

Department of Land Conservation and Development

	2013-15 Actual	2015-17 Legislatively Approved*	2017-19 Current Service Level	2017-19 Governor's Budget
General Fund	12,198,336	13,593,528	13,507,085	12,948,322
Other Funds	561,866	725,419	561,874	560,528
Federal Funds	5,247,072	6,396,794	6,629,806	6,691,291
Total Funds	18,007,274	20,715,741	20,698,765	20,200,141
Positions	61	57	56	54
FTE	57.55	55.90	54.90	52.90

* Includes Emergency Board and administrative actions through December 2016.

Program Description

The Department of Land Conservation and Development (DLCD) is the administrative arm of the Land Conservation and Development Commission (LCDC). DLCD administers Oregon's statewide land use planning program and Oregon's federally approved coastal management program.

DLCD personnel assist the Land Conservation and Development Commission (LCDC) in adopting state land use goals, enforcing compliance of local land use planning with the goals, coordinating state and local planning activities, and managing the coastal zone and natural hazards programs. Oregon's land use planning system is based on a set of 19 statewide goals expressing the state's policies on land use and related topics such as citizen involvement, housing, and natural resources. Periodic review of locally adopted plans and the provision of both direct technical assistance and planning grants to local jurisdictions are key elements of the program. Under that program, all cities and counties have adopted comprehensive plans that meet mandatory state standards.

DLCD is divided in to two budgetary programs: Planning and Grants. All of the operational programs and administrative functions of the agency are contained in the Planning program, whereas the Grant program is only for the purpose of segregating the grant funding available to local planning units from the operational budget of the agency. The Grant program contains no positions or FTE. The figures presented above represent the agency-wide budget for the department.

DLCD receives federal grant funding from the National Oceanic and Atmospheric Administration (NOAA) for coastal zone management activities and the Federal Emergency Management Agency (FEMA) for floodplain management activities. Federal transportation funds are transferred to DLCD via the Oregon Department of Transportation (ODOT) as Other Funds and are used to aid in integrating land use and transportation planning.

CSL Summary and Issues

The Current Service Level budget includes the phase-out of five one-time-only or limited duration programs that were authorized in the 2015-17 biennium. These reductions from the Legislatively Approved Budget (LAB) total \$888,000 General Fund and \$216,000 Other Funds including personal services reductions captured in the agency's base budget. The individual reductions are:

- \$194,000 General Fund for the Southern Oregon Regional Pilot Program.
- \$294,000 General Fund for the completion of the agency's information management modernization initiative
- \$100,000 GF for an affordable housing pilot project established by HB 4079 (2016)
- \$300,000 GF for a "Sage-Con" statewide sage grouse coordinator position
- \$216,000 OF expenditure limitation for Office of Emergency Management grants

The CSL budget for the Grants Program includes a standard inflation adjustment of \$56,502 General Fund on monies distributed to individuals, local governments, and special payments. These are not programmatic expenditures that would be anticipated to be subject to inflationary pressure and, therefore, the inflationary adjustment should be removed.

Policy Issues

The Governor's budget makes a \$500,000 total funds cut to the Current Service Level budget for the agency. Initially, a reduction of \$945,000 General Fund is accomplished through the removal of three positions, an increase in vacancy savings, reduction in the use of temporary employees, a reduction in Attorney General expenditures, and an \$80,000 reduction in local grant funding. These reductions are then partially offset by the addition of policy packages that:

- Increase local grant funding for planning activities by \$250,000 General Fund
- Provide an additional \$100,000 Federal Fund expenditure authority for natural hazards mitigation planning
- Establishing a planner position to work on coastal resilience and hazard mitigation planning at a cost of roughly \$250,000 General Fund

The remaining \$100,000 in reductions result from changes in statewide Attorney General charges and DAS statewide service charges.

Other Significant Issues and Current Discussions

- DLCD continues to be subject to a 30 percent reduction in certain grant funding for coastal zone management from the National Oceanic and Atmospheric Agency (NOAA) due to the disapproval of Oregon's Coastal Nonpoint Source Pollution Program by the Environmental Protection Agency (EPA) due to ongoing concerns with riparian protection as permitted by the Oregon Forest Practices Act.
- HB 4079 (2016) directed the agency to establish an affordable housing pilot project and report to the Legislature on the project's progress beginning with the 2017 session.

- The Co-chairs for Joint Committee on Ways and Means have included possible adjustments to the DLCD budget in response to the current statewide revenue shortfall that includes reductions in the Planning Program through both staffing, and service and supplies cuts.