

April 2, 2004

TO: Land Conservation and Development Commission

FROM: Lane Shetterly, Director

SUBJECT: **Agenda Item 13 – Director’s Report**

**A. INFORMATION UPDATES**

**1. GRANTS, INTERGOVERNMENTAL AGREEMENTS AND CONTRACTS**

**a. General Fund Grants**

A budget note in DLCD’s 2003-2005 budget required DLCD to submit a Grants Allocation Plan to the Legislative Emergency Board. Prior to Emergency Board approval of the plan DLCD was only authorized to provide funding for “continuing projects” in a total amount not exceeding 25 percent of the total of funds appropriated for general fund grants to local governments. The Emergency Board acknowledged the department’s plan (and that the department was making “reasonable progress” on the work plan for the department established by the legislature) at its meeting on April 8-9 (see Item D. 4., below), and authorized the allocation of \$43,377 for the Grants program and \$6317 for the Landowner Notification program that had been withheld as part of a special purpose appropriation.

The department has approved general fund grants for the entire amount allowed in the first round. These consist primarily of Periodic Review and Technical Assistance grants, but also Columbia River Gorge grants for the first half of the biennium. “Gorge grants” are provided to Hood River, Multnomah and Wasco counties to help with activities related to National Scenic Area Planning.

The Commission appointed a Grants Advisory Committee in January, and that committee has met twice. (A third meeting is scheduled for April 26). The committee has provided direction to the department on the allocation of Planning Assistance (small city/county) and Gorge grants as well as advice on criteria for awarding Technical Assistance grants.

The department sent the second round of grant application forms for Periodic Review and Technical Assistance grants (*i.e.*, those not constrained by the budget note to “continuing projects”) to local jurisdictions in March. Applications are due no later than April 23.

**b. Coastal Grant Availability**

The Department recently announced the availability of FY04 Coastal Zone Management grants to coastal cities and counties in Oregon's coastal zone. Total grant funding available in FY04-05 is \$855,000. These grants will begin July 1, 2004, and are supported by federal funds awarded to Oregon by the federal Office of Coastal and Ocean Resources Management. Coastal cities and counties may receive these funds in addition to any other grant or award from the DLCD.

There are four categories of coastal grants: Core planning funds are allocated by a formula developed with advice from cities and counties using such factors as population, projected growth, shoreline length, and presence of special planning issues. All coastal local governments are eligible for a minimum grant of \$3,000.

- 1) Technical assistance grants enable cities and counties to fund special planning projects to meet emerging needs or changed conditions beyond basic planning activities.
- 2) Small construction/acquisition (306A) grants are available for a wide range of projects to provide public recreational access to coastal shorelines and beaches, redevelop deteriorating waterfronts, and preserve or restore coastal resources. Because these projects can be quite complicated to prepare, these grants were announced at the end of January and applications were received by the Department March 31, 2004.
- 3) Special grant funds are available to help control storm water runoff from development to reduce pollutants carried into coastal streams, estuaries, and wetlands.

**2. PARTICIPATION IN LUBA APPEALS AND RECENT LUBA AND COURT OPINIONS**

ORS Chapter 197 requires a report to the Land Conservation and Development Commission regarding the department's participation in petitions to the Land Use Board of Appeals (LUBA) and about those LUBA opinions that involve the application of the statewide goals and rules.

**a. Participation [ORS 197.090(2)]**

Between February 14, 2004 and March 30, 2004, the department received notice of thirty-two (32) appeals that were filed with LUBA. The department did not file any petitions on these appeals.

**b. LUBA and Court Opinions [ORS 197.040(1)(c)(C)].**

**LUBA Opinions**

Between February 14, 2004 and March 30, 2004, the department received twenty-eight (28) LUBA opinions. Of these, LUBA dismissed fourteen (14), affirmed five (5), remanded seven (7), reversed one (1) and transferred one (1) petition to circuit court. Three (3) decisions involved the application or interpretation of a statewide planning goal or rule provision and none of these appear to require an amendment to a goal or an administrative rule. These LUBA opinions are under review by the department and if, on further review, it appears that they may require an amendment to a goal or an administrative rule the department will bring any such recommendations to the Commission.

**Court Opinions**

The department received five (5) opinions from the Oregon Court of Appeals during this time period. The Court affirmed all five (5) of the prior LUBA decisions. All five cases involved application of local sign ordinances and did not involve interpretation of a statewide planning goal or an administrative rule.

Of particular interest, the Court of Appeals issued its decision in the case *Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints v. City of West Linn*, (2002-155; A122194, decided March 24, 2004). While the department was not a party to the case, and did not participate in it, it is of interest to the department in that it addresses an important issue under the Religious Land Use and Institutionalized Persons Act (RLUIPA). In this case the City of West Linn denied the petitioner church's application for a conditional use permit to build a new religious meetinghouse in a residential neighborhood. On appeal, the church argued that the denial of its application constituted a violation of RLUIPA. The court held, among other things, that the church had not shown a "substantial burden" sufficient to constitute a violation of RLUIPA where the city's action did not restrict its current religious practices (it prevented a change in practice by the construction of a new facility), and where members were able to worship at other proximate facilities.

**3. PERIODIC REVIEW WORK TASKS/PROGRAMS**

A summary of recent periodic review activity in the department is provided in Attachment A.

The number of new submittals increased slightly in March, with eight, although that is still not a historically high level of activity. All of these except one (Baker City) are mandatory under Senate Bill 920. Three recent tasks from small cities—Mt Angel (approved in March), Warrenton (submitted in March), and Gervais (submitted in April)—were submitted in response to earlier remands.

At the time of this report, 12 tasks await DLCD action, and the average time since their submittal is less than five weeks.

#### **4. STATUS ON PLAN AMENDMENTS RECEIVED**

A quarterly summary of Post-Acknowledgment Plan Amendments (PAPAs) received by the department is in Attachment B. PAPAs are changes to an acknowledged comprehensive plan or implementing ordinance, or plan or zoning map, completed by local governments outside of the periodic review process. DLCD may provide technical assistance to local governments in the development of PAPAs and the department may review and/or comment on a PAPA. However, any appeal of a PAPA goes to LUBA, not LCDC.

The first page of Attachment B summarizes submittals for the first quarter of 2004. A submittal may include multiple amendments. The reported adoptions include submittals that may have been submitted in a prior or the current quarter.

The second page shows activity over the last several years by year, and the third page by biennium. The last page of Attachment B shows participation by DLCD in PAPAs from 1999 through the first quarter of 2004. “Y=Participated” and “YA=Advisory Participation” mean that the proposal was reviewed by department staff, not that the department submitted comments. Those that received comments are shown under the three middle columns.

Taken together, the three types of participation yield the following results (comments/no comments):

1999 – 115/419  
2000 – 137/339  
2001 – 184/322  
2002 – 82/338  
2003 – 134/162  
2004 – 11/26 (first quarter)

### **B. DEPARTMENT PROGRAM ACTIVITIES AND INITIATIVES**

#### **1. ECONOMIC DEVELOPMENT PLANNING TEAM**

At the March Commission meeting, LCDC delegated the responsibility of appointing an Industrial Conversion Study Committee and an Economic Development Planning Advisory Committee to Director Shetterly and Commissioner Kirkpatrick. Final committee appointments were made on April 1, 2004 and formal invitation letters were sent to appointees on April 5. A draft description of both committee’s roles and responsibilities and committee rosters is provided in Attachments C & D.

The Industrial Conversion Study Committee will implement Section 17 of HB 2011 (Chapter 800 Oregon Laws 2003), which requires the Land Conservation and Development

Commission, in conjunction with the Governor's Economic Revitalization Team, to study and report to the Governor by the end of the year on the conversion of industrial land to non-industrial land.

The Economic Development Planning Advisory Committee will provide subject matter expertise and guidance to the newly formed Economic Development Planning Team at DLCD regarding the economic development planning needs of local governments and the state. In particular, the Advisory Committee will be expected to assist the department with any policy work it may do in this regard such as reviewing and possibly updating the Goal 9 (Economic Development) administrative rules.

The Conversion Committee has 20 individuals and the Advisory Committee has 25 individuals representing local governments, ports, citizens and citizen groups, interest groups, economic organizations and the development community and includes geographic representation from the southwest coast to eastern Oregon. The committee's work will be assisted by agency liaisons from the Department of Agriculture, Department of Transportation, the Governor's Economic Revitalization Team, Housing and Community Services and the Economic and Community Development Department.

Commissioner Kirkpatrick will serve as LCDC liaison for both committees as well as chair of the Conversion Committee. Bill Blosser has agreed to chair the Advisory Committee. Team members Larry Ksionzyk, Steven Santos and Pamela Pearson will staff the committees. The first meetings of both committees are scheduled for the last week of April in Portland.

At the first Conversion Committee meeting, committee members will determine when, where and how often they will meet. At this time staff is proposing four additional meetings. Meetings are likely to be held in May, June, September and October. We anticipate a final draft report will be ready for review at the November Commission meeting.

At the first Advisory Committee meeting, committee members will determine when, where and how often they will meet. At this time staff is proposing a quarterly meeting schedule. In addition, we expect the Advisory Committee to form subcommittees for specific policy work relating to Goal 9 and develop a subcommittee meeting schedule as well. The Goal 9 review will begin at the first meeting by forming small discussion groups guided by discussion questions being developed by the committee chair and staff.

In addition, the Economic Development Planning Team has begun the contracting process to implement Section 26 of HB 2011 which requires LCDC to: 1) Provide local governments with basic and advanced methods for identifying, analyzing and providing for industrial, commercial, and retail development sites; and 2) Develop and provide guidebooks and other appropriate materials to assist local governments in identifying and analyzing potential industrial, commercial and retail development sites. The department

will be issuing a request for proposals and then will hire a contractor with appropriate expertise to develop and produce the guidebook for local governments.

For more information on the activities of the Economic Development Planning Team, please contact Larry Ksionzyk at 503-373-0050, ext. 278 or Steven Santos at 503-373-0050, ext. 284.

## **2. TRANSPORTATION AND GROWTH MANAGEMENT PROGRAM – AWARD FOR OUTREACH PROJECT**

A team of student researchers from the Community Planning Workshop at the University of Oregon and Portland State University received the 2004 National American Institute of Certified Planners (AICP) Student Project Award for the project titled Integrating Transportation and Land Use Planning: Outreach to Planning Commissioners. The project was selected as the best example of “contribution of planning to contemporary issues”. This project was a unique collaborative effort between the University of Oregon, Portland State University, and the state’s Transportation and Growth Management (TGM) Program. Bill Adams, Oregon Department of Transportation and formerly on the department’s staff, represented the TGM program.

The primary goal of the project was to raise awareness of planning commissions on smart growth issues. A secondary goal of this project was to gather information from local planning commissioners on technical assistance and outreach tools that would better prepare them for their duties.

Students from both universities visited planning commissions in numerous communities throughout Oregon, shared smart growth ideas, and engaged commissioners in thoughtful dialogue about constraints and opportunities surrounding smart growth activities. Information gathered by the students is being used to help the department design and target current outreach activities.

## **3. SUSTAINABILITY PLAN**

The department, in response to the Governor’s Executive Order on Sustainability (EO-03-03) submitted its Sustainability Action Plan to the Oregon Sustainability Board in February, 2004. The plan is tied to the department’s strategic plan, economic development action plan and the policy initiatives agreed to by the Commission at the November 10, 2003 meeting. The department’s sustainability coordinator, Ann Beier, appeared before the Sustainability Board at their April 2, 2004 meeting. The Board unanimously approved the department’s plan. A copy of the plan is attached as Attachment E, and the plan is also available on the department’s website. For more information, please contact Ann Beier at 503-373-0050 ext. 255, or by email at [ann.beier@state.or.us](mailto:ann.beier@state.or.us)

#### **4. PLANNERS NETWORK MEETINGS**

The department will be hosting two Planners Network meetings this spring – one in the Bend area and one in the central Willamette Valley. These meetings provide an opportunity for city and county planners and regional government organizations to discuss planning issues with department staff. The Planners Network meetings are part of the commitment the department made to the 2003 Legislature in the Action Plan submitted to the Ways and Means Committee.

#### **5. NATIONAL FLOOD INSURANCE PROGRAM - FLOOD MAP MODERNIZATION BUSINESS PLAN FOR OREGON**

The Federal Emergency Management Agency (FEMA) has embarked on a nationwide program called the Map Modernization initiative to address problems with existing flood hazard maps. DLCD, other Oregon state agencies, and local governments rely on flood hazard data and maps produced by FEMA for floodplain management. The FEMA flood hazard maps establish floodplain boundaries and flood depths for regulatory purposes and provide information that helps state agencies, local governments, and citizens to mitigate for potential flood losses. Over seventy percent of the two hundred fifty seven (257) Oregon cities and counties that participate in the National Flood Insurance Program (NFIP) have outdated flood hazard maps. It is through FEMA's Map Modernization initiative that DLCD foresees the best opportunity for updating flood maps for Oregon communities and converting those maps to a more robust, digital format.

As part of the national initiative, FEMA provided DLCD with the opportunity to develop a "business plan" describing potential state involvement in the Map Modernization initiative. DLCD opted to develop a business plan to preserve the floodplain program's eligibility for future map modernization funding. In addition, FEMA provided DLCD with funding to cover costs associated with development of the business plan. The business plan was prepared during late 2003-early 2004 and submitted to FEMA Region X by the Department at the end of March 2004.

*The Flood Map Modernization Business Plan For Oregon* identifies how Oregon, with DLCD as the lead agency, could participate in and further the objectives of FEMA's Map Modernization initiative. While DLCD proposes to lead the state effort, map modernization would be accomplished through partnerships with FEMA, other federal agencies as appropriate, key state agencies, and local communities. These partnerships will be used to leverage contributions (e.g. data, labor, etc.) and to produce better maps at a lower cost. Oregon's business plan describes potential state contributions to the FEMA mapping initiative and identifies the essentials of a funding and staffing package that is necessary for implementation of the business plan. The business plan will serve as a basis for any future DLCD requests for FEMA map modernization funds. The business plan in and of itself is NOT an application for federal funding.

For more information about the business plan or other floodplain management issues, contact Christine Valentine, Floodplain/Natural Hazards specialist, 503-373-005 ext. 250 or Ann Beier, Planning Services Division Manager, 503-373-0050 ext. 255.

## **6. INTERIM PERIODIC REVIEW REFORM COMMITTEE**

This committee, required by Senate Bill 920 and appointed by the Commission in January, met in March and is scheduled for another meeting April 20. The first meeting agenda included operational issues and definition of concerns, goals and timeframes. The agenda for the second meeting is under development at the time of this report, but will include a discussion of the original intent of periodic review.

## **C. DEPARTMENT ORGANIZATIONAL AND MANAGEMENT INFORMATION**

### **1. RECRUITMENTS**

The department continues its effort to hire the leader for the Economic Development Planning Team. The position was readvertised and applications are due by May 3.

The department is also recruiting for the Urban Specialist position vacated by Jim Hinman. Applications are due on May 3<sup>rd</sup>. The Community Services Division has two vacant positions. Interviews will be conducted soon for the Willamette Valley urban and Northeast positions.

### **2. NEW STAFF**

Several new employees have joined the department since the last commission meeting.

Sarah Watson is the new Executive Assistant to the Director. She was director Shetterly's legislative aide from 2000 until he resigned from the legislature to take his position with the department. Prior to that, Sarah was the Office Manager for the Joint House and Senate Judiciary Committees where she provided coordination between legislative members, Committee Counsel, support staff, lobbyists and the public regarding legislative meetings.

The Planning Services Division welcomes three new employees to the program. Constance Beaumont is the department's new Transportation Growth Management Outreach Coordinator. She joins us after many years with the National Trust for Historic Preservation where she was the Director for State and Local Policy and led the organization's smart growth initiative.

Pamela Pearson is the new Administrative Specialist for the Economic Development Planning Team. She has been at the Department of Human Services and worked in the Children, Adults and Families program. She was responsible for coordinating legislative tracking for her division during the last session and provided support to the Child Welfare Advisory Committee.



Mark Darienzo is the department's new mineral and aggregate resources specialist. Mark has a PhD in geology from Portland State University and comes to the department from the Oregon Office of Emergency Management where he served as the state's tsunami and earthquake expert. Mark will be part of the Planning Services Division and will provide technical assistance to local government and assist Bob Rindy on mineral and aggregate policy work. He has worked as the earthquake/tsunami program coordinator for the Oregon Emergency Management program. He has a PhD in geology from Portland State University.

Mike Rupp, the department's former Rural Planning Specialist has rejoined the department in a temporary position. Mike will be filling in for Christine Valentine, the department's natural hazards program specialist while Christine is on maternity leave.

The department welcomes all of these new employees.

### **3. RETIREMENTS**

Jim Hinman and Don Oswalt have both retired from the department. Jim worked for the program for twenty years and Don for 25 years. The department presented plaques to both Don and Jim with the following inscription: "In deep appreciation and admiration of your integrity, dedication, hard work and valuable contributions to the Oregon Department of Land Conservation and Development." The department will sorely miss Don and Jim and their expertise.

Jim will continue as a temporary employee with the department. Don is working on a second career and is pursuing a degree in information sciences.

### **4. DIRECTOR ACTIVITIES**

During the period covered by this report the director has been involved in several activities in support of the work of the department, both within the department and externally. Highlights of the director's activities include the following:

- Participation in the Governor's Economic Revitalization Team (GERT), including a field trip on April 6 to Bend, Redmond and Prineville.
- Testimony before the House Interim Committee on Land Use Review (see Item D. 1., below) and the Emergency Board General Government Subcommittee (see Item D. 4. below).
- Establishment of monthly lunch open forums for legislators (and their constituents) to be held at the department on the first Monday of each month. The first of these lunches was held on April 5.

- Establishment of senior staff meetings with the Oregon Department of Transportation, to help improve ongoing coordination and communication between DLCD and ODOT.
- Ongoing meetings with department staff for the director's orientation and to provide opportunities for staff to meet in small groups with the director.
- Speaking engagements and meetings, including the League of Oregon Cities board of directors (Newport, April 9); Oregonians in Action Land Use Forum (Wilsonville, March 13); Dallas Rotary Club (Dallas, April 13); Central Oregon Home Builders Association (Bend, April 15) and Oregon Realtors Association conference (Eugene, April 16).

In addition, the director is in the process of scheduling several "listening tours" to various parts of the state, in coordination with field staff. Trips to the coast, southern Oregon, eastern Oregon, Lane County and Metro are currently scheduled for April, May and June.

## **5. CUSTOMER SERVICE PLAN**

Governor Kulongoski's executive order on regulatory streamlining directed all state agencies that regulate business activities to review and evaluate their delivery of customer service and customer satisfaction. The executive order also directed agencies to develop and submit to the Office of Regulatory Streamlining a plan to address identified weaknesses and improve customer services. DLCD's evaluation and plan is provided in Attachment F.

## **D. LEGISLATIVE UPDATES**

### **1. HOUSE INTERIM COMMITTEE ON LAND USE REVIEW**

The House Interim Committee on Land Use Review held its second meeting on April 7, 2004. Director Shetterly and Chair VanLandingham testified on a number of issues, including the new direction of the department and commission, the proposed 30-year review of the land use planning system, the role of state in land use planning, and the department's role in pursuing the Governor's economic development agenda. Other witnesses invited to testify before the committee included representatives of local governments, special districts, homebuilders, realtors, Metro, OAPA, and others. Public testimony was also received.

The members of the House Interim Committee are:

- Rep. Wayne Krieger, Co-chair
- Rep. Bill Garrard, Co-chair
- Rep. Vickie Berger, Vice-Chair
- Rep. George Gilman

Rep. Mitch Greenlick  
Rep. Betsy Johnson  
Rep. Mike Schaufler  
Rep. Patti Smith

## **2. SENATE INTERIM COMMITTEE ON GENERAL GOVERNMENT**

The Joint Interim Committee on General Government met on April 7. Bob Rindy addressed the committee and presented an update on the commission's aggregate rulemaking activities. Committee members asked questions about the draft rule, especially concerning the protection of farmland. The committee took no action, but will be asking for periodic updates from the department.

The members of the Senate Interim General Government Committee include:

Sen. Frank Shields, Chair  
Sen. Frank Morse, Vice-Chair  
Sen. Sal Esquivel  
Sen. John Lim  
Sen. Bill Morrisette  
Sen. Floyd Prozanski  
Sen. Bruce Starr  
Sen. Vicki Walker

## **3. JOINT INTERIM COMMITTEE ON TRANSPORTATION, TRADE AND ECONOMIC DEVELOPMENT**

The Joint Legislative Committee on Transportation, Trade, and Economic Development will meet in Eugene on April 15, 2004 (after the mail out of this report). Bob Rindy has been invited to update the committee on LCDC's aggregate rulemaking effort. This committee has indicated that it intends to consider this issue in the interim and may propose legislation regarding aggregate for the 2005 legislative session.

The members of the Joint Interim Transportation, Trade & Economic Development Committee are:

Sen. Rick Metsger, Co-Chair  
Sen. Bruce Starr, Vice Chair  
Sen. Margaret Carter  
Sen. Ryan Deckert  
Sen. Gary George  
Sen. Ken Messerle  
Sen. David Nelson  
Sen. Vicki Walker  
Rep. Terry Beyer  
Rep. Alan Brown, Co-chair  
Rep. Billy Dalto

Rep. Jackie Dingfelder  
Rep. George Gilman  
Rep. Derrick Kitts  
Rep. Carolyn Tomei  
Rep. Cliff Zauner

#### **4. EMERGENCY BOARD**

The 2003 Legislature approved a budget note for DLCD that required the department to report to the Emergency Board in January and November of 2004 the department's progress on completion of a work plan. The Legislature also reduced the department's budget by \$375,000 General Fund and established that amount in a Special Purpose Appropriation to be allocated in two equal amounts of \$187,500 upon demonstration that we have made reasonable progress on the work plan. Each of the two equal amounts affects all three of DLCD's budget units: Operations (all but 0.5 FTE of DLCD staff as well as associated services and supplies), Grants, and Landowner Notification (the remaining 0.5 FTE and funds for reimbursing local governments for notification under Measure 56).

Another budget note required the Land Conservation and Development Commission to establish a grants advisory committee to develop a Grants Allocation Plan. This budget note required the department to present the Allocation Plan to the Emergency Board before the department could award new grants to local governments.

In January 2004, DLCD was prepared to submit to the E-Board its report responding to the budget notes, but this item was removed from the January E-Board agenda and rescheduled on the April E-Board agenda. At its meeting on April 8-9, 2004, the E-Board found that DLCD had made reasonable progress and approved the Grants and Landowner Notification components of the first allocation of the Special Purpose Appropriation. Rather than approve the Operations component, the E-Board noted that DLCD has significant vacancy savings and directed the department to use these. As a result, DLCD may need to return to the E-Board to request receipt of additional funds from the Special Purpose Appropriation if the department finds it does not have enough money fulfill its responsibilities.

The E-Board also acknowledged receipt of the Grants Allocation Plan. This releases the department to award grants to local jurisdictions. (See Item A. 1. a., above.)

#### **E. BACKGROUND INFORMATION FOR UPCOMING EFFORTS AND ACTIONS BEFORE THE COMMISSION**

##### **1. REVIEW WORK TASK STATUS FOR SPECIFIC JURISDICTIONS LIKELY TO BE ON THE JUNE LCDC AGENDA**

Although the situation may change as DLCD staff continues to work with the staffs of local jurisdictions, the following jurisdictions are likely to come before the Commission in June 2004:

Bandon: Appeal of a department approval of a task relating to Goal 5 scenic resources. The parties to this appeal may request mediation, forestalling the hearing.

Prineville: Request to submit periodic review tasks after June 30, 2004.

North Plains: Hearing to consider adoption of mediated settlement to settle appeal of the department's remand of Task 7 regarding development code amendments.

Columbia County: Possible consideration of the county's submittal of Task 1, aggregate resources.

## 2. LEGISLATIVE CONCEPTS

The department will submit legislative concepts to the Department of Administrative Services (DAS) on or before April 15<sup>th</sup>. The list of concepts, as previously approved by the commission, is as follows:

- **Land Use Review.** The Governor's Office has charged LCDC with evaluating the land use system and adopting appropriate changes. This evaluation effort should include public hearings and broad surveys throughout the state, listening tours by the director, town hall meetings and open community forums. Due to lack of funding, LCDC cannot conduct a thorough review this biennium. As such, the department will present a legislative concept and a related budget proposal (POP) to fund such an effort in the next biennium. This concept will be modeled after last session's HB 2912, which included a land use review process and funding to support the effort.
- **Periodic Review.** The 2003 legislature required LCDC to appoint a committee to make recommendations to the 2005 legislature with regard to streamlining the periodic review process (SB 920). This committee has been appointed but its work will not be concluded in time to submit a detailed legislative proposal to DAS on April 15<sup>th</sup>. However, the department will submit a "placeholder" concept describing the work of the committee. Details of the legislation would be provided after the committee concludes its work.
- **Industrial Land.** Legislation from last session (HB 2011) required LCDC to appoint a committee to study the conversion of industrial land to other uses and report to the Governor. The recently appointed Industrial Conversion Study Committee is to work in conjunction with the Governor's Economic Revitalization Team through October of 2004, and could recommend legislation when it completes its study. As such, the department will file a "placeholder" legislative concept describing the work of the committee and anticipating substantive provisions to be drafted in October. LCDC has also convened an

Economic Development Advisory Committee to guide the department's new economic development planning team in improving the supply of industrial land statewide. That newly appointed committee might also consider legislative proposals, to be included with any proposals by the Industrial Conversion Study Committee.

- **Farm worker housing.** The department will introduce legislation to amend ORS 215 to extend the statutory farm worker housing provisions to marginal lands counties (Lane and Washington Counties). These provisions were enacted in 2001 but inadvertently were not applied to the special sections of ORS 215 regulating land uses on farmland in the two marginal lands counties. DLCDC supported a version of this legislation in the 2003 session, along with Washington County and other interests, but that bill was delayed by the end-of-session committee closures and did not pass.
- **Streamlining.** The department will propose legislation to revise ORS 197. 235(a) to allow LCDC to amend a statewide planning goal with only one public hearing if the amendment is in response to a new or amended state law, and provided the new law gives the commission little or no leeway with respect to changing a goal. Currently, ORS 197. 235(a) requires LCDC to hold ten hearings around the state in order to adopt or amend a land use goal (at an estimated cost of over \$100,000 per goal amendment). Ten public hearings are appropriate when the commission has discretion to amend a goal and how to word the amendment. But when LCDC has no leeway as to the amendments to a goal, the requirement for ten hearings is a considerable and unnecessary expense.

### 3. RULEMAKING

The Commission has scheduled several policy and program initiatives for the 2003-2005 biennium. One of the initiatives includes a new rule and possible Goal amendments regarding the process for urban growth boundary amendments. The proposed Goal 14 administrative rule would provide a clear set of standards and procedures to be followed by local governments in evaluating land supply inside the UGB and in amending the UGB when necessary.

The department has not been able to begin this project due to the workload and rescheduling associated with the aggregate rulemaking. Staff intends to begin this policy work in May and requests that the Commission select a liaison to work with department staff on this project.

The department will also be establishing an advisory committee to assist with this rulemaking. Because staff would like to begin work on this important project before the June Commission meeting, the department requests that the Commission delegate authority to the Director to appoint this committee, in consultation with the Commission's liaison.