

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
FUNDING THE LLOYD DISTRICT LOCAL)
STREET IMPROVEMENT ASSESSMENT)
FROM THE CITY OF PORTLAND ON THE)
OREGON CONVENTION CENTER AND)
METRO REGIONAL CENTER.)

ORDINANCE NO. 93-512

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

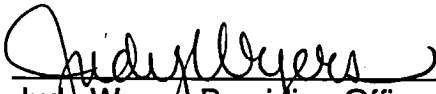
WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of funding the Lloyd District local street improvement assessments from the City of Portland on the Oregon Convention Center and Metro Regional Center..

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 14th day of October, 1993.



Judy Wyers, Presiding Officer

ATTEST:



Clerk of the Council

**Exhibit A
Ordinance No. 93-512**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL REVENUE BOND FUND:Construction Account							
Total Personal Services		1.05	68,704	0.00	0	1.05	68,704
<u>Materials & Services</u>							
Metro Regional Center							
521100	Office Supplies		100		0		100
521240	Graphic/reprographic Supplies		2,000		0		2,000
521260	Printing Supplies		500		0		500
521310	Subscriptions		144		0		144
521320	Dues		290		0		290
524190	Miscellaneous Professional Services		4,500		0		4,500
526200	Ads and Legal Notices		1,500		0		1,500
526310	Printing Services		2,000		0		2,000
526410	Telephone		250		0		250
526440	Delivery Services		100		0		100
526500	Travel		500		0		500
526800	Training, Tuition and Conferences		1,140		0		1,140
528100	Licenses, Permits & Payments to Other Agencies		75,000		(75,000)		0
528500	Government Assessments (LID)		0		132,716		132,716
Total Materials & Services			88,024		57,716		145,740
<u>Capital Outlay</u>							
Metro Regional Center							
571300	Purchases-Buildings, Exhibits & Related		45,000		0		45,000
571500	Purchases-Office Furniture & Equipment		327,173		0		327,173
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		495,000		(57,716)		437,284
Total Capital Outlay			867,173		(57,716)		809,457
TOTAL CONSTRUCTION ACCOUNT		1.05	1,023,901	0.00	0	1.05	1,023,901

**Exhibit A
Ordinance No. 93-512**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
OREGON CONVENTION CENTER OPERATING FUND							
Total Personal Services		90.20	3,126,813	0.00	0	90.20	3,126,813
<u>Materials & Services</u>							
521100	Office Supplies		31,300		0		31,300
521290	Other Supplies		151,150		0		151,150
521292	Small Tools		4,250		0		4,250
521310	Subscriptions		1,100		0		1,100
521320	Dues		6,410		0		6,410
521510	Maintenance and Repair Supplies - Building		20,000		0		20,000
521540	Maintenance and Repair Supplies -Equipment		56,000		0		56,000
523200	Merchandise for Resale-Retail Goods		3,350		0		3,350
524110	Audit Fees		10,000		0		10,000
524120	Legal Fees		7,000		0		7,000
524130	Promotion/Public Relations		89,015		0		89,015
524190	Misc. Professional Services		1,432,450		0		1,432,450
525110	Utilities-Electricity		385,000		0		385,000
525120	Utilities-Water and Sewer		65,580		0		65,580
525130	Utilities-Natural Gas		48,000		0		48,000
525150	Utilities-Sanitation Services		27,500		0		27,500
525190	Utilities-Other		3,700		0		3,700
525610	Maintenance & Repair Services-Building		91,750		0		91,750
525640	Maintenance & Repair Services-Equipment		63,790		0		63,790
525710	Equipment Rental		22,700		0		22,700
525720	Building Rental		36,500		0		36,500
525740	Capital Lease Payments-Office Equipment		6,500		0		6,500
526200	Ads & Legal Notices		5,375		0		5,375
526310	Printing Services		80,900		0		80,900
526320	Typesetting and Reprographics		10,200		0		10,200
526410	Telephone		92,326		0		92,326
526420	Postage		13,770		0		13,770
526440	Delivery Service		500		0		500
526500	Travel		30,425		0		30,425
526690	Concession/Catering Contract		2,492,000		0		2,492,000
526691	Parking Contract		36,400		0		36,400
526700	Temporary Help Services		6,500		0		6,500
526800	Training, Tuition, Conferences		30,406		0		30,406
526910	Uniforms and Cleaning		13,950		0		13,950
528100	License, Permits, Payments to Other Agencies		3,200		0		3,200
528500	Government Assessments (LID)		0		722,000		722,000
529500	Meetings		3,100		0		3,100
529800	Miscellaneous		19,550		0		19,550
529835	External Promotion Expenses		17,000		0		17,000
529930	Bad Debt Expense		2,000		0		2,000
Total Materials & Services			5,420,647		722,000		6,142,647
Total Capital Outlay			248,000		0		248,000
<u>Interfund Transfers</u>							
581610	Trans. Indirect Costs to Support Svcs. Fund		299,249		0		299,249
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Gen'l		118,959		0		118,959
581615	Trans. Indirect Cost to Risk Mgmt Fund-Workers' Comp		66,527		0		66,527
582751	Trans. Resources to MERC Admin. Fund		313,351		0		313,351
583513	Trans. Resources to Building Management Fund		40,500		0		40,500
583xxx	Trans. Resources to OCC Renewal & Replace. Fund		900,000		(722,000)		178,000
583610	Trans. Direct Costs to Support Svcs. Fund		153,556		0		153,556
Total Interfund Transfers			1,892,142		(722,000)		1,170,142

**Exhibit A
Ordinance No. 93-512**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
OREGON CONVENTION CENTER OPERATING FUND							
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		500,000		0		500,000
599990	Unappropriated Balance		5,872,450		0		5,872,450
Total Contingency and Unapp. Balance			6,372,450		0		6,372,450
TOTAL EXPENDITURES		90.20	17,060,052	0.00	0	90.20	17,060,052

**Exhibit A
Ordinance No. 93-512**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
CONVENTION CENTER PROJECT CAPITAL FUND							
Total Personal Services		0.50	33,240	0.00	0	0.50	33,240
Total Materials & Services			39,500		0		39,500
<u>Capital Outlay</u>							
571400	Purchases-Equipment & Vehicles		500,000		0		500,000
574120	Architectural Services		150,000		0		150,000
574130	Engineering Services		15,000		0		15,000
574510	Construction Work Other than Bldg		350,000		0		350,000
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		968,340		(500,000)		468,340
Total Capital Outlay			1,983,340		(500,000)		1,483,340
<u>Interfund Transfers</u>							
581610	Trans. Indirect Costs to Support Svs. Fund		66,580		0		66,580
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Liability		1,909		0		1,909
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Workers Comp		299		0		299
583610	Trans. Direct Costs to Support Svs. Fund		37,132		0		37,132
582551	Trans. Resources to OCC Renewal & Replace.		0		500,000		500,000
Total Interfund Transfers			105,920		500,000		605,920
<u>Contingency and Unappropriated Balance</u>							
599990	Unappropriated Balance		538,000		0		538,000
Total Contingency and Unapp Balance			538,000		0		538,000
TOTAL EXPENDITURES		0.50	2,700,000	0.00	0	0.50	2,700,000

Oregon Convention Center Renewal & Replacement Fund

<u>Resources</u>							
361100	Interest on Investments		27,000		0		27,000
391550	Trans. Resources from Oregon Conv. Ctr. Fund		900,000		(722,000)		178,000
391559	Trans. Resources from Conv. Ctr. Capital Fund		0		500,000		500,000
Total Resources			927,000		(222,000)		705,000
<u>Requirements</u>							
599990	Unappropriated Balance		927,000		(222,000)		705,000
Total Requirements			927,000		(222,000)		705,000

Exhibit B
Schedule of Appropriations
Ordinance No. 93-512

	Current Appropriation	Revision	Proposed Appropriation
GENERAL REVENUE BOND FUND			
Construction Account			
Personal Services	68,704	0	68,704
Materials & Services	88,024	57,716	145,740
Capital Outlay	867,173	(57,716)	809,457
Subtotal	1,023,901	0	1,023,901
Debt Service Account			
Debt Service	1,494,332	0	1,494,332
Subtotal	1,494,332	0	1,494,332
General Expenses			
Contingency	503,891	0	503,891
Subtotal	503,891	0	503,891
Unappropriated Balance	2,158,801	0	2,158,801
Total Fund Requirements	5,180,925	0	5,180,925
CONVENTION CENTER PROJECT CAPITAL FUND			
Personal Services	33,240	0	33,240
Materials & Services	39,500	0	39,500
Capital Outlay	1,983,340	(500,000)	1,483,340
Interfund Transfers	105,920	500,000	605,920
Unappropriated Balance	538,000	0	538,000
Total Fund Requirements	2,700,000	0	2,700,000
OREGON CONVENTION CENTER OPERATING FUND			
Personal Services	3,126,813	0	3,126,813
Materials & Services	5,420,647	722,000	6,142,647
Capital Outlay	248,000	0	248,000
Interfund Transfers	1,892,142	(722,000)	1,170,142
Contingency	500,000	0	500,000
Unappropriated Balance	5,872,450	0	5,872,450
Total Fund Requirements	17,060,052	0	17,060,052
OREGON CONVENTION CENTER RENEWAL & REPLACEMENT FUND			
Unappropriated Balance	927,000	(222,000)	705,000
Total Fund Requirements	927,000	(222,000)	705,000

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED



METRO

Date: October 6, 1993

To: Judy Wyers, Presiding Officer, Metro Council

From: Jennifer Sims, Director of Finance & Management Information

Re: QUESTIONS FROM THE FINANCE COMMITTEE ON ORDINANCE NO. 93-512.

1. *Who in Metro was supposed to respond to the September 1990, notice regarding the Convention Center property?*

The original notice was dated October 2, 1990, and addressed to Dan Cooper, General Counsel, in care of the Portland Development Commission's offices. Discussions in 1990 between the Executive Officer, General Counsel and capital construction project staff determined the assessment would be an operating cost of the Convention Center at the time of payment and the Executive Officer referred the issue to the MERC Commission for decision. After further discussion, the MERC Commission and staff chose not to object to the project nor to seek exemption from the local improvement district.

The Council Finance Committee has also requested a copy of the original 1990 notice. We have requested a copy of this notice from the City of Portland, however, they are not legally required to keep a copy of each individual notice. The City is required to keep only an example of the notice sent and a certified copy of the mailing list. The City of Portland has provided the example of the notice and the pages of the mailing list that pertain to Metro properties. These pages are attached to this memo.

2. *What did the \$5 million dollar project buy and what is the basis of Metro's share of the cost?*

The \$5.1 million dollar local improvement district was part of a \$34.0 million Convention Center/Lloyd District transportation improvement plan approved in June, 1990. Metro entered into an intergovernmental agreement with the City of Portland regarding the transportation improvement plan. The entire plan included participation by Metro, the City of Portland, ODOT, and Tri-Met. One aspect of the funding package for the improvement plan was the creation of the local improvement district for approximately \$5.1 million. Projects involved in the

improvement plan included improvements to Holladay and King streets at the Convention Center; Holladay and King streets to 13th avenue; Multnomah/Hassalo roadway, Williams/Hassalo intersection, 15th/16th street right of way, district lighting, etc. A copy of the intergovernmental agreement signed in June of 1990 is attached.

The costs of the local improvement district were allocated among the property owners of the district based on the square footage of each property within the district. The Convention Center assessment was based on 723,234 square feet of property area, and the Metro Regional Center assessment was based on 133,000 square feet of property area. Each property was assessed \$0.9978649286 per square foot.

- 3. The staff report said the \$5 million dollars was an estimated cost and the Convention Center share was approximately \$800,000. How were these estimates derived?*

The initial estimates for the local improvement district and the Convention Center's share were derived by the City of Portland. As explained above the cost of the local improvement district was part of a funding package included in the full Convention Center/Lloyd District transportation improvement plan. The Convention Center's share was based on square footage of the properties within the district.

- 4. On what date was the Finance Department aware that the assessment must be paid? Why wasn't an ordinance drafted and introduced immediately to seek Council approval of the necessary changes to the budget and appropriations schedule?*

On Wednesday, June 30, 1993, the Finance & Management Information Department received notice of the proposed assessments. The notices received at that time still included estimates of costs only and did not provide a date on which the assessments would be due and payable. On July 28, 1993, the Department received final notices from the City of Portland with actual assessment costs and a due date of August 27, 1993.

During the month of July, 1993, the Finance and Management Information Department researched possible alternatives to funding the LID assessment on the Convention Center. The research included numerous phone calls with the City of Portland, the Tax Supervising and Conservation Commission, General Counsel and Metro staff, as well as analysis of Oregon Budget Law and impact on the current and future year's budget. A funding options paper was prepared and sent to MERC staff on August 2, 1993. The MERC Commission approved a funding plan at its meeting of August 11, 1993. The approved funding plan, however, required further research and an additional legal opinion from Mr. Cooper as to its legality. A written

October 6, 1993

Page 3

request for legal opinion, dated August 13, 1993, was prepared and delivered to Mr. Cooper. His response, dated August 19, 1993, was received by the Finance and Management Information Department on August 20, 1993.

The local street improvement assessments, the proposed funding plans, and the anticipated budget actions were discussed with the Council Regional Facilities Committee at its meeting on Wednesday, August 18, 1993. No objections to the assessments or the proposed funding plans and budget actions were voiced by the Committee members at that meeting. The proposed actions were also brought before the Council Finance Committee at its meeting of Wednesday, August 25, 1993.

A budget amendment ordinance requires a specific course of action to amend the budget. The ordinance must specifically state the need for the amendment, the dollar amount of the change, and which line items and appropriation categories are to be amended. As indicated above, the details necessary to prepare the budget ordinance were not known until the third week of August.

JS:KTR

kr:ord93-94:lid:QUESMMO.DOC
10/6/93 10:37 AM

Attachment

Vol 252 Pg 2 13



CITY OF
PORTLAND, OREGON

OFFICE OF CITY AUDITOR

Assessments/Liens Division
1220 S.W. 5th, Rm. 202
Portland, Oregon 97204
Telephone: 248-4090

Example

TO: PACIFIC DEVELOPMENT
(LLOYD GENERAL I) INC
920 SW 6TH AV
PORTLAND, OR 97204

DATE: 10/02/1990
ACCOUNT NO. 00058329
PROJECT NO. C9747
TAX ACCT. NO. R396203330

HEARING NOTICE AND COST ESTIMATE

PROJECT: CONVENTION CENTER-LLOYD DISTRICT
LOCAL STREET IMPROVEMENT PROJECT

The City Council of the City of Portland has authorized the design and possible construction of the local improvement project described above. All benefitted property will be assessed a portion of the cost of construction. The estimated assessment on your property is:

PROPERTY ADDRESS: 422 NE MULTNOMAH ST

ADDITION: HOLLADAYS ADD

BLK: 72

LOT:

EXC PT IN STS-N 1/2 OF

ESTIMATED ASSESSMENT: \$ 16,073.79

A public hearing will be held in the Council Chambers of City Hall, 1220 SW 5th Avenue, Portland, Oregon, at the regular meeting beginning at 9:30 AM on October 24, 1990.

At this hearing, any views from property owners will be heard. Written objections if any, must contain a specific reason for not wanting construction of the project and must be submitted to the Office of the City Auditor by 5:00 PM on October 17, 1990.

This estimate includes the costs of constructing this local improvement plus engineering administration and interim financing. The total cost of this project is estimated to be \$ 5,106,000.00 .

Council approval of this project will make it possible to begin construction in the near future.

If you have questions about the design of the project, please call (503) 248-4092 . Please direct questions regarding your share of the cost to the City Auditor's Office, 248-4092.

pg 1

VOLUME: 142
 CITY OF PORTLAND
 OFFICE OF THE CITY AUDITOR
 LIEN5405
 ASSESSMENT NOTICE REGISTER

TIME & MANNER: ORDINANCE #:
 ASSESSING: ORDINANCE #:

0 DATE: 09/25/1990
 1 DATE: 09/27/1990

AUDITOR'S FILE NO. C9747 CONVENTION CENTER-LLOYD DISTRICT
 LOCAL STREET IMPROVEMENT PROJECT

DATE OF NOTICE: 09/27/1990
 OBJECTION DATE:
 HEARING DATE:

ACCOUNT NUMBER LEGAL DESCRIPTION	PROPERTY ADDRESS		ASSESSMENT AMOUNT
	MAILING NAME	MAILING ADDRESS	
TAX NMBR: R000000000 ADDITION: CONVENTION CENTER BLOCK: LOT: DESC:	CNTY CODE: M ACCT #: 00058392 PORTLAND OR ST	OR ST	\$ 822,489.01
ADDL LEGAL DESC:	METRO ATTN: DAN COOPER, GEN COUNSEL C/O POC 1120 SW 5TH #1102 PORTLAND OR 97204	OR 97204	INV #: SQ FT: 0.00 # BRANCH: 0.00
TAX NMBR: R373600010 ADDITION: HEIPLE ADD BLOCK: 6 LOT: 1	CNTY CODE: M ACCT #: 00058372 DESC: EXC W 10' TKN FOR UNION AVE 525 NE GRAND PORTLAND OR AV	OR AV	\$ 4,229.94
ADDL LEGAL DESC:	PORTLAND PROPERTY INVEST CORP W1/525 NE GRAND AV PORTLAND, OR OR 00000	OR 00000	INV #: SQ FT: 4,500.00 # BRANCH: 0.00
TAX NMBR: R373600020 ADDITION: HEIPLE ADD BLOCK: 6 LOT: 2	CNTY CODE: M ACCT #: 00058298 DESC: EXC W 10' TKN FOR UNION AVE 510 NE UNION PORTLAND OR AV	OR AV	\$ 4,229.94
ADDL LEGAL DESC:	LINOLEUM OOGIE INC 500 NE UNION AV PORTLAND OR 97232	OR 97232	INV #: SQ FT: 4,500.00 # BRANCH: 0.00

7

JUN 30 '93 05:01PM CITY AUDITOR 503 823 4571

P. 5

VOLUME: 142
 CITY OF PORTLAND
 OFFICE OF THE CITY AUDITOR
 LIEN5405
 ASSESSMENT NOTICE REGISTER

TIME & MANNER: ORDINANCE #:
 ASSESSING: ORDINANCE #:

0 DATE: 09/25/1990
 1 DATE: 09/27/1990

AUDITOR'S FILE NO. C9747 CONVENTION CENTER-LLOYD DISTRICT
 LOCAL STREET IMPROVEMENT PROJECT

DATE OF NOTICE: 09/27/1990
 OBJECTION DATE:
 HEARING DATE:

ACCOUNT NUMBER LEGAL DESCRIPTION	PROPERTY ADDRESS MAILING NAME MAILING ADDRESS	ASSESSMENT AMOUNT
TAX NMBR: R903700010 CNTY CODE: M ACCT #: 00058352 ADDITION: WHEELERS ADD BLOCK: 7&8 LOT: DESC: TL# 1 OF	524 NE GRAND AV PORTLAND OR PACIFIC DEVELOPMENT (LLOYD GENERAL I) INC 920 SW 6TH AV PORTLAND OR 97204	\$ 73,548.38 INV #: SQ FT: 78,244.00 # BRANCH: 0.00
ADDL LEGAL DESC:	PHONE NUMBER:	
TAX NMBR: R903700210 CNTY CODE: M ACCT #: 00058278 ADDITION: WHEELERS ADD BLOCK: 9 LOT: 9 DESC: E 30' OF NW 1/4 OF NE 1/4 OF	631 NE GRAND AV PORTLAND OR DOWSETT, MYRNA-RAE 3045 SW 66TH CRT PORTLAND OR 97225	\$ 5,639.93 INV #: SQ FT: 6,000.00 # BRANCH: 0.00
ADDL LEGAL DESC:	PHONE NUMBER:	
TAX NMBR: R903700240 CNTY CODE: M ACCT #: 00058270 ADDITION: WHEELERS ADD BLOCK: 9 LOT: 9 DESC: EXC W 10' TKN FOR UNION AVE W 70' OF NW 1/4 OF	630 NE UNION AV PORTLAND OR ARNSBERG, HELEN Y 630 NE UNION AV PORTLAND OR	\$ 5,639.93 INV #: SQ FT: 6,000.00 # BRANCH: 0.00
ADDL LEGAL DESC:	PHONE NUMBER:	

DESCRIPTIONS FOR ALL TAX LOTS ARE LISTED AT THE END OF THIS REPORT.

JUN 30 '93 05:02PM CITY AUDITOR 503 823 4571

log 5

551

INTERGOVERNMENTAL AGREEMENT

This agreement is made between the Metropolitan Service District, hereinafter "Metro", and the City of Portland, hereinafter "City", this 1st day of June, 1990.

W I T N E S S E T H :

RECITALS:

Whereas, the Oregon Convention Center (OCC) is envisioned to generate \$137 million annually in new business sales to the region and the state; and

Whereas, the Oregon Convention Center is under construction in the Lloyd Business District of northeast Portland; and

Whereas, increased pedestrian safety and comfort, attractive urban environment, enhanced exhibitor access, and a multi-modal transportation system are important elements in making the district more attractive to convention delegates; and

Whereas, an improved area setting for the OCC will make the destination more competitive with other cities in attracting conventions to Portland; and

Whereas, a \$34 million urban design, transportation improvement program, and public safety improvement program has been adopted by a unique public/private partnership as summarized in Exhibit "A", and

Whereas, construction of a truck marshalling area for the OCC is an enhancement included in the overall improvement program summarized in Exhibit "A", and

Whereas, the improvement of Martin Luther King, Jr. Blvd. adjacent to the Oregon Convention Center is included in this program, and was included in the original scope of the convention center project, and

Whereas, the Martin Luther King, Jr. project has been designed by the City, and is ready for bidding, and

Whereas, the Metro Council has taken budget action to allocate \$300,000.00 for convention center area improvements as part of the FY 1989-90 Budget.

A G R E E M E N T :

The parties hereto agree as follows:

Metro will pay, upon request of the City, the sum of \$300,000.00 (three hundred thousand dollars) to the City of Portland for the reconstruction of Martin Luther King, Jr. Blvd. adjacent to the Oregon Convention Center (Holladay/King at OCC on Exhibit A).

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates hereinafter indicated.

Metropolitan Service
District

City of Portland

Raymond A. Phelps, Jr.
Title: Director of F.V. H.
Date: 3-12-90

Jebed Clark
Title: _____
Date: 6/1/90

Barbara Clark
Barbara Clark, City Auditor

Approved as to form:

Linda M. Hardner, Dep. City Atty
Approved as to form

D. B. Cooper
Daniel B. Cooper
General Counsel

Exhibit A
 Convention Center Improvement Program Summary
 February, 1990

Element	Budget Estimate (Millions)
1. Holladay/King at OCC	\$2.327*
2. Holladay/King to 13th	\$5.106
3. Multnomah/Hassalo Roadway	\$.787
4. OCC Truck Marshalling area	\$0.300
5. Hotel Site Acquisition	\$4.5**
6. 16th Two-way, 15th-16th Right of way	\$5.026 \$0.100
7. Williams/Hassalo Intersection	\$0.205
8. District Lighting	\$2.377
9. Overlook & Holladay Park	\$0.847
10. District Maintenance Projects	ODOT
11. Public Safety Improvement program	\$0.300***
12. General Contingency (3.5%)	\$0.747
'Baseline' Transportation Improvements	\$11.381****
Program Total	\$34.003

* Includes improvement of Martin Luther King, Jr. Blvd. adjacent to the Oregon Convention Center, to which Metro project funds are dedicated.

** Metro Council approval of this project provided by separate Transportation Improvement Program action rather than this agreement.

*** Remodeling of space donated by William Simon, Inc. for police support facilities. Funding provided by City General Funds.

**** Funded projects of Metro Convention Center Project (\$2.7 million), Tri-Met (\$3.481 million), ODOT (\$4.700 million), and City of Portland (\$.500).

Exhibit B
 Convention Center Improvement Resources Summary
 February, 1990

RESOURCES

Source	Amount
Federal Aid Urban (FAU)	\$1.960
City-provided match	.130
Regional Reserve	
Interstate Transfer Funds	\$2.000*
City-provided match	.300
Street Lighting (City Fund)	\$3.000
PDC/Urban Renewal Fund (15th/16th)	\$5.126
Metro Convention Center Pedestrian Funds (Previously approved in City/Metro Street Vacation agreement)	\$.200**
Private Sector Participation	\$5.106
Tri-Met Project Breakeven	\$4.500***
Portland General Funds (Public Safety Facility)	\$.300
Baseline Funding (previously Committed)	\$11.381**
TOTAL	\$34.003

* Approved by separate Metro Council action, Resolution No. 90-1200.

** Funded projects: (1) Metro Convention Center Project contributes \$2.7 million via the street vacation agreement with City of Portland, Tri-Met \$3.481 million, ODOT (\$4.700 million), and City of Portland (\$.500).

*** Metro Council approval of this project provided by separate Transportation Improvement Program action rather than this agreement.

ORDINANCE No. 163104

- * Authorize the City to enter into an agreement with Metropolitan Service District (Metro) whereby Metro will provide \$300,000 to the City of Portland for reconstruction of Martin Luther King Jr. Boulevard adjacent to the Oregon Convention Center. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. On April 13, 1988, City Council passed Ordinance No. 160640 approving an agreement with the Metropolitan Service District (Metro) to define project management and funding responsibilities for transportation improvement projects facilitating the development of the Oregon Convention Center (OCC).
2. On March 22, 1989, City Council adopted Resolution No. 34531 endorsing a public/private partnership in support of the Convention Center Transportation Capital Improvement Program.
3. Entering into this agreement with Metro will further enhance the OCC area and support the mutual goals of the area development strategy.

NOW, THEREFORE, the Council directs:

- a. The Mayor and City Auditor are authorized to execute on behalf of the City, an agreement in form substantially similar to that attached to the original of this Ordinance, and by this reference made a part hereof.

Section 2. The Council declares that an emergency exists because a delay in executing this agreement will allow Metro funds available for this project to lapse; therefore, this Ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council, MAY 30 1990

Commissioner Earl Blumenauer
Ron J. Kleinschmit
May 23, 1990
[CC]Agree-Ord

BARBARA CLARK
Auditor of the City of Portland
By *Macy Hanagan* Deputy

FINANCE COMMITTEE REPORT

ORDINANCE NO. 93-512 AMENDING THE FY 93-94 BUDGET AND APPROPRIATIONS SCHEDULE TO FUND THE LLOYD DISTRICT LOCAL IMPROVEMENT ASSESSMENT ON THE OREGON CONVENTION CENTER AND METRO REGIONAL CENTER

Date: October 1, 1993

Presented By: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its September 22, 1993 meeting the Committee voted unanimously to forward Ordinance No. 93-512 to the Council with no recommendation. Present and voting were Councilors Buchanan, Devlin, Kvistad and Van Bergen. Councilor Monroe was excused.

COMMITTEE DISCUSSION/ISSUES: Ms. Jennifer Sims, Finance Director gave the Staff Report. She explained the purpose of the ordinance is to amend the budget and appropriations schedule to reflect the payment of the LID assessments on affected Metro property. She pointed out that the Executive Officer authorized the payment of the assessments prior to the August 27, 1993 deadline to avoid interest charges and penalty charges that would accrue after that date. She stated that the Finance Department had discussed this matter with the Finance Committee at its August 25, 1993 meeting with inconclusive results as how to proceed.

Councilor Van Bergen asked several questions which Ms. Sims could not answer at the moment (See Attachment 1 to this Report). The Committee asked that answers be put in writing prior to Council consideration of the ordinance on October 14, 1993.

Councilor Wyers (who was in attendance as a non-committee member) expressed concern about the Executive Officers action to pay the assessment prior to the Council making the necessary budget and appropriation schedule changes. She asked Ms. Sims when the Finance Department knew that the assessment must be paid and why wasn't an ordinance introduced immediately to seek Council approval of the budget and appropriation schedule changes (See Attachment 1 to this Report).

Prior the action to forward the ordinance to the Council with no recommendation, the Committee rejected a motion to recommend Council adoption of the ordinance on a two to two vote. Voting in favor of the motion were Councilors Devlin and Van Bergen and voting against were Councilors Buchanan and Kvistad.

NOTE: The responses to questions raised in Attachment 1 are included with this committee report.



METRO

Date: September 24, 1993
To: Jennifer Sims, Director of Finance and Management Info
From: Donald E. Carlson, ^{DE}Council Administrator
Re: Questions from the Finance Committee on Ordinance
No. 93-512

As you recall there were several questions asked of you at the Finance Committee regarding the procedures Metro followed in participating in the Lloyd District Local Street Improvement LID.

Councilor Van Bergen asked the following questions:

1. Who in Metro was supposed to respond to the September 1990 notice regarding the Convention Center property?
2. What did the \$5 million dollar project buy and what is the basis of Metro's share of the cost?
3. The Staff Report said the \$5 million dollars was an estimated cost and the Convention Center share was approximately \$800,000. How were these estimates derived?

Councilor Wyers asked the following question:

1. On what date was the Finance Department aware that the assessment must be paid? Why wasn't an ordinance drafted and introduced immediately to seek Council approval of the necessary changes to the Budget and Appropriation Schedule?

The Finance Committee requests that the answers to these questions be answered in writing prior to Council consideration of Ordinance No. 93-512 at the October 14, 1993 meeting. If you have a copy of the September 1990 notice, please include it with your response.

If you have any questions or need additional information, please do not hesitate to contact me.

cc: Finance Committee
Dick Engstrom
Dan Cooper

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 93-512 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF FUNDING THE LLOYD DISTRICT LOCAL STREET IMPROVEMENT ASSESSMENTS FROM THE CITY OF PORTLAND ON THE OREGON CONVENTION CENTER AND METRO REGIONAL CENTER.

Date: August 31, 1993

Presented by: Jennifer Sims

BACKGROUND AND ANALYSIS

This action provides for payment of two assessments from the City of Portland for a local improvement district for the Convention Center - Lloyd District local street improvement project. The assessments were made on the Oregon Convention Center and Metro Regional Center. The background and proposed budget action for each assessment are discussed separately.

Oregon Convention Center

In September, 1990, Metro received notice from the City of Portland on its intent to create a local improvement district for the Convention Center - Lloyd District local street improvement project; and to assess all benefited properties within the district, including the Oregon Convention Center, a portion of the cost of construction. The total estimated cost of the local improvement district was estimated to be \$5,106,000. The Oregon Convention Center's estimated assessment was \$822,489. The initial notice included notice of a public hearing and an explanation of the process by which objections would be heard. Metro's opportunity to remonstrate from the district was during this time. Metro chose not to file an objection and thus became part of the district.

Subsequent to the adoption of the FY 1993-94 budget, Metro received final notices from the City of Portland on the local street improvements. The final assessment on the Oregon Convention Center is \$721,690. This assessment was unanticipated in the FY 1993-94 budget.

The Financial Planning division prepared various funding alternatives to cover this unbudgeted expense in the Oregon Convention Center Operating Fund. The options were discussed by MERC staff and reviewed by the MERC Commission at its meeting on August 11, 1993. The MERC Commission authorized the use of \$500,000 of uncommitted capital outlay appropriation in the Convention Center Project Capital Fund to partially offset the cost of the assessment. This proposal required a legal opinion from Metro's General Counsel on the authorized use of the remaining proceeds in the Project Capital fund. An opinion from Mr. Cooper, dated August 19, 1993, was received by the Financial Planning division on August 20, 1993, and stated the proposed use of the funds was allowable providing the Council deemed this expense a related cost of the Convention Center. A copy of the opinion is attached.

The funding of the Oregon Convention Center assessment will be done in two steps. The FY 1993-94 budget provides for a \$900,000 transfer from the Oregon Convention Center Operating Fund to the Oregon Convention Center Renewal and Replacement Fund to create a reserve for future capital replacement and improvements. This transfer has not yet been made. The proposed funding plan reclassifies \$722,000 of the "interfund transfer" appropriation and moves it to materials & services to pay the local street improvement assessment. The contribution from the Operating Fund to the Renewal & Replacement Fund is reduced to \$178,000 (see page A-2, of Exhibit A to the Ordinance).

The second step of the proposed funding plan is to reclassify \$500,000 of existing, uncommitted capital outlay appropriation in the Convention Center Project Capital Fund and move it to the Renewal & Replacement Fund to partially offset the loss of contribution from the Operating fund. The total amount of contribution to the Renewal and Replacement Fund in FY 1993-94 will be \$678,000 and come from two funds -- the Oregon Convention Center Operating Fund and the Convention Center Project Capital Fund (see page A-4, of Exhibit A to the Ordinance). The \$222,000 reduction in total contributions to the Renewal and Replacement Fund will be deferred until FY 1994-95.

Metro Regional Center

In September, 1990, when the local improvement district was originally created, Pacific Development was assessed an amount on the former Sears Building for the local street improvements. When Metro agreed to the purchase of the property from Pacific Development, the assessment was included and became a part of the sale. The initial estimated assessment on the former Sears building was \$73,548.

The FY 1993-94 adopted budget included \$75,000 in the General Revenue Bond Fund to pay the Metro Regional Center assessment. Subsequent to the adoption of the FY 1993-94 budget, Metro received final notice from the City of Portland on the local street improvements. The final assessment for Metro Regional Center is \$132,716. This action proposes the transfer of \$57,716 of existing appropriation from capital outlay to materials & services in the General Revenue Bond Fund to fund the additional assessment expense. The additional expense does not impact the initial renovation and construction project, however, it will reduce the remaining balance available for further build out of Metro Regional Center to accommodate the consolidation of the regional parks functions. Current projections for the Parks build out indicate there are still sufficient funds to complete the project providing unanticipated needs do not exceed \$60,000.

The local street improvement assessments, the proposed funding plans, and the anticipated budget actions were discussed with the Council Regional Facilities Committee at its meeting on Wednesday, August 18, 1993. No objections to the assessments or the proposed funding plans and budget actions were voiced by the Committee members at that meeting. The proposed actions were also brought before the Council Finance Committee at its meeting of Wednesday, August 25, 1993. The assessments were due and payable to the City of Portland on August 27, 1993. Payment of the assessments on the date due saved Metro an estimated \$21,400 in interest and penalties.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 93-512, funding the Lloyd District local street improvement assessments as outlined above.


kr:ord93-94:lid:SR.DOC
August 31, 1993.



METRO

Date: August 19, 1993

To: Kathy Rutkowski, F&MI

From: Daniel B. Cooper, General Counsel 

Regarding: USE OF CONVENTION CENTER PROJECT CAPITAL FUNDS
Our file:

I have reviewed your memorandum of August 13, 1993, in which you asked several questions related to the proposed use of an existing appropriation within the Convention Center Capital Fund to pay the Lloyd District LID assessment on the Convention Center.

After reviewing your questions and the documents related thereto, I believe the fundamental question you asked is whether the expenditure of Convention Center Project Capital Funds for the purpose of paying either the Lloyd District LID or for expenditure on "renewal and replacement" items for the Convention Center would be an appropriate use of this fund based on the purpose for which the fund was initially created in 1986. If the use of the funds is appropriate for both of these purposes, then any issues related to the distribution of the remaining balance in this fund, if any when the fund is eliminated, would be moot, along with the questions raised by you regarding the advice letter provided by Ed Einowski in March 1992 related to the disposition of unexpended bond proceeds to avoid excess proceeds problems at the time of the refunding.

Resolution No. 86-680, which created the Convention Center Project Capital Funds, specifically states that the fund is created "for the construction of the convention center including construction management, architectural/engineering expenditures, land acquisition, transfers to a debt service fund for debt payments, and related studies and costs deemed appropriate by the Council." (Emphasis supplied.) If the Council finds that the payment of the LID and that expenditures for "renewal or replacement" of costs for the Convention Center are "related costs" which the Council deems it appropriate to pay out of this fund, then the issues raised in your questions are resolved and the expenditure via a transfer of funds from one fund to another for payment is of no significance and there will also be no excess proceeds issues that need to be resolved that could possible have an adverse impact of the tax exempt status of the refunding bonds that have been previously issued.

Kathy Rutkowski
Page 2
August 19, 1993

The adoption of a budget adjustment ordinance by the Council making the transfers you have discussed would be an appropriate vehicle for the Council to find that these expenditures and transfers are appropriate.

Please let me know if you have any further questions in this regard.

gl
1739



METRO

DATE: October 18, 1993
TO: Rena Cusma, Executive Officer
FROM: Paulette Allen, Clerk of the Council *PA*
RE: TRANSMITTAL OF ORDINANCE NOS. 93-513, 93-511 AND 93-512

Attached for your consideration are true copies of the ordinances referenced above adopted by the Council on October 14, 1993.

If you wish to veto any of the ordinances referenced above, I must receive a signed and dated written veto message from you no later than 5:00 p.m., Thursday, October 21, 1993. The veto message, if submitted, will become part of the permanent record. If no veto message is received by the time and date stated above, these ordinances will be considered finally adopted.

I, *Unette Sherley*, received this memo and true copies of Ordinance Nos. 93-513, 93-511 and 93-512 from the Clerk of the Council on 10-18-93.