

## **Advisory Committee on Regulatory Permitting**

May 4, 2004 Meeting  
State Lands Building, Rm 201  
775 Summer St, NE  
Salem, OR

### **Attending Committee Members:**

Frank Angelo  
Jon Chandler  
Dan Cooper  
Tom Gallagher  
Scott Hege  
Linda Ludwig  
Steve Pfeiffer  
Mark Whitlow  
Gabrielle Schiffer, staff

### **Interested Parties:**

Pat Allen  
Erik Andersson  
Phil Johnson  
John Lilly  
Harlan Levy  
Ray Naff  
Art Schlack  
Cory Streisinger  
Chris Warner

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## **SUMMARY NOTES**

Ray Naff, the Governor's Intergovernmental Relations Director, conveyed Governor Kulongoski appreciation to the members of the committee for their willingness to give of their time and expertise to serve on the Advisory Committee on Regulatory Permitting. It's the Governor's hope that this committee will streamline the permitting process and help increase economic opportunity in the state. Ray noted that the work of this committee will also raise the CST/GERT approach to economic and community development to a new level.

Chris Warner, the Governor's Legislative Director, talked briefly about how HB2011 came about. He then introduced Tom Gallagher and Jon Chandler, who worked with state agencies and stakeholders on writing the legislation.

Tom listed the four other committees named in HB 2011 and their function:

- Industrial Lands Advisory Committee - identified 25 industrial sites of statewide significance for job creation in December 2003
- Industrial Lands Conversion Committee - looking at the issue of industrial land conversion to commercial uses
- Economic Development Advisory Committee to DLCD
- Advisory Committee to develop a State Economic Development Strategy

The purpose of this committee is to critically assess current regulatory processes from the perspective of the users or applicants and identify where the constraints are and how we might fix them. The goal of this committee is to identify changes to the state regulatory system to create more certainty for the development process, make the process itself less cumbersome and more coordinated and speed up the process so that permits can be issued in a shorter time.

Tom told the group that there is no silver bullet that will magically undo the regulatory gridlock we have created. We need to take the system apart brick by brick and decide what to keep, what to eliminate and where we need to mitigate conflicting interests. We need a new strategy in order to be successful in this task, one in which we work together rather than against each other.

Jon underscored Tom's challenge that we need a new strategy – one that's built on working together, not only with each other but also with the state agencies, the Governor's Office and local government. No individual actor can hope to make a difference and untangle the layers of regulation and process that are the product of many well-intentioned, but disconnected laws. At a 30,000 ft level, this committee will be working to balance competing goods/interests.

The committee should check some of the basic assumptions underlying the permitting process. For instance, the permitting process, historically, is defined not by what we want to happen, but by what we don't want to happen. He reminded the committee that as a state, we also lack agreement on some fundamental questions such as - Is the land use program a state system with local administration? Or is it a local system with state oversight?"

The members of the committee responded as follows to the question of what their hopes are for what the committee can contribute:

- A product
- To quiet the planning frenzy. We create plans on plans without taking the time to implement.
- More competitive permitting
- Bring together the different perspectives of the state agencies and exchange ideas
- Recognize the diversity around the state and what that means for economic development
- More integration of state agencies around economic and community development
- Identify where the barriers are and remove them
- Create more certainty for development
- Expedited permitting process - Problem is not "if" a permit will be issued but "why is it taking so long?"

Highlights of the discussion that focused on how narrow or broad the committee's scope should be included the following comments:

- The definition of industrial lands has changed. It's no longer purely about manufacturing. We need to be thinking of "employment centers" which can include manufacturing and commercial/office buildings.
- Focus should be on creating jobs.
- We need to fix the land use process
- Permitting is less of a problem with state agencies and more of a problem with local government.

- The appeals process ties things up and slows things down.
- Transportation permitting system is often subjective to ODOT
- Land use permitting and transportation permitting is not integrated
- Lack of adequate funding for infrastructure is a big problem
- Maybe we need to revisit substantive policy decisions.
- We need to take into consideration the cumulative impact of permitting on business start-ups and small businesses – How many are discouraged from even starting a business because of the regulatory maze, the cost of entry and the uncertainty regarding a satisfactory outcome
- We may want to consider establishing a state maximum regulatory level (ceiling) that locals can engage in, rather than a state minimum (floor) which is now the case.

A sub-committee composed of Dan Cooper, Linda Ludwig, Tom Gallagher, Pat Allen and Gabrielle Schiffer will meet to develop a format/structure for committee interaction with the directors before the first joint meeting on June 1, 2004.

Committee member comments on the how to organize the meetings with the eight state agency directors included:

- Interactions should be shaped by the topic
- Submit questions/info to directors in advance so that they can bring the right staff people to the meetings
- We need good information
- We need to define problems in some specificity in order to know what to fix
- Interaction with directors should focus on creative problem solving and finding solutions in partnership
- Ask agency directors what initiatives/issues they are already working on
- We need to be thinking about ways in which agencies can cooperate and integrate processes
- Important to hear end users perspective
- Be aware of the impact on smaller businesses