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# MEMORANDUM

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**To:** *Natural Resources Subcommittee Members*  
**From:** *Susie Jordan, Legislative Fiscal Office*  
(503) 986-1835  
**Date:** May 30, 2013  
**Subject:** *Senate Bill 5530 - Department of Land Conservation and Development*  
*- Work Session Recommendations*

## ***Department of Land Conservation and Development (DLCD) - Agency Totals***

|                      | <b>2009-11<br/>Actual</b> | <b>2011-13<br/>Leg. Approved</b> | <b>2013-15<br/>Current<br/>Service Level</b> | <b>2013-15<br/>LFO Rec.</b> |
|----------------------|---------------------------|----------------------------------|--|-----------------------------|
| <b>General Fund</b>  | 15,258,551                | 11,132,225                       | 12,274,456                                   | 11,929,799                  |
| <b>Other Funds</b>   | 1,309,575                 | 1,457,573                        | 830,712                                      | 948,065                     |
| <b>Federal Funds</b> | 4,790,276                 | 5,857,281                        | 5,897,527                                    | 5,906,986                   |
| <b>TOTAL FUNDS</b>   | <b>21,358,402</b>         | <b>18,447,079</b>                | <b>19,002,695</b>                            | <b>18,784,850</b>           |
| <b>Positions</b>     | 95                        | 57                               | 55   | 61                          |
| <b>FTE</b>           | 80.57                     | 55.11                            | 53.16  | 58.06                       |

Attached are the recommendations from the Legislative Fiscal Office for the ***Department of Land Conservation and Development***. It contains the following:

- Standard adjustments for inflation; State Government Service Charges; and reductions for statewide administrative savings and savings anticipated from PERS reforms.
- Hazards Mitigation Planning; Oregon Sustainable Transportation Initiative;
- Attorney General Restoration; Regional Resource Protection;
- Information Management Modernization; USCD Sea Level Data Funding;
- Reduced local planning grants program;
- Removes packages for urban growth management reform and population forecasting to be added to the appropriate legislation establishing the programs; and
- Technical adjustments to remove \$550,000 General Fund one time funding for regional planning pilot project, reduce \$129,500 Federal Funds due to Federal Sequestration in Coastal Program grants, and a reduction in Other Funds due to realignment of the way Federal Transportation funds pay for Transportation Growth Management.

### **Adjustments to Current Service Level:**

See attached "Work Session Presentation Report" dated 5/30/2013.

**Accept LFO Recommendation -- *Move the LFO recommendation to SB 5530.***

### **Budget Notes:**

- 1) The Department of Land Conservation and Development (DLCD) is directed to work with the Department of Administrative Services (DAS) in the development of a plan for implementing business and technology improvements to its existing business processes, databases, tools, and applications as identified in the “scope of work” defined in DLCD’s “Information Management Modernization Initiative (IMMI) Strategic Action Plan 2012-2017.”

DLCD and DAS are directed to provide the Legislative Fiscal Office (LFO) by February 1, 2014, with final copies of all foundational project management documentation; a project work plan and budget; and a current project status report showing progress against original goals and objectives. DLCD is further directed to provide a report to the Joint Committee on Ways and Means during the February 2014 legislative session on the status of the IMMI.

- 2) The Department of Land Conservation and Development shall work with interested parties to develop recommendations for improving the processes through which local governments develop post-acknowledgement plan amendments under ORS 197.610 through 197.625. The issues to be addressed shall include, but will not be limited to: public notice of post-acknowledgement plan amendments, public review of amendments and changes to these amendments, conduct of hearings on legislative land use decisions, including applicable criteria.

***Move the approval of the Budget Notes.***

**Performance Measures**

See attached “Legislatively Proposed 2013-15 Key Performance Measures” form.

**Accept LFO Recommendation -- *Move the LFO recommendation on Key Performance Measures***

**Recommended Changes to Appropriation Bill:**

The Legislative Fiscal Office recommends a budget of \$11,929,799 *General Funds*; \$948,065 *Other Funds*; \$5,906,986 *Federal Funds*; and 61 positions (58.06 FTE) and that Senate Bill 5530 be approved accordingly.

→ **Approve a motion to amend Senate Bill 5530 by the following:**

|                   |      |                        |        |              |                                 |
|-------------------|------|------------------------|--------|--------------|---------------------------------|
| <b>SECTION 1.</b> |      |                        |        |              |                                 |
| Line 8            | -1   | Planning program ..... | delete | \$11,536,454 | <b>and insert: \$10,697,164</b> |
| <b>SECTION 2.</b> | Line |                        | delete | 1,171,766    | <b>and insert: \$948,065</b>    |
| <b>SECTION 3.</b> | Line |                        | delete | 6,036,486    | <b>and insert: \$5,906,986</b>  |

**Senate Bill 5530 Final Subcommittee Action:**

***Final Motion:***

***Move SB 5530 to the full committee with a “do pass” recommendation as amended.***

|   | General Fund      | Lottery Funds | Other Funds      | Federal Funds    | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds       | Positions | Full-Time Equivalent (FTE) |
|---|-------------------|---------------|------------------|------------------|------------------------|--------------------------|-------------------|-----------|----------------------------|
| <b>2011-13 Agy. Leg. Adopted</b>                  | <b>10,885,017</b> | -             | <b>1,457,573</b> | <b>5,857,281</b> | -                      | -                        | <b>18,199,871</b> | <b>57</b> | <b>55.11</b>               |
| 2011-13 Ebds, SS & Admin Act                      | 247,208           | -             | -                | 260,000          | -                      | -                        | 507,208           | -         | -                          |
| Ways & Means Actions                              | -                 | -             | -                | -                | -                      | -                        | -                 | -         | -                          |
| <b>2011-13 Leg Approved Budget</b>                | <b>11,132,225</b> | -             | <b>1,457,573</b> | <b>6,117,281</b> | -                      | -                        | <b>18,707,079</b> | <b>57</b> | <b>55.11</b>               |
| <b>2011-13 Leg Approved Budget (Base)</b>         | <b>11,132,225</b> | -             | <b>1,457,573</b> | <b>5,857,281</b> | -                      | -                        | <b>18,447,079</b> | <b>57</b> | <b>55.11</b>               |
| Summary of Base Adjustments                       | 997,670           | -             | (122,620)        | 80,879           | -                      | -                        | 955,929           | (2)       | (1.65)                     |
| <b>2013-15 Base Budget</b>                        | <b>12,129,895</b> | -             | <b>1,334,953</b> | <b>5,938,160</b> | -                      | -                        | <b>19,403,008</b> | <b>55</b> | <b>53.46</b>               |
| 010: Non-PICS Pers Svc/Vacancy Factor             | (51,878)          | -             | (2,462)          | (9,088)          | -                      | -                        | (63,428)          | -         | -                          |
| 020: Phase In / Out Pgm & One-time Cost           | -                 | -             | (67,046)         | (119,585)        | -                      | -                        | (186,631)         | -         | -                          |
| 030: Inflation & Price List Adjustments           | 199,359           | -             | 13,342           | 85,130           | -                      | -                        | 297,831           | -         | -                          |
| 050: Fundshifts and Revenue Reductions            | (2,910)           | -             | -                | 2,910            | -                      | -                        | -                 | -         | -                          |
| <b>2013-15 Current Service Level</b>              | <b>12,274,466</b> | -             | <b>1,278,787</b> | <b>5,897,527</b> | -                      | -                        | <b>19,450,780</b> | <b>55</b> | <b>53.46</b>               |
| 070: Revenue Reductions/Shortfall                 | (10)              | -             | (448,075)        | -                | -                      | -                        | (448,085)         | -         | (0.30)                     |
| <b>Adjusted 2013-15 Current Service Level</b>     | <b>12,274,456</b> | -             | <b>830,712</b>   | <b>5,897,527</b> | -                      | -                        | <b>19,002,695</b> | <b>55</b> | <b>53.16</b>               |
| <b>Total LFO Recommended Packages</b>             | <b>(344,657)</b>  | -             | <b>117,353</b>   | <b>9,459</b>     | -                      | -                        | <b>(217,845)</b>  | <b>6</b>  | <b>4.90</b>                |
| <b>2013-15 Legislative Actions</b>                | <b>11,929,799</b> | -             | <b>948,065</b>   | <b>5,906,986</b> | -                      | -                        | <b>18,784,850</b> | <b>61</b> | <b>58.06</b>               |
| Net change from 2011-13 Leg Approved Budget       | 797,574           | -             | (509,508)        | (210,295)        | -                      | -                        | 77,771            | 4         | 2.95                       |
| Percent change from 2011-13 Leg Approved Budget   | 7.2%              | 0.0%          | (35.0%)          | (3.4%)           | 0.0%                   | 0.0%                     | 0.4%              | 7.0%      | 5.4%                       |
| Net change from 2013-15 Current Service Level     | (344,657)         | -             | 117,353          | 9,459            | -                      | -                        | (217,845)         | 6         | 4.90                       |
| Percent change from 2013-15 Current Service Level | (2.8%)            | 0.0%          | 14.1%            | 0.2%             | 0.0%                   | 0.0%                     | (1.1%)            | 10.9%     | 9.2%                       |

|   | General Fund      | Lottery Funds | Other Funds      | Federal Funds    | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds       | Positions | Full-Time Equivalent (FTE) |
|---|-------------------|---------------|------------------|------------------|------------------------|--------------------------|-------------------|-----------|----------------------------|
| <b>2011-13 Agy. Leg. Adopted</b>                  | <b>9,285,676</b>  | -             | <b>1,457,573</b> | <b>5,857,281</b> | -                      | -                        | <b>16,600,530</b> | <b>57</b> | <b>55.11</b>               |
| 2011-13 Ebds, SS & Admin Act                      | 247,208           | -             | -                | 260,000          | -                      | -                        | 507,208           | -         | -                          |
| Ways & Means Actions                              | -                 | -             | -                | -                | -                      | -                        | -                 | -         | -                          |
| <b>2011-13 Leg Approved Budget</b>                | <b>9,532,884</b>  | -             | <b>1,457,573</b> | <b>6,117,281</b> | -                      | -                        | <b>17,107,738</b> | <b>57</b> | <b>55.11</b>               |
| <b>2011-13 Leg Approved Budget (Base)</b>         | <b>9,532,884</b>  | -             | <b>1,457,573</b> | <b>5,857,281</b> | -                      | -                        | <b>16,847,738</b> | <b>57</b> | <b>55.11</b>               |
| Summary of Base Adjustments                       | 997,670           | -             | (122,620)        | 80,879           | -                      | -                        | 955,929           | (2)       | (1.65)                     |
| <b>2013-15 Base Budget</b>                        | <b>10,530,554</b> | -             | <b>1,334,953</b> | <b>5,938,160</b> | -                      | -                        | <b>17,803,667</b> | <b>55</b> | <b>53.46</b>               |
| 010: Non-PICS Pers Svc/Vacancy Factor             | (51,878)          | -             | (2,462)          | (9,088)          | -                      | -                        | (63,428)          | -         | -                          |
| 020: Phase In / Out Pgm & One-time Cost           | -                 | -             | (67,046)         | (119,585)        | -                      | -                        | (186,631)         | -         | -                          |
| 030: Inflation & Price List Adjustments           | 160,975           | -             | 13,342           | 85,130           | -                      | -                        | 259,447           | -         | -                          |
| 050: Fundshifts and Revenue Reductions            | (2,910)           | -             | -                | 2,910            | -                      | -                        | -                 | -         | -                          |
| <b>2013-15 Current Service Level</b>              | <b>10,636,741</b> | -             | <b>1,278,787</b> | <b>5,897,527</b> | -                      | -                        | <b>17,813,055</b> | <b>55</b> | <b>53.46</b>               |
| 070: Revenue Reductions/Shortfall                 | (10)              | -             | (448,075)        | -                | -                      | -                        | (448,085)         | -         | (0.30)                     |
| <b>Adjusted 2013-15 Current Service Level</b>     | <b>10,636,731</b> | -             | <b>830,712</b>   | <b>5,897,527</b> | -                      | -                        | <b>17,364,970</b> | <b>55</b> | <b>53.16</b>               |
| <b>Total LFO Recommended Packages</b>             | <b>60,433</b>     | -             | <b>117,353</b>   | <b>9,459</b>     | -                      | -                        | <b>187,245</b>    | <b>6</b>  | <b>4.90</b>                |
| <b>2013-15 Legislative Actions</b>                | <b>10,697,164</b> | -             | <b>948,065</b>   | <b>5,906,986</b> | -                      | -                        | <b>17,552,215</b> | <b>61</b> | <b>58.06</b>               |
| Net change from 2011-13 Leg Approved Budget       | 1,164,280         | -             | (509,508)        | (210,295)        | -                      | -                        | 444,477           | 4         | 2.95                       |
| Percent change from 2011-13 Leg Approved Budget   | 12.2%             | 0.0%          | (35.0%)          | (3.4%)           | 0.0%                   | 0.0%                     | 2.6%              | 7.0%      | 5.4%                       |
| Net change from 2013-15 Current Service Level     | 60,433            | -             | 117,353          | 9,459            | -                      | -                        | 187,245           | 6         | 4.90                       |
| Percent change from 2013-15 Current Service Level | 0.6%              | 0.0%          | 14.1%            | 0.2%             | 0.0%                   | 0.0%                     | 1.1%              | 10.9%     | 9.2%                       |

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 070 Revenue Shortfalls**

Package Description This package reduces expenditures for a position dedicated to Transportation Growth Management because of revenue shortfalls.

LFO Recommendation Approve

|                 |      |   |           |   |   |   |           |   |        |
|-----------------|------|---|-----------|---|---|---|-----------|---|--------|
| LFO Recommended | (10) | - | (448,075) | - | - | - | (448,085) | - | (0.30) |
|-----------------|------|---|-----------|---|---|---|-----------|---|--------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

|                 |          |   |         |          |   |   |          |   |   |
|-----------------|----------|---|---------|----------|---|---|----------|---|---|
| LFO Recommended | (52,236) | - | (7,940) | (29,885) | - | - | (90,061) | - | - |
|-----------------|----------|---|---------|----------|---|---|----------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%

LFO Recommendation Approve

|                 |          |   |         |         |   |   |          |   |   |
|-----------------|----------|---|---------|---------|---|---|----------|---|---|
| LFO Recommended | (19,540) | - | (2,562) | (8,941) | - | - | (31,043) | - | - |
|-----------------|----------|---|---------|---------|---|---|----------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

|                 |           |   |          |          |   |   |           |   |   |
|-----------------|-----------|---|----------|----------|---|---|-----------|---|---|
| LFO Recommended | (156,139) | - | (20,468) | (71,446) | - | - | (248,053) | - | - |
|-----------------|-----------|---|----------|----------|---|---|-----------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 101 Natural Hazards Mitigation Planning**

Package Description Makes permanent a LD position funded by Federal Funds (FEMA's National Flood Insurance Program) and establishes a new position funded by the Office of Emergency Management to improve natural hazards mitigation planning. The federally funded position focuses on addressing all hazards through mapping, risk assessment and mitigation planning with local government. The second position will be responsible for updating and coordinating the OR Natural Hazard Mitigation Plan funded by the Office of Emergency Management.

LFO Recommendation Approve

|                 |   |   |         |         |   |   |         |   |      |
|-----------------|---|---|---------|---------|---|---|---------|---|------|
| LFO Recommended | - | - | 179,363 | 249,231 | - | - | 428,594 | 2 | 2.00 |
|-----------------|---|---|---------|---------|---|---|---------|---|------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 102 OSTI (Gas Emissions),**

Package Description This package increases General Fund support for the Oregon Sustainable Transportation Initiative (OSTI) restoring one Planner 4 and adds two Planner 3s for sustainable transportation planning. One Planner 3 is funded by a transfer of revenue from the Oregon Department of Transportation's Federal Funds; the other two positions are funded with General Fund.

LFO Recommendation Approve the package with the following modification: Reduce the two Planner 3 positions from 24 months to 23 months, (.08 FTE) allowing for lag in hiring due to recruitment requirements, saving the General Fund \$21,843 and Other Funds \$18,421

|                        |                |          |                |          |          |          |                |          |             |
|------------------------|----------------|----------|----------------|----------|----------|----------|----------------|----------|-------------|
| <b>LFO Recommended</b> | <b>319,414</b> | <b>-</b> | <b>174,240</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>493,654</b> | <b>3</b> | <b>2.42</b> |
|------------------------|----------------|----------|----------------|----------|----------|----------|----------------|----------|-------------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 105 Attorney General Restoration**

Package Description Provides funds needed to align current expenditures with anticipated 13-15 legal review costs to address local land use planning activities. This amount represents a 15% increase from CSL and will provide approximately 299 additional hours of Assistant AG services.

LFO Recommendation Approve

|                 |        |   |   |   |   |   |        |   |   |
|-----------------|--------|---|---|---|---|---|--------|---|---|
| LFO Recommended | 50,000 | - | - | - | - | - | 50,000 | - | - |
|-----------------|--------|---|---|---|---|---|--------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 106 Information Mgt Modernization Initiative**

Package Description This package provides resources and one position (0.50 FTE) to partially modernize information systems including document management, digital land use planning, workflow automation, database migration and integration, and database management/administration.

LFO Recommendation Approve with the following modification: Reduce personal services \$6,923 GF and .02 FTE to reflect 23 months expenditure limitation on Limited Duration position allowing for lag in recruitment.

Budget Notes The Department of Land Conservation and Development (DLCD) is directed to work with the Department of Administrative Services (DAS) in the development of a plan for implementing business and technology improvements to its existing business processes, databases, tools, and applications as identified in the "scope of work" defined in DLCD's "Information Management Modernization Initiative (IMMI) Strategic Action Plan 2012-2017."

DLCD and DAS are directed to provide the Legislative Fiscal Office (LFO) by February 1, 2014, with final copies of all foundational project management documentation; a project work plan and budget; and a current project status report showing progress against original goals and objectives. DLCD is further directed to provide a report to the Joint Committee on Ways and Means during the February 2014 legislative session on the status of the IMMI.

LFO Analyst Notes The goal of the project is to provide an accessible, interactive information resource for land use planning and development. The funds will continue providing for a part time Information Specialist 6 position for critical database development and management; minimal standard supplies and services for the position; and professional services contract dollars of approximately \$176,000. The agency's strategic action plan indicated a need of \$450,000 for this phase of the project. The reduced funding limits the agency's ability to contract services for key elements of the project. Estimated total project costs after all phases is likely to be over \$1 million..

|                 |         |   |   |   |   |   |         |   |      |
|-----------------|---------|---|---|---|---|---|---------|---|------|
| LFO Recommended | 238,934 | - | - | - | - | - | 238,934 | 1 | 0.48 |
|-----------------|---------|---|---|---|---|---|---------|---|------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 107 Regional Resource Land Protection**

Package Description This package allows DLCD to continue support for the regional land use planning project pilot approved by the 2012 Legislature. Funds would allow additional grants to the counties. (SB5701) which provided \$550,000 to support rulemaking and related activities; and distribution of \$350k to Jackson, Josephine and Douglas to complete technical studies, mapping and preparation materials to petition LCDC for rulemaking to consider regional definitions of agricultural and forest lands.

LFO Recommendation Approve \$230,000 General Fund for completion of tasks intended to be completed during the 2011-13 biennium that will need to be carried over into the 2013-15 biennium and request the Department of Administrative Services to immediately unschedule \$235,000 General Fund for the 2011-13 biennium that will not be spent on the regional planning program project. This amounts include resources required by DLCD to provide any technical assistance .

|                        |                |   |   |   |   |   |                |   |   |
|------------------------|----------------|---|---|---|---|---|----------------|---|---|
| <b>LFO Recommended</b> | <b>230,000</b> | - | - | - | - | - | <b>230,000</b> | - | - |
|------------------------|----------------|---|---|---|---|---|----------------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 513 Urban Growth Management Reform**

Package Description This package supports House Bill 2254 to make additional investments in simplifying Urban Growth Management programs adding nonrecurring \$250,000 General Fund. The legislative concept creates options for cities with populations of less than 10,000 (198 out of 242 cities) to project need, based on population growth, for inclusion of land within urban growth boundary and establishes priorities for selection of land for inclusion. The additional funding is required to pay costs associated with complex rule making over a period of 18 months involving 10 meetings around the state, consultants to collect and analyze land use and infrastructure data for all areas of the state.

LFO Recommendation Remove package from DLCD budget bill and place in House Bill 2254 to insure that funding tracks with the legislation.

|                        |   |   |   |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|---|---|---|
| <b>LFO Recommended</b> | - | - | - | - | - | - | - | - | - |
|------------------------|---|---|---|---|---|---|---|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 810 LFO Analyst Adjustments**

Package Description Technical adjustment to remove one-time funding for regional planning program (\$550,000 GF);

Reduces Oregon Coastal Management Program due to one-time reduction in Federal Funds (\$129,500 FF);

Reduces Other Funds expenditure limitation for TGM by \$555,280 to reflect technical adjustment in the transfer of federal transportation funds between ODOT and DLCD.

LFO Recommendation Approve the technical adjustment

LFO Analyst Notes Reduces OF Transfer received from ODOT by \$555,280

|                        |                  |          |                  |                  |          |          |                    |          |          |
|------------------------|------------------|----------|------------------|------------------|----------|----------|--------------------|----------|----------|
| <b>LFO Recommended</b> | <b>(550,000)</b> | <b>-</b> | <b>(555,280)</b> | <b>(129,500)</b> | <b>-</b> | <b>-</b> | <b>(1,234,780)</b> | <b>-</b> | <b>-</b> |
|------------------------|------------------|----------|------------------|------------------|----------|----------|--------------------|----------|----------|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 811 UCSD Sea Level Data Funding**

Package Description This package provides resources to produce a data portal to convert NASA data on sea level changes to a more useable form for local planners to assess the impact of potential sea level change on coastal communities, cities and counties. The funding is provided by the Scripps Institution of Oceanography and the University of California San Diego Supercomputer Center. DLCDC will contract annually for services for the project and coordination with coastal communities, cities and counties.

LFO Recommendation Approve the package with the understanding that the Department of Administrative Services will un-schedule the funds until they are actually received by the agency.

LFO Analyst Notes DLCDC was asked to be a subrecipient of a federal grant that the Scripps Institution of Oceanography and University of California San Diego Supercomputer Center applied to NASA Headquarters Research Opportunities in Space and Earth Sciences for. UCSD would remain host for the application after development of the portal is complete. Funding equires no new positions and no local match.

|                        |   |   |         |   |   |   |         |   |   |
|------------------------|---|---|---------|---|---|---|---------|---|---|
| <b>LFO Recommended</b> | - | - | 350,000 | - | - | - | 350,000 | - | - |
|------------------------|---|---|---------|---|---|---|---------|---|---|

|   | General Fund     | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds      | Positions | Full-Time Equivalent (FTE) |
|---|------------------|---------------|-------------|---------------|------------------------|--------------------------|------------------|-----------|----------------------------|
| <b>2011-13 Agy. Leg. Adopted</b>                  | <b>1,599,341</b> | -             | -           | -             | -                      | -                        | <b>1,599,341</b> | -         | -                          |
| 2011-13 Ebds, SS & Admin Act                      | -                | -             | -           | -             | -                      | -                        | -                | -         | -                          |
| Ways & Means Actions                              | -                | -             | -           | -             | -                      | -                        | -                | -         | -                          |
| <b>2011-13 Leg Approved Budget</b>                | <b>1,599,341</b> | -             | -           | -             | -                      | -                        | <b>1,599,341</b> | -         | -                          |
| <b>2011-13 Leg Approved Budget (Base)</b>         | <b>1,599,341</b> | -             | -           | -             | -                      | -                        | <b>1,599,341</b> | -         | -                          |
| Summary of Base Adjustments                       | -                | -             | -           | -             | -                      | -                        | -                | -         | -                          |
| <b>2013-15 Base Budget</b>                        | <b>1,599,341</b> | -             | -           | -             | -                      | -                        | <b>1,599,341</b> | -         | -                          |
| 030: Inflation & Price List Adjustments           | 38,384           | -             | -           | -             | -                      | -                        | 38,384           | -         | -                          |
| <b>2013-15 Current Service Level</b>              | <b>1,637,725</b> | -             | -           | -             | -                      | -                        | <b>1,637,725</b> | -         | -                          |
| <b>Adjusted 2013-15 Current Service Level</b>     | <b>1,637,725</b> | -             | -           | -             | -                      | -                        | <b>1,637,725</b> | -         | -                          |
| <b>Total LFO Recommended Packages</b>             | <b>(405,090)</b> | -             | -           | -             | -                      | -                        | <b>(405,090)</b> | -         | -                          |
| <b>2013-15 Legislative Actions</b>                | <b>1,232,635</b> | -             | -           | -             | -                      | -                        | <b>1,232,635</b> | -         | -                          |
| Net change from 2011-13 Leg Approved Budget       | (366,706)        | -             | -           | -             | -                      | -                        | (366,706)        | -         | -                          |
| Percent change from 2011-13 Leg Approved Budget   | (22.9%)          | 0.0%          | 0.0%        | 0.0%          | 0.0%                   | 0.0%                     | (22.9%)          | 0.0%      | 0.0%                       |
| Net change from 2013-15 Current Service Level     | (405,090)        | -             | -           | -             | -                      | -                        | (405,090)        | -         | -                          |
| Percent change from 2013-15 Current Service Level | (24.7%)          | 0.0%          | 0.0%        | 0.0%          | 0.0%                   | 0.0%                     | (24.7%)          | 0.0%      | 0.0%                       |

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 090 Analyst Adjustments**

Package Description GRB Reduces grant assistance by \$655,090 to local governments to update comprehensive plans and administer local planning programs while DLCD had requested an increase of \$300,000 GF. This reduces CSL by 40% and from 11-13 Leg Approved levels by 76% and. CSL is \$1,637,725; if approved would be reduced to \$982,635; \$1.1 million or 53% less than the 2009-11 Actual expenditure level.

LFO Recommendation Approve

|                 |           |   |   |   |   |   |           |   |   |
|-----------------|-----------|---|---|---|---|---|-----------|---|---|
| LFO Recommended | (655,090) | - | - | - | - | - | (655,090) | - | - |
|-----------------|-----------|---|---|---|---|---|-----------|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 108 Population Forecasting**

Package Description This package provides General Fund in support of a proposed legislative concept (HB 2253) to delegate population forecasting to the Population Forecasting Center at Portland State University. The funds would be provided to PSU in the form of a grant. The proposed new PSU forecasts will not be completed for all jurisdictions statewide for three to five years. Once all jurisdictions are completed, local jurisdictions will be required to use the PSU forecast for land use planning purposes. DLCD will be required to adopt rules to regulate the transition to PSU forecasts.

LFO Recommendation Remove package from DLCD budget bill and place in House Bill 2253 to insure that funding tracks with the legislation.

LFO Analyst Notes The legislative concept makes the grant to PSU the highest priority over grants to local governments for periodic review plan updates and complying with new land use laws or rule requirements. Currently, counties are required to adopt coordinated population forecasts for all urban and rural areas in the county. Work already being done by PSU does not provide the cost of providing population forecasting by PSU is offset by \$250,000 of the \$440,000 cost in the Governor's Budget. The measure places the PSU grant as the highest priority for funding further reducing local grants by an additional \$190,000. Funds available for local grants would be \$792,635, a reduction of 52%.

|                        |   |   |   |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|---|---|---|
| <b>LFO Recommended</b> | - | - | - | - | - | - | - | - | - |
|------------------------|---|---|---|---|---|---|---|---|---|

|  | General Fund | Lottery Funds | Other Funds | Federal Funds | Nonlimited Other Funds | Nonlimited Federal Funds | Total Funds | Positions | Full-Time Equivalent (FTE) |
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|
|--|--------------|---------------|-------------|---------------|------------------------|--------------------------|-------------|-----------|----------------------------|

**Package 810 LFO Analyst Adjustments**

Package Description Increase grants to local governments.

LFO Recommendation Approve \$250,000 General Fund

LFO Analyst Notes \$250,000: \$125,000 Counties/\$125,000 Cities

With increase in funding new total local grant program will be \$1,232,635, a 25% reduction from current service level vs. the Governor's proposed funding level at \$982,635 and 40% reduction in funding.

|                 |         |   |   |   |   |   |         |   |   |
|-----------------|---------|---|---|---|---|---|---------|---|---|
| LFO Recommended | 250,000 | - | - | - | - | - | 250,000 | - | - |
|-----------------|---------|---|---|---|---|---|---------|---|---|

## Legislatively Proposed 2013-2015 Key Performance Measures

**Agency: LAND CONSERVATION and DEVELOPMENT DEPARTMENT**

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.

| Legislatively Proposed KPMs   | Customer Service Category | Agency Request      | Most Current Result | Target 2014 | Target 2015 |
|---|---------------------------|---------------------|---------------------|-------------|-------------|
| 9 - NATURAL RESOURCE INVENTORIES – Percent of urban areas that have updated buildable land inventories to account for natural resource and hazard areas.                                    |                           | Proposed Delete KPM | 1.00                |             |             |
| 13 - PERIODIC REVIEW REMANDS – Percent of periodic review work tasks that are returned to local jurisdictions for further action.   |                           | Proposed Delete KPM | 0.00                |             |             |
| 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. |                           | Proposed Delete KPM | 100.00              |             |             |
| 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.           |                           | Approved KPM        | 49.00               | 75.00       | 75.00       |
| 2 - HOUSING LAND SUPPLY – Percent of cities that have an adequate supply of buildable residential land to meet housing needs.   |                           | Approved KPM        | 65.00               | 90.00       | 90.00       |
| 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.                        |                           | Approved KPM        | 46.00               | 70.00       | 70.00       |
| 4 - CERTIFIED INDUSTRIAL SITES – Number of industrial sites certified as “project-ready” added each fiscal year.  |                           | Approved KPM        | 2.00                | 6.00        | 6.00        |
| 5 - TRANSIT SUPPORTIVE LAND USE – Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.                                   |                           | Approved KPM        | 89.00               | 90.00       | 90.00       |
| 6 - TRANSPORTATION FACILITIES – Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.               |                           | Approved KPM        | 89.00               | 91.00       | 92.00       |
| 7 - ERT – Percentage of local participants who rank DLCD involvement in the ERT process as good to excellent.   |                           | Approved KPM        | 0.00                |             |             |

**Agency: LAND CONSERVATION and DEVELOPMENT DEPARTMENT**

Mission: <span style="font-family: &quot;Arial&quot;;&quot;sans-serif&quot;; color: black; font-size: 9.5pt; mso-fareast-font-family: 'Times New Roman'; mso-ansi-language: EN-US; mso-fareast-language: EN-US; mso-bidi-language: AR-SA">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.</span>

| Legislatively Proposed KPMs  | Customer Service Category   | Agency Request | Most Current Result | Target 2014 | Target 2015 |
|--|-----------------------------|----------------|---------------------|-------------|-------------|
| 8 - COASTAL DEVELOPMENT ZONING– Percent of estuarine areas designated as “development management units” in 2000 that retain that designation.  |                             | Approved KPM   | 100.00              |             |             |
| 10 - FARM LAND – Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.   |                             | Approved KPM   | 99.87               | 99.95       | 99.95       |
| 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.   |                             | Approved KPM   | 99.92               | 99.95       | 99.95       |
| 12 - URBAN GROWTH BOUNDARY EXPANSION – Percent of land added to urban growth boundaries that is not farm or forest land.   |                             | Approved KPM   | 37.00               | 55.00       | 55.00       |
| 15 - GRANT AWARDS – Percent of local grants awarded to local governments within two months after receiving application.  |                             | Approved KPM   | 100.00              |             |             |
| 16 - LAND USE APPEALS – Percentage of agency appeals of local land use decisions that were upheld by LUBA and the Courts.  |                             | Approved KPM   | 100.00              |             |             |
| 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. | Accuracy                    | Approved KPM   | 71.21               | 83.00       | 83.00       |
| 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. | Availability of Information | Approved KPM   | 66.92               | 83.00       | 83.00       |
| 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. | Expertise                   | Approved KPM   | 88.06               | 83.00       | 83.00       |
| 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. | Helpfulness                 | Approved KPM   | 81.49               | 83.00       | 83.00       |

**Agency: LAND CONSERVATION and DEVELOPMENT DEPARTMENT**

Mission:

| Legislatively Proposed KPMs  | Customer Service Category | Agency Request | Most Current Result | Target 2014 | Target 2015 |
|--|---------------------------|----------------|---------------------|-------------|-------------|
| 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. | Overall                   | Approved KPM   | 73.33               | 83.00       | 83.00       |
| 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. | Timeliness                | Approved KPM   | 70.90               | 83.00       | 83.00       |
| 18 - TASK REVIEW – Percent of periodic review work tasks under review at DLCD for no longer than four months.  |                           | Approved KPM   | 100.00              |             |             |
| 19 - BEST PRACTICES – Percent of total best practices met by the Board.  |                           | Approved KPM   | 100.00              | 100.00      | 100.00      |

**LFO Recommendation:**

Approve the agency's request to delete KPM #'s 7 related to ERT, #9 Natural Resource Inventories, #13 Periodic Review Remands, #14 Timely Comments and direct the agency retain KPM #9, #13 and #14 as an internal measures. LFO further recommends KPM #8 Coastal Developing Zoning be deleted and retained as an internal measure, KPM #16 Land Use Appeals be deleted and retained as an internal measure and KPM #18 Task Review be deleted and retained as internal measure. These three measures have had no variation from 100% in the last 9 to 10 years. Set Targets as noted.

**Sub-Committee Action:**