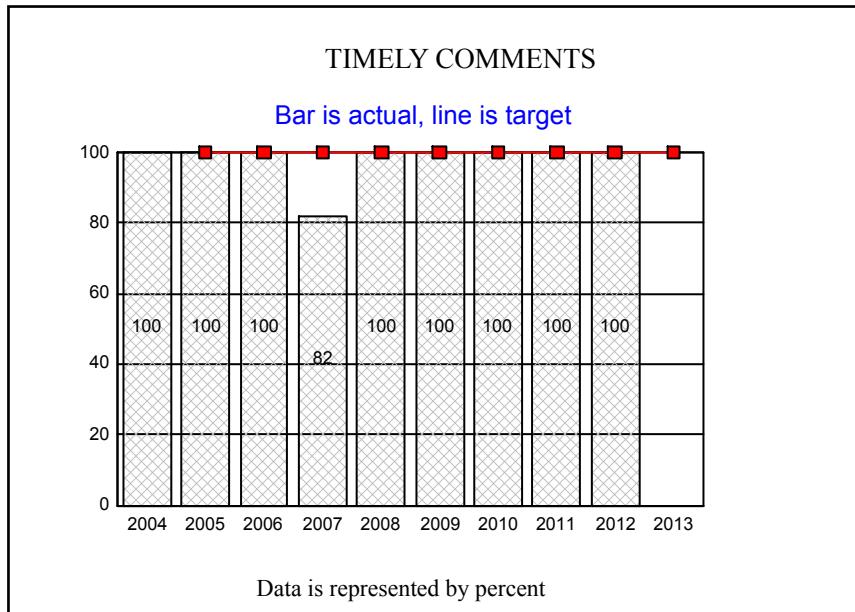
The department will continue to work closely with all Oregon communities, including local governments involved in periodic review in order to improve the planning products submitted to the state for approval.

7. ABOUT THE DATA

LAND CONSERVATION and DEVELOPMENT DEPARTMENT**II. KEY MEASURE ANALYSIS**

The 2011-12 data is for all periodic review task approval decisions made by DLCD or LCDC, for the fiscal year from July 1, 2011 through June 30, 2012. There are four possible outcomes for each submittal: approval, remand, partial approval and partial remand, or referral to LCDC for a commission decision. The data is derived by dividing the total number of decisions (six for the reporting period) by the number of remands (there were no remands this reporting period).

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #14	TIMELY COMMENTS – Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.	2003
Goal	Improve collaboration and deliver the highest level of customer service possible.	
Oregon Context	DLCD Mission	
Data Source	Department records.	
Owner	Rob Hallyburton, 503-373-0050 ext 255	



1. OUR STRATEGY

DLCD staff reviews proposed post-acknowledgement plan amendments submitted by local governments within the statutory deadline for such comments.

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2. ABOUT THE TARGETS

DLCD make comments within the deadline established by statute. Therefore, the target is set at 100 percent. The statutory deadline for comments is 15 days before the final evidentiary hearing at the local government. Local jurisdictions are required to submit plan amendments to the department at least 35 days prior to the local government's first evidentiary hearing.

3. HOW WE ARE DOING

The department met the target this year, which is the sixth time in the last seven years the department has done so, at the 100% level. Comments are nearly always submitted far before the statutory deadline.

4. HOW WE COMPARE

There is no public or private industry standard to compare with this measure.

5. FACTORS AFFECTING RESULTS

The complexity of some submittals presents a challenge and makes the review deadline difficult to attain in some cases. For example, the proposal as submitted may not be complete, or is changed or supplemented over time, further complicating review for the department and others. The department continues to strive for early coordination and communication with local governments in its efforts to provide accurate, constructive and timely help to local communities.

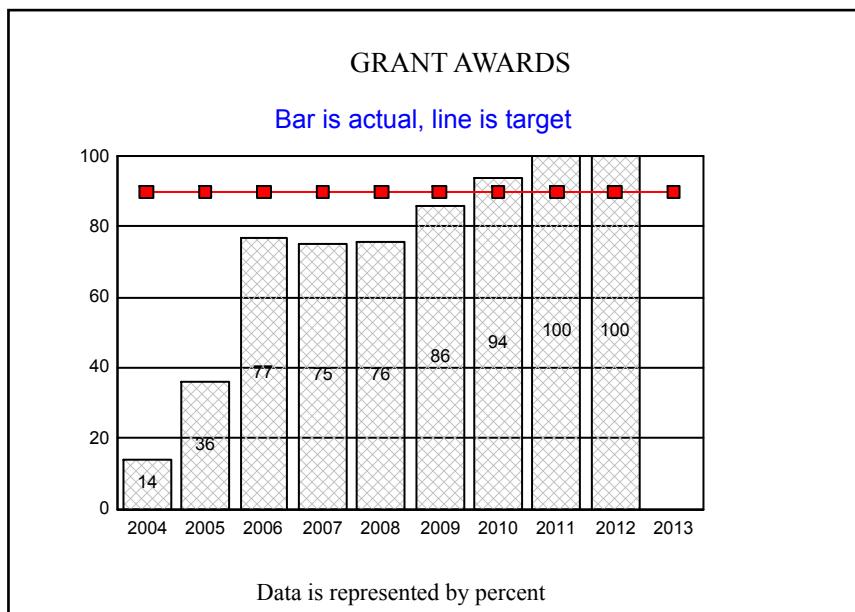
6. WHAT NEEDS TO BE DONE

The department continues to emphasize the importance of providing constructive comments within the required statutory time lines.

7. ABOUT THE DATA

The department maintains a database that tracks plan amendments notices and department participation. The 2011-12 data are for comments made by DLCD during the 2011-12 fiscal year.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #15	GRANT AWARDS – Percent of local grants awarded to local governments within two months after receiving application.	2003
Goal	Improve Collaboration and Deliver the highest level of customer service possible.	
Oregon Context	DLCD Mission	
Data Source	Department records.	
Owner	RobHallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

In order to provide local governments with the maximum time to utilize planning grant resources within the biennium, DLCD minimizes application and processing time.

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2. ABOUT THE TARGETS

The 90 percent target was established as an ambitious but attainable objective. Achieving this target requires close coordination with local governments and occasionally with state and federal agencies.

3. HOW WE ARE DOING

DLCD exceeded its target in this reporting period

4. HOW WE COMPARE

There is no public or private industry standard to compare with the departments measure.

5. FACTORS AFFECTING RESULTS

The grant program operates on a biennial basis, and most of the activity is during the first year of the biennium. The department employed an application deadline this biennium, which allowed for quick comparison of proposals and fast turn-around times for award recommendations.

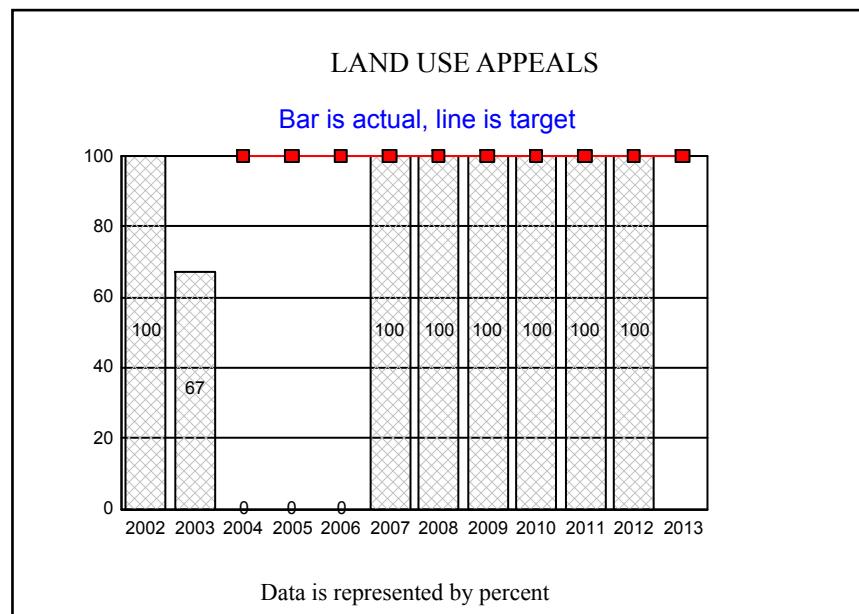
6. WHAT NEEDS TO BE DONE

The department has continued refining internal processes for grant evaluation. With input from its Grants Advisory Committee, department staff have improved guidelines for applicants, increased staff resources to review and approve grant applications and provided for earlier application deadlines. These efforts need to continue.

7. ABOUT THE DATA

The data reflect grant approvals by DLCD during the 2011-12 fiscal year, including General Fund grants, commonly referred to as Technical Assistance, Periodic Review, and Gorge grants. These competitive application grants are awarded on a biennial basis. The department maintains spreadsheet data of all applications and awards.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #16	LAND USE APPEALS – Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.	2003
Goal	Economic development: Promote economic development and quality communities.	
Oregon Context	DLCD Mission	
Data Source	DLCD appellate case database.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

The appeal of a local land use decision is an action of last resort. DLCD generally does not appeal local land use decisions unless a decision is clearly in error, presents long-term issues for a community's future, or has broad implications for statewide land use policy. The number of appeals is very small.

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2. ABOUT THE TARGETS

The higher the number, the better the performance. The FY 2011-12 target of 100 percent success at LUBA and in higher courts assumes that DLCD will only appeal a local land use decision that clearly violates a state land use regulation.

3. HOW WE ARE DOING

The department appeals very few local government land use decisions. The department filed no appeal in FY 2011-2012. One appeal from 2010-12 had not been decided during that reporting period and has now concluded. The result was a voluntary remand by the local government of the appealed decision. As explained in #7 below, voluntary remands are not included in the calculations for this KPM; therefore, in effect, the results for this KPM will be calculated as if no appeals of a local land use decision had been undertaken for FY 2011-12.

4. HOW WE COMPARE

The department is not aware of any related public or private measurement standards regarding appeal success.

5. FACTORS AFFECTING RESULTS

Land Conservation and Development Commission approval is required for all appeals. The commission declined to move forward with one department proposal for appeal during 2011-12.

6. WHAT NEEDS TO BE DONE

Continue to appeal only where an appeal has merit and significant land use policy implications.

7. ABOUT THE DATA

The data reported are for decisions on appeals that were issued by the Land Use Board of Appeals, Oregon Court of Appeals, and Oregon Supreme Court between July 1, 2011 and June 30, 2012. The data are taken from LUBA and appellate court decisions, which LUBA sends to the department on a weekly basis. Strength of the data: They reliable because they come from a primary source. Weaknesses of the data: "Upheld" in the context of this key performance measure means LUBA, or the court, agreed with the department's position, generally resulting in a remand or reversal of the local governments decision. A

LAND CONSERVATION and DEVELOPMENT DEPARTMENT**II. KEY MEASURE ANALYSIS**

case that has been dismissed or withdrawn, or voluntarily remanded, is not included in the calculation. However, sometimes a dismissal or voluntary remand signifies success. An appeal dismissed at DLCD's request is different than an appeal dismissed involuntarily.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #17	CUSTOMER SERVICE: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	2006
Goal	Improve Collaboration and Deliver the highest level of customer service possible.	
Oregon Context	DLCD Mission	
Data Source	Department survey results.	
Owner	Teddy Leland, 503-373-0050 ext 237	



1. OUR STRATEGY

The 2005 Legislature approved Statewide Customer Service Performance Measures, and required all state agencies to survey and report on customer satisfaction. The survey is conducted biennially. This is the fourth survey, and the second census survey conducted by the department. Previous surveys were conducted by the Oregon Progress Board in 2006 and 2008.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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2. ABOUT THE TARGETS

This KPM remains a relatively new biennial key performance measure for the department. Target setting has been based on estimates of anticipated growth in customer service satisfaction. 2012 targets were established using 2006 data as a baseline, with built-in increases for modest but achievable targets. This KPM contains six service aspects: overall, accuracy, availability of information, expertise, helpfulness and timeliness. The 2012 legislatively approved target for each category is 83%.

3. HOW WE ARE DOING

2012 is the second department biennial survey conducted online, rather than by telephone. All categories but one maintained or increased in performance. Satisfaction with overall service at DLCD, the broadest measure of service, increased from 71% to 73% when the "good" and excellent scores are combined. Timeliness of service provided by the department climbed 1% and accuracy decreased by less than 1%. Expertise increased by almost 8%; and helpfulness increased by almost 13%, compared to 2010. Availability of information decreased by 8%. While no service aspect result met the goal of 83%, to see increases in a period of declining resource capacity provides some encouragement. The department is continuing its efforts to improve its communications with local jurisdictions by notifying jurisdictions of department actions in a timely manner, and by providing training for local jurisdictions. For instance, the department has prepared an online training tool" for local planning commissioners, and continues to engage planners in training and educational opportunities across the state. An open-ended question at the end of the survey allowed for additional feedback. This feedback was grouped into categories for tallying purposes. The category of "general positive comments" contained the largest number of responses at 37%, with the "more/better communication" category receiving the next most comments with 18%.

4. HOW WE COMPARE

Comparisons are not available at this point.

5. FACTORS AFFECTING RESULTS

This was the second biennial survey that the department conducted online. The response rate was quite low, but increased from the first census survey of 2010 with 142 responses from a total of 599 individuals sent survey questions. The response rate drove up the margin of error for the survey somewhat, and so one should be cautious in drawing conclusions from the data. Reduced staffing levels, grant resources and budget constraints generally, have stressed local and state capacity to perform the tasks necessary to fulfill the requirements of the land use program. While it is difficult to know how this plays out in a customer satisfaction survey, it is not difficult to imagine how service aspects such as timeliness and availability of information could be impacted with dwindling

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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resources.

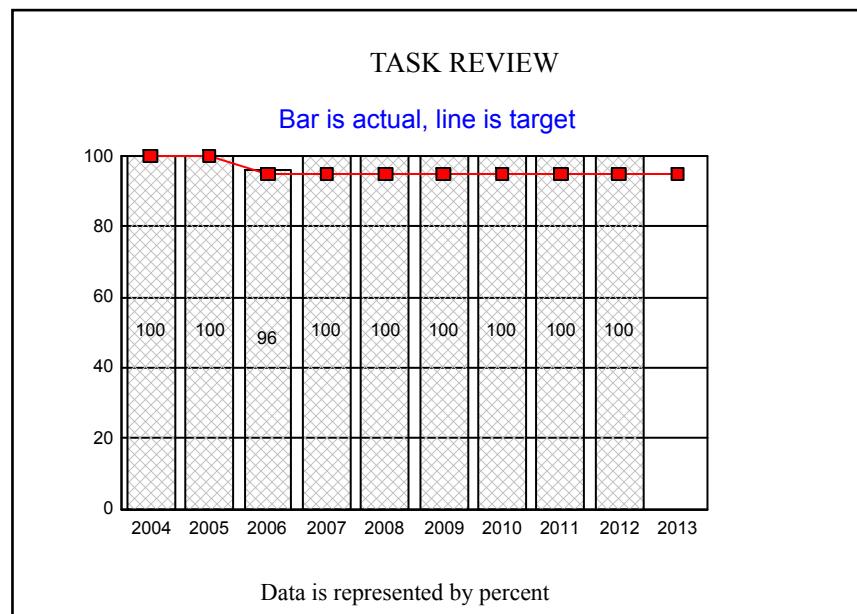
6. WHAT NEEDS TO BE DONE

All DLCD employees are responsible for customer service in one way or another. In response to the 2012 results, the department will continue working to improve communications with local jurisdictions. For example, the helpfulness and timeliness categories performed least well in the survey, and follow up will help identify ways to improve results. The department also continues its work on internal communication by: bringing in expert speakers to all-staff meetings; providing division updates in the Director's Report to the Land Conservation and Development Commission; developing better orientation material for commissioners; encouraging communications training for all employees; and implementation of a transformative Information Management Modernization Initiative (IMMI). The Citizen Involvement Advisory Committee continues to regularly report its findings and recommendations to the Land Conservation and Development Commission. The Local Officials Advisory Committee also meets with LCDC. The department also anticipates making a coordinated management response to the data from this survey.

7. ABOUT THE DATA

The Department of Land Conservation and Development (DLCD) conducted an online survey, using Survey Monkey as the tool for distributing and gathering information. The department maintained anonymity of survey respondent information. The online survey tools contain a report generation capacity in an aggregate manner, but individual responses were not available. Reliability of information is maintained through the survey methodology.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #18	TASK REVIEW – Percent of periodic review work tasks under review at DLCD for no longer than four months.	2003
Goal	Streamlining	
Oregon Context	DLCD Mission	
Data Source	Department records.	
Owner	Rob Hallyburton, 503-373-0050 ext 239	



1. OUR STRATEGY

In order to provide quality service to local governments, DLCD and LCDC decisions regarding submitted periodic review tasks need to be made in a timely manner in order to meet a statutory 120-day deadline.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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2. ABOUT THE TARGETS

DLCD is statutorily obligated to make task decisions within 120 days of the date of periodic review work task submittal, with some exceptions. The target recognizes that exceptions to these deadlines may be necessary at times.

3. HOW WE ARE DOING

The department met its target during the reporting period. That is, all six periodic review work tasks were under DLCD review for no longer than 120 days. The actual time for the decisions averaged less than 70 days. Only one decision took more than 100 days to reach, after the date of submittal.

4. HOW WE COMPARE

There is no public or private industry standard to compare with the departments measure.

5. FACTORS AFFECTING RESULTS

The complexity and adequacy of the local government's task submittal, and the number and complexity of objections from third parties have a major influence on the time necessary for the department's review of periodic review submittals.

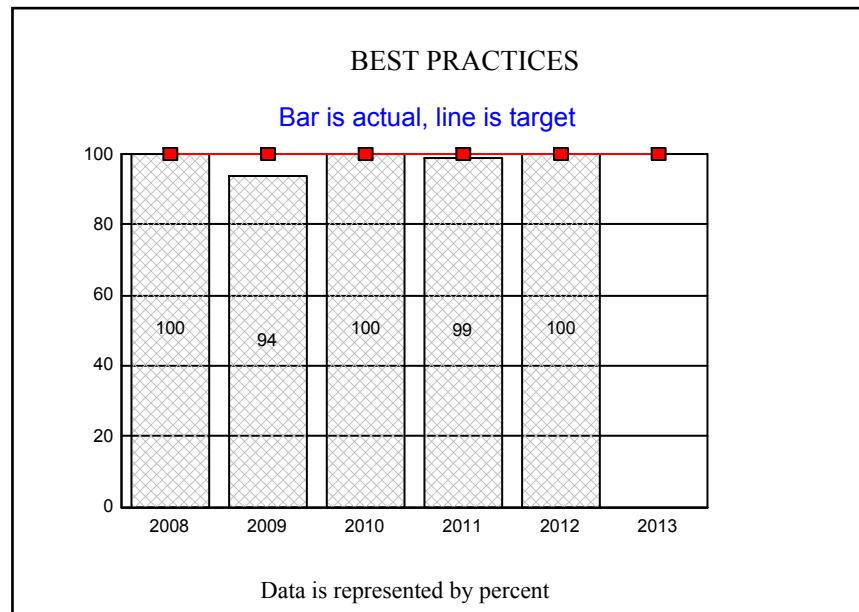
6. WHAT NEEDS TO BE DONE

DLCD needs to continue providing timely reviews of periodic review task submittals.

7. ABOUT THE DATA

The data reported are for periodic review work task decisions made by DLCD during the fiscal year between July 1, 2010 and June 30, 2012.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT		II. KEY MEASURE ANALYSIS
KPM #19	BEST PRACTICES – Percent of total best practices met by the Board.	2007
Goal	Streamlining	
Oregon Context	DLCD Mission	
Data Source	Department and Land Conservation and Development Commission records.	
Owner	Teddy Leland, 503-373-0050 ext 237	



1. OUR STRATEGY

The 2007 Legislature approved a Statewide Best Practices Measure and required certain boards and commissions to report on their ability to meet established criteria. Implementation of this performance measure is conducted at an annual self-assessment by the Land Conservation and Development Commission

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	II. KEY MEASURE ANALYSIS
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(commission). Annually, each member of LCDC rates the commission against 15 best practices criteria established by the Department of Administrative Services and the Legislative Fiscal Office. For 2012, The commission undertook its first best practices scorecard at its July 19, 2012 meeting, and then further reviewed the scorecard at its September 20, 2012 meeting.

2. ABOUT THE TARGETS

Targets have been established based on LCDC's estimated ability to meet the best practices criteria established by the legislature. This is the fifth application of this process since 2008.

3. HOW WE ARE DOING

For this reporting period, the commission is 100% in compliance with the criteria. 15 items were voted on by 5 commissioners. Two commissioners did not vote due to their recent appointment to the commission. All items received "yes" votes. The general trend for this measure reflects significant compliance in best practices by LCDC.

4. HOW WE COMPARE

This is a relatively new measure for state boards and commission. Statewide comparisons can be found by review of each affected board and commission annual performance progress reports (APPR), and budget reports. 45 boards and commissions were initially required to report on this best practices measure during FY 2010. Of that total, 47% met 100% of target. Information for 2011 is not yet available.

5. FACTORS AFFECTING RESULTS

The commission has proved to operate effectively for some time. The success of this KPM is largely due to the commission itself, although staff resources and support also play a role.

6. WHAT NEEDS TO BE DONE

Continued governance training opportunities need to be provided to commission members.

7. ABOUT THE DATA

LAND CONSERVATION and DEVELOPMENT DEPARTMENT

II. KEY MEASURE ANALYSIS

The data reported are a cumulative total of commission member's responses to a survey about its ability to meet the statewide best practice criteria.

LAND CONSERVATION and DEVELOPMENT DEPARTMENT	III. USING PERFORMANCE DATA
<p>Agency Mission: To help communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy.</p>	
Contact: Michael Morrissey	Contact Phone: 503-373-0050
Alternate: Teddy Leland	Alternate Phone: 503-373-0050

The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY	<p>* Staff: In 2009, and again in 2010, department management engaged in a department-wide staff effort resulting in a revised strategic plan. This effort included review of our performance measure package in light of the revised strategic plan and in terms of how to improve the performance measure package itself. At the recommendation of the department, the Land Conservation and Development Commission (LCDC) reviewed and accepted the strategic plan, and provided input on the performance measures.</p> <p>* Elected Officials: The Joint Committee on Ways and Means provides input during budget hearings and work sessions.</p> <p>* Stakeholders: In addition to recommendations by the Oregon Task Force on Land Use Planning, which received extensive input from citizens, local officials and stakeholders, the department actively solicited stakeholder input regarding land use objectives and outcomes in 2010 and 2011. The Land Conservation and Development Commission and the department amended its 2011-2013 policy agenda and work plan in 2012, after several public hearings, and invited input from many organizations and individuals.</p> <p>* Citizens: The department's review of the strategic plan and key performance measures included consideration of the Oregon Task Force on Land Use Planning final report. As a result, the new mission and goal statement now includes the four principles recommended by the Task Force, and includes clearer references to regional strengths and equity considerations in application of the land use program. Both the strategic plan and the key performance measures were available for public comment at several 2010 LCDC meetings.</p>
2 MANAGING FOR RESULTS	<p>Improving the department's Key Performance Measure package was been the subject of significant staff and management discussion during 2010. The ability of the department to meet its performance measure targets and other objectives, depends on the skill and capacities of internal staff, and availability of IT resources. It is also subject to the</p>

	<p>capacity of the local jurisdictions to timely perform their plan amendment and periodic review tasks. Our desire to improve performance measurement has resulted in the department's search of outside resources to beef up our IT capacity. Performance measure data influences the department when considering the need for program or policy changes, as well as decisions regarding agency priorities and budget. The department intends the Information Management Modernization Initiative to greatly improve its ability to capture and analyze reliable data, from both internal and external sources. If the department can continue this plan through its five year planned duration, it will have more confidence in the implementation of stronger performance management and results for results for the land use planning program.</p>
3 STAFF TRAINING	<p>The department's key performance measure coordinator prepares staff throughout the department annually in gathering and analyzing data necessary for the APPR.</p>
4 COMMUNICATING RESULTS	<p>* Staff : DLCD submits its annual report to DAS upon review by the LCDC. LCDC also receives the report for the purpose of informing the budget development process. The department Director reviews the performance data and makes recommendations for changes. The department continues using this report to identify recommended changes in process or other actions.</p> <p>* Elected Officials: The agency provides the annual report to the Department of Administrative Services Budget and Management Division for general reporting purposes, and to the Joint Committee on Ways and Means during the budget hearing process.</p> <p>* Stakeholders: The annual report is also available to the public on DLCD's website at http://www.oregon.gov/LCD/docs/publications/.</p> <p>* Citizens: The annual report is also available to the public on DLCD's website at http://www.oregon.gov/LCD/docs/publications/.</p>

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date: 01/01/2013

Agency: LAND CONSERVATION and DEVELOPMENT DEPARTMENT

	Green = Target to -5%	Yellow = Target -6% to -15%	Red = Target > -15%	Pending	Exception Can not calculate status (zero entered for either Actual or Target)
Summary Stats:	63.16%	0.00%	31.58%	0.00%	5.26%

Detailed Report:

KPMs	Actual	Target	Status	Most Recent		Management Comments
				Year		
1 - EMPLOYMENT LAND SUPPLY – Percent of cities that have an adequate supply of land for industrial and other employment needs to implement their local economic development plan.	49	75	Red	2012		This measure tracks the number of cities over 2,500 population that evaluate and update their employment land supply as indicated in their comprehensive plans over a 10-year period. While not the target has not been met for the past several years, results have been consistent and slightly improving. Department planning grants are one resource that cities are able to use to update their comprehensive plans. Unfortunately funds available for this purpose have been declining in recent biennia, including the second half of the current biennium, where they were reduced due to state budget constraints. The department is developing a more direct measure of the adequacy of the amount and development-readiness of employment lands, and will propose changes to this performance measure when an alternate measure is ready to implement.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date:

KPMs	Actual	Target	Status	Most Recent	Management Comments
				Year	
2 - HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.	65	90	Red	2012	This indicator was not met for the third year. It has remained consistent for the most recent three years, suggesting common factors that may include a lagging economy and insufficient funds available for cities to update their comprehensive plans. In addition, the target was increased significantly for 2011 and 2012 contributing to the gap between target and results. The target for 2011 and 2012 was increased based on an estimate, in 2008, of the number of periodic review work tasks that cities were expected to begin. Fewer cities than expected began periodic review, however, due to budget considerations. Cities continue to raise concerns with their fiscal capacity to provide infrastructure to support the required housing.
3 - PUBLIC FACILITIES PLANS – Percent of cities that have updated the local plan to include reasonable cost estimates and funding plans for sewer and water systems.	46	70	Red	2012	Results for this KPM have been consistent for the past four years. The department recommended increasing the target for 2012 somewhat dramatically, due to changes in methodology. The methodology now allows for a positive outcome when city plan updates for sewer, water or stormwater take place in a single year, rather than requiring that all three take place simultaneously. As with several other KPM's that measure the progress of cities in updating their comprehensive plans, this measure lags likely due to an uncertain economy and insufficient funds for cities to adequately plan for their future.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
4 - CERTIFIED INDUSTRIAL SITES – Number of industrial sites certified as “project-ready” added each fiscal year.	2	6	Red	2012	The industrial site certification program is administered by the Oregon Business Development Department (OBDD). The performance measure is shared with OBDD. DLCD's role is to offer technical assistance to local governments and OBDD. OBDD, DLCD and ODOT have enhanced their efforts with regard to this program. Results for FY 2012 show two sites certified, compared to five sites the previous year. These sites contained 112 acres, down from 463 acres the previous year. Oregon's high standards for site certification give the state credibility relative to similar programs in other states.
5 - TRANSIT SUPPORTIVE LAND USE – Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.	89	88	Green	2012	This performance measure continues to reflect a positive outcome. Because of the method of data collection, as with some other performance measures, the degree of success may be slightly under reported.
6 - TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.	89.00	88.00	Green	2012	This performance measure has consistently exceeded its target.
7 - ERT – Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.	0	66	Exception	2012	ERT no longer exists and no survey data is being gathered.
8 - COASTAL DEVELOPMENT ZONING – Percent of estuarine areas designated as “development management units” in 2000 that retain that designation.	100	100	Green	2012	This is a stable performance measure and is expected to remain so. The department may seek other estuary-related performance measures in the future.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
9 - NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.	1	6	Red	2012	This KPM was recommended for deletion during the 2011 budget process. This KPM focuses on annual process rather than long-term outcomes. If the measure instead reported on a rolling 10-year basis, as do several other KPMs, the result would be that 66% of cities (over 2,500 population) would have an up-to-date BLI. In addition, much of what is intended for this KPM is tracked in KPM #2, Housing Land Supply. The department assists local jurisdictions with natural hazards planning and mapping, but this KPM is not the best or most accurate way to measure that activity.
10 - FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.	99.87	99.92	Green	2011	This measure produced positive results. The department is considering ways to capture more detailed data that could make this KPM more valuable. Examples include tracking whether agricultural land rezoned was high-value, and tracking the type and level of development allowed when agricultural land is rezoned.
11 - FOREST LAND – Percent of forest land outside urban growth boundaries zoned in 1987 for forest or mixed farm/forest use that remains zoned for those uses.	99.92	99.94	Green	2011	This performance measure continues a stable and positive trend. It has added value to the department because there is an emerging concern about the conversion of commercial forest lands to other uses, especially outside of the Willamette Valley. The department is exploring ways to refine data relative to this measure.
12 - URBAN GROWTH BOUNDARY EXPANSION – Percent of land added to urban growth boundaries that is not farm or forest land.	37	55	Red	2011	Outcomes for this performance measure can be highly variable depending on the location of the urban growth boundary under consideration for expansion. This year's results are based on 721 acres of UGB expansion, and may not reflect results over a longer period of time involving larger acreages.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
13 - PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.	0.00	10.00	Green	2012	With positive results for the past six years, the department believes that the target of no more than 10% returned work tasks is reasonable.
14 - TIMELY COMMENTS – Percent of DLCD concerns or recommendations regarding local plan amendments that are provided to local governments within the statutory deadlines for such comments.	100	100	Green	2012	The department continues to successfully submit comments to local jurisdictions in a timely manner.
15 - GRANT AWARDS – Percent of local grants awarded to local governments within two months after receiving application.	100	90	Green	2012	Timely grant awards received heightened staff attention during this biennium, which has resulted in a positive trend for this KPM. Results for 2011 were quite positive, although concerns remain that local planning departments have suffered significant staff depletion, making timely application for grants a difficult proposition for many jurisdictions.
16 - LAND USE APPEALS – Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.	100	100	Green	2012	There continue to be no or few appeals of local land use decisions by DLCD
17 - CUSTOMER SERVICE: Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	83.00	83.00	Green	2013	This KPM is measured through a biennial customer service survey. The results for this KPM reflect the 2012 survey, which is the fourth survey conducted. The results reflect a modest improvement overall for the six items measured. Satisfaction with overall quality of service at the department increased from 71% in 2010, to 73% in 2012.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date:

KPMs	Actual	Target	Status	Most Recent	Management Comments
				Year	
18 - TASK REVIEW – Percent of periodic review work tasks under review at DLCD for no longer than four months.	100	95	Green	2012	DLCD continues to review periodic review tasks in a timely manner.
19 - BEST PRACTICES – Percent of total best practices met by the Board.	100	100	Green	2012	The commission continues to operate very much as a working board, with a heavy load of work tasks identified for the rest of the biennium.

This report provides high-level performance information which may not be sufficient to fully explain the complexities associated with some of the reported measurement results. Please reference the agency's most recent Annual Performance Progress Report to better understand a measure's intent, performance history, factors impacting performance and data gather and calculation methodology.

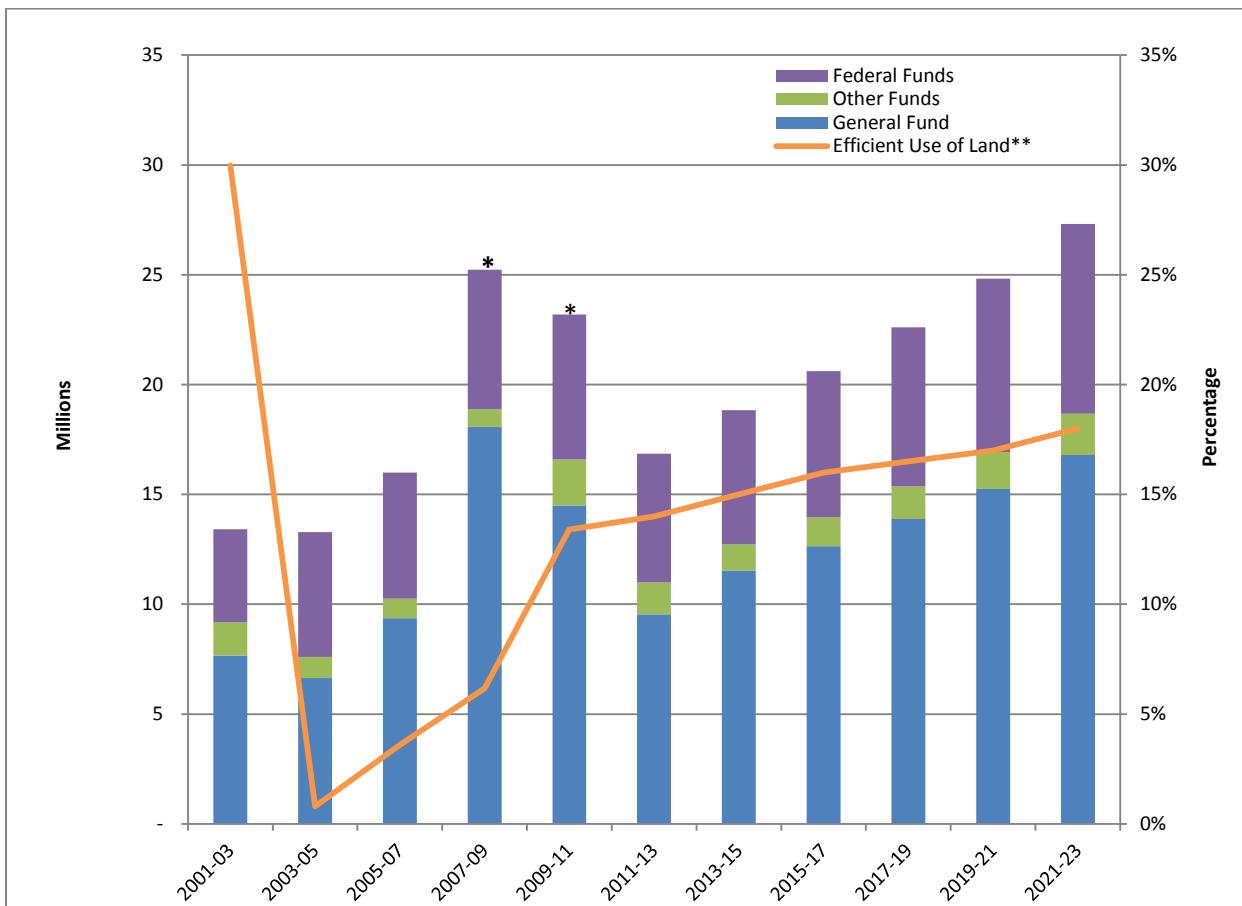
Department of Land Conservation and Development:

Planning Program

Ways and Means

Primary Outcome Area:
 Secondary Outcome Area:
 Program Contact:

Healthy Environment
 Economy and Jobs
 Jim Rue, Director, 503-373-0050 ext. 223



*Additional dollars reflect support for Measure 37/49 and drive the magnitude of this increase.

**Percentage increase of population remains consistently greater than percentage increase in urbanized areas.

Executive Summary

We help communities across the state plan for their future.

The Planning Program helps communities and citizens plan for, protect and improve the built and natural systems that provide a high quality of life. In partnership with citizens and local governments, we foster sustainable and vibrant communities and protect our natural resources legacy (*DLCD Mission Statement*). The Planning Program incorporates all components of the Department of Land Conservation and Development, except for the Grants Program.

Cities, counties and special districts are the “front line” of the statewide program. We recognize that each city and county has unique values and aspirations, and that it is our job to help them achieve their goals, within the broad direction provided by state land use policy. The core functions of the Planning Program address conservation of resource lands and development of great urban areas. These core functions implement the 19 Statewide Planning Goals, which were adopted by the Land Conservation and Development Commission (LCDC), after extensive public engagement, as the policy framework for the program. City and county comprehensive plans are where the policy rubber hits the road, combining community values and visions with state policy. Helping cities and counties regularly update their comprehensive plans require that we be problem solvers, and assist through providing one-on-one technical assistance and state and federally funded planning grants.

Program Description

The Planning Program works in close partnership with local governments (36 counties and 242 cities) on a daily basis, and in eight regional locations. It collaborates regularly with sister state natural resource agencies--Agriculture, Forestry, Water Resources, State Lands, Environmental Quality, Geology and Mineral Industries, and Fish and Wildlife; and state development agencies--Business Oregon and Transportation. The result is a value-added, coordinated product that improves development of great communities, aids local economies and protects natural resources. The LCDC provides the policy direction for the statewide land use program, and reviews certain major local land use decisions. We are organized into four divisions, each of which contain important program units:

- Ocean and Coastal Services—oversees Oregon’s federally designated coastal program, providing grants and technical assistance to coastal communities. Provides technical assistance to coastal communities relative to four statewide (coastal) planning goals. Oversees development of Oregon’s territorial sea plan with other agencies.
- Planning Services— contains specialized program planning: Transportation and Growth Management Program, Floodplain Management and Natural Hazards Planning, Measure 49 Services and Oregon Sustainable Transportation Initiative.
- Community Services—administers grant programs to local governments and provides technical assistance from seven regional offices. The division reviews over 1,300 local comprehensive plan amendments per year, and provides technical expertise in a wide range of subjects related to city and county comprehensive plans.
- Administrative Services—provides support for LCDC, policy and budget development and operations.

The costs for the delivery of these services are personnel intensive. The nature of the work is problem-solving oriented, in a community context. Many interests and stakeholders are involved in the implementation of the state’s land use planning program. Developing trust, judgment, and commitment is key to successfully reaching desired outcomes. The current economy has exacerbated this concern because city and county planning departments have been drastically reduced, and are looking for more assistance from our Planning Program. Costs

to cover Department of Justice (DOJ) fees related to rulemaking, growth management, review and litigation support are also an important cost driver.

Program Justification and Link to 10-Year Outcome

The Legislative Assembly finds that: (1) Uncoordinated use of lands within this state threatens the orderly development, the environment of this state and the health, safety, order, convenience, prosperity and welfare of the people of this state. The Legislative Assembly declares that: (1) In order to ensure the highest possible level of livability in Oregon, it is necessary to provide for properly prepared and coordinated comprehensive plans for cities and counties, regional areas and the state as a whole. (The language above was adopted in 1973, in SB 100, and now codified in ORS 197. It created the Land Conservation and Development Commission, Department of Land Conservation, and clearly defines the underlying objectives for the statewide land use program).

In response to legislative direction (above), and guided by the nineteen statewide planning goals and commission policy direction, the department provides technical assistance for, and reviews the continuous updating of, city and county comprehensive plans. Those plans advance the core functions of the Planning Program: conservation of rural resource lands and management of urban growth and development of sustainable communities. In carrying out these objectives, DLCD's Planning Program aligns directly with the Healthy Environment Outcome, and its Policy Vision, and Strategies, Particularly Strategies 2, 4 and 5.

Conserving Farm and Forest Lands

Despite structural changes in the economy of the nation and the state, farming and forestry continue to be significant contributors to Oregon's economic and employment base. Relative to other states, Oregon has done a far better job of conserving its farm and forest lands for agricultural and timber-related uses. The most recent *U.S. Census of Agriculture* demonstrates that Oregon is conserving large and mid-sized farms at a much higher rate than the rest of the nation—loss of large farms in Oregon is less than half the national rate, and loss of mid-sized farms is almost one fourth the national rate. According to a recent U.S. Forest Service study, without Oregon's land use program over 1.2 million acres of land in western Oregon would have been converted to more developed uses. By keeping lands in active timber and agricultural production, Oregon's land use system has helped sustain traditional rural communities and their economies. And the benefits do not end there—the conservation results of Oregon's land use program are the equivalent (in terms of reducing carbon emissions) of removing 395,000 cars from the road. (See *Strategy #2: Invest in programs that conserve, protect and restore key watersheds, stabilize populations of fish and wildlife species and improve forest and rangeland health.*)

Encouraging Efficient Urban Development

Oregon's land use Planning Program discourages sprawl and encourages efficient urban development. In a recent study comparing 15 major metropolitan areas in the nation, the Portland metro region ranked third in the least amount of land converted to housing per new residents. Relative to Seattle, the Portland region avoided urbanizing 88 square miles of land between 1990 and 2000, as a result of Oregon's land use system. Of the nation's 50 largest metropolitan areas, only two—New York and San Francisco—have a higher proportion of

regional employment within the central business district than Portland. The efficiency of urbanization in Oregon has increased over time, as cities find that redevelopment and infill are usually less expensive than developing new “greenfields,” and as consumer preferences turn increasingly (in the most populated areas of the state) to well-designed, mixed use communities.

National studies uniformly show that sprawl is expensive to serve. Public costs for roads, sewer water, and other municipal services rise as development is spread out over an area. By encouraging efficient patterns of growth in Oregon, the state land use system saves state and local governments hundreds of millions of dollars every year. (*See Strategy #4: Build great communities for a growing population.*)

Engaging Citizens and Communities

Oregon’s land use program is citizen-created and citizen-guided. The first of the 19 statewide planning goals is Citizen Involvement, and it is achieved through city and county comprehensive planning that requires citizen involvement. LCDC appoints a Citizen Involvement Advisory Committee, which makes recommendations to the department and LCDC for strategies to increase public involvement and awareness of land use decision making and benefits at all levels. Strategy 5.3 of the Healthy Environment Policy Vision identifies the importance of empowering community and citizen participation: “As Oregonians become more engaged and focused on this key strategy, the state will be more successful in achieving its goals.”

An objective within the department’s Strategic Plan is to “Create new methods, including web-based tools, to make this information available to local governments, citizens and stakeholders to be informed about, understand and more readily participate in all aspects of the department’s mission.” (*See Strategy #5.3: Empower communities to identify and act on environmental and economic opportunities associated with the state’s natural resources, and develop more effective decision-making tools that foster broader engagement in management decisions.*)

Secondary Outcome: Jobs and Economy

Comprehensive planning helps maintain a healthy environment while also providing for economic and community planning, as identified in Strategy 2 of the Economy and Jobs Policy Vision.

Program Performance

- Assisting cities and counties in updating comprehensive plans.

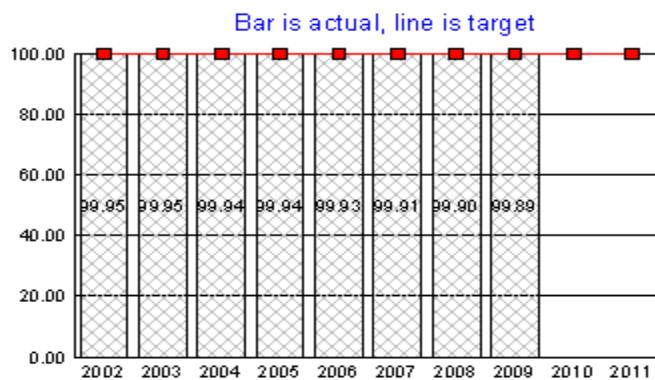
Oregon’s 242 incorporated cities and 36 counties are the front line of our customer base. While the commission considers big-picture policy initiatives, the department’s core mission is assisting cities and counties to meet the land use program’s 19 statewide planning goals by regularly updating their comprehensive plans. In a typical year this means assisting with periodic review of comprehensive plans (11), plan amendment reviews (over 1,350), urban growth boundary decisions (10), and allocation of grant awards (\$2.8 million in 2010) to over 200 cities and counties.

Strategy #2

- Protecting resource lands

Relative to the Healthy Environment Outcome, particularly Strategy #2, department performance focuses largely on protection of farm, forest and coastal resource lands. One of DLCD's Key Performance Measures, for example, tracks the retention of farm zoned lands in the state. That measure shows that of all land zoned farmland in 1987, 99.89% of farmland retains that zoning as of 2009, a notable outcome. A similar outcome is true for conversion of forest zoned lands as well, although other issues are at play for forest land conversion.

Key Performance Measure #10: Percent of farm land outside urban growth boundaries zoned for exclusive farm us in 1987 that retains that zoning:



The outcome for Healthy Environment, Strategy #2, is *“Revitalize Oregon’s forest products, agricultural and fishing industries as the economic drivers for rural Oregon.”* Thus, in one sentence, the importance of resource lands’ protection is linked to both environmental protection and economic benefits. Therefore, protection of resource lands also supports the Economy and Jobs Outcome (our identified secondary outcome). For example, that outcome includes “Continue Oregon’s state and local land use programs that have been effective in conserving working forest and farm lands.” Not coincidentally, Oregon’s Department of Agriculture recently released information supporting this strategy, and the department’s objective related to it: “Oregon farmers, ranchers and fishers enjoyed a record setting year in 2011 [with] 34 of 36 counties increasing agricultural sales last year.”

- Sustainable community development and growth management

Oregon is well known for its growth management program, which includes management of urban growth boundaries, and the linking of land use and transportation in city and county comprehensive plans. The department measures progress in this area by tracking cities that regularly adopt measures that update their comprehensive plans. For example, in 2010, 86% of Oregon cities with a population greater than 25,000 have adopted updated transit supported land use provisions in their local code. The metric on the first page, overlying our biennial budgets, demonstrates the effectiveness of growth management efforts: urbanized land (land added to urban growth boundaries) has increased at a demonstrably slower pace than population increases in the state. The opposite is true for the rest of the country as a whole, where from 1982 to 1997, the U.S. population grew by 17%, while the amount of urbanized

land grew by 47% (Brookings Institute). This dynamic has reduced the need to convert farm and forest land to urban uses, and has reduced the cost of providing infrastructure to urban regions.

Enabling Legislation/Program Authorization

The program is a product of Oregon SB 100 (1973) and other key legislation that resulted in creation of the statewide land use program, including creation of the commission and department. ORS Chapters 195, 196, 197, 215 and 227 provide the primary sources of authority and duties for the Planning Program, as does the Federal Emergency Management Agency for funding of the National Flood Insurance Program (NFIP) component. Organizationally, the planning program also contains the federally approved Oregon Coastal Management Program (OCMP) (see Coastal Zone Management Act of 1972), that provides federal grants to coastal communities and ensures consistency between federal and state regulation. This federal program is also authorized by 15 CFR Part 923: 16 USC Sec 1456 and 44 CFR SubChapter B; 42 USC 4001 et seq.

Funding Streams

The 2013-15 Planning Program is funded by General Fund (61%), Other Funds (6%), and Federal Funds (33%).

General Funds provide the foundation for the entire planning program. These funds, directly appropriated by the Oregon Legislature, primarily support professional staffs, who provide technical assistance to local communities. General Fund dollars support the administrative, management and policy development core components.

Other Funds dedicated revenue supports a small portion of the department's budget and comes from a variety of sources. The majority of this revenue stream is reimbursement-based. The department expends the funds and is reimbursed for actual expenses. No cash value is available. These sources include: Oregon Department of Transportation funding for the joint ODOT-DLCD Transportation and Growth Management, and the Oregon Sustainable Transportation Initiative programs; and a small amount of miscellaneous receipts for the sale of publications, subscriptions to plan amendments and periodic review notices.

Federal Funds are also dedicated and reimbursement-based. They carry a general fund match requirement of zero to 25 percent. The department's limitation authorizes receipt of funds from two federal agencies: the U.S. Department of Commerce's National Oceanic and Atmospheric Administration (NOAA) and the Federal Emergency Management Agency (FEMA). Historically, the total cost of the federally approved Oregon Coastal Management Program has been funded through grants from NOAA. The FEMA program supports administration of the state's National Flood Insurance Program including floodplain management, flood hazard map planning, risk assessment, and mitigation planning.

Significant Proposed Program Changes from 2011-13

The department's Governor's Request Budget of 18.8 million total funds (\$11.5 General Fund, \$1.2 Other Funds, and 6.1 Federal Funds) provides direct planning and technical assistance local communities, as described in our core program. As a result of recent executive and legislatively directed reductions, the department's funding and staffing levels for this program have continued to decrease. The department's Governor's Request Budget request is approximately 8% above 2011-13 total funding levels and is roughly 3% above current service levels.

Proposed changes in the 2013-15 funding levels reflect executive, legislative and LCDC policy direction, which include a regional resource land pilot program , continued marine energy and other coastal planning, greenhouse gas reduction implementation strategies and collaborative cross-agency planning with regard to energy siting forest conservation and farmland protection. Streamlining urban growth procedures, including population forecasting, ultimately helps to conserve rural lands and natural resources.

An additional significant change is a department-wide transformation innovation in information management. This 2013-15 budget request will provide budgetary and staffing support for the gathering and disseminating information in a more efficient, integrated, timely manner. This initiative, coupled with the department's continued collaboration with Oregon State University's Institute of Natural Resources, Metro, and other state and local stakeholders, is intended to result in a quantum leap in state's land use planning program participant's ability to use and share information to plan for the future.

DLCD Planning Program: Ways and Means

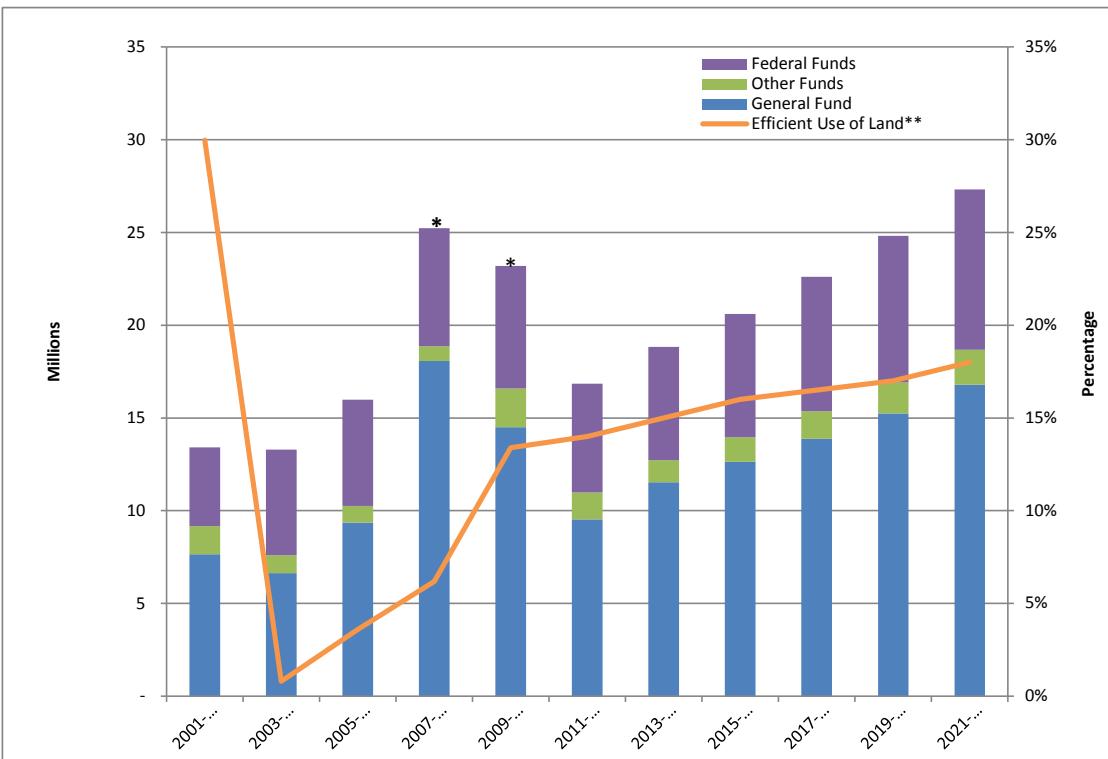
	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
Leg Apprvd Program Budget											
General Fund	7,655,491	6,633,012	9,358,763	18,073,491	14,496,256	9,532,884	11,536,454	12,640,653	13,873,774	15,248,443	16,791,526
Lottery Funds	-	-	-	-	-	-	-	-	-	-	-
Other Funds	1,514,631	968,993	897,056	798,687	2,093,138	1,457,573	1,190,188	1,332,764	1,493,426	1,674,400	1,878,583
Other Funds - Nonlimited	-	-	-	-	-	-	-	-	-	-	-
Federal Funds	4,242,822	5,684,425	5,735,131	6,363,069	6,598,675	5,857,281	6,100,788	6,637,979	7,235,543	7,898,656	8,641,313
Federal Funds - Nonlimited	-	-	-	-	-	-	-	-	-	-	-
Total Funds	13,412,944	13,286,430	15,990,950	25,235,247	23,188,069	16,847,738	18,827,430	20,611,396	22,602,743	24,821,499	27,311,422
Positions	61	56	71	97	95	57	61	61	61	61	61
FTE	58.76	52.05	66.96	85.54	80.64	55.11	58.16	58.16	58.16	58.16	58.16

Program Performance

Quality Metric

Efficient Use of Land**

29.98	0.80	3.60	6.18	13.40	14.00	15.00	16.00	16.50	17.00	18.00
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*Additional dollars reflect support for Measure 37/49 and drive the magnitude of this increase.

**Percentage increase of population remains consistently greater than percentage increase in urbanized

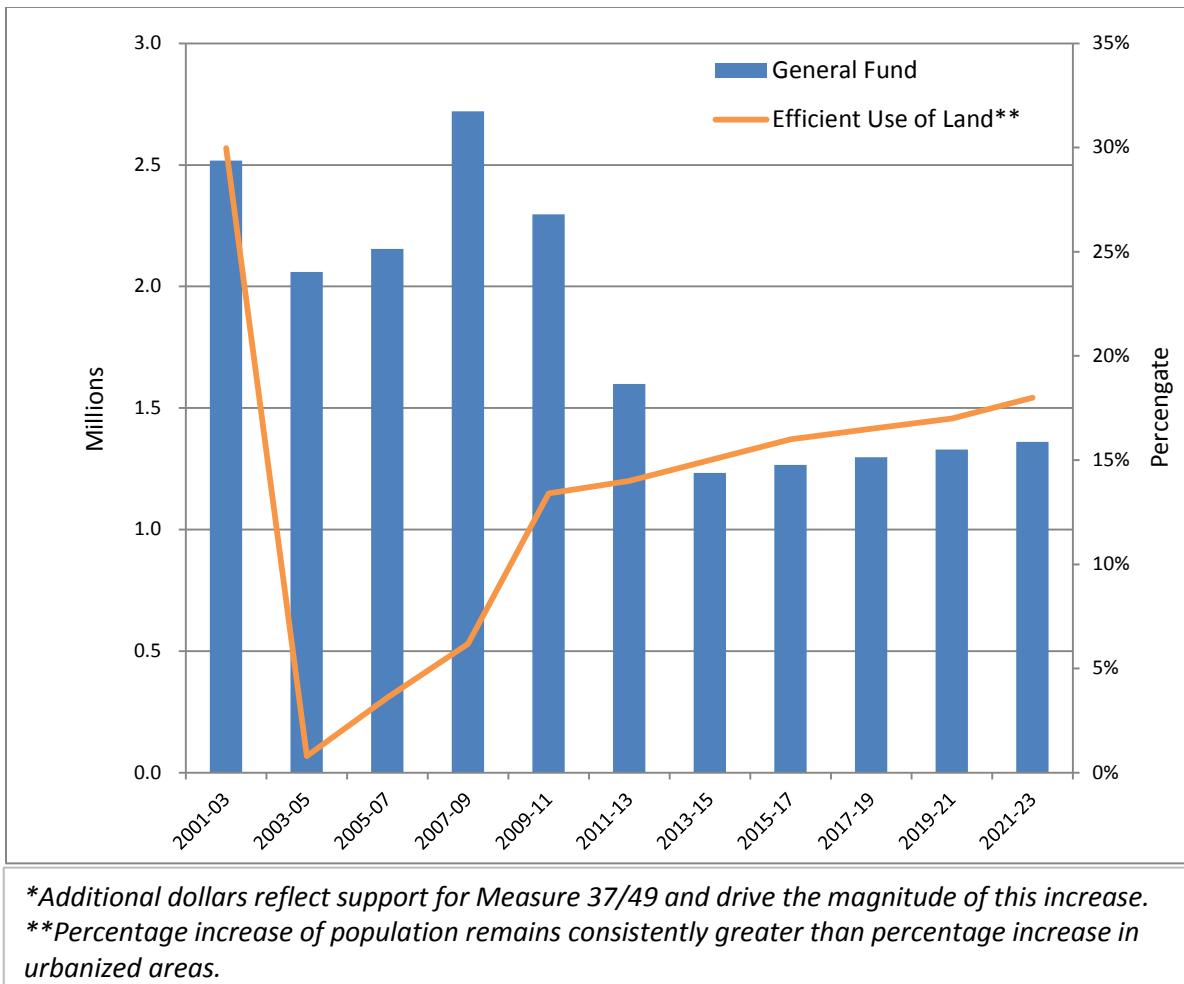
Department of Land Conservation and Development:

Grant Program

WAYS AND MEANS

Primary Outcome Area:
 Secondary Outcome Area:
 Program Contact:

Healthy Environment
 Jobs and Economy
 Jim Rue, Director, 503-373-0050 ext. 223



Executive Summary

We help communities across the state plan for their future.

The Grant Program distributes general fund reimbursement to 242 cities and 36 counties for local land use planning activities. The Grant Program helps cities and counties plan for livable urban and rural communities, and protect and conserve farm, forest, coastal lands and natural resources. The objective of the Grants Program is identical to that of the department's Planning Program.

Program Description

The department works in close partnership with local governments (36 counties and 242 cities). It also coordinates with state natural resource agencies: Agriculture, Forestry, Water Resources, State Lands, Environmental Quality and Fish and Wildlife, and state development agencies: Business Oregon and Transportation to assist local jurisdictions in timely, updated comprehensive planning. The Land Conservation and Development Commission (LCDC) provides the policy direction for the statewide land use program, and reviews certain major local land use decisions.

The Grants Program provides funds to local and regional governments for a variety of planning activities, including economic development opportunities analyses, buildable lands inventories and other development planning. The grants help cities and counties adopt, apply and update their comprehensive plans, ordinances, meet statutory obligations, and comply with the 19 statewide planning goals. Grant funds are available to cities and counties once per biennium, based on the allocation to general fund grants adopted by the legislature. A Grants Advisory Committee oversees the grant awards process, and typically, available funds account for only half of grants applied for. 100 % of grant funds are awarded to local jurisdictions, and so the cost driver for this program is the demand created by local governments for project assistance.

Program Justification and Link to 10-Year Outcome

The Legislative Assembly finds that: (1) Uncoordinated use of lands within this state threatens the orderly development, the environment of this state and the health, safety, order, convenience, prosperity and welfare of the people of this state. SB 100 (1973).

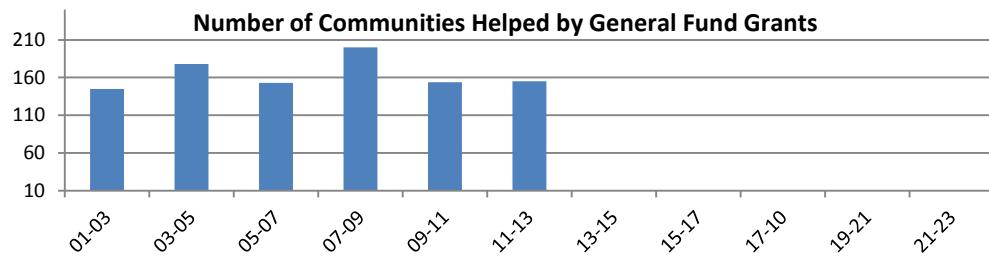
Oregon's 242 incorporated cities and 36 counties are the front line of our customer base. While the commission considers big-picture policy initiatives, the department's core mission is assisting cities and counties to meet the state land use program's nineteen statewide planning goals, by regularly updating their comprehensive plans. The purpose of the Grants Program is essentially the same as that of the Planning Program, accomplished through different but complementary means.

Many cities and counties lack resources to frequently update long-range comprehensive plans without state grant support. Unfortunately, the ongoing economic slump has exacerbated this somewhat chronic situation, and counties across the state continue to lay off planning department staff at a time of slow development related county revenues. In fact, this is just the time when counties should be updating their plans and codes in preparation for the expected return of growth and development. Grants are a critical element of Oregon's partnership with local governments in implementing the statewide planning program.

Program Performance

The department's most recent biennium saw its grants program assist 155 local governments. This includes 127 small communities (cities under 2,500 population and counties under 15,000 population) with \$147,000 to support general planning and permitting activities. Over \$1.2

million was used for 23 projects such as housing and employment needs analyses, natural resource protection, and public facilities planning, including \$800,000 used for periodic review of comprehensive plans, providing opportunities for large scale plan updates.



Although it is difficult to categorize the outcomes of grant awards cumulatively, one efficiency measure used by the department relates to the timeliness of grant awards, increasing the likelihood of success for the community receiving each award. A department key performance measure indicates that 100% of grant awards to local governments were awarded within two months of application. The metric on the front page indicates efficiency of land used for urbanization: percent increase in state population is greater than percent increase in land converted to urbanization. This is the same metric as is used for the department's Planning Program, because grant funds serve the same purpose.

Enabling Legislation/Program Authorization

The department and grant program are a product of SB 100 (1973) and other key legislation, resulting in creation of the statewide land use program, including creation of the department and The Land Conservation and Development Department. ORS Chapters 195, 196, 197, 215 and 227 provide the primary sources of authority and duties for the department and the Grant Program. The Grants Program makes no charge for administering grant funds.

Funding Streams

The program is 100% funded by General Fund.

Significant Proposed Program Changes from 2011-13

The department's Governor's Request total grants program budget of 1.2 million in General Fund supports local community land use planning assistance. This amount is affected by a technical adjustment request shifting funds from the Planning Program to the Grants Program and should be 1.7 million. As a result of continued executive and legislatively directed reductions, the department's funding levels for grants has decreased. The department requests additional funds to restore a portion of these reductions taken over the last several biennia.

The Grants Allocation Plan adopted by the Land Conservation and Development Commission lists the following priority uses for general fund grants as:

- Planning Assistance for small cities and counties
- Columbia Gorge Scenic Area planning
- Dispute Resolution
- Current periodic review work tasks
- Remaining funds will be prioritized for technical assistance projects for economic development, regulatory streamlining, coordinated countywide population forecasts, older periodic review tasks, and public facilities financing plans

The reductions in grant funds have affected the final category—technical assistance—most. If funds remain at the current budgeted rate, about 10 communities would likely not receive land use planning assistance from the department (technical assistance grants averaged about \$30,000 in the current biennium).

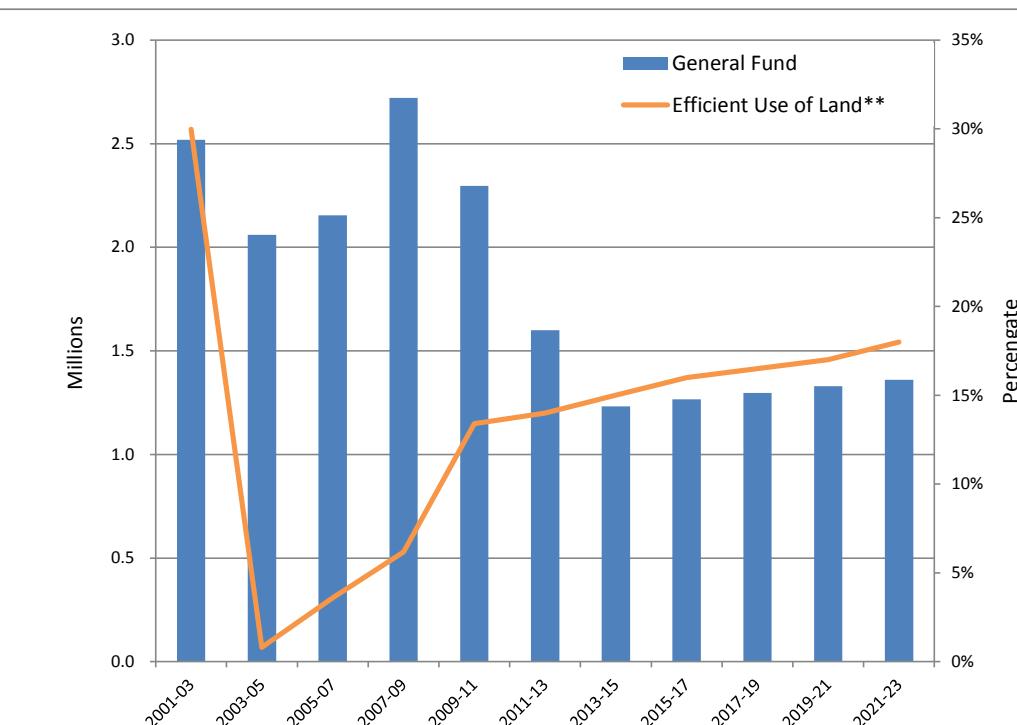
On the ground results mean fewer economic development opportunities, potential issues as communities attempt to address population growth in relation to its urban growth boundary, and fewer opportunities for these local planning departments to assist affordable housing and land use planning needs of their communities.

DLCD Grants Program: REVISED

	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
Leg Apprvd Program Budget											
General Fund	2,518,364	2,060,005	2,153,863	2,720,632	2,296,810	1,599,341	1,232,635	1,265,916	1,297,564	1,328,706	1,360,595
Lottery Funds											
Other Funds											
Other Funds - Nonlimited											
Federal Funds											
Federal Funds - Nonlimited											
Total Funds	2,518,364	2,060,005	2,153,863	2,720,632	2,296,810	1,599,341	1,232,635	1,265,916	1,297,564	1,328,706	1,360,595
Positions											
FTE											

Program Performance

Quality Metric	Efficient Use of Land**	29.98	0.80	3.60	6.18	13.40	14.00	15.00	16.00	16.50	17.00	18.00



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Oregon

John A. Kitzhaber, M.D., 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

January 23, 2013



TO: Ways and Means Subcommittee on Natural Resources

FROM: Jim Rue, Director

RE: Position Reclasses 2011-13

You have requested information pertaining to re-classes made during the 2011-13 biennium including the position classification involved and the change in salary associated with the reclassification. Re-classes for the department were performed to align budgeted positions to the current and continuing workload of the affected positions.

New Classification	Old Classification	Salary Range Change	Change in Salary/Mo
PEM-E	PEM-D	SR 31 to 33	\$320
AS2	OS2	SR 19 to 15	\$0, Position hired at SR 15
PL3	OPA 4	SR 30 to SR 30	\$0, Position hired at SR 30
PL2	NRS4	SR 27 to SR 30	\$242
OPA3	OPA4	SR 30 to 32	\$0 Position under recruitment
PL4	PL3	SR 32 to 30	\$0 Position hired at SR 30



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January 23, 2013

TO: Ways and Means Subcommittee on Natural Resources

FROM: Jim Rue, Director

RE: New Hires 2011-13

You have requested information pertaining to new hires made during the 2011-13 biennium including the salary step the position was hired at along with justification for any position hired above salary step 2. The department's new hire information is provided below. This information does not include employees currently employed at the department and promoted as a result of recruitment.

Classification	Hire Date	Salary Range	Hiring Step	Justification
Planner 3	11/1/2011	30	Step 8	Salary increase from previous position with Jackson County
OPA-3	11/17/2011	30	Step 7	Salary increase from previous position with State of Idaho
Planner 3	4/10/2012	30	Step 5	Salary increase from previous position.
PEM-F	9/10/2012	35	Step 8	Same salary as making with previous position at private law firm.
Planner 2	12/10/2012	27	Step 8	Salary increase from previous position with private Arizona engineering firm.