



TO: Governor

DATE: December 11, 1981

FROM: Gerry Thompson

SUBJECT: Daily Reports

December 10

Diana Evans called on her return from Washington. She wanted to assure me she made a strong pitch for Oregon and asked the President directly to look at projects that could be moved up for us specifically. She also talked to Alan Holmer in the Intergovernmental Relations Department. He is an Oregonian (I think he is the son of Freeman Holmer). She expressed the need for our Governor to meet with the President as I had requested her to do. Al Holmer promised he would work on it. He is aware of problems in Oregon and that we have wanted to arrange such a meeting.

Don Fouts, PESIC, is most concerned. Executive Department is apparently taking a negative attitude toward their program. It looks like they will be looking at incremental cuts of 10-20-30-40 percent. These on top of the already 45 percent would dismantle the program. It is his information that Mike Lincicum is preparing a very negative report and may be going to the extent of recommending termination. He is concerned and looking to you for continued support.

As conveyed to you by phone, LCDC has voted to slow down the recruitment process. They will probably indicate that they are soliciting additional applications which should be filed with them by December 17. A two-person committee has been appointed to meet on the 18th of December to review the applications. The committee is to return to the commission with five viable candidates of which two will be the internal applicants. The committee consists of Shirley Eckhardt and Randy Smith. The commission will reconvene on December 22 at which time they will make their choice to be effective December 1.

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Talked to Ed Rollins in Nofziger's office. He tells me that they have had no further move on the appointment of U. S. Attorney. They are still waiting on the FBI check for three candidates.

Ex-Bob will probably decide to cut the funding for the Commission for Women. If this is done, the Commission would be without funding effective February 1 or March 1.



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I reviewed with Donna Zajonc a proposal to utilize the common school funds for loan backing of new or expanding budgets in Oregon. The plan would be sunsetted. The state would not be in the lending business. All lending would be done through the traditional institutions. I have Bob O. researching the pros and cons of this and he will report back.

As conveyed by telephone, talked to Jim Medas, Intergovernmental Affairs. A distinct change in attitude -- he was extremely cooperative. Tells me he is aiming for a meeting of you and the president, Meece and Baker sometime in January. When reminded of January 11 special session, he said it appeared we should aim for the first week in January. He is aware of our problems in Oregon, understands critical nature and is working on moving up a project in Oregon.

Donna Zajonc attended a special meeting put together by Vern Meyer in Eugene today. It is her distinct feeling that all the unrest regarding LCDC is a reality and is going to have to be dealt with. Meyer opened the meeting with a very positive tone indicating it was not his intent to abolish, but to improve, LCDC. Some of the items thrown out were:

- (1) The history of the definition of farm land -- it was developed from a 30-year-old classified definition coming from the depression years and soil erosion years.
- (2) Delay in approving plans.
- (3) Picky ways of planners.
- (4) 86 percent of the plans submitted are rejected first time.
- (5) Again the re-definition of farm use needed.
- (6) LCDC would be alright if the true intent of SB 100 was followed. The intent was that the state plan was to be used as guidelines for local government and it is the opinion of many that that intent has been forgotten. j
- (7) Washington County is extremely disgruntled because their plan was the first in and it appears it will be the last approved.

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- (8) Lucille Warren, Washington County, and Floyd Minn are working on a resolution to promote a relationship with local government and LCDC.
- (9) High cost of appeals through LUBA.
- (10) SB 419 inadequate.
- (11) LCDC suffers from a "serious staff disease."

Donna in general reported that the bulk of the concerns are centering around you, the Governor, for not having done something about LCDC before now.

Blake Hering is still trying to arrange a meeting with you, him and Bob Flowerree. Because of your schedule and Flowerree's schedule, it appears it will be after the first of the year.