

## Department of Land Conservation and Development

	2017-19 Actual	2019-21 Legislatively Adopted	2019-21 Legislatively Approved *	2021-23 Current Service Level	2021-23 Governor's Budget
General Fund	14,971,597	20,231,675	17,819,643	14,981,191	21,488,326
Other Funds	872,431	1,460,817	1,535,051	1,657,286	2,220,615
Federal Funds	4,477,331	6,755,041	6,949,434	7,004,435	7,182,205
<b>Total Funds</b>	<b>20,321,359</b>	<b>28,447,533</b>	<b>26,304,128</b>	<b>23,642,912</b>	<b>30,891,146</b>
Positions	58	64	61	56	67
FTE	56.79	62.09	58.55	55.09	62.47
* Includes Emergency Board and administrative actions through January 2021.					

### Program Description

The Department of Land Conservation and Development (DLCD) is the administrative arm of the Land Conservation and Development Commission (LCDC) whose mission 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, DLCD fosters sustainable and vibrant communities and protects Oregon's natural resources legacy. The Department is responsible for adopting statewide land use goals, enforcing compliance of local land use planning with those goals, coordinating state and local planning activities, and managing the coastal zone as well as natural hazards programs. Oregon's land use planning system is based on a set of 19 statewide goals expressing the state's policies on land use and related topics such as citizen involvement, housing, and natural resources. All cities and counties have adopted comprehensive plans that meet mandatory state standards. The Department continues to implement a policy to place as many field staff as possible in or near the communities they serve. In addition to a main office in Salem, the Department maintains field offices, primarily located in Regional Solutions Centers, to provide direct, face-to-face assistance to local governments, tribal governments, other agencies, interest groups, and citizens. Currently the Department has regional representatives in Bend, Medford, Eugene, Portland, Salem, Tillamook, Newport, and La Grande.

DLCD is divided into two budgetary programs, Planning and Grants. The Planning Program is responsible for performing periodic local plan reviews, providing technical assistance, overseeing coastal zone management, guiding transportation growth management, communicating landowner notifications, and all other planning activities. The Grants program is for the purpose of segregating grant funding available to local planning units from the operational budget of the agency. The Grants program utilizes General Fund to provide grants to cities and counties for land use planning activities including amending and updating comprehensive land use plans, economic development opportunity analysis, land inventories, infrastructure, and development planning.

The Department is primarily funded with General Fund. Federal Funds revenue is the second largest source of funding for DLCD programs. Federal Funds come from the Department of Homeland Security's Federal Emergency Management Agency (FEMA) and the U.S. Department

of Commerce's National Oceanic and Atmospheric Agency (NOAA), through the Coastal Zone Management Program (CZM). Other Funds are derived from interagency agreements for reimbursement of joint programs (e.g. the Oregon Department of Transportation/Department of Land Conservation and Development Transportation and Growth Management Program). Additional Other Funds sources include the Office of Emergency Management for hazard mitigation planning efforts.

Together House Bill 2001 and House Bill 2003 (2019) appropriated \$4.5 million to DLCD for the purpose of evaluating housing needs and providing technical assistance to local governments to implement middle housing regulations. The Second Special Legislative Session of August 2020 reduced the \$4.5 million to \$3.3 million due to declining General Fund revenues. DLCD dedicated 2020 to rulemaking, with small and medium sized cities rules having been adopted by August 2020. Large city rules were adopted in November 2020. The Department has committed all funds and, with a recent Department of Justice review of necessary contracting, DLCD now has the clearance to begin distributing funds.

### CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$23,642,912 Total Funds, 56 positions, and 55.09 FTE. The CSL budget includes adjustments for payroll expenses and standard inflation, as well as a phase-out of \$965,848 General Fund one-time funding for the Planning Program for Housing Support Services and Supplies appropriated through HB 5050 (2019), and a phase-out \$3,500,00 General Fund one-time funding in support of HB 2001 and \$1,000,000 in support of HB 2003 to provide technical assistance grants to local governments for the development and adoption of housing production strategies. At CSL, the General Fund budget is (\$2,838,452), or 15.9%, below the 2019-21 legislatively approved budget, while Federal Funds are \$55,001, or 0.8%, higher, and Other Funds are \$122,235, or 7.9%, higher than the 2019-21 legislatively approved levels.

### Policy Issues

The Department proposed four policy packages:

- Policy Option Package 110 Housing Planning: \$3,904,344 General Fund, 6 positions, and 5.50 FTE to continue implementation of HB 2001 and HB 2003 (2019). The request includes \$2,500,000 in technical assistance grants to assist cities with over 10,000 residents with completion of work required by HB 2001.
- Policy Option Package 111 Climate Adaptation: \$578,070 General Fund to continue to coordinate a multi-agency workgroup as it moves into implementation of the 2020 Climate Change Adaptation Framework. Funding also will be used to complete an enterprise-wide climate change vulnerability assessment to shed critical light on the physical, economic, ecosystem, and equity considerations of climate change, enabling policymakers to target limited resources to places, sectors, and communities with the greatest need, including those traditionally underserved or marginalized.
- Policy Option Package 112 Climate Change Mitigation: \$2,481,100 General Fund, 1 position, and .88 FTE to develop rules relating to land use and transportation program development and implementation as directed by the Governor's September 2019 letter and Executive Order 20-04 to meet Oregon's greenhouse gas reduction goals from the land use and transportation sector. This position

would focus on assisting local governments and metropolitan areas with equity-oriented scenario planning and administrative rule implementation. The request includes \$2,250,000 to provide grants to cities and counties for updating transportation and land use plans.

- Policy Option Package 113 Wildfire Reduction: \$328,253 General Fund, 1 position, and 1.00 FTE to fund a full-time, permanent Planner 3 position to lead a collaborative process with the Oregon Department of Forestry and the Institute of Natural Resources at Oregon State University to develop budget, program and statutory recommendations for land use mapping of wildfire risk and improved zoning standards to protect people and property. At the end of this collaborative process, the position would draft and submit a report to the Legislative Assembly no later than February 1, 2023, regarding possible means for implementing the final recommendations produced by the Governor’s Council on Wildfire Response.

In addition to savings realized through staffing reductions, vacancy savings, the elimination of standard inflation on certain Services and Supplies accounts including Attorney General Fees and State Government Service Charges, and statewide consolidation of Microsoft 365 costs, the Governor’s budget includes:

- Policy Option Package 110 Housing Planning: \$3,904,344 General Fund, 6 positions, and 5.50 FTE.
- Policy Option Package 111 Climate Adaptation (modified): \$251,328 General Fund.
- Policy Option Package 112 Climate Change Mitigation (modified): \$1,000,000 General Fund, 1 position, and 0.88 FTE, including \$768,900 to provide grants to cities and counties for updating transportation and land use plans.
- Analyst Adjustment Package 090: Reduce Personal Services expenditures by (\$494,212), eliminate 3 positions (2.50 FTE). Eliminate a vacant Plan Amendment Specialist position, a vacant Willamette Valley Regional Representative, and a Database Administrator position.
- Analyst Adjustment Package 090: \$800,000 for environmental justice land use scoping.
- Analyst Adjustment Package 090: \$1,000,000 million for Equitable Rural Transportation planning.
- Policy Option Package 098 DOGAMI Program Reorganization: \$2,349,698 Total Funds [\$1,089,801 General Fund, \$594,860 Other Funds, and \$656,037 Federal Funds], 7 positions and 3.50 FTE reflecting the transfer of a portion of the Department of Geology and Mineral Industries (DOGAMI) Geologic Survey and Services (GSS) Program to DLCD by July 1, 2022.

#### Key Performance Measures

A copy of the DLCD Annual Performance Progress Report can be found on the LFO website:

[https://www.oregonlegislature.gov/lfo/APPR/APPR\\_DLCD\\_2020-10-06.pdf](https://www.oregonlegislature.gov/lfo/APPR/APPR_DLCD_2020-10-06.pdf)