 **Metro** | *Agenda*

Meeting: Metro Council Work Session
Date: Tuesday, Sept. 18, 2012
Time: 2 p.m.
Place: Council Chamber

Call to order and roll call

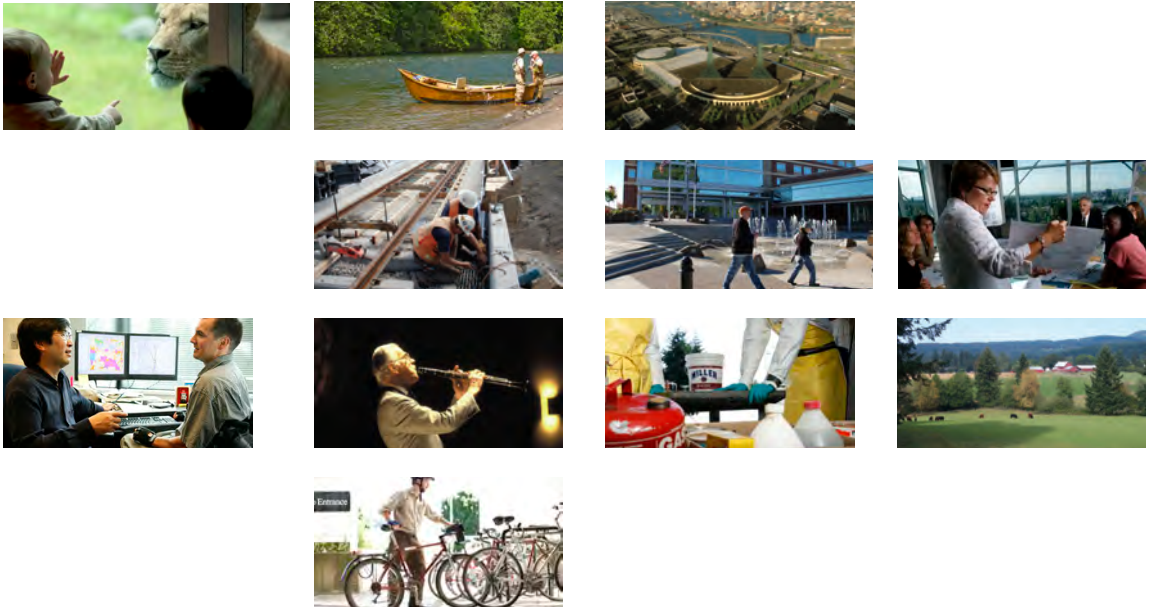
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|---------|--|------------------------|
| 2 PM | 1. ADMINISTRATIVE/ AGENDA FOR SEPT. 20, 2012/ CHIEF OPERATING OFFICER COMMUNICATIONS | |
| 2:15 PM | 2. FOURTH QUARTER FINANCIAL REPORT- <u>INFORMATION / DISCUSSION</u> | Norton
Wawrukiewicz |
| 2:40 PM | 3. NORTH PORTLAND COMMUNITY ENHANCEMENT GRANT - <u>DISCUSSION</u> | Burkholder |
| 3 PM | 4. BREAK | |
| 3:05 PM | 5. COMMUNITY INVESTMENT INITIATIVE: METRO COUNCIL ENGAGEMENT - <u>INFORMATION</u> | Bennett |
| 3:50 PM | 6. COUNCIL BRIEFINGS/COMMUNICATION | |

ADJOURN

Agenda Item No. 2.0

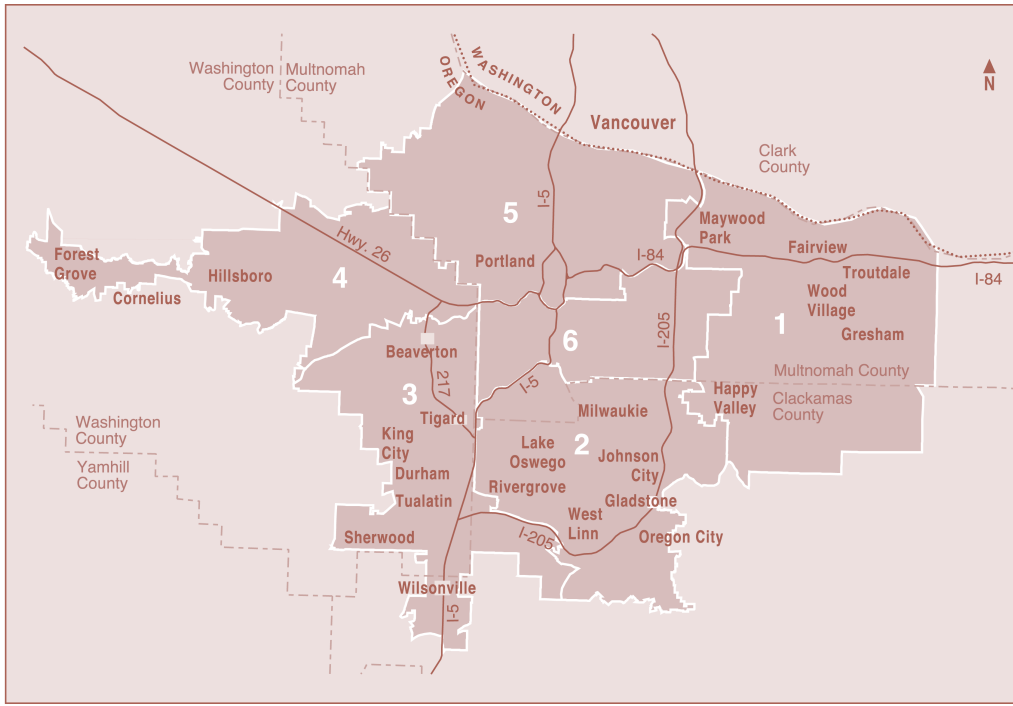
FOURTH QUARTER FINANCIAL REPORT

Metro Council Work Session
Tuesday, Sept. 18, 2012
Metro, Council Chamber



2011-12

FOURTH QUARTER REPORT
April through June



Your Metro representatives

Council President
Tom Hughes
503-797-1889

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Shirley Craddick
503-797-1547

District 2
Carlotta Collette
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District 3
Carl Hosticka
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District 5
Rex Burkholder
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District 6
Barbara Roberts
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Auditor
Suzanne Flynn, CIA
503-797-1891

Metro

Making a great place

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

2011-12

FOURTH QUARTER REPORT

April through June

printed on recycled content paper

**FY 2011-12
Quarterly
Report

Fourth
Quarter**

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EXECUTIVE SUMMARY

President Tom Hughes

Members of the Metro Council

Interested Parties

Preliminary year-end estimates

On behalf of the Finance Team we are pleased to present Metro's Fourth Quarter Financial Report. This report is based on the mid-August unaudited closing of Metro's financial records for FY 2011-12. The final financial report for the year will be the Comprehensive Annual Financial Report, the financial statements upon which the independent external financial auditors express an opinion.

Some revenues are recovering, others remain slow

As we have been reporting throughout the year, revenues have been performing at budgeted levels or better, with a few disappointing exceptions. Discretionary General Fund revenues (property tax, excise tax and interest earnings) are on a very slow growth trend, still below the rising pace of expenditures.

On the positive side, venue revenues performed well. The Oregon Zoo and the Oregon Convention Center produced operating revenues above budget; the Portland Center for Performing Arts exceeded last year's revenues and nearly matched its budget target. Expo also exceeded the prior year's revenues but remained a bit off pace from budget. The *Cirque du Soleil* production in the fourth quarter helped to recover a portion of the overly aggressive budget plan which has been corrected for the FY 2012-13 year.

Transient lodging tax receipts again showed very positive upward movement, posting the strongest fourth quarter ever and exceeding the FY 2007-08 pre-recession annual receipts, the previous peak. Annual receipts exceeded budget by \$1.3 million, nearly 14.5 percent, and topped last year's actual receipts by 10 percent.

Construction excise tax also rebounded with a significant uptick in the fourth quarter, ending the year at an increase of 22.5 percent over the prior year. Although not quite back to the peak year prior to the recession, this year's collections exceeded the three prior years. Housing and construction starts still have not reached a clearly consistent growth trend nationally or regionally, so the forecast for FY 2012-13 remains moderately conservative.

Solid Waste tonnage continues to decline with no signs of recovery. The region's tonnage was below forecast by 6.9 percent with a 4.2 percent decline at private facilities and a 10.5 percent decline at the Metro transfer stations. This also represents a true decline from the prior year of 5.4 percent across the region. The downturn is greater at Metro transfer stations than in the region, mainly because waste continues to shift from Metro to private facilities, and also, to a lesser but measureable extent, because of the Portland residential organics program. The organics program did result in increased fees for processing the mixed waste but did not generate system fees or excise tax.

Following along with the solid waste tonnage decline, excise tax is mixed, with overall collections off from budgeted levels by \$703,000. Of this, \$767,000 is the result of the Solid Waste system's still declining tonnage, offset by a net increase of \$64,000 produced by other Metro facilities, led by the Oregon Convention Center which generated \$119,000 more than anticipated. The contribution to the reserve balance for non-operating expenses (formerly the Recovery Rate Stabilization account) was \$630,000, just sufficient for the \$600,000 in planned spending for FY 2012-13. Other discretionary revenues (property tax and interest earnings) met budget targets.

Parks and Environmental Services' revenues continue to struggle in all areas, ending the year more than \$500,000 below budget. The fourth quarter showed continuing erosion in golf revenues and parks admissions, particularly at Oxbow because of the temporary campground closure. Despite a November fee increase, cemetery revenues fell below the prior year. Shared state revenues (marine fuel tax and recreational vehicle registration fees) fell short, reflecting the state's economic conditions.

As we have reported throughout the year, grant revenues are also mixed. Total grant revenues were considerably below budget projections. Some of this reflects a change in project management direction with the Oregon Department of Transportation choosing to pay certain expenses directly, rather than passing funds through Metro, and the continuing delays in the Blue Lake portion of the 40-mile Loop Trail. The remainder is related to Planning and Development activities. Reimbursement of \$518,000 for expenses related to the Regional Travel options program will not be available or received until next year, resulting in a "deferred" revenue and creating an unexpected cash flow obligation for the General Fund. Project delays and policy considerations have affected transportation projects and are accompanied by similar reductions in expenditure.

Revenue assessment: the yellow caution light remains with some bright spots offset by some continuing gaps.

Expenditures well within budget but somewhat higher than expected

Overall expenditures were \$31 million below budget while operating expenditures (not including capital) were \$20 million below budget. While this is a greater margin in dollars than the prior year, the proportion of actual-to-budget operating expenditures (88 percent) exceeds the three year average (85 percent). An increase in fourth quarter activity resulted in higher departmental spending than anticipated at the time of the third quarter report.

In the bond programs capital spending was robust. The Natural Areas program increased its spending from \$10 million in the prior year to \$16 million in FY 2011-12 with a number of sizeable transactions in the pipeline at year-end.

MERC venue expenditures followed activity, particularly in the food and beverage area, and included higher completion of scheduled capital projects. The Oregon Zoo considerably underspent material and services with lower than anticipated food and catering sales activity. Two larger capital projects, the Aviary Marsh and Africa Lagoon Aviary were carried forward to the new year. In the other primary enterprise area, Solid Waste expenditures for transfer, transport and disposal were lower, paralleling the decline in tonnage handled at the transfer stations. The Resource Conservation and Recycling programs also remained below budget, an area with a considerable history of underspending which has been addressed in the FY 2012-13 budget.

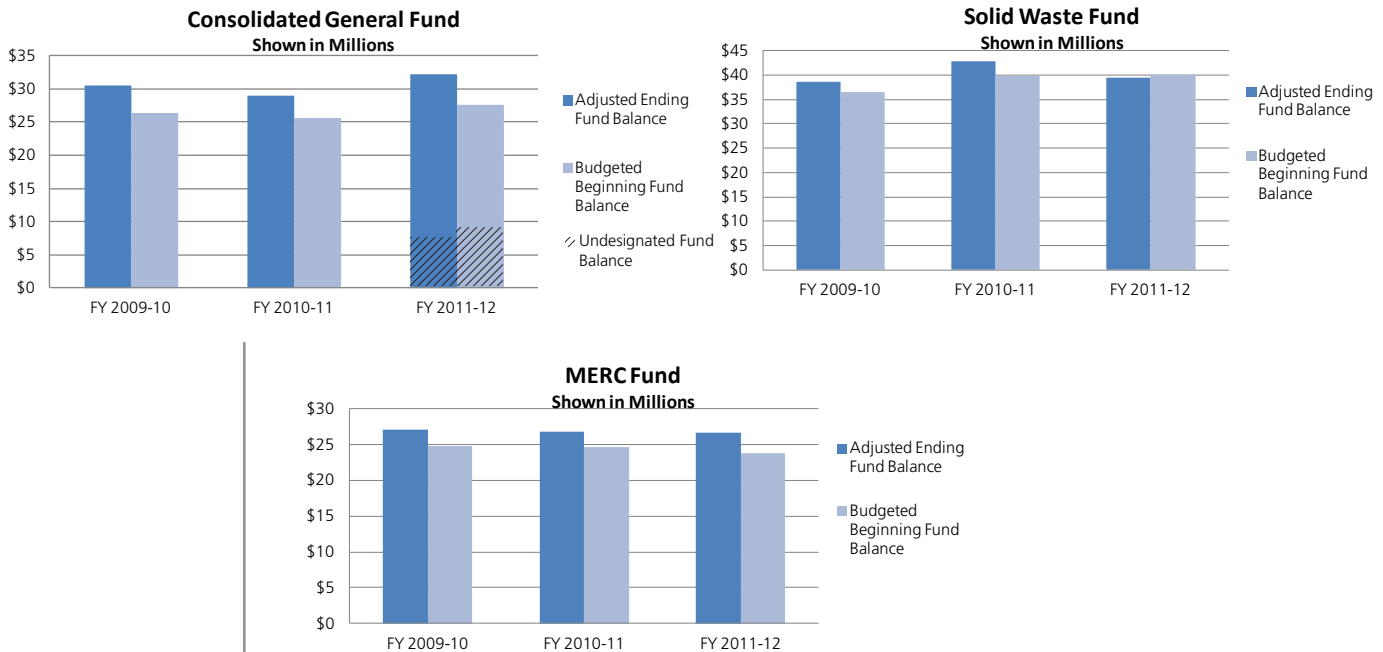
Most grants in the Planning and Development department operate on a reimbursement basis. This year some federal delays in the Regional Travel Options program have resulted in an expense of \$518,000 that will not be reimbursed until later in FY 2012-13, meaning the General Fund has supplied the interim cash to meet the obligations until the reimbursement becomes available. The Transit Oriented Development program did have nine projects completed or under construction in FY 2011-12, but will carry forward a substantial balance. The Development Opportunity Fund also committed, but did not pay out, its budgeted funds in the current year.

In the Parks and Environmental Services area expenditures to bring the cemetery program into compliance and repair the flood-damaged Oxbow Park continued, even though revenue did not keep pace.

Expenditure assessment: The FY 2011-12 budget was resource constrained in its development and execution. As we budget more tightly, expenditures do increase as a proportion of budget and our flexibility in meeting changing circumstances is reduced. We should expect the same for FY 2012-13.

Reading the fund balances is tricky

An essential test of the fourth quarter report is the review of fund balances for the operating funds. Does the ending balance meet or exceed the projected beginning balance for the new budget year, assuring that the new budget year is secure. The darker bar, the ending balance, needs to be equal to or greater than the lighter bar, the budgeted beginning balance, to provide this assurance. Meeting this objective is a reflection of both performance and the accuracy of forecasting throughout the year. The three-year view shows that the major operating funds have generally met this measure through three tough years, although the Solid Waste Fund is slightly short for its FY 2012-13 beginning balance.



Persistent declining tonnage through the fourth quarter put the Solid Waste Revenue Fund slightly below target. The health of the fund's uncommitted reserves makes this easily manageable and poses no threat to rate payers. We have been reporting the strong performance of the Oregon Convention Center and the transient lodging tax throughout the year. The surge of the tax in the fourth quarter offset the shortfall at Expo in the MERC Fund and results in a very comfortable positive margin.

In contrast, the General Fund appears to have a greater margin of positive difference in the current year than in the prior two years with the actual ending balance exceeding the budgeted beginning balance. However, this merits deeper analysis. A large \$2.9 million payment from TriMet dedicated to the TOD program arrived just at year-end, boosting the ending balance considerably. This was moderated by the delay of \$518,000 in federal reimbursement payments for the Regional Travel Options program which will not be received until FY 2012-13. Excluding the effect of these dedicated, committed funds, the General Fund balance is much closer. The discretionary portion of the General Fund balance, that portion which is available for any type of spending, is actually short of its targeted amount by \$827,000, assuming the eventual reimbursement for the RTO program. While this does not compromise the FY 2012-13 budget plan, it portends another year of strict revenue monitoring and expenditure control with few prospects for additional discretionary spending.

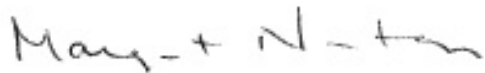
How will this influence the future?

The FY 2012-13 budget explored this question thoroughly. The recap is that revenues, and especially discretionary revenues, will remain challenged. The Solid Waste tonnage decline is still not leveling off, pushing excise tax rates, disposal and regional system fees upwards as program costs are recovered over a smaller base. As the budget was being adopted, the United States Congress did conclude a short term reauthorization of federal funds. The result will ease funding somewhat in FY 2013-14 but will not entirely resolve the overall projected shortfall in federal dollars. The venues are easing out of the downturn with the Oregon Convention Center still anticipating lower national convention bookings until 2015. The Oregon Zoo will be looking more closely at how the zoo bond projects will impact operations in the next two years. The Natural Areas Funding Advisory Panel's recommendation to address the challenges of maintaining both Metro's developed parks and the new acres being brought into Metro's stewardship awaits consideration.

In the next month the Chief Operating Officer will begin serious discussion about the next budget cycle, including an updated 5-year forecast for the primary operating funds. Through the downturn we have focused our discussion on the longer term view, weighing choices about caring for our assets, maintaining core programs, staying focused yet carving out some flexibility to respond to changing circumstances and opportunities. This careful vigilance and true practice of our financial policies has served Metro well.

Although I will not have a direct hand in crafting the choices you will consider next year I am hopeful that my role in shaping our financial practices will guide your future decision making.

Sincerely,

A handwritten signature in black ink that reads "Margo Norton". The signature is written in a cursive, slightly slanted style.

Margo Norton

Director of Finance and Regulatory Services



METRO REVENUES

Overall Revenues

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
All Revenue				
Program Revenues	132,623,896	128,773,096	97.1%	91.1%
General Revenues	68,304,854	69,206,922	101.3%	96.4%
Other Financing Sources	0	195,942,542		49.6%
All Revenue	\$200,928,750	\$393,922,561	196.1%	92.5%

Revenues for Metro, including the Metropolitan Exposition Recreation Commission (MERC), totaled \$394 million at year-end, or 196 percent of the annual budget. Nearly half of this revenue derived from May bond sales. Market conditions and Metro's excellent credit rating allowed bonds to be sold at a premium, netting an additional \$25.7 million to support the Natural Areas and Zoo Infrastructure and Animal Welfare programs. Most of the bond revenue was carried forward in fund balance to support the programs in FY 2012-13 and beyond.

When bond sales are removed from the revenue total, year-end revenues were \$198 million, 98.5 percent of budget. The Oregon Zoo ended the year with above budgeted revenue due to record ZooLights attendance and a strong summer concert season. MERC revenues ended the year right on budget, while Parks revenues remained down as a result of rainy weather, the partial closure of the campground at Oxbow Park and lower than expected golf revenues. Solid waste tonnage also ended the year below budget, due to the continuing effects of the economy, and to a lesser degree, the implementation of the residential organics program in the City of Portland. The revenue decline was partly offset by a negotiated fee increase for handling organics at the transfer stations.

Revenues generally hit budget targets...

PROGRAM REVENUE BY OPERATING UNIT

Program Revenues

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Program Revenues				
Charges for Services Revenue	111,612,746	109,607,540	98.2%	92.9%
Internal Charges for Svcs-Rev	577,807	577,804	100.0%	92.0%
Licenses and Permits	386,000	373,675	96.8%	94.2%
Miscellaneous Revenue	302,779	288,727	95.4%	102.3%
Grants	12,624,865	10,415,102	82.5%	68.0%
Contributions from Governments	3,897,419	5,201,579	133.5%	101.7%
Contributions - Private Source	3,222,280	1,242,840	38.6%	79.4%
Capital Grants	0	1,065,829		388.8%
Program Revenues	\$132,623,896	\$128,773,096	97.1%	69.2%

...except for grants

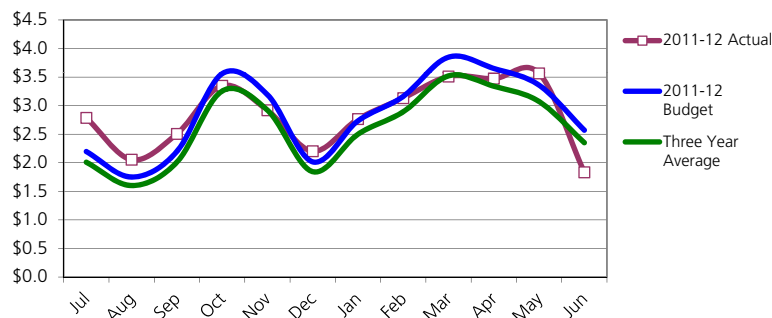
Finance and Regulatory Services

Contractors' Business License revenues ended the year at 97 percent of budget (\$374,000) and slightly less than last year. The economy continues to impact revenues in this program.

Metropolitan Exposition Recreation Commission

MERC- Program Revenues by Month

shown in millions



Year-end MERC program revenues reached \$33 million, compared to \$32 million in FY 2010-11; this total was \$125,000 below the FY 2012-13 budget.

Expo Center revenue from operations was 5 percent (\$330,000) below budget for the year, with the variance largely due to optimistic parking and food and beverage revenue forecasts included in the original budget. Expo's revenue was \$1 million greater than the prior year, however. The major event during the fourth quarter was *Cirque du Soleil* OVO and *Tapis Rouge* VIP Tent (\$608,000).

Year-end Oregon Convention Center revenue was 2 percent (\$340,000) greater than budget. The quarter's largest event was the Specialty Coffee Association of America (\$616,000).

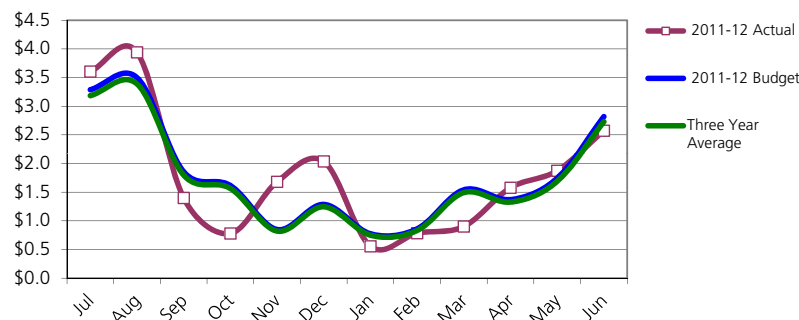
Portland Center for Performing Arts year-end revenues reached 99 percent of budget, more than \$1.4 million higher than the prior year. The Broadway production of *Wicked* ran for four weeks beginning in March, with total revenues of \$1.1 million. PCPA revenue is greatly influenced by the number of weeks of Broadway and the popularity of its commercial shows. The strong attendance numbers for Broadway and commercial shows are reflected in admission fees, ticket commissions, souvenir sales and food and beverage sales. FY 2011-12 included 12.5 weeks of Broadway, higher than the average 9.5-10 weeks.

Overall fourth quarter venue attendance numbers were 107,000 greater than the same period in the prior year. The increase in attendance can be attributed to *Cirque du Soleil* at the Expo Center, as the total number of events was down from the prior year's final quarter.

Oregon Zoo

Oregon Zoo- Program Revenues by Month

shown in millions



The zoo ended the year with attendance of 1,597,745, just below the budgeted 1.6 million. Record breaking attendance for ZooLights and a strong concert series in summer 2011 resulted in program revenues \$400,000 above budget and nearly \$1.6 million higher than FY 2010-11.

Food sales were flat, with per capita spending at \$3.25, compared to \$3.26 in FY 2010-11. The zoo's continued search for a Catering and Events Manager resulted in year-end catering revenue that was 21 percent lower than budget and 12 percent lower than the prior year.

Fourth quarter
Cirque and
Wicked

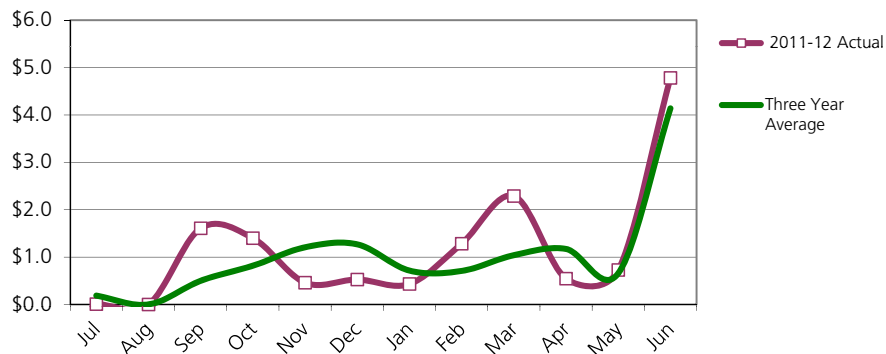
Admissions
remain at peak

In May 2012, Metro issued \$65 million of the zoo's remaining \$105 million of bond authority; this revenue is not included in the program revenues chart on the previous page. The bonds sold at considerable premium, making available an additional \$10.7 million for the zoo bond program. The program will present a recommendation to the Metro Council about premium fund disposition and seek formal direction via resolution.

Planning and Development/Research Center

Planning and Development/Research Center- Program Revenues by Month

shown in millions



Planning grant revenues ended the year at 79 percent, \$2.3 million below budget. As projected at the third quarter, more than half of this shortfall was related to continued delays in Corridors and transportation projects, including the Lake Oswego Streetcar, which remains on hold region-wide. Expenditures show a corresponding reduction. Billing on more than \$518,000 in Regional Travel Options grant work has been pushed back due to Federal Transit Administration funding delays; the funds are expected to be available in late fall or early winter in FY 2012-13.

Charges for service revenues were off by \$470,000, or more than half of the budgeted figure. The main driver of the shortfall was \$350,000 for the Household Survey budgeted as contract revenue actually received as grant revenue. Additional smaller shortfalls were seen in Data Resource Center sales and contracts with jurisdictions, caused in part by staffing shortages early in the fiscal year. Undercollections were partially offset by labor savings from the vacant positions, as well as unbudgeted revenue from *Walk There* and *Bike There* sales.

At the third quarter, \$2.9 million in budgeted Transit Oriented Development funding from TriMet was not expected to be received until FY 2012-13; it ultimately was received late in FY 2011-12. The spike seen on the graph in June is a result of that revenue, as well as the annual recording of both May and June grant billings at year end.

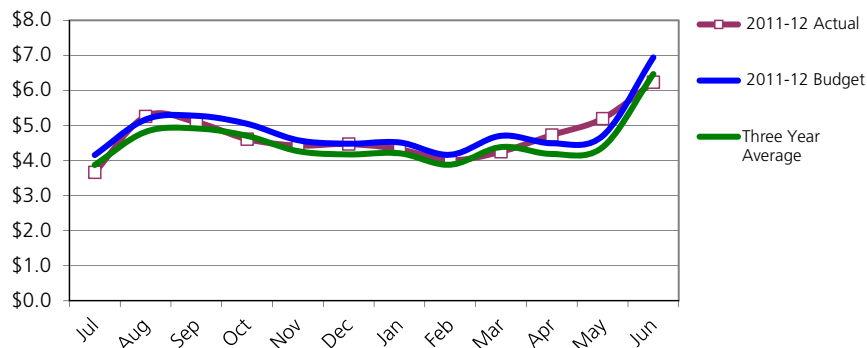
Because the timing of grant revenues varies significantly and unpredictably from year to year, the "budget" line is not included in the chart above. Each year the August revenues are adjusted in the Planning chart to account for year-end accounting entries.

**Federal
delay in RTO
payment**

Parks and Environmental Services

Parks and Environmental Services- Program Revenues by Month

shown in millions



Parks revenues continue to fall...

Parks and Property Stewardship: Overall Parks and Property Stewardship revenues ended the year about 13.5 percent (\$551,000) lower than budgeted. The revenue shortfall is slightly larger than was anticipated in the third quarter, led by a golf fees revenue shortfall of \$251,000 and an admissions revenue shortfall of \$152,000. Admissions were negatively affected by the temporary closing of the campground at Oxbow due to January flooding and a continuation of poor weather conditions. A statewide decline in the number of boat users and recreational vehicle registrations adversely affected the Marine Fuel Tax and Recreational Vehicle Fees that Metro receives from Multnomah County. Modest increases in park attendance at Blue Lake Park slightly offset the decline in other revenue sources.

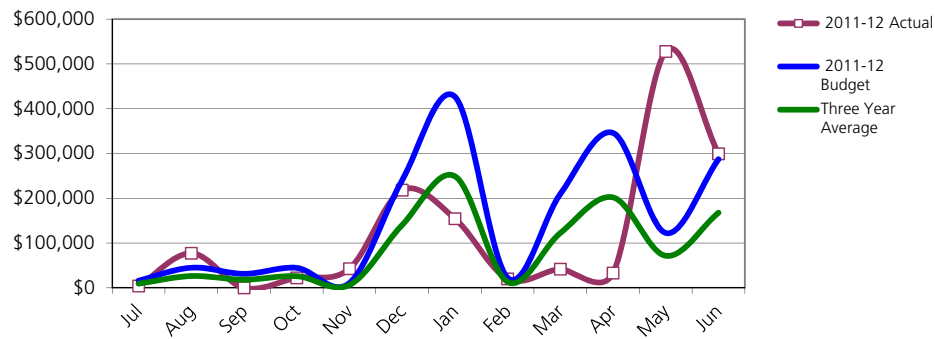
Parking revenues at the Metro Regional Center ended the year about 2.6 percent (\$17,000) lower than budgeted. The shortfall in parking fees was offset by a rent increase (\$26,000) at the Metro Kids facility.

... and tonnage still declines

Solid Waste Operations: Solid waste program revenues, consisting primarily of tonnage fees, paint sales, service fees for the state PaintCare program and government grants, were off 2.7 percent (\$1.5 million) from budget. Total tonnage delivered to both Metro and private facilities was about 6.9 percent lower than budgeted and 5.6 percent less than the actual tonnage received in FY 2010-11. Tonnage delivered to Metro facilities was 10.5 percent less than the budget and down 6.8 percent from FY 2010 -11. These numbers reflect a further decline from the third quarter and a still languishing economy. The Metro tonnage decline includes the effect of the new City of Portland residential organics program which allows city customers to place food waste in their yard debris carts. The new program continued to reduce the amount of solid waste tonnage, and consequently revenues from solid waste fees. The revenue shortfall from solid waste fees is mostly offset by an increase in residential organics fees (\$2.9 million), which was not included in the budget, and by an increase (\$180,000 more than budget) in PaintCare service fees.

Sustainability Center

Sustainability Center- Program Revenues by Month*



*Prior year revenues that make up the Three Year Average exclude a \$4.3 million land donation made in June 2009.

Sustainability Center program revenues ended the year 22 percent less than budget, primarily due to the continued delay in implementation of the Blue Lake Trail section of the 40-Mile Loop Trail and the corresponding revenue recognition (\$836,000) expected upon completion of the project. The project is currently in the final design phase and is expected to be completed during FY 2012-13. The delay of grant-funded restoration projects in the Science and Stewardship program due to timing/seasonality issues also contributed to the variance. The peak observed in May is due mainly to a federal grant received for the acquisition of the Moore Family Farm (\$500,000) and a grant received from the City of Portland Bureau of Environmental Services for the installation of railroad improvements and crossings along the Springwater Corridor Trail (\$210,000).

Not included in the graph above are financing revenues from the May bond issuance for the Natural Areas program. The premium received from the sale of \$75,000,000 in bonds resulted in \$90,000,000 in revenue to the bond program.

General Revenues

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
General Revenue				
Real Property Taxes	39,039,151	39,122,041	100.2%	100.7%
Excise Taxes	15,100,765	14,397,415	95.3%	92.2%
Construction Excise Tax	1,605,000	1,763,770	109.9%	109.5%
Other Derived Tax Revenues	25,000	33,619	134.5%	112.3%
Local Govt Shared Revenues	11,708,979	12,977,935	110.8%	93.7%
Interest Earnings	825,959	912,141	110.4%	80.7%
General Revenue	\$68,304,854	\$69,206,922	101.3%	84.2%

Transient Lodging Tax– Transient Lodging Tax (TLT) receipts provide fundamental operating and marketing support for OCC and PCPA. Year-end TLT receipts to Metro totaled \$10.5 million, which was greater than prior year by \$950,000, or 10 percent. This is a record figure and reflects the fact that room nights sold in the market were up 2.3 percent, occupancy rates (room nights per hotel) were up 1.8 percent and the average daily room rate was up 6.0 percent from the prior year.

Construction Excise Tax– Construction excise tax receipts for the fourth quarter showed a considerable uptick, particularly in the City of Portland where this year’s final quarter exceeded the prior year’s fourth quarter by 35 percent and the year-to-year by 28 percent. Overall, receipts for FY 2011-12 were 22 percent higher than the prior year, a favorable sign.

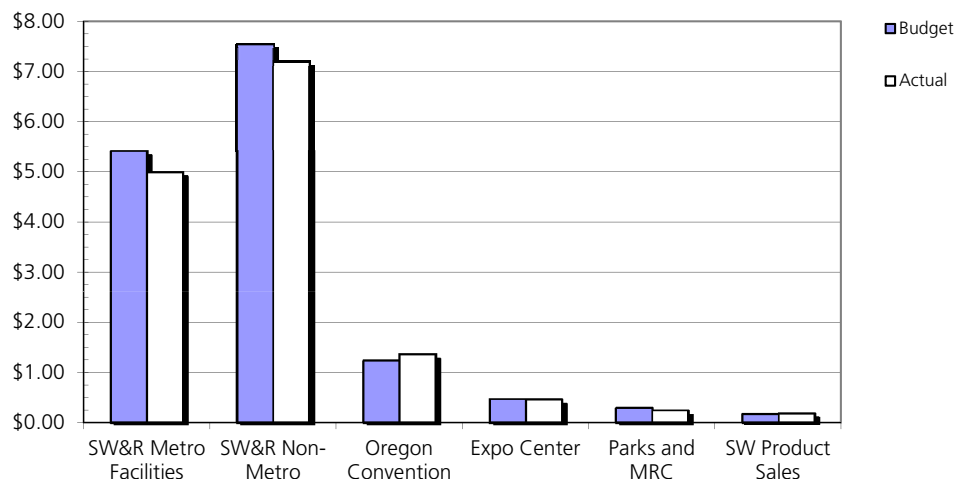
Interest Earnings– The average yield on investments for the year was 0.58 percent; this remained just above the budgeted 0.5 percent and resulted in slightly higher than anticipated interest income for the year.

TLT and CET spike in the fourth quarter

Excise Tax

Excise Tax Received Through June 30, 2012, Budget vs. Actual

shown in millions



Enough for operating excise tax with not much for reserves

Solid waste excise tax collections ended the year 5.9 percent below budget, a continued decline from third quarter. This was partly offset by an increase in non-tonnage excise tax, which ended the year 3 percent ahead of budget, led by strong revenues at the Oregon Convention Center.

METRO EXPENDITURES– OPERATING DEPARTMENTS

Metro Operating Departments (including MERC)

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	62,811,775	60,119,215	95.7%	94.5%
Materials and Services	106,919,744	89,477,783	83.7%	79.4%
Total Operating Expenditures	169,731,519	149,596,998	88.1%	85.0%
Total Capital Outlay	35,755,189	25,633,781	71.7%	39.0%
Total Renewal and Replacement	2,732,544	1,566,241	57.3%	83.8%
Total Expenditures	\$208,219,252	\$176,797,020	84.9%	72.4%

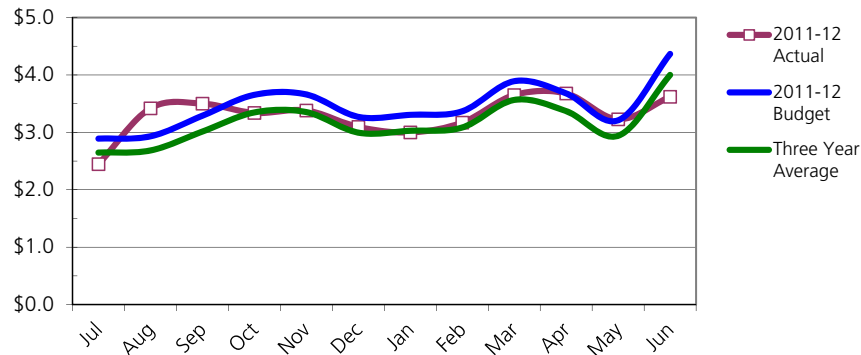
EXPENDITURES BY DEPARTMENT

MERC

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	17,791,493	17,166,266	96.5%	93.7%
Materials and Services	23,712,809	22,202,091	93.6%	96.7%
Total Operating Expenditures	41,504,302	39,368,357	94.9%	95.3%
Total Capital Outlay	3,116,366	2,027,872	65.1%	56.0%
Total Expenditures	\$44,620,668	\$41,396,229	92.8%	92.7%

MERC- Operating Expenditures by Month

shown in millions



Fourth quarter activity increases

Expenditures trended slightly under budget for much of the year, with increases seen in tandem with major event activity, including April's and May's *Cirque du Soleil* performances at Expo.

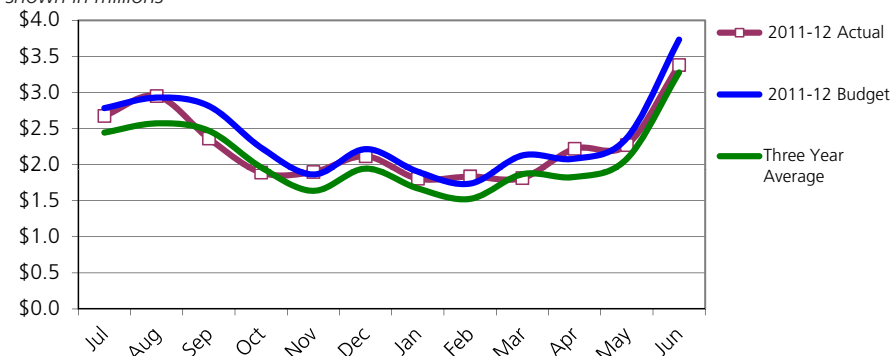
Capital projects completed during the year include converting the former Sizzler block into an outdoor plaza for Convention Center events and remodeling OCC's two retail coffee outlets as part of the change to a new vendor.

Oregon Zoo

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	17,193,994	16,434,035	95.6%	95.3%
Materials and Services	11,347,641	10,630,003	93.7%	87.6%
Total Operating Expenditures	28,541,635	27,064,038	94.8%	92.2%
Total New Capital	1,667,021	686,184	41.2%	91.6%
Total Renewal and Replacement	1,179,595	832,638	70.6%	
Total Expenditures	31,388,251	28,582,859	91.1%	92.3%

Oregon Zoo- Operating Expenditures by Month

shown in millions



Personnel services ended the year \$750,000 under budget due to vacancies and the continued focus on managing seasonal and temporary staffing. Materials and services ended the year \$717,000 below budget, partially due to lower than anticipated food sales and catering.

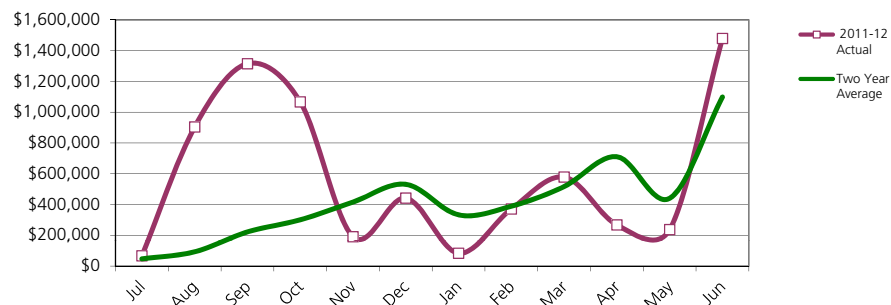
Key capital and renewal and replacement projects completed during the year include replacement of the commissary elevator and a 750 KW generator for the Research Building. In addition, donations from the Oregon Zoo Foundation funded the purchase of more than \$400,000 in medical equipment for the new Veterinary Medical Center, completed in January 2012. Projects to renovate the Aviary Marsh Mesh exhibit and the Africa Lagoon Aviary have been carried forward to FY 2012-13.

Zoo expenses well managed

Oregon Zoo Infrastructure and Animal Welfare Bond

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	628,075	590,515	94.0%	88.7%
Materials and Services	0	294,749		
Total Operating Expenditures	628,075	885,264	140.9%	91.6%
Total Capital Outlay	6,432,825	5,804,545	90.2%	31.6%
Total Expenditures	\$7,060,900	\$6,689,809	94.7%	34.5%

Oregon Zoo Infrastructure and Animal Welfare Bond- Expenditures by Month



The program continues the two-part land use strategy to amend the zoo's existing Conditional Use Master Plan permit for the elephant and condor habitats and to apply for a new Conditional Use Master Plan permit for the remaining bond projects and overall master

Bond project spending will take off in FY 2012-13

plan improvements. On March 2, Metro received approval that amends the existing permit. Several technical adjustments to the elephant habitat and related infrastructure project require additional approval, and the program expects that the city will approve the technical adjustments in time for upcoming construction permits on early phases of work.

The program submitted the new Conditional Use Master Plan application in late June and continues to provide the city final documents to support the application.

The team of SRG and CLR Design continues working with zoo staff to design the Elephant Habitat and Related Infrastructure project. The team completed all schematic designs in April and is now working through design development. The Wildlife Live, perimeter road and some train related improvements are scheduled to begin this fall, with designs moving along more quickly than those for the extremely complex elephant buildings and habitats.

Schematic design has been completed on the new Condor Habitat. The project team is now working through design development, with groundbreaking targeted for January 2013.

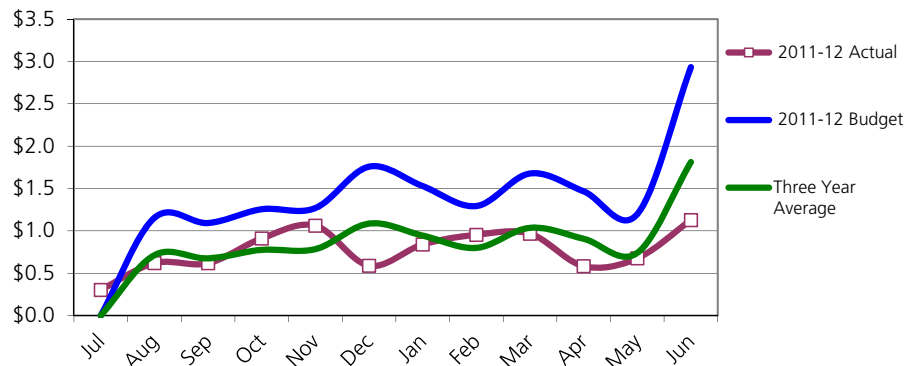
The program continues refining plans for a Remote Elephant Center, including facility design, programming, funding, land use approvals and communications. Significant work remains prior to seeking feasibility approval from the Metro Council.

Planning and Development

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	6,436,645	5,986,612	93.0%	95.3%
Materials and Services	10,125,232	3,253,895	32.1%	45.3%
Total Expenditures	\$16,561,877	\$9,240,508	55.8%	63.5%

Planning and Development- Operating Expenditures by Month

shown in millions



Year-end underspending on contracted services for the Southwest Corridors project reached nearly \$1.2 million. Budgeted contracts totaling \$440,000 for the project were administered directly by the Oregon Department of Transportation, resulting in a net reduction in both revenue and expenses to Metro. Other work on the project was delayed and carried forward to next fiscal year. The Development Opportunity Fund saw underspending of more than \$300,000. Contracts have been let for the full budgeted amount, but most of the work has been carried forward into FY 2012-13. The program expenditures reflect more than \$518,000 for RTO grant-funded programming that will not be reimbursed until FY 2012-13. The General Fund has provided the cash flow until reimbursement is received.

The Transit Oriented Development (TOD) program is budgeted at 100 percent of available funds to allow Metro to take advantage of opportunities as they arise throughout the year. The real estate development market for apartments is strong, and nine TOD projects were completed or under construction this fiscal year. The \$4.2 million unspent TOD fund balance will carry forward to FY 2012-13.

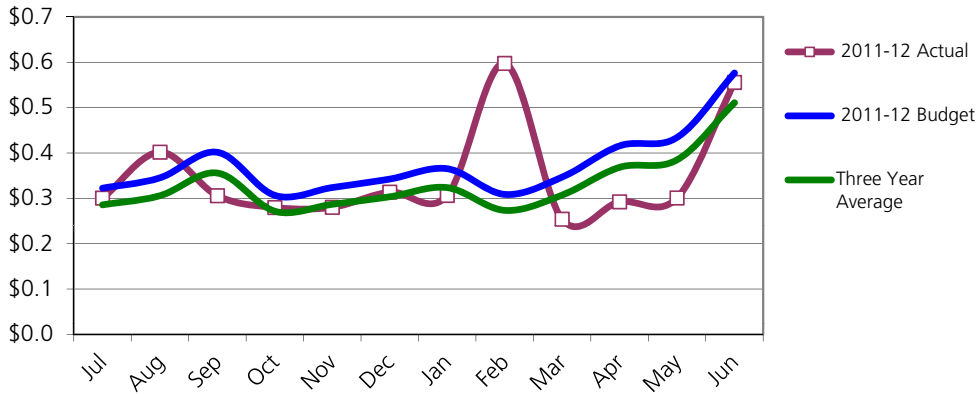
Development projects committed but not spent

Research Center

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	3,487,248	3,296,539	94.5%	97.2%
Materials and Services	1,002,334	892,602	89.1%	87.0%
Total Expenditures	\$4,489,582	\$4,189,141	93.3%	94.7%

Research Center- Operating Expenditures by Month

shown in millions



Spending in the Research Center ended the year close to the three-year average. Small amounts of underspending were spread across several programs.

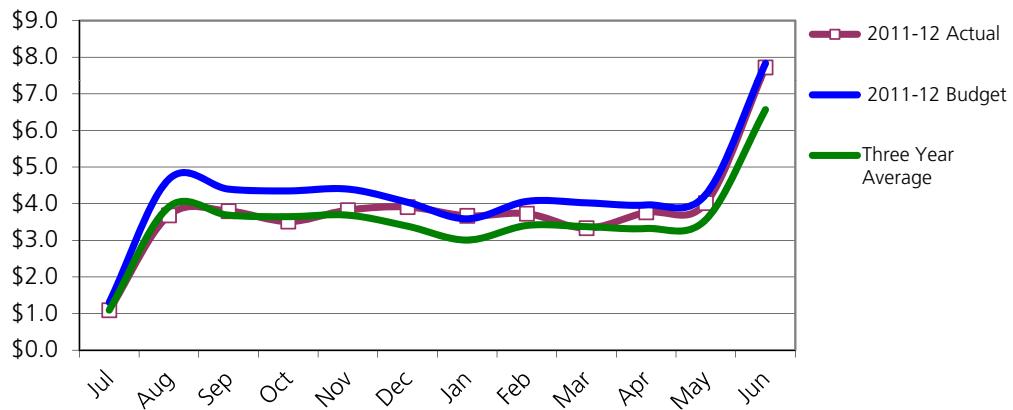
Parks and Environmental Services

	Budget	Year-end Actual	Year-end % of Budget
General Fund	\$6,656,184	6,620,227	99.5%
Solid Waste Revenue Fund	\$46,684,331	39,872,259	85.4%
General Asset Management Fund	\$2,052,953	1,144,343	55.7%

All Funds	Budget	Year-end Actual	Year-end % of Budget	3-year Average
Personal Services	9,805,563	9,343,268	95.3%	92.1%
Materials and Services	41,060,867	36,698,653	89.4%	90.8%
Total Operating Expenditures	50,866,430	46,041,921	90.5%	91.0%
Capital Outlay	3,105,095	932,586	30.0%	13.7%
Renewal and Replacement	1,441,943	706,243	49.0%	51.8%
Total Expenditures	55,413,468	47,680,749	86.0%	82.5%

Parks and Environmental Services- Operating Expenditures by Month

shown in millions



Less parks revenue, but expenses continue

Parks and Property Stewardship: Total operating expenditures were lower than budgeted by about \$44,000, a substantial change from the \$328,000 lower than budgeted expenditures anticipated in the third quarter. January's Sandy River flood and damage to Oxbow Park resulted in unanticipated expenses which continued to the end of the fiscal year. Grave service expenditures during the fourth quarter in the Pioneer Cemetery program were higher than previously forecasted. The Metro Regional Center building experienced unforeseen maintenance and repairs expenditures, and the payments of several services performed earlier in the year were postponed to the fourth quarter.

Less tonnage, less expense

Solid Waste Operations: Solid waste tonnage delivered to Metro facilities for FY 2011-12 was 10.5 percent less than the budget forecast and 6.8 percent less than FY 2010-11 actuals. The decline includes the effect of the new City of Portland residential organics program. Actual expenditures to process residential organics waste were \$600,000 less than budgeted, which together with underspending in non-tonnage materials and services, caused year-end materials and services expenditures to be 11.6 percent (\$4.4 million) lower than budgeted.

Parks and Environmental Services spent about 36 percent (\$1.6 million) of its capital and renewal and replacement budgets. The St. Johns Landfill Remediation project and several transfer station projects were carried forward to FY 2012-13 due to design considerations, permitting and feasibility studies. The Wetland Pathway Trail at Blue Lake and the Asphalt Pavement at Gleason Boat Ramp have also been carried forward to FY 2012-13.

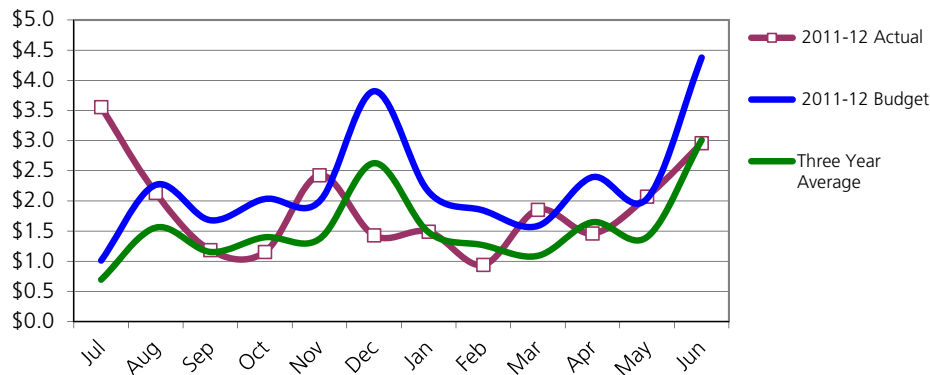
Sustainability Center

	Budget	Year-End Actual	Year-End % of Budget
General Fund	\$5,022,941	\$4,695,527	93.5%
Solid Waste Revenue Fund	\$8,101,641	\$6,698,780	82.7%
Natural Areas Fund	\$34,664,133	\$27,288,773	78.7%

All Funds	Budget	Year-End Actual	Year-End % of Budget	3-year Average
Personal Services	7,468,757	7,301,980	97.8%	96.7%
Materials and Services	19,670,861	15,352,400	78.0%	59.3%
Total Operating Expenditures	27,139,618	22,654,381	83.5%	68.7%
Capital Outlay	21,433,882	16,335,984	76.2%	35.4%
Renewal and Replacement	111,006	27,361	24.6%	
Total Expenditures	48,684,506	39,017,725	80.1%	49.0%

Sustainability Center- Operating Expenditures by Month

shown in millions, excluding capital acquisitions



Sustainability Center actual operating expenditures exhibit large variations from month to month primarily due to the local share program and acquisition programs under the Natural Areas Bond program.

Resource Conservation and Recycling operating expenditures ended the year 17.3 percent (\$1.4 million) below budget. Multiple projects in various program areas (construction and demolition, measurement, new waste reduction approaches) were not undertaken, in large part due to reconfiguration of roles and approaches in the implementation of the division's long-range strategic plan. In addition, vacancies and delays in hiring contributed to project delays and to lower than budgeted personnel services costs.

During FY 2011-12 Metro acquired 1,235 acres of natural areas at a cost of \$14.6 million; acquisitions under the 2006 bond program now total 4,114 acres.

Natural Areas acquisitions strong

EXPENDITURES– SUPPORT DEPARTMENTS

All Support Departments

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	17,128,598	16,227,268	94.7%	95.0%
Materials and Services	3,898,185	3,182,536	81.6%	70.2%
Total Operating Expenditures	21,026,783	19,409,803	92.3%	90.4%
Total Capital Outlay	705,000	445,229	63.2%	40.4%
Total Renewal and Replacement	909,771	390,125	42.9%	
Total Expenditures	\$22,641,554	\$20,245,157	89.4%	88.3%

Council Office

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	2,972,078	2,699,207	90.8%	98.5%
Materials and Services	890,782	516,863	58.0%	43.8%
Total Expenditures	\$3,862,860	\$3,216,069	83.3%	89.9%

Personal services underspending reflects several long-term vacancies during the year in the Council Office and the Office of the Chief Operating Officer. Materials and services underspending stems primarily from the Community Investment Strategy program. Materials and services funding was shifted to fund temporary employees who provided administrative and research support. In addition, a number of budgeted CIS contracted services were carried forward or reverted to fund balance for possible support of the program in future years, pending Council approval.

Office of the Auditor

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	644,908	639,243	99.1%	92.2%
Materials and Services	41,544	24,529	59.0%	70.4%
Total Expenditures	\$686,452	\$663,772	96.7%	90.9%

Office of the Metro Attorney

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	1,920,397	1,837,682	95.7%	94.3%
Materials and Services	64,176	63,717	99.3%	84.3%
Total Expenditures	\$1,984,573	\$1,901,399	95.8%	94.0%

Communications

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	2,353,883	2,358,894	100.2%	97.5%
Materials and Services	159,319	129,309	81.2%	44.4%
Total Expenditures	\$2,513,202	\$2,488,203	99.0%	90.2%

Higher than average personal services spending is the result of several temporary positions that were originally budgeted in Planning and Development but were charged during the year to Communications.

Finance and Regulatory Services

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	4,736,611	4,536,336	95.8%	92.2%
Materials and Services	1,482,805	1,239,984	83.6%	76.6%
Total Operating Expenditures	6,219,416	5,776,320	92.9%	88.4%
Total Capital Outlay	695,000	433,975	62.4%	
Total Renewal and Replacement	170,800	183,400	107.4%	
Total Expenditures	\$7,085,216	\$6,393,695	90.2%	88.4%

Underspending on the Solid Waste Information System project was carried forward to FY 2012-13.

Human Resources

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	1,776,722	1,614,834	90.9%	96.9%
Materials and Services	357,084	338,078	94.7%	84.8%
Total Expenditures	\$2,133,806	\$1,952,912	91.5%	94.5%

Personal services underspending is due to several vacancies during the year.

Information Services

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	2,723,999	2,541,071	93.3%	92.7%
Materials and Services	902,475	870,056	96.4%	82.2%
Total Operating Expenditures	3,626,474	3,411,127	94.1%	90.1%
Total New Capital	10,000	11,254	112.5%	40.4%
Total Renewal and Replacement	738,971	206,725	28.0%	
Total Expenditures	\$4,375,445	\$3,629,106	82.9%	86.8%

Several Information Services renewal and replacement projects were carried forward into FY 2012-13, including a number of small to medium projects that were combined into larger projects to address changing data storage needs of the agency. These include the Enterprise Data Storage and Data Center projects.

EXPENDITURES– NON-DEPARTMENTAL

Non-departmental

	Budget	Year-end Actual	Year-end % of Budget	3-Year Average
Personal Services	0	0	0%	0%
Materials and Services	4,601,055	1,947,321	42.3%	42.8%
Total Operating Expenditures	4,601,055	1,947,321	42.3%	42.8%
Total Debt Service	32,167,740	61,847,067	192.3%	100.0%
Total Expenditures	\$36,768,795	\$63,794,388	173.5%	94.4%

The 2002 refunding of the 1995 Open Spaces General Obligation Bonds was again refunded in May 2012. The much higher than average debt service payment seen above reflects the defeasance of the 2002 bonds as part of the refunding process. Oregon Budget Law provides a special exemption for these circumstances.

Non-departmental special appropriation expenditures during the fourth quarter included the following:

- \$547,000 for construction excise tax concept planning grants to local governments. Payments are made only when recipients meet established milestones. The favorable conclusion of the CET litigation will accelerate grant activity in FY 2012-13.
- \$62,400 of budgeted \$236,500 in agency sponsorships, including \$50,000 to the Intertwine Alliance Foundation and \$10,000 to Rail~volution. Total non-departmental sponsorship spending at year-end was \$234,000.
- \$32,000 in Nature in Neighborhoods grant reimbursements.
- \$21,000 of budgeted \$131,000 for the external financial audit, representing preliminary work for the FY 2011-12 audit.





APPENDIX – All funds, year to year comparison, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	165,415,447		175,983,543	
Program Revenues	132,623,896	39,076,731	128,773,096	97.1%
General Revenues	68,304,854	12,027,634	69,206,922	101.3%
Interfund Transfers	22,398,354	4,387,492	21,837,400	97.5%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	195,522,458	195,942,542	
Subtotal Current Revenues	223,327,104	251,014,316	415,759,961	186.2%
Total Resources	388,742,551		591,743,504	
Requirements				
Operating Expenditures	198,304,961	44,487,399	172,359,957	86.9%
Debt Service	35,261,700	41,251,825	64,941,026	184.2%
Capital Outlay + Renewal and Replacement	39,572,160	7,160,450	28,188,766	71.2%
Interfund Transfers	22,398,354	6,338,832	21,837,403	97.5%
Contingency	27,277,184			
Subtotal Current Expenditures	322,814,359	99,238,507	287,327,152	89.0%
Unappropriated Balance	65,928,192		304,416,351	
Total Requirements	388,742,551		591,743,504	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % Budget
Resources				
Beginning Fund Balance	175,322,025		190,632,130	
Program Revenues	141,509,026	37,296,733	129,872,226	91.8%
General Revenues	77,451,244	13,033,839	79,803,608	103.0%
Interfund Transfers	22,456,261	3,792,522	21,993,298	97.9%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	15,300,000	110,777	15,112,677	98.8%
Subtotal Current Revenues	256,716,531	54,233,871	246,781,809	96.1%
Total Resources	432,038,556		437,413,939	
Requirements				
Operating Expenditures	200,026,909	57,732,750	173,021,790	86.5%
Debt Service	41,954,002	18,177,579	41,950,078	100.0%
Capital Outlay + Renewal and Replacement	62,451,858	10,966,191	24,465,230	39.2%
Interfund Transfers	22,456,261	3,304,264	21,993,298	97.9%
Contingency	32,191,273			
Subtotal Current Expenditures	359,080,303	90,180,784	261,430,396	72.8%
Unappropriated Balance	72,958,254		175,983,543	
Total Requirements	432,038,557		\$437,413,939	



APPENDIX – Fund Tables, year to year comparison

General Fund (consolidated), as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	25,619,555		28,964,166	
Program Revenues	40,401,436	9,788,585	38,121,654	94.4%
General Revenues	29,133,718	4,759,697	28,582,935	98.1%
Transfers	47,242,596	5,598,591	28,104,528	59.5%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	4,700	24,400	
Subtotal Current Revenues	116,777,750	20,151,574	94,833,517	81.2%
Total Resources	142,397,305		123,797,683	
Requirements				
Operating Expenditures	84,476,381	18,772,689	70,896,134	83.9%
Debt Service	1,588,215	1,011,607	1,588,214	100.0%
Capital Outlay	47,000	49,772	130,131	276.9%
Interfund Transfers	5,053,606	1,122,578	4,904,355	97.0%
Intrafund Transfers	32,830,111	3,151,443	14,102,340	43.0%
Contingency	3,612,142			
Subtotal Current Expenditures	127,607,455	24,108,090	91,621,174	71.8%
Unappropriated Balance	14,789,850		32,176,509	
Total Requirements	142,397,305		123,797,683	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % Budget
Resources				
Beginning Fund Balance	26,354,341		30,194,768	
Program Revenues	39,427,526	10,375,694	34,521,030	87.6%
General Revenues	28,304,127	5,915,233	27,777,390	98.1%
Transfers	40,916,656	6,073,252	23,627,709	57.7%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	1,816	1,916	
Subtotal Current Revenues	108,648,309	22,365,995	85,928,045	79.1%
Total Resources	135,002,650		116,122,813	
Requirements				
Operating Expenditures	81,923,262	19,196,354	67,664,164	82.6%
Debt Service	1,529,472	944,736	1,529,472	100.0%
Capital Outlay	139,500	186,991	199,491	143.0%
Interfund Transfers	4,338,554	994,423	4,338,554	100.0%
Intrafund Transfers	30,342,305	3,379,332	13,426,966	44.3%
Contingency	3,441,260			
Subtotal Current Expenditures	121,714,353	24,701,836	87,158,648	71.6%
Unappropriated Balance	13,288,297		28,964,166	
Total Requirements	135,002,650		\$116,122,813	

General Asset Management Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	6,689,948		7,453,961	
Program Revenues	974,514	32,500	929,245	95.4%
General Revenues	33,298	14,946	48,304	145.1%
Transfers	2,193,368	705,166	2,192,041	99.9%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	19,100	19,100	
Subtotal Current Revenues	3,201,180	771,712	3,188,690	99.6%
Total Resources	9,891,128		10,642,651	

Requirements

Operating Expenditures	898,483	466,326	702,486	78.2%
Debt Service	0	0	0	
Capital Outlay	5,081,063	1,025,230	2,435,293	47.9%
Interfund Transfers	0	0	0	
Intrafund Transfers	0	0	0	
Contingency	3,911,582			
Subtotal Current Expenditures	9,891,128	1,491,556	3,137,779	31.7%
Unappropriated Balance	0		7,504,871	
Total Requirements	9,891,128		10,642,651	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	7,664,516		7,536,280	
Program Revenues	686,330	57,687	1,357,928	197.9%
General Revenues	62,677	20,758	60,154	96.0%
Transfers	1,327,635	345,677	1,293,854	97.5%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	1,800	
Subtotal Current Revenues	2,076,642	424,122	2,713,736	130.7%
Total Resources	9,741,158		10,250,016	

Requirements

Operating Expenditures	892,231	222,783	954,702	107.0%
Debt Service	0	0	0	
Capital Outlay	3,086,775	876,799	1,841,353	59.7%
Interfund Transfers	128,000	0	0	
Intrafund Transfers	20,000	0	0	
Contingency	5,289,152			
Subtotal Current Expenditures	9,416,158	1,099,582	2,796,056	29.7%
Unappropriated Balance	325,000		7,453,961	
Total Requirements	9,741,158		10,250,016	

MERC Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	Year-end Actuals	Year-end % of Budget
Resources				
Beginning Fund Balance	24,615,569		26,357,858	
Program Revenues	34,699,978	9,191,165	34,549,046	99.6%
General Revenues	11,278,141	4,408,635	12,633,657	112.0%
Transfers	594,822	480,000	594,822	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	0	
Subtotal Current Revenues	46,572,941	14,079,800	47,777,525	
Total Resources	71,188,510		74,135,383	
Requirements				
Operating Expenditures	41,504,302	10,524,143	39,368,357	94.9%
Debt Service	0	0	0	
Capital Outlay	3,116,366	601,922	2,027,872	65.1%
Interfund Transfers	6,162,880	2,911,174	6,137,175	99.6%
Intrafund Transfers	0	0	0	
Contingency	4,336,123			
Subtotal Current Expenditures	55,119,671	14,037,239	47,533,404	0.0%
Unappropriated Balance	16,068,839		26,601,979	
Total Requirements	71,188,510		74,135,383	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	% Budget
Resources				
Beginning Fund Balance	24,850,944		27,089,539	
Program Revenues	33,423,334	10,286,274	33,092,402	99.0%
General Revenues	10,794,076	4,112,874	11,626,069	107.7%
Transfers	475,000	0	475,000	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	0	
Subtotal Current Revenues	44,692,410	14,399,148	45,193,471	101.1%
Total Resources	69,543,354		72,283,010	103.9%
Requirements				
Operating Expenditures	39,708,448	10,763,266	38,143,817	96.1%
Debt Service	0	0	0	
Capital Outlay	5,290,659	1,361,606	3,993,774	75.5%
Interfund Transfers	3,801,630	962,984	3,787,561	99.6%
Intrafund Transfers	0	0	0	
Contingency	2,452,773			
Subtotal Current Expenditures	51,253,510	13,087,856	45,925,152	89.6%
Unappropriated Balance	18,289,844		26,357,858	
Total Requirements	69,543,354		\$72,283,010	

Natural Areas Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	36,715,000		36,469,224	
Program Revenues	866,000	643,247	950,828	109.8%
General Revenues	183,575	59,118	139,417	75.9%
Transfers	13,176	0	13,176	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	90,015,894	90,015,894	
Subtotal Current Revenues	1,062,751	90,718,259	91,119,314	8573.9%
Total Resources	37,777,751		127,588,539	
Requirements				
Operating Expenditures	13,725,133	2,732,050	11,026,786	80.3%
Debt Service	0	0	0	
Capital Outlay	20,939,000	3,064,094	16,261,986	77.7%
Interfund Transfers	1,780,005	355,596	1,520,118	85.4%
Intrafund Transfers	0	0	0	
Contingency	1,333,613			
Subtotal Current Expenditures	37,777,751	6,151,740	28,808,891	76.3%
Unappropriated Balance	0		98,779,648	
Total Requirements	37,777,751		127,588,539	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	50,775,000		56,792,607	
Program Revenues	943,210	15,005	414,009	43.9%
General Revenues	505,750	145,358	322,830	63.8%
Transfers	0	0	0	
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	0	
Subtotal Current Revenues	1,448,960	160,363	736,839	50.9%
Total Resources	52,223,960		57,529,446	
Requirements				
Operating Expenditures	13,500,698	1,945,422	9,696,969	71.8%
Debt Service	0	0	0	
Capital Outlay	33,202,590	5,703,351	9,907,984	29.8%
Interfund Transfers	1,502,241	379,389	1,455,269	96.9%
Intrafund Transfers	0	0	0	
Contingency	3,988,905			
Subtotal Current Expenditures	52,194,434	8,028,161	21,060,222	40.3%
Unappropriated Balance	29,526		36,469,224	
Total Requirements	52,223,960		57,529,446	

Oregon Zoo Infrastructure and Animal Welfare Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	9,649,239		8,876,890	
Program Revenues	0	22	66	
General Revenues	24,648	6,274	32,364	131.3%
Interfund Transfers	3,735	0	3,735	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	75,705,459	75,705,459	
Subtotal Current Revenues	28,383	75,711,755	75,741,623	266855.6%
Total Resources	9,677,622		84,618,513	
Requirements				
Operating Expenditures	628,075	410,066	885,264	140.9%
Debt Service	0	0	0	
Capital Outlay	6,432,825	1,574,294	5,804,545	90.2%
Interfund Transfers	365,414	75,616	297,978	81.5%
Contingency	2,251,308			
Subtotal Current Expenditures	9,677,622	2,059,976	6,987,787	72.2%
Unappropriated Balance	65,928,192		77,630,726	
Total Requirements	75,605,814		84,618,513	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % Budget
Resources				
Beginning Fund Balance	2,121,338		2,806,954	
Program Revenues	0	0	0	
General Revenues	21,213	16,259	56,583	266.7%
Interfund Transfers	0	0	0	
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	15,000,000	0	15,000,000	100.0%
Subtotal Current Revenues	15,021,213	16,259	15,056,583	100.2%
Total Resources	17,142,551		17,863,537	
Requirements				
Operating Expenditures	659,562	204,223	766,200	116.2%
Debt Service	0	0	0	
Capital Outlay	14,696,830	3,908,278	7,952,550	54.1%
Interfund Transfers	294,915	73,550	267,896	90.8%
Contingency	1,476,683			
Subtotal Current Expenditures	17,127,990	4,186,051	8,986,646	52.5%
Unappropriated Balance	72,958,254		8,876,890	
Total Requirements	90,086,244		\$17,863,537	

Risk Management Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	2,364,250		2,629,579	
Program Revenues	627,807	663,852	669,072	106.6%
General Revenues	25,000	5,820	18,187	72.7%
Transfers	1,819,183	307,542	1,818,311	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	0	
Subtotal Current Revenues	2,471,990	977,214	2,505,571	101.4%
Total Resources	4,836,240		5,135,149	

Requirements

Operating Expenditures *	2,815,266	447,497	1,559,224	55.4%
Debt Service	0	0	0	
Capital Outlay	0	0	0	
Interfund Transfers	875,210	(3,460)	871,750	99.6%
Intrafund Transfers	0	0	0	
Contingency	382,680	0	0	
Subtotal Current Expenditures	4,073,156	444,037	2,430,974	59.7%
Unappropriated Balance	763,084		2,704,175	
Total Requirements	4,836,240		5,135,149	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	8,142,227		7,998,239	
Program Revenues	9,525,278	2,611,616	9,672,010	101.5%
General Revenues	25,000	8,266	32,239	129.0%
Transfers	1,186,095	202,733	1,183,018	99.7%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	0	0	
Subtotal Current Revenues	10,736,373	2,822,615	10,887,267	101.4%
Total Resources	18,878,600		18,885,506	

Requirements

Operating Expenditures *	12,498,637	3,066,955	11,030,927	88.3%
Debt Service	0	0	0	
Capital Outlay	0	0	0	
Interfund Transfers	5,225,000	0	5,225,000	100.0%
Intrafund Transfers	0	0	0	
Contingency	528,084	0	0	
Subtotal Current Expenditures	18,251,721	3,066,955	16,255,927	89.1%
Unappropriated Balance	626,879		2,629,579	
Total Requirements	18,878,600		18,885,506	

* The change implemented in the current year in how health benefit costs are charged results in a large drop in internal charge for services revenues and expenditures compared to previous years.

Solid Waste Revenue Fund, as of June 30, 2012

FY 2011-12

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	39,914,107		42,792,555	
Program Revenues	54,686,255	15,289,505	53,263,289	97.4%
General Revenues	196,526	70,349	235,712	119.9%
Transfers	267,625	33,287	119,167	44.5%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	19,800	22,750	
Subtotal Current Revenues	55,150,406	15,412,942	53,640,918	97.3%
Total Resources	95,064,513		96,433,473	
Requirements				
Operating Expenditures	53,868,448	15,748,797	47,700,690	88.6%
Debt Service	0	0	0	
Capital Outlay	3,606,000	816,879	1,588,721	44.1%
Interfund Transfers	7,798,880	1,747,755	7,760,163	99.5%
Contingency	10,949,736			
Subtotal Current Expenditures	76,223,064	18,313,431	57,049,574	74.8%
Unappropriated Balance	18,841,449		39,383,899	
Total Requirements	95,064,513		96,433,473	

FY 2010-11

	Adopted Budget	Actuals 4th Qtr	June 30 Actuals	June 30 % of Budget
Resources				
Beginning Fund Balance	36,535,502		37,982,915	
Program Revenues	57,502,348	13,916,175	50,758,427	88.3%
General Revenues	357,537	102,416	301,114	84.2%
Transfers	5,446,449	131,962	5,446,449	100.0%
Special Items	0	0	0	
Extraordinary Items	0	0	0	
Other Financing Sources	0	33,961	33,961	
Subtotal Current Revenues	63,306,334	14,184,514	56,539,951	89.3%
Total Resources	99,841,836		94,522,866	
Requirements				
Operating Expenditures	50,304,432	14,990,411	44,435,828	88.3%
Debt Service	0	0	0	
Capital Outlay	5,194,283	199,423	497,278	9.6%
Interfund Transfers	7,021,580	1,735,089	6,797,204	96.8%
Contingency	14,514,416	0	0	
Subtotal Current Expenditures	77,034,711	16,924,923	51,730,310	67.2%
Unappropriated Balance	22,807,126		42,792,555	
Total Requirements	99,841,837		94,522,866	

APPENDIX – Excise Tax Annual Report, as of June 30, 2012

Total Excise Tax Collections

7.5% Excise Tax

Facility/Function	FY 2011-12		Difference	% Difference
	Budget	Year-end Total		
Oregon Convention Center	1,231,965	1,351,302	119,337	9.69%
Expo Center	462,314	453,165	(9,149)	-1.98%
Planning Fund	4,830	7,374	2,544	52.67%
SW Product Sales	170,250	172,540	2,290	1.35%
Parks and MRC	283,680	232,462	(51,218)	-18.05%
Total	2,153,039	2,216,843	63,804	2.96%

Solid Waste Per Ton Excise Tax

	FY 2011-12		Difference	% Difference
	Budget	Year-end Total		
Solid Waste and Recycling Metro Facilities	5,404,969	4,986,519	(418,450)	-7.74%
Solid Waste and Recycling Non Metro Facilities	7,542,757	7,194,053	(348,704)	-4.62%
Total Solid Waste Per Ton Excise Tax	12,947,726	12,180,572	(767,154)	-5.93%
Grand Total Excise Tax	15,100,765	14,397,415	(703,350)	-4.66%

Reserve Balance

Solid Waste Yield by Code	11,550,783	11,550,783
Potentially available for non-operating expenses	1,396,943	629,789

Reserve Balance for non-operating expenses

Beginning Balance from FY 2010-11*	\$	457,786
FY 2011-12 Contribution**	\$	693,593
FY 2011-12 Ending Balance	\$	1,151,379

*Contribution from FY 2010-11 has been identified for General Fund streetcar assessment, expected to be billed in early FY 2012-13. Estimated cost is \$500,000.

** FY 2012-13 Adopted Budget has committed \$600,000 for one-time expenses: Nature in Neighborhoods Grants (\$200,000); Glendoveer upgrades (\$200,000) and sustainable upgrades for renewal and replacement projects (\$200,000).

APPENDIX – Capital Budget Year-end Status

SUMMARY

The fourth quarter report includes a comparison of budgeted capital projects with activity and spending through June 30, 2012, for projects that had planned spending of greater than \$100,000.

Twenty-three projects were completed by year-end:

- Inventory of Renewal and Replacement and Assets
- Expo Structural Issue Hall E
- OCC Kitchen Remodel
- OCC Permanent Automatic AV Screens
- OCC Small Wares Purchase
- OCC Coffee Retail Renovations
- OCC Signage Upgrade
- OCC Sizzler Block Plaza Construction
- PCPA Keller Concessions Upgrade
- PCPA Hatfield Chiller Replacement
- PCPA Keller Auditorium Boiler
- Zoo Commissary Elevator
- Zoo Research 750 KW Generator
- Zoo Veterinary Medical Equipment
- Zoo Bond Penguin Filtration
- Zoo Bond Conditional Use Master Plan and Land Use Reviews
- Zoo Bond Veterinary Medical Center
- Zoo Bond Infrastructure and Animal Welfare Master Planning
- PES MRC Variable Air Volume Box Controllers
- PES Parks Wooden Dock Blue Lake Park
- PES Scalehouse C Scale Replacement
- PES Metro South Natural Lighting Improvements
- PES Metro South Transfer Station Access Lane

In addition, 22 projects were scheduled to continue or were carried forward into FY 2012-13, and two more were canceled. The remaining projects in the report are ongoing or long term projects, including annual fleet purchases and the grouped renewal and replacement projects less than \$100,000 for each department.



Finance and Regulatory Services

FY 2011-12 Capital Projects status through June 30, 2012

Inventory Renewal and Replacement and Assets

This project is to insure that Metro's fixed asset inventory is accurate for the CAFR and that the Renewal and Replacement Plan is up to date.

FY 2011-12 Adopted Budget	170,000
Dollars spent as of 06-30-12	183,400
Completed project cost	183,400
Completion date	06/30/2012

Comments: This project is completed.

Solid Waste Information System (SWIS)

This project will implement a state of the art system of data collection and reporting to support Metro's responsibility to collect regional system fees and excise taxes.

FY 2011-12 Adopted Budget	575,000
Dollars spent as of 06-30-12	316,962
CIP estimated cost	693,965
Completion date	12/31/2012

Comments: The system was implemented July 1, 2012. The warranty phase will continue until December 12, 2012.

Budget Module

This project will implement software to make budget development and monitoring more efficient.

FY 2011-12 Adopted Budget	120,000
Dollars spent as of 06-30-12	117,210
CIP estimated cost	240,000
Completion date	06/30/2013

Comments: Project will be completed in FY 2012-13.

Information Services

FY 2011-12 Capital Projects status through June 30, 2012

Information Services Renewal and Replacement Projects

Information Technology renewal and replacement projects less than \$100,000.	FY 2011-12 Adopted Budget	473,000
	Dollars spent as of 06-30-12	121,240
	CIP estimated cost	N/A
	Completion date	Ongoing

Comments: This is the combined expenditure for all projects less than \$100,000. A number of projects were carried forward to FY 2012-13.

Upgrade of Business Enterprise Software (PeopleSoft)

This project provides the funding for the regular PeopleSoft upgrades for both the Human Resources and Financial modules.	FY 2011-12 Adopted Budget	133,365
	Dollars spent as of 06-30-12	-
	CIP estimated cost	531,281
	Completion date	Ongoing

Comments: Carried forward to FY 2012-13.

Net Appliance Alex File Server

This is the normal renewal and replacement of the Net Appliance Alex File Server and is included on the department's renewal and replacement listing.	FY 2011-12 Adopted Budget	132,600
	Dollars spent as of 06-30-12	-
	CIP estimated cost	276,131
	Completion date	12/31/2012

Comments: This project was combined into a larger Enterprise Data Storage project and carried forward to FY 2012-13.

Metropolitan Exposition Recreation Commission

FY 2011-12 Capital Projects status through June 30, 2012

Expo - Structural Issue Hall E

A Geological Survey indicated damage appeared to be the result of uneven settling. Construction/repair necessary.

Comments: Project is complete.

FY 2011-12 Adopted Budget	100,000
Dollars spent as of 06-30-12	107,696
Completed project cost	107,696
Completion date	06/30/2012

OCC - Kitchen Remodel - Remodel

The purpose of this project is to increase the kitchen cooking capacity without increasing the footprint of the kitchen.

Comments: Project is complete. Any remaining balance in the Aramark Capital Investment Funds will be identified as new projects.

FY 2011-12 Adopted Budget	6,281
Dollars spent as of 06-30-12	6,281
Completed project cost	428,006
Completion date	10/17/2011

OCC - Electrical Sub Metering

Add additional meters.

Comments: Carried forward to FY 2012-13.

FY 2011-12 Adopted Budget	200,000
Dollars spent as of 06-30-12	14,902
CIP estimated cost	200,000
Completion date	06/30/2013

OCC - Permanent Automatic AV Screens

Purchase and install permanent automatic AV screens in all meeting rooms.

Comments: Project is complete.

FY 2011-12 Adopted Budget	195,000
Dollars spent as of 06-30-12	194,229
Completed project cost	194,229
Completion date	06/30/2012

OCC - Small Wares Purchase

Smallwares to include tongs, platters, risers, bowls, serving utensils, platemate or similar plate transport system.

Comments: Complete. Funding source is a combination of Aramark Capital Investment Funds and Aramark Reserve Funds.

FY 2011-12 Adopted Budget	300,000
Dollars spent as of 06-30-12	-
Completed project cost	199,614
Completion date	12/31/2011

Metropolitan Exposition Recreation Commission (continued)

FY 2011-12 Capital Projects status through June 30, 2012

OCC - Coffee Retail Renovations

Oregon Convention Center's two retail coffee outlets were remodeled to suit new vendor, Portland Roasting.

FY 2011-12 Adopted Budget	215,649
Dollars spent as of 06-30-12	247,979
Completed project cost	247,979
Completion date	02/15/2012

Comments: Project is complete.

OCC - Skyview Terrace Tasting Kitchen

Construction of Skyview Terrace Tasting Kitchen.

FY 2011-12 Adopted Budget	100,000
Dollars spent as of 06-30-12	-
CIP estimated cost	100,000
Completion date	Canceled

Comments: Project was canceled; Aramark funding will be rolled over and used for other projects.

OCC - Signage Upgrade

Replacement and upgrade of old technology currently in use in the OCC Information Kiosk system.

FY 2011-12 Adopted Budget	61,529
Dollars spent as of 06-30-12	55,663
Completed project cost	155,134
Completion date	06/30/2012

Comments: Project is complete.

OCC - Sizzler Block Plaza Construction Project

Clearing the Sizzler block and converting to a plaza.

FY 2011-12 Adopted Budget	584,002
Dollars spent as of 06-30-12	579,674
Completed project cost	794,570
Completion date	12/31/2011

Comments: Project is complete.

PCPA - ASCH & AHH HVAC Controls

Replacement/upgrade of the HVAC control systems at the Schnitzer Concert Hall and Hatfield Hall.

FY 2011-12 Adopted Budget	130,000
Dollars spent as of 06-30-12	55,304
CIP estimated cost	130,000
Completion date	uncertain

Comments: Engineering services complete. No budget for FY 2012-13. Delayed until funding source is identified.

Metropolitan Exposition Recreation Commission (continued)**FY 2011-12 Capital Projects status through June 30, 2012****PCPA - Keller Concessions Upgrade**

Projects funded by capital funds as part of the new Aramark Food and Beverage Contract to be used for food and beverage improvements.

FY 2011-12 Adopted Budget	5,163
Dollars spent as of 06-30-12	13,921
Completed project cost	333,758
Completion date	12/05/2011

Comments: Complete.

PCPA - Hatfield Chiller Replacement

Purchase and install a new chiller at the Hatfield Hall.

FY 2011-12 Adopted Budget	40,000
Dollars spent as of 06-30-12	38,100
Completed project cost	354,045
Completion date	06/30/2012

Comments: Project is complete.

PCPA - Keller Auditorium Boiler Replacement

Purchase and install a new boiler at the Keller Auditorium.

FY 2011-12 Adopted Budget	100,000
Dollars spent as of 06-30-12	108,286
Completed project cost	210,658
Completion date	10/30/2011

Comments: Complete.

Oregon Zoo

FY 2011-12 Capital Projects status through June 30, 2012

Zoo Renewal and Replacement Projects

All zoo renewal and replacement projects less than \$100,000.

FY 2011-12 Adopted Budget	695,622
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Dollars spent as of 06-30-12	486,455
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CIP estimated cost	N/A
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Comments: Projects not completed were carried forward to FY 2012-13.

Completion date	Ongoing
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Roof Replacement Africafe

Regular replacement of the roof on the Africafe.

FY 2011-12 Adopted Budget	128,593
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Dollars spent as of 06-30-12	1,200
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CIP estimated cost	128,593
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Comments: Carried forward to FY 2012-13.

Completion Date	06/30/2013
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Commissary Elevator

The Commissary Elevator was already on renewal and replacement but less than \$100,000; new cost estimates move it to a full CIP project.

FY 2011-12 Adopted Budget	100,000
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Dollars spent as of 06-30-12	97,450
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CIP estimated cost	100,000
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Comments: Project is substantially complete. Final billing expected by 8/31/2012.

Completion date	08/31/2012
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Research 750 KW Generator

Generator for Research Building.

FY 2011-12 Adopted Budget	257,000
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Dollars spent as of 06-30-12	230,497
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Completed project cost	230,497
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Comments: This project complete.

Completion date	12/31/2011
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Washington Park Parking Lot Study & Improvements

Hiring of a parking and transportation consultant to help prepare a study of the western portion of Washington Park.

FY 2011-12 Adopted Budget	286,821
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Dollars spent as of 06-30-12	122,460
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CIP estimated cost	287,000
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Comments: This project is in process and split into several projects. \$30,000 is for a parking lot study, \$100,360 is for a Washington Park entry vision study. The remaining balance is targeted to support development of a transportation management association to manage access and parking, as well as minor physical improvements to the entry and lot in FY 2012-13.

Completion Date	06/30/2013
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Oregon Zoo (continued)

FY 2011-12 Capital Projects status through June 30, 2012

Africa Lagoon Aviary

Renovation of the Africa Lagoon Aviary to enhance visitor experience and the introduction of a new species (flamingos).

FY 2011-12 Adopted Budget	315,000
Dollars spent as of 06-30-12	59,210
CIP estimated cost	315,000
Completion date	06/30/2013

Comments: Carried forward to FY 2012-13.

Aviary Marsh Mesh

The Aviary Marsh Mesh exhibit is expected to need a full renovation, structural replacement. The Oregon Zoo Foundation has committed to fund this project. Ord 11-1265 identified additional funding adding an Aviary project (Africa Lagoon Aviary Project).

FY 2011-12 Adopted Budget	510,000
Dollars spent as of 06-30-12	45,237
CIP estimated cost	510,000
Completion Date	06/30/2013

Comments: Carried forward to FY 2012-13.

Oregon Zoo Bond Projects

FY 2011-12 Capital Projects status through June 30, 2012

Note: Zoo bond projects in the current 5-year CIP have been updated to correspond to the master plan. The remaining zoo bond projects will be added to the FY 2012-13 5-year CIP.

Veterinary Medical Equipment

The Oregon Zoo Foundation raised money to fund the new equipment needs of the new Veterinary Hospital.

FY 2011-12 Adopted Budget	450,000
Dollars spent as of 06-30-12	419,426
Completed project cost	419,426
Completion date	06/30/2012

Comments: Project is complete.

Penguin Filtration

Installing a modern filtration system that filters and recycles water for the 25,000-gallon penguin pool would reduce water usage by 80 percent, saving more than 7 million gallons of water per year.

FY 2011-12 Adopted Budget	696,905
Dollars spent as of 06-30-12	365,690
Completed project cost	1,753,276
Completion date	11/30/2011

Comments: Project is complete.

Improving Elephant On Site Facilities

This project includes the new elephant habitat, as well as Wildlife Live facilities, zoo train rerouting and new service building, construction of the perimeter service road, and new utilities from the central to east hubs along the main zoo pathway.

FY 2011-12 Adopted Budget	3,147,647
Dollars spent as of 06-30-12	1,878,338
CIP estimated cost	53,964,818
Completion date	06/30/2015

Comments: Project remains on schedule and on budget. Project team completed schematic designs in April 2012 and is now working through design development.

Updated Conditional Use Master Plan and Land Use Reviews

Prepare and achieve land use approvals from the City of Portland for the updated master plan, bond program projects and other improvements at the zoo campus.

FY 2011-12 Adopted Budget	150,000
Dollars spent as of 06-30-12	406,839
CIP estimated cost	847,630
Completion date	09/30/2012

Comments: Submitted new Conditional Use Master Plan application in late June 2012. The application will undergo city review and a hearings officer hearing in the fall.

Oregon Zoo Bond Projects (continued)

FY 2011-12 Capital Projects status through June 30, 2012

Veterinary Medical Center

The existing veterinary and quarantine facilities are deficient. Current clinical spaces are very small and cramped, have poor lighting and drainage, and lack controls for minimizing disease transmission.

Comments: Project is complete.

FY 2011-12 Adopted Budget	3,100,000
Dollars spent as of 06-30-12	2,776,597
Completed project cost	9,150,000
Completion date	01/01/2012

Zoo Infrastructure and Animal Welfare Master Planning

This project is to prepare the master planning and land-use plans for the overall bond projects, sustainability initiatives, and infrastructure improvements.

Comments: Project is complete. The Metro Council approved the Bond Implementation Plan on Sept. 22, 2011, and the Comprehensive Capital Master Plan on Nov. 3, 2011.

FY 2011-12 Adopted Budget	416,183
Dollars spent as of 06-30-12	308,399
Completed project cost	1,691,421
Completion date	11/03/2011

Parks and Environmental Services

FY 2011-12 Capital Projects status through June 30, 2012

Carpet Replacement

Expected carpet replacement in FY 2011-12.

FY 2011-12 Adopted Budget	186,288
Dollars spent as of 06-30-12	175,281
CIP estimated cost	395,707
Completion date	06/30/2013

Comments: Small amount of funding carried forward to FY 2012-13.

MRC Front Plaza Planters

Project to repair and prevent leaks in the plaza planters.

FY 2011-12 Adopted Budget	90,000
Dollars spent as of 06-30-12	71,388
CIP estimated cost	126,000
Completion date	08/31/2013

Comments: Carried forward to FY 2012-13.

M. James Gleason Boat Ramp - Phase IV

This represents the cost of repaving the existing parking lot.

FY 2011-12 Adopted Budget	337,500
Dollars spent as of 06-30-12	46,951
CIP estimated cost	1,370,900
Completion date	06/30/2013

Comments: Carried forward to FY 2012-13

Blue Lake Wetland, Pathway, Trail

Regular replacement of existing trail and pathway.

FY 2011-12 Adopted Budget	195,595
Dollars spent as of 06-30-12	-
CIP estimated cost	195,595
Completion date	06/30/2013

Comments: Carried forward to FY 2012-13.

PES - Fleet

Regular replacement of vehicles according to schedule.

FY 2011-12 Adopted Budget	367,769
Dollars spent as of 06-30-12	254,234
CIP estimated cost	N/A
Completion date	Ongoing

Comments: Seven vehicles carried forward to FY 2012-13 and two carried back from FY 2012-13.

Parks and Environmental Services (continued)

FY 2011-12 Capital Projects status through June 30, 2012

Regional Parks Renewal and Replacement

Detailed list upon request.

FY 2011-12 Adopted Budget	481,334
Dollars spent as of 06-30-12	303,732
Complete project cost	1,393,091
Completion Date	Ongoing

Comments: Most projects completed; remainder carried forward to FY 2012-13.

Property Services Renewal and Replacement

Detailed list upon request.

FY 2011-12 Adopted Budget	352,654
Dollars spent as of 06-30-12	291,350
CIP estimated cost	N/A
Completion Date	Ongoing

Comments: Most projects completed.

Wooden Dock Blue Lake Park

This project replaces the wooden boat dock at Blue Lake Park.

FY 2011-12 Adopted Budget	106,015
Dollars spent as of 06-30-12	107,481
Completed project cost	107,481
Completion Date	06/30/2012

Comments: This project is complete.

Blue Lake Park Signage

Replacement and upgrade of park signage.

FY 2011-12 Adopted Budget	107,595
Dollars spent as of 06-30-12	13,634
CIP estimated cost	107,598
Completion Date	06/30/2013

Comments: Carried forward to FY 2012-13.

MRC VAV Box Controllers

This project will replace 84 variable air volume controllers, of 90 units at the Metro Regional Center.

FY 2011-12 Adopted Budget	128,280
Dollars spent as of 06-30-12	83,540
Completed project cost	133,540
Completion Date	03/30/2012

Comments: Project is complete.

Parks and Environmental Services (continued)

FY 2011-12 Capital Projects status through June 30, 2012

St. Johns Landfill-Gas to Energy Conversion

The project proposal is to evaluate the potential conversion of the excess gas into either electricity or a compressed gas suitable for use in vehicles.

Comments: The study is complete. Still negotiating with current operator, but unlikely to proceed with energy conversion approach.

FY 2011-12 Adopted Budget	150,000
Dollars spent as of 06-30-12	12,318
CIP estimated cost	1,300,000
Completion Date	06/30/2013

Metro Central Organics/Food Handling Area Improvements

Project to improve food handling capabilities.

Comments: Carried forward to FY 2012-13.

FY 2011-12 Adopted Budget	300,000
Dollars spent as of 06-30-12	12,820
CIP estimated Cost	350,000
Completion Date	06/30/2013

Metro South HHW - Extend Canopy

This project would improve the removal of solids from our storm water discharge to insure ability to continue permitting.

Comments: Carried forward to FY 2012-13.

FY 2011-12 Adopted Budget	15,000
Dollars spent as of 06-30-12	4,368
CIP estimated cost	125,000
Completion Date	06/30/2013

Metro South - Natural Lighting Improvements

This project will improve interior lighting through natural means.

Comments: Project is complete.

FY 2011-12 Adopted Budget	75,000
Dollars spent as of 06-30-12	24,371
Completed project cost	69,078
Completion Date	6/30/2012

Metro South Transfer Station - Access Lane

The City of Oregon City is planning a road re-alignment project that will limit site access for staff. This project will relocate some utilities and provide a by-pass lane around scale #4 at scalehouse C.

Comments: Project is complete.

FY 2011-12 Adopted Budget	80,000
Dollars spent as of 06-30-12	36,036
Completed project cost	42,493
Completion Date	06/30/2013

Parks and Environmental Services (continued)

FY 2011-12 Capital Projects status through June 30, 2012

MCS Tarping Station		
Design and Build Tarping station.	FY 2011-12 Adopted Budget	200,000
	Dollars spent as of 06-30-12	-
	CIP estimated cost	200,000
Comments: Operator decided project not needed. Project canceled.	Completion Date	Canceled
St. Johns - Perimeter Dike Stabilization and Seepage Control		
The objective of this project is to stabilize sections of the St. Johns Landfill perimeter dike to minimize contact of waste or leachate with surrounding surface water.	FY 2011-12 Adopted Budget	6,000
	Dollars spent as of 06-30-12	-
	CIP estimated cost	2,439,066
Comments: Ongoing monitoring.	Completion Date	Ongoing
St. Johns - Landfill Remediation		
St. Johns Landfill is on the DEQ confirmed release list and inventory, which identify sites in Oregon where release of hazardous substances into the environment has been confirmed, where further investigation is required and remediation may be needed.	FY 2011-12 Adopted Budget	1,000,000
	Dollars spent as of 06-30-12	-
	CIP estimated cost	3,000,000
Comments: Project is pending completion of St. Johns Landfill Remedial Investigation and Feasibility Study (RIFS).	Completion Date	11/1/2013
St. Johns - Re-establish Proper Drainage		
Construction of the multi-layer cover system over the buried waste at St. Johns Landfill during 1991-1996 included contouring the landfill surface for effective drainage of rainwater. This feature protects the integrity of the cover.	FY 2011-12 Adopted Budget	5,000
	Dollars spent as of 06-30-12	-
	CIP estimated cost	626,365
Comments: Drainage will be assessed when this year's aerial photo is taken and reviewed.	Completion Date	Ongoing
Metro Central - Scalehouse "C" Scale Replacement		
This project replaces the scale at Metro Central's scalehouse C.	FY 2011-12 Adopted Budget	28,000
	Dollars spent as of 06-30-12	3,500
	Completed project cost	105,465
Comments: Project is complete.	Completion Date	12/31/2011

Parks and Environmental Services (continued)

FY 2011-12 Capital Projects status through June 30, 2012

Metro Central HHW - Roof Replacement

This project replaces the roof at Metro Central HHW facility.

FY 2011-12 Adopted Budget	135,000
Dollars spent as of 06-30-12	87,249
CIP estimated cost	185,000
Completion Date	6/30/2013

Comments: Project will be completed in FY 2012-13.

SW Renewal and Replacement Account, Non CIP

This action is for renewal and replacement projects that are less than \$100,000.

FY 2011-12 Adopted Budget	730,000
Dollars spent as of 06-30-12	334,000
CIP estimated cost	N/A
Completion Date	Ongoing

Comments: Projects carried forward include the radiation detection system and the camera replacement at Metro South.

Sustainability Center

FY 2011-12 Capital Projects status through June 30, 2012

40-Mile Loop Trail Construction at Blue Lake Park

This section of the 40-Mile Loop Trail will close a key gap along Marine Drive. The trail will be built on Metro-owned property in Blue Lake Park.

Comments: Project carried forward to FY 2012-13. Permitting delays are stalling this project.

FY 2011-12 Adopted Budget	939,000
Dollars spent as of 06-30-12	-
Completed project cost	939,000
Completion Date	06/30/2013

Natural Areas Acquisition

Voters approved a \$224.7 million General Obligation Bond Measure to acquire natural areas for the purpose of water quality and habitat protection.

Comments: Project is on going.

FY 2011-12 Adopted Budget	35,001,009
Dollars spent as of 06-30-12	26,984,000
CIP estimated cost	136,821,344
Completion Date	06/30/2016

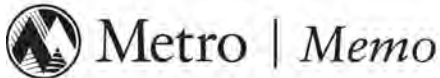
Natural Areas Information System

Database project to track acquisitions from 1995 and 2006 bond programs.

Comments: This project is expected to be completed in FY 2012-13.

FY 2011-12 Adopted Budget	100,000
Dollars spent as of 06-30-12	333,686
Completed project cost	650,000
Completion Date	06/30/2013





Date: Sept 11, 2012
To: President Tom Hughes
Members of Metro Council
From: Margo Norton, Director
Finance and Regulatory Services
Re: Annual Construction Excise Tax Report
CET Collections for FY 2011-12
Update about Community Planning and Development grants funded with CET

Fourth quarter shows significant improvement over prior years

Construction excise tax collections for the fourth quarter, representing permit activity for April, May and June, resulted in a significant improvement over last year's fourth quarter and brought the year to an excellent close. Collections for FY 2011-12 are 22.5 percent higher than last year and slightly exceed FY 2008-09, the year in which we saw the recession take shape. On balance, performance indicators both nationally and regionally remain inconsistent for the housing and construction industry with an improving month followed by a declining month. For this reason we remain somewhat conservative in our forecasting for FY 2012-13.

4th Quarter history (rounded)		Annual Collections (rounded)	
FY2012	\$514,600	FY2012	\$1,766,000
FY 2011	373,600	FY2011	1,441,000
FY2010	429,000	FY2010	1,428,000
FY2009	383,000	FY2009	1,720,000
FY2008	655,000	FY2008	2,461,000
FY2007 (start-up)	716,600	FY2007 (start-up)	1,807,000

Portland has very productive quarter

Among the top producing jurisdictions, Portland, Hillsboro and Beaverton remain in the top 1-2-3 spots, each posting an increase over the prior quarter. Hillsboro's sharp decline in the third quarter has righted itself, suggesting that timing of one or two major projects accounted for the anomaly.

Portland had a particularly active quarter, 35 percent higher than the same quarter a year ago.

Cumulative collections

Cumulative collections since July 2006 are now \$10.6 million. As part of the legislation extending the tax, Metro began retaining 2.5 percent of the collected receipts above \$6.3 million to recover a portion of its costs in administering the program. To date Metro has collected \$108,000, \$62,000 of which was used to offset costs for outside legal services.

Successful conclusion to litigation

In June 2012 the Court of Appeals affirmed the Circuit Court's ruling that the 2009 CET ordinance was an "extension or continuation of a tax, rather than the imposition of a new tax," and upheld the validity of the Metro ordinance. The favorable ruling should speed the initiation of Community Development and Planning grants awarded but not yet under contract.

Even with a conservative forecast for collections in FY 2012-13, we are recommending a new grant cycle be planned and awarded in the coming year. Because the CET expenditures come under the spending limit, we need to keep a smooth, continuous flow of grant payments to avoid any charter limitation problems.

Status of Community Development and Planning Grants funded by the Construction Excise Tax

Under the initial CET legislation Metro awarded \$6.3 million dollars to 14 jurisdictions for 24 discrete projects. These projects had been selected prior to the time the legislation was enacted and influenced the sizing of the initial tax. As of June 30, 2012, \$5.1 million has been expended and 17 projects have been completed; \$1.2 million remains obligated for seven ongoing projects. Funds are distributed when specific performance benchmarks are reached.

With the continuation of the CET in June 2009, Metro awarded \$3.7 million for 17 projects in June 2010. The legal challenge to the extension of the CET did delay full implementation. Jurisdictions willing to share with Metro the risks associated with moving forward in the absence of a final court decision proceeded with ten of 17 projects. With the Court of Appeals ruling in June, the remainder of the projects can now begin. As of June 30, 2012, \$1.29 million has been expended. Two projects, the Aloha-Reedville study and the Lake Oswego Funding Strategy to Implement the Lake Grove Village Center Plan, have been completed.

Charts provide additional detail

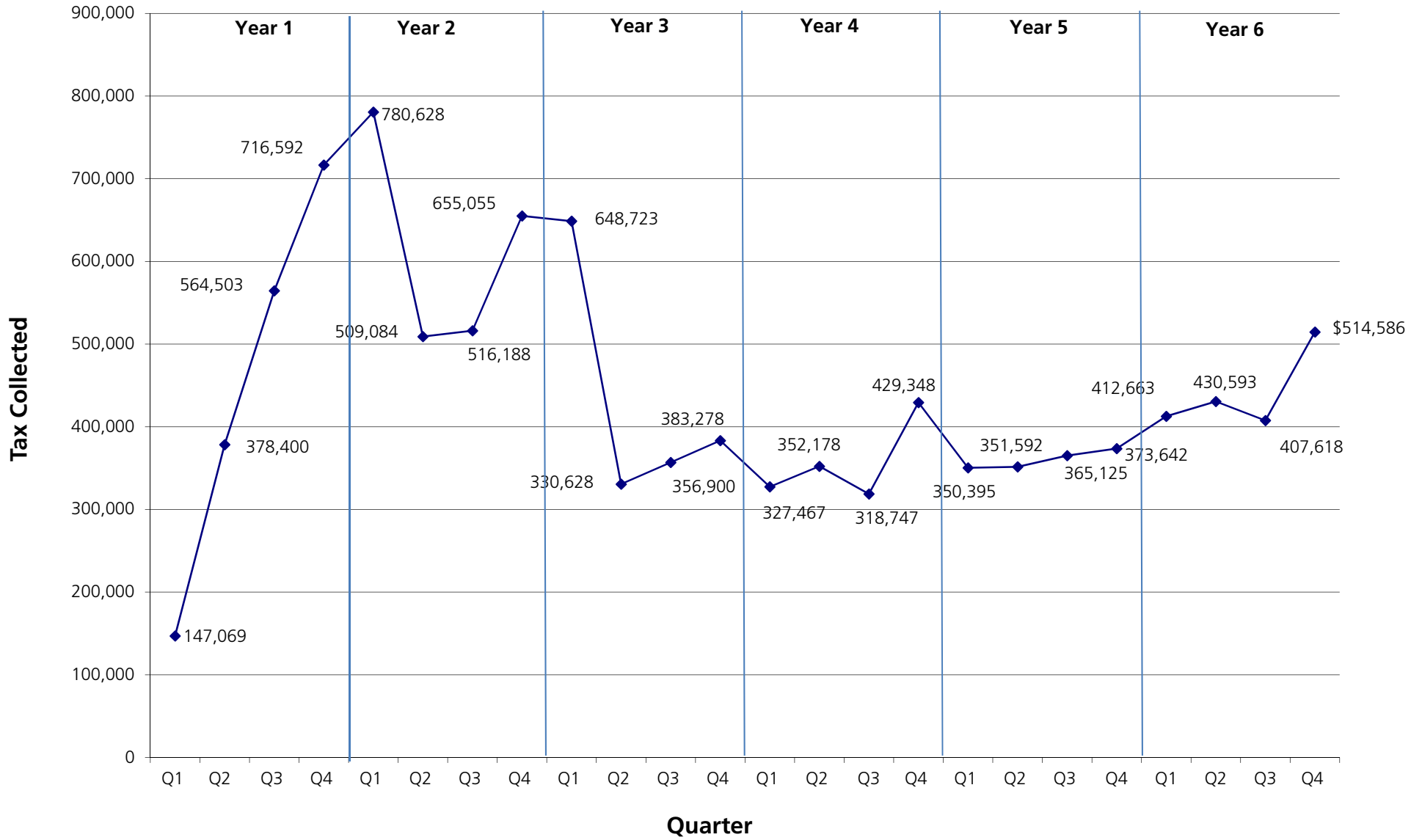
Following this report are charts detailing information about both collections and expenditures of Metro's Construction Excise tax. The expenditure information is included with the assistance of Sarah Grover, FRS interim program analyst assigned to CET; Gerry Uba, Project Manager for Round II Community Development and Planning Grants funded by the CET; and Ray Valone, Project Manager for Round I grants.

Report available on Metro Website

Metro posts its Construction Excise tax reports on Metro's website www.oregonmetro.gov for participating jurisdictions and interested citizens.

Copy: Martha Bennett, Chief Operating Officer
Scott Robinson, Deputy Chief Operating Officer
Other Interested parties

Construction Excise Tax by Quarter July 1, 2006 - June 30, 2012



Metro Construction Excise Tax (CET)

Cumulative Total

Collections through June 30 , 2012

Recorded as of July 2012

Finance and Regulatory Services

	FY 2007 Year 1	FY 2008 Year 2	FY 2009 Year 3	FY 2010 Year 4	FY 2011 Year 5	FY 2012 Year 6				FY 2012 Year 6	Cumulative Total and Percent by jurisdiction	
	Total FY07	Total FY08	Total FY09	Total FY10	YTD Total FY11	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TD Total FY12		
Beaverton	\$61,219.00	\$115,220.00	\$102,927.00	\$100,198.00	\$86,537.00	\$22,509.00	\$19,468.00	\$26,113.00	\$20,018.00	\$88,108.00	\$554,209.00	5.2%
Clackamas County	168,233.17	224,759.90	89,754.68	74,991.54	97,563.70	26,535.12	13,754.45	15,335.48	17,970.00	73,595.05	728,898.04	6.9%
Cornelius	9,978.00	9,251.00	954.00	14,382.00	852.00	336.00	1,198.00	0.00	0.00	1,534.00	36,951.00	0.3%
Durham	0	379.00	798.00	967.00	416.00	0.00	416.00	0.00	0.00	416.00	2,976.00	0.0%
Fairview	20,555.53	4,472.17	5,210.90	2,824.21	3,664.51	803.70	1,314.42	943.36	270.18	3,331.66	40,058.98	0.4%
Forest Grove	41,432.00	45,424.00	15,270.00	29,137.00	25,144.00	19,416.00	5,859.00	12,619.00	22,052.00	59,946.00	216,353.00	2.0%
Gresham	99,370.61	151,841.17	79,002.39	42,574.43	59,650.53	26,691.90	19,146.80	12,027.62	23,592.71	81,459.03	513,898.16	4.8%
Happy Valley	71,282.00	63,786.00	47,950.00	27,935.00	39,398.00	18,812.00	19,206.00	27,667.00	16,143.00	81,828.00	332,179.00	3.1%
Hillsboro	191,271.01	277,149.12	186,838.97	176,094.70	196,101.39	57,589.35	56,249.79	17,479.90	57,433.14	188,752.18	1,216,207.37	11.5%
King City	16,841.00	3,315.63	9,731.04	4,289.36	1,521.00	9,180.00	4,434.00	7,200.00	6,358.00	27,172.00	62,870.03	0.6%
Lake Oswego	49,731.54	57,914.80	38,662.53	32,190.17	55,926.76	10,057.60	10,426.20	13,909.29	13,501.98	47,895.07	282,320.87	2.7%
Milwaukie	10,107.24	6,412.37	8,627.75	3,574.72	11,117.88	774.86	1,640.46	928.87	869.02	4,213.21	44,053.17	0.4%
Oregon City	94,519.10	50,392.80	43,468.55	45,105.48	43,188.87	11,873.04	16,633.71	14,699.45	17,261.24	60,467.44	337,142.24	3.2%
Portland	508,950.00	918,491.00	743,200.00	564,526.00	508,835.00	143,846.00	169,760.00	136,940.00	212,371.00	662,917.00	3,906,919.00	36.8%
Sherwood	25,008.00	36,924.02	42,083.00	10,019.00	11,099.00	1,960.00	1,072.00	1,950.00	2,867.00	7,849.00	132,982.02	1.3%
Tigard	86,650.00	67,737.00	20,629.51	57,115.09	50,441.43	8,003.08	7,088.04	15,724.25	20,417.49	51,232.86	333,805.89	3.1%
Troutdale	19,689.91	12,032.62	34,587.58	10,869.12	3,524.28	1,954.73	2,024.21	3,392.32	1,254.00	8,625.26	89,328.77	0.8%
Tualatin	74,738.00	79,258.00	31,913.00	23,139.75	33,923.42	5,790.37	3,086.00	13,412.00	13,522.56	35,810.93	278,783.10	2.6%
Washington County	155,795.34	222,808.32	152,753.10	143,689.83	119,824.93	31,314.92	23,058.64	42,091.24	43,889.75	140,354.55	935,226.07	8.8%
West Linn	36,305.39	37,401.81	31,040.94	32,129.63	39,719.29	3,699.83	12,563.96	9,567.63	13,811.03	39,642.45	216,239.51	2.0%
Wilsonville	59,258.44	72,334.54	29,931.59	30,988.59	51,630.21	11,087.87	41,436.03	35,446.97	10,984.00	98,954.87	343,098.24	3.2%
Wood Village	5,628.44	3,649.19	4,195.00	999.12	675.28	427.50	757.77	171.00	0.00	1,356.27	16,503.30	0.2%
TOTAL	\$1,806,563.72	\$2,460,954.46	\$1,719,529.53	\$1,427,739.74	\$1,440,754.48	\$412,662.87	\$430,593.48	\$407,618.38	\$514,586.10	\$1,765,460.83	\$10,621,002.76	100.0%

Construction Excise Tax Round One*

*Green means no IGA

Jurisdiction	Project	Total Contract	Balance	Comment (Ray Valone, Project Manager)
Beaverton	Scholls Ferry/Loon Drive (portion of Area 64)	\$ 3,750	\$ -	
Cornelius	East Baseline Project	\$ 7,500	\$ -	
Cornelius	North Holladay Project	\$ 18,000	\$ -	
Forest Grove	Forest Grove Swap Project	\$ 8,422	\$ -	
Gresham	Springwater Project	\$ 977,129	\$ -	
Gresham	Kelly Creek Headwaters (Area13)	\$ 90,000	\$ -	
Happy Valley	Damascus/Boring Concept Plan	\$ 168,631	\$ -	
Hillsboro	South Hillsboro Community Plan Project (Areas 69 and 71)	\$ 157,500	\$ 78,750	Concept plan completed; waiting adoption of the comp plan and zoning
Hillsboro	Helvetia & Evergreen Project	\$ 345,000	\$ -	
Hillsboro				
Hillsboro	Shute Road Concept Plan	\$ 30,000	\$ -	
Oregon City	Beavercreek	\$ 117,000	\$ -	
Oregon City	Park Place	\$ 292,500	\$ -	
Oregon City	South End	\$ 292,500	\$ 292,500	City to start project in late summer; final IGA pending approval by Metro & City.
Sherwood				
Sherwood	Brookman Road Project	\$ 168,524	\$ -	
Sherwood	Area 48 (Tonquin Employment Area) Concept Plan	\$ 208,440	\$ -	
Tualatin	NW/SW Concept Plans	\$ 52,194	\$ -	
Tualatin	Tualatin Southwest Concept Plan Implementation Project	\$ 30,908	\$ -	
Tualatin				
Tualatin	Basalt Creek (South Tualatin/North Wilsonville)	\$ 365,277	\$ 335,000	IGA executed November 2010. Project delayed pending key roadway study now underway. City staff estimates work to begin late fall 2012.
Wilsonville				
Clackamas Cty	Damascus-Boring Concept Plan	\$ 202,701	\$ -	
Washington Cty	N. Bethany Project	\$ 1,170,000	\$ -	
Washington Cty	West bull Mountain Concept Plan	\$ 670,500	\$ 134,100	Responsibility for completing planning transferring from Washington County to City of Tigard; project completion date unknown.
Washington Cty	Area 67 (Cooper Mtn)	\$ 191,700	\$ 191,700	Project start unknown; pending City decision after state action on Reserves
Multnomah Cty	Bonny Slope West Concept Plan	\$ 202,500	\$ 82,500	County has extension until 6/2/2021 to complete planning.
Damascus	City of Damascus	\$ 524,724	\$ 131,181	City has extension until 7/31/2014 to complete last deliverable.
		\$ 6,295,400	\$ 1,245,731	

Funds Collected	\$ 6,300,000
Set up Fees	\$ 2,500
Expenditures	\$ 5,049,669
Balance CET 1	\$ 1,247,831

Construction Excise Tax Round 2*

*Green means no IGA

FY 2011

Jurisdiction	Project	Total Contract	Balance	Comment (Gerry Uba, Project Manager)
Cornelius	Holladay Industrial Park Planning	\$ 79,000	\$ 79,000	
Forest Grove	Redevelopment Planning	\$ 85,000	\$ 63,750	Deadline adjusted again for conducting additional City Council work sessions on establishment of tax increment financing district (local match: \$20,000)
Gresham	TriMet Site Redevelopment Plan	\$ 70,000	\$ 70,000	
Happy Valley	Industrial Pre-Certification Study	\$ 32,600	\$ 32,600	
Hillsboro	Tanasbourne/AmberGlen Regional Center Implementation	\$ 275,000	\$ 135,000	Deadline adjusted to enable city to ensure completion of the plan. Zoning code update for the area completed. (local match: \$341,000)
Hillsboro	Old Town Hillsboro Refinement Plan	\$ 90,000	\$ 65,000	Deadline adjusted to reconcile the project deliverables and those city's reinvestment strategy deliverables for the area (local match: \$68,000)
Lake Oswego	Foothills District Framework Plan	\$ 295,000	\$ 162,500	Adjusted work scope in light of streetcar elimination; deadline adjusted to reflect the need for more time to revise the Framework Plan (local match: \$1,327,800)
Lake Oswego	Funding Strategy to Implement the LGVC Plan	\$ 50,000	\$ -	Project completed (local match: \$20,000)
Milwaukie	Town Center Urban Renewal Plan	\$ 224,000	\$ 224,000	
Portland	Portland-Milwaukie LRT Project: E-TOD Plan	\$ 485,000	\$ 485,000	
Portland	Foster Lents Integration Partnership	\$ 250,000	\$ 250,000	(local match: \$135,792)
Portland	Portland Brownfield Redevelopment Assessment	\$ 150,000	\$ 150,000	(local match: \$49,998)
Portland	South Waterfront: South Portal Partnership Plan	\$ 250,000	\$ 250,000	
Portland	Barbur Corridor Concept Plan	\$ 700,000	\$ 300,000	(local match: \$330,516)
Tualatin	Southwest Urban Renewal Plan	\$ 70,000	\$ 70,000	
Tualatin	Highway 99W Corridor Plan	\$ 181,000	\$ 99,550	(local match: \$33,200)
Washington County	Aloha-Reedville Study	\$ 442,000	\$ -	Project completed; i.e., Metro funded portion of the Aloha-Reedville Livable Community Plan (local match: \$663,600)
		\$ 3,728,600	\$ 2,436,400	(local match for projects underway: \$2,989,906)

Funds Collected by June 30, 2012	\$ 4,321,003
2.5% Collection Fee	\$ 108,025
Expenditures through June 30, 2012	\$ 1,292,200
Balance CET	\$ 2,920,778

Agenda Item No. 3.0

**NORTH PORTLAND COMMUNITY
ENHANCEMENT GRANT**

Metro Council Work Session
Tuesday, Sept. 18, 2012
Metro, Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: September 18, 2012 Time: 2:40 Length: 20 minutes

Presentation Title: North Portland Community Enhancement Grant

Service, Office, or Center:

Presenters (include phone number/extension and alternative contact information):
Councilor Burkholder

ISSUE & BACKGROUND

Community enhancement grants are funded by fees collected at some of the licensed disposal facilities of the metropolitan region. The North Portland Community Enhancement Grant program has no longer receives new funding, since the solid waste operations at the St. John's Landfill have ceased to generate any new enhancement fees as of 1991, when the last waste was accepted at the facility. Due to this closure, the community enhancement fund for the North Portland area has no ingresses apart from interest payments. The annual interest on the fund balance has decreased precipitously since interest rates have plummeted in the last few years. In addition, the bulk of the program's costs are supported by Metro staff in support of grant selection and reimbursement cycles. The costs of supporting this grant program need to move from general fund support to grant-funded support.

OPTIONS AVAILABLE

An outreach effort is underway to allow the effected community to make recommendations to Metro on what changes, if any, should be made to the program.

IMPLICATIONS AND SUGGESTIONS

- Meeting with the North Portland Grant Committee on September 13
- Opt In survey begins September 17
- Work session presentation to discuss survey findings on October 30
- Amendments to code, if necessary, in November

QUESTION(S) PRESENTED FOR CONSIDERATION

Feedback on outreach plan and schedule

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION ___ Yes X No
DRAFT IS ATTACHED ___ Yes X No

Agenda Item No. 5.0

**COMMUNITY INVESTMENT INITIATIVE:
METRO COUNCIL ENGAGEMENT**

Metro Council Work Session
Tuesday, Sept. 18, 2012
Metro, Council Chamber

Work Session Worksheet

Presentation Date: September 18, 2012 Time: 3:05 p.m. Length: 45 min.

Presentation Title: Community Investment Initiative: Metro Council Engagement

Service, Office, or Center: Office of the Chief Operating Officer

Presenters (include phone number/extension and alternative contact information):
Martha Bennett (x1541)

ISSUE & BACKGROUND

The 2040 Growth Concept calls for compact urban development, with new development focused in existing urbanized areas and along transit and transportation corridors. More broadly, it reflects residents' desire to build more vibrant and livable neighborhoods, protect the productive farmland and natural landscape that surround them, support a thriving economy, offer people a wide variety of choices in where to live and how to get around, and honor the region's long-term commitment to environmental stewardship.

The Metro Council recognizes that one of the main challenges facing the region in achieving the 2040 Growth Concept is that **we are failing to maintain our existing public structures, and cannot afford the investments we need to protect our livability as we grow.** Our inability to invest more fully in our communities will limit the region's capacity to achieve its vision to ensure that residents share equitably in both the burdens and benefits of growth and development.

In response to this challenge, a coalition of leaders came together in February 2011 to launch the Community Investment Initiative (CII). The Leadership Council of the Community Investment Initiative adopted a strategic plan in June 2012 to guide their work moving forward. The mission adopted by the Leadership Council is to invest in the region's infrastructure to support the creation of living-wage jobs.

With the recent adoption of their strategic plan, the Leadership Council has reached a critical juncture where they are seeking partners to implement the strategies they have chosen to pursue. To date, the Metro Council has supported the CII by providing staff and consulting resources and offering feedback on the strategies. Council President Tom Hughes serves as the Council Liaison to the project, although he is not a voting member of the Leadership Council.

When the Metro Council adopted its 2012-2013 budget, it included the following budget note related to the CII:

The Metro Council will approve a program work plan for Metro's involvement in the Community Investment Initiative during the first quarter of FY 2012-13, which will identify key direction and decision points for the Metro Council.

In response to this budget note, the Metro Council discussed how Metro could help advance the strategies of the CII in a work session on July 26, 2012. The outcomes of that work session are summarized in Attachment A, Metro's Partnership with the Community Investment Initiative (memo from Martha Bennett to Metro Council, August 7, 2012). As a follow-up to that discussion, the Metro Council will consider adopting a plan that outlines key check-in points and any related decisions for Metro as part of the partnership in CII.

The Metro Council has allotted time on the second work session of each month between October and December to discuss the Community Investment Initiative and provide direction to the Council Liaisons on the project.

OPTIONS AVAILABLE

The Metro Council is very supportive of the Leadership Council's continued work to implement the plan, and in many areas, the Metro Council would like to be an active participant. In other areas, the Metro Council encourages the Leadership Council to continue to implement the plan, recognizing that other public, non-profit, and private organizations will be essential partners. The Metro Council considered how they could add value to the process via their roles as policy makers, conveners, investors, regulators, and researchers/analysts.

See below for more information on the input provided by the Metro Council at the July work session regarding its preferred roles. Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative, proposes a timeline for potential Council involvement with the CII.

IMPLICATIONS AND SUGGESTIONS

CII STRATEGY ONE | Invest in the roads, sewers, bridges and other infrastructure our communities need to prosper

Metro Council Role

The Metro Council would like to be an active participant with the Leadership Council in development of the Regional Infrastructure Enterprise (RIE). Therefore, the Metro Council would like to have an additional Council Liaison to the work group that is implementing the strategic plan. Council President Hughes has appointed Councilor Collette to act as a liaison to the RIE implementation group.

The Metro Council also supports the exploration of many organizational models for RIE, and the Council encourages the work group to consider a variety of public and public-private options. The Metro Council agrees strongly with the Leadership Council that this is the most important and potentially challenging strategy area. Metro can also assist the LC in convening other government partners as needed by CII.

By the end of next summer, the RIE implementation group aims to have a recommendation that includes the following:

- A set of initial infrastructure investments to be made through RIE
- An impact assessment for initial investments
- A pipeline of subsequent investments to be made through RIE after it is established
- A governance and structure recommendation for RIE
- A recommendation for closing the funding gap for initial investments and making subsequent investments
- A legislative strategy, as needed, to implement the RIE

As the RIE group creates this proposed package, the Metro Council will provide input via its liaisons on the following elements of the Regional Infrastructure Enterprise:

- Infrastructure project solicitation and evaluation process
- Governance
- Functions
- Funding goal and options

Work plan timeline

Refer to Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative.

Level of Effort

An estimate of the resources that would be required to be an active participant with the Leadership Council in the development of RIE includes:

- Political capital and time from two Metro Council Liaisons to participate in the RIE implementation group (monthly meetings, on-going engagement) and engage local elected officials in policy discussions
- Staff time to participate on the RIE implementation group to analyze options and engage the Metro Council in decision-making (5 hours/month for FY12-13 from Martha Bennett, Chief Operating Officer and Andy Shaw, Council President Hughes' Chief of Staff)
- Time on Metro Council work session agendas to discuss the options and implications of investment priorities, funding, and governance structures for RIE
- Political capital and time on the MPAC agenda to engage local partners in the discussion around the investment priorities, functions, governance structure, and funding of RIE

CII STRATEGY TWO | Foster conditions that support development-ready communities

Metro Council Role

The Metro Council would like this program to build off of the many efforts and partnerships already under way to support development in communities with underutilized capacity. The Metro Council would like to support the Leadership Council's efforts to engage communities who want to voluntarily participate in the pilot program and who will take ownership of the opportunities it will present.

As the development-ready communities implementation group moves through the pilot program design and implementation, they will be engaging elected officials, business groups, and community leaders to continuously assess how the program could elevate the region's development capacity. If stakeholders and participants consider the program a success, the group aims to have a business plan to move forward by July.

The Metro Council will be asked to provide input along the way on the program design, partners, and future need and governance. There may be a decision point for the Metro Council in the spring of 2013 regarding your future role in the project.

Work plan timeline

Refer to Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative.

Level of Effort

An estimate of the resources needed to support the Leadership Council in the program design and planning for development-ready communities includes:

- Political capital from the Metro Council to engage local elected officials in policy discussions
- Time on the MPAC agenda (up to three discussions in FY12-13)
- Staff assistance from the Planning and Development Department to represent Metro on the implementation work group and to help with local government partnerships (estimated 5 hours/month)

CII STRATEGY THREE | Ensure the reliable and efficient movement of goods and people across the region

Metro Council Role

The Metro Council is offering to support the CII by convening discussions with JPACT, the LC and other partners to coalesce around a legislative strategy and to learn more about innovative funding strategies. The JPACT chair should coordinate with the CII transportation implementation group to identify and pursue common objectives.

The Metro Council should request a briefing from ODOT for more information on innovative transportation funding strategies, including the VMT pilot program, and should invite the transportation implementation group of the CII to join the discussion.

Work plan timeline

Refer to Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative.

Level of Effort

An estimate of the resources needed to support the Leadership Council to coalesce around a transportation legislative strategy includes:

- Political capital from the Metro Council to link regional transportation priorities to CII priorities
- Time on the JPACT agenda to incorporate the CII Leadership Council (up to two discussions in FY12-13)
- Staff assistance from the Legislative Affairs Manager to represent Metro on the CII implementation work group and to coordinate partnerships (estimated 5 hours/month)
- Time on the Metro Council agenda to learn about innovative funding strategies, including the VMT pilot program

CII STRATEGY FOUR | Protect and enhance our communities' investments in school facilities and properties, now and in the future

Metro Council Role

The Metro Council encourages the efficient and innovative use of land and facilities to be considered in the planning process for school facility investments. Metro is already compiling the data that will inform the strategic direction for school facility planning. The Metro Council should provide long range planning expertise to support the pilot project. They should also convene a discussion with MPAC to learn about the project's outcomes and policy recommendations.

Regarding CII's action to advocate for regional financial support of public post-secondary education, the Metro Council does not have a role to play at this time.

Work plan timeline

Refer to Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative.

Level of Effort

An estimate of the resources needed to support the planning process for school facility investments includes:

- Time on the MPAC agenda for the CII Leadership Council to provide information on the school facility planning process and policy recommendations (one MPAC meeting in FY12-13, likely combined with other CII strategic discussions)
- Staff assistance from the Research Center and Planning and Development Department to represent Metro on the implementation work group and to assist with school district/local government partnerships (estimated 5 hours/month)

CII PERFORMANCE AND EQUITY MEASUREMENT

The CII is implementing a performance measurement strategy that includes monthly reports from each implementation group regarding its progress in employing the equity framework while achieving the objectives set out in the strategic plan. The CII will make use of existing regional data sources and projects, such as Greater Portland Pulse and the ongoing effort to develop regional “opportunity maps,” to inform decisions and to assess the impacts of CII outputs.

Metro Council Role

The Metro Council should partner with the Leadership Council to learn from its application of the CII equity decision-making framework and regional indicators such as those developed by Greater Portland Pulse in the selection of projects and measurement of project impacts.

Work plan timeline

Refer to Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative.

Level of Effort

An estimate of the resources needed includes:

- Staff time to participate on the CII implementation group to analyze the applicability and usefulness of the equity framework for the Metro Council (Andy Cotugno, Policy Analyst, 5 hours/month for FY12-13)
- Time on a Metro Council work session agenda to discuss the applicability and usefulness of the CII equity framework

FUTURE FUNDING, STAFFING AND STRUCTURE

Metro Council Role

As you know, the Metro Council has budgeted to support the CII through the current fiscal year. The Metro Council should engage with the Leadership Council regarding the future funding, staffing and organizational structure of the CII.

Work plan timeline

Attachment B, Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative, proposes a series of checkpoints with the CII consistent with the Metro Council's budget process.

QUESTION(S) PRESENTED FOR CONSIDERATION

- Does Council have suggestions on the work plan?
- Does Council have suggestions on how to be kept informed of project developments and timing of future work session discussions?

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __ Yes X No

DRAFT IS ATTACHED __ Yes X No

Attachments:

- Attachment A: Metro's Partnership with the Community Investment Initiative (memo from Martha Bennett to Metro Council, August 7, 2012)
- Attachment B: Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative (September 11, 2012)



Metro | Memo

Date: Tuesday, August 7, 2012
To: Metro Councilors
From: Martha Bennett, Metro Chief Operating Officer
Subject: Metro's Partnership with the Community Investment Initiative

In response to a Budget Note included in this fiscal year's budget, the Metro Council discussed how Metro could help advance the strategies of the Community Investment Initiative (CII) in a Work Session on July 26, 2012. This memo is a summary of the areas where the Council had feedback about implementation of the strategic plan. Metro Council was very supportive of the Leadership Council's continued work to implement the plan, and in many areas, the Metro Council would like to be an active participant. In other areas, the Metro Council encourages the Leadership Council to continue to implement the plan, recognizing that other public, non-profit, and private organizations will be essential partners.

I met with the CII steering committee on August 7, 2012, to discuss the Council's response to the strategic plan. They are planning to invite an additional Metro Councilor to join the Regional Infrastructure Enterprise implementation group as a liaison to the Metro Council and other elected officials.

The Metro Council will have a follow up discussion on September 18, 2012 to adopt a plan that outlines key check-in points and any related decisions for Metro as part of the partnership in CII.

STRATEGY ONE | Invest in the roads, sewers, bridges and other infrastructure our communities need to prosper

CII Action

Establish a regional investment entity to facilitate investments in the Portland metropolitan region and partner with stakeholders to develop legislation that optimizes the region's ability to deliver projects.

Metro Council Role

Metro's current support for the Regional Infrastructure Enterprise (RIE) efforts of the CII includes project coordination, research, consulting, and elected official engagement via Council President Hughes' participation. The Metro Council is offering to provide additional support as the Leadership Council executes a very aggressive work plan to identify investment projects, funding, and governance recommendations.

Recommendation

The Metro Council would like to be an active participant with the Leadership Council in development of RIE. Therefore, the Metro Council would like to have an additional Council

Liaison to the work group that is implementing the strategic plan. The Metro Council also supports the exploration of many organizational models for RIE, and the Council encourages the work group to explore a variety of public and public-private options. Metro Council agrees strongly with the Leadership Council that this is the most important and potentially challenging strategy area. Metro can also assist the LC in convening other government partners as needed by CII.

STRATEGY TWO | Foster conditions that support development ready communities

CII Action

Create a model program that builds capacity within cities and counties to increase investments that result in living wage jobs.

Metro Council Role

Metro has committed to provide a project coordinator and consultant resources to assist with the implementation of this strategy. The Metro Council would like this program to build off of the many efforts and partnerships already under way to support development in communities with underutilized capacity. The Metro Council would like to support the Leadership Council's efforts to engage communities who want to voluntarily participate in the pilot program and who will take ownership of the opportunities it will present.

Recommendation

The Metro Council should be informed and engaged at key decision making points, including helping to identify communities that may be interested in participating in the pilot project.

STRATEGY THREE | Ensure the reliable and efficient movement of goods and people across the region

CII Action

Partner with state and regional stakeholders to explore additional revenue for transportation infrastructure and advocate for a series of strategic investments that meet the economic needs of the Portland metropolitan region.

Metro Council Role

Metro has committed to support the Leadership Council through project coordination with the implementation group. Metro also collaborates with JPACT to develop a set of regional transportation priorities for each legislative session. The Metro Council is offering to support the CII by convening discussions with JPACT, the LC and other partners to coalesce around a legislative strategy.

Recommendation

The JPACT chair should coordinate with the CII transportation implementation group to identify and pursue common objectives.

CII Action

Support the state in designing and implementing a regional voluntary Vehicle Miles Traveled pilot program.

Metro Council Role

Metro has committed to support the Leadership Council through project coordination with the implementation group. Metro staff also participate in discussions related to mileage-based fees in a variety of venues and will continue to do so for the foreseeable future. The Metro Council will defer to the State to continue leading this project.

Recommendation

The Metro Council should request a briefing from ODOT for more information on innovative transportation funding strategies, including the VMT pilot program, and should invite the transportation implementation group of the CII to join the discussion.

STRATEGY FOUR | Protect and enhance our communities' investments in school facilities and properties, now and in the future

CII Action

Support school districts in the development of a strategy to make the most of existing facilities and plan for new infrastructure investments.

Metro Council Role

Metro has committed to supporting the Leadership Council with project coordination, research, and facilitation resources. This includes compiling and providing the data that will inform the strategic direction for school facility planning. The Metro Council encourages the efficient and innovative use of land and facilities to be considered in the planning process for school facility investments.

Recommendation

The Metro Council should provide long range planning expertise to support the pilot project. They should also convene a discussion with MPAC to learn about the project's outcomes and policy recommendations.

CII Action

Advocate for regional financial support of public post-secondary education in the Portland metropolitan region.

Metro Council Role

Metro has committed to facilitating the implementation group responsible for this element of the CII strategic plan. Metro has historically not played a role in higher education funding and is concerned about setting a precedent of funding non-core activities with existing taxing authority.

Recommendation

The Metro Council does not have a role to play at this time.

Performance and Equity Measurement**Metro Council Role**

Metro has currently committed to supporting the CII with project facilitation and the professional assistance from the Research Center to provide decision-making support and impact analysis tools. The Metro Council would like the CII to leverage the work of Greater Portland Pulse (GPP) and identify decision-making tools and processes that connect to GPP indicators.

Recommendation

The Metro Council should partner with the Leadership Council to learn from its application of the CII equity decision-making framework and how it connects to GPP indicators.

Cc: Maria Ellis, CII Project Coordinator
Heidi Rahn, CII Project Manager
Metro Council Policy Coordinators

Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative

September 2012 – July 2013

Metro Council Work Plan Schedule and Key Actions					
	September 2012	October 2012	November 2012	December 2012	January 2013
Council Role: RIE	Clarify desired role for Metro Council in the implementation of CII strategic plan.	Provide feedback on community-driven approach to project selection. Provide feedback on project evaluation criteria and solicitation.	Provide input on what's important to stakeholders regarding functions. Provide input on the development of a governance framework.		Receive update on status of solicitation for project proposals.
Council Role: DRC	Recommend partner jurisdictions.		Provide input on program design. Provide feedback on barriers to address.	Final input on assessment methodology and program design. Confirm pilot jurisdictions that will move forward with pilot program.	Review development readiness program design and provide input to CII regarding future structure and funding options.
Council Role: Schools		Receive update on progress of pilot school district project.		Review pilot district work and provide feedback on product and future engagement.	
Council Role: Transportation		Convene JPACT Finance subcommittee to consider where CII transportation priorities can be aligned with regional legislative strategies.	Provide strategic guidance to CII's transportation funding recommendations.		Reevaluate public sector landscape and provide strategic guidance to CII's transportation funding recommendations.
Council Role: Performance & Equity Measurement	Confirm membership of PEM implementation group. Review CII progress report.	Review CII progress report.	Provide feedback on Tier III indicators (Pulse, opportunity mapping). Review CII progress report.	Receive report on use of equity framework in implementation of CII strategies. Review CII progress report.	Review CII progress report.
Council Role: Other			Engage in initial discussion with CII chairs regarding future staffing and funding for CII programs.		Provide input to CII chairs on draft future staffing and funding strategy.
Meetings To Note	9/18 MC work session –Discuss MC role with work plan 9/26 RIE group DRC Group with partner jurisdictions Economic Dev. Directors TBD Transport Work Group	10/2 MC work session Regional Mayors and Chairs group 2nd/3rd wk 10/25 RIE group DRC Group with partner jurisdictions Focus groups of pilot jurisdiction staff and developers TBD JPACT Finance Subcommittee	11/13 MC work session 11/15 RIE group DRC Group with partner jurisdictions TBD Transport Work Group	12/11 MC work session 12/20 RIE group DRC Group with partner jurisdictions	1/8 MC work session 1/24 RIE group DRC Group with partner jurisdictions TBD Transport Work Group


MPAC and JPACT - CII will present as appropriate or needed.

Metro Council Work Plan Schedule and Key Actions for the Community Investment Initiative

September 2012 – July 2013

Metro Council Work Plan Schedule and Key Actions						
	February 2013	March 2013	April 2013	May 2013	June 2013	July 2013
Council Role: RIE	Receive update on prioritization of projects. Provide input on what functions RIE should serve.	Receive final list of prioritized projects. Provide input on three function alternatives for RIE.	Receive update on the preferred functions alternative for RIE. Provide input on governance alternatives for RIE. Provide input on developing structure alternatives for RIE.	Receive update on the preferred governance alternative for RIE. Provide input on the structure alternatives for RIE.	Receive update on the preferred structure alternative and total funding needs for RIE. Provide input on developing funding options for RIE.	Review RIE funding plans and provide feedback to CII regarding future funding options.
Council Role: DRC	Review progress of pilot and ongoing program development.	Provide input on amended assessment methodology and program design based on pilot jurisdiction feedback.		Provide feedback regarding Metro's preferences for governance structure for program.	Review development readiness business plan and decide on Metro's preferred participation.	Review final business plan for the program.
Council Role: Schools		Receive update on rollout of pilot work to superintendants & ESDs.				
Council Role: Transportation		Provide strategic guidance to CII's transportation funding recommendations.		Provide strategic guidance to CII's transportation funding recommendations.		Provide strategic guidance to CII's transportation funding recommendations.
Council Role: Performance & Equity Measurement	Identify and gather feedback on Tier II indicators. Share results of equity framework implementation.				Get feedback on annual report.	Distribute annual report.
Council Role: Other			Finalize future staffing and funding strategy with CII Chairs.			
Meetings To Note	2/12 MC work session Regional Mayors and Chairs group 2nd/3rd wk 2/28 RIE group DRC Group with partner jurisdictions	3/12 MC work session TBD Transport Work Group	4/9 MC work session DRC Group with partner jurisdictions	5/14 MC work session TBD Transport Work Group	6/11 MC work session DRC Group with partner jurisdictions	7/9 MC work session <i>Hughes</i> , TBD Transport Work Group

Materials following this page were distributed at the meeting.

 **Metro** | *Agenda*

Meeting: Metro Council
Date: Thursday, Sept. 20, 2012
Time: 2 p.m.
Place: Metro, Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATION

3. NATURAL GARDENING OUTREACH EFFORTS

Grimm

4. CONSIDERATION OF THE MINUTES FOR SEPT. 13, 2012

5. ORDINANCES – FIRST READ

5.1 **Ordinance No. 12-1286**, For the Purpose of Repealing and Replacing Metro Code Title X, Chapter 10.04 Pioneer Cemeteries.

5.2 **Ordinance No. 12-1289**, For the Purpose of Amending the FY 2012-13 Budget and Appropriations Schedule for Title VI Compliance.

6. ORDINANCES – SECOND READ

6.1 **Ordinance No. 12-1285**, For the Purpose of Amending the FY 2012-13 Budget and Appropriations Schedule to Provide Funding for Natural Areas Funding Public Involvement.

Roberts

Public Hearing

7. RESOLUTIONS

7.1 **Resolution No. 12-4367**, For the Purpose of Calling on the Federal Government to Conduct a Thorough Review of Potential Impacts of Large Scale Coal Exports on the Region's Economy, Transportation System, Air Quality, Environment and People of the Portland Metropolitan Area.

Burkholder

8. CHIEF OPERATING OFFICER COMMUNICATION

9. COUNCILOR COMMUNICATION

ADJOURN

EXECUTIVE SESSION HELD PURSUANT WITH ORS 192.660 (2)(i). TO REVIEW AND EVALUATE THE EMPLOYMENT-RELATED PERFORMANCE OF THE CHIEF OPERATING OFFICER OF ANY PUBLIC BODY, A PUBLIC OFFICER, EMPLOYEE OR STAFF MEMBER WHO DOES NOT REQUEST AN OPEN HEARING.

Television schedule for Sept. 20, 2012 Metro Council meeting

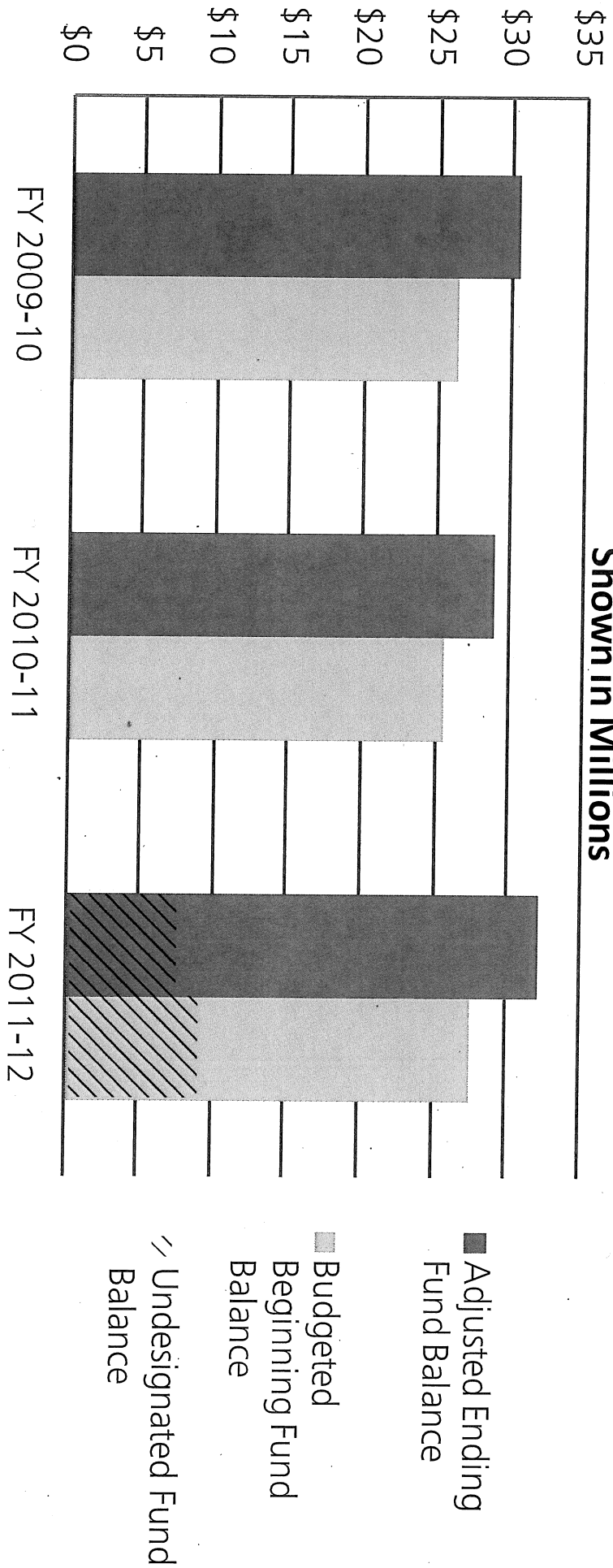
<p>Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 30 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> Thursday, Sept. 20</p>	<p>Portland Channel 30 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 <i>Date:</i> Sunday, Sept. 23, 7:30 p.m. <i>Date:</i> Monday, Sept. 24, 9 a.m.</p>
<p>Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 <i>Date:</i> Monday, Sept. 24, 2 p.m.</p>	<p>Washington County Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> Saturday, Sept. 22, 11 p.m. <i>Date:</i> Sunday, Sept. 23, 11 p.m. <i>Date:</i> Tuesday, Sept. 25, 6 a.m. <i>Date:</i> Wednesday, Sept. 26, 4 p.m.</p>
<p>Oregon City, Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.</p>	<p>West Linn Channel 30 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.</p>

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read. Documents for the record must be submitted to the Regional Engagement Coordinator to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Regional Engagement Coordinator. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 503-797-1804 or 503-797-1540 (Council Office).

Consolidated General Fund

Shown in Millions



■ Adjusted Ending Fund Balance

■ Budgeted Beginning Fund Balance

▨ Undesignated Fund Balance

FOR THE PURPOSE OF ALLOWING THE)
METRO COUNCIL TO CALL ON THE)
FEDERAL GOVERNMENT TO CONDUCT A)
THOROUGH REVIEW OF THE POTENTIAL)
IMPACTS OF LARGE SCALE COAL EXPORTS)
ON THE ECONOMY, TRANSPORTATION)
SYSTEM, AIR QUALITY, ENVIRONMENT)
AND PEOPLE OF THE PORTLAND)
METROPOLITAN AREA)

RESOLUTION NO. 12-4367

Introduced by Councilor Rex Burkholder

WHEREAS, there is an unprecedented number of coal export proposals pending in the Pacific Northwest, including Oregon; and

WHEREAS, current proposals could result in an additional 157 million tons of coal exports coming through the Pacific Northwest by train and by barge; and

WHEREAS, this increase in coal exports will require up to 60 additional trains coming through the Columbia Gorge National Scenic Area and into Oregon and Washington; and

WHEREAS, each of these additional trains may include 125 uncovered cars equaling 1 ½ miles in length; and

WHEREAS, fifty of the crossings these trains will use throughout the Metro Region are at street level, which may significantly increased congestion, safety, noise, and impaired emergency response; and

WHEREAS, this additional train congestion may impede local jurisdictions' plans for community development and aspirations; and

WHEREAS, this additional train congestion may restrict commerce and the movement of goods in the region, including agricultural products; and

WHEREAS, the significant increase of train and towboat diesel particulate matter and coal dust may increase incidence of asthma; impaired pulmonary development among adolescents; increase of heart attack and stroke among adults; chronic bronchitis; emphysema; and

WHEREAS, the continued use of coal as a primary source of energy undermines the State of Oregon's goals for reducing carbon emissions and the region's work toward those ends; and

WHEREAS, Metro is the Metropolitan Planning Organization responsible for air quality, state carbon reduction plan implementation, and transportation planning in the Portland metro region; now therefore

BE IT RESOLVED that the Metro Council calls on the federal government to conduct a thorough review of the cumulative potential impacts of large scale coal exports on the region's economy, transportation system, air quality, environment and people of the Portland metropolitan area, and directs Metro staff to communicate this request with our federal elected officials and appropriate federal agencies.

ADOPTED by the Metro Council this _____ day of September 2012.

Tom Hughes, Council President

Approved as to Form:

Alison Kean Campbell, Metro Attorney



METRO COUNCIL PRESIDENT TOM HUGHES

September 18, 2012

Steve Bates
Chair
Boring CPO
P.O. Box 339
Boring, Oregon 97009

Dear Mr. Bates:

Thank you for your letter about the 2011 Intergovernmental Agreement (IGA) between Clackamas County, the City of Sandy and Metro about Highway 26. The 2011 agreement revises an earlier agreement on the same subject adopted by the three jurisdictions in 1998.

Metro's Regional Framework Plan calls upon Metro to pursue agreements with neighboring cities to establish "green corridors" along state highways. These agreements seek to preserve the distinct identities of neighboring cities and the metro area, as well as the rural and natural resource character of the corridor if urbanization occurs. In this case, the agreement was initiated by the City of Sandy and Clackamas County and Metro responded to requests from those jurisdictions to enter into negotiations. The entire area covered by the agreement is contained within the boundary of Clackamas County. The agreement was carefully drafted to ensure that it does not infringe upon constitutionally-protected property rights.

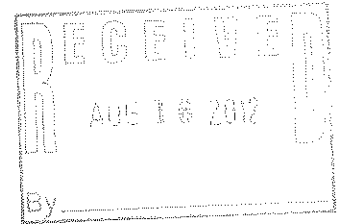
Thank you again for your letter.

Sincerely,

Tom Hughes
Metro Council President
On behalf of the Metro Council

cc: Clackamas County Commissioners
City of Sandy Councilors
Metro Councilors

**Boring Oregon
& Dull Scotland
A Pair for the Ages**



**BORING COMMUNITY PLANNING ORGANIZATION
P. O. Box 339 Boring, Oregon 97009**

Stephen Bates, Chair

DAYTIME TELEPHONE: 503-663-6271

EMAIL: Sbates53@aol.com

www.boringcpo.org

August 15, 2012

**Honorable Tom Hughes
Metro Council President**

Honorable Metro Council Members

Dear Mr. Hughes and Metro Councilors,

The people of Boring have reason for concern as to the actions of your Council last year when, without notice to the Boring CPO, any resident or land owner in Boring, your organization sponsored and signed an Agreement between the City of Sandy and Clackamas County. This Agreement is entitled: 2011 Intergovernmental Agreement on Highway 26 Corridor Among City of Sandy, Clackamas County and Metro.

Concern & Complaint #1

The majority of the 5.8 miles of the Highway 26 Corridor described in the Agreement is outside of the legal boundaries of Metro. The City of Sandy is outside of the jurisdictional boundaries of Metro.

Concern & Complaint #2

The Agreement with Metro, Clackamas County and the City of Sandy is egregious in its content and has been interpreted to violate the Constitutional Property Rights of various Boring residents and property owners. An elected Public Official has declared this Agreement not worth the paper it is written upon.

Concern & Complaint #3

Why should the affected land owners be required to sue the City of Sandy, Clackamas County and Metro to protect their Constitutional Rights to Property? Why should the affected landowners have to sue to prove that three Government Agencies spent taxpayer dollars to develop a document that is not worth the paper it is written upon?

Mr. Hughes and Councilors; the above establishes and demonstrates that the people of Boring can justify their suspicions and perceptions of Metro and its poor standing in the eyes of the taxpayers and your constituents.

**Boring Oregon
& Dull Scotland
A Pair for the Ages**

BORING COMMUNITY PLANNING ORGANIZATION

P. O. Box 339 Boring, Oregon 97009

Stephen Bates, Chair

DAYTIME TELEPHONE: 503-663-6271

EMAIL: Sbates53@aol.com

www.boringcpo.org

Page 2

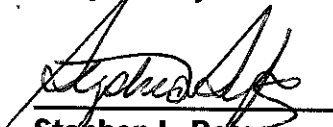
The goal of a Greenway between the Multnomah County Border and the City Limits of Sandy cannot be accomplished by the taking of land from unsuspecting property owners.

With this stated, the Boring Community Planning Organization hereby suggests that the Metro Council demonstrate good faith and judgment by voting to withdraw from the 1997/1998 Intergovernmental Agreement On Green Corridor and Rural Reserve and Population Coordination and the 2011 Intergovernmental Agreement on Highway 26 Corridor Among City of Sandy, Clackamas County and Metro.

We look forward to the Metro Council's Positive Action to remedy the perceived transgressions against the people and businesses of Boring.

This letter is being sent to you as directed by a Majority Vote at the regularly scheduled Public Meeting of the Boring Community Planning Organization on August 7, 2012.

Respectfully submitted,


Stephen L. Bates
Chair

**cc: Boring CPO Communication File
Clackamas County Board of Commissioners:
Chair Charlotte Lehan
Commissioner/Vice-Chair Paul Savas
Commissioner Jim Bernard
Commissioner Ann Lininger
Commissioner Jamie Damon**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING)	RESOLUTION NO. 11-4302
AMENDMENTS TO THE 1998 "GREEN)	
CORRIDOR" INTERGOVERNMENTAL)	Introduced by Councilor Shirley Craddick
AGREEMENT AMONG METRO, CLACKAMAS)	
COUNTY AND THE CITY OF SANDY AND)	
AUTHORIZING THE COUNCIL PRESIDENT TO)	
SIGN THE AMENDED AGREEMENT)	

WHEREAS, the "Neighbor Cities" Policy (1.11) of Metro's Regional Framework Plan calls upon Metro to pursue agreements with neighboring cities to establish "green corridors" along state highways that link the cities with the Metro UGB; and

WHEREAS, Metro, Clackamas County ("the county") and the city of Sandy ("the city") entered into an intergovernmental agreement (IGA) to establish a green corridor along Highway 26 between the Metro UGB and the Sandy UGB, with an attached map showing the territory subject to the agreement, in 1998; and

WHEREAS, the city requested amendments to the agreement during consideration by Metro and Clackamas, Multnomah and Washington counties of the designation of urban and rural reserves; and

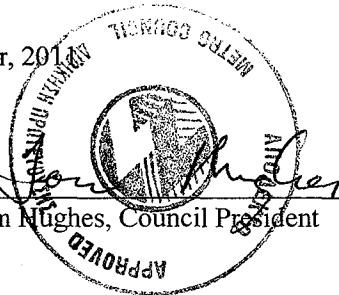
WHEREAS, in 2010 the Metro Council designated urban reserves and the county designated rural reserves in Clackamas County that affect the portions of the territory subject to the 1998 IGA; and

WHEREAS, Metro, the county and the city have agreed to revisions to the 1998 IGA to reconcile the agreement with Metro's UGB and designated urban and rural reserves; now, therefore,

BE IT RESOLVED THAT the Metro Council:

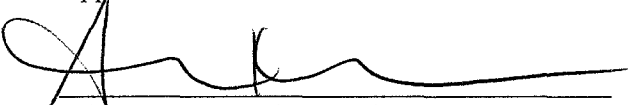
1. Adopts the amendment to the 1998 IGA, as shown on Exhibit A, attached to this agreement.
2. Authorizes the Council President to sign the agreement on Metro's behalf.

ADOPTED by the Metro Council this 27th day of October, 2011.

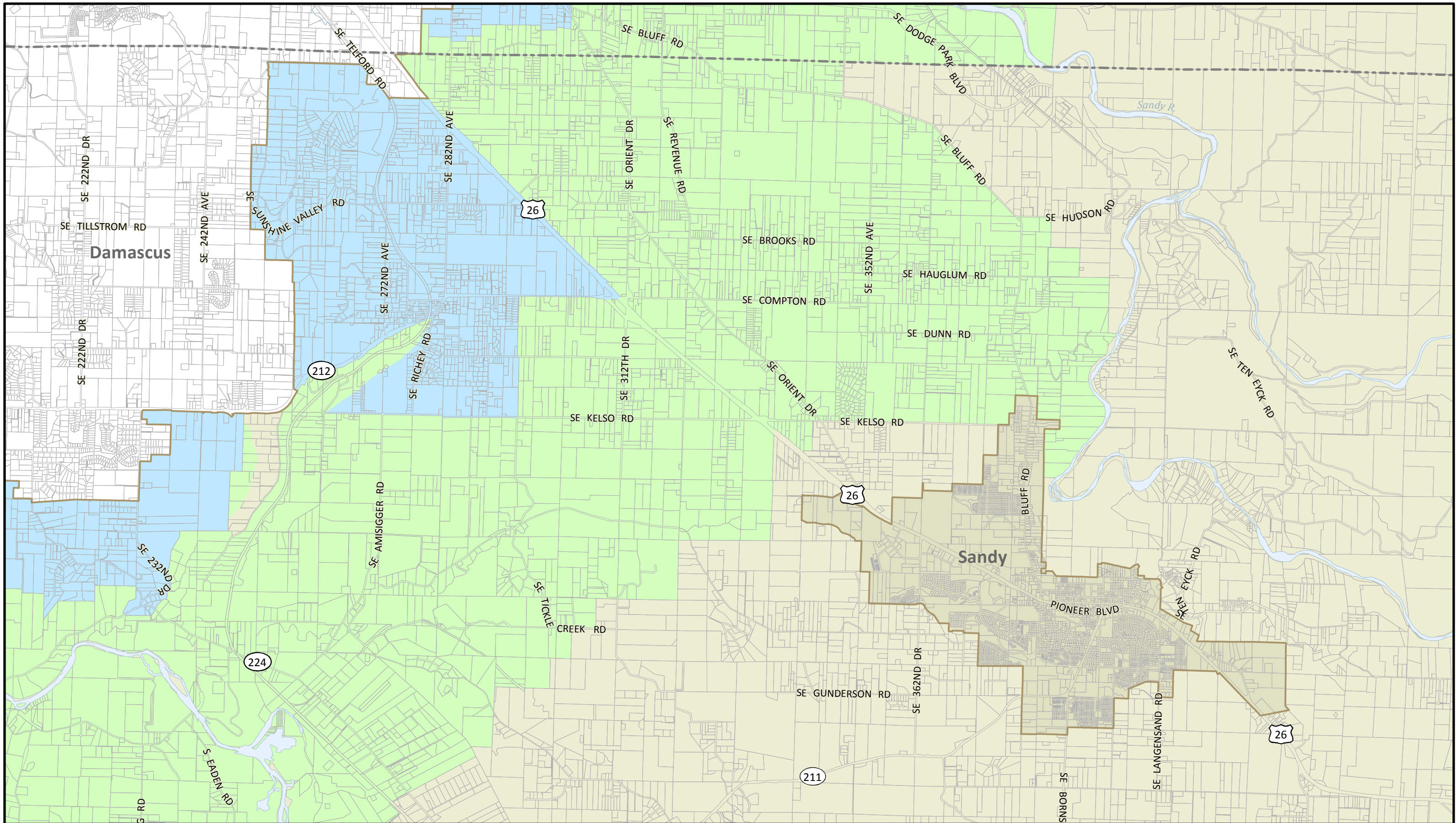


Tom Hughes, Council President

Approved as to form:

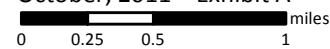





Alison Kean Campbell, Acting Metro Attorney





Intergovernmental Agreement Area

City of Sandy, Clackamas County, Metro and Oregon Department of Transportation
 October, 2011 Exhibit A



-  Portland Metro urban growth boundary
-  City of Sandy urban growth boundary
-  County boundary

-  Urban reserve areas
-  Rural reserve areas



Metro | *Making a great place*

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors are appreciated.

Exhibit A to Resolution No. 11-4302

INTERGOVERNMENTAL AGREEMENT ON
HIGHWAY 26 CORRIDOR
AMONG CITY OF SANDY, CLACKAMAS COUNTY,
METRO

This Agreement is entered into by and between the City of Sandy ("City"), Clackamas County ("County") and Metro ("Metro") (collectively, the "Parties") pursuant to ORS 190.003 to 190.110, which allows units of government to enter into agreements for the performance of any or all functions and activities which such units have authority to perform.

RECITALS

WHEREAS, The Portland metropolitan region and neighboring cities outside Metro's jurisdictional boundaries are expected to experience substantial population and employment growth by the year 2060; and

WHEREAS, Anticipated urban growth and development in the Metro area will affect neighboring cities outside Metro's jurisdictional boundaries, and anticipated urban growth and development in the neighboring cities will affect jurisdictions within Metro's boundaries; and

WHEREAS, The City wishes to maintain its own identity, separate and distinct from the metropolitan area; and

WHEREAS, Metro and the County share the City's desire to maintain a separation between the City and the metropolitan area; and

WHEREAS, Highway 26 eastbound between the cities of Gresham and Sandy is the gateway to the Mount Hood recreational area, a nationally-recognized scenic and recreational resource; and

WHEREAS, pursuant to Senate Bill 1011 (2007) County and Metro have adopted both Urban and Rural Reserves in and around the Highway 26 Corridor between Gresham and Sandy; and

WHEREAS, the County, City and Metro previously entered into an Intergovernmental Agreement (the Green Corridor/Rural Reserve Agreement) for the purpose of preserving the rural character of the area between the Metro UGB and the Sandy Urban Reserve; and

WHEREAS, The City, the County and Metro are interested in preserving and protecting the visual character of the Highway 26 Corridor as it passes through the area subject to this Agreement; and

NOW, THEREFORE, the City, the County and Metro agree as follows:

AGREEMENT

I. Purpose

The Parties agree that they are mutually interested in and will work together to:

- A. Preserve the distinct and unique identities of the City and the metropolitan area by maintaining a separation between the City and the metropolitan area.
- B. Preserve and protect the rural and natural resource character and values of Rural Reserve areas along the corridor that separate the City from the metropolitan area.
- C. Establish a plan to protect the unique visual character of the Highway 26 Corridor.

II. Definitions

- A. "Highway 26 Corridor" means the area along State Highway 26 between the cities of Gresham and Sandy.
- B. "Clackanomah Urban Reserve" means Urban Reserve Areas 1D and 1F as designated in Metro's Regional Framework Plan, and shown on Exhibit A hereto.

III. Pre-Development Buffering

The Parties:

- A. Intend that urban development along the Highway 26 Corridor shall be screened from the Highway in a fashion that reasonably retains the rural visual character of the corridor. The parties agree that a 50-foot wide buffer containing a thick screen of evergreen trees will achieve this goal.

The County and the City:

- B. Will work together in good faith to establish buffers in advance of urban development, either within the existing highway right of way or through the acquisition of appropriate easements on private land adjacent to the highway.
- C. If one or more owners of real property within the Highway 26 Corridor grants an appropriate easement(s), will establish a vegetated buffer within the easement(s) consistent with the terms of this Agreement.
- D. Where an affected property owner is willing to grant an easement(s), will seek funding to establish evergreen plantings within the buffer. Funds provided by any of the Parties for the buffer may be reimbursed through fees paid by future development in the urban reserve area.

E. If an affected property owner does not grant an appropriate easement to establish the buffer, will discuss alternative methods and or incentives to obtain the necessary easements.

IV. Concept Planning for Clackanomah Urban Reserves.

A. The Parties recognize that the addition of any portion of the Clackanomah Urban Reserve into the Urban Growth Boundary will be preceded by and conditioned upon development of a concept plan by the appropriate local governments pursuant to Title 11 of the Metro's Urban Growth Management Functional Plan. The Parties further recognize that the concept planning process is a collaborative process between the jurisdiction that will ultimately provide services to the Clackanomah Urban Reserve and other affected jurisdictions, including the Parties. Metro's regulations do not prescribe a precise outcome to the concept planning process.

B. Prior to approving an amendment to the UGB to add any portion of the Clackanomah Urban Reserve, Metro shall determine that the appropriate city or the County has complied with the provisions of Title 11 for any portion of the Clackanomah Urban Reserve. The Parties will strive to ensure that the concept plan calls for the following in land use regulations adopted following addition to the UGB:

- a. Prior to approval of any commercial, industrial or urban-level residential development in the concept plan area, parcels located within the Clackanomah Urban Reserve and abutting Highway 26 shall provide a vegetated buffer screen along the entire highway frontage, to a depth of 50 feet where such a buffer can be imposed as a condition of development. Within the buffer area existing trees shall be preserved to the greatest extent possible. New evergreen trees at least eight feet in height at planting and capable of growing to at least 30 feet in height shall be planted at a density that will create a visual screen within five years. This provision shall not apply to the development of roads, utilities, or other public facilities;
- b. Appropriate limitations on signs oriented to Highway 26 except where required for reasons of public safety;
- c. Achievement of the principles relating to the Clackanomah Urban Reserves set forth in Exhibit B of the Intergovernmental Agreement between Metro and Clackamas County to Adopt Urban and Rural Reserves, attached to this Agreement; and
- d. Orientation of commercial retail development toward the interior of the Clackanomah Urban Reserves and away from the Highway 26 Corridor.

As used above, “strive to ensure” means the Parties will individually and collectively use their best efforts.

C. Metro will require that provisions in the concept plan that implement paragraphs IV.B.a through d of this Agreement be adopted into the comprehensive plan and land use regulations of the County or the city responsible for urban planning in the portion, or both.

V. Notice and Coordination Responsibilities

A. The County shall provide the City and Metro with notice and an opportunity to comment at least 30 days prior to the first scheduled public hearing on plan amendments or zone changes within the Clackanomah Urban Reserve.

B. The County shall provide the City, Metro and ODOT with notice and an opportunity to comment at least 15 days prior to administrative action on any development applications (including, but not limited to, conditional use permits and design review) within the Clackanomah Urban Reserve.

C. The County shall provide the City and Metro with notice and an opportunity to comment on any proposed concept plan for any portion of the Clackanomah Urban Reserve.

D. In order to fulfill the cooperative planning provisions of this agreement the City, County and Metro shall provide each other with needed data, maps, and other information in hard copy or digital form in a timely manner without charge.

VI. Amendments to this Agreement

This Agreement may be amended in writing by the concurrence of all three Parties. The terms of this agreement may be reviewed at the time that the Parties adopt modifications to related agreements.

VII. Effectiveness and Termination

A. This agreement will be effective upon acknowledgement of the designation by Metro of urban reserves in Clackamas County pursuant to ORS 195.145(1)(b) and a final decision on any appeal of the acknowledgement. This agreement shall continue until terminated by any of the Parties, following a written explanation for the proposed termination and consultation with the other Parties, by written notice from the Party. The agreement shall terminate 60 days following receipt of the notice by the other Parties.

VIII. Severability

If any section, clause or phrase of this agreement is invalidated by any court of competent jurisdiction, any and all remaining parts of the agreement shall be severed from the invalid parts and shall remain in full force and effect.

<p>CITY OF SANDY</p> <p>_____ Mayor, City of Sandy</p> <p>ATTEST:</p> <p>By: _____ City Recorder</p> <p>METRO</p> <p>_____ Metro Council President</p> <p>ATTEST:</p> <p>By: _____</p>	<p>CLACKAMAS COUNTY</p> <p>_____ Chair, Board of Commissioners</p> <p>ATTEST:</p> <p>By: _____ Recording Secretary</p>
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STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 11-4302, FOR THE PURPOSE OF ADOPTING AMENDMENTS TO THE 1998 "GREEN CORRIDOR" INTERGOVERNMENTAL AGREEMENT AMONG METRO, CLACKAMAS COUNTY AND THE CITY OF SANDY AND AUTHORIZING THE COUNCIL PRESIDENT TO SIGN THE AMENDED AGREEMENT

Date: October 27, 2011

Prepared by: Dick Benner
X1532

BACKGROUND

Metro signed an IGA with Sandy and Clackamas County in 1998 to keep a separation between the Sandy and Metro urban areas and to protect the rural portion of the Highway 26 corridor between them. The designation of urban and rural reserves persuaded representatives of the three governments that the IGA should be revised to provide for long-term changes to the area. Discussions among the three governments produced a draft revised IGA intended to achieve the original objectives in a manner consistent with the new urban and rural reserves. The reserves themselves ensure a separation; the revised IGA would assign duties to each of the three governments to protect a "green corridor" through portions that would be urbanized. Metro and the county agree to include Sandy in concept planning for the Clackanomah Urban Reserve, through which Highway 26 passes. The three governments agree to "strive to ensure" that the plan provides for a vegetated buffer screen of trees along the corridor.

ANALYSIS/INFORMATION

- 1. Known Opposition** There is no known opposition
- 2. Legal Antecedents** Metro's Regional Framework Plan Policy 1.11.2 calls upon Metro to pursue agreements with "Neighbor Cities" (Sandy is one) to establish "green corridors" along state highways that link the cities with the metro region to maintain a rural separation between them and the regional UGB. Metro is a party to an existing IGA with Sandy and Clackamas County. Metro has authority to enter into an IGA for this purpose pursuant to ORS 268.385 and 195.020.
- 3. Anticipated Effects** If the IGA is amended, the three parties will coordinate efforts, especially during Title 11 planning for territory to be added to the UGB, to protect a green corridor along Highway 26.
- 4. Budget Impacts** Because Metro would be a participant in Title 11 planning for the Clackanomah Urban Reserve even if there were no IGA, it is unlikely that the IGA will have a significant effect on Metro's budget.

RECOMMENDED ACTION

The Council can (1) approve the IGA as presented; (2) provide direction on changes it would like to make to the draft; or (3) decide not to enter into the IGA. The Council should approve the IGA as presented.