

# State Lands, Department of

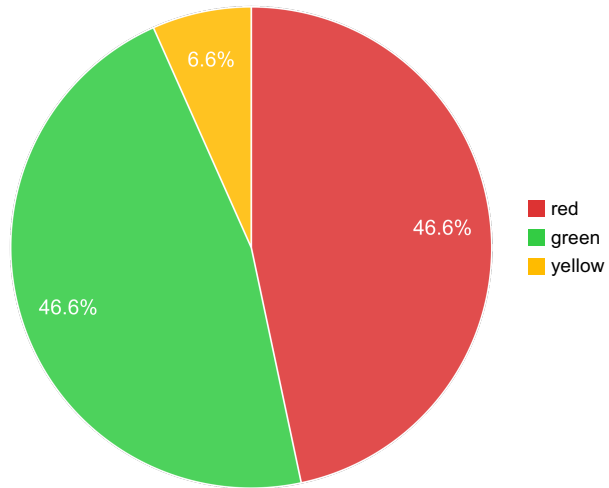
Annual Performance Progress Report

Reporting Year 2022

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KPM #	Approved Key Performance Measures (KPMs)
1	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.
2	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest and non-forest lands.
3	Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts from the prior year
4	Complete Management Plans or Policies - Percent of DSL lands and waterways with completed area management plans or policies.
5	No Net Loss of Wetlands - Change in wetland acreage due to all regulatory actions, including enforcements.
6	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.
7	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.
8	Annual Resolution of Removal - Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.
9	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.
10	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.
11	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.
13	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.
15	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.
16	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
17	Best Practices - Percent of total best practices met by the Land Board.

Proposal	Proposed Key Performance Measures (KPMs)
Delete	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
New	South Slough National Estuarine Research Reserve Education Actions - Total number of people served annually.

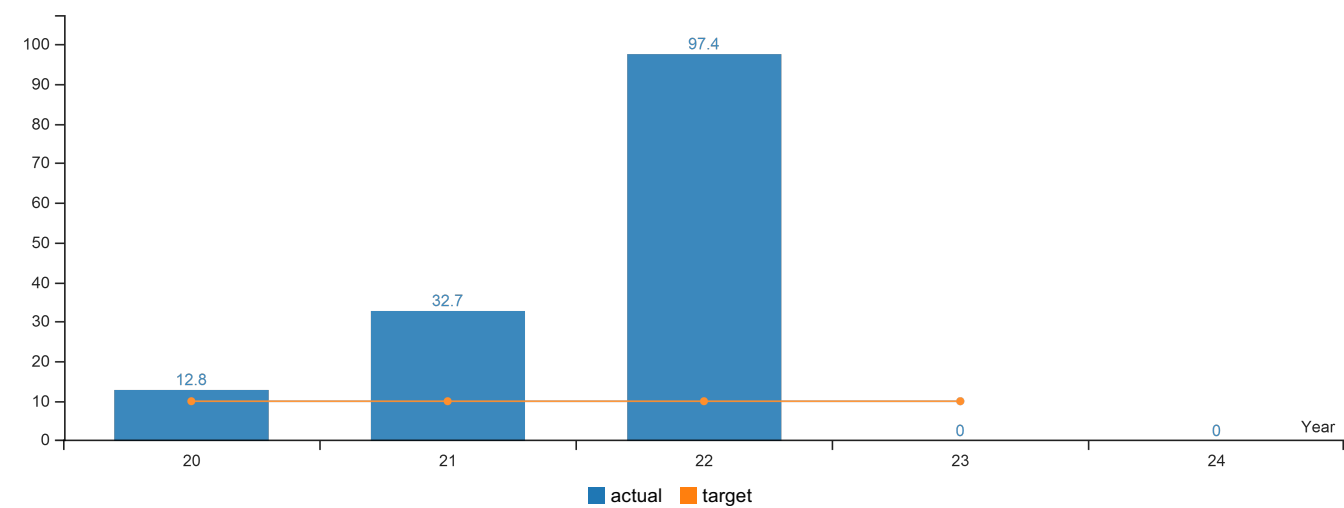


Performance Summary

	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	46.67%	6.67%	46.67%

KPM #1	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Annual amount of cash generated by agency activities deposited to the Common School Fund					
Actual	12.80%	32.70%	97.40%		
Target	10%	10%	10%	10%	

**How Are We Doing**

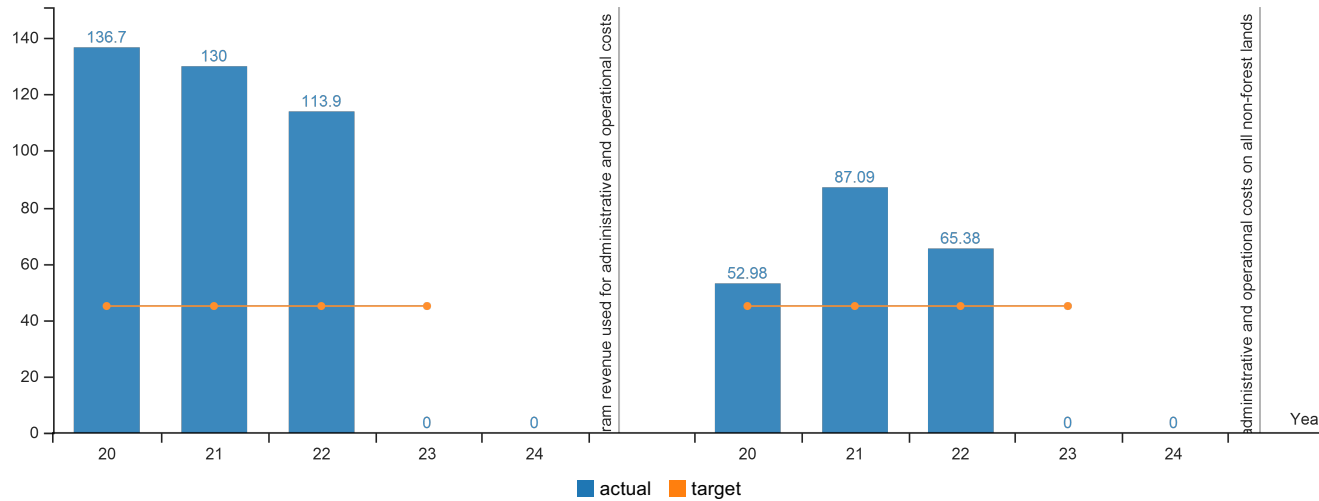
Deposits to the Common School Fund increased by 97.4 percent from the prior year.

**Factors Affecting Results**

The increase to the fund in 2022 is due to following:

- General Fund Transfer of \$121 Million for the decoupling of the Elliott State from the Common School Fund.
- Transfer from Department of Forestry for lumber sale of \$3.2 Million.
- Transfer from Bureau of Labor and Industry of \$570K per ORS 653.256.
- Unclaimed Property net receipts of \$102,038,554.

KPM #2	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest and non-forest lands.
	Data Collection Period: Jul 01 - Jun 30



Report Year	2020	2021	2022	2023	2024
<b>a. Percentage of forest lands program revenue used for administrative and operational costs</b>					
Actual	136.70%	130%	113.90%		
Target	45%	45%	45%	45%	
<b>b. Percentage of program revenue used for administrative and operational costs on all non-forest lands</b>					
Actual	52.98%	87.09%	65.38%		
Target	45%	45%	45%	45%	

#### How Are We Doing

The Department did not meet either target. Revenues for forest lands have remained stagnant and costs have increased primarily due to the Elliott State Forest, which has ongoing management costs but does not generate harvest revenue. Management costs also increased for non-forest lands with the biggest increase in Proprietary Waterways due to extensive site cleanup costs.

#### Factors Affecting Results

Measure 2a is driven by the Elliott State Forest (ESF). The ESF was historically a major revenue source for the Common School Fund. However, since 2013, ownership and management of the ESF has resulted in a net cost. This process of exploring decoupling opportunities has resulted in significant ongoing costs – primarily consultant contracts for process facilitation and development of a Habitat Conservation Plan. Another factor affecting this performance measure is the cost of onsite management of the Elliott by a professional forest management company.

With the hiring of a forester in 2019, the Department has been able to evaluate the forestlands portfolio and identify both opportunities for cost savings as well as opportunities for revenue generation from non-certified forestlands. The Department has recommended the de-certification, or transfer of management from ODF back to DSL, of 4,907 acres of forestlands in the Klamath District, which will result in a cost savings of approximately \$220,000 annually. Additionally, the forester has identified opportunities for timber sales on non-certified forestlands that will contribute revenue in future fiscal years.

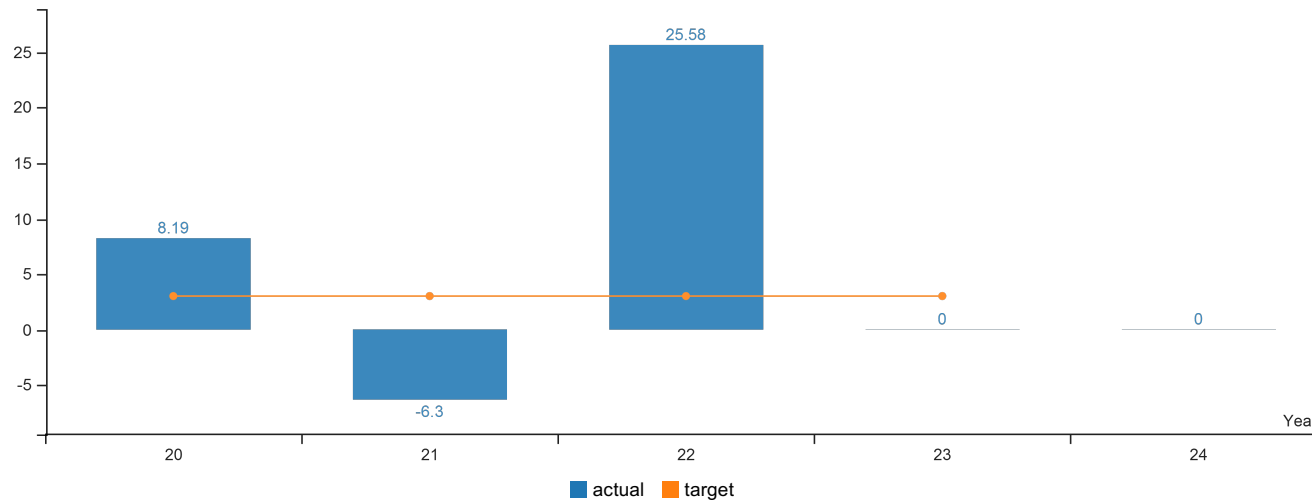
Measure 2b, operations costs factors affecting this increase include the work associated with development of the Department's South Redmond tract as a Large Lot Industrial site with the City of Redmond. This includes contracts for a commercial real estate company to serve as a marketer and broker for the property as well as utilities construction. The Proprietary Waterways leasing

program saw a large increase in expenses due to high costs of the removal of abandoned and derelict vessels and cleanup of transient camps.

KPM #3 Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts from the prior year

Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
<b>Increase in Revenues from Land Management Activities</b>					
Actual	8.19%	-6.30%	25.58%		
Target	3%	3%	3%	3%	

#### How Are We Doing

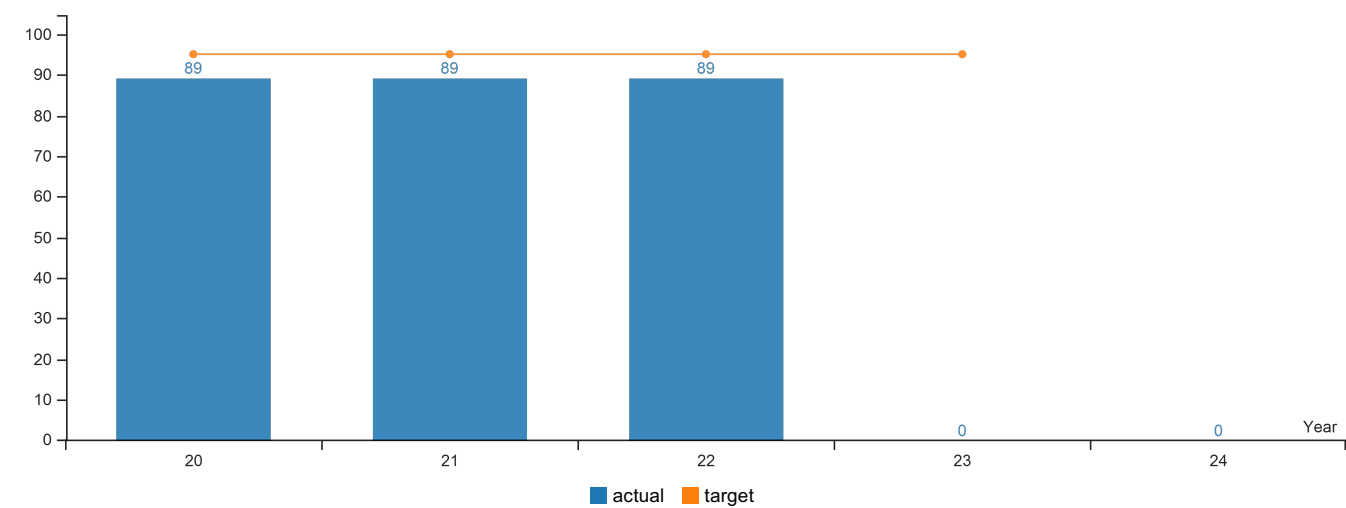
Revenues met the Target for FY 22. The unusually large increase in revenue shown is due to a \$1.3 million statutory land sale that contributed to the CSF Real Property operating income rather than to the Land Revolving Account. Land sale income from constitutional lands is not included in land management activities revenues. If the statutory land sale was not included in the revenue, the increase in revenues would have been at 5% still meeting the target. The Department is currently working on updating rules for Communications Site leases, which should bring lease rates up to current market potential. The rulemaking is due to be completed by the end of 2023. Increases would be gradual as leases are renewed or new leases are signed. The Department will also continue to seek an increase in revenues by pursuing opportunities to lease or sell industrial, commercial, and residential properties and renewable energy leases.

#### Factors Affecting Results

Not including the CSF Real Property operating income, the Minerals, Proprietary Waterways, and Special Stewardship were the only categories to see an increase and it was slight. It should be noted that Constitutional land sales are not calculated into revenue generation but do account for a portion of the Real Property Program's workload and expenses.

KPM #4	Complete Management Plans or Policies - Percent of DSL lands and waterways with completed area management plans or policies.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Percent of Completed Area Mgmt Plans or Policies					
Actual	89%	89%	89%		
Target	95%	95%	95%	95%	

How Are We Doing

In FY 22, there was no change in this measure.

Factors Affecting Results

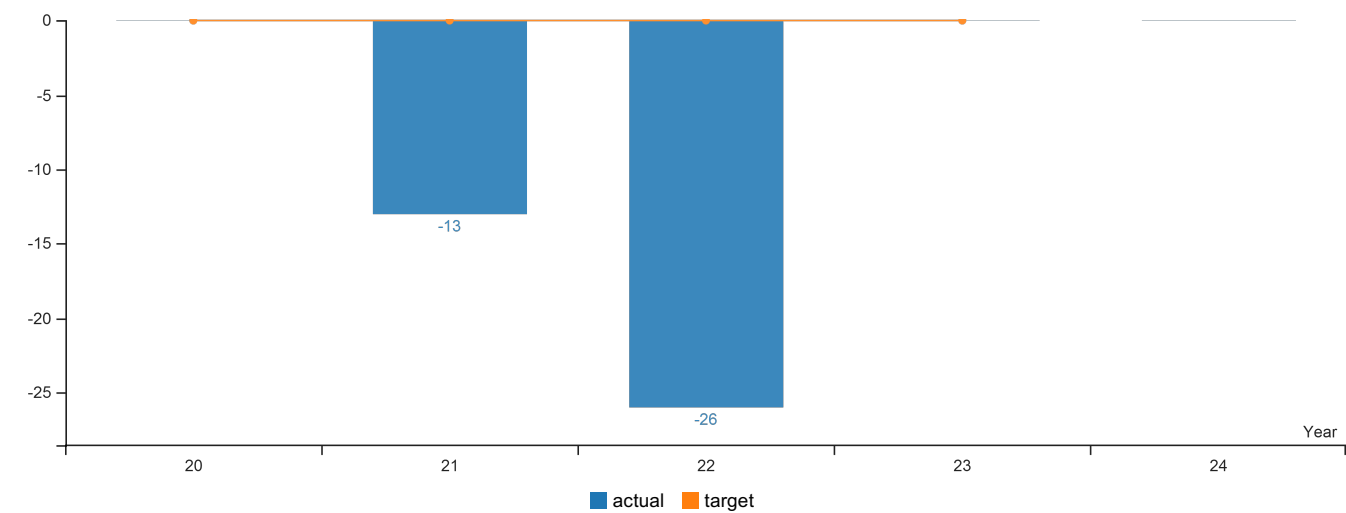
The Department has developed management plans for the largest and highest value parcels. The remaining lands without management plans consist primarily of smaller, geographically scattered parcels, so the return on investment in developing plans is low. The Department’s Real Property program has begun developing a new Real Estate Asset Management Plan with a goal of completion in early FY24. The Department will move away from having management plans focused on a specific geographic region or specific parcels and will instead create an overarching statewide management plan.

In addition to developing the new management plan, the Real Property program’s priorities include the work on the Elliott State Forest project, investigating the renewable energy potential of DSL lands, and increasing value of the Department’s industrial, commercial, and residential development properties such as the South Redmond parcel.



KPM #5	No Net Loss of Wetlands - Change in wetland acreage due to all regulatory actions, including enforcements.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
No Net Loss of Wetlands - change in wetland acreage due to regulatory actions.					
Actual		-13	-26		
Target	0	0	0	0	

How Are We Doing

A modification to this performance measure was approved by the Legislature in June 2021. FY 22 reporting includes all regulatory actions, including enforcements.

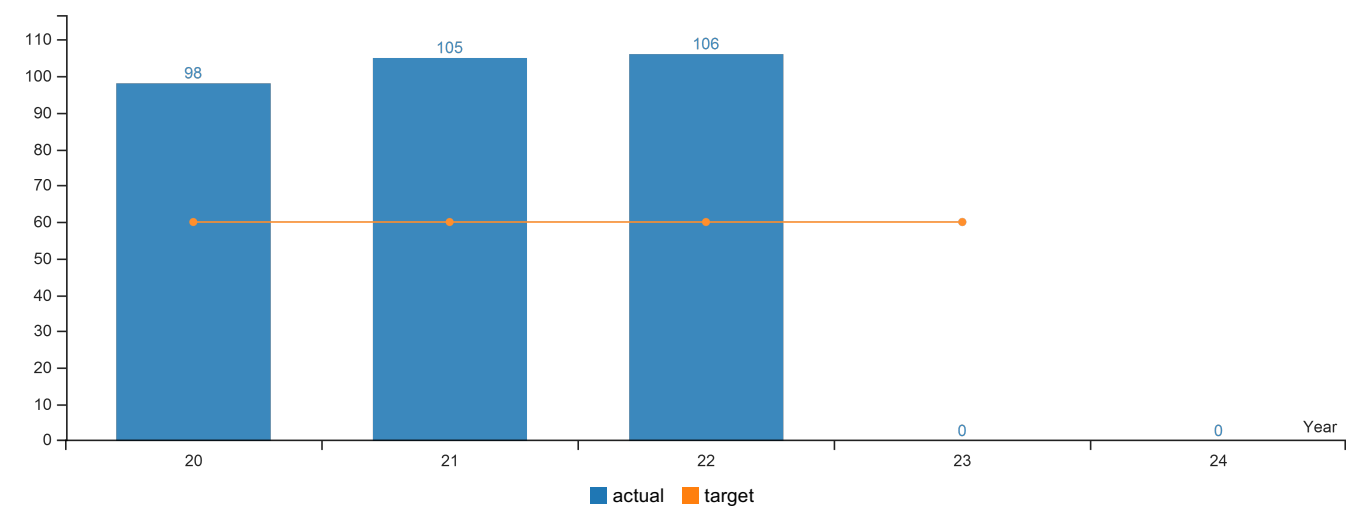
The Department did not meet the target for FY 22. For permitted actions, there was a net loss of 26 acres of wetland through permitted impacts, enforcement actions, compensatory mitigation, voluntary restoration and one new mitigation bank.

Factors Affecting Results

The Department applies mitigation requirements based upon its regulatory authorities and responsibilities. Additionally, wetlands are gained from voluntary restoration projects conducted by private organizations and agencies. Gains from mitigation banks are counted in the year of bank approval. There was one new mitigation bank approved this year, although several are in process of review by the Department. This measure varies greatly from year to year; however, there has been a net gain of 1,607 acres of wetlands tracked under the Department’s regulatory program since 2005.

KPM #6	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = negative result



Report Year	2020	2021	2022	2023	2024
Average number of days for an agency permit decision					
Actual	98	105	106		
Target	60	60	60	60	

How Are We Doing

The Department averaged 106 days to make a permit decision in FY 22. This does not meet the target of 60 days or less.

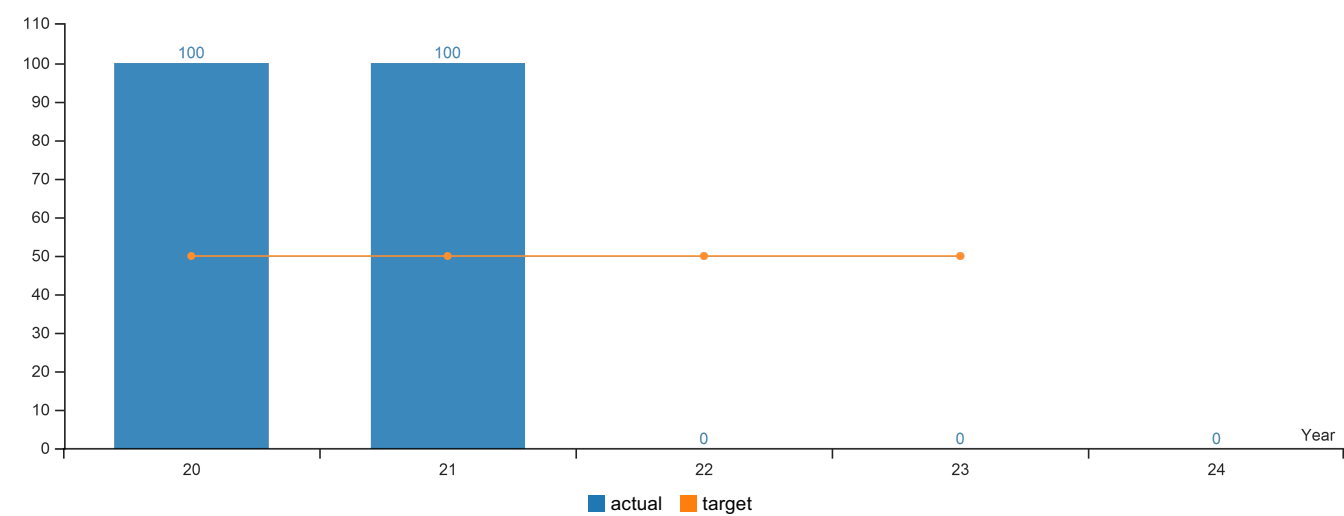
Factors Affecting Results

This measure reports decision timeframes for Individual Permits, which are often related to large projects with significant impacts. The applications often require a high level of technical information and agency review. Factors that affect the results are the overall number of permit applications, staff capacity, the number of very complex projects such as transmission lines and liquified natural gas projects, and the quality of permit applications. This year was still affected by the COVID 19 pandemic including absences from work and the transition from telework to a hybrid in office schedule for many staff.

The statutory requirement for the agency to reach a permit decision is 120 days, which includes a completion review, a 30-day public review period, and a 90-day permit decision. It is clear from multiple years of data that the aspirational goal of an average of 60 days is not attainable. In 2021, DSL proposed to change this KPM to better align with the public review and permit decision process steps and the statutory timelines, but this change was not advanced by the Legislature. DSL will continue the conversation with the Legislative Fiscal Office to consider changes to this KPM.

KPM #7	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Annual Resolution of Non-Compliance Conditions					
Actual	100%	100%	0%		
Target	50%	50%	50%	50%	

How Are We Doing

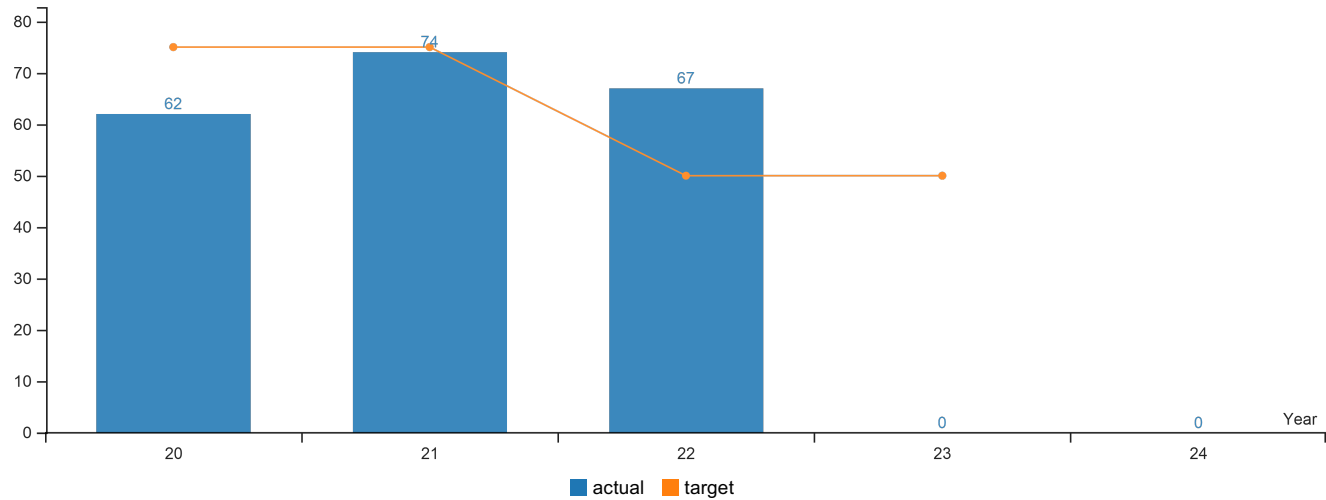
The Department did not meet the target of having a resolution in place within 12 months for 50 percent of permit non-compliance instances in FY 22. The Department recorded one permit non-compliance case in FY 22 and it was not resolved within 12 months from the date non-compliance was determined.

Factors Affecting Results

Out of approximately 811 active permits, only one non-compliance instances was identified. The Department continually seeks to achieve greater clarity and consistency in permits. The amount of time it takes to pursue and resolve permit non-compliance can depend on many factors, including the number of pending agency actions, landowner cooperation, and the specifics of each violation.

KPM #8	Annual Resolution of Removal - Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
<b>Percent of Removal-Fill Violations</b>					
Actual	62%	74%	67%		
Target	75%	75%	50%	50%	

#### How Are We Doing

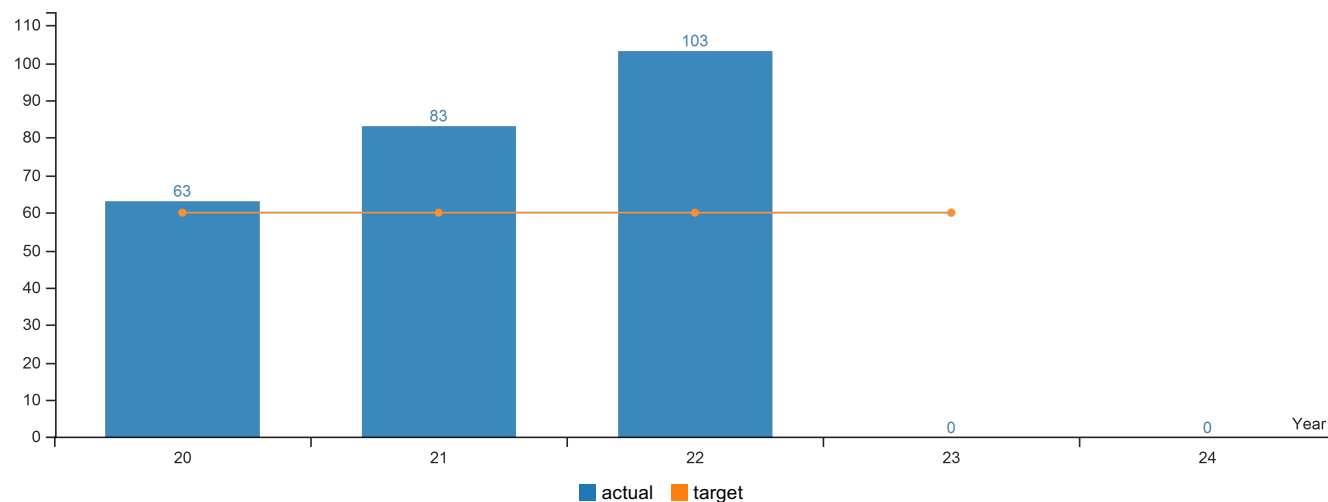
The Department exceeded the target of having a resolution in place within 12 months for violations related to unauthorized activity in FY 22. The Department closed 15 enforcements for unauthorized activities during the reporting period. Of the 15 violations, 10 (67 percent) were resolved within 12 months.

#### Factors Affecting Results

The amount of time it takes to pursue and resolve permit non-compliance can depend on many factors, including the number of pending agency actions, landowner cooperation, and the specifics of each violation.

KPM #9	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = negative result



Report Year	2020	2021	2022	2023	2024
<b>Agency Response Time to Wetland Delineation Reports Within 120 Days</b>					
Actual	63	83	103		
Target	60	60	60	60	

#### How Are We Doing

The Department did not meet the target of responding to a wetland delineation report within 60 days. The average agency response time for FY 22 was 103 days, which is 20 days longer than FY 21. The Agency has met the 120-day statutory requirement since FY09.

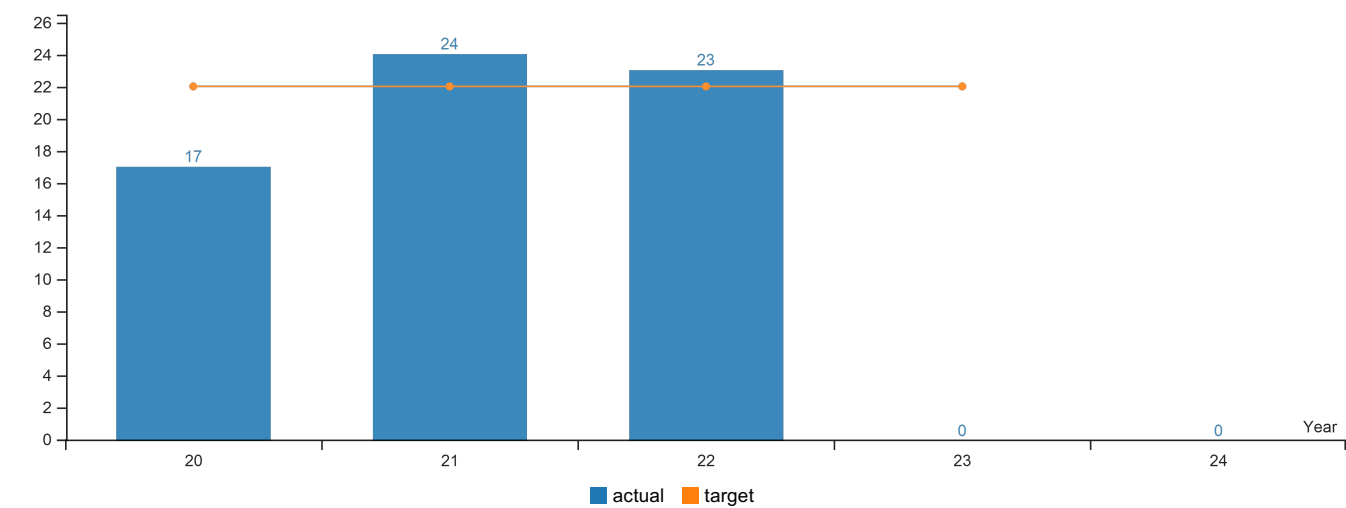
#### Factors Affecting Results

The complexity and number of delineation reports submitted for review affects the average review time. Reports for complex projects scan significantly extend review times. The number of reports in FY 20, FY 21 and FY 22 were 296, 318, and 344, respectively. Other factors include a continuing high number of wetland land use notices (see KPM 10), which are reviewed by the same staff reviewing wetland delineation reports, and the continuing effect of the COVID pandemic on staff.

It is hoped that a rulemaking effort in the fall of 2022 will improve the quality of reports submitted and thereby reduce staff response times.

KPM #10	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = negative result



Report Year	2020	2021	2022	2023	2024
Agency Response Time for Wetland Land Use Notices Within 30 Days					
Actual	17	24	23		
Target	22	22	22	22	

How Are We Doing

During FY 22 the average Department response time was 23 days, which is one day more than the 22-day target. This review time is one day less than FY 21.

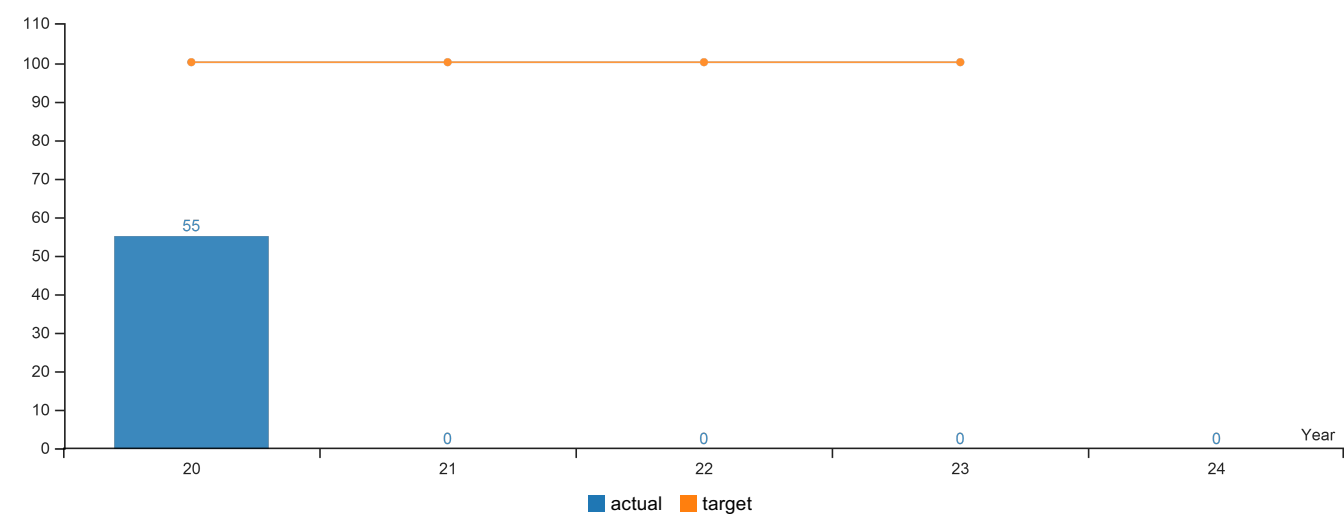
Factors Affecting Results

The number of wetland land use notices received is influenced by how well the economy is doing and by how well DSL is explaining notification requirements to local governments. The Department responded to 1,228 notices in FY 22. That is a 4 percent increase from FY 21 and a 53 percent increase from FY 20.

As anticipated the number of wetland land use notices received continued to stay high following DSL’s release of the Statewide Wetland Inventory web map in FY 21. The Department hopes our continuing efforts, including the addition of one new staff person in 2019, improvements to how notices are distributed among staff, revisions made to the online submittal form, and ongoing outreach to local county and city planners explaining the process will reduce response times.

KPM #11	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Payments into and out of revolving fund					
Actual	55%	0%	0%		
Target	100%	100%	100%	100%	

How Are We Doing

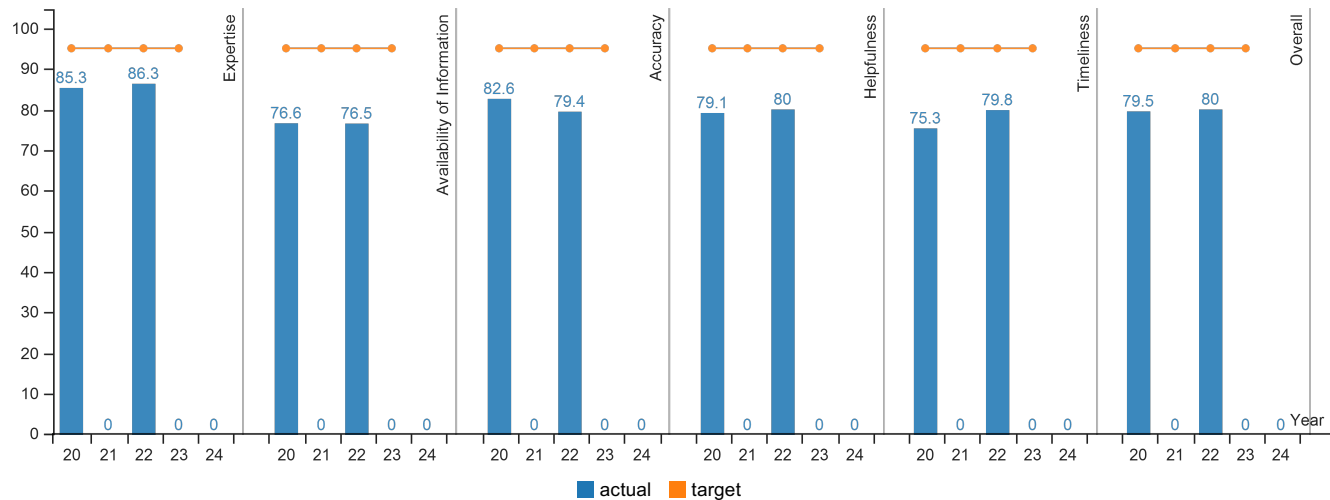
The Department did not meet the target in FY 22. The Department received \$100,924 into the fund in FY 21 that should be committed to projects within one year i.e., during FY 22. Expenditures occurred in FY 22 for previously funded projects, but no new projects were funded.

Factors Affecting Results

Identifying projects and committing funding can take multiple years. DSL has been working with potential project partners in the Rogue Basin. In FY 22, DSL formalized a request for proposals for the Rogue Basin but were unsuccessful in attracting qualified stream and wetland mitigation design and implementation professionals. DSL will continue to reach out to potential project partners (like OWEB, consulting groups, natural resource sister agencies, etc.) in FY 23 to get some compensatory mitigation projects into development.

Staff capacity to seek new mitigation projects has been constrained over the last year by the need to respond to new private sector mitigation bank proposals submitted for review in FY 22. More mitigation banks will reduce the need for these payments to the mitigation fund in high-demand areas.

KPM #13	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	2020	2021	2022	2023	2024
<b>Expertise</b>					
Actual	85.30%		86.30%		
Target	95%	95%	95%	95%	
<b>Availability of Information</b>					
Actual	76.60%		76.50%		
Target	95%	95%	95%	95%	
<b>Accuracy</b>					
Actual	82.60%		79.40%		
Target	95%	95%	95%	95%	
<b>Helpfulness</b>					
Actual	79.10%		80%		
Target	95%	95%	95%	95%	
<b>Timeliness</b>					
Actual	75.30%		79.80%		
Target	95%	95%	95%	95%	
<b>Overall</b>					
Actual	79.50%		80%		
Target	95%	95%	95%	95%	

How Are We Doing



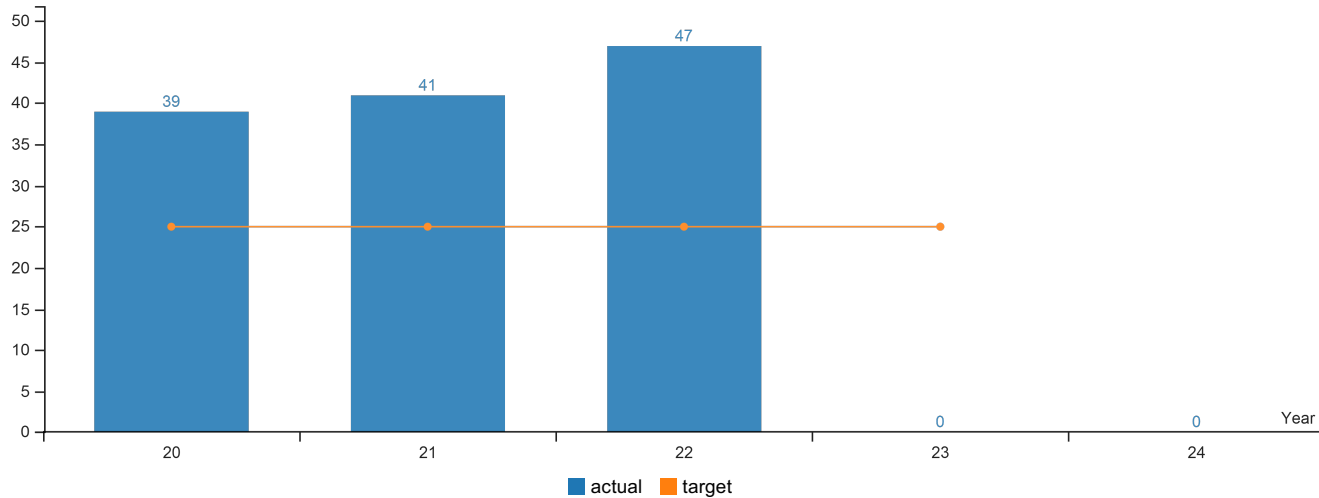
The 2022 survey results show the Department continues to maintain overall steady ratings for overall quality of service, helpfulness, and expertise. Timeliness ratings increased in 2022 by four percentage points, while accuracy of services decreased by three percentage points, compared to when the survey was last conducted in 2020.

**Factors Affecting Results**

Factors that may have affected the 2022 results include: delays in service due to the implementation of new technology systems; maintenance of the current website, in anticipation of the launch of DSL's redesigned website; staffing turnover and shortages; and an outdated permitting and information system.

KPM #15	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Percent of Operations Funded from Non-CSF Sources					
Actual	39%	41%	47%		
Target	25%	25%	25%	25%	

#### How Are We Doing

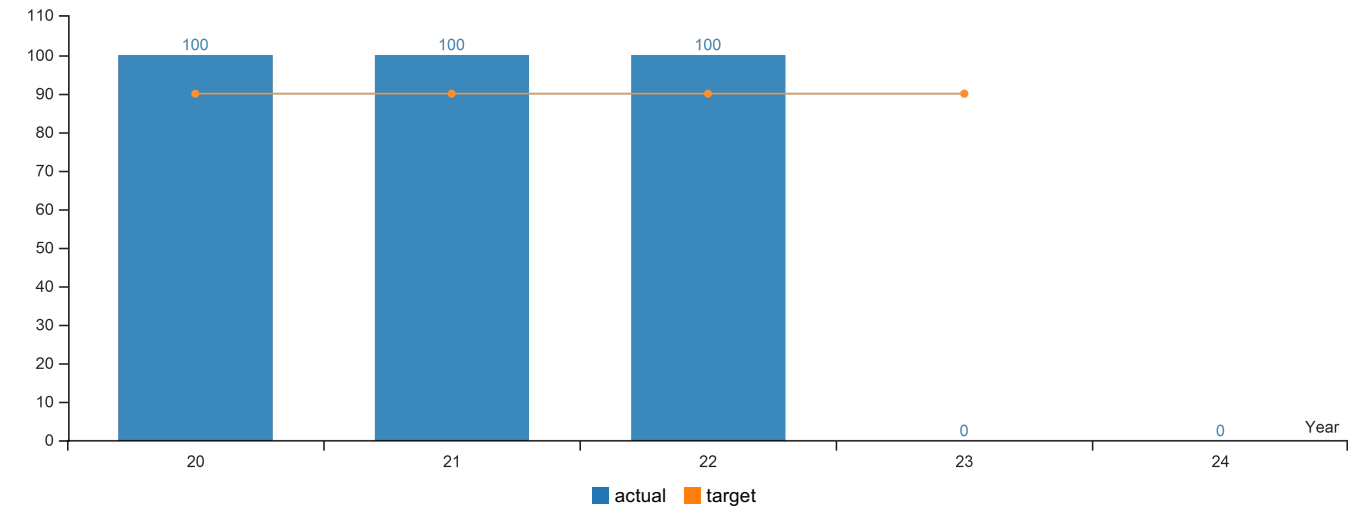
The target was exceeded for FY 22. Staff are continually seeking external grants and other funding opportunities to support Reserve operations and projects. Several successful grant applications over the past year allowed the Reserve to leverage external funding using state budget funds as match. The fee rule adopted in 2008 continues to provide the Reserve the opportunity to charge fees for building use. Over the last year the total revenue from fees for building use was drastically lower than normal due to our facilities being closed to the public during the COVID-19 pandemic.

#### Factors Affecting Results

Grant and award opportunities are highly unpredictable. The Reserve was fortunate to have an increased level of funding within its Federal Fund operations budget, which will continue into the next reporting period. The amount of fees to be collected is also difficult to predict since the Reserve is located a distance from the communities that typically seek gathering places for events and meetings. When individuals or organizations do choose to use the Reserve's resources, availability is dependent upon prioritizing the needs of the Reserve to support its programs. This year's fee revenue would have been higher, but Reserve facilities closed on March 19, 2020, due to the COVID-19 pandemic. We reopened to the public on May 1, 2022, but it took a little while for reservations to start up again.

KPM #16	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Percentage of SSNERR Programs using a structured assessment process					
Actual	100%	100%	100%		
Target	90%	90%	90%	90%	

#### How Are We Doing

The target was met for FY 22. All South Slough Reserve programs are currently using some form of structured needs assessment and/or evaluation surveys to identify audience-driven needs for program development, information, and services. During the reporting period, the Reserve continued its ongoing assessments for K-12 education audiences, outreach/public involvement, and interpretive programs. The coastal training program by design employs needs assessments as a means of establishing program content, activities, and provision of information services. An example is the 2018 – 2023 Coastal Training Program Strategy, which was approved by the National Oceanic and Atmospheric Administration in April of 2018. The research and monitoring programs incorporate end user needs in the development and implementation of grant-funded projects through the National Estuarine Research Reserve System (NERRS) and the NERRS Science Collaborative competitive grant program. Stewardship and restoration programs use technical advisory groups to identify and implement priority projects to address information and applied management needs.

#### Factors Affecting Results

Grant funding for projects is competitive and unpredictable, although Reserve staff continually seek grant opportunities. Evaluation techniques are incorporated in project and grant application development, though adequate resources for surveying are not always received. Without specifically identified recourses, existing staff are tasked with collecting necessary data and this occurs in the most efficient way feasible to assess and address audience needs. Assessments are given out to audiences after various education and interpretive programs as well.

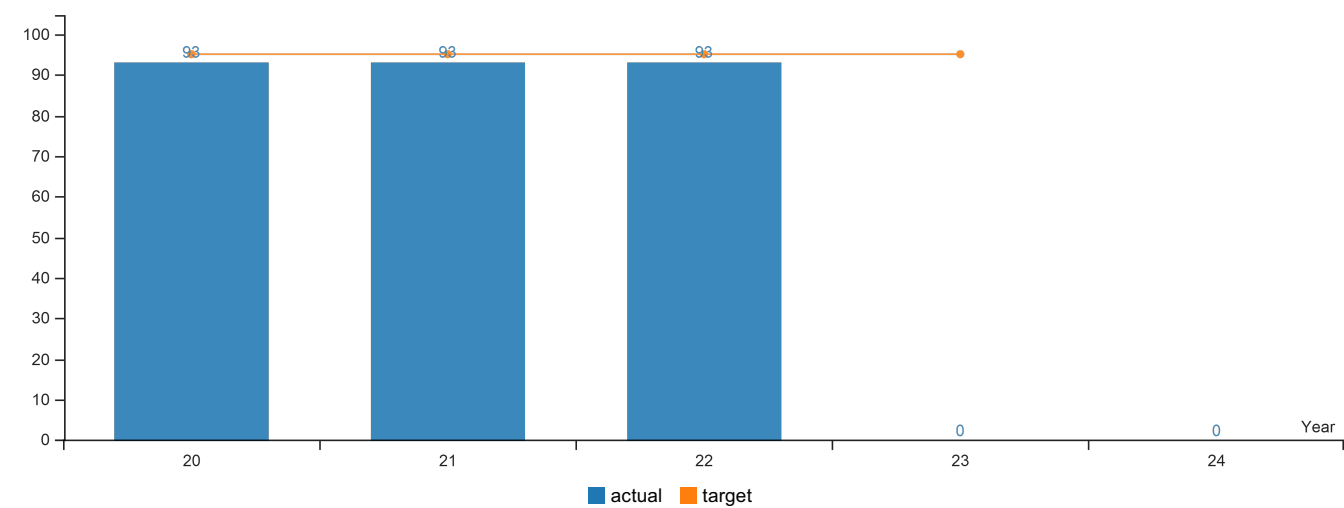
The Department proposed changing KPM #16 for the education program during the previous Legislative session, but the proposal was not approved. The Department has proposed it again with the following change for future consideration:

All educational efforts at Sough Slough Reserve aim to improve the stewardship and understanding of the Pacific Northwest estuaries and coastal watersheds. The wide array of education programs, the diverse audiences the Reserve serves, and the dynamic nature of the education can create a complex matrix of measuring success. The Reserve would like to begin reporting “Total number of people served annually” because it is a straight-forward, meaningful metric that demonstrates the success of the education division and captures the full customer base. The new KPM will be a count of the total number of individuals who participated in an education or coastal training program offered by the Reserve, as well as visitors to Sough Slough Visitor Center.

Recommended Change and Target: KPM #16: “Total Number of People Served Annually” - Proposed target: 10,000 per year.

KPM #17	Best Practices - Percent of total best practices met by the Land Board.
	Data Collection Period: Jul 01 - Jun 30

\* Upward Trend = positive result



Report Year	2020	2021	2022	2023	2024
Percent of Criteria Being Met					
Actual	93%	93%	93%		
Target	95%	95%	95%	95%	

### How Are We Doing

During the 2005-07 Department of Administrative Services received a budget note to develop best practice performance measures to be applied to governance of boards and commissions. The 2007-09 Legislature added KPM 17 for all agencies with governing Boards and Commissions. The State Land Board currently meets all but one of the 15 criteria.

### Factors Affecting Results

The Director does not receive a written annual performance review. The Board and Director meet on a regular basis and regular feedback is provided, but the feedback structure does not align with the prescribed format.