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February 13, 2023

To: Joint Committee on Ways & Means

Subcommittee on Natural Resources

From: Mary Kyle McCurdy, Deputy Director

Re: HB 5027, Department of Land Conservation and Development

Thank you for the opportunity to testify today in support of HB 5027, the Governor's recommended budget (GRB) for the Department of Land Conservation & Development (DLCD). As described below, we also support certain Policy Options Packages (POP) that were not included in the GRB.

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. We have worked closely with DLCD and its Commission since the inception of the land use planning program. Sometimes we are applauding its work, often we are pushing the agency to do more, and every now and then we are suing the agency. But overall, we are impressed and supportive. DLCD is a small agency with a big mission that they do well, with very competent staff and leadership. And, they are leaders among state agencies in using broad, inclusive public engagement and always striving to do better.

While we support all the programs and POPs that are included in the GRB, we call out two in particular.

POP 91: Housing Needs Analysis / Housing Production & Accountability Office

This POP would continue the work started in the last biennium with the Oregon Housing Needs Analysis (OHNA). Full implementation of the OHNA will ensure that every city in Oregon has the information, tools, and technical assistance necessary to better meet its current and future housing needs. It advances a more fair, equitable, and consistent system of evaluating housing need by income categories, including those experiencing homelessness; provides a broad and deep housing toolbox; and establishes state and local government accountability for actual housing production.

We also support the new Housing Production and Accountability Office, a joint program with the Building Codes Division, which will be authorized to take action quickly to remove unnecessary obstacles to actual housing development applications, such mis-interpretations of state or other rules, redundant processes, and potentially inconsistent directives, and provide technical assistance.

POP 210: Chief Information Officer

While this position will be responsible for all information technology in the department, including data security and systems upgrades and integration, we are supportive because it could offer DLCD consistent, long-needed methodologies to track and display in maps and graphically the on-the-ground outcomes of the statewide land use planning program.

In addition, there are several POPs requested by the Department that were not included in the GRB, which we support and would like to see included in the Department's budget.

POP 203 – Climate Friendly & Equitable Communities Program

The Climate Friendly & Equitable Communities (CFEC) program was developed over two years with a large, very diverse rules advisory committee and many public hearings. It applies to the state's eight largest urban areas – where the main source of climate pollution is generated: driving. The CFEC program is designed to reduce climate pollution from transportation and promote more walkable, equitable, mixed-use communities.

While the program itself has multiple elements, and compliance with the full program will take place over the next six years or so, some elements have already gone into effect and many cities are underway in implementation. These cities need support to complete this work through the DLCD budget. We know that successful implementation of this CFEC program means cities need technical assistance, on-loan consultants, and other support to achieve our common goal of reducing climate pollution and creating healthier communities for all.

While we recognize the uncertainties of the state's revenue forecast at the moment, we urge you to include some support to keep this program going and enable local jurisdictions to continue implementing it. In addition, this program positions the state well for related federal investments.

POP 201: Equitable Community Engagement

We support POP 201 for Equitable Community Engagement and, in particular, reform of Statewide Land Use Planning Goal 1. Goal 1's purpose is "to develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process." It specifies six principles that local governments should incorporate into their local public involvement processes: widespread citizen involvement: effective two-way communication; citizen influence; understandable technical information; strong feedback mechanisms; and adequate financial support

Goal 1 was ground-breaking when LCDC adopted it; however, the Goal has failed to keep up with inclusive language and engagement practices, new technologies, and more to meet the racial, economic, cultural, and social diversity of Oregon. And, the Commission has never adopted administrative rules to direct local governments in how to implement Goal 1.

Therefore, today we see the staleness of Goal 1 and this lack of guidance in the wide range of local government public involvement processes, from robust to anemic. Goal 1 must be revised, including rule adoption, to reflect Oregon's changing communities and needs, ensuring it enables all voices to participate in planning their communities