



July 17, 2002

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Student Ex Officio

JEFFREY TRYENS
Executive Director

TO: Progress Board Members

FROM: Jeffrey Tryens
Executive Director

Rita Conrad
Senior Policy Analyst

Katie DeWilde
Intern

SUBJECT: Oregon Progress Board July 16, 2002 Meeting Minutes

Members present were Lindsay Berryman, Neil Bryant, Bobbie Dore Foster, Mike Greenfield, Michael Jordan, Duke Shepard, Diane Snyder. Ed Whitelaw and Dave Frohnmayer joined the meeting by phone. Staff members present were Rita Conrad, Jeff Tryens and interns Katie DeWilde and Fernando Rojas.

Michael Jordan called the meeting to order at 12:30 p.m.

1. Approve Minutes

The minutes from the May meeting were approved.

Jeff Tryens welcomed the newest member of the Board, Duke Shepard, director of economic development for Multnomah County.

2. Oregon Shines III – Preliminary Discussion

Jeff Tryens discussed *Oregon Shines III (OSIII)* and stressed that while it is not due until March 15, 2005 the earlier it is done, the more useful and relevant it will be to the next administration and to the legislature. He suggests beginning the *OSIII* process at the end of the next legislative session. The last update was in 1996. The goal is that by the end of the calendar year 2003, the Board will have a clear idea of what the *OSIII* process will look like.

Paul Curcio, director of the Department of Land Conservation and Development (DLCD) discussed the Progress Board's role in that department's re-evaluation of Oregon's 30-year-old land use planning program. The Progress Board and the benchmarks provide a central focus for the state that is valuable because it provides shared targets and ideas that affect the department's outcomes. He would like the Progress Board and DLCD to share resources and work together. The Land Conservation and Development Commission (LCDC) looks to the Progress Board to define the higher level benchmarks, which the LCDC can address. It seems better to have questions raised by outside parties to make sure there is no conflict of interest

LCDC is looking to create a committee, probably hosted by the Hatfield School at Portland State University. It would be a Board similar to the composition of the Progress Board. They would look at a variety of policy issues. This engagement might take two years and hopefully this effort can happen parallel with *OSIII*.

Neil Bryant expressed concern that DLCD could become part of someone's political agenda through this engagement and asked what measures have been taken to prevent this. Paul responded that he focuses less on needing to be protected and more on how to benefit from it. The focus is on what to add to the foundation of the existing land use program, so they are open to any idea. Neil thought this might be a little naïve given the political nature of land use in Oregon. Paul explained that the structure could work as a filter. First, there is a governing board to oversee the project, second there are a set of advisory groups to help frame the issues and questions, and finally, the white papers could be prepared by objective informed sources so they would include a diversity of opinions.

Lindsay Berryman pointed out that a key issue is making sure that the many new Oregonians share the same values that Oregon had 30 years ago.

Jeff suggested the Board could take some key issues like land use, work force, habitat and focus on components of them with partners over the next year and a half as a way to tease out the strategy part of Oregon Shines. The Board has avoided choosing a strategy so as not to choose sides. However, the Board could decide to look more in-depth into an issue such as this. Unlike *Oregon Shines II*, this would allow the Board to address key implementation issues in *OSIII*. No action is needed right now, he said.

Duncan Wyse, executive director for the Oregon Business Council (OBC) talked about the OBC planning process and how it relates to the *Oregon Shines III*. OBC and the Progress Board are partners in developing a business plan for Oregon. *Oregon Shines* is important because it allows the Board to take a step back to look at the vision without being too focused on the benchmarks. He urged that the basic framework of *Oregon Shines* not be abandoned. He showed how the OBC uses the framework that the Progress Board has laid out. He provided a handout entitled sharing "Oregon's Economic Future." He recommended that the Progress Board take a closer look into specific areas within their framework. The *Oregon State of the Environment Report 2000* is a good example of this. He introduced the four quadrants of the OBC planning model: Education and Workforce, Quality of Life, Productivity Environment and Innovation. To keep jobs from going overseas, Oregon needs to be on the cutting edge of technology. We need to focus on all four of these quadrants to be successful. Neil asked for an example of an industry that we are in danger of losing. Duncan offered the hi-tech industry, and said that a lot of traditional manufacturing functions are going away. Education and getting sound natural resource policy in place are pivotal issues.

Jeff introduced a "spider" chart, which was used at the OBC retreat to show gaps between available data and perception. Each area on *the* chart has a grade that corresponds to Oregon's rank. Jeff suggested that, in the future, the Board might want to use national rankings more extensively when setting targets.

3. A Sustainability Index for Oregon

Adam Zimmerman, a graduate student at the University of Oregon, presented his draft work on a sustainability index. Jeff suggested this concept could be used as a part of the *Oregon Shines III* process. The goal was to develop an index using the benchmarks. He compared the benchmarks to programs throughout the U.S. and gathered expert opinion on how to measure sustainability. He used 35 benchmarks from all three categories: economy, community and environment. He also introduced some additional things to consider such as weighting the measures.

Ed Whitelaw expressed concern that unrelated measures were combined in addition to having duplicate measures, giving some measures double/triple weight in the index. Jeff agreed to organize a follow-up discussion between Ed and Adam about weighting and other issues.

Jeff said there is a Sustainability Board, and the Progress Board is to engage with them on measures of sustainability. We do not want to develop separate or parallel measures. Jeff raised the question of whether or not the Board wants to include the findings of this sustainability report in the its next report to the legislature. Jeff will also prepare a memo to the Governor, explaining that this report satisfies the requirements of his executive order on sustainability. Adam's completed report will be presented at the next Board meeting.

4. Benchmark Update

Progress Board intern Katie DeWilde presented benchmark changes for Board consideration:

Benchmark #51, Elder Abuse

New targets were proposed for this Benchmark: 15 cases per 1,000 people over 65 for 2005 and 27 for 2010. Morgen Brodie of the state Department of Human Services explained that with greater awareness, the rate increases because more people report abuse. There is immunity to the person who reports the abuse. Duke Shepard asked if repeat offenses were included in the numbers. Morgen explained that when there is abuse, a risk management team works with the family so that it does not happen again.

BOARD ACTION: targets approved.

New Developmental Benchmark #2003, Retirement Savings

Proposed wording is: "Percent of non-retired Oregonians who are saving for retirement either directly or through their employer (excluding social security)."

BOARD ACTION: approved.

New Developmental Benchmark #2004, College Savings.

Proposed wording is: "Percent of Oregonians with children under the age of 18 who are saving for their children's college expenses."

BOARD ACTION: approved.

Benchmark #67, Emergency Response

Staff met with Dennis Olmstead from the Department of Geology and Mineral Industries and Ken Murphy from the Office of Emergency Management. The new benchmark wording that was proposed is:

"Percent of Oregon counties and communities prepared for natural and technological emergencies or disasters:

- a. With hazard data and risk reduction (natural only)

- b. With response and recovery capabilities (for 2001, all counties, Portland, Gresham, Beaverton and Salem only)”
BOARD ACTION: approved.

Benchmark #80, Ag Land

The Department of Agriculture and the Department of Land Conservation and Development want to measure cropland instead of prime farmland, which had been previously approved by the Board. This is because prime land can also include pastureland, which is not the most useful indicator. The proposed wording is: “Percent of Oregon agricultural land in 1982 not converted to urban or rural development: a. cropland, b. other.”
BOARD ACTION: change in wording approved.

Katie DeWilde updated the Board on upcoming benchmark changes. A panel of experts will be at the September Board meeting to talk about targets for Benchmark #57, hunger. New wording for benchmarks #85 - 88, fish and other species, will be ready for approval at the September Board meeting.

Tom Cusack from HUD proposed stratifying the home ownership benchmark to include minorities. Jeff Tryens said old benchmark reports had a lot of stratification by age, race and gender. The Board subsequently reduced the number and eliminated stratification. Instead the Board opted to do a special report on race and ethnicity every two years. We can stratify several of the benchmarks by race. Tom pointed out that the reports do not talk about goals. Jeff said that there is an implied goal to see the minority numbers even with the white numbers.

Neil asked if Hispanics in Oregon with a green card or a visa are included in the percentages. Jeff answered affirmatively.

Bobbie Dore Foster mentioned the importance of race and ethnicity in the benchmarks. Jeff agreed, but noted that race and ethnicity is a complicated issue that would require significant discussion time by the Board. Jeff also noted that a significant number of members were not present for this important issue. The Board decided to delay further discussion of stratifying the Benchmarks by race and ethnicity until the September meeting.

5. Oregon’s New Performance Measurement Framework

George Dunford from the Department of Administrative Services (DAS) discussed the state’s performance measurement effort. He said that it is an evolutionary step forward from 1993. He reviewed the principles and thanked DAS for its support.

Progress Board intern Fernando Rojas presented some of his preliminary findings on performance-based contracting and merit pay. (See handout.) Jeff asked for Board feedback and suggestions. Neil said that merit pay in Oregon wouldn’t work because of unions. Fernando noted that other states have the same problems and yet still have merit pay. Jeff thought that the Progress Board should focus more on performance contracting since merit pay is more of a public management issue. Ed asked about the methodology Fernando was using to gather his information. Fernando is using professional literature on performance contracting and merit pay.

6. Executive Director's Report

Jeff discussed Rita's work with Construction Contractors Board (CCB) on performance measurement and pointed out the thank you note from Craig Smith, director of that agency.

Diane Snyder voiced support for Paul Curcio's comments and expressed interest in the idea of social capita as a sustainability concept. She also said she would like to be on the sustainability review group with Ed and Adam.

Jeff is sending out a letter to all legislators/candidates offering to make presentations at community meetings of their choosing on county-level benchmark trends.

Meeting adjourned 3:10 p.m.

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