

DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT

The Department of Land Conservation and Development administers Oregon’s statewide land use planning program and Oregon’s federally approved coastal management program. The goals of the agency include protection of farm and forest lands and other natural resources; the fostering of livable, sustainable development in urban and rural communities; conservation of coastal and ocean resources; a clear and predictable land use system; and regional collaboration and coordinated local decision-making.

DLCD personnel assist the Land Conservation and Development Commission (LCDC) in adopting state land use goals, ensuring compliance of local land use plans with the goals, coordinating state and local planning, and managing the coastal zone and 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. Periodic review of plans and technical assistance in the form of grants to local jurisdictions are key elements of the program. Under that program, all cities and counties have adopted comprehensive plans that meet mandatory state standards.

DEPARTMENT OF LAND CONSERVATION & DEVELOPMENT	2009-11 Actuals	2011-13 Leg. Approved	2013-15 Current Service Level	2013-15 Governor's Budget	2013-15 Co-Chairs' Budget (1.0)	% Change 2011-13 LAB to 2013-15 CSL
General Fund	15,258,551	11,132,225	12,274,466	12,769,089	0	10.3%
Other Funds	1,309,575	1,457,573	1,278,787	1,190,188	0	-12.3%
Federal Funds	4,790,276	6,117,281	5,897,527	6,100,788	0	-3.6%
TOTAL FUNDS	\$21,358,423	\$18,707,098	\$19,450,799	\$20,060,065	\$0	4.0%
Positions	95	57	55	61	0	-3.5%
FTE	80.57	55.11	53.46	58.16	0.00	-3.0%

Major Revenues	Budget Environment	Comparison by Fund Type
<ul style="list-style-type: none"> General Fund is used to fund 63% of the current service level budget. General Fund supports DLCD operations and provides the “in-kind” match requirement for federal grants. General Fund also supports local jurisdiction grants for maintaining, improving, and implementing comprehensive land use plans and regulations. Other Funds revenue sources consist mostly of federal transportation funds from the Oregon Department of Transportation for Transportation Growth Management and other transportation-related programs. 	<ul style="list-style-type: none"> Cities, counties, and districts are the “front line” of the statewide land use program. Local and state financial resources have not kept pace with Oregon’s need to conduct the planning needed to attract development and sustain local economies. Key infrastructure systems are often supported by local development fees. Land use planning can create constraints on economic growth if adequate lands are not available and planned for changing economic conditions and employment growth. Funding is seldom at the levels needed to be in front of long-term growth. 	

Major Revenues	Budget Environment	Comparison by Fund Type
<p>DLCD projects a transfer of \$932,957 in 2013-15. In 2013-15 DLCD will also be receiving Other Funds from the Military Department’s Emergency Management program to support preparing statewide and local government hazard mitigation plans. DLCD projects a transfer of \$180,000. DLCD also receives small amounts of Other Funds revenue from the sale of publications, subscriptions to plan amendments, and periodic review notices and public record duplicating services.</p> <ul style="list-style-type: none"> Federal revenues are expected to cover about 30% of the budget; funding comes from the U.S. Department of Commerce’s National Oceanic and Atmospheric Administration and from the Federal Emergency Management Agency. These Federal Funds support the agency’s ocean and coastal program activities, flood plain management and RiskMap program. 	<ul style="list-style-type: none"> Continued population growth, while slow, still results in pressures on transportation systems, land management, and development. Growth presents challenges to coastal development, urban growth boundary expansion, and development of agricultural and rural lands, preservation of natural resources, and maintenance and development of adequate infrastructure. DLCD has faced funding challenges over the past several years. The agency has limited fee-supported revenue or access to alternate sources of Other Funds, placing it in a position to be reliant on general purpose tax revenues and federal funds. Federal listings of threatened and endangered species have presented state and local governments with challenges to modify development and land use practices. 	

MAJOR CHALLENGES AND DECISION POINTS

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| <p>1. The Governor's budget (GB) requests spending authority for a total budget of \$20.1 million of which \$12.8 million is General Fund, \$1.2 million Other Funds, and \$6.1 million Federal Funds. The total GB is a 10.2% increase over the 2011-13 legislatively approved budget of \$18.2 million and the General Fund share of this increase is \$1.9 million or 17.3%. Included within this request is the following:</p> <p>a. Reductions for statewide administrative savings, PERS taxation policy and Other PERS adjustments totaling \$145,909 of which \$87,391 is General Fund, \$12,548 Other Funds, and \$45,970 is Federal Funds.</p> <p>b. \$428,594 total funds (\$179,363 Other Funds and \$249,231 Federal Funds) and 2.00 FTE to make permanent a position that has existed for four biennia to help communities plan for natural hazards. Federal funding has changed from specific annual appropriations to part of the National Flood Insurance Program. The package adds a limited duration position to update and coordinate the Oregon Natural Hazard Mitigation Plan.</p> <p>c. \$533,918 total funds (\$341,251 GF, \$192,661 OF) and staff are requested to support "sustainable" transportation planning. The funds would restore one Planner 4 (0.50 FTE) and add two Planner 3s (2.00 FTE) to identify and carry out strategies to lower greenhouse gas emissions. One Planner 3 is funded by a transfer of revenue from the Oregon Department of Transportation's Federal Funds; the other two positions (1.50 FTE) are funded with General Fund.</p> <p>d. *Support for a legislative concept (HB 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.</p> | <p>e. \$100,000 General Fund to continue support for a regional land use planning project pilot approved by the Legislature in 2012. Funds would allow additional grants to Jackson, Josephine, and Douglas Counties to complete technical studies, mapping, and preparation materials to petition the Land Conservation and Development Commission (LCDC) for rulemaking to consider regional definitions of agricultural and forest lands.</p> <p>f. Scaled back funding for local planning grants by 40% or \$655,090. The CSL for local planning grants is \$1,637,725; if the reduction is approved the total amount available for local planning grants would be \$982,635 or \$1.1 million less than the 2009-11 actual expenditure level.</p> <p>These grant funds reimburse 242 cities and 36 counties for local land use planning activities including technical assistance, periodic review, planning, special Columbia River Gorge planning, and dispute resolution through PSU. An additional \$2 million in technical assistance grant requests were not funded in the 2011-13 biennium and \$3.1 million in the 2009-11 biennium. The agency reports that \$550,000 General Fund allocated in the 2011-13 biennium for regional pilot studies in the Planning Program should have been shifted to the local grants program in the CSL and is now requesting a technical adjustment to accommodate this action. Local grant funding would then reflect a 6.4% reduction instead of the 40% in the GRB.</p> <p>The proposed reduction anticipates that HB 2253 and HB 2254 will be approved by the Legislature, even though requirements of HB 2254 will not be implemented until late in the 2013-15 biennium and population forecasts by PSU, required in HB 2253, would need to be approved.</p> <p>g. \$50,000 General Fund needed to align current expenditures with anticipated 2013-15 legal review costs to address local land use planning activities. This amount represents a 15% increase from</p> |
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- CSL and will provide approximately 299 additional hours of Assistant Attorney General services at the rate of \$167 per hour.
- h. *\$245,857 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. 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.
- i. \$250,000 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. 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 amount of detail required for making the land use decisions required by current laws. The additional grant to PSU will provide resources to refine current county population data to the city levels. While the GB includes \$250,000 General Fund for this purpose, the proposal from PSU identifies \$181,250 per year as the actual cost to perform the work required or \$362,500 per biennium. If the measure is approved by the Legislature, the local government grant fund will be further reduced by \$112,500 for technical assistance to local governments.

* See attachment for additional information on this item.