



Oregon Department of Land Conservation and Development

2017-19 Proposed Budget

Jim Rue, Director
Carrie MacLaren, Deputy Director



Oregon Department of Land Conservation and Development



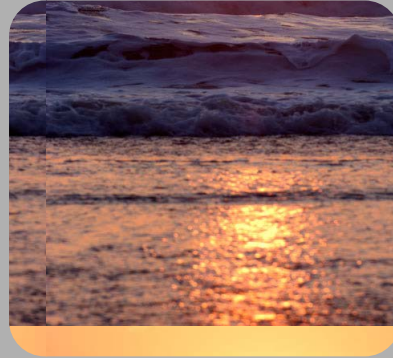
Day 1

Department and Statewide Planning Program
Strategic Plan
Accomplishments
Challenges
Solutions

Day 2

Agency Performance
Policy Option Packages
Agency Reduction Options
Legislative Proposals

Oregon Department of Land Conservation and Development



Introduction

- Oregon's Land Use Planning Program
- Key Take Home Messages

Department Overview

- Mission
- Program Summary
- Desired Outcomes
- How We Achieve Outcomes

Department Performance

- Organizational Information
- Strengths and Accomplishments by Strategic Goal
- Key Performance Measures
- Changes in the Last Six Years by Biennia
- Service Delivery

Budget

- Governor's Budget
- Major Budgetary Challenges
- Prioritization
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Appendices



Key Take-Home Messages

- Programs achieve outcomes and objectives that meet statewide planning goals under the direction of the Governor, Legislature, and Commission
- The core of the mission enhances urban and rural communities, protects the natural resource base, and promotes community involvement
- Urban and rural communities need assistance (grants and technical assistance) to meet local and state land use planning objectives
- Outcomes reflect local and regional solutions with diverse partnerships



Department Overview

Mission

Program Summary

Desired Outcomes

How We Achieve Outcomes

Mission

- Help communities plan
- Foster sustainable and vibrant communities
- Conserve Oregon's natural resources
- Engage citizens and stakeholders in improvements



LCDC Meeting, Salem, OR



Cathedral Park, Portland, OR



Sisters Wilderness, OR

Program Summary

- The Land Conservation and Development Commission (LCDC)
 - Seven unpaid citizen volunteer commissioners
- Department of Land Conservation and Development (DLCD)
 - 19 statewide land use planning goals
 - Oregon's Land Use Planning Program serves all citizens of Oregon
 - Two budget program unit areas
 - Planning and Administration (all program services)
 - Grants to Local Governments (no staffing)



Desired Outcomes

Alignment to Governor's Initiatives

- Responsible environmental stewardship
- Excellence in state government
- A thriving statewide economy



Wallowa Lake, OR



Port of Portland, OR

Organizational Information



How We Achieve Outcomes

- 2014-2022 Strategic Plan
- Enhance performance management and quarterly reporting of progress (See Fundamentals Map - Appendix D)



How We Achieve Outcomes

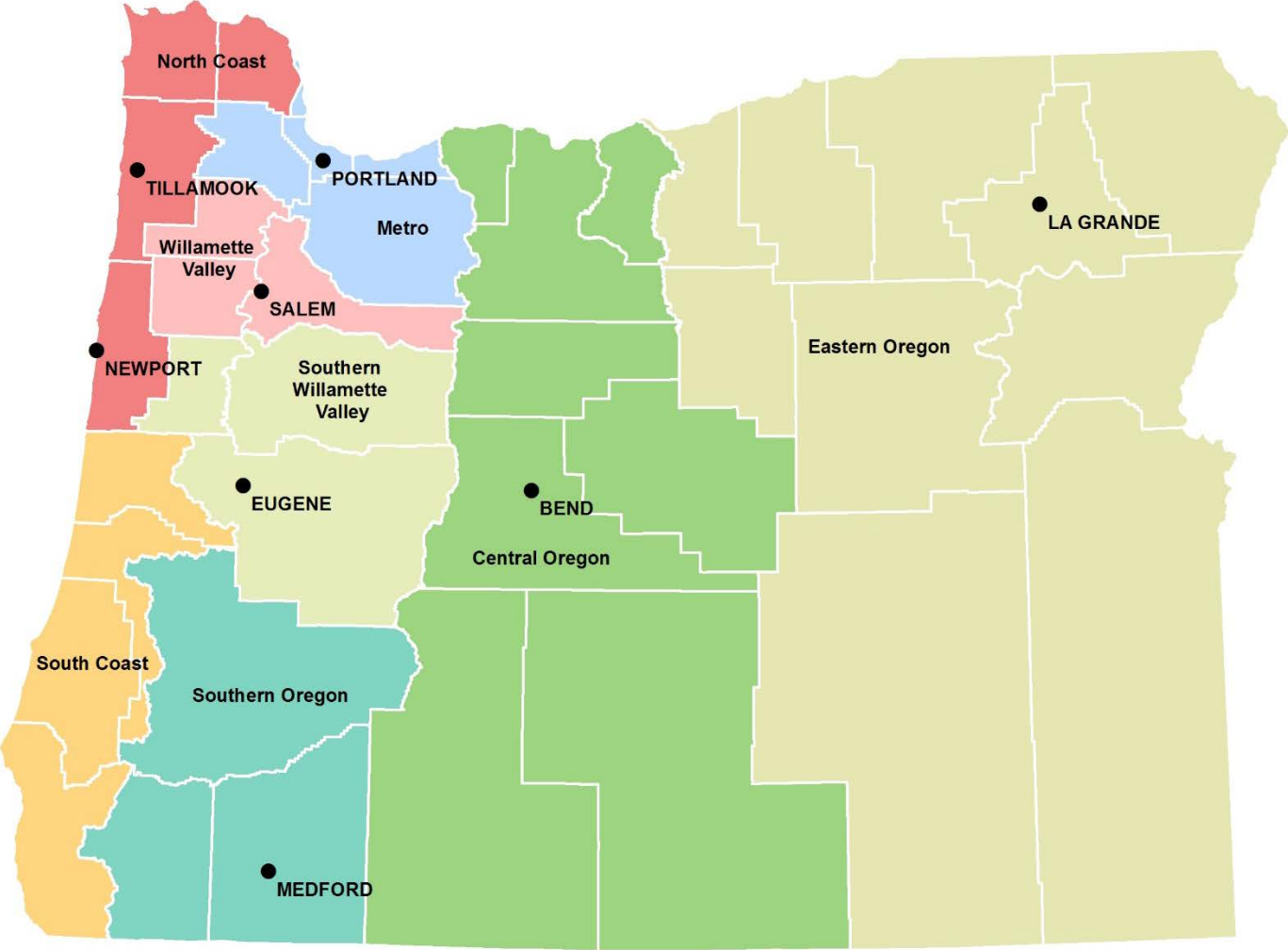
Partners in Oregon's Land Use Planning Program

- Cities and Counties
- Federal Agencies
- State Agencies
- Tribal Governments
- Citizen Involvement Advisory Committee (CIAC)
- Local Officials Advisory Committee (LOAC)



How We Achieve Outcomes

Maintaining a Regional Presence – Eight Field Offices and Regional Solutions Centers



How We Achieve Outcomes

Partnering with Local Governments

- Cities
- Counties
- Lane Council of Governments
- Rogue Valley Council of Governments
- Metro
- Association of Oregon Counties
- League of Oregon Cities
- Columbia River Estuary Study Team (CREST)

How We Achieve Outcomes

Coordinating with Federal and State Agencies

- Oregon Watershed Enhancement Board
- Oregon Department of Energy/Energy Facility Siting Council
- Oregon Department of Fish and Wildlife
- Oregon Department of Administrative Services
- Oregon Department of Agriculture
- Oregon Department of Forestry
- Oregon Department of Geology and Mineral Industries
- Oregon Department of Transportation
- Oregon Department of State Lands
- Business Oregon
- Oregon Housing and Community Services
- Oregon Office of Emergency Management
- Oregon Water Resources Department
- Oregon Department of Revenue
- Oregon Public Health Division
- National Oceanic Atmospheric Administration
- Federal Emergency Management Agency
- Capitol Planning Commission
- Oregon Building Codes Division
- Oregon Department of Environmental Quality
- Oregon Department of Higher Education
- Oregon Department of Corrections
- Oregon Public Utility Commission
- Oregon State Marine Board
- Oregon State Parks and Recreation Department



Department Performance

Strengths and Accomplishments

Key Performance Measures

Major Changes in the Last Six Years

Improving Program Delivery

Strengths and Accomplishments – Overview

- Programs achieve outcomes and objectives that meet statewide planning goals under the direction of the Governor, Legislature, and Commission
- The core of the mission enhances urban and rural communities, protects the natural resource base, and promotes community involvement
- Outcomes reflect local and regional solutions with diverse partnerships
- Planning is accomplished at the local level through technical assistance provided by staff; grant funding; and collaboration between federal, state, tribal governments, stakeholders and the public
- Department has delivered results for each of its strategic goals

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

Strengths and Accomplishments

Strategic Goal 1: Conserve Oregon's Natural Resources

Preserve working farm and forest lands, coastal areas, natural resources, and ecosystem values

- Agricultural and Forestry contributions to the state
- Wineries and Counties, Guidance Publication (Appendix M)
- Forest rule amendment allowing for emergency storage facilities to facilitate tsunami preparedness planning



Hood River Valley, OR



Oregon vineyard

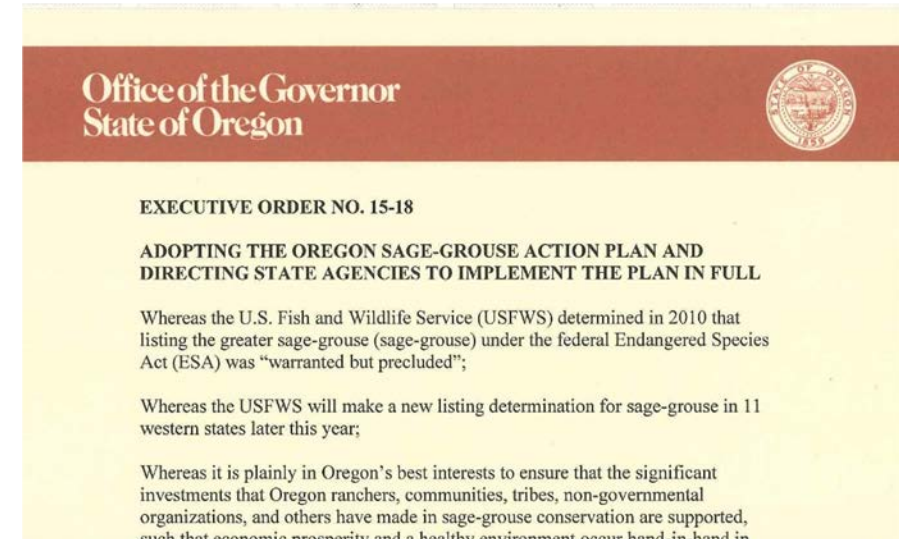
Strengths and Accomplishments

Habitat, Wetlands, Riparian

- Water quality improvement efforts
- Sage Grouse
- National Flood Insurance



Tillamook, OR



Strengths and Accomplishments

Protect and Conserve Coastal and Marine Resources

- Coastal Resiliency
 - Preparing for a Cascadia Subduction Zone Tsunami: A Land Use Guide for Oregon Coastal Communities
 - Neskowin coastal hazards and adaptation plan
- Estuary Inventory
- Ocean Energy Development (NW National Marine Renewable Energy Center, Newport)
- Ocean and Coastal Data Access and Management



Brookings, OR



Newport, OR

Strengths and Accomplishments

Strategic Goal 2: Promote Sustainable, Vibrant Communities

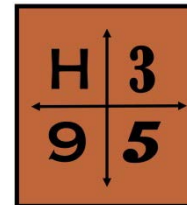
Oregon's land use program assures that cities provide lands for housing and employment, while avoiding sprawl and lowering the cost of growth

Economic and community development

- Regional Solutions Teams (e.g. Lakeview and Lake County)
- Urban Growth Boundary process simplification (HB2254)
- Technical Assistance: City of Independence Landing Development Project; Hwy 395 Economic Development Project



Independence, OR



Existing Conditions



Design Standards Concept

Umatilla, OR

Strengths and Accomplishments

Strategic Goal 2: Promote Sustainable, Vibrant Communities

Land use and transportation planning are linked:

- Transportation and Growth Management: City of Milwaukie
- Updated Targets for Greenhouse Gas Emissions



Strengths and Accomplishments

Strategic Goal 3: Engage the Public and Stakeholders in Oregon's Land Use Planning Program

- Periodic statewide surveys and website migration (e.g. Customer Service Survey, CIAC Survey)
- Government to Government: TGM grant to Confederated Tribes of the Coos, Lower Umpqua, and Siuslaw
- Pilot Project: Urban Growth Boundary Expansion Process for Affordable Housing
- Oregon Sage Grouse Conservation Partnership



Sage Grouse

**Character-Compatible,
Space-Efficient
Housing Options
for Single-Dwelling Neighborhoods**

May 2016



Strengths and Accomplishments

Strategic Goal 4: Provide Timely and Dynamic Leadership to Support Local and Regional Problem Solving

- Urban Growth Boundary Amendments
 - Bend UGB
 - Woodburn
 - Grants Pass
 - Lafayette
- Support for Planning Oregon



Bend, OR



Grants Pass, OR



Woodburn, OR

Strengths and Accomplishments

Strategic Goal 5: Deliver Services that are Efficient, Outcome-based and Professional

- Information Management Modernization Initiative
 - PAPA Online
 - Farm Forest Online
 - Land Use Portal
 - Planning document library through University of Oregon's Scholar's Bank
- Performance Management improvements – Fundamentals Map (Appendix D)

Adair Village -> New Proposal

* = required field

Please add at least one contact.

Please select at least one proposal type.

Please enter a summary of the proposed change.

* Local File #: This field is required.

* County:

* Date of 1st Hearing: This field is required.

County Local File #:

? Days difference

* County 1st Hearing Date:

Date of Final Hearing:

County Final Hearing Date:

? Days difference

* Type:

- Comprehensive Plan Map Change
- Zoning Map Change
- Comprehensive Plan Map & Zoning Map Change
- Comprehensive Plan Text Change
- Land Use Regulation Change
- UGB amendment by city with population less than 2,500 within UGB
- UGB amendment of 50 acres or less by a city with population 2,500 or more within UGB

PAPA Online Sample

Strengths and Accomplishments Conclusions

- Program achieves outcomes and objectives that meet statewide planning goals under the direction of the Governor and legislature
 - Absorbing population growth using less land area than neighboring states. In general, this will result in lower public facility and transportation costs over time.
 - Conserving working landscapes for farm and forest production.
- The core of the mission enhances urban and rural communities, protects the resource base, and promotes citizen involvement.
- Outcomes reflect regional solutions with diverse partnerships.

2015-17 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. **Farm Land** – Percent of farm land outside urban growth boundaries zoned exclusive farm use in 1987 that retains that zoning. (renumbered to KPM #7 in 2017-19)
8. **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. (renumbered to KPM #8 in 2017-19)
9. **Urban Growth Boundary Expansion** – Percent of land added to urban growth boundaries that is not farm or forest land. (renumbered to KPM #9 in 2017-19)
10. **Grant Awards** – Percent of local grants awarded to local governments within two months of receiving an application. (renumbered to KPM #10 in 2017-19)
11. **Customer Service** – Percent of customers rating their satisfaction with the agency’s services as good or excellent (renumbered to KPM #11 in 2017-19)
12. **Best Practices** – Percent of best practices met by the board (LCDC). (renumbered to KPM #12 in 2017-19)

Performance Summary

2016 Annual Performance Progress Report (APPR)

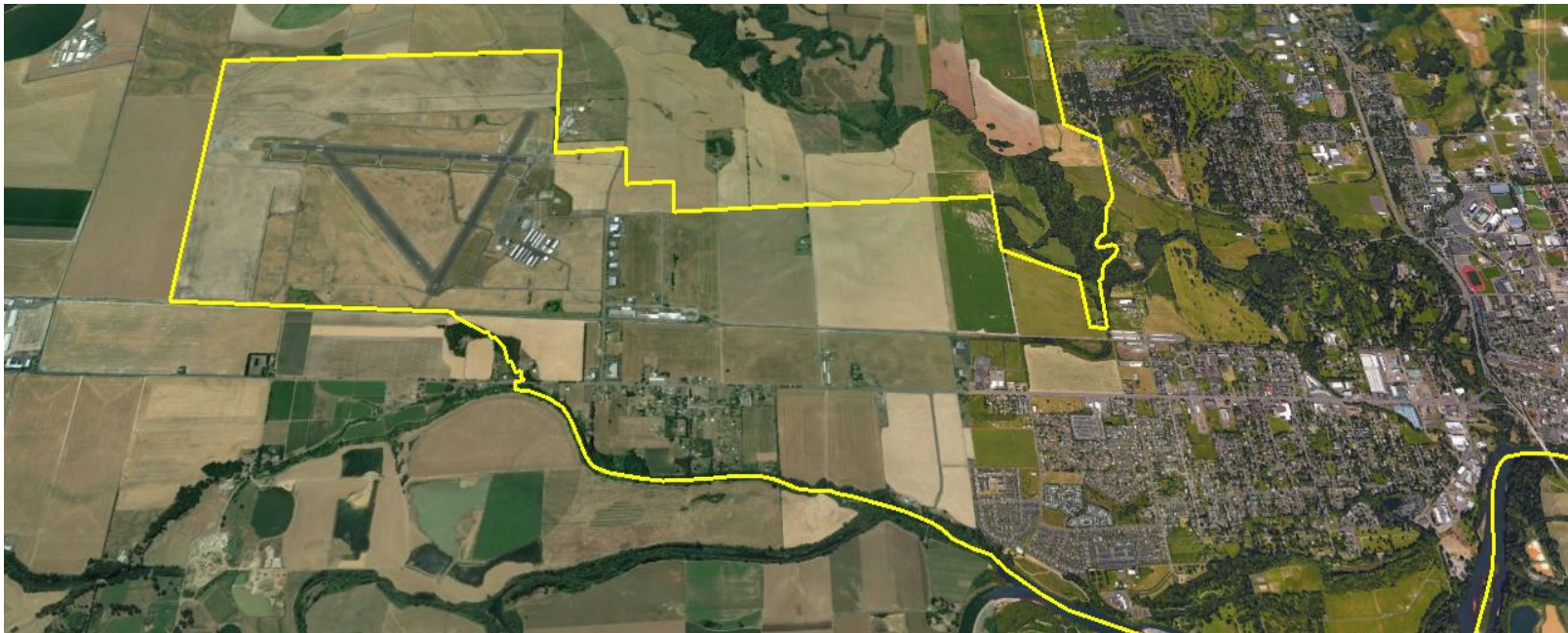
(Appendix F)

- Mixed results – eight of twelve measures met or exceeded target.
- Most results reflect city or county activity.
- Challenges – limited local and state resources, including grant availability.
- Proposed changes for 2017-19 – Department has requested methodology change for Farm Land KPM #7 and Forest Land KPM #8 and deletion of KPM #4 – certified industrial sites in coordination with OBDD.

Key Performance Measures

Land Supply

- Three KPMs address adequate supply of land for growth
 - Related to land for employment (#1), housing (#2), and industrial siting (#4)
 - Performance on Measures #1 and #2 reflect local plan updates, not state actions



Corvallis, OR

Key Performance Measures Public Facilities

- The three KPMs address planning for urban facilities and services:
 - Related to sewer and water (#3), transit-supportive land use (#5), and transportation facilities (#6)
 - Measures local actions not state actions



Wastewater Treatment Facility, Eugene, OR

- Met all targets



Eastside Streetcar, Portland, OR

Key Performance Measures

Farm and Forest Lands Protection



Malheur County Grain



Tillamook State Forest

- Three KPMs address preservation of resource land zoning:
 - Farmland zoning (#7), forest land zoning (#8), and avoiding farm or forest zoned lands in UGB expansions (#9)
- Met or exceeded targets
- Also see department's Farm/Forest Report (Appendix H)

Key Performance Measures

Customer Service

- Three KPMs address the quality of services provided to customers:
 - Grant Awards (#10), Customer Service Satisfaction (#11), and LCDC Best Practices (#12)



Baker City Planners Network Meeting

Major Changes in Last Six Years



Customer Satisfaction Survey demonstrates high customer satisfaction, support for program

HB 4079 Affordable Housing

National Flood Insurance Program – Endangered Species Act

Loss of Federal Revenues due to nonpoint source pollution control program disapproval

Greenhouse Gas Emission reduction targets updated

Sage Grouse



Nonpoint Source Pollution Control Program negotiation

Adoption of Territorial Sea Plan

UGB Streamlining

Economic Recovery Review Council

Measure 49 Transfer of Development Credits Program



Oregon Climate Change Adaptation Framework

Agricultural Soils Capability Assessment

Information Management Modernization Initiative

Oregon Sustainable Transportation Initiative

Improving Program Delivery



PAPA Online goes live

Customer Satisfaction Survey demonstrates high customer satisfaction, happy with program

HB 4079 Affordable Housing

Woodburn

Farm/Forest Online reporting

Oregon Natural Hazards Mitigation Plan

Increased number of Planners' Network Meetings



Adoption of Territorial Sea Plan

UGB Streamlining

Adoption of Department's 2014-22 Strategic Plan

Continuation of Information Management Modernization Initiative

Intranet site development to improve internal communication

Land Use Planning Portal

Tsunami Land Use Guide



Designation of grant funding to population forecasting

Oregon Land Use Planning Online Training (2012)

Information Management Modernization Initiative

Oregon MarineMap

Oregon's Framework Program



Day 2

Jim Rue, Director (503) 934-0002
Carrie MacLaren, Deputy Director (503) 934-0051



Budget



Governor's Budget

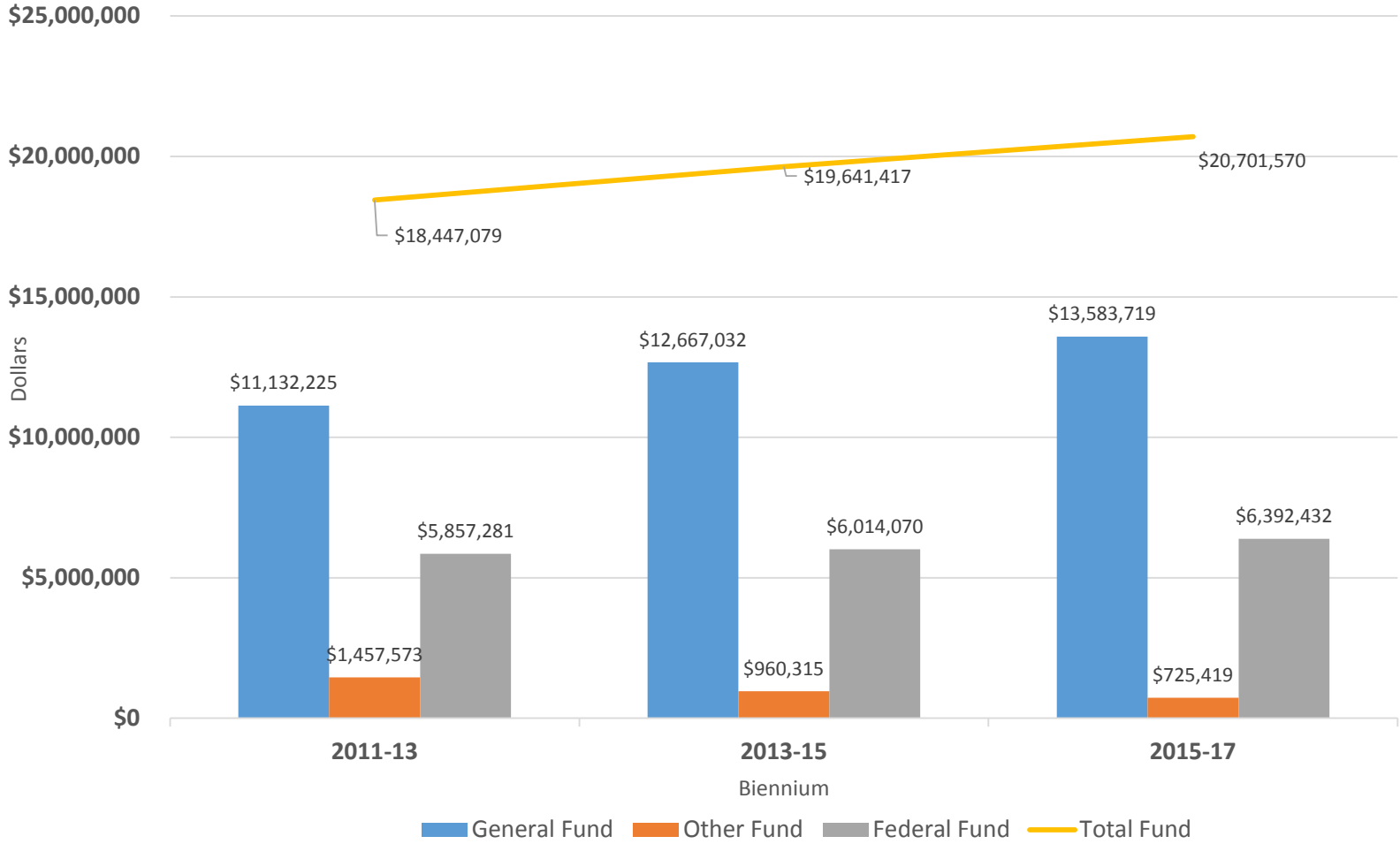
	2013-15 Actuals	2015-17 Legislatively Approved	2017-19 Governor's Budget
General Fund	\$12,198,336	\$13,583,719	\$12,948,322
Other Funds	\$561,866	\$725,419	\$560,528
Federal Funds	\$5,247,072	\$6,392,432	\$6,691,291
All Funds	\$18,007,274	\$20,701,570	\$20,200,141
Positions	61	58	54
FTE	57.55	56.57	52.90

Major Budgetary Challenges

- General Fund
 - Department is primarily funded through the General Fund; state budget gap.
 - Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.
 - Decreasing funds available for grants to local governments.
- Federal Funds
 - Funding sources are dependent on congressional action.
 - NonPoint Source Pollution Control Program disapproval.
 - Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.
- Other Funds
 - Federal Transportation funds (via ODOT) dependent on congressional action.
 - Rising personnel costs driven by collective bargaining agreement required to be absorbed by department.

Major Budgetary Challenges

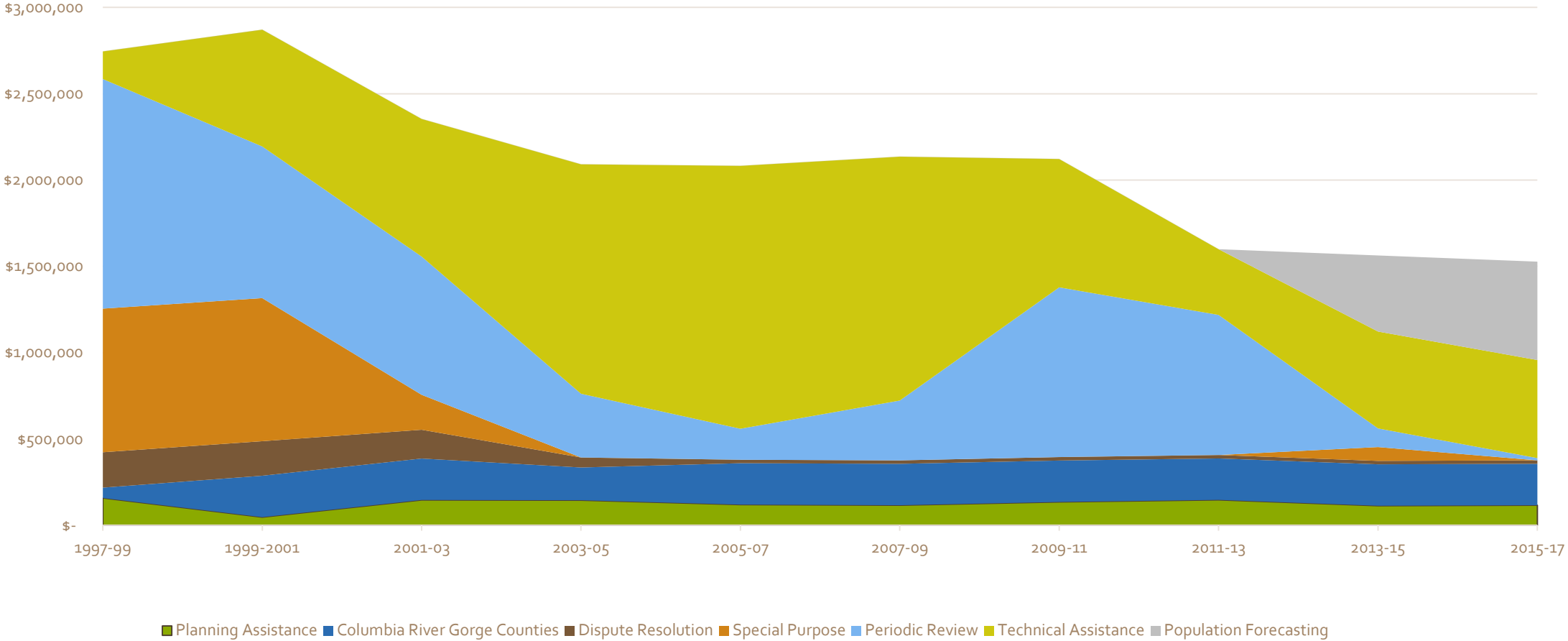
Dependence on General Fund



Major Budgetary Challenges

Decreasing Grant Assistance to Communities

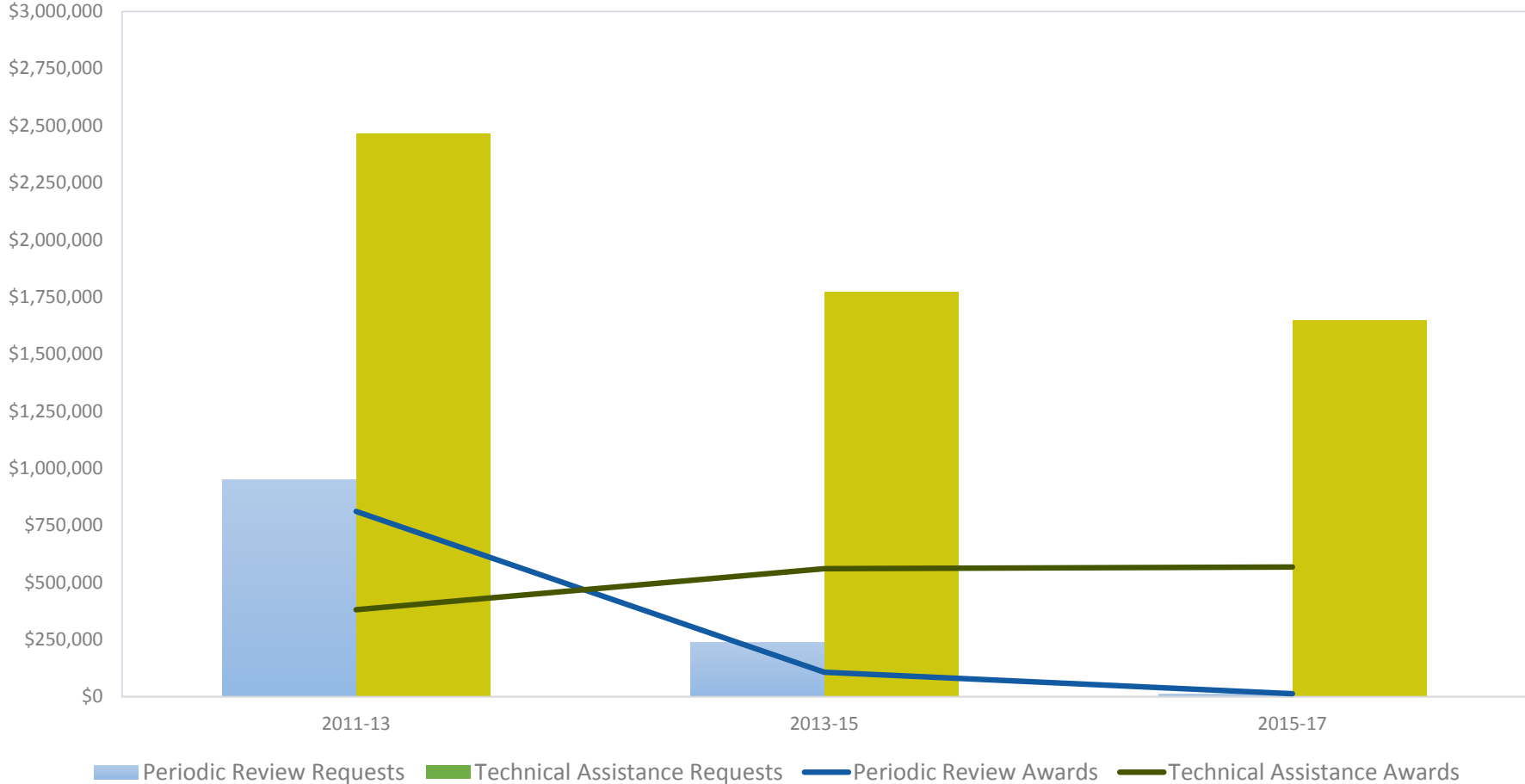
DLCD General Fund Grant History



Major Budgetary Challenges

Local Requests Exceed Grant Funding Levels

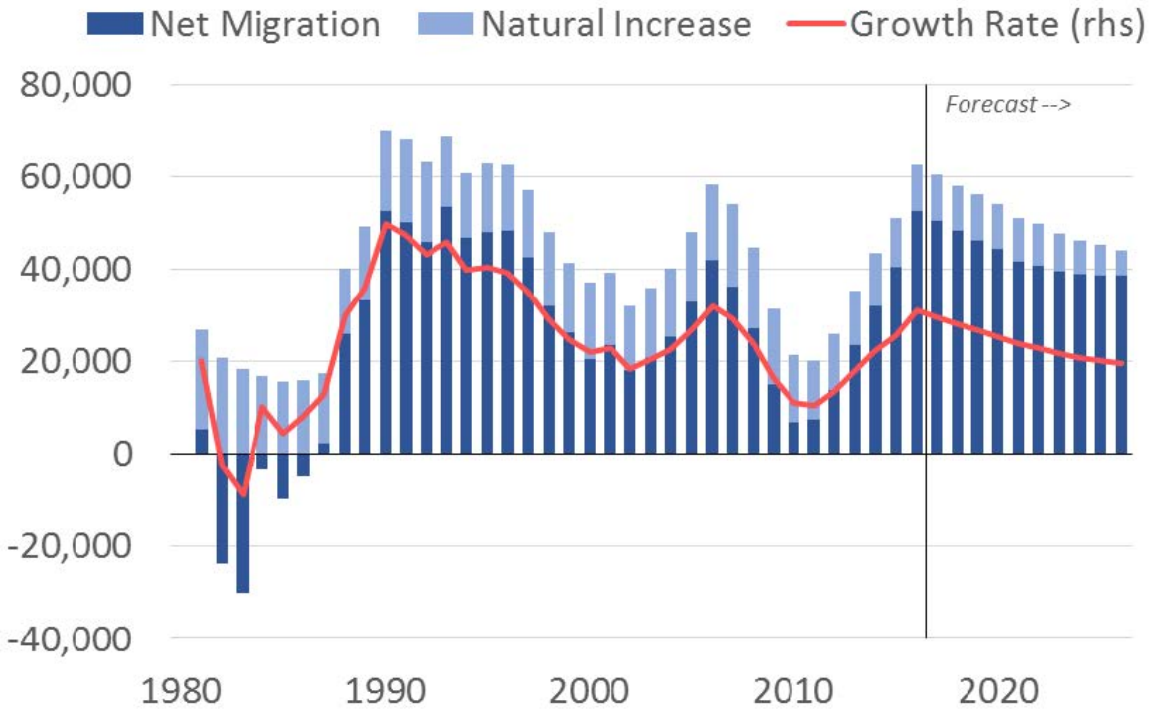
Requests vs Award for Grant Assistance



Major Budgetary Challenges

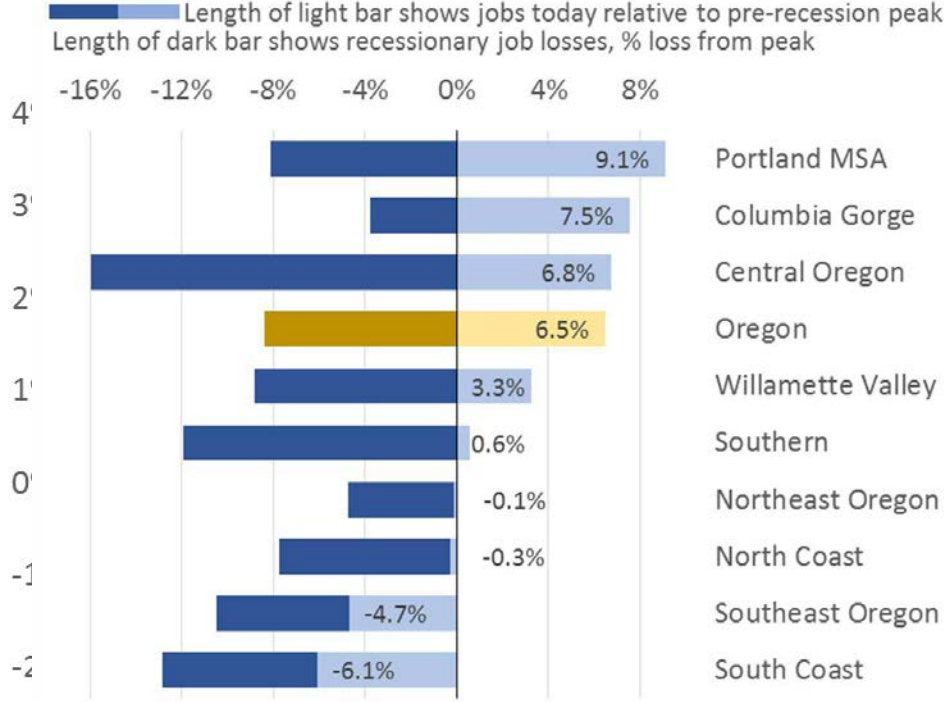
Population Growth & Employment

Oregon Population Growth



Source: Oregon Office of Economic Analysis

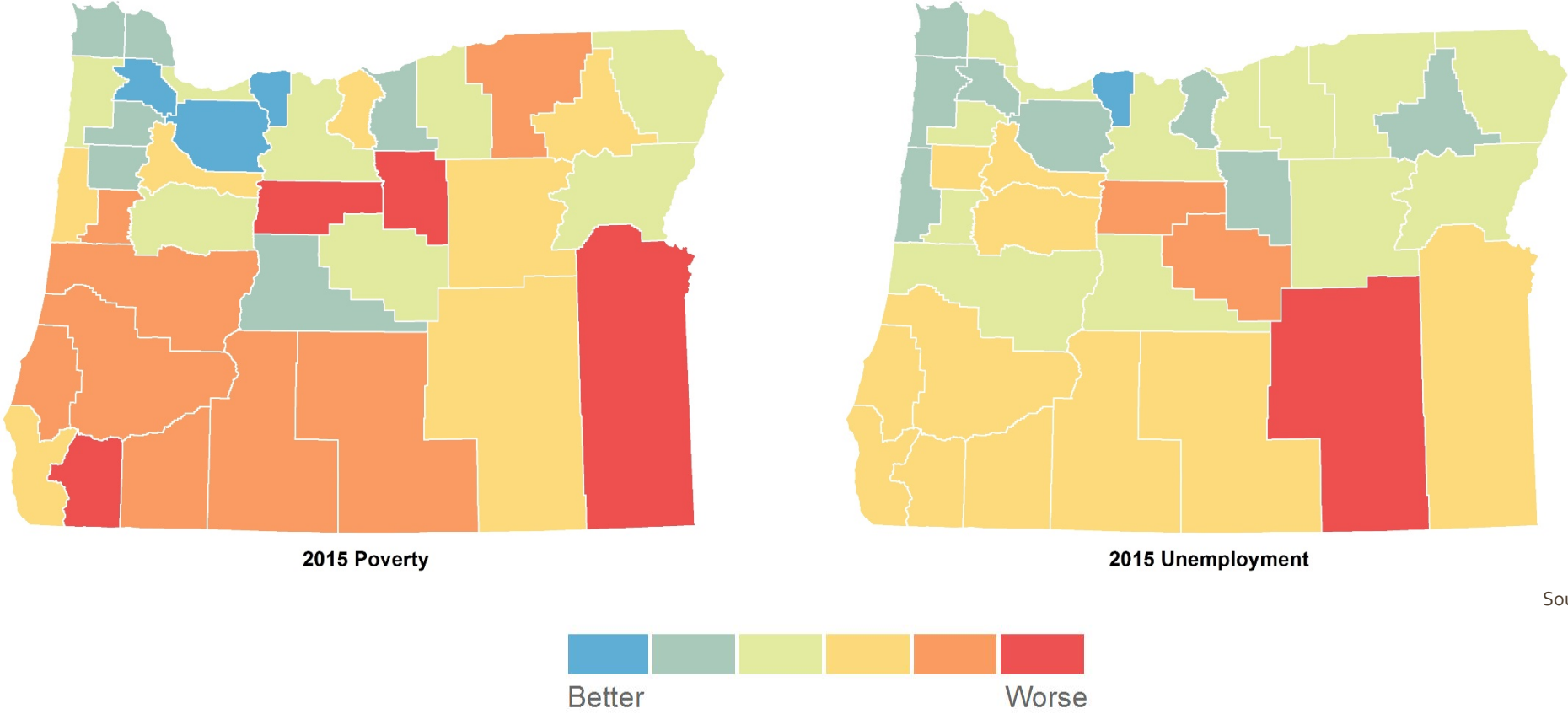
Employment Across Oregon



Data through Dec '16 | Source: OED, Oregon Office of Economic Analysis

Major Budgetary Challenges

Unmet need for housing and jobs for people in poverty



Source: 2015 Census Data

Major Budgetary Challenges

Need is Urban and Rural – East Multnomah County has the highest concentration of poverty in Oregon

East Portland, Gresham, Troutdale, Fairview, Wood Village

65,065

49% of Color



North Coast

Columbia
Clatsop
Tillamook
Lincoln

23,667

18% of Color

North Central

Hood River, Wasco, Crook
Sherman, Gilliam, Morrow,
Jefferson, Wheeler, Grant

21,501

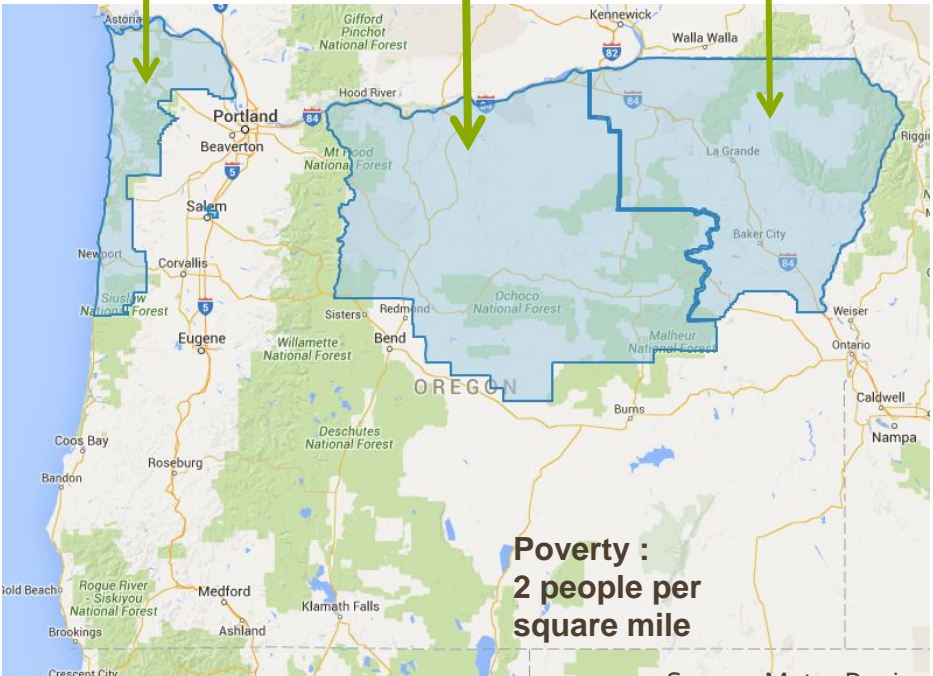
38% of Color

North East

Umatilla
Union
Wallowa
Baker

23,049

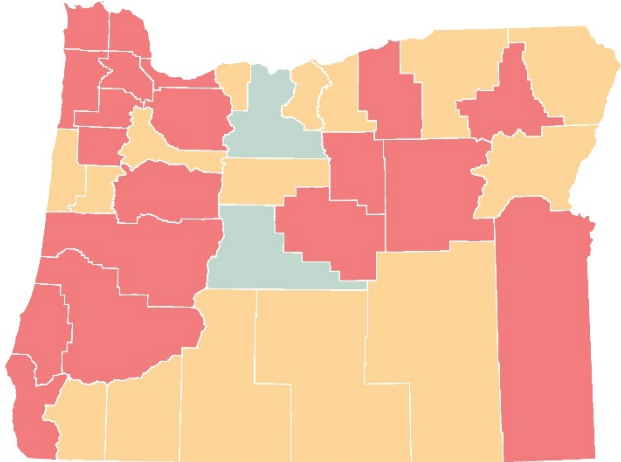
39% of Color



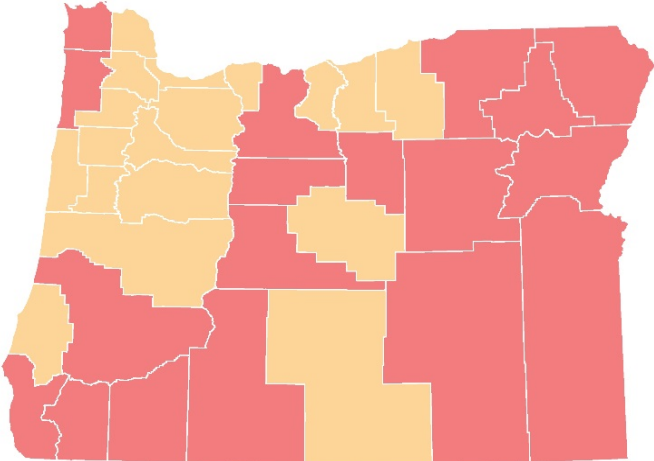
Source: Metro Regional Solutions Office

Major Budgetary Challenges

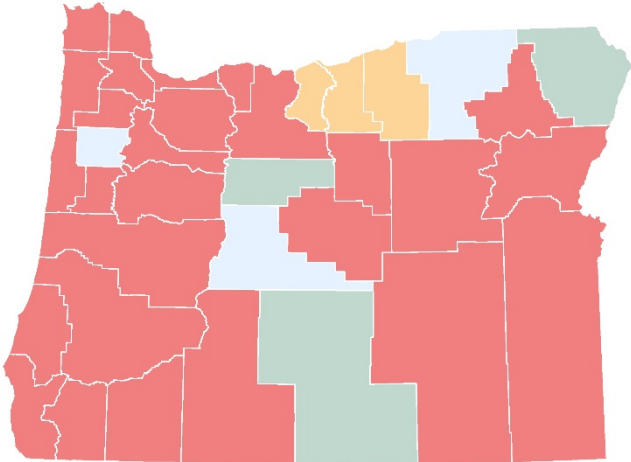
Natural Hazards



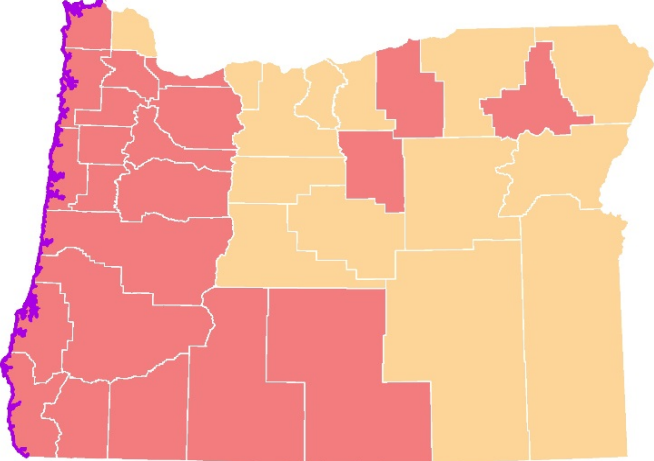
Flood



Wildfire



Landslide



Earthquake

Source: Oregon Natural Hazard Mitigation Plan (2015)

Solutions

Policy and Program

- Maximize budget for grants to local governments
- Utilize relationship with Regional Solutions Centers for community development
- Prioritize Natural Hazards Planning (tsunami and coastal resiliency)
- Implement Urban Growth Boundary Streamlining
- Implement and evaluate Affordable Housing Pilot
- Increase information resources and capacity (cost efficiency and quality)
- Build out and maintain Sage Grouse Registry
- Utilize video conferencing technology for staff and for public participation in Commission meetings

2017-19 Objectives

What We Will Do with Our Funding

1. Prioritize natural hazard resilience planning by local governments, to protect people and property, particularly along the coast (combination of technical assistance and grants).
2. Support community and rural development opportunities through participation in Regional Solution Teams and targeted grant funding.
3. Focus technical assistance on housing affordability, as well as economic development.
4. Conserve farm and forest lands through technical assistance, state agency coordination, monitoring and analysis.

2017-19 Objectives (continued)

5. Support local jurisdictions updating local comprehensive plans with technical assistance and, when possible, grant support.
6. Continue to work with local jurisdictions to improve data, scientific information and related services available to local governments and stakeholders.
7. Target education and outreach opportunities.

Governor's Budget

Program Prioritization

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

POP ogo Analyst Adjustments

- (3.00) FTE – General Funds: (\$1,732,630)
- This package reflects an analyst adjustment
- This reduction affects the Planning and Grant Program

POP 091 and 092 Analyst Adjustments

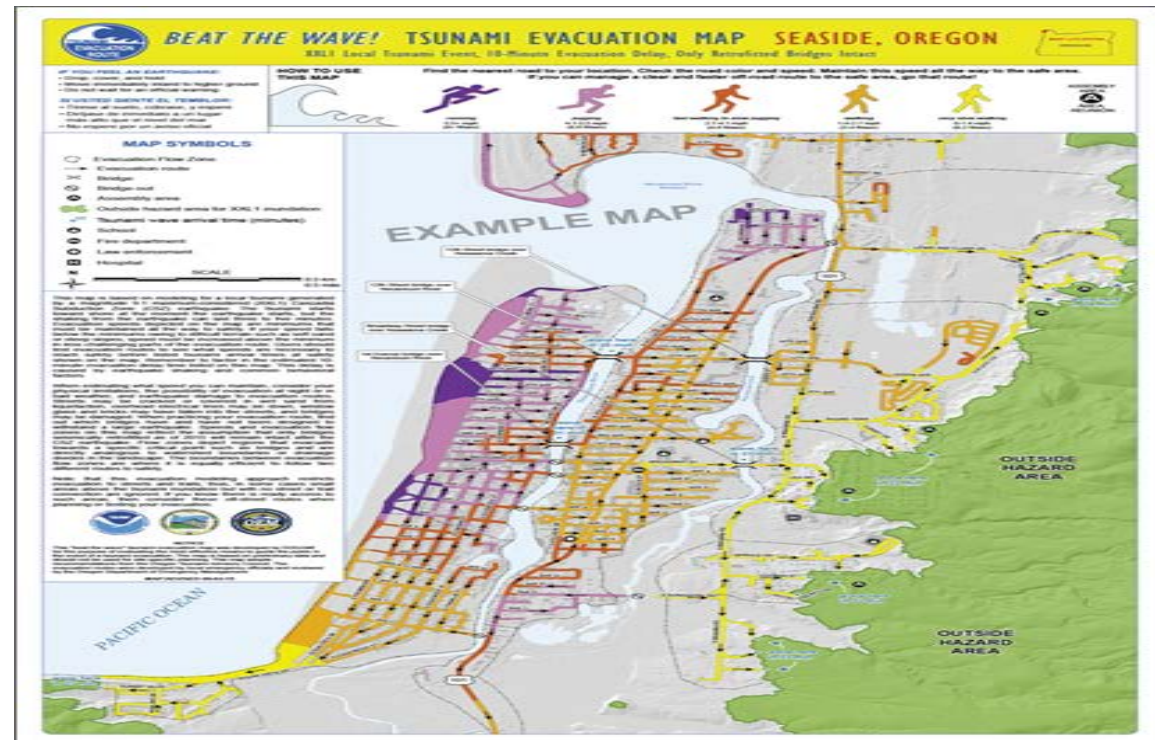
- (0.00) FTE – Total Funds: (\$151,782)
- This package reflects an analyst adjustment for Attorney General and State Government Service Charge Assessments and Charges for Services including rent reduction.
- These reductions affect the Planning Program

2017-19 Policy Packages

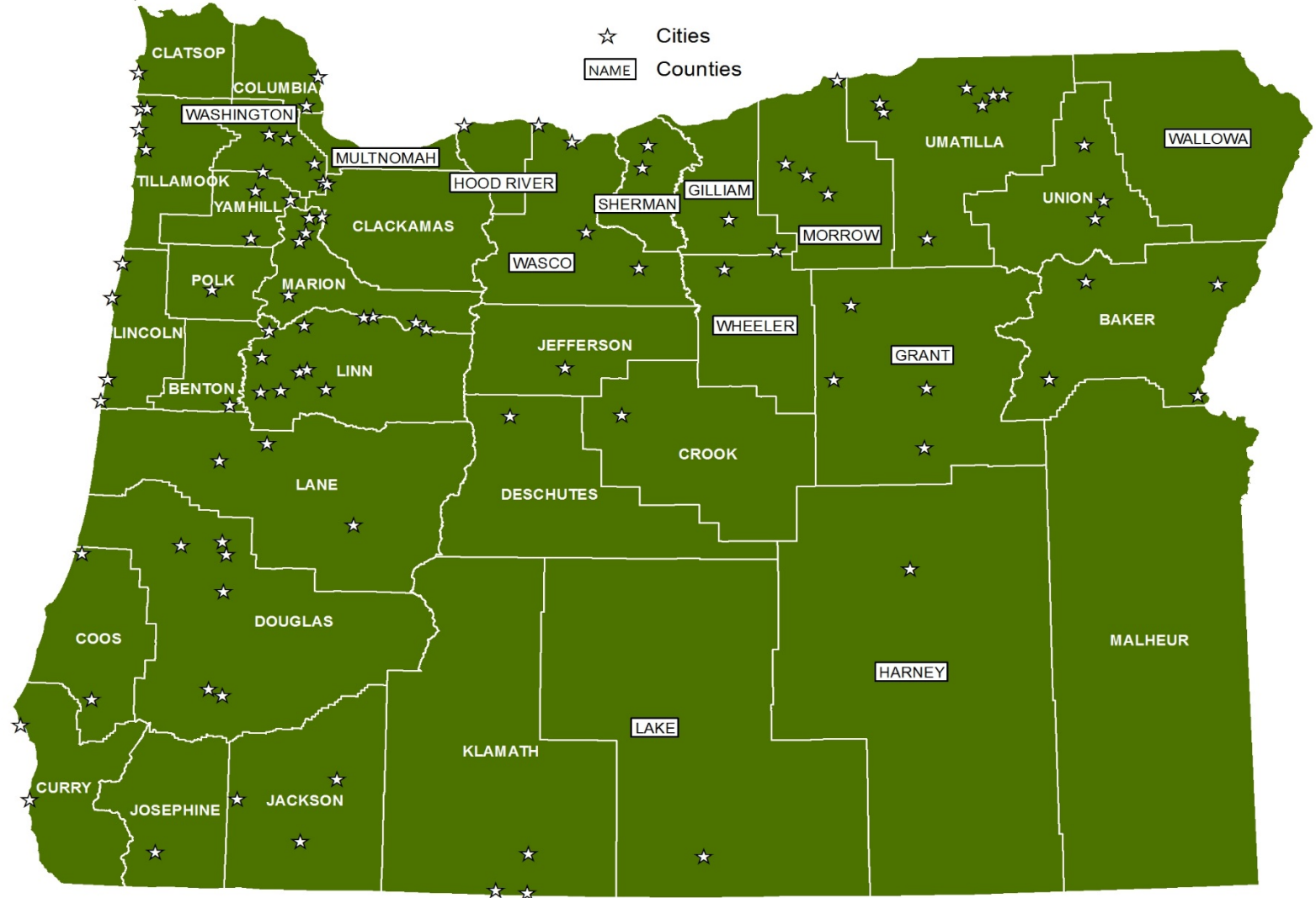
POP #	Description	Total Value	POS	FTE	2019-21	Outcomes
POP 101	Grants to local governments	\$250,000	0	0.00	Base	Coastal resiliency
POP 104	Natural Hazards Mitigation Planning	\$100,000	0	0.00	Base	Risk MAP – natural hazards for one coastal county
POP 105	Coastal Resilience and Mitigation Planning	\$250,000	1	1.00	Base	Coastal resilience mitigation planning

POP 101 Grants to Local Governments

- 0.00 FTE – General Funds: \$250,000
- This package provides General Funds prioritized for seismic preparedness in coastal areas.

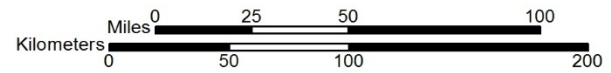


Cities, Counties and Tribes Receiving DLCD Grants, 2015-17



Cities: ODOT
State & county boundaries: BLM
20170106 - rd.FY1517

Excludes TGM grants



POP 104 Natural Hazards Mitigation Planning

- 0.00 FTE – Federal Funds: \$100,000
- Request improves natural hazards mitigation planning in Oregon
- In addition, department requests your consideration of adding \$229,804 Federal and \$1,083,668 Other Fund limitation to leverage current General Fund



2007 Landslide, Astoria, OR



POP 105 Coastal Resilience Mitigation Planning

- 1.00 FTE – General Funds: \$250,000
- Request provides one permanent position to work on coastal resilience and mitigation planning.



Cannon Beach, OR

Governor's Budget

Legislative Proposals

- House Bill 2316
 - Clarify requirement for cities with population less than 25,000 to provide a 20-year residential land supply
 - No fiscal impact



Jacksonville, OR



Sherwood, OR



Monmouth, OR

Reduction Proposal

Summary of 15% (Appendix B)

- Reduction in planning program, administrative and program staffing, services and supplies, and grants
- Proposal is for one time reduction for anything above reductions taken in the Governor's Budget

What We No Longer Accomplish in 2017-19

1. We will reduce the number of plan amendments for which we provide advice and technical assistance (we receive about 750/biennium)
2. General fund grants will prioritize coastal resiliency and mitigation planning and population forecasting, leaving little support for other local planning needs around the state
3. We will be limited in our ability to undertake rulemakings addressing area-specific problems
4. We will have *very* limited resources to help counties and claimants carrying out Measure 49 authorizations



Columbia River Gorge, OR

Other Considerations

DLCD is instructed to continue its participation in shared services workgroups convened by the Department of Administrative Services to explore how the sharing of administrative functions between agencies has the potential to improve service delivery with existing resources.

2015-17 Results

- Human Resources Shared Services with Oregon Water Resources Department
- GIS Coordination

Quarterly Long Term Vacancy Report

- Two vacancies:
 - Position 1000.311, Planner 4
 - Position 7117.114, Natural Resource Specialist 5

Appendices

Mandatory Appendices

- A. Other Fund Balance Report
- B. Proposed 15% Reductions

(The department does not have any Secretary of State audits nor information technology projects. Therefore no appendix is included.)

Additional Appendices

- C. Strategic Plan
- D. Fundamentals Map
- E. Prioritization List
- F. 2016 Annual Performance Progress Report (APPR)
- G. Sustainability Report
- H. Farm and Forest Report
- I. Government to Government Report
- J. Prior Budget Notes
- K. Local Jurisdiction Grants (General Fund)
- L. Transportation (SB120) Report
- M. Wineries Guidance for Counties



Thank you

Jim Rue, Director (503) 934-0002
Carrie MacLaren, Deputy Director (503) 934-0051



UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2015-17 & 2017-19 BIENNIA

Agency 660: Department of Land Conservation and Development
 Contact Person: Doug Crook, Budget Officer; phone (503) 934 -0022

(a) Other Fund Type	(b) Program Area (SCR)	(c) Treasury Fund #/Name	(d) Category/Description	(e) Constitutional and/or Statutory reference	(f) 2015-17 Ending Balance		(g) 2017-19 Ending Balance		(j) Comments
					In LAB	Revised	In CSL	Revised	
Limited	660-001 Planning Program	Other Fund Operations Treasury Fund 0401; Soils Assessment Fund Treasury Fund 1428	Operations:	44 CFR Part 200; ORS chapters 195,197,215 Chapter 333, Section 2, Oregon Laws 2015; Chapter 82, Sections 27 & 116, Oregon Laws 2016; Chapter 44, Section 2, (2010 Oregon Laws Special Session)	289,448		288,995		Ending balance is primarily empty limitation for two programs: DLCD/ ODOT Transportation Growth Management Program; and Soils Analysis Program. Limitation for both is under Appropriation 31000. This balance provides limitation allowing for carryover of TGM expenditures at end of biennium.

Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2017-19 legislatively adopted budget.

Instructions:

- Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited.
- Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2015-17 Legislatively Approved Budget. If this changed from previous structures, please note the change in Comments (Column (j)).
- Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).
- Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes.
- Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the funds.
- Columns (f) and (h): Use the appropriate, audited amount from the 2015-17 Legislatively Approved Budget and the 2017-19 Current Service Level as of the Agency Request Budget.
- Columns (g) and (i): Provide updated ending balances based on revised expenditure patterns or revenue trends. Do not include adjustments for reduction options that have been submitted unless the options have already been implemented as part of the 2015-17 General Fund approved budget or otherwise incorporated in the 2015-17 LAB. The revised column (i) can be used for the balances included in the Governor's budget if available at the time of submittal. Provide a description of revisions in Comments (Column (j)).
- Column (j): Please note any reasons for significant changes in balances previously reported during the 2015 session.

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.

DLCD														
2017 - 2019 Biennium														
December 29 2016														
Detail of Reductions to 2017-19 Current Service Level Budget														
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Priority (ranked with highest priority first)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Impact of Reduction on Services and Outcomes	
Dept	Prgm/Div													
First Five Percent											\$ -			
1	*	DLCD	001	Hire no state temps and take vacancy savings	74,914	0	0	0	0	0	\$ 74,914	0	0.00	This reduction taken at Governor's Budget assumes no temporary services and vacancies held open for a minimum of eight weeks.
2	*	DLCD	001	Reduce funding for attorney advice related to Measure 49 litigation activities	37,339	0	0	0	0	0	\$ 37,339	0	0.00	This reduction taken at Governor's Budget for Measure 49 litigation activities relies on the assumption that Measure 49 activities are held at current levels. If not, department may have to seek additional funding at a future Emergency Board.
3	*	DLCD	003	Reduce General Fund grant funding for local jurisdictions	79,181	0	0	0	0	0	\$ 79,181	0	0.00	This reduction taken at Governor's Budget for General Fund grants means fewer coastal seismic resiliency projects will occur in 2017-19.
4	*	DLCD	001	Reduce purchasing of supplies and equipment	28,380	0	0	0	0	0	\$ 28,380	0	0.00	This reduction taken at Governor's Budget reduces ability of department to purchase office supplies and leasing of office equipment.
5	*	DLCD	001	Reduce FTE for two positions and accompanying supplies and services for the positions.	418,202	0	0	0	0	0	\$ 418,202	1	1.67	This reduction taken at Governor's Budget reduces FTE for two positions and affects ability of department to provide technical assistance on the land use planning program, legal advice, and affects internal operations. Department is required to reassign transportation and regional representative duties.
Second Five Percent											\$ -			
6	*	DLCD	001	Further reduce FTE for one position and reduce 24 months of additional position	311,166	0	0	0	0	0	\$ 311,166	2	1.33	The reduction taken at Governor's Budget at this level equates to a total 7% reduction to the department CSL and reduces the department's staffing by a total of three positions/three FTE. The reduction at this level affects the ability of department to provide technical assistance on the land use planning program, legal advice, and affects internal operations. Department is required to reassign additional work of one regional representative and planning specialist.
7		DLCD	001	Temporarily reduce attorney general funding for Measure 49 litigation	37,339	0	0	0	0	0	\$ 37,339	0	0.00	This reduction proposal requests a one-time reduction for Measure 49 litigation activities to meet 2017-19 budgetary constraints. Any reduction in this category would have to be held at 2015-17 levels. If not, department would have to seek additional funding at a future Emergency Board.
8		DLCD	003	Temporarily reduce General Fund grant funding for local jurisdictions	79,181	0	0	0	0	0	\$ 79,181	0	0.00	This reduction proposal requests a one-time reduction for General Fund grants. This proposal reduces coastal seismic resiliency projects and funding for these projects in the 2017-19 Governor's Budget. If weighed against the 2015-17 general fund grant allocation plan, this reduction proposal would mean an additional two to five additional city or county land use planning projects are not funded. In the 2015-17 cycle, most grants fund local government planning for economic development, infrastructure projects, natural hazards, model code development.

DLCD														
2017 - 2019 Biennium														
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Detail of Reductions to 2017-19 Current Service Level Budget														
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Priority (ranked with highest priority first)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div													
9	DLCD	001	Temporarily reduce General Fund portions of two internal operations positions	262,744	0	0	0	0	0	\$ 262,744	0	1.47	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal affects the FTE for two positions. This reduction decreases staffing and the ability of department to carry out rulemaking, administrative, and financial activities in a timely manner.	
Third Five Percent											\$ -			
10	DLCD	001	Temporarily reduce General Fund portions of one internal operation position	51,638	0	0	0	0	0	\$ 51,638	0	0.13	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal affects the FTE for one position. The reduction at this level reduces staffing and the ability of the department to carry out financial activities in a timely manner.	
11	DLCD	001	Temporarily reduce funding for rent	45,644	0	0	0	0	0	\$ 45,644	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal reduces funding for rent and means the department is required to maintain its current leasing footprint and relies on the premise that uniform rent rates and regional solutions' centers lease rates are not increased.	
12	DLCD	001	Temporarily reduce General Fund portions of three policy and program positions	163,451	0	0	0	0	0	\$ 163,451	0	1.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal affects the FTE for three positions. The reduction at this level reduces staffing and the ability of the department to carry out rulemaking, policy development, human resource, financial activities in a timely manner.	
13	DLCD	001	Temporarily reduce funding for rent	40,000	0	0	0	0	0	\$ 40,000	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal reduces funding for rent and means the department is required to maintain its current leasing footprint and relies on the premise that uniform rent rates and regional solutions' centers lease rates are not increased.	
14	DLCD	003	Temporarily reduce General Fund grant funding for local jurisdictions	79,181	0	0	0	0	0	\$ 79,181	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal reduces the number of coastal seismic resiliency projects and grant funding capacity provided in the 2017-19 Governor's Budget. If weighed against the 2015-17 grants allocation plan, this reduction would mean an additional two to five additional city or county land use planning projects are not funded. In this cycle, most grants fund local government planning for economic development, infrastructure projects, natural hazards, model code development.	
15	DLCD	001	Temporarily reduce purchasing of office supplies and equipment	20,000	0	0	0	0	0	\$ 20,000	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. This proposal requires the department to restrict purchasing of office supplies and leasing of office equipment.	

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Dept	Prgm/Div													
16	DLCD	003	Temporarily reduce General Fund grant funding for local jurisdictions	260,000	0	0	0	0	0	\$ 260,000	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. A reduction taken at this level significantly decreases the funding capacity and number of coastal seismic resiliency projects funded by the General Fund grant program in the Governor's Budget. If weighed against the 2015-17 grants allocation plan, this would mean the Columbia River Gorge Commission and PSU's dispute resolution program would not receive funds from the department's General Fund grant program.	
17	DLCD	003	Temporarily reduce attorney general funding for attorney general advice affecting the core program	37,704	0	0	0	0	0	\$ 37,704	0	0.00	This reduction proposal requests a one-time reduction to meet 2017-19 budgetary constraints. A reduction taken at this level affects Attorney General funding used for legal advice to the commission, general counsel, and litigation. If expenses rise above anticipated expenditures for 2017-19, the department may be required to request additional funding from a future Emergency Board.	
				2,026,063	-	-	-	-	-	\$ 2,026,063	3	5.60		

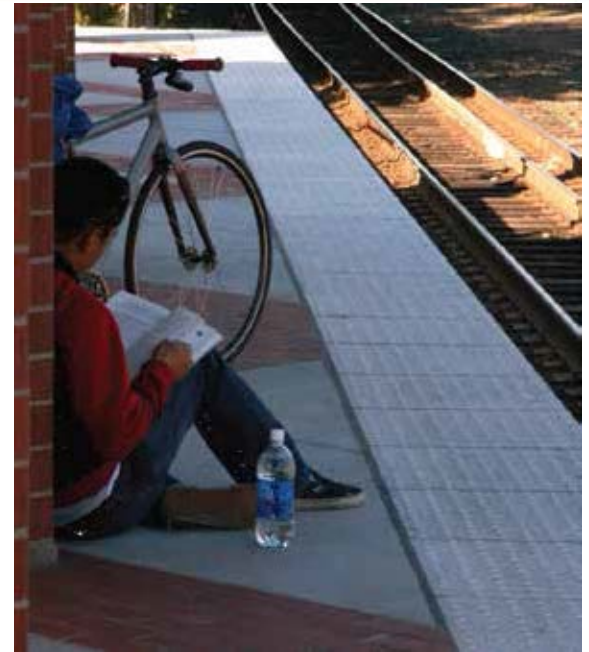
*Reduction taken at Governor's budget

Target \$ 2,026,063
 Difference \$ 0

Oregon Department of Land Conservation and Development

Strategic Plan

2014-2022



Acknowledgements

The 2014-2022 Department of Land Conservation and Development's Strategic Plan has been approved by the Land Conservation and Development Commission. The plan meets several objectives beyond past – and current – plans by providing one document where the department's core work and strategic initiatives can be found, and by extending the plan's horizon beyond a two-year frame.

The descriptions of the strategic initiatives are necessarily brief, but we hope they provide a clear sense of what is intended to be accomplished, and what resources are required to complete it. The plan also sets admittedly high goals, including several initiatives and projects that will not be realized without additional funding. In those cases, our work will begin with obtaining the funding necessary to support this work. Finally, we emphasize that the Strategic Plan is intended to be a living document, one that will be reviewed on an annual basis, and revised or altered as appropriate. The critical aspect is to provide the direction and a set of priorities for the department to achieve the goals of Oregon's state land use planning program.

The department offers appreciation and acknowledgement to all those who provided suggestions, criticism, and encouragement during the strategic planning process. The approved plan benefitted greatly from the input received from our local government partners, interested stakeholders, and members of the public. Much appreciation also goes to the crucial role of the staff of the department in developing the 2014-2022 Strategic Plan.

Sincerely,



Jim Rue
Director

Versions and amendments to the 2014-2022 Strategic Plan
Public Comment Draft (Draft 1), circulated for public comment - - June 20, 2014
Proposed draft for adoption by LCDC (Version 1) - - September 2014
Approved 2014-2022 Strategic Plan (Version 3) - - November 7, 2014

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;
- Provide fairness and equity to all Oregonians; and
- Ensure consistency with the [10-year Plan for Oregon](#).

Strategic Goals to Guide Our Work

Goal 1: Conserve Oregon’s Natural Resources – Productive Farm and Forest Lands and Coastal, Scenic, Unique, and Other Natural Resource Lands are Planned and Managed to Provide a Healthy Environment, and Sustain Oregon’s Communities and Economy	4
Goal 2: Promote Sustainable, Vibrant Communities	7
Goal 3: Engage the Public and Stakeholders in Oregon’s Land Use Planning Program.....	10
Goal 4: Provide Timely and Dynamic Leadership to Support Local and Regional Problem Solving ..	12
Goal 5: Deliver Services that are Efficient, Outcome-Based, and Professional	14

Strategic Plan

Who We Are

The Oregon Department of Land Conservation and Development (DLCD) is a small state agency. We work in partnership with local governments, and state and federal agencies, to address the land use needs of the public, communities, regions, and the state. The Land Conservation and Development Commission (LCDC) provides policy direction for the land use planning program and oversees DLCD operations. The department is organized into four divisions, with regional offices around the state:

Ocean and Coastal Services – oversees Oregon’s federally designated coastal program, and provides planning grants and delivers data and technical assistance to coastal communities relating to coastal hazards and resilience, climate change adaptation, estuary program updates and territorial sea plan implementation.

Planning Services – provides technical expertise and services relating to transportation and growth management, natural hazards, climate change mitigation, environmental and natural resources, and property rights.

Community Services – delivers broad technical assistance to local government and state agencies, reviews local plan amendments for consistency with the statewide planning goals, provides planning grants, and represents DLCD on Regional Solutions Teams.

Administrative Services – the Director’s Office and Administrative Services Division provide 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 carry out the vision and legacy of [Senate Bill 100](#), which for 40 years has contributed to the quality and character of the natural and built environment of the state. The program has been charged by the Legislature with managing urban growth; protecting farm and forest lands, coastal areas, and natural resource lands; and providing for safe, livable communities in concert with the vision of the local communities.

Under the statewide land use planning program, each city and county is called upon to adopt and maintain a comprehensive plan and an implementing zoning code consistent with [19 statewide planning goals](#). Recognizing that each city and county has unique values and aspirations, our job is to provide planning guidance and technical assistance to help communities plan for their future while considering the needs of the region and the state.

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.

Local Governments

Oregon's land use planning program serves all Oregonians through the work of the 242 cities, 36 counties, and one metropolitan service district (Metro) in the state, each of which is responsible for carrying out land use planning. It does this by ensuring that each city and county engages its residents in planning for their future and addresses issues that matter to the economic and environmental sustainability, resiliency, and vibrancy of the community. The department's regional staff and program specialists provide technical and financial assistance to support local planning efforts. Direct organizational links with cities and counties, such as the commission's Local Officials Advisory Committee, also support the state and local relationship.

State Agencies

While city and county comprehensive plans hold the central position for implementation of the statewide planning program, state agencies (in addition to DLCD) also have a role. State agency plans and programs must be developed and implemented consistently with both the statewide planning goals and the comprehensive plans of cities and counties. While much attention is paid to state oversight of local planning, it is in fact a two-way relationship. A state agency is not allowed to disregard a community's vision and goals in its own decision-making.

Understanding this Document

This document is the strategic plan for DLCD for the period 2014-22. The focus of the plan is to identify new, targeted strategies that the department intends to implement over this eight-year period. Some strategies are admittedly ambitious and will not be realized without additional resources. DLCD has not yet begun carrying out some of the strategies. Completion of others is already underway.

This plan contains goals, objectives and strategies that identify the department's direction for the next eight years (note: no order of prioritization or importance should be inferred from the order of presentation of the strategic goals, or the objectives or strategies). The workhorse component of the plan lies at the level of the strategies that indicate important actions and accomplishments the department intends to undertake and achieve. The plan includes these elements:

Goal

The goals provide the high-level policy statement that guides department actions in carrying out its mission during the strategic plan period. Not all work of the department will fit neatly under a goal as additional tasks and priorities are imposed on the commission and department from time to time. This strategic plan anticipates as many of these as possible but the department will retain the flexibility to adapt to new issues and topics, which changes will be incorporated into the strategic plan.

Objective

Each goal is underlain by one or more objectives that provide additional clarity regarding how DLCD implements that goal.

This includes a description of ongoing work of the agency, called “Core Work.” The core programmatic work of the department is referenced in this document, but not extensively described. That work is substantial, important, and implemented statewide. It reflects the program elements that were initiated either with the creation of the department, the commission, and the 19 statewide planning goals, or through later additions and changes to the program. A better understanding of this core programmatic work can be found on the department [website](#).

Strategies

Strategies are project-level work, usually a new initiative or a significant supplement to existing core work. Strategies have defined outcomes and are placed under one of the strategic goals to make the link between the policy and its implementation. Thus, for example, the strategies listed under Strategic Goal 3 show how we will go about engaging people with the land use planning program.

Emerging Themes

In the preparation and review of this strategic plan, the department and others identified certain themes that cut across more than one strategic plan goal. The department received repeated comments in support of giving these themes additional priority for action by the commission and department. These themes include:

- Improve public understanding of the statewide planning program and expand the department’s capacity to provide outreach and education.
- Increase community and economic development assistance to rural communities in collaboration with Regional Solutions Teams.
- Streamline urban growth boundary (UGB) processes, and increase the capacity at both the state and local level to focus on creating livable communities within UGBs.
- Increase leadership and support for local and state initiatives to create resilient communities and mitigate the effects of natural hazards and climate change.
- Improve capacity to gather, analyze, and distribute data and information to local jurisdictions and other stakeholders, and to guide policy development.

As the department implements the strategies identified in this plan, it will do so in light of these themes, seeking to create synergies and a higher likelihood of realization.

Goal 1: Conserve Oregon’s Natural Resources – Farm and Forest Lands, and Coastal, Scenic, Unique, and Other Natural Resource Lands are Planned and Managed to Provide a Healthy Environment, and Sustain Oregon’s Communities and Economy

The protection of natural resources lies at the heart of Oregon’s land use planning program. Oregon’s agricultural lands, forest lands, rangelands, beaches, waters and other natural resources are important economic, environmental and social assets for local communities and for the state. The quality of life made possible by a healthy environment, open spaces, and access to recreation continues to attract new people and business to Oregon. Core department work and strategies identified in this first strategic goal apply primarily to rural areas outside urban growth boundaries.

Conserve productive farm and forest lands

Core work: The department’s planning specialists and regional staff provide planning and technical assistance to help communities address Statewide Planning Goal 3 (Agricultural Lands) and Goal 4 (Forest Lands) and review of proposed amendments to comprehensive plans to help ensure compliance with those goals. Retaining parcels of sufficient size to support commercial farm and forest production and limiting uses that conflict with or impair farm and forest operations are critical to the success of these industries.

New Strategies

- With stakeholders, seek alternative (non-regulatory) methods that complement the existing land use program to ensure a sustainable land supply for Oregon’s agricultural and forest industries. This multi-stage strategy will include alliance-building, exploration of options, and selection of suitable solutions.
- Improve the department’s ability, in cooperation with the Oregon Department of Agriculture and the Oregon Department of Forestry, to evaluate and communicate the scale, nature, and location of farm and forest land conversion throughout the state.
- Analyze the impacts of ancillary and non-farm uses on agricultural uses to inform policy choices. Study design, data collection and analysis will likely take several years to complete. Analysis should address factors such as cumulative effects and other externalities caused by development of permitted uses.

Protect and conserve coastal and marine resources

Core work: The department’s regional staff and ocean and coastal planning specialists provide policy, planning, technical, and grant assistance to local governments and state agencies to ensure compliance with coastal goals. The department administers Oregon’s federally approved Coastal Zone Management Program, including federal grant administration and consistency review of federal permits and activities affecting the coastal zone, and serves as the coastal and marine data coordinator, facilitator, and repository.

New Strategies

- Administer and amend the Territorial Sea Plan and coordinate the state-federal task force for marine renewable energy development in the federal waters of the outer continental shelf.
- Update Oregon’s estuary planning program, including the inventory and classification system for estuaries.

Protect and conserve wildlife habitat, wetlands and riparian areas for their ecosystem values. Protect scenic, historic, cultural, and recreational values on rural lands.

Core work: The department’s planning specialists and regional staff provide planning and technical assistance to local governments concerning the implementation of Statewide Planning Goal 5 (Natural Resources). Technical assistance related to Statewide Planning Goal 6 (Air, Water and Land Resources Quality) assists in the prevention of groundwater pollution. Additional technical assistance is provided to cities and counties to avoid or minimize the adverse effects of urban sprawl on rural lands.

New Strategies

- Guide development from riparian areas, wetlands, and wildlife habitat to less sensitive areas through better application of Statewide Planning Goal 5 (Natural Resources) in local comprehensive plan updates. Increase the number of local jurisdictions with zoning and development codes that comply with the administrative rules implementing Goal 5.
- Develop a “non-resource lands” policy that is integrated with resource lands protection strategies, including consideration of carrying capacity, environmental and habitat protection, infrastructure requirements and availability and other factors. [Note: “nonresource lands” are those rural lands that are not suitable for production of farm or forest products due to the physical properties of the land, *e.g.*, poor quality soils.]

Goal 2: Promote Sustainable, Vibrant Communities

How communities are built and developed touches nearly every aspect of our lives: where we live, work, and play; how we get there; and whether we have livable communities and a clean environment. Planning for the full range of what makes a community livable – providing transportation and housing choices, strengthening economies, preserving open spaces and parkland, investing in improvements to public infrastructure, and protecting the environment – improves our quality of life.

The department’s contributions to development of sustainable communities recognize the diversity, richness and aspirations of each community. Successful local comprehensive plans address the unique character of that community: the diversity of the population, landscape, culture, and situation within a region.

Oregon continues to successfully absorb population growth while consuming less land per capita than other states. This success reduces costs for public facilities, transportation, and infrastructure and protects productive farm and forest lands that contribute to regional economies. Community resilience, enabling communities to reduce exposure to natural hazards and respond to climate change, is part of the department’s core work and is highlighted in this plan as a leadership and strategic priority. More recently, the priorities expressed in the [10-year Plan for Oregon](#) for [Jobs and Innovation](#), [Healthy People](#), and [Healthy Environment](#) are influencing the department’s priorities and communications with the public.

Urban and rural communities have complete and current comprehensive plans with sufficient development capacity (land supply and infrastructure) to accommodate expected growth and economic development

Core work: The department provides planning, technical assistance, and grant funding to help local governments keep local comprehensive plans up-to-date. Examples of core work include assistance with updating land use plans for economic development and housing needs, as well as updating inventories of buildable lands, in order to link planning for an adequate land supply to infrastructure planning, community involvement, and coordination between local governments and the state.

Department staff also review city and county comprehensive plan amendments to ensure compliance with statewide planning goals, statutes, and rules.

New Strategies

- Improve procedures and requirements for urban reserve planning outside the Metro region to improve utility and effectiveness (particularly for industrial lands), reduce adverse impacts on farmland, and increase public safety by avoiding areas subject to natural hazards.
- Work with local and state government partners to identify lands and redevelopment opportunities within existing UGBs that are closer to workforce housing or in existing industrial areas.
- Clarify policy governing planning for employment lands in the Portland metropolitan area.
- Establish a new, streamlined process to evaluate UGB capacity, guide amendments to UGBs, and increase development efficiency in urban areas outside Metro (rulemaking pursuant to HB 2254 (2013)).

Land use and transportation planning are linked to provide for the development of well-functioning, well-designed, and healthy communities

Core work: The department provides technical and financial assistance to local governments to support community efforts to expand transportation choices for people. In partnership with the Oregon Department of Transportation, we administer the Transportation and Growth Management Program, which works with local governments to link land use and transportation planning to create vibrant, livable places in which people can walk, bike, take transit, or drive where they want to go. Housing affordability and housing choices are important components of the link between transportation and land use planning.

New Strategies

- Complete scenario planning to meet greenhouse gas reduction targets adopted by the commission. Seek funding for metropolitan areas to implement strategies to meet these targets.
- Increase assistance to local governments to develop balanced transportation systems including all transportation modes (pedestrian, transit, auto and bicycle) to reduce dependence on autos and provide secure, convenient and affordable mobility for all citizens.
- Develop more effective implementation measures for the development of affordable housing, including new incentives, mandatory standards, and model code provisions, developed as both new policy initiatives and as part of the 2014-15 UGB streamlining project.
- In coordination with the Oregon Department of Transportation, evaluate the Transportation and Growth Management Program to assess its effectiveness as a funding model to achieve integration on local projects.

Enhance the department's community development activities to support local efforts to revitalize communities, seek public infrastructure solutions, and build community participation

Core work: Technical assistance for community development is currently provided only on a limited basis, upon request by communities.

New Strategies

- Improve the ability of communities to implement plans to develop well-functioning, well-designed, healthy, diverse, and economically vibrant communities by providing technical and financial assistance for projects that promote these qualities.
- Help revitalize rural communities through integrated planning for transportation, land use, affordable housing, workforce development, and infrastructure (in coordination with Regional Solutions Teams).
- In coordination with Regional Solutions Teams, align land use, transportation, and other infrastructure planning so that investment of state resources reflects state and local priorities and assures the value of those investments over time.

Support local planning efforts to develop resilience to natural hazards, including those exacerbated by climate change

Core work: The department provides technical assistance, mapping, and data to help communities plan for and address threats to public safety, damage to built and natural environments, and interruption of economic well-being from flooding and other hazard events, particularly in coastal areas.

New Strategies

- Increase technical assistance and seek additional grant funding for local government resilience planning to address hazards that have not been well addressed in the past (*e.g.*, landslides), look beyond hazard mitigation to other elements of resilience (*e.g.*, recovery planning), and address climate change adaptation.
- Create a joint natural hazard resilience program and public interface with the Office of Emergency Management and the Department of Geology and Mineral Industries to improve inter-agency coordination and to facilitate access by the public to state natural hazard staff, technical assistance, data, GIS mapping.
- Assume responsibility for regular updates to the Oregon Natural Hazard Mitigation Plan.

Goal 3: Engage the Public and Stakeholders in Oregon's Land Use Planning Program

As shown in [periodic statewide surveys](#), Oregonians greatly value the contribution land use planning makes to what they value about living in Oregon. On average, two-thirds of Oregonians feel strongly about protecting existing farmland and forests from development and urban sprawl and believe that development should be directed to cities and towns; a majority of Oregonians support more investment in public transit; a large majority of Oregonians value the state's natural beauty, outdoor recreation opportunities, and relatively clean air and water. In contrast, public comments received by the department urge the department to help the public more clearly understand how those outcomes are achieved, and more robustly engage the public in a better understanding of the land use planning program.

Given the department's lack of a dedicated communications officer, communications and information to the public tends to be reactive, in response to inquiries, or following high-profile, controversial projects. To become more proactive, an ongoing information and education program should be established, initially within the department's existing resources, but with the goal of building a more robust capacity.

Recognizing the importance of the department's existing collaborative relationships, the plan also calls for strengthening these relationships with other state agencies, local and tribal governments, colleges and universities, and individuals, organizations, and private businesses by improving coordination and planning for land use, housing, infrastructure, and transportation.

Therefore, this strategic goal contains two related, but distinct aspects: (1) communicating with and informing the public; and (2) engaging and collaborating with other entities throughout the state.

Develop strong collaborative partnerships with people and communities in all regions of the state through citizen involvement, outreach, and collaboration

Core work: The department addresses this objective in an ongoing manner through support for the Citizens Involvement Advisory Committee and the Local Official Advisory Committee, as well as staff involvement with communities – planning staff, residents, and elected officials – on a daily basis.

New Strategies

- Increase participation by a wider range of stakeholders, including diverse populations, in local and state decision-making across the state.
- Develop improved public engagement tools for use by the department and local jurisdictions.

Improve communication with and education of citizens and stakeholders in all regions of the state

Core work: The department engages and informs the public and stakeholders through maintenance of its website, publications and public speaking.

New Strategies

- Develop a communications program that raises awareness and understanding of the operation, benefits, and tradeoffs of the statewide land use planning program, and assists the department in the development of policies and programs.
- Improve the department's website for clarity, utility, and increased public use.

Goal 4: Provide Timely and Dynamic Leadership to Support Local and Regional Problem Solving

The department is a small agency with a big mission. The mission includes stewardship of the state’s land use planning program and the 19 statewide planning goals that encompass it, as well as support for the 279 local jurisdictions that implement the program on the ground. Many land use issues cut across the interests of multiple state agencies, impact regions of the state differently, or implicate conflicting state and local policies. Therefore, as used here, the term “leadership” means selectively and strategically choosing a set of these cross-cutting issues for which the department will invest significant time and energy.

Ensure short- and long-range policy development for the commission and department

Core work: The Director’s Office supports and informs policy development connected with the legislature, the Governor’s office, and LCDC.

New Strategy

- Improve the department’s capacity to evaluate progress toward meeting the policy objectives and requirements of the land use program.

Improve capacity of local governments to carry out their land use responsibilities

Core work: The department, particularly through the regional staff, provides technical assistance and limited grant assistance to local governments.

New Strategies

- In coordination with the Governor’s office and state agencies, help local governments assess, plan, and build needed public infrastructure and facilities (*e.g.*, water, sewer, transportation, parks and schools.)
- Improve the distribution and availability of geospatial and scientific data and information to local governments, state agencies, and the public to support land use planning.
- Develop new processes and resources for keeping local plans up-to-date.
- Restore grant funding for local governments at least to historic funding levels.

Develop and coordinate strategic initiatives with other state agencies, tribal and local governments

Core work: Big-picture initiatives are developed and supported with key stakeholders, including state agencies, local and tribal governments, and a wide range of advocacy organizations (such as those oriented to environmental protection, housing and community development, economic and natural resource development, energy development, and parks and recreational interests).

New Strategies

- Engage state agencies and the Governor's office to implement provisions of the 2010 Climate Change Adaption Framework.
- Assist state agencies with programs that affect land use in establishing or updating state agency coordination programs.
- Ensure that the policies and values of the statewide land use program are reflected in the processes and outcomes of Regional Solutions Teams.

Seek solutions that address immediate and long-range challenges, in collaboration with key stakeholders and others

Core work: The department cooperates with organizations such as colleges, universities, and research institutions to provide research and analysis for identified projects.

New Strategies

- Provide coordinated population forecasting for all cities and counties through Portland State University's Population Research Center.
- Continue development of an online land use portal in collaboration with the Institute for Natural Resources at Oregon State University.

Manage and improve information services within the department and for use by a wide array of stakeholders

Core work: The department's capacity to generate geospatial data and scientific information for use in local decision-making is incrementally improving. This capacity is increasingly important for jurisdictions where planning resources have been greatly reduced in recent years.

New Strategies

- Improve the department's ability to collect, store and analyze geospatial and scientific data and information.
- Improve the distribution and availability of geospatial and scientific data and information to local governments and the public, emphasizing web-based methods.

Goal 5: Deliver Services that are Efficient, Outcome-Based, and Professional

The department works to continually deliver pertinent, timely information to our partners, and to provide staff with the tools and training they need to provide excellent customer service. Both external and internal processes are monitored and adjusted to meet this goal. This goal is primarily a function of administrative and human resources within the department.

Operate a professional organization that is efficient, operates according to best practices, and seeks to continually improve operations

Core work: The department, through the Administrative Services Division, Director's Office, and management team, provides budget development and execution; personnel management, development, and evaluation; and grant and contract administration.

New Strategies

- Increase opportunities, awareness, and utility of those opportunities for professional staff development and training.
- Improve institutional memory and efficiency through better succession training.
- Increase the capacity of the department to understand and work effectively with diverse communities.

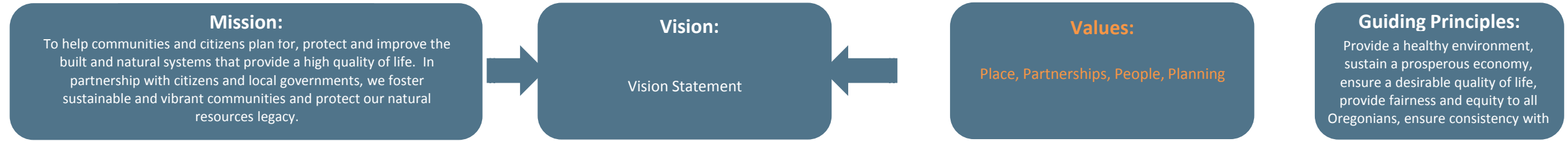
Manage and provide services to local governments to support department and local objectives

Core work: Deliver technical assistance and administer grant funding to local governments in a timely and professional manner.

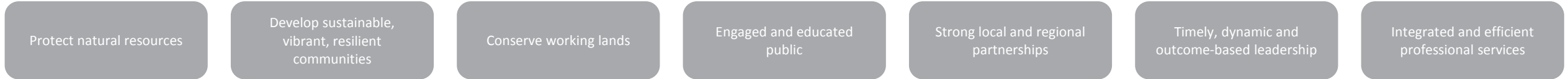


Statewide Planning Goals
 1-Citizen Involvement 2-Land Use Planning 3-Agricultural Lands 4-Forest Lands 5-Natural Resources, Scenic and Historic Areas, and Open Spaces 6-Air, Water and Land Resources Quality 7-Areas Subject to Natural Hazards 8-Recreational Needs 9-Economic Development 10-Housing 11-Public Facilities and Services 12-Transportation. 13-Energy Conservation 14-Urbanization. 15-Willamette River Greenway 16-Estuarine Resources 17-Coastal Shorelands 18-Beaches and Dunes 19-Ocean Resources

Foundations {



Key Goals



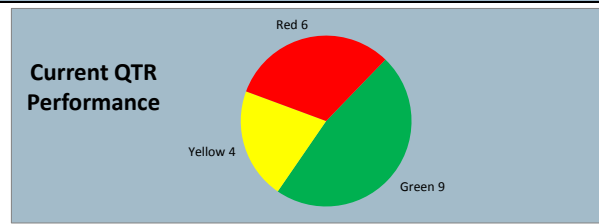
Core Processes	Operating Processes								Supporting Processes				
	OP1 Developing Land Use Policy	OP2 Providing Grants	OP3 Providing Technical Assistance	OP4 Reviewing for Compliance	OP5 Managing and Providing Data	OP6 Engaging and Educating the Public and Stakeholders	OP7 Coordinating with Government Agencies	OP8 Staffing LCDC	SP1 Leading DLCD	SP2 Managing Human Resources	SP3 Managing Financial Resources	SP4 Providing Technology Infrastructure	SP5 Managing Facilities and Operations
Process Owner	Carrie MacLaren	Rob Hallyburton	Matt Crall	Rob Hallyburton	Cy Smith	Sadie Carney	Patty Snow	Jim Rue	Carrie MacLaren	Vickie McDermott	Teddy Leland	Teddy Leland	Teddy Leland
Sub Processes	1. Exploring and researching policy need (e.g., workgroups, research) 2. Assessing and scoping policy development 3. Formulating LCDC policy agenda (includes selection of policy tool and petition for rulemaking) 4. Rulemaking 5. Seeking legislation 6. Reviewing and responding to proposed legislation 7. Staffing LCDC Legislative Subcommittee	1. Establishing Grants Allocation Plan/Formula/Criteria 2. Announcing grant availability and assisting applicants 3. Receiving grant applications 4. Reviewing grant applications (with ODOT for TGM) 5. Awarding grants 6. Negotiating grant scope and contract 7. Executing grant contracts 8. Managing and reporting on grant processes 9. Reviewing deliverables and making grant payments 10. Assessing grantee feedback	1. Maintaining programmatic and subject matter expertise 2. Building relationships 3. Identifying a opportunity - taking initiative to outreach 4. Responding to requests 5. Writing and publishing guidance 6. Providing training to local governments 7. Participating on technical advisory committees	1. Receiving submittal 2. Completing, posting required notices 3. Reviewing UGB or PR submittal 4. Determining appropriate action 5. Sending comment letter for plan amend. 6. Making DLCD decision; federal consistency determin. 7. Filing appeal of approved plan amendment to LUBA 8. Receiving appeal of DLCD decision on UGB, PR task, federal consist. 9. Staffing LCDC hearing for appeal of DLCD decision 10. Completing LCDC order 11. Preparing record for judicial review, if appealed	1. Defining need, designing, and architecting data solutions 2. Developing or adopting data standards 3. Prioritizing data acquisition 4. Collecting, acquiring, or developing data and documenting 5. Performing QA/QC and improving data 6. Managing, maintaining, and stewarding data 7. Providing access to data 8. Improving process of data collection, aggregation, and access	1. Maintaining presence with core list of venues/organizations/affiliations 2. Improving and updating website 3. Responding to requests (media, general information, speaking) 4. Holding Planners Network meetings 5. Developing and publicizing educational and marketing materials 6. Identifying and understanding emerging needs 7. Improving staff ability to provide education and outreach 8. Creating and distributing press releases	1. Holding/participating in group and individual agency meetings 2. Prioritizing, initiating, and developing projects 3. Sharing information on on-going projects of joint interest 4. Collaborating on projects 5. Responding to requests relating to rules, policies and data 6. Maintaining and developing relationships 7. Executing joint work plans 8. Disseminating information and best practices 9. Meeting federal obligations	1. Recommending commissioners 2. Training/orientation of commissioners 3. Setting annual meeting schedule 4. Setting bi-monthly meeting agenda 5. Arranging meeting logistics 6. Preparing staff reports 7. Distributing meeting materials 8. Conducting meetings 9. Confirming and completing action items	1. Developing, evaluating, updating, communicating strategic plans 2. Developing biennial work plan that identifies department priorities 3. Aligning, balancing agency priorities & programs with those of the state 4. Managing work to implement & promote the strat plan, dept. work plan 5. Evaluating and improving program performance 6. Leveraging & directing resources to achieve outcomes 7. Fostering a productive, stimulating work environment 8. Communicating	1. Translating strategic and tactical department plans into HR strategic and operational plans 2. Developing and implementing strategies for recruitment, orientation and onboarding 3. Assessing employee needs related to career development and/or job knowledge/skills 4. Developing training programs to further department objectives 5. Managing compliance 6. Responding to and addressing employee concerns and needs 7. Managing employee performance 8. Workforce Planning	1. Developing budget for agency request and governor's recommended approval 2. Obtaining legislative approval 3. Developing an operating budget consistent with LAB (internal and external) 4. Managing software, hardware, and network assets (including maintenance, reporting) 5. Managing security of systems to ensure asset confidentiality and minimize risks 6. Implementing legislative and executive requirements 7. Coordinating with partners on enterprise shared services and funding opportunities	1. Developing and maintaining server and web applications 2. Planning and managing IT strategies (scalability and innovation) 3. Supporting end users (internal and external) 4. Managing software, hardware, and network assets (including maintenance, reporting) 5. Managing security of systems to ensure asset confidentiality and minimize risks 6. Implementing legislative and executive requirements 7. Coordinating with partners on enterprise shared services and funding opportunities	1. Maintaining facilities records and responding to requests 2. Maintaining public records and archiving publications 3. Finalizing, distributing, and exploring opportunities for shared services and funding
Process Measures	A. RAC Materials timeliness B. RAC meeting note timeliness C. Filing adopted rules D. Legislative influence E. LCDC Evaluation F. Input into policy making G. Projects started well	A. Application review B. Grant agreement execution C. Grant management D. Grant priority E. Grant project reporting	A. Satisfaction with DLCD Timeliness B. Staff satisfaction with technical assistance C. Manager satisfaction D. Guidance documents E. TAC participation F. Satisfaction with DLCD Knowledge	A. PAPA notices B. PAPA assignment C. Decision making D. LCDC orders E. Record preparation F. Commission support G. On-line PAPA submittals H. PAPA comments	A. Providing access to data - Framework data sets B. Providing access to data - internal data sets C. Data acquisition & documentation D. Managing data - steward identified E. Updating data required for apps, policy & regulation.	A. Media Releases - Issued B. Local Government Engagement -PNM held C. Sufficiency D. Prepared Media Response E. Local Government Engagement - Satisfaction with PNM F. Media Response - Timeliness	A. Partner Agency Timeliness Satisfaction B. Partner Agency Collaboration Satisfaction C. Project Collaboration	A. Management review of staff report B. Commissioner prep C. Public notice	A. Process Improvement B. Employee survey response rate C. Employee satisfaction with communication of priorities D. Process measures improvement E. Strategic Plan use F. Strategic Plan review G. Employee Work Plans Developed H. Increase in number of active measures	A. Recruiting and Onboarding B. Training and Development C. Individual Development Plans D. Retaining our best E. Managing performance F. Workforce planning	A. Financial report timeliness B. Procurement timeliness C. Accounting timeliness D. Timesheet accuracy E. Quality accounting activities F. Budget development accuracy G. Financial report accuracy H. Managing GEO contracts I. Accuracy of operating budget J. Federal grants management K. Accuracy of Quarterly Allotment L. Managing non-GEO contracts	A. Managing assets B. Technology availability C. Staff satisfaction D. End user support	A. Public records assistance timeliness B. Responsiveness to request C. Quality publications D. Work environment satisfaction E. Service coordination

1/17/2017

Outcomes	OM1: Quality communities developed	OM2: Protected natural resources	OM3: Working lands	OM4: Resilient communities	OM5: Local government capacity	OM6: Grant support	OM7: Partnerships strengthened	OM8: Public engagement	OM9: Data used for decisions	OM10: Program alignment	OM11: Customer satisfaction
Outcome Owner	Matt Crall	Patty Snow	Rob Hallyburton	Matt Crall	Rob Hallyburton	Jim Rue	Sadie Carney	Sadie Carney	Cy Smith	Cy Smith	Teddy Leland

Outcomes	OM1: Quality communities developed	OM2: Protected natural resources	OM3: Working lands	OM4: Resilient communities	OM5: Local government capacity	OM6: Grant support	OM7: Partnerships strengthened	OM8: Public engagement	OM9: Data used for decisions	OM10: Program alignment	OM11: Customer satisfaction
Outcome Owner	Matt Crall	Patty Snow	Rob Hallyburton	Matt Crall	Rob Hallyburton	Jim Rue	Sadie Carney	Sadie Carney	Cy Smith	Cy Smith	Teddy Leland
	<p>Employment Land Supply Percent of cities (over 10,000 in population) that have within the last 10 years evaluated the adequacy of employment lands and then if necessary added land to the urban growth boundary or amended the comprehensive plan to provide a 20-year supply of land.</p> <p>Housing Land Supply Percent of cities (over 10,000 in population) that have within the last 10 years evaluated the adequacy of housing lands and then if necessary added land to the urban growth boundary or amended the comprehensive plan to provide a 20-year supply of land.</p> <p>Development in Quality Communities Percent of new dwellings statewide that are located in areas meeting quality criteria.</p> <p>Land Efficiency Number of total new dwellings (including redevelopment and infill)divided by "greenfield" acres (i.e. not including areas of land redeveloped.</p>	<p>Improving Coastal Non-point Pollution Controls Number of new jurisdictions per year within coastal nonpoint pollution control boundary with adopted urban nonpoint pollution control standards.</p> <p>Portection of Estuarine Areas Percent of area designed in 1987 of estuarine land maintained in natural conservation management units.</p> <p>Protection of Goal 5 (Natural) Resources Percent of G5 updates adopted (through voluntary PAs, PR, or UGB amendment) that increase protection of G5 resources.</p> <p>Protection of Goal 15 (Willamette River) Resources Percent of G15 updates (approved through voluntary PAs or PR) that increase protection of G15 resources.</p> <p>Protection of Marine Resources (Goal 19) Percent of area from 2012 maintained in marine protected area status.</p> <p>Protection of Coastal ShoreLands (Goal 17) Percent of G17 updates (approved through PAs or PR) that increase protection of G17 resources.</p> <p>Protection of Beaches and Dunes (Goal 18) Percent of G18 updates (approved through PAs or PR) that increase protection of G18 resources.</p>	<p>Farmland Percent of farmland outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.</p> <p>Forest Land Percent of forest land outside urban boundaries zoned in 1987 for forest of mixed farm/forest use that remains zoned for those uses.</p> <p>Farm conflicts (Residential) Percent growth in number of EFU-zoned sections with >8 domestic wells.</p> <p>Forest Conflicts (Residential) Percent growth in number of forest-zoned sections with >5 domestic wells.</p>	<p>Enhanced Flood Protection Number of cities and counties in the Community Rating System (CRS) at Class 7 or below.</p> <p>Tsunami Evacuation Plans Percent of coastal cities and counties that have adopted tsunami evacuation plans.</p> <p>Mitigation Plans Percent of statewide population within jurisdictions that have a natural hazard mitigation plan approved by the Federal Emergency Management Agency (FEMA)</p> <p>Implementing Hazard Maps Percent of cities and counties that have an up-to-date inventory of buildable lands or zoning code based on mapped hazards.</p> <p>Deleted measures</p> <p>Participation in Flood Insurance Program Percent of cities and counties participating in National Flood Insurance Program (NFIP), weighted by population.</p>	<p>Planner Training Number of planners and planning commissioners attending training by DLCD.</p> <p>Use of Data and Information Percent increase in Land Use Explorer by local governments.</p> <p>Grant Effectiveness Percent of grant recipients that report the assistance furthered community goals within six years.</p> <p>Deleted measures Model Code Distribution: Number of model codes downloaded per quarter.</p> <p>Model Code Use: Number of plan amendments that use a DLCD-produced model code for all or part of the content of the amendment.</p>	<p>Grants Integrated within DLCD Percent of grants integrated within DLCD-General Fund, Coastal, TGM, hazards.</p> <p>Grants Integrated with Regional Solutions Teams Percent of grants integrated within Regional Solutions Teams-ODOT, Business Oregon, DEQ, Housing</p> <p>Demand for Grants Percent of qualified general fund TA grants requests funded (\$)</p>	<p>Stakeholder Participation Percent of RAC invitees accepted and attended.</p> <p>Partner satisfaction with DLCD Percent of planning directors who consider DLCD a good partner.</p>	<p>Media Response-Pick-up Number of press releases picked up.</p> <p>Website Engagement Percent increase in external visits to website.</p> <p>Preparation of Public Education Documents Percent of annual targets met for newly authored "one pagers" (general v.s. technical)</p>	<p>Data Usage Percent increase in number of government business processes using web-based GIS services.</p> <p>Data Usage by DLCD Percent of data-reliant policy decisions (substantive LCDC rulemaking or other decisions) supported by verified data.</p> <p>Data Discoverability Percent of data-reliant policy decisions (substantive LCDC rulemaking or other decisions) supported by verified data.</p> <p>GIS Usage Number of new city and county departments using GIS.</p>	<p>10-Year Plan Metrics Percent of 10-Year Plan outcomes that have measures and targets.</p> <p>10-Year Plan Harmonization Percent of 10-Year Plan outcome measures harmonized/aligned with appropriate agency plans (Haz. Mitigation, OCMP, etc.)</p> <p>10-Year Plan Status Percent of 10-Year Plan activities assigned to DLCD in green range.</p>	<p>Service to Stakeholders Percent of customers rating their satisfaction with agency services as good or excellent.</p> <p>Service to Staff Percent of employees rating their satisfaction with agency practices as good or excellent.</p> <p>Best Practices by LCDC. Percent of best practices met by the commission.</p>

Inactive Measures: 24
 Active Measures: 19



Definitions of Frequency
 Quarterly: July 2016 to September 2016
 Annual: July 1, 2015 to June 30, 2016
 Biennial: July 1, 2013 to June 30, 2015

Definitions of Frequency
 Quarterly: March 2016 to June 2016
 Annual: July 1, 2014 to June 30, 2015
 Biennial: July 1, 2013 to June 30, 2015

Definitions of Frequency
 Quarterly: January 2016 to March 2016
 Annual: July 1, 2014 to June 30, 2015
 Biennial: July 1, 2013 to June 30, 2015

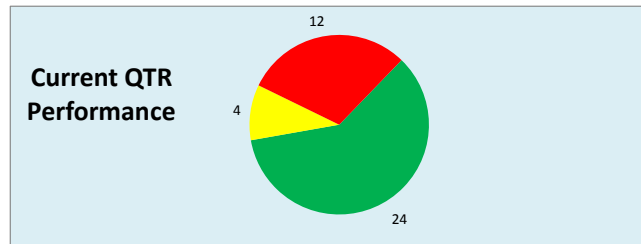
Definitions of Frequency
 Quarterly: October 2015 to December 2015
 Annual: July 1, 2014 to June 30, 2015
 Biennial: July 1, 2013 to June 30, 2015

Measure Number	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/Inactive	Comments	Measure Date	Last Color	Definitions of Frequency			
			Red	Yellow	Green										QTR #7 Measure	QTR #6 Measure	QTR #5 Measure	QTR #4 Measure
OM1 - OM1: Quality communities developed, Outcome Owner: Matt Crall																		
OM1.A	Employment Land Supply	Percent of cities (over 10,000 in population) that have within the last 10 years evaluated the adequacy of employment lands and then if necessary added land to the urban growth boundary or amended the comprehensive plan to provide a 20-year supply of land.	<60%	60-70%	>70%	75%	↑	Annually	KPM 1 - APPR	Tom Hogue	Active/	Custom DB search 14/47.Papa/PR search tool. And PSU pop. 0/47. Systematic neglect of needed department policy and operations reforms.	9/30/2016	red	30%	34%	34%	34%
OM1.B	Housing Land Supply	Percent of cities (over 10,000 in population) that have within the last 10 years evaluated the adequacy of housing lands and then if necessary added land to the urban growth boundary or amended the comprehensive plan to provide a 20-year supply of land.	<75%	75%-85%	>85%	90%	↑	Annually	KPM 2 - APPR	Gordon Howard	Active/	38/48. Failure to meet goal is due to 1)Lack of funding at the local government level to pay for housing needs analyses; and 2)Lack of grant money from department to fund housing needs analyses.	9/30/2016	yellow	79%	81%	81%	81%
OM2 - OM2: Protected natural resources, Outcome Owner: Patty Snow																		
OM2.B	Protection of Estuarine Areas	Percent of area designated in 1987 of estuarine land maintained in natural or conservation management units	<95%	95%-99%	>99%	100%	↑	Annually	KPM 8 - APPR	Matt Spangler	Active/	No changes in areas designed in natural and conservation management units.	9/30/2016	green	100%	100%	100%	100%
OM2.C	Protection of Goal 5 (Natural) Resources	Percent of G 5 updates adopted (through voluntary PAs, PR or UGB amendments) that increase protection of G 5 resources	<25%	25%-75%	>75%	100%	↑	Annually	PAPA/PR database	Amanda Punton	Active/	1/4. From last report: Recommend removing historic and aggregate resources from this measure as they are not "natural resources" in the same way as riparian areas, wetlands and wildlife habitat are. This would decrease the percentage to 66%. Recommend continuing to cluster neutral and negative changes together. Only measures that increased protection would be counted. This report generated using recommendations from last report which resulted in 25%. If we treated neutral amendments as positive, this percentage would increase. See table generated for all Goal 5 PAPAs.	9/30/2016	yellow	25%	72%	72%	72%
OM2.D	Protection of Goal 15 (Willamette River) Resources	Percent of G 15 updates (approved through voluntary PAs or PR) that increase protection of G 15 resources	<25%	25%-75%	>75%	100%	↑	Annually	PAPA/PR database	Amanda Punton	Active/	0/1.	9/30/2016	red	0%	100%	100%	100%
OM2.E	Protection of Marine Resources (Goal 19)	Percent area from 2012 maintained in marine protected area status	<25%	25%-75%	>75%	100%	↑	Annually	ODFW	Andy Lanier	Active/	No change in MPA status.	9/30/2016	green	100%	100%	100%	100%
OM2 - OM2: Protected natural resources, Outcome Owner: Patty Snow																		
OM2.F	Protection of Coastal Shore lands (Goal 17)	Percent of G 17 updates (approved through PA's or PR) that increase protection of G 17 resources	<25%	25%-75%	>75%	90%	↑	Annually	PAPA/PR database	Matt Spangler	Active/	No Goal 17 updates completed during the report period.	9/30/2016	green	100%	100%	100%	100%
OM2.G	Protection of Beaches and Dunes (Goal 18)	Percent of G 18 updates (approved through PA's or PR) that increase protection of G 18 resources	<25%	25%-75%	>75%	90%	↑	Annually	PAPA/PR database	Laren Woolley	Active/	No Goal 18 updates completed during the reporting period.	9/30/2016	green	100%	100%	100%	100%
OM3 - OM3: Working lands, Outcome Owner: Rob Hallyburton																		

Measure Number	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/Inactive	Comments	Measure Date	Last Color	QTR #7 Measure	QTR #6 Measure	QTR #5 Measure	QTR #4 Measure
			Red	Yellow	Green													
OM3.A	Farmland	Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.	<99.50%	99.5%-99.85%	>99.85%	99.9%	↑	Annually (CY)	KPM 10-APPR	Rob Hallyburton	Active/	From APPR 2016, Based on calendar year 2015.	9/30/2016	yellow	99.80%	99.86%	99.86%	99.86%
OM3.B	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.	<99.50%	99.5%-99.88%	>99.88%	99.93%	↑	Annually (CY)	KPM 11 - APPR	Rob Hallyburton	Active/	From APPR 2016, based on calendar year 2016.	9/30/2016	green	99.92%	99.92%	99.92%	99.92%
OM4 - OM4: Resilient communities, Outcome Owner: Matt Crall																		
OM4.B	Enhanced Flood Protection	Number of cities and counties in the Community Rating System (CRS) at Class 7 or below	<20	20-25	>25	30	↑	Annually	NFIP	Chris Shirley	Active/	Denominator is population of Oregon 3,962,710 in 2014. May need to consider changing calculation to Percent of statewide population within jurisdictions that participate in the NFIP.	9/30/2016	red	19	20	20	20
OM4.C	Tsunami Evacuation Plans	Percent of coastal cities and counties that have adopted tsunami evacuation plans	<5%	5%-90%	>90%	100%	↑	Annually	PAPA database; Census	Meg Reed	Active/	Recommend changing measure to read: percentage of city and county plans that include adopted tsunami land use resilience measures. New title: Tsunami Land Use Resilience Measures. Change green percentage to 70%. Change Measure Owner to Meg Reed for QTR #7. Should not be measured quarterly. No communities have adopted tsunami land use resilience measures into their plans during the	9/30/2016	red	0%	0%	0%	0%
OM4.D	Mitigation Plans	Percent of statewide population within jurisdictions that have a natural hazard mitigation plan approved within five years by the Federal Emergency Management Agency (FEMA)	<60%	60%-75%	>75%	90	↑	Quarterly	FEMA; Census and OEM	Marian Lahav	Active/	Percentage from OEM. Numerator is state population covered by a FEMA-approved NHMP. Denominator is a total state population. We began the year on July 1, 2015 at 73.2%. That percentage increased to a high of 77.5% at the end of the first quarter. It maintained around 75% through January 2016. Portland's, Fairview's, Troutdale's, and Wood Village's plans all expired between January 2016 and mid-February 2016 causing the % population covered to dive to 50.3%. With expirations and approvals, the % population covered continued a slow decline, ending the year on June 30, 2016 at 47.4%. OEM reports that "The sum of the population of Medford, Portland, and Benton and Washington counties (approximately 1,017,000 people) – all plans that recently lost their FEMA approval – represents about 25% of Oregon's population. Gaining FEMA re-approval of these jurisdictions alone would bring the statewide percentage from about	9/30/2016	red	46.20%	51.20%	75%	75%
OM5 - OM5: Local government capacity, Outcome Owner: Rob Hallyburton																		
OM5.A	Planner Training	Number of planners and planning commissioners attending training by DLCD	<100	100-200	>200	260	↑	Annually (FY)	Planning Network Meeting records	Rob Hallyburton	Active/	Same annual reporting period as QTR #6.	9/30/2016	green	288	288	288	0
OM6 - OM6: Grant support, Outcome Owner: Jim Rue																		
OM6.C	Demand for Grants	Percent of qualified general fund TA grant requests funded (\$)	<25%	25%-65%	>65%	80%	↑	Biennial	Grant Tracking	Rob Hallyburton	Active/	Further, Multnomah County is in the process of updating its plan before it expires next summer. Fairview, Gresham, Troutdale, and Wood Village are updating their expired plans together with the County in their first multi-jurisdictional plan. Gresham has an approved plan, but has joined the County's plan update. Approval of this plan will increase the % population covered significantly.	9/30/2016	yellow	43%	43%	43%	43%
OM7 - OM7: Partnerships strengthened, Outcome Owner: Sadie Carney																		

Measure Number	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/Inactive	Comments	Measure Date	Last Color		QTR #7 Measure	QTR #6 Measure	QTR #5 Measure	QTR #4 Measure
			Red	Yellow	Green														
OM8.A	Media Response - Pick up	Number of press releases picked up	<0	0.001-1.999	>2	4	↑	Annually	New DLCD tracking	Sadie Carney	Active/	May want to change the frequency, while retaining an annual goal, if that makes sense with this system.	9/30/2016	green		2	2	2	2
OM8.B	Website Engagement	Percent increase in external visits to website	<2%	2%-5%	>5%	10%	↑	Annually	New DLCD tracking	Sadie Carney	Active/	Recommend this be made inactive until measurement method is refined. Suggestions to replace "percent increase": increase in number of sessions per working day (weekend, non-holiday) or increase in users or new visitors. It could also be that we are measuring the wrong thing altogether - this measurement could increase for unpleasant reasons.	9/30/2016	red		-11%	-6%	0%	0%
OM9 - OM9: Data used for decisions, Outcome Owner: Cy Smith																			
OM9.A	Data Usage	Percent increase in number of government business processes using web-based GIS services	<0.50%	0.5%-1%	>1%	2%	↑	Quarterly	Survey	Cy Smith	Active/	95/90-1	9/30/2016	green		1.01%	1.01%	2.30%	6.10%
OM11.C	Best Practices Used by LCDC	Percent of best practices met by the commission.	<85%	85%-95%	>95%	100	↑	Annually	LCDC survey - KPM 20	Teddy Leland	Active/	Commissions have self-selected that they have met the 15 best practices set by the legislature. Data report	9/30/2016	green		100%	100%	100%	100%

Inactive Measures:
38
Active Measures:
40



Definitions of Frequency
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Definitions of Frequency
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Measure Number	Type	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/Inactive	Comments	Measure Date	Last Color	Definitions of Frequency		
				Red	Yellow	Green										QTR #7 Measure	QTR #6 Measure	QTR #5 Measure
OP1 - Developing Land Use Policy, Process Owner: Carrie MacLaren																		
OP1.F	Time	Input into policy making	Percent rulemaking staff reports circulated to lists 14 days before first meeting	<70%	70%-90%	>90%	100%	↑	Quarterly	New DLCD tracking	Amie Abbott	Active/	Data to be reported at later date upon Amie's return.	9/30/2016	green	TBD	100%	100%
OP2 - Providing Grants, Process Owner: Rob Hallyburton																		
OP2.C	Quality	Grant management	Percent of Technical Assistance and Periodic Review grant tasks that are completed on time	<50%	50%-75%	>75%	100%	↑	Quarterly	New DLCD tracking	Rob Hallyburton	Active/	0/0. That is, there were no grant applications processed during this quarter.	9/30/2016	green	NA	11%	0%
OP3 - Providing Technical Assistance, Process Owner: Matt Crall																		
OP2.E	Quality	Grant project reporting	Percent of Technical Assistance and Periodic Review grants of over \$50K that receive written quarterly progress reports	<75%	75%-90%	>90%	100%	↑	Quarterly	New DLCD tracking	Rob Hallyburton	Active/	1/2.	9/30/2016	red	50%	0%	0%
OP3 - Providing Technical Assistance, Process Owner: Matt Crall																		
OP3 - Providing Technical Assistance - Quality																		
OP3.D	Cost/ Quant.	Guidance documents	Number of guidebooks and technical memos (or similar) published on the website in a fiscal year	>1	1-2	>2	4	↑	Annual	Website	Matt Crall	Active/		9/30/2016	green	3	3	3
OP4 - Reviewing for Compliance, Process Owner: Rob Hallyburton																		
OP4.A	Time	PAPA notices	Percent of PAPA notices of proposal and adoption provided on time	<85%	85%-95%	>95%	100%	↑	Quarterly	PAPA database	Rob Hallyburton	Active/	269/272 on time	9/30/2016	green	99%	98%	100%
OP4.B	Time	PAPA assignment	Percent of PAPA files assigned to review team within five working days of receipt	<85%	85%-95%	>95%	100%	↑	Quarterly	PAPA database	Rob Hallyburton	Active/	131/152	9/30/2016	red	64%	64%	64%
OP4.C	Time	Decision making	Percent of department decisions and determinations made on time - Periodic review/ UGBs(120 days), Federal consistency (180 days), Citizen-initiated enforcement (45 days measured from date of decision, not submittal date.)	<75%	75%-85%	>85%	100%	↑	Quarterly	New DLCD tracking	Rob Hallyburton	Active/	PR - 0/0; UGB - 0/0; Fed consistency 16/16	9/30/2016	green	100%	100%	100%
OP4.D	Time	LCDC orders	Percent of LCDC orders complete within 180 days (measured from date of written order.)	<85%	85%-90%	>90%	100%	↑	Quarterly	New DLCD tracking	Carrie MacLaren	Active/	0/1. Rolling annual period measured from date of written order. One order issued, total days from commission to commission order was 370 days.	9/30/2016	red	0%	100%	100%
OP4.E	Quality	Record preparation	Percent of LCDC decision records (excluding order) completed within 45 days of the final LCDC hearing in the last 12 months.	<80%	80%-90%	>90%	100%	↑	Annually (FY)	New DLCD tracking	Rob Hallyburton	Active/	1/1; same reporting as QTR #6	9/30/2016	green	100%	100%	100%
OP4.H	Time	PAPA comments	Percent of comments to local government sent at least 15 days before the first evidentiary hearing	<85%	85%-90%	>90%	95%	↑	Quarterly	PAPA database	Rob Hallyburton	Active/	4/6 on time	9/30/2016	red	67%	57%	0%
OP5 - Managing and Providing Data, Process Owner: Cy Smith																		

Measure Number	Type	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/ Inactive	Comments	Measure Date	Last Color		QTR #7 Measure	QTR #6 Measure	QTR #5 Measure
				Red	Yellow	Green													
OP5.A	Time	Providing access to data - Framework data sets	Percent of acquired Framework data sets for which access is provided within 30 days	<80%	80%-95%	>95%	100%	↑	Quarterly	New GEO tr	Dave Mather	Active/	No new datasets this quarter	9/30/2016	red		0%	100%	100%
OP5.B	Time	Providing access to data - internal data sets	Percent of acquired internal data sets for which access is provided within 30 days	<80%	80%-95%	>95%	100%	↑	Quarterly	New DLCD	Tanya Haddad	Active/	0	9/30/2016	green		98	98	98
OP5.C	Cost/ Quant.	Data acquisition & documentation	Percent of new high/medium priority Framework data sets complete and documented	<5%	5%-15%	>15%	20	↑	Annually	New GEO tr	Theresa Burcu	Active/	Baseline is 66. No percentage at this time is available.	9/30/2016	green		66	66	66
OP5.E	Quality	Updating data required for apps, policy & regulation.	Percent of data updated per quarter based on data source update cycle	<60%	60%-85%	>85%	20%	↑	Quarterly	New DLCD	Rachel Smith	Active/	0/1 datasets were updated this reporting period. The dataset that was not updated as planned is the Goal 18 inventory created and managed by the coastal group. This did not occur due to staff changeover (Laren to Meg). It is scheduled to occur next QTR.	9/30/2016	red		0%	50%	100%
OP6 - Engaging and Educating the Public and Stakeholders, Process Owner: Sadie Carney																			
OP6.A	Cost/ Quant.	Media Releases - Issued	Number of press releases issued	>0	0.01-0.99	>1	2	↑	Quarterly	TBD	Sadie Carney	Active/	TGM Housing Report	9/30/2016	green		1	2	1
OP6.B	Cost/ Quant.	Local Government Engagement -PNM held	Number of Planners Network Meetings held each year	>4	4.1-4.9	>5	7	↑	annual	TBD	Patty S/Rob H	Active/	Four CSD planners network meetings during this report period.	9/30/2016	red		4	7	7
OP6.D	Quality	Prepared Media Response	Percent of PREPARED media responses	<75%	75%-80%	>80%	100	↑	TBD	TBD	Sadie Carney	Active/	2	9/30/2016	green		100%	100%	0%
OP6.E	Quality	Local Government Engagement - Satisfaction with PNM	Percent of PNM attendees who rate meeting content as good/very good	<70%	70%-80%	>80%	100%	↑	Quarterly	Survey	Patty S/Rob H	Active/	Ashland - 17/20	9/30/2016	green		85%	100%	100%
OP6.F	Time	Media Response -Timeliness	Percent of media calls responded to in one working day (call back only)	<60%	60%-80%	>80%	TBD	↑	Quarterly	Log	Sadie Carney	Active/	1/3	9/30/2016	red		30%	0%	0%
OP8 - Staffing LCDC, Process Owner: Jim Rue																			
OP8.B	Time	Commissioner prep	Percent of time commissioners have the packet 15 working days before the meeting	<80%	80%-95%	>95%	100%	↑	Quarterly	Email	Amie Abbott	Active/	Data to be reported upon Amie's return.	9/30/2016	green		TBD	100%	100%
OP8.C	Time	Public notice	Percent of time public has issue content 14 working days prior to meeting	<80%	80%-90%	>90%	100%	↑	Quarterly	Website	Amie Abbott	Active/	Data to be reported upon Amie's return.	9/30/2016	green		TBD	100%	100%
SP1 - Leading DLCD, Process Owner: Carrie MacLaren																			
SP1.D	Quality	Process measures improvement	Percent active process measures with improvement (improvement defined as moving from one color to another or within its current color.)	<50%	50%-65%	>65%	75%	↑	Quarterly	Quarterly and Annual reviews	Jim Rue	Active/	13 out of 58 active process and outcome measures (not including this measure). Measure includes revised methodology change--to include all improvements (data or color) within green, yellow, or red.	12/31/2015	red		22%	23%	29%
SP1.H	Cost/ Quant.	Increase in number of active measures	Number of new outcome and process measures activated each quarter.	>0	0-2	>2	3	↑	Quarterly	Scorecards	Jim Rue	Active/	Per QTR #5 decision point, no additional activation of measures required for QTR #7 until action list items from prior QTRs are addressed.	9/30/2016	red		0	0	10
SP2 - Managing Human Resources, Process Owner: Vickie McDermott																			
SP2.D	Cost/ Quant.	Retaining our best	Number of employees resigning from DLCD with 5 years or less of service	<3	2.9-1.1	<0	0	↓	Annually	Personnel	Vickie McDermott	Active/	Heather Wade, Dan Eisenbeis	9/30/2016	yellow		2	1	0
SP2.E	Cost/ Quant.	Managing performance	Percent of employees receiving performance evaluations in the last 12 months (measured from the end of each quarter)	<20%	20%-90%	>90%	100%	↑	Annually	Evaluations	Vickie McDermott	Active/	4/55; thank you Rob.	9/30/2016	red		7%	4%	5%

Measure Number	Type	Measure Name	Measure Calculation	Range			Target	Desired Direction	Frequency	Data Source	Measure Owner	Active/Inactive	Comments	Measure Date	Last Color	QTR #7 Measure	QTR #6 Measure	QTR #5 Measure
				Red	Yellow	Green												
SP3 - Managing Financial Resources, Process Owner: Teddy Leland																		
SP3.A	Time	Financial report timeliness	Number of monthly financial reports distributed by the end of the month for actuals for the prior month.	>1	1-2	>0	3	↑	Quarterly	Posting date on SharePt.	Teddy Leland	Active	Reports issued on 7/29; 8/31; 9/30	9/30/2016	green	3	3	2
SP3.B	Time	Procurement timeliness	Percent of contracts executed within 45 days of request for procurement assistance. Assistance includes development of RFPs, contract writing, and signature by both parties. Excludes grants.	<60%	60%-80%	>80%	90%	↑	Quarterly	Contract log and ORPIN	Teddy Leland	Active	35/49 on total contracts on time to date. Decrease in results primarily driven from three additional contracts that were pending vendor negotiations and signatures and final billing from Governor's Office	9/30/2016	yellow	71%	75%	82%
SP3.C	Time	Accounting timeliness	Percent of invoices paid within 45 days of receipt	<70%	70%-90%	>90%	100%	↑	Quarterly	Vouchers payable log and manual entry of receipt dates	Linda Smith	Active	There were no late payments and/or submissions this quarter.	9/30/2016	green	100%	99%	98%
SP3.D	Quality	Timesheet accuracy	Percent of timesheets submitted to state payroll system without need for additional payroll action determined through review of Run 1 and Run 2 payroll audit report	<70%	70%-90%	>90%	100%	↑	Quarterly	OSPA exception report and log Cynthia creates	Teddy Leland	Active	35/358-100% calculates to 90% accuracy. Payroll actions taken for insurance adjustments and aligning forecasted hours to actual hours worked.	9/30/2016	green	90%	87%	90%
SP3.F	Quality	Budget development accuracy	Percent of budget transmittals submitted with clean audit results	<30%	30%-70%	>70%	6	↑	Annual (FY)	Create new log	Doug Crook	Active	2/2 transmittals with clean audit (PICS/ORBITS)	9/30/2016	green	100%	100%	100%
SP3.G	Quality	Financial report accuracy	Number of managers providing personal services plan updates to fiscal by the 15th of each month using tracking log	>12	12-16	>16	18	↑	Quarterly	Create new log	Doug Crook	Active	2/12 (2 monthly PSP report periods due to biennium end activities. Information requests to managers were not sent early enough, so managers could respond by the 15th. However, responses both months were generally timely and within a week of request.)	9/30/2016	green	18	15	13
SP3.J	Quality	Federal grants management	Number of error free revenue drawdowns	>2	2-4	>4	5	↑	Quarterly	Federal drawdown systems and drawdown requests	Linda Smith	Active	Four coastal grants had 16. Natural hazards had 4. There were no errors reported in either federal or statewide systems.	9/30/2016	green	20	16	9
SP3.K	Quality	Accuracy of Quarterly Allotment	Number of revisions to quarterly allotments per quarter	<2	1.99-0.1	<0	0	↓	Quarterly	Create new log	Doug Crook	Active	No revisions necessary this quarter.	9/30/2016	green	0	1	0
SP4 - Providing Technology Infrastructure, Process Owner: Teddy Leland																		
SP4.B	Time	Technology availability	Percent of time servers are available for use by the customers, M-F, 5 AM to 8 PM	<96%	96%-98%	>98%	99%	↑	Quarterly	Ticket database	Jon Dunsmore	Active/	10 minutes of downtime due to remote desktop server restart.	9/30/2016	green	99.98%	99.48%	96.73%
SP5 - Managing Facilities and Operations, Process Owner: Teddy Leland																		
SP5.B	Time	Responsiveness to request	Percent of customers receiving response to public record request within estimated time	<75%	75%-85%	>85%	90%	↑	Quarterly	request form and email	Tabatha Hoge	Active	19/19	9/30/2016	green	100%	100%	100%
SP5.E	Cost/ Quant.	Service coordination	Number of shared services opportunities explored in last year (last year is measured from the last quarter.)	>1	1-3	>3	5	↑	Quarterly	Excel log and mgmt discussion	Teddy Leland	Active	OWRD regarding closer ties programatically; OWRD HR; and payroll with ODA/ODOT/DEQ/Aviation	9/30/2016	yellow	3	0	2

Program Prioritization for 2017-19

Agency Name:		Department of Land Conservation and Development											Agency Number: 66000					
2017-19 Biennium																		
Agencywide at Governor's Budget																		
Program/Division Priorities for 2017-19 Biennium																		
0	DLCD	660-60: Admin	Planning and Administration	660-01 through 660-12	6	4,600,212	72,525		569,365	\$ 5,242,102	16	16.00	Y	Y	S	ORS Chapter 197 and 215.503		POP 090 (\$57,168) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. This reduction in temporary services and vacancy savings will require delayed new hires and no use of temporary services.
1	DLCD	660-62: CSD	Community Services Division	660-01 through 660-12	6	4,203,487				\$ 4,203,487	14	14.00	Y	Y	S	197.274, 197.319 et seq., 197.626 et seq., 197.652 et seq., 197.717		POP 090 (\$57,168) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. The reduction in vacancy savings, and one position will require delayed new hires, reassignment of work and decreased technical assistance to local communities.
1	DLCD	660-61: PSD	Planning Services Division	660-01 through 660-12	6	2,919,705	489,349		783,899	\$ 4,192,953	13	11.90	Y	Y	S, FO	44 CFR 60.25; ORS Chapters 195, 197, 215 and 227	States are encouraged to participate in the National Flood Insurance Program (NFIP)	POP 090 (\$534,906) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. This reduction in vacancy savings, two positions and accompanying supplies and services including attorney general costs will require delayed new hires, reassignment of work, and decreased technical assistance to local communities. POP 104 Natural Hazards Mitigation Planning \$100,000 OF 0 Pos/0.00 FTE. Oregon is at risk from a wide range of natural hazards; some are infrequent, but would be catastrophic over a large area (for example tsunamis and earthquakes); others are more common and localized (for example floods and landslides). This policy package brings funding from the Office of Emergency Management to assist local governments to better understand, analyze potential actions, and plan in order to reduce risks from natural hazards.
1	DLCD	660-63: OCSD	Ocean and Coastal Services Division	660-01 through 660-12	6	200,064			5,276,542	\$ 5,476,606	13	13.00	Y	Y	S, FM	ORS Chapter 197, 215 and 227, 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 National Oceanic and Atmospheric Administration (NOAA) program are required to submit grant applications on an annual basis.	POP 090 (\$667) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. POP 105 \$250,000 GF 1 Pos/1.00 FTE The Governor's budget provides one permanent position to enable the department to provide technical assistance to coastal communities for coastal seismic resilience and plan updates.
1	DLCD	003-02 Grants	General Fund Grants	660-01 through 660-12	6	1,583,617				\$ 1,583,617	0	0.00	Y	Y	S	ORS Chapter 197 and 197A		POP 090 (\$79,181) General Fund Governor's budget reduces the base budget for grants due to General Fund constraints, resulting in fewer grants to local governments. The department's strategic plan calls for the department to support local governments in their efforts to update comprehensive plans and implementing regulations to provide for housing, economic growth, transportation and public facilities. However, the department's General Fund grant program has decreased by over 50% in the past decade. POP 101 Restore Grants to Local Governments \$250,000 General Fund The Governor's budget includes \$250,000 for coastal seismic resiliency planning, and also directs the department to prioritize the balance of general fund grants in the base budget to coastal resilience and mitigation planning.
						13,507,085	561,874	-	-	6,629,806	-	\$ 20,698,765	56	54.90				

Document criteria used to prioritize activities:

The department cannot remove one piece of its organizational structure (Detail Cross References) without impacting the agency mission and vision. The department's budget structure and programmatic elements are interconnected. However, in order to meet the requirements of this form, the department has established the following criteria in prioritizing the cross references in this budget unit. They are:

- *All DCR's: Activities providing direct service to the core program take precedence.
- *660-62: The Coastal Zone Management Program is a federally mandated program.
- *660-63: The Transportation and Growth Management Program and Federal Emergency Management Agency programs are federally mandated and provide support for regional representatives in the field.
- *660-61: Funds that support economic development and other land use planning activities of local communities are critical to keeping communities thriving.

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

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

Program Prioritization for 2017-19

Agency Name: Department of Land Conservation and Development										Agency Number: 66000									
2017-19 Biennium										Planning Program at Governor's Budget									
Program/Division Priorities for 2017-19 Biennium																			
0	DLCD	660-60: Admin	Planning and Administration	660-01 through 660-12	6	4,600,212	72,525		569,365	\$ 5,242,102	16	16.00	Y	Y	S	ORS Chapter 197 and 215.503		POP 090 (\$57,168) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. This reduction in temporary services and vacancy savings will require delayed new hires and no use of temporary services.	
1	DLCD	660-62: CSD	Community Services Division	660-01 through 660-12	6	4,203,487				\$ 4,203,487	14	14.00	Y	Y	S	197.274, 197.319 et seq., 197.610 et seq., 197.626 et seq., 197.652 et seq., 197.717		POP 090 (\$57,168) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. The reduction in vacancy savings, and one position will require delayed new hires, reassignment of work and decreased technical assistance to local communities.	
1	DLCD	660-61: PSD	Planning Services Division	660-01 through 660-12	6	2,919,705	489,349		783,899	\$ 4,192,953	13	11.90	Y	Y	S, FO	44 CFR 60.25; ORS Chapters 195, 197, 215 and 227	States are encouraged to participate in the National Flood Insurance Program (NFIP)	POP 090 (\$534,906) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. This reduction in vacancy savings, two positions and accompanying supplies and services including attorney general costs will require delayed new hires, reassignment of work, and decreased technical assistance to local communities. POP 104 Natural Hazards Mitigation Planning \$100,000 OF 0 Pos/0.00 FTE. Oregon is at risk from a wide range of natural hazards; some are infrequent, but would be catastrophic over a large area (for example tsunamis and earthquakes); others are more common and localized (for example floods and landslides). This policy package brings funding from the Office of Emergency Management to assist local governments to better understand, analyze potential actions, and plan in order to reduce risks from natural hazards.	
1	DLCD	660-63: OCS	Ocean and Coastal Services Division	660-01 through 660-12	6	200,064			5,276,542	\$ 5,476,606	13	13.00	Y	Y	S, FM	ORS Chapter 197, 215 and 227, 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 National Oceanic and Atmospheric Administration (NOAA) program are required to submit grant applications on an annual basis.	POP 090 (\$667) General Fund Governor's total budget reduction of approximately 7 percent due to General Fund constraints. POP 105 \$250,000 GF 1 Pos/1.00 FTE The Governor's budget provides one permanent position to enable the department to provide technical assistance to coastal communities for coastal seismic resilience and plan updates.	
						11,923,468	561,874	-	6,629,806	\$ 19,115,148	56	54.90							

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Program Prioritization for 2017-19

Agency Name: Department of Land Conservation and Development																							
2017-19 Biennium																			Agency Number: 66000				
Grants Program at Governor's Budget																							
Program/Division Priorities for 2017-19 Biennium																							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
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	DLCD	003-02 Grants	General Fund Grants	660-01 through 660-12	6	1,583,617						\$ 1,583,617	0	0.00	Y	Y	S	ORS Chapter 197 and 197A		POP 090 (\$79,181) General Fund Governor's budget reduces the base budget for grants due to General Fund constraints, resulting in fewer grants to local governments. The department's strategic plan calls for the department to support local governments in their efforts to update comprehensive plans and implementing regulations to provide for housing, economic growth, transportation and public facilities. However, the department's General Fund grant program has decreased by over 50% in the past decade. POP 101 Restore Grants to Local Governments \$250,000 General Fund The Governor's budget includes \$250,000 for coastal seismic resiliency planning, and also directs the department to prioritize the balance of general fund grants in the base budget to coastal resiliency and mitigation planning.		
							1,583,617	-	-	-	-	-	\$ 1,583,617	0	0.00								

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The department cannot remove one piece of its organizational structure (Detail Cross References) without impacting the agency mission and vision. The department's budget structure and programmatic elements are interconnected. However, in order to meet the requirements of this form, the department has established the following criteria in prioritizing the cross references in this budget unit. They are:
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Agency Management Report

KPMs for Reporting Year 2016

Published: 12/15/2016 12:29:04 PM

Land Conservation and Development Department

Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -6% to -15%	= Target > -15%
Summary Stats:	66.67%	8.33%	25%

Detailed Report:

KPM	Metrics	Actual	Target	Status	Management Comments
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.		28%	75%	Red	The reporting cycle is Oregon's fiscal year. The progress under this measure is counted if, during the past ten years, a city evaluates the adequacy of its industrial and other employment lands and provides sites for the established need. Cities are only counted if a query in the tracking database results in a "hit." Data coding may limit the accuracy of the results, but the method results can be replicated in an audit. The difference in performance between 2015 and prior reporting periods reflects a methodology change to only counting cities over 10,000.
2. HOUSING LAND SUPPLY - Percent of cities that have an adequate supply of		79%	90%	Yellow	The target for this measure was not met for the seventh year. Performance has remained relatively consistent for the years prior to 2015, suggesting common factors that

KPM	Metrics	Actual	Target	Status	Management Comments
buildable residential land to meet housing needs.					may include a lagging economy and insufficient funds available for cities to update their comprehensive plans. In addition to these factors, the target was increased significantly for 2011 and 2012. This increase contributed to the gap between target and results prior to 2014. The targets for 2011 and 2012 were increased based on an estimate, in 2008, of the number of periodic review work tasks that cities were expected to begin. Since that time, fewer cities have started periodic review due to budget constraints. Performance is generally improving since 2014 for two reasons. First, the great recession ended and economic recovery began and cities soon are realizing housing markets have come under great stress due to increased housing demand and different types of housing demand. As a result they have begun to conduct housing needs analyses and residential land inventories (e.g. Hood River, Sandy, Grants Pass, Lafayette and other who are in progress such as Bend, Medford, Salem, Eugene, and Corvallis. Second, the difference in performance between 2015 and prior reporting periods reflects a methodology change to only counting cities over 10,000 as a result of changes in state law.
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.		83%	70%	Green	Results for this measure were consistently decreasing for the past three years. In 2015 and 2016, the performance increased and is now over target. 40 out of 48 cities with a population over 10,000 completed a public facility plan or plan update with any of the following elements: water, waste-water, and storm-water. The methodology allows a positive outcome when city plan updates for sewer, water

KPM	Metrics	Actual	Target	Status	Management Comments
					<p>or storm-water take place in a single year, rather than requiring that all three take place simultaneously.</p> <p>As with other key performance measures that measure progress of cities in updating their comprehensive plans, this measure's results are can be volatile and changing as a result when there is an uncertain economy and insufficient funds for cities to adequately plan for their future.</p>
<p>4. CERTIFIED INDUSTRIAL SITES - Number of industrial sites certified as “project-ready” added each fiscal year.</p>		1	5	Red	<p>Certifying industrial sites as “shovel ready” has become increasingly difficult and expensive due to the level of need at sites in the certification queue. As such, OBDD is moving forward with an internal strategic planning effort to determine where existing funding programs (Brownfields, Special Public Works Fund, etc.) may be utilized to assist with certifications. Once complete, the program concepts will be socialized amongst various stakeholder groups and a final program will be developed. Absent any new infusion of funding to certify sites, OBDD will continue to seek innovative solutions that assist local communities develop an ample supply of “shovel ready” industrial sites.</p>
<p>5. TRANSIT SUPPORTIVE LAND USE - Percent of urban areas with a population greater than 25,000 that have adopted transit supportive land use regulations.</p>		86%	90%	Green	<p>This performance measure is unchanged. Because of the method of data collection, as with some other performance measures, the degree of success may be slightly under reported.</p>
<p>6. TRANSPORTATION FACILITIES - Percent of urban areas that have updated the local plan to include reasonable cost estimates and funding plans for transportation facilities.</p>		91%	92%	Green	<p>In 2016, the performance on this measure missed its target by 1 percent. The decrease reflects a general trend in the slowing of the rate of adoption. This slowing is not surprising since there are fewer cities that have not adopted their transportation system plans.</p>

KPM	Metrics	Actual	Target	Status	Management Comments
7. FARM LAND - Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.		99.80%	99.95%	Green	This measure produced positive results. In <i>Protecting Working Farm and Forest Landscapes: How do Oregon & Washington Compare?</i> , the net average annual conversion of farm and forest land before and after the implementation of state land use plans dropped by 70 percent for Oregon but only 3 percent for Washington. The department continues to consider ways to capture more detailed data that could make this measure more valuable. Department examples of these ways include: tracking whether agricultural land rezoned was high value, and tracking the type and level of development allowed when agricultural land is rezoned. The department is also proposing a change of calculating performance, in other words, a change of methodology, for this measure.
8. 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%	99.95%	Green	This 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. The measure is not being proposed for deletion. The department is proposing a change of calculating performance, in other words, a change of methodology, for this measure.
9. URBAN GROWTH BOUNDARY EXPANSION - Percent of land added to urban growth boundaries that is not farm or forest land.		92%	55%	Green	The outcomes for this 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 1,029 acres of UGB expansion. These figures may not reflect results over a longer period of time involving smaller acreages.

KPM	Metrics	Actual	Target	Status	Management Comments
10. GRANT AWARDS - Percent of local grants awarded to local governments within two months after receiving application.		73%	100%	Red	The ability of the department to award grants in a timely manner continues to receive heightened staff attention. This attention has been reflected in the results for the last two fiscal years. However, as noted in the report, the department took additional time this biennium partly due to scarcity of funds and partly due to lack of urgency on the part of applicants to negotiate changes to the project.
11. 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	89.82%	83%	Green	The results for this measure reflect a biennial customer service survey performed in October 2016. The 2016 survey results reflect 88.17 percent overall for the six items measured. This rate reflects a 15.17 percent increase in overall satisfaction as compared the 73 percent received in 2012 and 2014.
	Accuracy	88.56%	83%	Green	
	Availability of Information	82.31%	83%	Green	
	Overall	88.17%	83%	Green	
	Helpfulness	89.94%	83%	Green	
	Expertise	95.83%	83%	Green	
12. BEST PRACTICES - Percent of total best practices met by the Board.		100%	100%	Green	The commission continues to operate as a working board, with a heavy workload of work tasks identified for the 2015-17 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.

Land Conservation and Development Department

Annual Performance Progress Report

Reporting Year 2016

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KPM #	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	FARM LAND - Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.
8	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.
9	URBAN GROWTH BOUNDARY EXPANSION - Percent of land added to urban growth boundaries that is not farm or forest land.
10	GRANT AWARDS - Percent of local grants awarded to local governments within two months after receiving application.

KPM #	Approved Key Performance Measures (KPMs)
11	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.
12	BEST PRACTICES - Percent of total best practices met by the Board.

Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -6% to -15%	= Target > -15%
Summary Stats:	66.67%	8.33%	25%

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.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
EMPLOYMENT LAND SUPPLY					
Actual	49%	49%	49%	34%	28%
Target	75%	75%	75%	75%	75%

How Are We Doing

This measure tracks the percentage of cities with a population over 10,000 that have completed an update to their land use plans (within the last 10 years) in order to provide a 20 year supply of land for employment related uses. This measure was adopted when all cities over 2,500 populations 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 up to date economic opportunities analyses helps ensure 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.

The target of 75 percent has not been met for this reporting period. There are continued difficulties in funding and completing the needed updates at the state and local level. This has frustrated progress on this measure.

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. Continued municipal budget deficiencies have led to continued underfunding of planning departments where planning for employment land would be completed. This is compounded by DLCDC's grant fund being insufficient to fulfill the need, despite economic development having been the highest priority use of grant funds for a decade. While the department awarded grants to four cities to adopt new economic opportunities analyses for the 2015-2017 biennium, only one of these "Lincoln City" will affect performance regarding this measure because the other grantees were cities that are no longer required to complete periodic review. Consequently, unless a city chooses to update its plan, and it has the resources to self-fund, then its supply of land for industrial and other employment uses may remain unaddressed.

KPM #2	HOUSING LAND SUPPLY - Percent of cities that have an adequate supply of buildable residential land to meet housing needs.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
HOUSING LAND SUPPLY					
Actual	65%	65%	56%	81%	79%
Target	90%	90%	90%	90%	90%

How Are We Doing

This measure tracks the percentage of cities with a population over 10,000 that have completed a major update of their local land use plans in the past 10 years, 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 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.

The target has not been met for this reporting period. The result at 79 percent is 11 percentage points below the target of 90 percent (38 of 48 cities). The result is slightly lower than the 2015 measurement, which found 81 percent of target cities meeting the standard (39 of 48 cities). Several cities are in the midst of large-scale multi-year reviews of residential land supply issues, such as Bend, Salem, Corvallis, Medford, and Eugene, but have not yet finished these projects. Other cities have expressed no discernable interest in updating or reviewing housing supply issues. Cities within the Portland Metro Urban Growth Boundary are in compliance with this target because of the efforts of Metro, which adopted a revised urban growth report as required by Oregon law in November 2015.

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.) 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; 2.) Cities face financial and resource issues, which may lead them to choose other projects for limited resources other than studies and actions needed to assure a 20-year residential land supply; and 3.) Cities may have hesitated to conduct buildable lands inventories, residential land needs analyses, and UGB evaluations due to the cost, time delays, and litigiousness that have surrounded such efforts during the past decade in certain cities (e.g. Scappoose, Woodburn), especially in light of the streamlining effort that should make the process more streamlined and cost effective.

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.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
PUBLIC FACILITIES PLANS					
Actual	46%	43%	52%	75%	83%
Target	70%	70%	70%	70%	70%

How Are We Doing

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 10,000 that have completed an update within the last 10 years of their local plans for water and sewer system facilities needed to serve future land development within the urban growth boundary (UGB), including cost estimates and funding plans.

The number of jurisdictions meeting the standard was 40, or 83 percent of the 48 jurisdictions in the dataset. Performance was 13

percentage points above the target, which is 70 percent of all jurisdictions. Many cities have independent revenue sources from rates derived from their water and sewer utilities to complete various facilities master plans, and public facilities planning is less likely to be a focus of public controversy and discord. The increase in performance was a result of four additional cities that had adopted public facility plans prior to the current reporting period and should have been reported in 2015. The department performed additional steps beyond review of the Post-Acknowledgment Plan Amendment database to determine precisely which cities met this measure since some of the adopted public facilities plans are adopted as “supporting documents” and do not need to be reported to the state as Post-Acknowledgment Plan Amendments. As a result of this review, additional cities were found in compliance.

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. For example, the department gave a technical assistance grant to the city of Tigard during this reporting period to devise a public facilities financing plan for an underutilized industrial site. The city and the property owner devised an innovative plan and an employer is in the process of breaking ground on the site; 3.) A city in periodic review is on schedule to complete its work program; 4.) A city updates its public facilities plan or a portion of that plan dealing with sewer, water, or storm drainage at least every ten years; 5.) Water and sewer master plans often have independent funding sources derived from utility rates that allow for preparation and adoption of these plans; 6.) Stormwater master plans are mandated in order to meet federal clean water standards, and thus cities have strong incentives to prepare and adopt such plans; and 5.) Public facilities master plans are often adopted as "supporting documents" to a city's comprehensive plan, which does not require going through a comprehensive plan amendment process and subjecting the adopted plan to legal challenge as a land use decision.

Barriers to a positive outcome include: 1.) Historically, state grant funds have not covered all qualified and needed local projects, and the department's ability to provide financial assistance to cities does not increase or actually decreases each biennium; and 2.) Some cities receive utility services from special districts or regional service providers, and thus have less incentive to complete public facilities plans for the area within the city boundaries.

KPM #4	CERTIFIED INDUSTRIAL SITES - Number of industrial sites certified as “project-ready” added each fiscal year.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
CERTIFIED INDUSTRIAL SITES					
Actual	2	2	9	6	1
Target	6	6	6	6	5

How Are We Doing

According to information from Oregon Business Development Department (ODBDD), this fiscal year, OBDD certified one new “shovel ready” industrial site for 60 acres. However, this did not meet the target of 5. The program accomplished the following this fiscal year: the department streamlined its program and launched July 1, 2015; had one Certification in La Grande - 60 acres; one Pre-Certification in Forest Grove - 25 acres; 29 Sites Re-Certified - 1,890 acres; three intakes in process from the Metro Regional Solutions Team - Certification Reports due October 2016; and a third party program review is underway and due September 2016.

Factors Affecting Results

The current sites in the OBDD certification process are more constrained by physical, transportation, land use and market factors making them more difficult to meet certification requirements. Limited options for funding and financing public infrastructure improvements remains a challenge for many of these sites and has delayed certification. Over sixty sites remain in the intake phase of the program for this reason.

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.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
TRANSIT SUPPORTIVE LAND USE					
Actual	89%	85%	88%	86%	86%
Target	88%	90%	90%	90%	90%

How Are We Doing

This performance measure demonstrates whether local communities have adopted 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 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 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.

The targets have largely been achieved up to this time because local governments have adopted transit-supportive land development regulations. Moving forward the targets will become increasingly difficult to meet as there are fewer jurisdictions remaining where improvements are needed. As the compliance rate approaches 100 percent, the remaining cities often provide the most difficult challenge. The department has been focusing effort on the remaining jurisdictions.

Factors Affecting Results

Factors that have improved results in recent years include increased concerns about housing affordability, demographic changes, and the desire to reduce greenhouse gas emissions. Roughly half of cities that have not fully adopted transit supportive land use regulations are smaller cities (less than 10,000 population) that are included in KPM 5 because they are within a larger metropolitan area. For example Eagle Point (population 8,695) is within the Rogue Valley metropolitan area, and Jefferson (population 3,165) is within the Albany metropolitan area. These smaller cities often have less funding and local staff to address the complexities of planning for transit supportive land uses, and may not have local support for allowing higher densities of land uses.

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.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
TRANSPORTATION FACILITIES					
Actual	89%	90%	90%	91%	91%
Target	88%	90%	91%	92%	92%

How Are We Doing

This measure indicates the percentage of cities with a population over 2,500 that have an acknowledged 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, pedestrian and bicycle facilities, mass transit for large cities, and air, rail, and other freight 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 through the Transportation and Growth Management 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.

Progress continues as local governments adopt TSPs, but not as fast as anticipated in the targets. The general trend shows a slowing of the rate of adoption since about 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 future.

Factors Affecting Results

The slow rate of completion in recent years is not surprising because there are very few cities that have not already adopted a TSP. Most of the remaining cities are small, with less than 4,000 in population. For these cities, the barriers are a lack of funding and a lack of staff for the complex process of transportation planning. One example of a larger city without a TSP is Damascus, which also never adopted a comprehensive plan. Damascus disincorporated shortly after the data collection period, and will not be included in the next report.

KPM #7	FARM LAND - Percent of farm land outside urban growth boundaries zoned for exclusive farm use in 1987 that retains that zoning.				
	Data Collection Period: Jan 01 - Dec 31				
Report Year	2012	2013	2014	2015	2016
FARMLAND					
Actual	99.85%	99.86%	99.90%	99.80%	99.80%
Target	99.88%	99.87%	99.95%	99.95%	99.95%

How Are We Doing

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 comprehensive land use plans and exclusive farm use zoning. This measure tracks the percentage of agricultural land outside UGBs that remains zoned exclusive farm use (EFU) over time, as compared to the acres 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.

The results for calendar year 2015 show that the state's land use planning program continues to work well to maintain agricultural lands for farm use. In 2015, 1,502 acres of EFU land were rezoned: 1,219 acres for rural development, 79 acres for urban uses and 204 acres for forest or mixed farm-forest use. In 2015, eight acres were rezoned from other uses to EFU. From a base of 16.1 million acres of EFU-zoned land in 1987, a total of 32,399 net acres have been rezoned to other urban and rural uses in the 28-year period through 2015. This means that 99.8 percent of land zoned EFU in 1987 was still zoned EFU in 2015, thus not quite meeting the 2015 target of 99.9 percent protection.

Factors Affecting Results

Rezoning of farmland occurs through local government decisions in response to applications to change EFU zoning and through expansions of urban growth boundaries. Such applications are subject to goals, rules and state land use 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 may occur on lands zoned out of EFU. It does not measure land use conversion based on permitted development that take place within EFU zones or authorized Measure 49 development. Estimates are that several times as much acreage is converted within EFU zones as is rezoned out of EFU zones each year.

KPM #8	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.				
	Data Collection Period: Jan 01 - Dec 31				
Report Year	2012	2013	2014	2015	2016
FORESTLAND					
Actual	99.93%	99.92%	99.92%	99.92%	99.93%
Target	99.93%	99.93%	99.95%	99.95%	99.95%

How Are We Doing

This measure tracks the percent of forest land that remains zoned for forest or mixed farm-forest use over time, as compared to the acreage zoned for forest or mixed farm-forest uses in 1987. The less forest land rezoned for urban and rural development relative to the amount zoned forest or mixed farm-forest in 1987, the greater the indication that local plans and ordinances are working to protect forest land for commercial and other forest uses.

The results for calendar year 2015, reported in the 2016 column, show that the state's land use program continues to work well to maintain forest lands for commercial forest and other forest uses. In 2015, 362 acres of forest lands were rezoned: 361 acres to rural development and one acre to urban development. 204 acres were rezoned from other zones to forest or mixed-farm forest use. From a 1987 base of nearly 11.8 million acres of forest and mixed farm-forest zoned land, a net total of 9,911 acres have been rezoned from forest and mixed farm-forest to other rural and urban uses in the 28-year period through 2015. This means that 99.92 percent of land zoned forest in 1987 was still zoned forest or mixed farm-forest in 2015, thus nearly meeting the 2015 target of 99.93 percent protection.

Factors Affecting Results

Rezoning of forest land occurs through local government decisions, in response to applications by property owners to change forest or mixed farm-forest zoning, and through UGB expansions. The approval of such applications is governed by goals, rules and state

land use statutes. While this performance measure provides a good overall assessment of the longevity of forest and mixed 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 mixed 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 may occur on lands zoned out of forest and mixed farm-forest zones. It does not measure land use conversion based on permitted development that take place within forest and mixed farm-forest zones or authorized Measure 49 development. Estimates are that several times as much acreage is converted within forest and mixed farm-forest zones as is rezoned out of forest and mixed farm-forest zones each year.

KPM #9	URBAN GROWTH BOUNDARY EXPANSION - Percent of land added to urban growth boundaries that is not farm or forest land.				
	Data Collection Period: Jan 01 - Dec 31				
Report Year	2012	2013	2014	2015	2016
URBAN GROWTH BOUNDARY EXPANSION					
Actual	59%	38%	14%	14%	92%
Target	55%	55%	55%	55%	55%

How Are We Doing

Statewide Planning Goal 14 requires establishment of an urban growth boundary around each urban area to separate urban land from rural farm and forest land, and assure that urban areas have sufficient land for long-term growth while providing for an orderly and efficient transition from rural to urban land use. Land included in a UGB must be selected consistent with priorities set forth in ORS 197.298 and Goal 14 intended to conserve farm and forest land as much as possible. Those priorities require that farm or forest lands are the last priority for UGB expansions.

In 2015, 1,029 acres were added to UGBs statewide. Of this, 79 acres (8 percent) were previously zoned EFU, one acre (less than one percent) was zoned forest and 949 acres (92 percent) were zoned for a variety of rural uses other than farming and forestry. Therefore, the target of 55 percent of lands added to UGBs being previously zoned for non-resource uses was met.

Factors Affecting Results

The total number of amendments and acreage added to UGBs 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 UGBs through plan amendments approved by the city and county. LCDC has some authority to disallow UGB amendments that do not follow statutory priorities regarding farm and forest land, but this ability will not improve performance where local governments have no other options for urban expansion. During this reporting period, the single largest UGB amendment was completed by Grants Pass, which added 822 acres to its boundary without converting any farm or forest land. No other UGB amendment in the state during this period included over 50 acres, so the acreage of farm or forest land included in each was small.

KPM #10	GRANT AWARDS - Percent of local grants awarded to local governments within two months after receiving application.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
GRANT AWARDS					
Actual	100%	100%	90%	90%	73%
Target	90%	100%	100%	100%	100%

How Are We Doing

In order to provide local governments with the maximum time to utilize planning grant resources within the biennium, DLCD minimizes application and processing time.

DLCD failed to meet the KPM target during this reporting period. The performance management category was “green.” Those grant applications that rated the highest received an award notification within the target period of 60 days.

Decisions that qualified for an award according to the ratings criteria but were not highest priority projects “took longer” because (1) the department negotiated the scope of work with the applicant in order to focus the project for the purpose of raising its rating or lowering the grant amount, or both; or (2) coordination with other sources of funds slowed down the review process.

For example, the city of Prineville applied for a grant to update its water master plan. This was a mid-priority project that was potentially eligible for funding through other sources. The department and city investigated other opportunities and when they didn’t materialize the technical assistance grant was awarded - 71 days after the application was received.

Factors Affecting Results

While we endeavor to make quick decisions, it is more important that we make good decisions. Some portion of the applications each biennium take longer than we would like due partly to scarcity of funds (many priority projects do not get funded, making decisions on the margins difficult) and partly to lack of urgency on the part of the applicants to negotiate changes to the project. The performance management target takes this into account while the KPM target does not.

KPM #11	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.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
Timeliness					
Actual	70.90%	70.90%	73.96%	73.96%	89.82%
Target	83%	83%	83%	83%	83%
Accuracy					
Actual	71.21%	71.21%	72.82%	72.82%	88.56%
Target	83%	83%	83%	83%	83%
Availability of Information					
Actual	66.92%	66.92%	73.69%	73.69%	82.31%
Target	83%	83%	83%	83%	83%
Overall					
Actual	73.33%	73.33%	72.63%	72.63%	88.17%
Target	83%	83%	83%	83%	83%
Helpfulness					
Actual	81.49%	81.49%	77.08%	77.08%	89.94%
Target	83%	83%	83%	83%	83%
Expertise					
Actual	88.06%	88.06%	85.41%	85.41%	95.83%
Target	83%	83%	83%	83%	83%

How Are We Doing

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. The department conducted its sixth survey in October 2016. Previous surveys were conducted by the Oregon Progress Board in 2006 and 2008. A survey did not occur in fiscal year 2015.

2016 is the fourth department biennial survey conducted online, rather than by telephone. All categories increased in performance. All but one category, availability of information met target. The results of this survey reflect continued efforts of the department in improving communication with local jurisdictions by notifying jurisdictions of department actions in a timely manner and providing training for local jurisdictions through planners' network meetings.

Factors Affecting Results

DLCD prepared its fourth online census survey using an online survey tool called Survey Monkey. This year, the department elected to expand upon the questions required by the state in an effort to collect more comprehensive and useful data for department use. The newly added, complimenting questions gave survey respondents the option to provide additional qualitative and quantitative information about: their department interactions, areas of interest, demographics, and ideas for improved service.

The survey response rate increased by over 183 percent. There were 295 respondents out of a sample population of 860. As a result of the higher response rate, there is a decrease in the margin of error.

To an open ended question that asked "What could DLCD do to provide better service to you or your organization?" 12 of 59 respondents specifically noted that an increase in grant funding available through the agency would be their first choice for adding capacity to the agency, 5 others considered additional staffing to be a priority. 12 respondents indicated that information availability was top concern for increasing overall service levels at DLCD (including online information availability, training for local planning staff and planning commissioners, providing up to date information on changed/changing land use laws, and availability for needs

as technical as Endangered Species Act case law and as basic as general land use overviews). And finally, 11 of the 59 thought DLCD was already doing a good job and expressed appreciation.

KPM #12	BEST PRACTICES - Percent of total best practices met by the Board.				
	Data Collection Period: Jul 01 - Jun 30				
Report Year	2012	2013	2014	2015	2016
BEST PRACTICES					
Actual	100%	100%	100%	100%	100%
Target	100%	100%	100%	100%	100%

How Are We Doing

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 for affected boards and commissions includes an annual commission self -assessment of the state best practices criteria. To meet this requirement, the LCDC defined how it will meet the established criteria. Each member of LCDC rates the commission against 15 best practices criteria established by the Department of Administrative Services and the Legislative Fiscal Office. The commission completed its best practices scorecard for fiscal year 2016 at its November 17-18, 2016, LCDC meeting.

Factors Affecting Results

The commission has proven to operate efficiently for some time. The success of this measure is largely due to the commission itself, although staff resources and support also play a role.



2015-17 Sustainability Plan

Oregon Department of Land Conservation and Development

May 2016, Update

State Agency Sustainability Metrics - Executive Summary

Department of Land Conservation and Development (department or DLCD)

The Oregon Sustainability Board is tasked with creating a culture of sustainability in state agencies. As part of this process, the Interagency Sustainability Coordinators Network (ICSN) reports on statewide sustainability metrics to deepen and broaden our understanding and actions towards that end. For efficient and comprehensive reporting in the ICSN agency plan updates, the board developed the following template for reporting on statewide metrics.

Resource Conservation

Report agency-specific information for reducing building energy use and agency water use. A waste reduction goal is in development.

Metric	Reporting period	Statewide totals	Agency totals	Change from previous report	Progress towards goal	Statewide Goal Met	Agency Goal Met
Energy reduction in state buildings	2011-2014 SEED Report; Published Jan 2015	2000: 1,746,843 MBtus 2013: 1,700,919 MBtus	None	2009-2011 Report: 2012 savings at 21%	2015 goal (20% reduction): Met 2016+ goal (20% reduction or building specific performance target): In development	2015: Yes, 22.4% 2016: In process (ORS 276.915)	2015: Per DAS 2016: Per DAS
Water reduction	The Water Resources Board is currently collecting data and will report in 2016. Specific agencies have goal of 15 percent reduction by 2020 (EO 15-09). DLCD is not one of the listed agencies. DLCD buildings are owned by the Department of Administrative Services (DAS) or university systems. As a result the department follows DAS' implementation of the executive order. DLCD has also posted DAS' drought posters in its offices.						

Transportation

Report agency-specific information from DAS statewide reports for passenger vehicles

Metric	Reporting period	Statewide totals	Agency totals	Change from previous report	Progress towards goal	Statewide Goal	Agency Goal Met
Gallons of fuel used*	Jan-Dec 2014	7,404,423	2695	N/A	Alignment with all policy elements: In process	In process (EO 03-03, 4.a.)	In process
GHG emissions from fuel use (lbs/CO2)	Jan-Dec 2014	146,365,317	49,797	N/A	Alignment with all policy elements: In process	In process (EO 03-03, 4.a. & 2.c.iii)	In process

The department and the Oregon Department of Transportation have a joint Transportation and Growth Management (TGM) Program. One of the elements of the program is to assist local communities in meeting their greenhouse gas emission reduction targets. At an operational level, the department works toward lowering greenhouse gas emission through implementation and consistent use of audio and video conferencing systems connecting field staff to the central office and connecting the public to the Land Conservation and Development Commission (commission or LCDC). These efforts contribute to lower greenhouse gas emissions through the implementation of reduction of travel.

*includes biodiesel 2%, biodiesel 5%, biodiesel 20%, CNG, Diesel, E85, & E10.

Procurement

Report progress and alignment with statewide policies regarding sustainable in procurement and purchasing

Metric	Reporting period	Statewide totals	Agency totals	Change from previous report	Progress towards goal	Statewide Goal Met	Agency Goal Met
Sustainable Purchasing: Printer paper	2015	Average % recycled:	% recycled content in purchases: 34%	N/A	2020 Goal (100% recycled for paper purchased): In process.	In process (EO 12-15)	In process
Sustainable custodial supplies*	2015	# Agencies in alignment:	Alignment: yes	N/A	Alignment with all policy elements: Met	In process (EO 12-15, DAS 107- 011-010, D.2.)	Yes
Green chemistry*	2015	# Agencies in alignment:	Alignment: Yes	N/A	Alignment with all policy elements: Met	In process (EO 12-15, DAS policy 107-009-0080, EO 12-05)	Yes

The department purchases paper through statewide price agreements. The department continues to work toward 100 percent purchasing of non-recycled content. The department's facilities are owned by DAS or university systems. The custodial supplies used in these buildings are sustainable and meet green chemistry standards as provided under statewide price agreement.



Sustainability in DLCD Policies and Plans

I. What Sustainability means to DLCD and how it fits with the department's mission.

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 model, one which sustains 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 department's **mission** in implementing the statewide land use program is in many ways sustainability applied at a landscape level. 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."

The legislatively adopted **overarching principles** for the statewide land use program speak directly to the requirements of the Sustainability Plan:

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

II. DLCD's Sustainability Plan Components

The [DLCD Strategic Plan](#) sets the context for sustainability planning within the department. The strategic plan was approved by the Land Conservation and Development Commission on November 7, 2014. The plan provides one document where the department's core work and strategic initiatives and was developed in collaboration with local government partners, interested stakeholders, and members of the public.



As described in prior Sustainability Plans, there are three department strategic plan goals tied to sustainability. They are: Goal One: Conserve Oregon's Natural Resources; Goal Two: Promote Sustainable, Vibrant Communities; and Goal Five: Deliver Services that are Efficient, Outcome-Based, and Professional. Key progress made in these areas are briefly described below.


Making progress—DLCD highlights

- The Oregon land use planning program has substantive elements linked to sustainability. A few of the recent accomplishments in these areas related to sustainability include:
 - Implementation of online submittal of Farm and Forest reports by local communities.
 - Development of online submittal post-acknowledgement plan amendments by local communities anticipated the fall of 2016.
 - Successful prevention of the Greater Sage Grouse from being listed under the Endangered Species Act through a demonstrated plan of action and protection of habitat.
 - Creation and distribution of [Tsunami Land Use Guide](#)
 - Distribution of grants to assist local communities with economic opportunity analyses, local land use planning, and technical assistance.
 - Issuance of [Guide to Trails in Exclusive Farm Use Zones and Forest Zones](#)
- DLCD strives to use less office paper while increasing the amount that contains post-consumer recycled content. The department is reviewing its purchasing of paper and is now tracking purchases to be able to report on the sustainability metric.
- DLCD continues to increase audio and video conferencing capacity allowing for meeting efficiency and reductions in greenhouse gas emissions. DLCD encourages carpooling to meetings and regularly demonstrates this strategy in the management of its commission meetings. For instance, public testimony is provided in the Salem office allowing testimony to occur to the commission meeting taking place in another regions of the state.


III. Future Goals



The department's short-term strategies for the next one to three years are identified below. The goals and strategies reflect ongoing department work identified in the department's 2015-17 budget and strategic plan.

Strategic Plan Goal	Short Term Strategy
<p>Conserve Oregon's Natural Resources</p> 	<p>Administer the existing farm and forest program for commercial farm/forest outcomes, and for natural resource (habitat, air and water quality) outcomes. Administering the program also prevents rural residential sprawl and its adverse impacts on efficient urban development.</p> <p>Assist local communities with the implementation of the National Oceanic and Atmospheric Fisheries Service (NOAA Fisheries) Biological Opinion.</p> <p>Assist coastal communities in updating Oregon's estuary planning program relative to inventories, trend assessments and programmatic changes.</p>
<p>Promote Sustainable, Vibrant Communities</p>  <p>Portland Oregon from the Oregon Rose Garden</p>	<p>Continue to provide technical assistance to local governments to help develop economic opportunities and strategies.</p> <p>Review and provide technical assistance relative to post-acknowledgement plan amendments.</p> <p>Administer Transportation Growth Management program to expand active transportation choices and greenhouse gas emissions reduction planning.</p> <p>Continue to assist coastal communities to address tsunami resiliency, coastal flooding erosion, and storm damage.</p>

<p>Deliver Services that are Outcome-Based, Efficient, and Professional</p>	<p>Meet DAS guidelines for building management and procurement practices.</p>
	<p>Participate in sustainability coordinators meetings and collaboration with other Interagency Sustainability Coordinators Network agencies.</p>
	<p>Ensure that diversity and equity objectives as per personnel policies are being met.</p>

As it relates to sustainability, the department’s long term goals beyond 2015-17 are no different than the department’s short term goals. The implementation of the goals through strategies does change for the first two goals described below.

<p>Strategic Plan Goal</p>	<p>Long Term Strategy</p>
<p>Conserve Oregon’s Natural Resources</p> 	<p>Implement a nonresource lands policy that is integrated with resource land protection strategies.</p>
	<p>Improve the department’s ability, with cooperation of the Oregon Department of Agriculture and the Oregon Department of Forestry, to evaluate potential future development for impacts on conversion.</p>
	<p>Update Oregon’s estuary planning program relative to inventories, trend assessments, and programmatic changes for additional communities.</p>
	<p>Further implement the NOAA-Fisheries Service biological opinion and provide assistance to local communities.</p>

<p>Promote Sustainable, Vibrant Communities</p>  <p>Redmond, Oregon downtown</p>	<p>Assist metropolitan areas in scenario planning to meet greenhouse gas reduction targets.</p> <p>Further implement the RiskMAP program to integrate resilience planning throughout the statewide land use planning program.</p>
<p>Deliver Services that are Outcome-Based, Efficient, and Professional</p>  <p>Southern Oregon Planners Network Meeting 2015</p>	<p>Meet DAS guidelines for building management and procurement practices.</p> <p>Participate in sustainability coordinators meetings and collaboration with other Interagency Sustainability Coordinators Network agencies.</p> <p>Ensure that diversity and equity objectives in personnel policies are being met.</p>

The department's goals and strategies relate to three specific plans of the Governor. They include: the Governor's priorities; the Governor's Ten-Year Energy Plan; and the Governor's Green Chemistry Awareness.

Connections to Governor's Priorities:

The Governor has announced five focus areas to make progress toward her long-term vision to "build healthy, vibrant communities that offer opportunities for all Oregonians to engage their full potential. A thriving Oregon must also be resilient, able to sustain the well-being of current and future Oregonians." The Governor's five Strategic Plan Focus Areas are:

- 1) Healthy, Safe Oregonians
- 2) Responsible Environmental Stewardship
- 3) Excellence in State Government
- 4) A Thriving Statewide Economy
- 5) A Seamless System of Education

The Governor has convened five focus-area teams with expertise to advance the best strategic plan to meet these objectives. These team are developing the specific details for each focus area. The department believes its strategic plan will likely connect to at least two of the Governor's focus areas: a) Responsible Environmental Stewardship and b) A Thriving Statewide Economy. The department anticipates this connection because the department's strategic plan and policies strengthen Oregon's natural resource employment base related to commercial agricultural, forest, and to some degree fishing industries. 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 resident and employment uses.

- **Governor's Ten-Year Energy Plan**

One of the key initiatives of the ten-year energy plan is the reduction of greenhouse gas emissions. The 2009 Legislature enacted legislation (HB 2001) directing state agencies to take a series of actions to help meet the state's greenhouse gas (GHG) reduction goals. In 2011, LCDC adopted rules setting GHG reduction targets for the state's metropolitan areas. Subsequently, the Oregon Transportation Commission accepted a statewide transportation strategy that outlines how the state can meet state GHG reduction goals in the transportation section. In early 2015, the Land Conservation and Development Commission determined that the targets should be updated to extend the horizon to 2040, to incorporate new projections about fuels, fuel efficiency, and vehicle technology, and to consider two new metropolitan areas. The department continues to work with its commission, partner state agencies, and stakeholders in addressing greenhouse gas emissions.

- Governor's Green Chemistry Awareness

The department does not own its own buildings and as a result the action item to implement the green chemistry initiative does not apply.

IV. Current Internal Practices and Policies:

The department continues to employ several internal practices and policies in support of sustainability. They include: operational practices (such as shutting off lights and equipment at night and telecommuting); procuring according to state procurement rules and regulations; and employee equity. A brief description of each internal practice is below.

- a. **Operational 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. DAS directives also require equipment shutoff during evening and week-ends. DLCD meets the objectives outlined in State Fire Marshal Guidelines P-13, OAR 107-011-010 (resource conservation), and OAR 330-130-0010 (energy efficiency by the year 2015 from the 2000 baseline). DLCD also has increased its telephone and video conferencing capacity and uses this capacity to reduce travel costs for field and other staff.

The Salem office building is managed jointly with the Department of Agriculture. These agencies work together to maintain sustainable building practices and share responsibility in the building's ability to be certified by Marion County's Earthwise Program.

- b. **Procurement Practices:** The department meets state procurement laws relating to notification and reporting requirements of the Certification Office of Business Inclusion and Diversity, formerly Office of Minority, Women, and Emerging Small Business, as described under ORS 200.035 and DAS Policy 107-009-030. The department is not required to report aspirational targets under Executive Order 08-16.
- c. **Equity:** The department's Human Resource Office completes its Affirmation Action Plan each year and submits it biennially with its budget document. The most recent Affirmation Action Plan (2015-17) notes it has exceeded goals for women in all categories. The department has reduced its size 35 percent over the last three years. DLCD has made progress in recognizing diversity goes beyond gender, racial, or ethnic differences. Diversity is allowing for different

viewpoints, perceptions, ways of thinking and processing information, methods of interaction, and approaching problem-solving. DLCD also promotes sustainable initiatives relating to video and teleworking in allowing employees flexibility based on business need.

V. Current External Practices and Goals:

The department's practices that reach beyond internal practices and help create a more sustainable Oregon are demonstrated by the land use planning goals. The land use program is implemented at local level and is designed to serve all citizens of the state. It does this by creating a framework that cities (242) and counties (36) use to create comprehensive land use plans. Nineteen statewide planning goals, accompanied by statutory and rule requirements are the basis for the framework.

Citizen participation is a hallmark of Oregon's statewide planning program. Each city and county comprehensive 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.

In addition, Oregon Revised Statute Chapter 197 established a Citizen Involvement Advisory Committee to advise the Land Conservation and Development Commission and local governments on matters pertaining to citizen involvement in land use planning.

Conclusion:

The department's 2015-17 Sustainability Plan 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). The plan focuses on external program functions that can create conditions for sustainable development and resource protection throughout Oregon. In addition, the department's strategic plan is consistent with the Sustainability Act and Governor's Executive Order and the department will continue to work with DAS to enhance internal practices.

2014-2015 OREGON FARM & FOREST REPORT

January 1, 2014 through December 31, 2015



Source: U.S. Forest Service



Department of Land Conservation and Development

January 25, 2017

2014-2015 OREGON FARM & FOREST REPORT

January 1, 2014 through December 31, 2015

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OREGON 2014-2015 FARM & FOREST REPORT

January 1, 2014 through December 31, 2015

Introduction

State law (ORS 197.065) requires the Oregon Land Conservation and Development Commission (LCDC) to submit a report every two years 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.”

County Reporting of Land Use Decisions

The Department of Land Conservation and Development (DLCD or department) receives a description of each land use decision in EFU, forest and mixed farm-forest zones with supporting information as part of a submittal of decisions made for the reporting period from each county in Oregon. This report summarizes the information provided by the counties for the two-year period from January 1, 2014 through December 31, 2015. For each of the two years, tables and graphs include information on dwelling and land division approvals as well as other approved uses on farm and forest land. In addition, the report provides information on the acreage rezoned out of farm and forest zones to urban and rural zones in this time period. Additional graphs and tables provide historic data on development trends and land conversion, by county, of farm and forest land to other uses. This report also provides maps of land use decisions to

provide the reader with context for these decisions. Finally, this report also includes data on county land use decisions that are based on waivers to state and local land use regulations under Ballot Measure 37, as subsequently modified by Ballot Measure 49. Most of these decisions were in farm and forest zones.

Use of this Report

The department uses the collected information to evaluate 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. The data may also be used by LCDC and the Legislature to shape statutory and rule changes to enhance or clarify protections for farm and forest lands.

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 – 16.3 million acres – is in non-federal farm use, according to the 2012 USDA Census of Agriculture. This includes all places from which \$1,000 or more is earned annually from the sale of agricultural products. In 2015, Oregon's agricultural sector produced a farm gate value of \$5.7 billion or approximately 11 percent of the net state product. Agriculture is linked economically to approximately 13 percent of all Oregon sales and 11 percent of the state's economy (Sorte & Rahe, 2015).

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 37 percent of all Oregon farms and make up 89 percent of the state's agricultural land base (USDA, 2012).

Oregon is one of the most agriculturally diverse states in the nation, boasting the production of more than 225 different types of crops and livestock, and leading in the production of 13 crops (ODA, 2012, 2016). Approximately 97 percent of Oregon's farms are family owned and operated (Sorte & Rahe, 2015).

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 identification of agricultural land, use of statutory EFU zones (ORS Chapter 215), and review of farm and non-farm uses according to statute and administrative rule (OAR chapter 660, division 33) provisions. These provisions also incorporate statutory minimum lot sizes and standards for all land divisions.

Oregon's "Agricultural Land Use Policy" was first established by the Oregon 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 EFU 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):

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 limitations placed upon the use of the land.

Exclusive Farm Use Zones

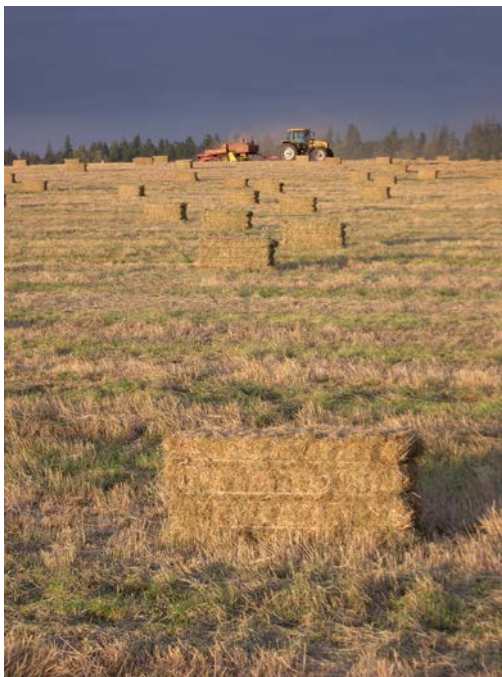
In Oregon, agricultural lands are protected from conversion to rural or urban uses and other conflicting non-farm uses through the application of EFU zones. At present, about 15.5

million acres (56 percent) of private land in Oregon are included in EFU zones. The EFU zone was developed by the 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. The effectiveness of

Oregon’s farm and forest protections can be demonstrated by comparing conversion data for Oregon with that for Washington. Both states have similar amounts of private land and similar development pressures. After the two state land use planning programs were implemented, conversion of farm and forest land in Washington was more than double the rate of conversion in Oregon (Lettman, 2013). This is solid evidence of the success of EFU zoning in protecting the agricultural land base in Oregon.



Trends in Oregon Agriculture

The protection of Oregon's working farm landscape through EFU zoning over the last 42 years has created expected and unanticipated benefits for landowners, rural communities, and the state, but challenges remain. In addition to protecting the farmland base against conversion pressures experienced by other states, EFU zoning has facilitated the rise of the viticulture and winery industries, agri-tourism opportunities, local food systems, and renewable energy production.

Viticulture

Oregon has experienced substantial growth in its wine grape industry over the last 50 years. Oregon now contains 1,027 vineyards and 676 wineries (Oregon Wine Board, 2016). 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. 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 and non-farm related events and activities on farmland. Agri-tourism activities can provide an important supplementary stream of income that helps support agricultural enterprise and promotes awareness of local food sources.

However, there are questions about the degree to which such activities should be in conjunction with or subordinate to farm use, or both. A wide variety of activities with no connection to agriculture are currently occurring on a regular basis in EFU zones, including weddings, festivals and racing events, among others. Approvals of outdoor mass gatherings are not land use

decisions, so counties have no regulatory control over them. These activities and gatherings 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 near cities, while EFU zoning has kept the price of farmland more affordable for 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, school grounds 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, smaller minimum lot sizes are 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; 21,782 or 61 percent of Oregon's existing 35,439 farms are between one and 49 acres. 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 divide land in EFU zones.

Renewable Energy

Oregon has more than 3,000 megawatts of wind energy generation capacity, ranking eighth in the nation in installed wind energy capability (American Wind Energy Association, 2016). Many wind energy installations are located in the EFU zone. 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.



Oregon is increasingly attracting large commercial solar arrays on farmland. In 2015, Oregon installed 30 megawatts of solar energy, a greater than 200 percent increase over 2014 (Solar Energy Industries Association, 2016). Most solar arrays are located in eastern Oregon but there is a growing interest in locating solar facilities on farmland in the Willamette Valley.

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.

Marijuana

House Bill 3400 (2015) designated marijuana as a crop for the purposes of “farm use,” effectively granting marijuana production the same protections provided to other crops grown in an EFU zone. Although marijuana production is allowed in the EFU zone, commercial activities such as distribution of marijuana at a farm stand are prohibited. New dwellings in conjunction with a marijuana crop are also not allowed in an EFU zone. The comparatively high value of marijuana crops to other farm products has resulted in conversion of existing farmland to marijuana cultivation and has led to the establishment of marijuana grow sites in forest or rural residential areas that traditionally have not been used for agricultural purposes.

Reported County Data on Farmland

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

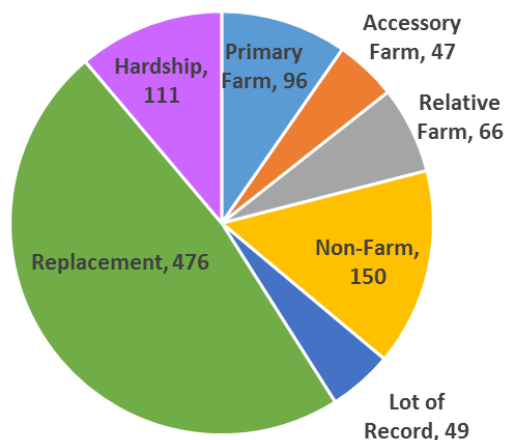
Dwellings

In EFU zones and agricultural portions of mixed farm-forest zones, dwellings are allowed in seven different circumstances: 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 473 dwellings on farmland in 2014 and 522 dwellings in 2015 (see Table 1). For

comparison, 455 and 457 dwellings were approved in 2012 and 2013.

As shown in Figure 1 and Table 1, 48 percent of the dwelling approvals in the planning period were for replacement dwellings, 15 percent were for non-farm dwellings, 12 percent were for temporary hardship dwellings, 10 percent were for farm dwellings, seven percent for relative farm help dwellings, and five percent each for accessory farm dwellings and lot-of-record dwellings.

Figure 1. Dwelling Types on Farmland, 2014-2015



Primary Farm Dwellings. There are four ways in which primary farm dwellings may be approved. On high-value farmland, an \$80,000 income standard must be met (that is, the farm operator must have earned \$80,000 in gross sales in the last two years or three of the last five years). Farm dwellings on non-high-value farmland must either meet a \$40,000 income standard, be located on a parcel of 160 acres, or meet a potential gross farm sales (capability) test. This latter test involves prior approval by the department.

The total number of primary farm dwelling approvals statewide was 45 in 2014 and 51 in 2015 for a total of 96 dwelling approvals. This is a slight increase from 2012-2013 when 84 primary farm dwellings were approved. Sixty-seven percent of the 2014-2015 approvals were based on the parcel size test, 21 percent were based on the high-value income test, and six percent each were based on the non-high-value income test and the capability test.

Seventy-one percent of primary farm dwelling approvals occurred east of the Cascade Range.

In 2014 and 2015, 73 percent of all farm dwelling approvals were on parcels of 80 acres or more and 53 percent were on parcels of 160 acres or more. If tract size were considered, this percentage would be higher as farm dwellings may be approved on smaller parcels that are part of larger tracts.

Accessory farm dwellings. 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). These approvals occasionally involve more than one dwelling unit. Counties approved 23 accessory farm dwellings in 2014 and 24 in 2015 for a total of 47 dwellings. Accessory farm dwelling approvals decreased significantly from 2012-2013 when 104 accessory farm dwellings were approved but are similar to 2010-2011 approvals. Over 60 percent of the 2014-2015 approvals were on parcels of 80 acres or more.

Relative farm help dwellings. The number of dwellings approved for relatives whose assistance is needed on the farm was 36 in 2014 and 30 in 2015 for a total of 66 dwelling approvals. This is an increase from 2012-2013 when 46 dwellings were approved. A concern with this dwelling type is that, once built, there is no requirement that it continue to be occupied by a relative or even that it will continue to be used in conjunction with farm use.

Table 1. Dwelling Approvals on Farmland by Type and County, 2014-2015

	Primary Farm		Accessory Farm		Relative Farm		Non-Farm		Lot-of-Record		Replacement		Temporary Hardship		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker	1	4				2	1	2	1	1	5	8		3	8	20
Benton					1	1					2	1		2	3	4
Clackamas	4	4	1		2	1				1			4	2	11	8
Clatsop								1			2	1			2	2
Columbia			1								1				2	0
Coos			1					1	1		1		1		4	1
Crook	4	7		2	1	2	5	7			1	9			11	27
Curry															0	0
Deschutes			1		1		12	20		1	15	21	3	5	32	47
Douglas	1	2	1		6	6	4	2			21	21	7	5	40	36
Gilliam	1		1	1											2	1
Grant	1				2	1	1	1	1	5	7	5	1		13	12
Harney	5	4	2	2	2	1	4	4	1		1	10	1		16	21
Hood River		1	2	5	2	1	3		1		18	16	1		27	23
Jackson		3			1	3	7	5	2	1	1	1	2	2	13	15
Jefferson	5			1					3	2	10	3	1	1	19	7
Josephine					1	1	1		1	1					3	2
Klamath	2	1			1		1	3	1		5				10	4
Lake	4	4	1	1	1	1	10	10			4	5	2		22	21
Lane		1		1	4	2	3	1			3	5	1	4	11	14
Lincoln															0	0
Linn	2	1	1		1			3		1	19	25	10	13	33	43
Malheur	4	6		1	1		1	7	1		10	11			17	25
Marion	1	2	1	2			2	2	1		18	17	9	12	32	35
Morrow	1	1	4	2			1	4	1		1	1			8	8
Multnomah		2				1			1		1	4			2	7
Polk		1	2		3	2			4		8	15	2	3	19	21
Sherman	1														1	0
Tillamook				1				1			6	1			6	3
Umatilla	1	4		3				5		1	9	19			10	32
Union	2			1			6	2			9	7	1		18	10
Wallowa	2								2	6	5	3			9	9
Wasco	2		2				2	1							6	1
Washington		2	1		2	1	1	3	1		14	14	1		20	20
Wheeler		1	1			1				1	1	4			2	7
Yamhill	1			1	4	3			5		24	27	7	5	41	36
Total	45	51	23	24	36	30	65	85	28	21	222	254	54	57	473	522

Non-farm dwellings. Non-farm dwellings may be approved on parcels or portions of parcels that are unsuitable for farm use. There were 65 non-farm dwelling approvals in 2014 and 85 in 2015 for a total of 150 dwelling approvals. This is a slight increase from 2012-2013 when 140 dwellings were approved. Over one-third of all 2014-2015 approvals occurred in Deschutes County or Lake County, with Crook 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.



Over 70 percent of all non-farm dwelling approvals occurred on parcels of 20 acres or less in both years. Ninety percent of large parcel (over 40 acres) non-farm dwelling approvals occurred in east of the Cascades. Just under 20 percent of all non-farm dwellings approved in the reporting period were associated with a land division.

Lot-of-record dwellings. 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 2014, 28 such dwellings were approved, and in 2015, 21 were approved for a total of 49 dwelling approvals. This is a slight increase from 2012-2013 when 45 lot-of-record dwellings were approved.

2014-2015 lot-of-record approvals are concentrated in eastern Oregon. Over three-quarters of the lot-of-record dwelling approvals were on non-high-value farmland. It is anticipated that lot-of-record approvals will decline over time as existing lots are built out.

Temporary hardship dwellings. A temporary hardship dwelling is usually a manufactured home sited for reasons of a medical hardship and must be removed at the end of the hardship. A temporary hardship

dwelling must be sited in conjunction with an existing dwelling. The number of approved temporary hardship dwellings was 54 for 2014 and 57 for 2015 for a total of 111 dwelling approvals. This is an increase from 2012-2013 when 89 temporary hardship dwellings were approved. The department does not track the removal of these dwellings when they are no longer needed.

Replacement dwellings. A replacement dwelling is a new home that replaces an older dwelling on a parcel. There were 222 approvals in 2014 and 254 in 2015 for a total of 476 dwelling approvals. This is an increase from 2012-2013 when 406 replacement dwellings were approved. New provisions that were added to statute in 2013 expand the allowance for replacement dwellings in EFU zones.

Established dwellings that are replaced must be removed, demolished or

converted to another allowed use within one year of completion of the replacement dwelling. Forty-two percent of dwellings approved for replacement were removed, 23 percent were demolished, and 11 percent were converted to non-residential use with 24 percent not specified.

Cumulative Dwelling Approvals.

Between 1986 and 2015, approximately 22,778 dwellings of all types were approved on farmland across the state. Figures 2 and 3 below illustrate the number of dwelling unit approvals for each year since 1994 for the different dwelling types. Approvals for most types of dwellings decreased after 2008 but have been increasing since 2011.

Table 2. Primary Farm Dwelling Approvals by Option and County, 2014-2015

	HV Income		Non-HV Income		Non-HV Size		Non-HV Capability		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker					1	4			1	4
Benton									0	0
Clackamas	4	3		1					4	4
Clatsop									0	0
Columbia									0	0
Coos									0	0
Crook					4	7			4	7
Curry									0	0
Deschutes									0	0
Douglas					1	1		1	1	2
Gilliam					1				1	0
Grant					1				1	0
Harney					5	4			5	4
Hood River		1							0	1
Jackson		1						2	0	3
Jefferson	1		2				2		5	0
Josephine									0	0
Klamath					2	1			2	1
Lake					4	4			4	4
Lane				1					0	1
Lincoln									0	0
Linn		1	1		1				2	1
Malheur		1			4	5			4	6
Marion	1	2							1	2
Morrow					1	1			1	1
Multnomah				1				1	0	2
Polk		1							0	1
Sherman					1				1	0
Tillamook									0	0
Umatilla					1	4			1	4
Union	1				1				2	0
Wallowa					2				2	0
Wasco					2				2	0
Washington		2							0	2
Wheeler						1			0	1
Yamhill	1								1	0
Total	8	12	3	3	32	32	2	4	45	51

Table 3. Dwelling Approvals on Farmland by Parcel Size and County, 2014-2015

County	0 to 5 acres		6 to 10 acres		11 to 20 acres		21 to 40 acres		41 to 79 ac.		80 to 159 ac.		160 to 319 ac.		320+ acres		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker		3	1	2	2			3	2	5	1	2		2	2	3	8	20
Benton	1	1		2			1			1	1						3	4
Clackamas	3	2	1	1	2	1	2	3	2		1	1					11	8
Clatsop	1			1		1	1										2	2
Columbia			1				1										2	0
Coos	1					1	1				2						4	1
Crook	1	3	1	2	2	2	1	1		3	1	7	3	6	2	3	11	27
Curry																	0	0
Deschutes	8	11	3	5	9	11	7	11	1	4	3	5			1		32	47
Douglas	10	7	5	2	6	1	6	8	8	4	2	11	3	1		2	40	36
Gilliam															2	1	2	1
Grant	1	1	1	2	1	2	1		2	1	3	3	1		3	3	13	12
Harney				2	3		2	2		2	3	2	5	3	3	10	16	21
Hood River	9	7	7	2	1	4	5	7	5	2		1					27	23
Jackson	1	5	6	1	3	2	1	1	1		1	6					13	15
Jefferson			1	1	1		3		5	3	7	1	2			2	19	7
Josephine	2	1					1			1							3	2
Klamath				1	3		1	1	1	1	2		2	1	1		10	4
Lake	6	6	2	4	5		2	2		1	1	2	2		4	6	22	21
Lane	1		1	3	1	1	2	1	1	2	3	7	2				11	14
Lincoln																	0	0
Linn	6	13	2	7	6	3	4	4	7	12	5	4	2		1		33	43
Malheur	3	3			1	4	4	4	2	4	2	2	2	4	3	4	17	25
Marion	12	9	4	6	7	10	2	4	4	4	3	1		1			32	35
Morrow		5	1		1		1		1					1	4	2	8	8
Multnomah	1	2		1	1	2						1		1			2	7
Polk	2	4	1	3	5	2	5	2	1	4	5	5		1			19	21
Sherman															1		1	0
Tillamook	3	1			1	1	1	1			1						6	3
Umatilla	1	7		3	1	6	3	2	1	3	1	2	3	5		4	10	32
Union	3	2	1	1	3	1	4	1	2		1		3	3	1	2	18	10
Wallowa	1	1		1		1	1	1	2	3	1	1	3	1	1		9	9
Wasco			1	1			1		1				1		2		6	1
Washington	4	1	4	2	4	5	3	7	2	1	2	4	1				20	20
Wheeler		1		1				1					1	1	1	3	2	7
Yamhill	12	5	5	8	9	6	4	3	9	3	1	8	1	2		1	41	36
Total	93	100	49	65	78	67	71	70	60	64	53	76	37	33	32	46	473	522

Figure 2. New Dwelling Approvals on Farmland by Year: All Counties, 1994-2015

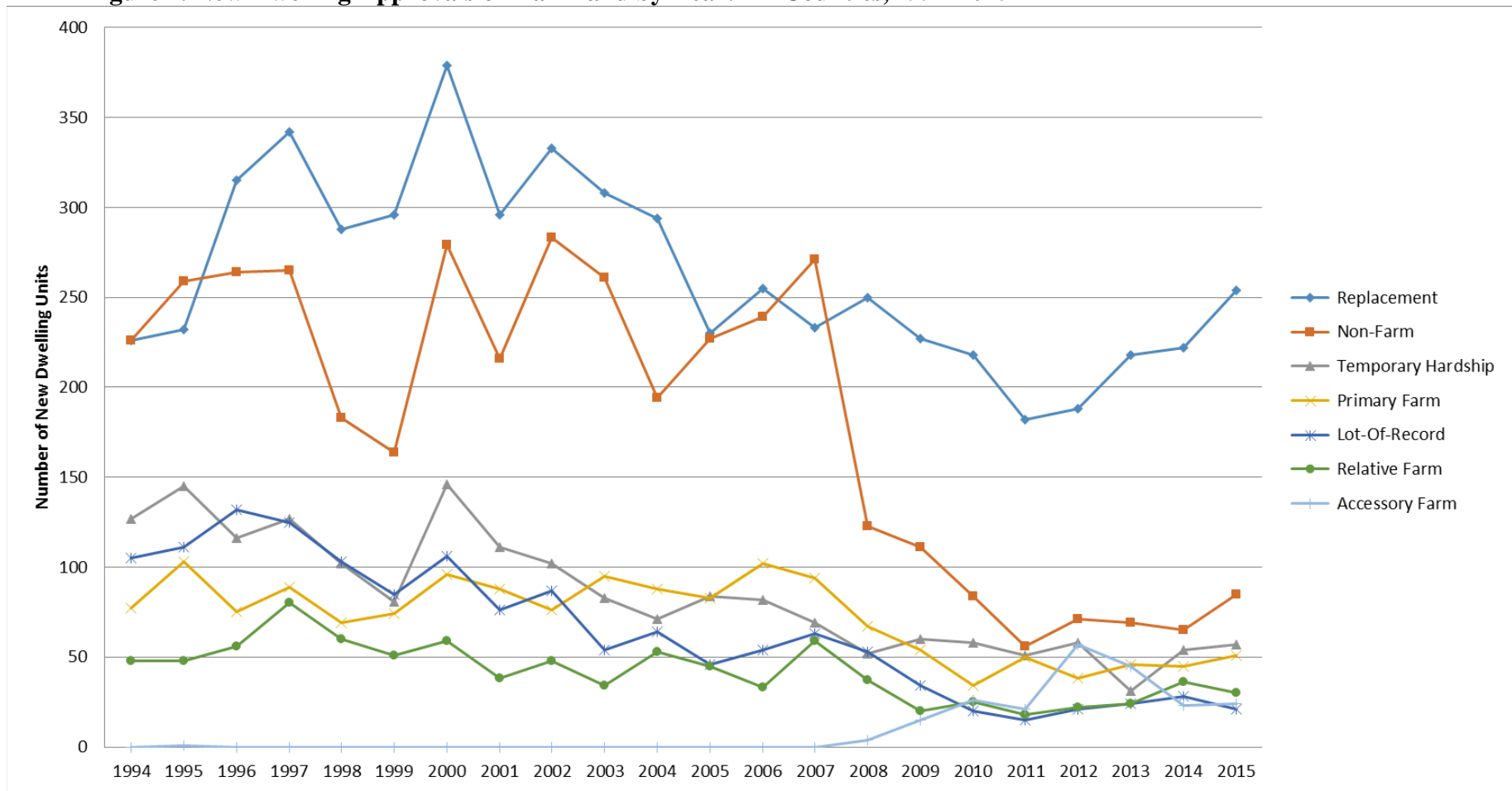
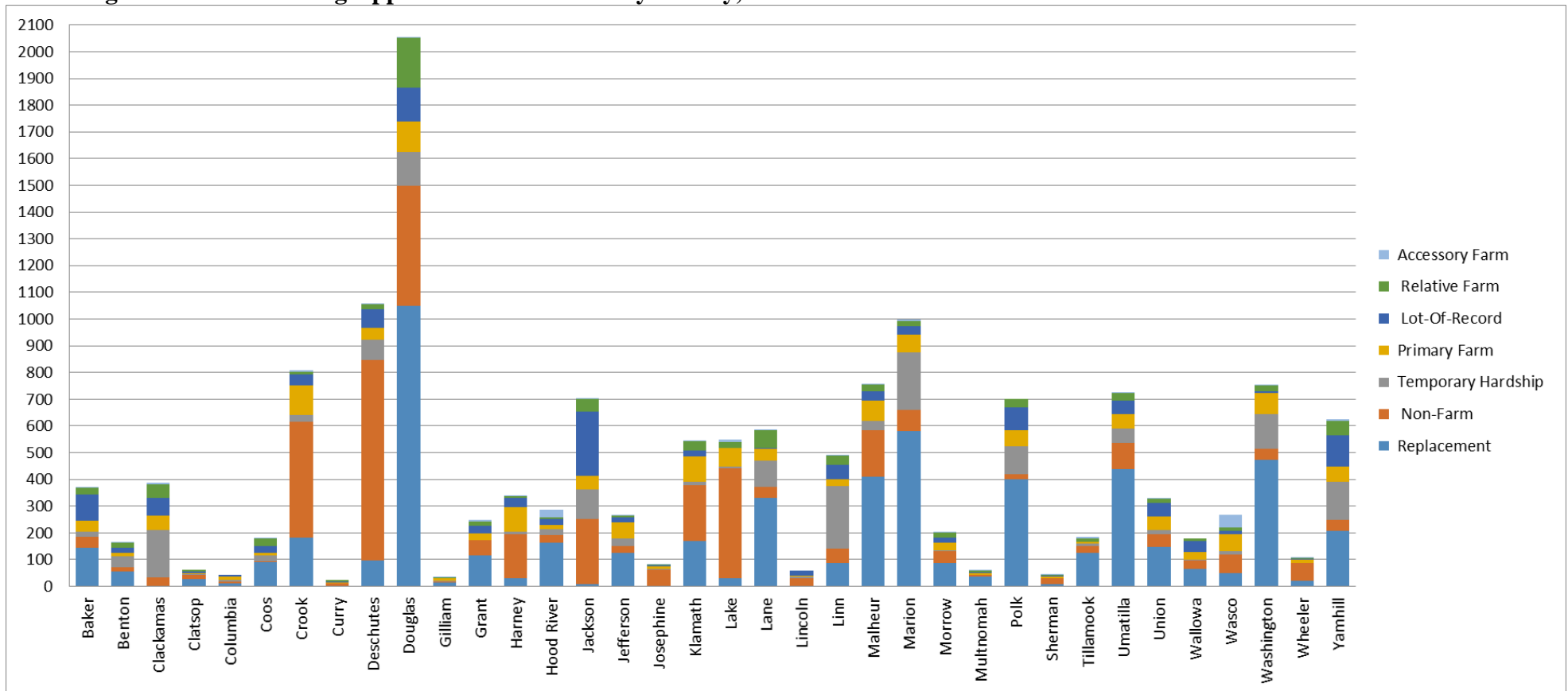


Figure 3. Total Dwelling Approvals on Farmland by County, 1994 to 2015



Other Uses

The Legislature has recognized that some farm-related and non-farm uses are appropriate in farming areas. Some examples are farm-related commercial activities, utilities necessary for public service and home occupations. In 1963, the first statutory EFU zone included just six non-farm uses. Today over 50 uses are allowed in an EFU zone.

In 2014-2015, the most commonly approved uses other than dwellings were

agricultural buildings (270 approvals), accessory uses or structures (226), home occupations (55), commercial activities in conjunction with farm use (47), and utility facilities (45). In 2014, 414 such uses were approved with 398 approved in 2015 for a total of 812 approvals.

These numbers are consistent with 2012-2013 when 842 such uses were approved. The number of agri-tourism related approvals (including wineries and farm stands) are also comparable to 2012-2013.

Issue: Events on farmland. The state is experiencing an increase in the number and approval paths for various types of events on farmland, including agri-tourism events permitted as “commercial activities in conjunction with farm use,” “home occupations,” “farm stands,” and “private parks.” There is the potential for cumulative adverse impacts from such uses on nearby agricultural operations.

For the first time, this report includes data on solar power generating facilities subject to OAR 660-033-0130(38).

Fourteen solar power generating facilities were approved in 2014-2015.

These facilities can occupy large amounts of farmland and appear to be increasing in number.

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 recognizing that there are small areas within farm zones that can accommodate a rural use or dwelling without affecting an area’s overall agricultural stability. Small lots with such non-farm uses and dwellings do not qualify for farm use tax assessment.

Table 4. Other Use Approvals on Farmland, 2014-2015

Use	2014	2015	Total
Accessory use	121	105	226
Aggregate processing into asphalt/cement	1	4	5
Agricultural building	151	119	270
Agri-tourism	11	6	17
Church	1	1	2
Commercial activities with farm use	22	25	47
Commercial dog boarding kennel	2	4	6
Commercial power generating facility	3	4	7
Communication facility		2	2
Composting facility		2	2
Dog training class/testing trial		2	2
Exploration for minerals		2	2
Farm processing facility	2	7	9
Farm stand	5	6	11
Fire service facility		1	1
Forest processing facility, temporary	1		1
Golf course	2		2
Guest ranch	1	1	2
Home occupation	31	24	55
Landscape contracting business	2	3	5
Living history museum		1	1
Mineral Aggregate	2	4	6
Other	2	2	4
Personal-use airport	1	1	2
Private park/campground	4	3	7
Public park	2	1	3
Residential Home		3	3
Roads and Improvements	7	9	16
Room and board		5	5
School	1	4	5
Solar power generating facility	2	12	14
Solid waste disposal site		3	3
Utility facility	30	15	45
Utility facility service lines	3	3	6
Wind power generating facility	1		1
Winery	3	8	11
Total	414	392	806

Land Divisions

Eighty-one new parcels were approved in 2014 with 92 new parcels in 2015 for a total of 173 new parcels. These numbers are consistent with 2012-2013 when 167 new parcels were created.

Farm Divisions. Land divisions on farmland must meet the statutory minimum lot size of 80 acres (160 acres for rangeland) or be in counties that have approved “go-below” parcel minimums below these sizes. A “go-below” is a parcel size below 80 or 160 acres that has been approved by the commission as being adequate to protect existing commercial agriculture in an area. In 2014-2015, over 50 percent of new parcels created on farmland were 80 acres or larger. Over 80 percent of new farm parcels of 80 acres or more were approved in eastern Oregon.

Non-Farm Divisions. Up to two new non-farm parcels (each containing a dwelling) may be divided from a tract that was in existence on July 1, 2001 if the new parcels are predominantly comprised of non-agricultural soils. In addition, non-farm land divisions are allowed for conditional uses that are approved on farmland. In 2014, 33 new parcels were created below the 80 acre minimum lot size requirement and 49 such new parcels were created in 2015 for a total of 82 new parcels below the 80 acre

minimum lot size. This is a slight decrease from 2012-2013 when 91 new parcels encompassing less than 80 acres were approved. Some of these parcels were created for farm use in counties with “go-below” parcel size minimums. The county with the highest number of new parcels below 80 acres was Morrow with 11 new parcels followed by Crook, Douglas, Klamath and Umatilla with six new parcels each. Sixty-one percent of all new parcels below 80 acres were five acres or smaller (see Table 5).

Property Line Adjustments

Property line adjustments are commonly employed for a variety of reasons.

However, they may not be used to allow the approval of dwellings that would not otherwise be allowed, or to increase the size of new parcels created through Measure 49 to be larger than two or five acres. Property line adjustments are sometimes used in serial fashion on a single tract to effectively move an existing parcel to another location. Many of the reported property line adjustments involve more than two tax lots. In 2014, 292 property line adjustments were approved and 301 were approved in 2015 for total of 593 property line adjustments. During 2012-2013, 515 property line adjustments were approved.

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. Although only two non-farm parcels can be created from a parent parcel per year, there is no limit on the number of farm divisions from a parent parcel over time.

Table 5. New Parcel Approvals on Farmland by Size and County, 2014-2015

County	0 to 5 acres		6 to 10 acres		11 to 20 acres		21 to 40 acres		41 to 79 acres		80 to 159 acres		160 to 319 ac.		320+ acres		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker					1		1						2		2		6	0
Benton		1		1								1					0	3
Clackamas		1		1													0	2
Clatsop																	0	0
Columbia	1																1	0
Coos																	0	0
Crook	4					1		1			4	2		3	5		13	7
Curry																	0	0
Deschutes				2		1		1									0	4
Douglas	5				1							3					6	3
Gilliam			1											1			1	1
Grant		1											1		2	2	3	3
Harney				2						1			2	7			2	10
Hood River												1					0	1
Jackson	2		1		1						1	1		1			5	2
Jefferson															1		0	1
Josephine																	0	0
Klamath	3					1	1	1			5		1		3	2	13	4
Lake		1	1										2	1			3	2
Lane							2			2							2	2
Lincoln																	0	0
Linn											2						2	0
Malheur																	0	0
Marion	1	2											1				2	2
Morrow		8	1	1		1											1	10
Multnomah																	0	0
Polk		1										2	2				2	3
Sherman		1															0	1
Tillamook		3															0	3
Umatilla	1	3		2							1	1	2	1	2		6	7
Union	3	2											2	4		8	5	14
Wallowa	1		1										3	1	1		6	1
Wasco				1													0	1
Washington		4															0	4
Wheeler		1											1		1		2	1
Yamhill																	0	0
Total	21	29	5	10	3	4	4	3	0	3	15	11	17	19	16	13	81	92

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 19 percent of Oregon's land use base – 11.9 million acres – is in non-federal forest use according to the Oregon Forest Resources Institute.

Oregon is the nation's top producer of softwood lumber and plywood. Forestry products and services employ nearly 59,000 people directly in Oregon and are critical to Oregon's rural communities (OFRI, 2016).

Forest Land Use Policy

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 chapter 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, approximately 11.7 million acres in Oregon are included in forest zones under Statewide Planning Goal 4 or

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 Washington's loss of wildland forest between 1974 and 2009 was more than double the amount of wildland forest lost in Oregon (Lettman, 2013).

Trends in Forest Use

The protection of Oregon's working forest landscape through forest zoning over the last 42 years has created expected and unanticipated benefits for landowners, rural communities and the state, but challenges remain. In addition to protecting the forest land base against conversion pressures, forest zoning has provided new recreation and tourism opportunities, yielded significant carbon sequestration 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 developed land uses, as forest landowners seek current as well as long-term returns. Many mills across the



state have closed. As less federal and industrial forest land is available to harvest, more privately owned woodlots are being harvested.

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, there is an ongoing market for 160-acre parcels for dwellings by buyers who do not wish to manage the land as a working forest. The department's transfer of development rights pilot program (HB 2228 in 2009 and HB 2132 in 2011) provides an incentive for forest landowners to transfer the right to develop forest land to other, more appropriate locations.

Growing numbers of dwellings in forested areas have increased conflicts for forest management and have increased fire hazard as well as the cost of fighting fires. The cost of protecting an isolated dwelling from wildfire is nearly 99 percent higher than providing protection to a dwelling in a rural community (Headwaters Economics, 2012).

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. 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. 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 (Mazza, Kline, Cathcart, 2009).

As ecosystem markets develop for other environmental benefits, such as 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 (OFRI, 2006). 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 on Forest Land

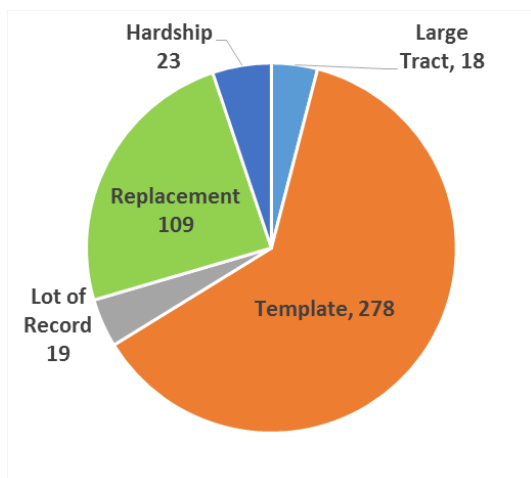
The data in this report are for all local land use decisions on forest land in forest or mixed farm-forest zones.

Dwellings

In forest zones and forested portions of mixed farm-forest zones, five types of dwelling approvals may be authorized: large tract forest dwellings, lot-of-record dwellings, template dwellings, replacement dwellings and temporary hardship dwellings. The total number of dwellings approved in 2014 was 214 with 233 dwellings approved in 2015 for a total of 447 dwelling approvals (see Table 6). This is an increase from 2012-2013 when 392 dwellings were approved.

As shown in Figure 4, 63 percent of the 2014-2015 dwelling approvals were for template dwellings, 24 percent were replacement dwellings, five percent temporary hardship dwellings and four percent each for lot-of-record and large tract dwellings.

Figure 4. Dwelling Types on Forest Land, 2014-2015



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. Ten large tract dwellings were approved in 2014 and eight in 2015 for a total of 18 dwellings. This is decrease from 2012-2013 when 29 large tract dwellings were approved. Six of the 18 large tract dwellings approved in 2014-2015 were in Jackson County. Table 7 provides the parcel size for all dwelling approvals, by county, in 2014 and 2015.

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. Ten lot-of-record dwellings were approved in 2014 and nine in 2015 for a total of 19 dwellings. This is an increase from 2012-2013 when 12 lot-of-record dwellings were approved. Lot-of-record approvals are spread fairly evenly across the state and are on a variety of parcel sizes.

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 2014, 126 template dwellings were approved and 152 dwellings were approved in 2015 for a total of 278

template dwelling approvals. This is a significant increase from 2012-2013 when 200 template dwellings were approved.

Eighty-three percent of the dwellings that were approved for both years were on the most productive forest soils. Sixty-nine percent of the template dwelling approvals occurred on parcels smaller than 21 acres.

One third of the 2014-2015 template dwellings approvals occurred in Lane County (91 dwelling approvals). Other counties with at least 20 template dwellings approvals in 2014-2015 include: Coos (27 approvals), Jackson (24), Clackamas (23) and Polk (20).

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 must be sited in conjunction with an existing dwelling. Nine temporary hardship

dwellings were approved on forest land in 2014 with 14 approved in 2015 for a total of 23 dwelling approvals. This is a decrease from 2012-2013 when 37 temporary hardship dwellings were approved. The department does not track the removal of hardship dwellings when they are no longer needed.

Replacement Dwellings. A replacement dwelling is a new home that replaces an older dwelling on a parcel. In 2014, 59 replacement dwellings were approved with 50 approvals in 2015 for a total of 109 replacement dwelling approvals. This is a slight decrease from 2012-2013 when 114 replacement dwellings were approved. Established dwellings that are being replaced must be removed, demolished or converted to another allowed use within three months of completion of the replacement dwelling. Thirty-seven percent of dwellings approved for replacement were removed, 20 percent were demolished, and 11 percent were converted to non-residential use with 32 percent not specified.

Template Dwelling Issues

Multiple template dwellings per tract. Statutory language permits one template dwelling per qualifying tract. A “tract” is defined by ORS 215.010(2) as “one or more contiguous lots or parcels under the same ownership.” Because a 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.

Rezoning for template dwellings. It can be easier to gain template dwelling approval than non-farm dwelling approval in the Willamette Valley, leading to the rezoning of land from farm zones to forest zones with sometimes inadequate justification. These rezonings expose areas of designated wildland forest to unanticipated template dwelling development. Department staff is also reviewing proposed rezonings in the Willamette Valley from farm to forest for adequate justification.

Cumulative Dwelling Approvals.

Between 1986 and 2015, approximately 12,281 dwellings of all types were approved on forest land across the state. The graph in Figure 5 illustrates the number of dwelling unit approvals for each year since 1994 for the different dwelling types. Figure 6 illustrates the total dwelling approvals by county since 1994. Approvals for most types of dwellings have decreased over the years, especially after 2008. Template dwelling approvals have been steadily increasing since 2011.



Table 6. Dwelling Approvals on Forest Land by Type and County, 2014-2015

County	Large Tract		Template		Lot-of-Record		Temporary Hardship		Replacement		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker		1			2	1					2	2
Benton			1	1					1	1	2	2
Clackamas			13	10	1	1	4	3			18	14
Clatsop	1			1					1		2	1
Columbia	1		5	7		1					6	8
Coos			10	17				1		2	10	20
Crook										1	0	1
Curry		1	1	2							1	3
Deschutes			1	2							1	2
Douglas			2	4					13	8	15	12
Gilliam											0	0
Grant		1				1			2	7	2	9
Harney					1						1	0
Hood River	1		1	1		1			1	1	3	3
Jackson	2	4	15	9	3					1	20	14
Jefferson											0	0
Josephine			6	10						1	6	11
Klamath		1		1						1	0	3
Lake											0	0
Lane	2		30	61			1		6	5	39	66
Lincoln			2								2	0
Linn			12	2		1	3	4	8	7	23	14
Malheur											0	0
Marion			1	2		1				1	1	4
Morrow	1		1								2	0
Multnomah			1	1					3	3	4	4
Polk			8	12			1	2	10	4	19	18
Sherman											0	0
Tillamook			1	2						1	1	3
Umatilla											0	0
Union	1		1		2				4		8	0
Wallowa			3	1	1	2				1	4	4
Wasco											0	0
Washington			7	4				1	7	1	14	6
Wheeler	1									1	1	1
Yamhill			4	2				3	3	3	7	8
Total	10	8	126	152	10	9	9	14	59	50	214	233

Table 7. Dwelling Approvals on Forest Land by Parcel Size and County, 2014-2015

County	0 to 5 acres		6 to 10 acres		11 to 20 acres		21 to 40 acres		41 to 79 ac.		80 to 159 ac.		160 to 319 ac.		320+ acres		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker						1			1				1	1			2	2
Benton	1	1			1	1											2	2
Clackamas	2	6	6	2		2	5	2	4	2	1						18	14
Clatsop					1			1	1								2	1
Columbia	1	1	3	4	1	2			1	1							6	8
Coos	5	8	1	4	3	4		2	1			1		1			10	20
Crook								1									0	1
Curry		1	1			1										1	1	3
Deschutes	1			1								1					1	2
Douglas	2	1		1	4	3		2	6	2	1	2			2	1	15	12
Gilliam																	0	0
Grant		2						1	1	1		3	1	1		1	2	9
Harney													1				1	0
Hood River	1	2		1							1		1				3	3
Jackson		4	8	2		1	8	3	1		2		1	2		2	20	14
Jefferson																	0	0
Josephine			1	3	1	3	2	2			2	2		1			6	11
Klamath		1		1												1	0	3
Lake																	0	0
Lane	6	15	6	15	12	17	9	12	6	4		1		2			39	66
Lincoln	1		1														2	0
Linn	8	5	1	2	7	3	2	3		1	5						23	14
Malheur																	0	0
Marion		2	1	1				1									1	4
Morrow	1														1		2	0
Multnomah	1	1		2	2			1	1								4	4
Polk	2	1	7	6	2	6	4		1	4	2	1	1				19	18
Sherman																	0	0
Tillamook		1								2	1						1	3
Umatilla																	0	0
Union	1		2		1		2				1		1				8	0
Wallowa	2	1			1	1	1	2									4	4
Wasco																	0	0
Washington	3	1	3	1	2	1	5	2		1	1						14	6
Wheeler												1			1		1	1
Yamhill	1	1	4	1		1	1	3		1	1	1					7	8
Total	39	55	45	47	38	47	39	38	24	19	18	13	7	8	4	6	214	233

Figure 5. New Dwelling Approvals on Forest Land by Year: All Counties, 1994-2015

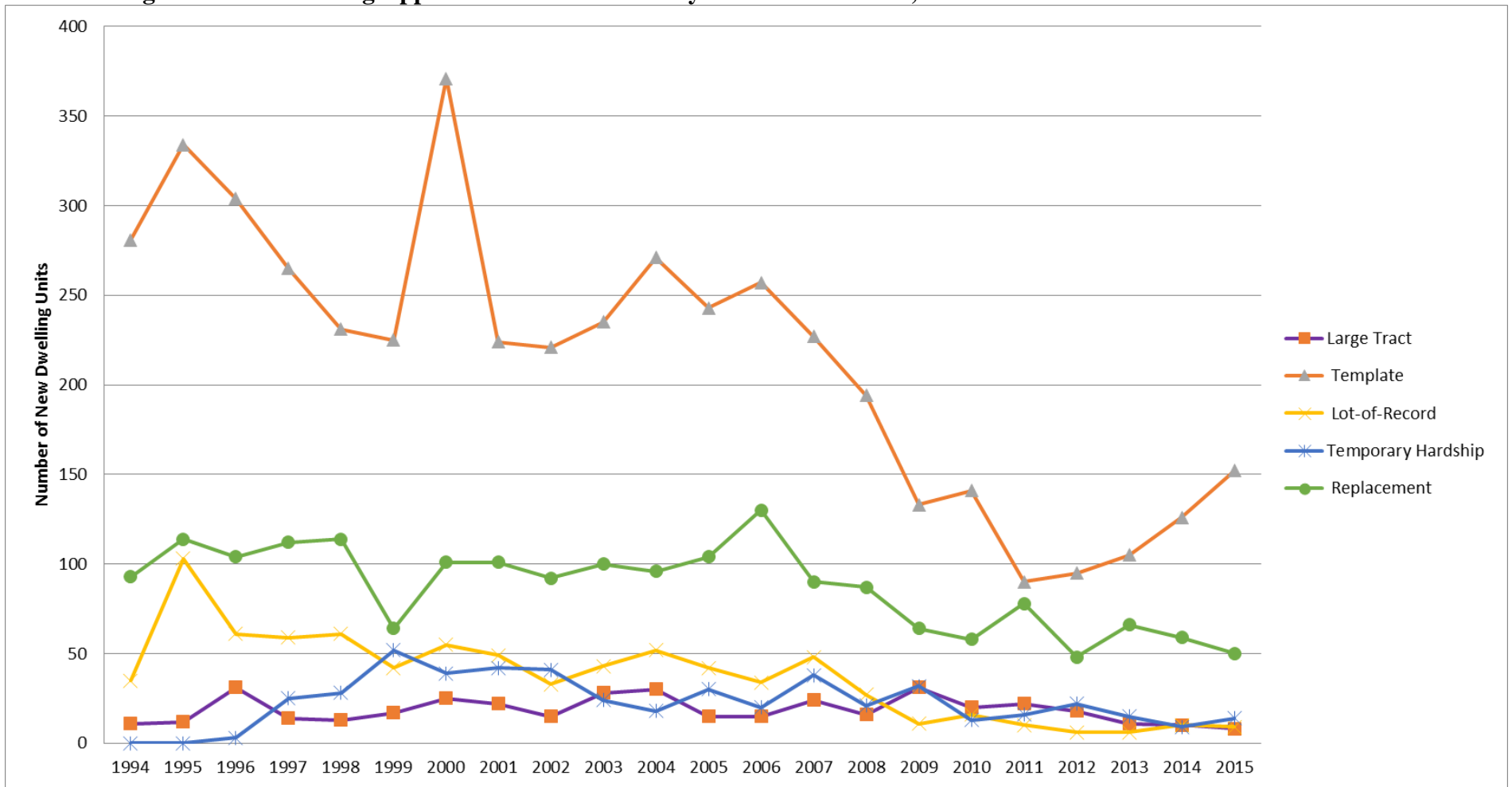
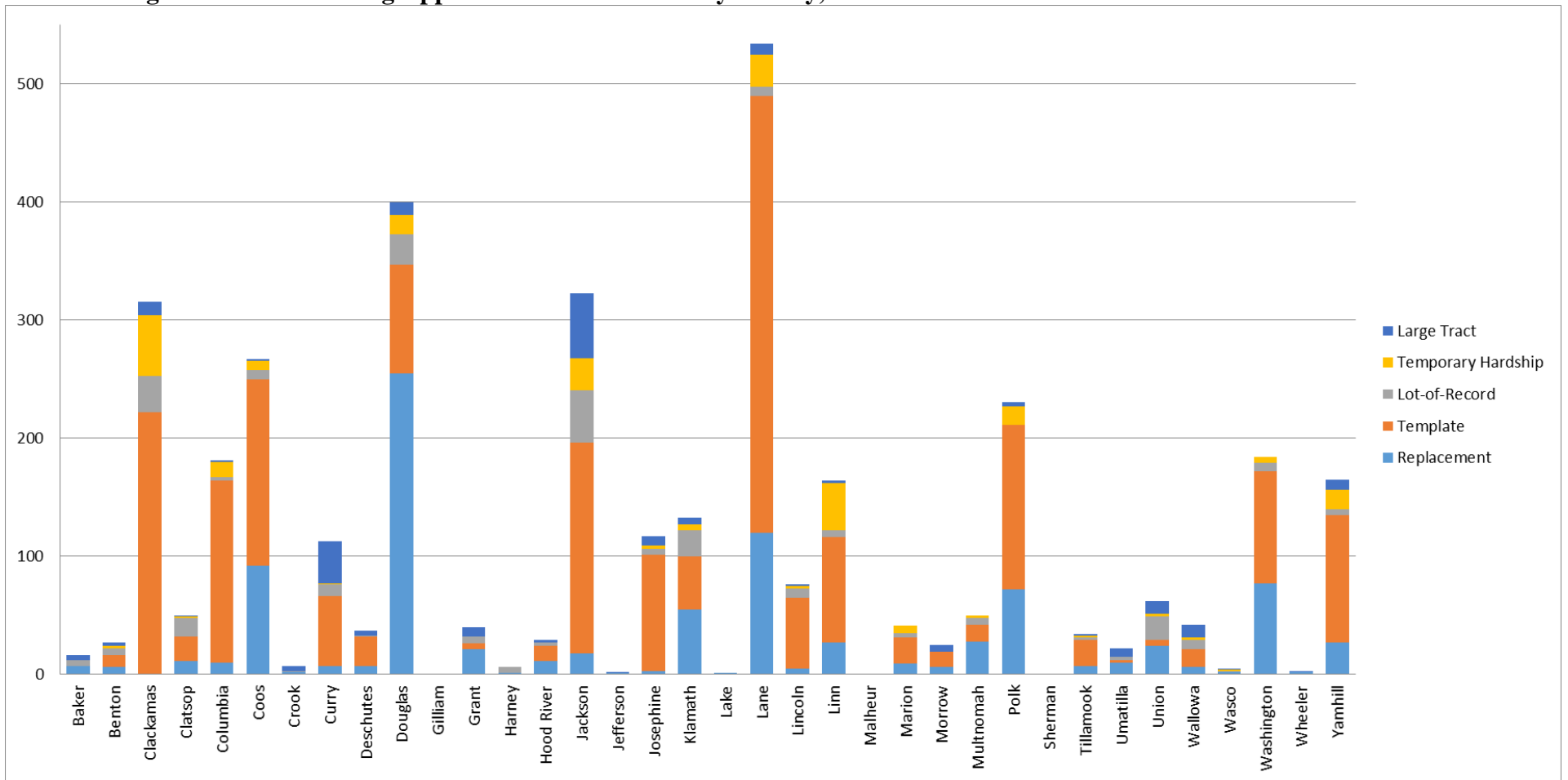


Figure 6. Total Dwelling Approvals on Forest Land by County, 1994-2015



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. The most commonly approved uses in 2014 and 2015, other than dwellings, were accessory uses, agricultural buildings and communication facilities (see Table 8). In 2014, 87 uses were approved with 72 approved in 2015 for a total of 159 approvals. This is a slight increase from 2012-2013 when 148 uses were approved.

Non-forest 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 provides a safety valve that can accommodate a rural use without affecting an area's overall forest utility.

Land Divisions

Thirty-two new parcels were approved in 2014 with 31 new parcels in 2015 for a total of 63 new parcels. These numbers decreased from 2012-2013 when 81 new parcels were created.

Forest Land Divisions. In 2014-2015, 40 percent of new forest parcels (25 parcels) met the minimum parcel size of

80 acres. This is a decrease from 2012-2013 when 58 percent of new parcels (47 parcels) met the minimum parcel size. In 2014-2015, forest land divisions occurred fairly evenly across the state with highest number of approvals in Klamath County (8 new parcels).

Issue: Forest land fragmentation. Because subdivisions are not specifically prohibited in forest zones, large forest properties may potentially be subdivided into multiple large lots at one time with no limit on the number of new lots in a calendar year. While the large minimum parcel size in forest zones mitigates the potential for 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 legislation to prohibit subdivisions on forest lands.

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. In 2014-2015, 38 new non-forest

parcels were approved, a slight increase over the 34 non-forest parcels created in 2012-2013. The majority of these parcels are 10 acres or smaller.

Property Line Adjustments

Property line adjustments on forest land may occur for a variety of reasons. However, they may not be used to allow the approval of dwellings that would not otherwise be allowed, or to increase the size of new parcels created through Measure 49 to be larger than two or five acres. Property line adjustments are sometimes used in serial fashion on a single tract to effectively move an existing parcel to another location. Many of the reported property line adjustments involve more than two tax lots. In 2014, 84 property line adjustments were approved and 91 were approved in 2015 for total of 175 property line adjustments

on forest land. This is a significant decrease from 2012-2013 when 253

property line adjustments were approved on forest land.

Table 8. Other Use Approvals on Forest Land, 2014 and 2015

	2014	2015	Total
Accessory use or structure	32	32	64
Agricultural building	15	12	27
Commercial power generating facility		2	2
Communication facilities	13	4	17
Emergency storage structures	1		1
Exploration/production of geothermal/gas/oil	1		1
Fire station	1		1
Forest management research		1	1
Home occupation	5	8	13
Local distribution line		1	1
Logging equipment repair/storage	1		1
Mineral & aggregate	5	4	9
Other	3		3
Primary processing of forest products	1		1
Private park/campground	3	2	5
Private seasonal hunting accommodations		1	1
Private temporary fishing accommodations		1	1
Public park		1	1
Reservoirs/water impoundment	2	1	3
Utility facility	1	1	2
Utility facility service lines		1	1
Youth camp	3		3
Total	87	72	159

Table 9. New Parcel Approvals on Forest Land by Parcel Size and County, 2014-2015

County	0 to 5 acres		6 to 10 acres		11 to 20 acres		21 to 40 acres		41 to 79 acres		80 to 159 acres		160 to 319 ac.		320+ acres		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Baker	2										1				2	2	3	
Benton	1															1	0	
Clackamas	3	1														3	1	
Clatsop		2														0	2	
Columbia																0	0	
Coos		4														0	4	
Crook																0	0	
Curry	1													2		1	2	
Deschutes					1											1	0	
Douglas	3	1									2	2				5	3	
Gilliam																0	0	
Grant		1														0	1	
Harney																0	0	
Hood River	1															1	0	
Jackson	1	1											3			4	1	
Jefferson																0	0	
Josephine	1															1	0	
Klamath											3		1		4	8	0	
Lake																0	0	
Lane		1	1													1	1	
Lincoln	1	1	1													2	1	
Linn																0	0	
Malheur																0	0	
Marion		2														0	2	
Morrow																0	0	
Multnomah		1														0	1	
Polk				1												0	1	
Sherman																0	0	
Tillamook		2		2												0	4	
Umatilla																0	0	
Union						1										0	1	
Wallowa																0	0	
Wasco																0	0	
Washington																0	0	
Wheeler													1	2	1	1	2	3
Yamhill																0	0	
Total	14	17	2	3	1	1	0	0	0	0	5	3	5	4	5	3	32	31

2014-2015 Statutory and Rule Changes

Statutory Changes to ORS 215 and Elsewhere

- SB 1531 (2014) - Allows counties to impose reasonable regulations on operation of medical marijuana facilities.
- HB 2457 (2015) - Allows the creation of a parcel that is smaller than the exclusive farm use or forest zone minimum lot size when part of the existing parcel is within an Urban Growth Boundary.
- HB 2831 (2015) – Modifies authority to use property line adjustments as a means to increase the size of Measure 49 properties above the maximum parcel size specified in the Measure 49 claim.
- HB 3400 (2015) – Allows marijuana production as a “farm use”. Prohibits dwellings in conjunction with a marijuana crop and on-farm marijuana sales in an exclusive farm use zone.

Rule Changes to OAR chapter 660, divisions 6 and 33

- OAR 660-033-0130(38) (2014) – Increases the maximum permitted acreage of solar facilities on nonarable land in exclusive farm zones and provides additional clarity regarding sensitive wildlife habitat.
- OAR 660-033-0130(40) (2014) - Authorizes youth camps on land in eastern Oregon zoned exclusive farm use based on soils capability.
- OAR 660-023-0115 (2015) - Establishes disturbance baselines for areas of core sage-grouse habitat.
- OAR 660-006-0005 (2015) – Establishes a definition of primary processing for forest products.
- OAR 660-029 (2015) – Authorizes transfer of development credits from Measure 49 properties to rural exception areas.

Land Conversion Trends

While this biennial report focuses on the recent two-year reporting cycle for county land use decisions in farm and forest zones, cumulative data from historic reports as well as other sources provide important context for understanding the data and illustrate trends in land protection and conversion across the state. Land can be converted from farm and forest use to other uses in several ways. First, farm and forest land can be converted when it is approved for various non-farm and non-forest uses by counties. Second, conversion can be affected when the definition of farm or forest land changes in statute. Third, conversion can be affected when certain counties designate new lands as marginal. Fourth, when land is rezoned to other designations, such as through UGB expansion, conversion occurs. Finally, conversion can occur via ballot measure authorization.

The great majority of rural land conversion occurs through the approval of various non-farm and non-forest uses. Conversion occurs both through the physical loss of agricultural and forest land via development and what is called the “shadow effect” of development on nearby resource land. The “shadow effect” refers to the adverse impacts or conflicts that some non-farm and non-forest uses can have on farm and forest operations. These conflicts can interfere with accepted farm and forest practices, raise land costs, lead to the loss of farm and forest infrastructure, and promote the eventual conversion of resource lands to other uses.

Non-farm and non-forest uses with the potential for conflict include: (1) large-scale, land-intensive uses (*e.g.*, aggregate operations, golf courses, wetland creation), (2) cumulative incremental development (*e.g.*, dwellings, home occupations) and (3) activities and events (*e.g.*, outdoor mass gatherings, concert or wedding venues). While any of these individual uses may not pose problems, the approval of large numbers of such uses over time in a region can tip the balance of an area from commercial

agriculture and forestry to hobby farm and forest landscapes.

Historical Development Approvals

The map in Figure 6 identifies dwelling approvals for all types of dwellings in EFU, forest and mixed farm-forest zones, excepting replacement dwellings, for the eight-year period from 2008–2015. Dwelling approvals are concentrated in the Willamette Valley and southern Oregon.

The map in Figure 7 shows the locations of other approved uses in EFU, forest and mixed farm-forest zones over the same time period. The map does not reflect agricultural buildings or accessory structures. Uses are concentrated in the Willamette Valley, Jackson County and northern Oregon.

The map in Figure 8 identifies the locations of land divisions approved in EFU, forest and mixed farm-forest zones over the same time period. Land divisions are fairly evenly scattered across the state.

Figure 7. Dwellings in Farm and Forest Zones Map, 2008-2015

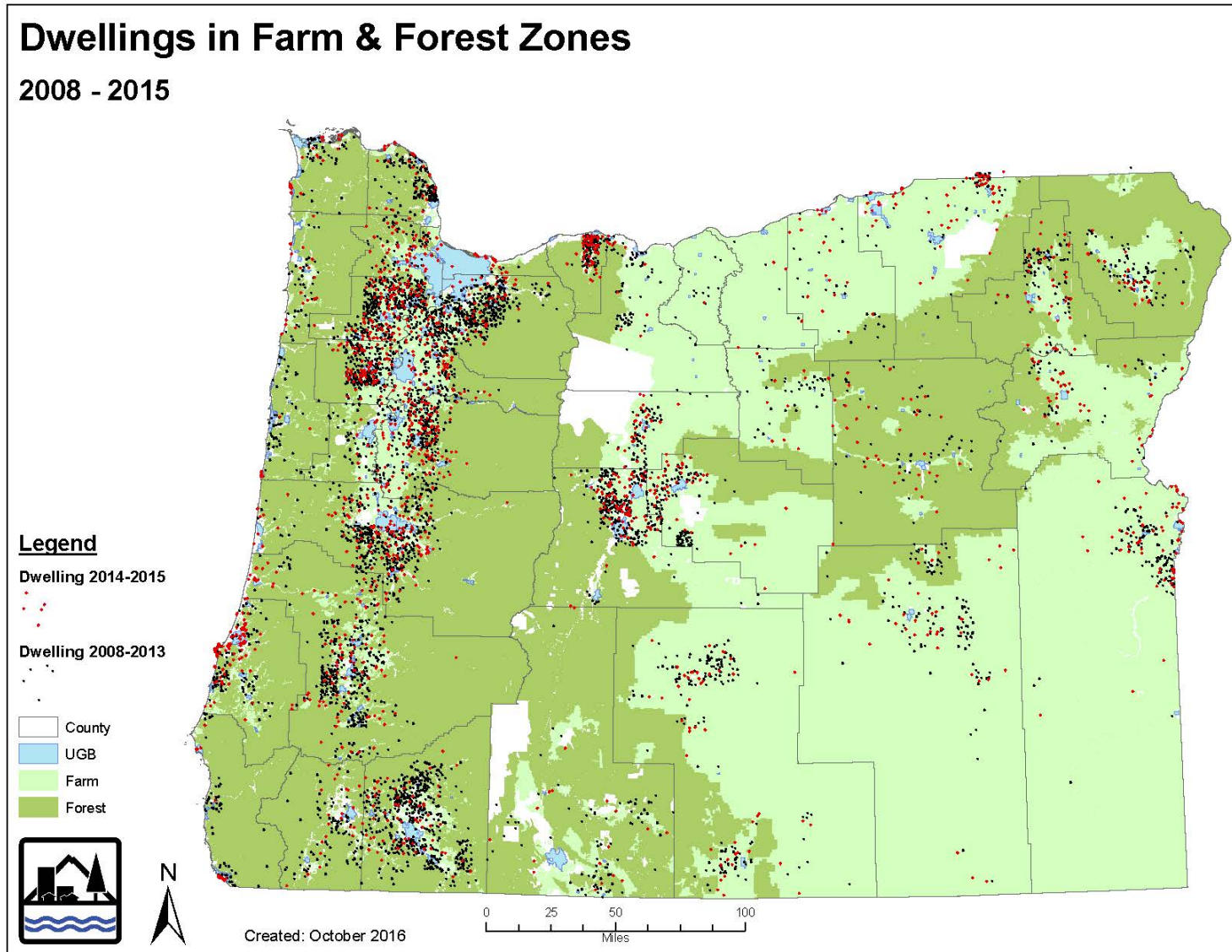


Figure 8. Other Uses in Farm and Forest Zones Map, 2008-2015

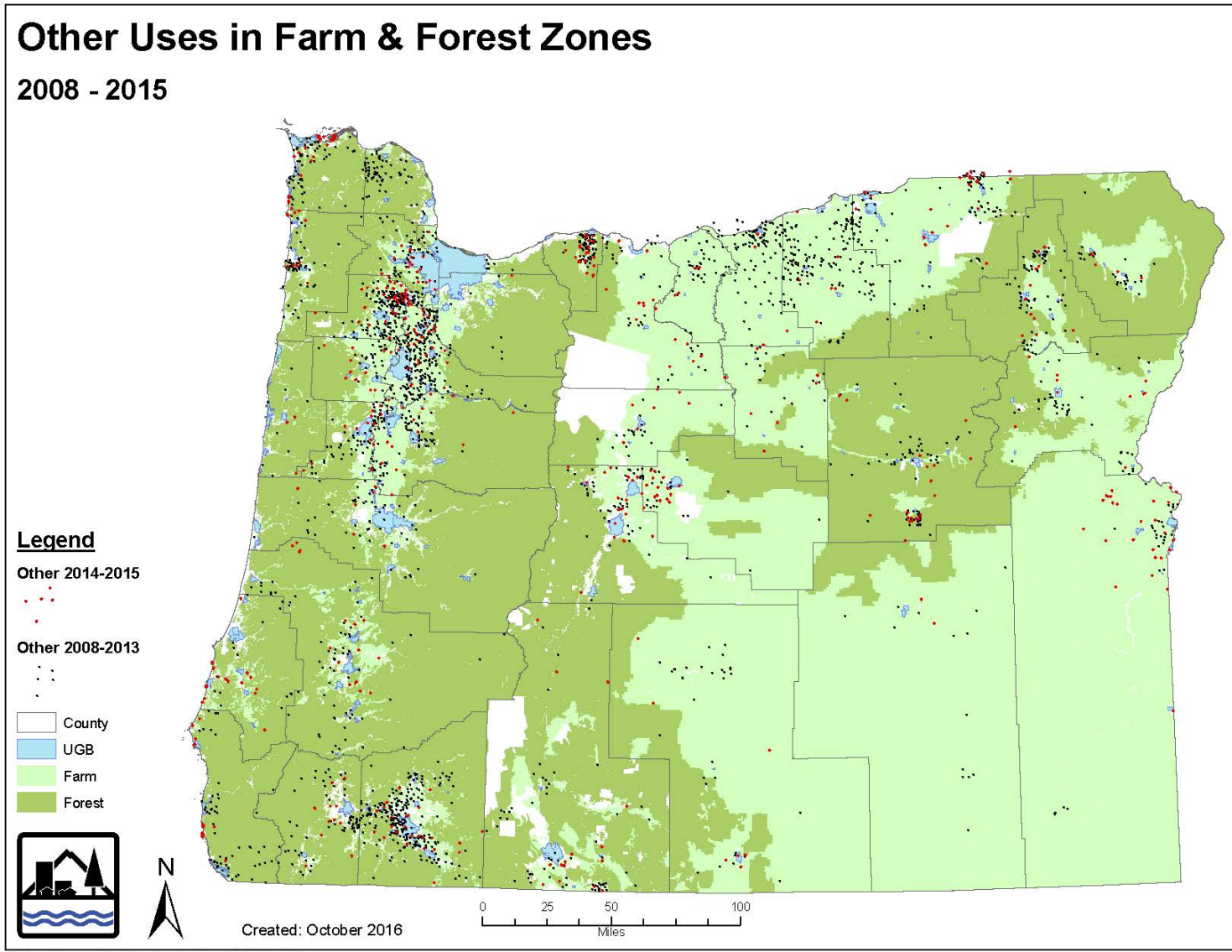
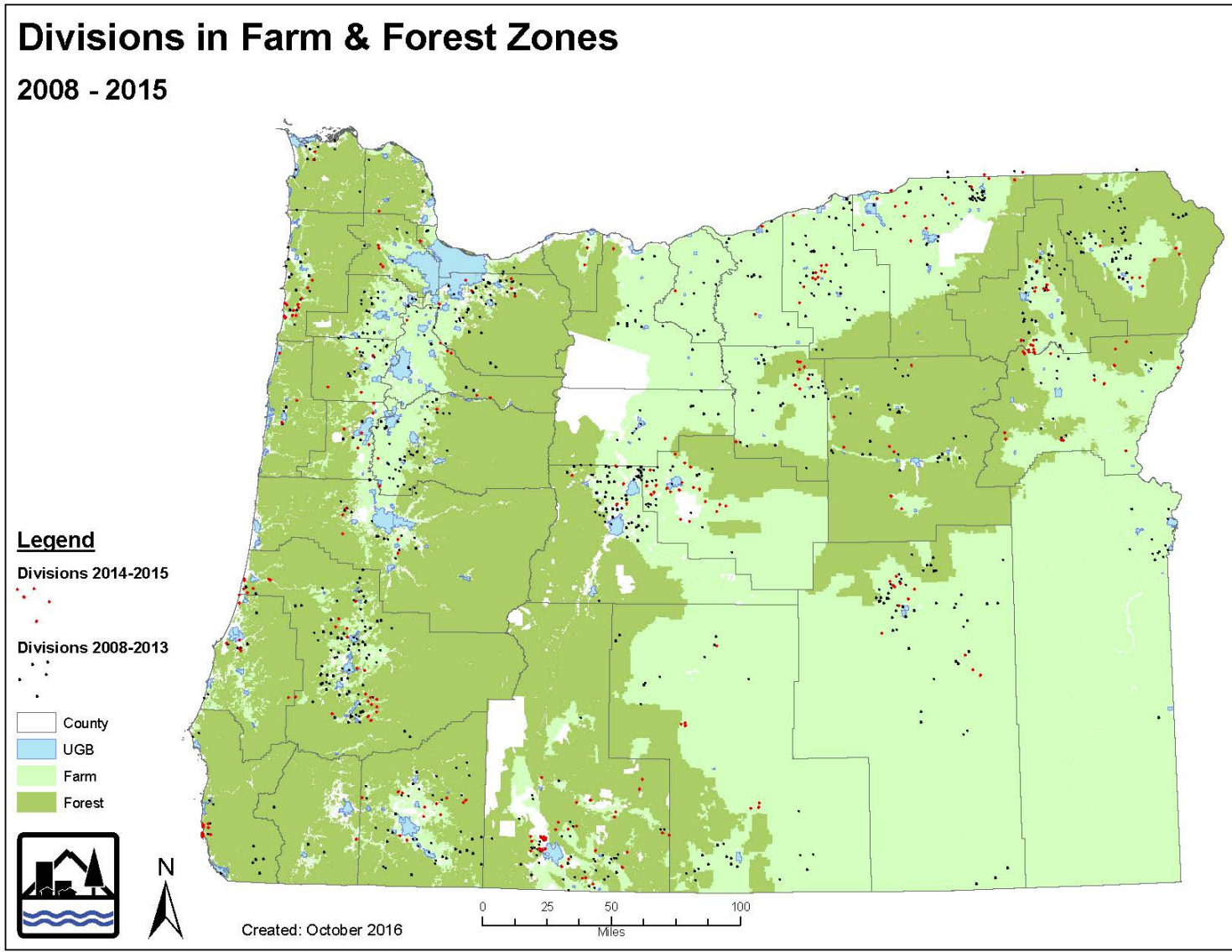


Figure 9. Land Divisions in Farm and Forest Zones Map, 2008-2015



Ballot Measures 37 and 49 Claims

In November, 2007, Oregon voters approved Measure 49, which modified Measure 37 and authorized the department to evaluate existing Measure 37 claims submitted to the state on or before June 28, 2007. DLCDC 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) and Senate Bill 1049 (2010) modified Measure 49, allowing previously ineligible claimants to pursue relief

under Measure 49. The department finished processing these claims in 2011. Once DLCDC has authorized a specific number of home sites, the property owner may then obtain necessary local permits.

Table 10 shows the number of Measure 49 authorizations by county for new dwellings and new parcels, as well as county approvals. A total of 6,235 new dwellings and 3,951 new parcels have been authorized. While the great majority of approvals were for land in farm and forest zones, a small number were for land in rural residential zones.

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.

At this time, the department is only aware that five counties have identified high-value farmland. Hood River, Linn, Umatilla and Yamhill counties have identified and mapped their high-value farmland while Marion County has

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. The commission will consider rulemaking to allow counties to develop local transfer of development rights programs that enable willing landowners to transfer their rights to develop to other, more appropriate locations.

designated all the land within its EFU zone as high-value farmland and does not make case-by-case determinations as part of land use decisions. The U.S. Natural Resources Conservation Service is currently updating soil capability classifications in

several counties, which could lead to the need to update the categorization of soils currently identified in statute as high-value or non-high-value soils. While existing or new soil classifications could become high-value, others could be re-designated not high-value. This will affect county approvals of certain uses in farm zones.

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.

Table 10. Total Measure 49 Authorizations by County

County	Claims	Claims Authorized	Authorized New Dwellings	Authorized New Parcels
Baker	97	66	112	54
Benton	80	57	91	53
Clackamas	863	673	1,158	810
Clatsop	52	29	45	27
Columbia	79	50	90	62
Coos	135	96	182	104
Crook	33	21	44	27
Curry	75	47	96	46
Deschutes	116	83	130	93
Douglas	168	124	208	148
Gilliam	1	0	0	0
Grant	5	3	5	5
Harney	0	0	0	0
Hood River	160	117	168	113
Jackson	349	265	445	306
Jefferson	142	86	185	113
Josephine	124	82	142	106
Klamath	139	92	195	78
Lake	1	1	1	1
Lane	327	237	466	292
Lincoln	78	62	110	49
Linn	270	182	331	222
Malheur	19	11	16	10
Marion	322	211	361	223
Morrow	0	0	0	0
Multnomah	72	50	84	39
Polk	247	168	302	184
Sherman	0	0	0	0
Tillamook	67	40	78	46
Umatilla	34	25	55	30
Union	31	19	28	20
Wallowa	38	29	63	37
Wasco	31	26	44	21
Washington	485	360	607	390
Wheeler	2	0	0	0
Yamhill	318	229	393	242
Totals	4,960	3,541	6,235	3,951

Rezoning

Rezoning to Urban Uses. Tables 11, 12 and 13 and Figure 10 summarize adopted plan and zone amendments to EFU, forest and mixed farm-forest zones for various planning periods. This data provides an important historic picture of rezonings to accommodate planned development in urban and rural areas. Table 11 provides information on urban growth boundary (UGB) amendments.

During 2014 and 2015, there were 15 UGB amendments that brought 5,216 acres into UGBs, of which 3,071 acres were included in a Portland-area Metro UGB expansion. Of the total new acreage added to UGBs in 2014-2015, 3,341 acres (64 percent) were formerly zoned EFU and 351 acres (10 percent) were zoned for forest use. Metro brought 2,838 acres of EFU land into the Portland metropolitan area UGB.

Table 11. Farm and Forest Land included in UGBs by Year, 1988-2015

Year	Number	Acres	Acres from EFU Zones	Acres from Forest Zones
1988	12	516	150	68
1989	25	1,445	259	100
1990	9	2,737	1,734	17
1991	21	1,480	177	70
1992	15	970	297	120
1993	22	2,277	1,390	448
1994	20	1,747	201	20
1995	15	624	219	143
1996	19	3,816	2,466	16
1997	12	668	508	40
1998	21	2,726	493	2
1999	10	927	587	72
2000	8	624	0	0
2001	4	140	11	0
2002	55	17,962	3,281	1,659
2003	10	385	124	85
2004	7	3,391	2,090	176
2005	10	739	70	8
2006	15	3,231	670	27
2007	19	292	105	65
2008	6	972	949	0
2009	7	782	686	4
2010	5	58	37	2
2011	6	2,738	1,662	699
2012	6	4,941	757	1,272
2013	7	894	559	0
2014	8	4,188	3,262	350
2015	7	1,028	79	1
Totals	381	62,298	22,823 (37%)	5,464 (9%)

Over the 27-year period from 1988 through 2015, 62,298 acres of land were added to UGBs statewide, 27,300 acres (44 percent) of which was added to the Portland-area Metro UGB. More than one-third of the new acreage added to UGBs in this period originated from farm zones, while nine percent was from forest or mixed farm-forest zones.

As UGBs continue to expand, particularly onto high-value farmland and productive forest land in the Willamette Valley, fewer non-resource lands will be available to be brought into the boundaries, and more farm and forest land will come under pressure to be added to UGBs.

Rezoning to Rural and

Resource Uses. Table 12 provides data on changes from farm and forest plan designations and/or zoning to rural land uses. In 2014-2015, 4,283 acres of EFU land were rezoned for rural development, while 524 acres of forest and mixed farm-forest land were rezoned for rural development. Rezoning is 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 2014-2015, 210 acres of EFU land were rezoned to forest or mixed farm-forest use. 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 Willamette 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.

Issue: Long-term resource land protection.
 In the long run, continued inclusion of productive farm and forest land in UGBs in the Willamette Valley 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.

Table 13 identifies rezonings by county. The 2,656 acres rezoned in Lake County were for an Oregon Military Department expansion.

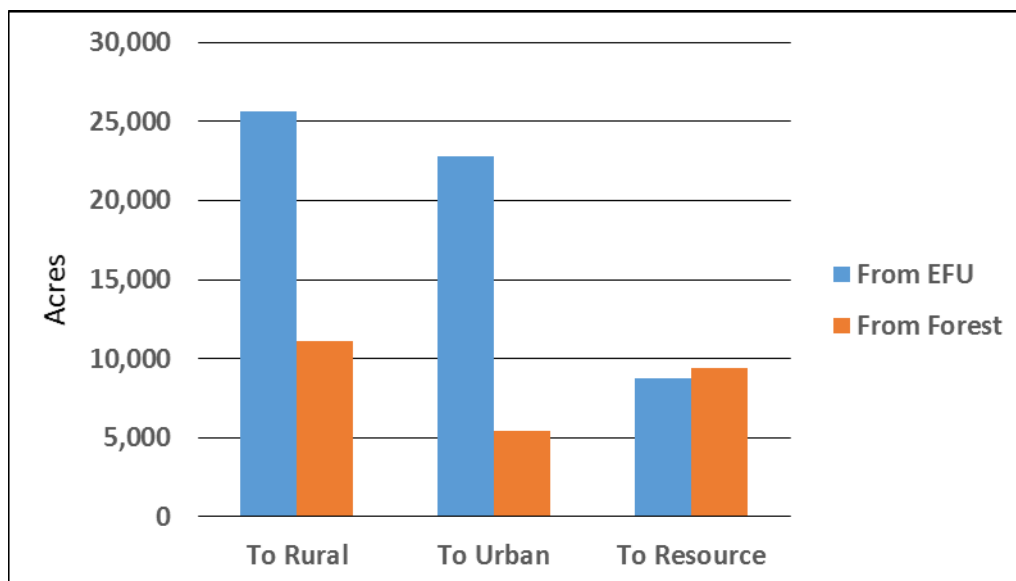
Cumulative Rezoning. Between 1989 and 2015, a cumulative total of 25,655 acres of EFU land and 11,149 acres of forest land have been rezoned for rural development, totaling 36,804 acres. Add the 28,287 acres of farm and forest land included in UGBs over a similar time period, and the total is 65,091 acres. While about 43 percent of this acreage was incorporated into UGBs, 57 percent of it was designated for rural development uses.

Table 12. Acres Re-designated from One Rural Zone to Another by Type and Year, 1989-2015

From EFU	To EFU	To Forest	To Commercial*	To Industrial**	To Residential	Subtotal	TOTAL
1989 - 1998	942,256	1,597	584	763	3,452	4,799	948,652
1999	2,181	271	19	547	795	1,361	3,813
2000	233	542	11	60	1,739	1,810	2,585
2001	148	67	11	31	283	325	540
2002	10	202	18	69	147	234	446
2003	77	90	21	2	283	306	473
2004	52	269	25	1,681	220	1,926	2,247
2005	21	988	479	772	414	1,665	2,674
2006	777	311	31	539	1,468	2,038	3,126
2007	2,020	1,115	2	342	1,704	2,048	5,183
2008		73	79	10	1,011	1,100	1,173
2009	53	459	6	375	396	777	1,289
2010	41	546	30	439	402	871	1,458
2011		199		288	270	558	757
2012		517	57	1,075	42	1,174	1,691
2013		1,316			380	380	1,696
2014	916	6	22	55	2,987	3,064	3,986
2015	8	204	640	569	10	1,219	1,431
Total	948,793	8,772	2,035	7,617	16,003	25,655	983,220
From Forest	To EFU	To Forest	To Commercial*	To Industrial**	To Residential	Subtotal	TOTAL
1989 - 1996	8,497	36,854	16	252	3,480	3,748	49,099
1999	20				80	80	100
2000				23	132	155	155
2001					232	232	232
2002	109				113	113	222
2003	113				520	520	633
2004	50			82	95	177	227
2005	44	50		31	101	132	226
2006		163		3	292	295	458
2007		90	2	5	1,269	1,276	1,366
2008	131	509	3	212	5	220	860
2009		27		56	2,451	2,507	2,534
2010	10	378	215	185	489	889	1,277
2011	162		2		53	55	217
2012		80		5	74	79	159
2013	288		18	129		147	435
2014		11	4		159	163	174
2015		204		197	164	361	565
Total	9,424	38,366	260	1,180	9,709	11,149	58,939

Table 13. Farm and Forest Land Rezoned to Other Designations by County, 2014-2015

County	Exclusive Farm Use					Forest & Farm-Forest				TOTAL
	To Forest	To Rural	To Urban	Subtotal	TOTAL	To EFU	To Rural	To Urban	Subtotal	
Baker	81				81					
Benton	64	28		28	92					
Clackamas		15		15	15		35		35	35
Clatsop										
Columbia										
Coos	17				17					
Crook		640		640	640					
Curry										
Deschutes		388		388	388		4		4	4
Douglas	20	22	50	72	92					
Gilliam										
Grant										
Harney										
Hood River										
Jackson			16	16	16					
Jefferson			11	11	11					
Josephine							356		356	356
Klamath							118		118	118
Lake		2,656		2,656	2,656					
Lane										
Lincoln								351	351	351
Linn		15	90	105	105		10		10	10
Malheur			276	276	276					
Marion	28		58	58	86					
Morrow		41		41	41					
Multnomah										
Polk										
Sherman		14		14	14					
Tillamook										
Umatilla		307		307	307					
Union										
Wallowa										
Wasco		90		90	90					
Washington			2,838	2,838	2,838					
Wheeler										
Yamhill		67	2	70	70					
Total	210	4,283	3,341	7,624	7,834	0	524	351	875	875

Figure 10. Farm and Forest Land Rezoned to Other Uses, 1988-2015

Non-resource Lands. Non-resource land designations are a subset of lands zoned for rural development. Table 14 identifies 10 counties that have identified “non-resource” lands. These areas have been planned and zoned for other rural uses and are no longer subject to the provisions of Goals 3 and 4. The table 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. 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 the review of more detailed soils data, to provide quality control. LCDC adopted rule amendments in 2012 to implement this bill and the new program is now in effect. In 2014-2015, the department reviewed 22 soils assessments.

While there is no comparable DLCD role in overseeing challenges to forest land soil productivity, such challenges must utilize publications 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.

In 2012, Executive Order 12-07 directed 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. Douglas, Jackson and Josephine counties chose to use the pilot program to attempt to define non-

resource lands for the region. However, the pilot program concluded in 2016 without agreement between the counties on a definition.

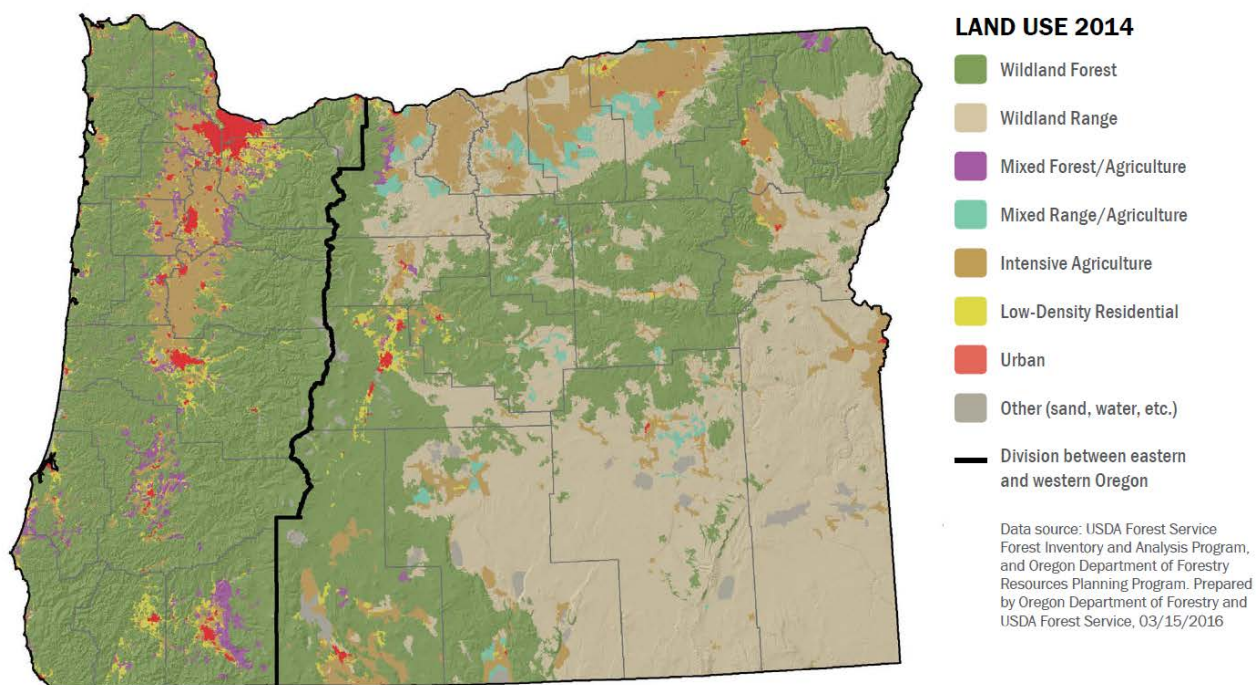
Table 14. Acres of Non-resource Land by County

County	Acres designated Non-Resource
Clatsop	2,351
Crook	23,261
Deschutes	380
Douglas	3,341
Jackson	505
Josephine	15,495
Klamath	34,797
Linn	120
Lane	495
Wasco	7,047
Total	87,792

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 for a variety of land use classes (see Figure 11). 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.

ODF has tracked land use change in Oregon from 1974 to 2014 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 tract forest dwellings in EFU and forest zones, standards that were intended by ODF to reflect those used by DLCD.

Figure 11. ODF Land Use Classes

Source: Lettman, 2016

When the density of development in wildland forest and wildland range areas increases to more than one dwelling per 160 acres, the land is reclassified to another use class that reflects its new density. Usually, this will be one of the other three resource classes. 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.

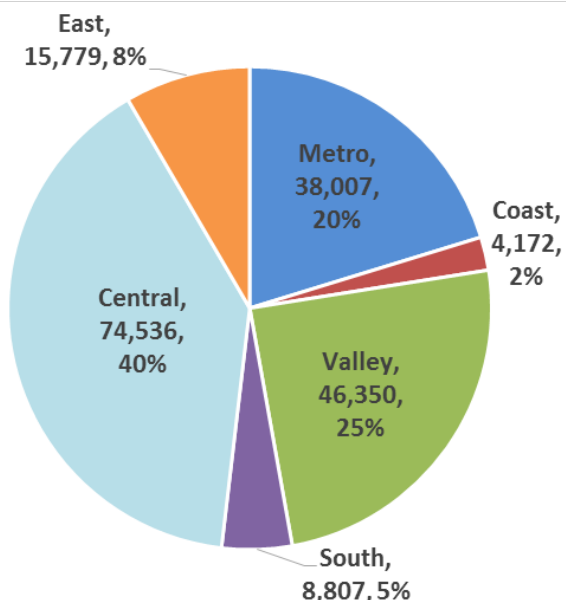
ODF data on land use change captures not only converted farm and forest land that may have followed rezonings, but also the land that is converted within farm and forest zones. While DLCD data reports the number of approvals of dwellings, other uses and land divisions in farm and forest zones, this data does not capture acreage converted within the zones.

Figures 12 and 13 identify changes in farm and forest land cover between 1984

and 2014, 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. During the past two years, ODF has refined their methodology to better reflect actual conditions.

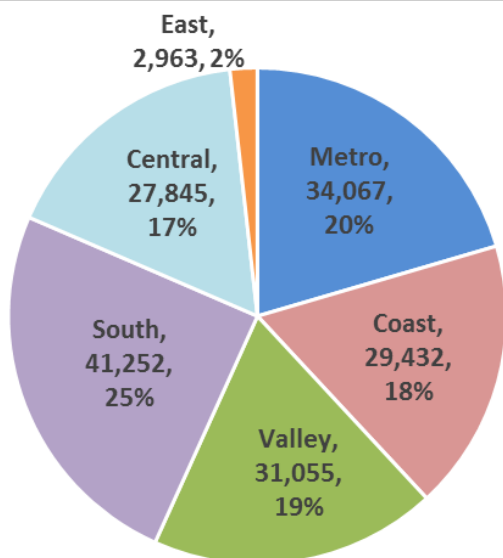
State Trends in Farm and Forest Land Conversion. ODF data shows that, in the 30 year period between 1984 and 2014, approximately 187,651 acres of farm and range land moved to more developed land classes. Forty percent of all farmland conversion occurred in Central Oregon, while nearly one-quarter took place in the Metro area and one-quarter in the Willamette Valley.

Figure 12. Farmland Conversion to Other Uses, 1984-2014



Similarly, in this timeframe, 166,614 acres of forest and farm-forest land was converted to more developed classes. One-quarter of this conversion occurred in Southern Oregon with the remainder of conversion split fairly evenly among the Metro, Valley, Coast and Central regions.

Figure 13. Forestland Conversion to Other Uses, 1984-2014



The 187,651 acres of farmland that fell out of farm classifications during the study period is nearly four times the acreage (48,478) that was rezoned from farm to other rural and urban zones from 1988 to 2015. The 166,614 acres of forest land that fell out of forest classifications during the study period is approximately 10 times the acreage (16,613) that was rezoned from forest to other rural and urban zones from 1988 to 2015. In short, a significant amount of land is experiencing low-density residential development without being rezoned.

There is an important caveat to these comparisons: 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. Counties with the highest

conversion of farmland include Deschutes (27,846 acres), Crook (21,630 acres), Klamath (19,028 acres), Washington (17,613 acres) and Marion (14,369 acres). Counties experiencing the highest conversion of forest lands are Douglas (17,613 acres), Klamath (14,851 acres), Washington (13,905 acres), Jackson (12,978 acres) and Lane (12,978 acres) counties.

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-tune 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.

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December 12, 2016

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

FROM: Jim Rue, Director and Key Contact
Gary Fish, Alternate Key Contact, Planning Services Division GF

RE: **2016 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 or the department) for 2016, as required by statute.

Major Highlights for 2016

- ✓ The department's Government-to-Government team and other agency staff are actively participating in cluster and work group meetings and other Tribal related activities.
- ✓ The Land Conservation and Development Commission (LCDC) held regularly scheduled meetings in Medford, Gold Beach, Albany, Salem, Boardman, and Redmond during 2016. LCDC meetings, particularly those held out of Salem, have traditionally provided an opportunity to hear from local jurisdictions and Tribal governments on issues of interest and concern.
- ✓ Katherine Daniels, long time contact to the Natural Resources Work Group and the department's Farm and Forest Lands Specialist, retired earlier in 2016 and has been replaced by Tim Murphy, the department's new Farm and Forest Lands Specialist. Tim will serve as the new representative and contact to the Natural Resources Work Group going forward. His contact information is provided later in the report.
- ✓ Agency staff presented information on the National Flood Insurance Biological Opinion and engaged in discussions with the Tribes and other agencies at meetings of the Cultural Resources Cluster and the Natural Resources Work Group.
- ✓ During 2016, another Tribal government was awarded a substantial Transportation Growth Management (TGM) planning grant. TGM is a joint program of the department and the Oregon Department of Transportation. This year, the Klamath Tribes were awarded a TGM grant to develop a Bicycle and Pedestrian plan for Chiloquin. The resulting plan will be jointly adopted by the City of Chiloquin and the Klamath Tribes. The 2016 TGM grant award to the Klamath Tribes joins prior awards in 2014 and 2015 to

the Coquille Indian Tribe, the Confederated Tribes of the Umatilla Indian Reservation, and the Confederated Tribes of the Coos, Lower Umpqua, and Siuslaw.

- ✓ The 2016 TGM grant award to the Klamath Tribes builds on a TGM Education and Outreach project regarding bicycle and pedestrian safety for the Klamath Tribes and the City of Chiloquin area that was completed earlier in 2016. The education and outreach project was managed by department/TGM staff member Evan Manvel.

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 the Tribes;
- Promotes communication between DLCD and the 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 originally directed 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. The department developed and presented the interest statement as directed in the Executive Order. The interest statement is available on the department's website under "Relations with Tribes". Executive Order EO-96-30 was enacted into law by SB 770 in 2001. Following enactment of ORS 182.162-182.168 into law, the department formalized and adopted a "Policy on Government-to-Government Relations with Oregon Tribes 07-02" (2007).

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 adopted an overall communication policy with local governments that includes the Tribes: DLCDC 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 Report presented each year to the Governor and Legislative Commission on Indian Services.

Please refer to the agency's Annual Reports, located on our website at <http://www.oregon.gov/LCD/Pages/govtogov.aspx>, under *Relations with Tribes* to learn more about the establishment of the agency's policy for government-to-government relations that was formed under Executive Order 96-30 and ORS 182.164.¹

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

DLCDC Response to Subsection (b)

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

Primary Key Contact on Government-to-Government Relations:

Jim Rue, Director
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FAX: (503) 378-5518
E-mail: jim.rue@state.or.us
Web Address: <http://www.lcd.state.or.us>

¹ Policies 07-02 and 06-01 are attached at the conclusion of this 2016 annual report as requested by LCIS. These two policies together have served the department well in the Government-to-Government process and have functioned as intended in our relationships with the nine Oregon Tribes since their adoption and implementation by the department. The policies will be updated as needed in the future should programmatic specific areas of interest change or need updating to maintain continuity, or should the statutory obligations in ORS 182.164 regarding policies for state and Tribal relations, communication, and consultation change because of amendments to the statute by the Legislature.

Alternate Key Contact on Government-to-Government Relations:

Gary Fish, Land Use/ Transportation Planner
635 Capitol Street NE, Suite 150
Salem, Oregon 97301-2540
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FAX: (503) 378-5518
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Primary Contact to Natural Resources Work Group:

Tim Murphy, Farm and Forest Specialist
635 Capitol Street NE, Suite 150
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Alternate Contact to Economic and Community Development Cluster Group:

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888 NW Hill Street, Suite 2
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FAX: (541) 318-8361
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Web Address: <http://www.lcd.state.or.us>

Additional DLCD staff members are responsible for developing and implementing programs, and providing services that may be of interest to the Tribes. Key staff are listed below and are available by dialing direct to the phone number indicated.

Sadie Carney, Rural Policy Analyst/Communications Manager, Phone: (503) 934-0036
Tom Hogue, Economic Development Specialist, Phone: (503) 934-0066
Amanda Punton, Natural Resource and Aggregate Specialist, Phone: (971) 673-0961
Bill Holmstrom, Transportation & Growth Management, Phone: (503) 934-0040
Christine Shirley, Natural Hazards & Floodplains, Phone: (503) 934-0027
Steve Lucker, Floodplain Map Modernization, Phone: (503) 934-0043
Gordon Howard, Urban Growth Management, Phone: (503) 934-0034
Patty Snow, Ocean/Coastal Services Division Manager, Phone: (503) 934-0052
Rob Hallyburton, Community Services Division Manager, Phone: (503) 934-0018
Matt Crall, Planning Services Division Manager, Phone: (503) 934-0046
Amie Abbott, Executive Assistant to Director and LCDC, Phone: (503) 934-0045

Regional Representatives: See agency website for regional representative assignments.
<http://www.oregon.gov/LCD/Pages/repstlist.aspx>

The department's primary and alternate key contacts are responsible for assuring that the department is kept apprised of activities that may be of interest to the Tribes, to provide appropriate tribal contacts, and to ensure that the Tribes are informed of department activities. The department 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 following the 1996 Executive

Order 96-30 that formalized the government to government relationship. The agency actively participates in the Natural Resources Work Group, Cultural Resources Cluster, and Economic Development and Community Services Cluster, each of which is made up of representatives from other state agencies, and from the nine 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 also meets 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 a 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 work group meetings is reflected in the following list of meetings:

Natural Resources Work Group: Katherine Daniels, former Farm and Forest Lands Specialist, attended a meeting of the Natural Resources (NR) Work Group on March 8, 2016. In addition, the department participated in a meeting of the NR Group on November 2, 2016 in Salem. Alternate Key Contact Gary Fish and new NR Work Group contact, Tim Murphy, represented the department at the November meeting in Salem. Ocean and Coastal Services Division Manager, Patty Snow, also attended a portion of the November meeting in Salem to discuss an ocean planning issue. In addition, Matt Crall, Planning Services Division Manager, attended the November meeting in Salem to present information on the recent National Flood Insurance Program Endangered Species Act Biological Opinion (BiOp) and to discuss the BiOp with the Tribes and other agencies.

Cultural Resources Cluster: The department participated in meetings of the Cultural Cluster on April 12 and 13, 2016 at Oregon Fish and Wildlife in Salem, on July 19, 2016 in North Bend at the Mill Casino (hosted by the Coquille Indian Tribe), and by phone on December 6, 2016 at Chinook Winds Casino (hosted by the Confederated Tribes of Siletz Indians). Alternate Key Contact Gary Fish attended the Cultural Resources Cluster meetings. Christine Shirley, Natural Hazards Specialist, also attended the July meeting in North Bend to present information on the recent National Flood Insurance Endangered Species Act Biological Opinion (BiOp) and to discuss the BiOp with the Tribes and other agencies.

Economic Development and Community Services Cluster: The department participated in the June 3, 2016 meeting at Chinook Winds Casino (hosted by the Confederated Tribes of Siletz Indians), and the October 14, 2016 meeting hosted by the Confederated Tribes of the Umatilla Indian Reservation. DLCD's Eastern Oregon Regional Representative, Grant Young, attended the October 14, 2016 cluster meeting at the Umatilla Reservation for the department.

Other Government-to-Government Meetings:

The department's Director and Key Contact, Jim Rue, and Natural Resources Work Group Contact, Tim Murphy, attended the 2016 Annual Summit hosted by the Confederated Tribes of Siletz Indians on December 7, 2016 at the Chinook Winds Casino in Lincoln City.

(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 department's designated contacts and others have participated in three of the cluster groups or work 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.

Rulemaking stakeholder involvement: It is the department's practice to actively solicit rulemaking advisory committee membership from Tribal governments to participate during rulemaking, particularly when it involves issues, areas, or specific administrative rules of special interest and concern to the Tribes.

Public Comment: Contributing to meeting its government to government policy objectives, DLCD schedules specific public comments discussion each time the Land Conservation and Development Commission (LCDC) conducts a regularly scheduled meeting. In addition, regional tours are also scheduled at selected commission meetings. Tribal participation is welcomed at the Commission's regular scheduled meetings around the state. In 2016, six LCDC meetings (Medford, Gold Beach, Albany, Boardman, Salem, and Redmond) were held around the state. LCDC's meetings for calendar year 2017 are scheduled in St. Helens, Salem, Klamath Falls, La Grande, and Florence.

LCDC welcomes participation from all of the Tribes at its meetings, particularly Tribes located in or near the region where the LCDC meeting is held. LCDC is committed to conducting its regular meetings at locations around the state and will continue to welcome Tribal governments to participate in the meetings.

Web-based communication: DLCD's web site (<http://www.oregon.gov/LCD/>), under the link "Relations with Tribes," provides information on the agency Government-to-Government program and relationship, 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 clusters and work 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)

Agency staff, including Alternate Key Contact Gary Fish, attended the Tribal Government Legislative Day at the Capitol Building in February 2016 to interact with the Tribes and learn about legislative issues of concern. In addition, the department's Director and Key Contact, Jim Rue, and new Farm and Forest Land Specialist, Tim Murphy, attended the Annual Summit hosted by the Confederated Tribes of Siletz Indians on December 7, 2016 at the Chinook Winds Casino in Lincoln City.

Gary Fish, Alternate Key Contact, met extensively with the new Farm and Forest Lands Specialist, Tim Murphy, to provide training and an in-depth explanation of the department's relationship with the nine Oregon Tribes and the Government-to-Government process. As noted earlier, Tim will be the new contact for the Natural Resources Work Group.

Throughout this report, department participation in Tribal clusters and the work group is described. These meetings are an important source of training for department staff in a wide range of subjects of concern to the Tribes. 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 department policy under these statutes is Policy 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 Number 07-02 concerning Tribal Relations directly links to a second specific local government and Tribal Communication policy. Policy Number 06-01 "Local and Tribal Government Communication Policy" recognizes the role that local governments play in carrying out the statewide planning program under administration by the department, and recognizes the department's role and communication obligations in the Government-to-Government process with the nine federally recognized Tribes in Oregon.

When new department staff that may work with a Tribe are hired, the department's primary and alternate key contacts arrange for staff's attendance at an annual training, brief them on cluster and work group activities, and provide an overview of the statutory requirements for working with Tribal governments on agency activities.

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), natural hazards and 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.

Rulemaking Advisory Committees: When undertaking administrative rulemaking, it is the department's practice to actively solicit rulemaking advisory committee (RAC) membership from Tribal governments to participate during rulemaking, particularly when the rulemaking involves issues or specific administrative rule areas of special interest and concern to the Tribes. The department did solicit Tribal participation on the Goal 5 Historic Resources rulemaking now underway, but full participation by the Tribes was not forthcoming. A Tribal member from the Confederated Tribes of Grand Ronde did participate in a portion of one RAC meeting.

Goal 5: An ongoing issue identified by the Tribes is the need for the Land Conservation and Development Commission (LCDC) to better protect natural and cultural resources during the land use and development process. Please continue to refer to DLCD's 2003 Report for further discussion of Statewide Planning Goal 5 and its relationship to protection of cultural and natural resources.

Fee-to-Trust: The department's Alternate Key Contact, Gary Fish, and Ocean and Coastal Services Division (OCSD) staff 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 and concerns from 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: OCSD invites tribal government representatives from the coastal Tribes to participate in periodic meetings held on the Oregon Coast with local jurisdictions and other coastal program partners. Several of these meetings occurred in 2016.

As mentioned above, OCSD reviews federal energy projects on the coast to ensure consistency with Oregon's Coastal Zone Management Program (OCMP). These projects often involve the Tribes, including the Columbia River Inter-Tribal Fisheries Commission (CRITFC).

The Ocean and Coastal Services Division (OCSA) continues to work with the Oregon tribes on ocean issues. OCSA has worked with the tribes over the past year on the evolving West Coast Ocean Partnership and the West Coast Regional Planning Body. The two groups had a person-to-person meeting this October in Portland and hold monthly teleconference calls open to all interested tribes on the west coast. The two bodies are currently gathering signatures for the West Coast Regional Planning Body Charter and the West Coast Regional Ocean Partnership Strategic Framework.

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 membership seat for the "coastal" Indian Tribes. OCSA is pleased that there is a new tribal representative on the Oregon Ocean Policy Advisory Council (OPAC). OPAC is holding its second meeting of the year on December 8 in Florence.

Issues and Concerns

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

- Continued issues and the degree of difficulty in trying to integrate or fit Tribal projects and planning into the state-local land use planning goals and planning framework that does not always include a clearly defined role for Tribal governments, nor is it applicable to Tribal trust and reservation land that are not subject to the goals;
- Limited ability to address ongoing local government and Tribal coordination issues in general, and other more specific issues important to local interests such as loss of property taxes, payments for local services, fear of a loss of local control over Tribal trust properties, and impacts on local government land use planning from properties going into Tribal trust status; and
- Limited financial and other resources, including grant funding, are available to support Tribal transportation and land use planning, and cultural and natural resource identification, protection, and planning efforts; and
- Despite continued efforts, it is not entirely clear whether all Oregon local governments and jurisdictions continue to fully understand and, more importantly, respect the nature and scope of Tribal sovereignty for Oregon's nine federally recognized Tribes, and the department's Government-to-Government relationship with them. Turnover at the local government staff level, new hires, and the continuous presence of newly elected local government officials make this an ongoing issue of concern to be addressed, if by no more than providing them with a reminder of Tribal sovereignty. The department will continue to make it a priority to seek opportunities to discuss its Government-to-Government relationship with local jurisdictions and the Tribes as the need arises in general and on a case by case basis.

Over the coming year, the department will do its best to continue to address and find solutions to these identified ongoing issues and concerns, and to any new issues and concerns that arise in 2017. We understand that finding practicable solutions to identified issues and concerns is of as great importance to the nine Oregon Tribes as it is to the department.


Conclusion

DLCD's ability to interact with the Tribes and follow-up in a timely manner increased in the recent past with the establishment of a formal team of staff members to work on Government-to-Government relations. At that time, the department also named the agency director as the primary key contact and designated a staff member as the alternate key contact for the director. As noted earlier in this report, Director Jim Rue is the current primary key contact and Gary Fish is the alternate key contact for the director. The small formal Government-to-Government team has continued to evolve and update its membership to better address coverage with the Tribes and the Government-to-Government process. To that end and to provide better service, the department has also made a concerted effort to involve more agency staff in the Government-to-Government process, both formally and informally. Department staff will continue to strive to consult and meet with the Tribes and seek resolution of issues in a timely and respectful manner. The training and education of new and existing department staff remains an important priority within the department.

The department continued to make progress in Tribal coordination and relations, with an increase in outreach to Tribes during the past year, particularly as noted in our presentations to the Cultural Resources Cluster and the Natural Resources Work Group regarding the National Flood Insurance Program's Biological Opinion (BiOp) from the National Marine Fisheries Service (NMFS) and how it could affect future floodplain development and the enhancement and preservation of riparian habitat and endangered species.

In addition, Tribal governments have now been selected for four substantial Transportation Growth Management (TGM) grants in the past three years – one in 2014 to the Confederated Tribes of the Coos, Lower Umpqua, and Siuslaw for land use and transportation planning at Coos Head; two in 2015, one to the Coquille Indian Tribe for a Tribal comprehensive plan and another to the Confederated Tribes of the Umatilla Indian Reservation for land use and transportation planning; and one in 2016 to the Klamath Tribes for a Bicycle and Pedestrian Plan. The department also completed a separate TGM Education and Outreach project with the Klamath Tribes regarding pedestrian and bicycle safety in Chiloquin in early 2016. The department is very pleased that a great deal of progress has been made on Tribal participation and grant awards in the TGM programs over the past three years.

The department looks forward to continued cooperation with Tribal governments in 2017, and to an ongoing positive working relationship with the Tribes and with the Legislative Commission on Indian Services and its staff.

 <p>Department of Land Conservation and Development</p> <p>POLICY AND PROCEDURES MANUAL</p> <p>Issuing Division: Director's Office</p>	<p>NUMBER: 07-02</p> <p>Effective Date: May 14, 2007 (DLCD "Interest Statement" has been in effect since September 23, 1997.)</p> <p>Page 1 of 2</p>
<p>SUBJECT: Policy on Government to Government Relations with Oregon Tribes</p>	<p>Approval: Lane Shetterly</p>

PURPOSE: The purpose of this policy is 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

REFERENCE: Authorities are Oregon Administrative Rules and Oregon Revised Statutes that govern state/tribal relations and the actions and responsibilities of the Oregon Department of Land Conservation and Development. In addition, the policy reflects gubernatorial direction as outlined in Executive Order 96-30 and legislative direction as provided in Senate Bill 770 (2001).

POLICY: 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, included 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.

	Department of Land Conservation and Development POLICY AND PROCEDURES MANUAL Issuing Division: Director's Office	NUMBER: 06-01 Effective Date: December 28, 2006 Page 1 of 3
SUBJECT: Local and Tribal Government Communication Policy		Approval: Lane Shetterly

PURPOSE:

The purpose of this policy is to recognize that local governments play the central role in carrying out the statewide planning program, which is administered by the Oregon Department of Land Conservation and Development (DLCD). The purpose of this policy is also to recognize government-to-government relations that exist between the department and each of Oregon's federally recognized tribes.

Local governments have the following relationships with DLCD:

- Partners in implementing the statewide planning program, instituted in 1973 by SB 100
- Customers requesting technical assistance and planning grants
- Advisors to help with policy development and legislative concepts

Maintaining positive relationships with local and tribal governments is a fundamental goal of the department. The Local and Tribal Government Communication Policy is intended as a checklist to ensure DLCD's consistent relationships with local government and tribes remain intact.

Local governments most affected by agency programs and authorities include:

- Cities and counties, especially those that are experiencing high levels of population growth or economic development, or transportation problems
- Regional governments, which help coordinate regional planning in urban areas
- Special districts (ports, transit, utilities, education service, fire/ambulance, parks & recreation, etc.)

In addition, agency programs have an effect on tribal planning efforts, even though many tribal lands are not directly subject to the state and local regulatory authority. To foster government-to-government relations with each of the tribes, the department serves on several state/tribal cluster groups. The department also serves as lead staff for two independent bodies: the Ocean Policy Advisory Council (OPAC) and the Oregon Task Force on Land Use Planning. OPAC is a legislatively mandated marine policy advisory body to the governor. The Task Force on Land Use Planning was created by SB 82 (2005) to conduct a

comprehensive review of Oregon's statewide planning program. DLCD has no authority over either body, but keeps local governments up to date on the work of both bodies.

REFERENCE: Authorities are Oregon Administrative Rules and Oregon Revised Statutes that govern state/tribal relations and the actions and responsibilities of the Oregon Department of Land Conservation and Development.

POLICY: It is the policy of the Oregon Department of Land Conservation and Development to ensure that local and tribal governments have the ability, information and access they need to actively participate in the statewide planning program. To accomplish this policy, the department will strive to:

- Proactively contact local governments and, if applicable, their membership associations, and tribes to make them aware of pending decisions, policy changes, rule modifications, or other actions of the department that may affect the interests or operations of a local government or tribe. Such notification will be made far enough in advance so that affected local governments and tribes can be in a position to provide meaningful feedback.
- Engage local government elected officials, primarily through the Local Officials Advisory Committee (LOAC), in a continuing dialog – both formal and informal – as to how the department can best assist local governments in the statewide planning program. (LOAC advises the Land Conservation and Development Commission on policies and programs affecting local governments.)
- Ensure that the avenues of communication between local governments and tribes, and the department staff working with OPAC and the Oregon Task Force on Land Use Planning are consistently open, clear and accessible.
- Collect feedback from local and tribal government officials on how the department is doing in serving the needs of local and tribal governments.
- Create and update publications that can assist local governments. Key examples of this type of assistance are the Model Development Code for Small Cities and an economic development guidebook.
- Continue to make more information available on the department's Web site and through other outreach efforts.
- Host, sponsor and participate in a variety of meetings with local government staff, council or commission meetings, community forums, association conferences, etc. Conduct LCDC roundtable discussions with

officials throughout the state.

- Participate in coordination opportunities with tribes, individually or collectively, as needed to address individual land use issues and larger policy considerations.

DISPUTE RESOLUTION

Although every attempt will be made by the department to adhere to the letter and spirit of the Local Government Communication Policy, there may be occasions where disagreements arise as to whether a good-faith attempt was made by staff within the department to meet this policy.

In the event a local or tribal government, or group of local or tribal governments, wish to dispute the application of this policy, a written statement to that effect should be made to the manager in charge of the program area in question. That manager will respond to the submitted statement and, if necessary, take action to remedy the situation. If no action is deemed necessary, a written explanation will be provided to the local or tribal government.

If a satisfactory result cannot be achieved through this process, a local or tribal government may appeal to the DLCDD director. The director will, at his or her discretion, work to resolve the issue to the best of his or her ability.



Oregon

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Appendix I
www.oregon.gov/LCD



February 17, 2017

TO: Ways and Means Subcommittee on Natural Resources

FROM: Jim Rue, Director

RE: Prior Budget Notes

The 2015 Legislature did not adopt a budget note for DLCDC.

Oregon Department of Land Conservation and Development General Fund Grants for the 2015-17 Biennium

Planning Assistance grants are offered to all cities smaller than 2,500 population and counties smaller than 15,000 population for general planning support. The following table displays those local governments that accepted the offer in 2015-2017.

City	Amount	City	Amount	City	Amount
Adams	\$1,000	Haines	\$1,000	Rogue River	\$1,000
Amity	\$1,000	Halsey	\$1,000	Scio	\$1,000
Athena	\$1,000	Helix	\$1,000	Seneca	\$1,000
Aurora	\$1,000	Heppner	\$1,000	Shaniko	\$1,000
Banks	\$1,000	Hines	\$1,000	Sisters	\$1,000
Bay City	\$1,000	Huntington	\$1,000	Sodaville	\$1,000
Bonanza	\$1,000	Idanha	\$1,000	Stanfield	\$1,000
Brownsville	\$1,000	Ione	\$1,000	Tangent	\$1,000
Butte Falls	\$1,000	Irrigon	\$1,000	Turner	\$1,000
Cannon Beach	\$1,000	John Day	\$1,000	Ukiah	\$1,000
Canyonville	\$1,000	Lakeside	\$1,000	Union	\$1,000
Cascade Locks	\$1,000	Lakeview	\$1,000	Unity	\$1,000
Cave Junction	\$1,000	Lexington	\$1,000	Waldport	\$1,000
Coburg	\$1,000	Lone Rock	\$1,000	Wasco	\$1,000
Columbia City	\$1,000	Malin	\$1,000	Waterloo	\$1,000
Condon	\$1,000	Manzanita	\$1,000	Westfir	\$1,000
Cove	\$1,000	Maupin	\$1,000	Weston	\$1,000
Culver	\$1,000	Merrill	\$1,000	Yachats	\$1,000
Dayville	\$1,000	Mill City	\$1,000	Yamhill	\$1,000
Depoe Bay	\$1,000	Millersburg	\$1,000	Yoncalla	\$1,000
Detroit	\$1,000	Monroe	\$1,000		
Donald	\$1,000	Monument	\$1,000		
Drain	\$1,000	Moro	\$1,000		
Durham	\$1,000	Mosier	\$1,000	County	Amount
Echo	\$1,000	Nehalem	\$1,000	Gilliam County	\$4,000
Elgin	\$1,000	North Plains	\$1,000	Grant County	\$4,000
Elkton	\$1,000	Oakland	\$1,000	Harney County	\$4,000
Falls City	\$1,000	Port Orford	\$1,000	Lake County	\$4,000
Fossil	\$1,000	Powers	\$1,000	Morrow County	\$4,000
Gaston	\$1,000	Riddle	\$1,000	Sherman County	\$4,000
Gates	\$1,000	Rivergrove	\$1,000	Wallowa County	\$4,000
Gold Beach	\$1,000	Rockaway Beach	\$1,000	Wheeler County	\$4,000

Population Forecasting is mandated by ORS 197.639(6) to be the highest priority use of grant funds for the department. The grant is for preparation of city and county population forecasts for the entire state on a four-year cycle. The entity receiving funds:

PSU-Population Research Center - \$570,000

Oregon Department of Land Conservation and Development General Fund Grants for the 2015-17 Biennium

Columbia River Gorge Scenic Area grants are to assist counties in their responsibilities in planning and implementing the requirements of the Columbia River Gorge National Scenic Area Act. The counties received the following amounts:

Hood River - \$80,000, Multnomah - \$70,000, Wasco - \$90,000

A **Dispute Resolution** grant assists in providing collaborative dispute resolution services related to land use disputes. The entity receiving funds:

PSU-Oregon Census Program – Land Use Dispute Mediation Services - \$20,000

Technical Assistance grants assist local governments in the update or land use plans, ordinances, or other needed planning projects outside periodic review.

APPLICANT	DESCRIPTION	AMOUNT
Beaverton	Beaverton Comprehensive Plan Land Use Element	\$45,000
Gervais	Community Design Charrette	\$1,000
Grant County	Grant County Natural Hazards Mitigation Planning and Comprehensive Plan Integration	\$30,000
Halfway (on behalf of Haines, Halfway and Huntington)	Document Digitalization and Floodplain Ordinance Update	\$3,000
Harney County	Harney County Comprehensive Goal 5 Update	\$39,400
Lincoln City	Economic Opportunities Analysis and Buildable Lands Assessment	\$50,000
Newberg	Buildable Lands Inventory and Economic Development Planning	\$30,000
North Plains	Economic Development Study	\$20,000
Prineville	Water Master Plan Update	\$35,000
Scappoose	Zoning Map Amendment to apply Airport Overlay Zones	\$3,500
Scio	Thomas Creek Flood Hazards Assessment and Mitigation Strategies	\$17,000
Sweet Home	Economic Opportunities Analysis and Implementation Strategy	\$30,000
Talent	Economic Opportunities Analysis	\$20,000
The Dalles	Housing and Residential Land Needs Assessment	\$30,000
Veneta	Downtown Veneta Retail Market and Development Strategy	\$10,000
Waldport	Waldport Industrial Area Master Plan	\$60,000
Wallowa County	Community Wildfire Protection Plan	\$30,000
Washington County	Washington County South Industrial Area Infrastructure Study	\$45,000
Woodburn	Woodburn Target Industry Analysis	\$5,000

In addition to these individual grants, DLCD managed an \$71,675 contract that resulted in updates to the exclusive farm use and forest zone chapters of zoning ordinances in six counties – Clatsop, Klamath, Lane, Lincoln, Morrow, and Wasco.



Oregon

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September 6, 2016

TO: Oregon Legislators

FROM: Matt Garrett, Director, Oregon Department of Transportation (ODOT)
Jim Rue, Director, Department of Land Conservation and Development (DLCD)

SUBJECT: SB 120 (2015) Implementation Report Executive Summary

The Department of Land Conservation and Development (DLCD) and Oregon Department of Transportation (ODOT) have provided a report on implementation of SB 120 (2015) to the Senate Interim Committee on Business and Transportation and House Interim Committee on Transportation and Economic Development, as required by the legislation. SB 120 is codified as ORS 197.798.

SB 120 required the Land Conservation and Development Commission (LCDC) to “...adopt rules or amend existing rules as necessary to allow a city or county to propose transportation improvements located outside of that city or county when the city or county is considering an amendment to a functional plan, comprehensive plan or land use regulation and the amendment would significantly affect a transportation facility within the city or county.” DLCD reviewed rules (OAR 660-012-0060) and determined existing rule provisions provide local governments the general authority described in ORS 197.798. DLCD recommended to LCDC that the rules be amended to make this authority more specific. LCDC appointed a Rulemaking Advisory Committee (RAC) comprised of stakeholders representing city, county, and ODOT perspectives, and LCDC subsequently adopted clarifying amendments to OAR 660-012-0060(2)(e) that reflected consensus support of the RAC.

The bill also states that “A city or county may use highway mobility targets established for a highway corridor by the Department of Transportation’s Oregon Highway Plan as the basis for proposing transportation improvements located outside of that city or county.” ODOT reviewed existing guidance and policy to ensure consistency with the above provision of ORS 197.798. This review found that the existing direction is consistent with this law. ODOT developed a new fact sheet for staff to clarify the intent behind the law and shared it with staff who work most directly on these actions.

A copy of the report regarding implementation of SB 120 is available on DLCD’s website at http://www.oregon.gov/LCD/docs/transportation/SB120_report.pdf.

If you have questions, please contact Dan Eisenbeis at DLCD, (503) 934-0020 or dan.eisenbeis@state.or.us, or Jerri Bohard at ODOT, (503) 986-3421 or jerri.l.bohard@odot.state.or.us.

This executive summary is sent to the Legislative Assembly as specified by ORS 192.245.



Oregon

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**Oregon Department of Transportation
Oregon Department of Land Conservation & Development
Implementing Senate Bill 120 (2015 Legislative Session)
ORS 197.798 and Section 2, Chapter 280, Oregon Laws 2015
Report to the Oregon Legislature
September 2016**

Introduction

In 2015, the Oregon Legislature passed Senate Bill 120, which required the Department of Land Conservation and Development (DLCD) and the Oregon Department of Transportation (ODOT) to respond to the bill and issue this joint report to the interim legislative committees on transportation. This law is codified in statute at ORS 197.798.

The bill states that the Land Conservation and Development Commission shall “...*adopt rules or amend existing rules as necessary to allow a city or county to propose transportation improvements located outside of that city or county when the city or county is considering an amendment to a functional plan, comprehensive plan or land use regulation and the amendment would significantly affect a transportation facility within the city or county.*”

Further, it states that “*A city or county may use highway mobility targets established for a highway corridor by the Department of Transportation’s Oregon Highway Plan as the basis for proposing transportation improvements located outside of that city or county.*”

Background

The Transportation Planning Rules (TPR) and the Oregon Highway Plan (OHP) are linked in several transportation planning applications. The TPR is Chapter 660, Division 12 of the Oregon Administrative Rules (OAR). The TPR implements Statewide Planning Goal 12 (Transportation) by providing for comprehensively planned transportation systems. The TPR is the responsibility of the Land Conservation and Development Commission (LCDC) and DLCD, while the OHP is the responsibility of the Oregon Transportation Commission and ODOT.

One area where the OHP is strongly linked to the TPR is OAR 660-012-0060, which requires local governments to ensure that comprehensive plan amendments, zone changes, and amendments to land use regulations are consistent with the identified function, capacity and performance of the affected transportation facility. Development consistent with adopted plans is not affected by TPR 0060.

The OHP covers a number of different policy areas for the planning and management of the state highway system. The OHP Mobility Policy (Policy 1F) establishes how the state measures mobility and establishes objectives that are reasonable and consistent with the direction of the Oregon Transportation Plan (OTP) and other OHP policies. OHP mobility targets (or standards) are used to identify performance expectations for transportation system planning and are used to review plan amendments that impact the state highway system in compliance with TPR 0060.

Oregon Administrative Rules Update

Consistent with SB 120, DLCD reviewed existing rules regarding the ability of a city or county to propose transportation improvements outside its jurisdiction to mitigate significant effects on transportation facilities within the city or county that would occur due to plan or land use regulation amendments being considered by the city or county. DLCD determined that section 2 of TPR 0060 gives local governments the general authority to propose mitigation outside the jurisdiction as described in SB 120, and recommended amending this section to make the local government authority more specific. LCDC agreed with the recommendation and appointed a Rulemaking Advisory Committee to draft clarifying language. The committee included Heather Richards, City of Redmond Community Development Director; Bryan Pohl, Tillamook County Planning Director; and Michael Rock, ODOT.

At their meeting in May 2016, the Rulemaking Advisory Committee reached a consensus recommendation for the following changes to the TPR in OAR 660-012-0060(2)(e):

(e) Providing improvements that would benefit modes other than the significantly affected mode, improvements to facilities other than the significantly affected facility, or improvements at other locations, if: ~~the provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards.~~

(A) The provider of the significantly affected facility provides a written statement that the system-wide benefits are sufficient to balance the significant effect, even though the improvements would not result in consistency for all performance standards; and

(B) The providers of facilities being improved at other locations provide written statements of approval; and

(C) The local jurisdictions where facilities are being improved provide written statements of approval.

On July 22, 2016, LCDC held a rulemaking hearing, and adopted the proposed amendment. The amended rule became effective on August 1, 2016.

ODOT Guidance

ODOT's main actions under this legislation are to ensure that current policy and guidance language does not preclude intended action and to share this direction with staff. To that end

ODOT staff reviewed existing policy and guidance and in general found nothing in the OHP, Development Review Guidelines, or Transportation System Plan Guidelines that would preclude a city or county from proposing improvements outside of their jurisdiction, or in using the highway mobility standards as a basis for doing so.

A similar review found that current OHP policy allows alternative mobility targets be developed and implemented for a corridor, consistent with the legislation.

ODOT has shared information with key internal groups that may be affected by this law. A staff fact sheet was developed, distributed and posted to provide clarity on the legislation. Presentations on this topic were made to staff and work groups who work on planning and development review throughout ODOT.

Conclusion

ODOT reviewed existing guidance and policy to ensure consistency with ORS 197.798. This review found that the existing direction is consistent with this law. ODOT developed a new fact sheet for staff to clarify the intent behind the law and shared it with staff who work most directly on these actions.

DLCD found that existing rules were generally consistent with the intent of ORS 197.798. LCDC adopted amended rules to clarify specific city and county authority to propose transportation improvements outside their jurisdiction to mitigate a significant effect to a transportation facility due to plan amendments or changes to land use regulations being considered by the city or county.

GUIDANCE FOR FOOD SERVICE AT WINERIES ON FARMLAND Under Oregon Senate Bill 841

January 2017



Oregon Department of Land
Conservation and Development



OREGON
WINEGROWERS
ASSOCIATION

This guidance document is produced by the Oregon Department of Land Conservation and Development (DLCD) and Oregon Liquor Control Commission (OLCC) in coordination with the Oregon Winegrowers Association (OWA). No rights are reserved, so please distribute.

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Introduction

Senate Bill (SB) 841 from 2013 provides comprehensive land use rules for wineries located in exclusive farm use (EFU) or mixed farm-forest zones throughout Oregon. SB 841 modified ORS 215.452 and was a consensus bill that culminated from several years of legislative initiatives. Pertinent statutes are provided at the end of this publication.

Among other changes to ORS 215.452, SB 841 established new rules governing food service at permitted use wineries. Since the passage of SB 841, questions have arisen regarding the interpretation of these rules. This document, issued by the Oregon Department of Land Conservation and Development and the Oregon Liquor Control Commission in coordination with the Oregon Winegrowers Association, provides guidance to local governments, wineries, and other stakeholders regarding the application of SB 841's food service rules.

Applicability of SB 841

Oregon statute contains two lists of uses allowed in EFU zones. The first list defines uses that are permitted as of right, and the second list defines uses that must be approved by the county subject to criteria (often called a "conditional use").¹ Pursuant to ORS 215.452, a winery that has least 15 planted vineyard acres on-site, and that abides by certain limitations on wine production and commercial activities, qualifies as a permitted use under the EFU statutes.² SB 841 applies to these permitted use wineries in EFU zones and in mixed farm-forest zones throughout Oregon.

SB 841 also affirms that a winery that does not meet the requirements of ORS 215.452 may be sited in an EFU zone as a conditional use under the category of "commercial activities that are in conjunction with farm use."³ The food service rules in SB 841 do not apply directly to these conditional use wineries, but counties have discretion to impose a range food service conditions on conditional use wineries.

Effect of SB 841 on pre-existing winery permits

Prior to SB 841, ORS 215.452 restricted food service at permitted use wineries to that of a "limited service restaurant," which is defined as "individually portioned prepackaged foods prepared from an approved source by a commercial processor."⁴ Land use permits for permitted use wineries issued by counties prior to SB 841 generally contain a condition that imposes this now outdated food service restriction.

¹ See ORS 215.213 and ORS 215.283. ORS 215.213 applies in Lane and Washington Counties; ORS 215.283 applies in all other counties, though the two statutes are generally similar and are identical with respect to winery zoning.

² See ORS 215.213(1)(p); ORS 215.283(1)(n); ORS 215.452

³ ORS 215.456

⁴ ORS 624.010(5).

In the 1995 case of *Brentmar v. Jackson County*,⁵ the Oregon Supreme Court held that counties may not impose additional restrictions on a permitted use in the EFU zone beyond the state EFU regulations that apply to that particular use. ORS 215.452 wineries are permitted uses in the EFU zone, and land use permits that impose the outdated limited food service requirement on these wineries are more restrictive than state law as set forth in SB 841. *Brentmar* therefore prohibits counties from enforcing limited service restaurant conditions on permitted use wineries.

Legislative intent of SB 841

The food service provisions of SB 841 are intended to allow wineries to pair food with wine to enhance wine appreciation and to ensure responsible alcohol service. SB 841 allows wineries to conduct a range of marketing activities including, for example, “wine tastings” and “winemaker dinners and luncheons.”⁶ Wineries may also host charitable events and a limited number of commercial events such as weddings.⁷ SB 841’s food service provisions are tied to these marketing and event privileges as follows:

[ORS 215.452](2) In addition to producing and distributing wine, a winery established under this section may:

...

(c) Market and sell items directly related to the sale or promotion of wine produced in conjunction with the winery, the marketing and sale of which is incidental to on-site retail sale of wine, including food and beverages:

(A) Required to be made available in conjunction with the consumption of wine on the premises by the Liquor Control Act or rules adopted under the Liquor Control Act; or

(B) Served in conjunction with [a marketing activity or event] authorized by paragraph (b), (d) or (e) of this subsection. (emphasis added).

⁵ *Brentmar v. Jackson County*, 321 Or 481 (1995).

⁶ ORS 215.452(2)(b).

⁷ ORS 215.452(2)(d) and (e).

SB 841, however, prohibits a permitted use winery from operating as a restaurant. Specifically, the statute provides that:

(3) A winery may include on-site kitchen facilities licensed by the Oregon Health Authority under ORS 624.010 to 624.121 for the preparation of food and beverages described in subsection (2)(c) of this section. *Food and beverage services authorized under subsection (2)(c) of this section may not utilize menu options or meal services that cause the kitchen facilities to function as a café or other dining establishment open to the public.* (emphasis added).

SB 841 therefore establishes a qualitative standard that distinguishes between food pairings and discrete events with food on the one hand, and regular restaurant-type meal service on the other hand. Because food preparation is allowed for marketing and events, a winery may have a commercial-type kitchen. This kitchen may not, however, be used as a justification for a non-permitted restaurant.

Related ORS 215.452 regulations

Although the distinction between permitted food pairings and prohibited restaurant service is imprecise, it is important to note that SB 841's food provisions are part of a larger scheme of winery land use regulations. Much of the ambiguity in the food provisions is resolved by two other related requirements in ORS 215.452.

First, ORS 215.452(4) limits a winery's gross income from all retail sales of non-wine products and services to 25 percent of the winery's on-site retail sales of wine. The statute also expressly allows a local government to require a written statement from a winery's certified public accountant demonstrating the winery's compliance with the 25 percent income standard. The 25 percent rule therefore provides an additional, quantitative limit on a winery's food service.

Second, as noted in the italicized statutory language above, ORS 215.452 requires the marketing and sale of food to be "incidental" to the on-site retail sale of wine. This language indicates that wine tastings, wine sales, and related wine marketing, not food consumption, must be the primary visitor activities at a winery tasting room.

ORS 215.452 therefore provides local governments with several tools to evaluate whether a winery's food service is appropriate as a matter of land use law.

OLCC requirements for wineries

As noted above, SB 841 allows a permitted use winery to serve any food required to be made available by the Oregon Liquor Control Commission (OLCC) in conjunction with the consumption of wine on the premises. This provision is intended to avoid a conflict between land use rules and OLCC requirements for responsible alcohol consumption.

At this time, however, OLCC does not require that any particular food service be made available in conjunction with the consumption of wine at wineries. Although OLCC often considers food service in determining when *minors* may be present in a tasting room, this determination is *not* a requirement for a particular level of food service under SB 841. In other words, *a winery may not use an OLCC minor posting determination as a justification for food service that exceeds the food limits set forth in SB 841.*

Additional food service guidelines

The following guidelines are intended to assist local governments and wineries in determining whether particular food service practices are consistent with SB 841. No single factor in this list is necessarily determinative of a winery's compliance or violation of ORS 215.452.

- Whether the food is tailored to the wine offerings and marketed as an accompaniment to the wine or is a stand-alone offering;
- Whether the winery offers a menu of diverse and substantial food options and/or provides defined meal service (*e.g.*, lunch, dinner);
- Whether the winery consistently provides substantial food service, or instead reserves this service to special occasions;
- Whether the predominant activity in the tasting room is dining as opposed to wine tasting, wine sales and related wine marketing;
- Whether the winery can produce a straightforward accounting of compliance with the 25 percent rule or instead utilizes multiple business entities or unusual pricing schemes to influence the accounting of its revenue.

PERTINENT STATUTES

ORS 215.213 Uses permitted in exclusive farm use zones in counties that adopted marginal lands system prior to 1993. (1) In counties that have adopted marginal lands provisions under ORS 197.247 (1991 Edition) [Lane and Washington counties], the following uses may be established in any area zoned for exclusive farm use:

* * *

(p) A winery, as described in ORS 215.452 or 215.453.

ORS 215.283 Uses permitted in exclusive farm use zones in nonmarginal lands counties. (1) The following uses may be established in any area zoned for exclusive farm use:

* * *

(n) A winery, as described in ORS 215.452 or 215.453.

ORS 215.452 Winery; conditions; permissible products and services; local government findings and criteria; fees. (1) A winery may be established as a permitted use on land zoned for exclusive farm use under ORS 215.213 (1)(p) and 215.283 (1)(n) or on land zoned for mixed farm and forest use if the winery produces wine with a maximum annual production of:

(a) Less than 50,000 gallons and:

- (A) Owns an on-site vineyard of at least 15 acres;
- (B) Owns a contiguous vineyard of at least 15 acres;
- (C) Has a long-term contract for the purchase of all of the grapes from at least 15 acres of a vineyard contiguous to the winery; or
- (D) Obtains grapes from any combination of subparagraph (A), (B) or (C) of this paragraph; or

(b) At least 50,000 gallons and the winery:

- (A) Owns an on-site vineyard of at least 40 acres;
- (B) Owns a contiguous vineyard of at least 40 acres;
- (C) Has a long-term contract for the purchase of all of the grapes from at least 40 acres of a vineyard contiguous to the winery;
- (D) Owns an on-site vineyard of at least 15 acres on a tract of at least 40 acres and owns at least 40 additional acres of vineyards in Oregon that are located within 15 miles of the winery site; or
- (E) Obtains grapes from any combination of subparagraph (A), (B), (C) or (D) of this paragraph.

- (2) In addition to producing and distributing wine, a winery established under this section may:
- (a) Market and sell wine produced in conjunction with the winery.
 - (b) Conduct operations that are directly related to the sale or marketing of wine produced in conjunction with the winery, including:
 - (A) Wine tastings in a tasting room or other location on the premises occupied by the winery;
 - (B) Wine club activities;
 - (C) Winemaker luncheons and dinners;
 - (D) Winery and vineyard tours;
 - (E) Meetings or business activities with winery suppliers, distributors, wholesale customers and wine-industry members;
 - (F) Winery staff activities;
 - (G) Open house promotions of wine produced in conjunction with the winery; and
 - (H) Similar activities conducted for the primary purpose of promoting wine produced in conjunction with the winery.
 - (c) Market and sell items directly related to the sale or promotion of wine produced in conjunction with the winery, the marketing and sale of which is incidental to on-site retail sale of wine, including food and beverages:
 - (A) Required to be made available in conjunction with the consumption of wine on the premises by the Liquor Control Act or rules adopted under the Liquor Control Act; or
 - (B) Served in conjunction with an activity authorized by paragraph (b), (d) or (e) of this subsection.
 - (d) Carry out agri-tourism or other commercial events on the tract occupied by the winery subject to subsections (5), (6), (7) and (8) of this section.
 - (e) Host charitable activities for which the winery does not charge a facility rental fee.
- (3) A winery may include on-site kitchen facilities licensed by the Oregon Health Authority under ORS 624.010 to 624.121 for the preparation of food and beverages described in subsection (2)(c) of this section. Food and beverage services authorized under subsection (2)(c) of this section may not utilize menu options or meal services that cause the kitchen facilities to function as a café or other dining establishment open to the public.
- (4) The gross income of the winery from the sale of incidental items or services provided pursuant to subsection (2)(c) to (e) of this section may not exceed 25 percent of the gross income from the on-site retail sale of wine produced in conjunction with the winery. The gross income of a winery does not include income received by third parties unaffiliated with the winery. At the request of a local government with land use jurisdiction over the site of a winery, the winery shall submit to the local government a written statement that is prepared by a certified public accountant and certifies the compliance of the winery with this subsection for the previous tax year.
- (5) A winery may carry out up to 18 days of agri-tourism or other commercial events annually on the tract occupied by the winery.

- (6) For events described in subsection (5) of this section for a winery in the Willamette Valley:
- (a) Events on the first six days of the 18-day limit per calendar year must be authorized by the local government through the issuance of a renewable multi-year license that:
 - (A) Has a term of five years; and
 - (B) Is subject to an administrative review to determine necessary conditions pursuant to subsection (7) of this section.
 - (b) The local government's decision on a license under paragraph (a) of this subsection is not:
 - (A) A land use decision, as defined in ORS 197.015, and is not subject to review by the Land Use Board of Appeals.
 - (B) A permit, as defined in ORS 215.402 or 227.160.
 - (c) Events on days seven through 18 of the 18-day limit per calendar year must be authorized by the local government through the issuance of a renewable multi-year permit that:
 - (A) Has a term of five years;
 - (B) Is subject to an administrative review to determine necessary conditions pursuant to subsection (7) of this section; and
 - (C) Is subject to notice as specified in ORS 215.416 (11) or 227.175 (10).
 - (d) The local government's decision on a permit under paragraph (c) of this subsection is:
 - (A) A land use decision, as defined in ORS 197.015, and is subject to review by the Land Use Board of Appeals.
 - (B) A permit, as defined in ORS 215.402 or 227.160.
- (7) As necessary to ensure that agri-tourism or other commercial events on a tract occupied by a winery are subordinate to the production and sale of wine and do not create significant adverse impacts to uses on surrounding land, the local government may impose conditions on a license or permit issued pursuant to subsection (6) of this section related to:
- (a) The number of event attendees;
 - (b) The hours of event operation;
 - (c) Access and parking;
 - (d) Traffic management;
 - (e) Noise management; and
 - (f) Sanitation and solid waste.
- (8) A local government may charge a fee for processing a license or permit under subsections (6) and (7) of this section. A fee may not exceed the actual or average cost of providing the applicable licensing or permitting service.
- (9) A winery operating under this section shall provide parking for all activities or uses of the lot, parcel or tract on which the winery is established.
- (10) Prior to the issuance of a permit to establish a winery under this section, the applicant shall show that vineyards described in subsection (1) of this section have been planted or that the contract has been executed, as applicable.

(11) A local government shall apply the standards described in this subsection. Standards imposed on the siting of a winery shall be limited solely to each of the following for the sole purpose of limiting demonstrated conflicts with accepted farming or forest practices on adjacent lands:

- (a) Establishment of a setback of at least 100 feet from all property lines for the winery and all public gathering places unless the local government grants an adjustment or variance allowing a setback of less than 100 feet; and
- (b) Provision of direct road access and internal circulation.

(12) A local government shall apply:

- (a) Local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar access and airport safety;
- (b) Regulations of general applicability for the public health and safety; and
- (c) Regulations for resource protection acknowledged to comply with any statewide goal respecting open spaces, scenic and historic areas and natural resources.

(13) When a bed and breakfast facility is sited as a home occupation on the same tract as a winery established under this section and in association with the winery:

- (a) The bed and breakfast facility may prepare and serve two meals per day to the registered guests of the bed and breakfast facility; and
- (b) The meals may be served at the bed and breakfast facility or at the winery.

(14) As used in this section:

- (a) “Agri-tourism or other commercial events” includes outdoor concerts for which admission is charged, educational, cultural, health or lifestyle events, facility rentals, celebratory gatherings and other events at which the promotion of wine produced in conjunction with the winery is a secondary purpose of the event.
- (b) “On-site retail sale” includes the retail sale of wine in person at the winery site, through a wine club or over the Internet or telephone.

215.453 Large winery; conditions; products and services; local government findings and criteria.

(1) A winery may be established as a permitted use on land zoned for exclusive farm use under ORS 215.213 (1)(p) or 215.283 (1)(n) or on land zoned for mixed farm and forest use if:

- (a) The winery owns and is sited on a tract of 80 acres or more, at least 50 acres of which is a vineyard;
- (b) The winery owns at least 80 additional acres of planted vineyards in Oregon that need not be contiguous to the acreage described in paragraph (a) of this subsection; and
- (c) The winery has produced annually, at the same or a different location, at least 150,000 gallons of wine in at least three of the five calendar years before the winery is established under this section.

(2) In addition to producing and distributing wine, a winery described in subsection (1) of this section may:

- (a) Market and sell wine produced in conjunction with the winery;
- (b) Conduct operations that are directly related to the sale or marketing of wine produced in conjunction with the winery, including:
 - (A) Wine tastings in a tasting room or other location on the premises occupied by the winery;

- (B) Wine club activities;
 - (C) Winemaker luncheons and dinners;
 - (D) Winery and vineyard tours;
 - (E) Meetings or business activities with winery suppliers, distributors, wholesale customers and wine-industry members;
 - (F) Winery staff activities;
 - (G) Open house promotions of wine produced in conjunction with the winery; and
 - (H) Similar activities conducted for the primary purpose of promoting wine produced in conjunction with the winery;
- (c) Market and sell items directly related to the sale or promotion of wine produced in conjunction with the winery, the marketing and sale of which is incidental to retail sale of wine on-site, including food and beverages:
- (A) Required to be made available in conjunction with the consumption of wine on the premises by the Liquor Control Act or rules adopted under the Liquor Control Act; or
 - (B) Served in conjunction with an activity authorized by paragraph (b), (d) or (e) of this subsection;
- (d) Provide services, including agri-tourism or other commercial events, hosted by the winery or patrons of the winery, at which wine produced in conjunction with the winery is featured, that:
- (A) Are directly related to the sale or promotion of wine produced in conjunction with the winery;
 - (B) Are incidental to the retail sale of wine on-site; and
 - (C) Are limited to 25 days or fewer in a calendar year; and
- (e) Host charitable activities for which the winery does not charge a facility rental fee.
- (3) (a) The gross income of the winery from the sale of incidental items pursuant to subsection (2)(c) of this section and services provided pursuant to subsection (2)(d) of this section may not exceed 25 percent of the gross income from the on-site retail sale of wine produced in conjunction with the winery.
- (b) At the request of a local government with land use jurisdiction over the site of a winery, the winery shall submit to the local government a written statement, prepared by a certified public accountant, that certifies compliance with paragraph (a) of this subsection for the previous tax year.
- (4) A winery operating under this section:
- (a) Shall provide parking for all activities or uses of the lot, parcel or tract on which the winery is established.
 - (b) May operate a restaurant, as defined in ORS 624.010, in which food is prepared for consumption on the premises of the winery.
- (5) (a) A winery shall obtain a permit from the local government if the winery operates a restaurant that is open to the public for more than 25 days in a calendar year or provides for agri-tourism or other commercial events authorized under subsection (2)(d) of this section occurring on more than 25 days in a calendar year.
- (b) In addition to any other requirements, a local government may approve a permit application under this subsection if the local government finds that the authorized activity:

- (A) Complies with the standards described in ORS 215.296;
 - (B) Is incidental and subordinate to the retail sale of wine produced in conjunction with the winery; and
 - (C) Does not materially alter the stability of the land use pattern in the area.
- (c) If the local government issues a permit under this subsection for agri-tourism or other commercial events, the local government shall review the permit at least once every five years and, if appropriate, may renew the permit.
- (6) A person may not have a substantial ownership interest in more than one winery operating a restaurant under this section.
- (7) Prior to the issuance of a permit to establish a winery under this section, the applicant shall show that vineyards described in subsection (1) of this section have been planted.
- (8) A local government shall require a winery operating under this section to provide for:
- (a) Establishment of a setback of at least 100 feet from all property lines for the winery and all public gathering places; and
 - (b) Direct road access and internal circulation.
- (9) A local government shall apply:
- (a) Local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar access and airport safety;
 - (b) Regulations for the public health and safety; and
 - (c) Regulations for resource protection acknowledged to comply with any statewide goal respecting open spaces, scenic and historic areas and natural resources.
- (10) The local government may authorize a winery described in subsection (1) of this section to sell or deliver items or provide services not described in subsection (2)(c) or (d) or (3) of this section under the criteria for a commercial activity in conjunction with farm use under ORS 215.213 (2)(c) or 215.283 (2)(a) or under other provisions of law.
- (11) (a) A local government may issue a permit for a winery operating under this section to host outdoor concerts for which admission is charged, facility rentals or celebratory events if the local government issued permits to wineries operating under this section in similar circumstances before August 2, 2011.
- (b) A local government may not issue a permit for a winery operating under this section to host outdoor concerts for which admission is charged, facility rentals or celebratory events if the local government did not issue permits to wineries operating under this section in similar circumstances before August 2, 2011.
- (12) When a bed and breakfast facility is sited as a home occupation on the same tract as a winery established under this section and in association with the winery:
- (a) The bed and breakfast facility may prepare and serve two meals per day to the registered guests of the bed and breakfast facility; and
 - (b) The meals may be served at the bed and breakfast facility or at the winery.

(13) As used in this section:

(a) “Agri-tourism or other commercial events” includes outdoor concerts for which admission is charged, educational, cultural, health or lifestyle events, facility rentals, celebratory gatherings and other events at which the promotion of wine produced in conjunction with the winery is a secondary purpose of the event.

(b) “On-site retail sale” includes the retail sale of wine in person at the winery site, through a wine club or over the Internet or telephone.

ORS 215.456 Siting winery as commercial activity in exclusive farm use zone. (1) A local government may authorize the siting of a winery, on land zoned for exclusive farm use, pursuant to the standards that apply to a commercial activity in conjunction with farm use under ORS 215.213 (2)(c) or 215.283 (2)(a) or other law if the winery:

(a) Does not qualify for siting under ORS 215.452 or 215.453; or

(b) Seeks to carry out uses or activities that are not authorized by ORS 215.452 or 215.453.

(2) If a county authorizes the establishment of a winery on land zoned for exclusive farm use or mixed farm and forest use under provisions of law other than ORS 215.452 or 215.453 after June 28, 2013, the gross income of the winery from any activity other than the production or sale of wine may not exceed 25 percent of the gross income from the on-site retail sale of wine produced in conjunction with the winery. The gross income of a winery does not include income received by third parties unaffiliated with the winery.